As filed with the Securities and Exchange Commission on September 27, 2021

Securities Act File No. 333-

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

FORM N-2
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933 ☒

Pre-Effective Amendment No. ☐

Post-Effective Amendment No. ☐

RUNWAY GROWTH FINANCE CORP.

(Exact Name of Registrant as Specified in Charter)

205 N. Michigan Ave., Suite 4200
Chicago, Illinois 60601
(Address of Principal Executive Offices)

(312) 281-6270
(Registrant's Telephone Number, including Area Code)

R. David Spreng
c/o Runway Growth Finance Corp.
205 N. Michigan Ave., Suite 4200
Chicago, Illinois 60601
(Name and Address of Agent for Service)

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Approximate date of commencement of proposed public offering: As soon as practicable after the effective date of this Registration Statement.

☐ Check box if the only securities being registered on this Form are being offered pursuant to dividend or interest reinvestment plans.

☐ Check box if any securities being registered on this Form will be offered on a delayed or continuous basis in reliance on Rule 415 under the Securities Act of 1933 ("Securities Act"), other than securities offered in connection with a dividend reinvestment plan.

☐ Check box if this Form is a registration statement pursuant to General Instruction A.2 or a post-effective amendment thereto.

☐ Check box if this Form is a registration statement pursuant to General Instruction B or a post-effective amendment thereto that will become effective upon filing with the Commission pursuant to Rule 462(e) under the Securities Act.

☐ Check box if this Form is a post-effective amendment to a registration statement filed pursuant to General Instruction B to register additional securities or additional classes of securities pursuant to Rule 413(b) under the Securities Act.

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

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

If appropriate, check the following box:

☐ This [post-effective] amendment designates a new effective date for a previously filed [post-effective amendment] [registration statement].

☐ This Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, and the Securities Act registration statement number of the earlier effective registration statement for the same offering is: .

☐ This Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, and the Securities Act registration statement number of the earlier effective registration statement for the same offering is: .

☐ This Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, and the Securities Act registration statement number of the earlier effective registration statement for the same offering is: .

Check each box that appropriately characterizes the Registrant:

☐ Registered Closed-End Fund (closed-end company that is registered under the Investment Company Act of 1940 ("Investment Company Act")).

☒ Business Development Company (closed-end company that intends or has elected to be regulated as a business development company under the Investment Company Act).

☐ Interval Fund (Registered Closed-End Fund or a Business Development Company that makes periodic repurchase offers under Rule 23c-3 under the Investment Company Act).

☒ A.2 Qualified (qualified to register securities pursuant to General Instruction A.2 of this Form).

☐ Well-Known Seasoned Issuer (as defined by Rule 405 under the Securities Act).

☒ Emerging Growth Company (as defined by Rule 12b-2 under the Securities Exchange Act of 1934 ("Exchange Act").

☐ If an Emerging Growth Company, indicate by check mark if the Registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 7(a)(2)(B) of Securities Act.

☐ New Registrant (registered or regulated under the Investment Company Act for less than 12 calendar months preceding this filing).

CALCULATION OF REGISTRATION FEE UNDER THE SECURITIES ACT OF 1933

Title of Securities Being Registered	Amount Being Registered	Proposed Maximum Offering Price Per Unit	Proposed Maximum Aggregate Offering Price[2]	Amount of Registration Fee
Primary Offering				
Common Stock, $0.01 par value per share			$100,000,000[1]	$10,910

(1) Includes the underwriters' option to purchase additional shares of our common stock.

(2) Estimated pursuant to Rule 457(o) under the Securities Act of 1933 solely for the purpose of determining the registration fee.

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the Registration Statement shall become effective on such date as the U.S. Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

SUBJECT TO COMPLETION, DATED SEPTEMBER 27, 2021

PRELIMINARY PROSPECTUS

RUNWAY GROWTH FINANCE CORP.

Shares of Common Stock

We are a specialty finance company focused on providing senior secured loans to high growth-potential companies in technology, life sciences, healthcare information and services, business services, select consumer services and products and other high-growth industries.

We invest in senior secured term loans and other senior debt obligations and may on occasion invest in second lien loans. We have and continue to expect to acquire warrants and other equity securities from portfolio companies in connection with our investments in loans to these companies. Our investment objective is to maximize our total return to our stockholders primarily through current income on our loan portfolio, and secondarily through capital appreciation on our warrants and other equity positions, by providing our portfolio companies with financing solutions that are more flexible than traditional credit and less dilutive than equity.

We are a closed-end management investment company that has elected to be regulated as a business development company ("BDC") under the Investment Company Act of 1940, as amended. We have elected to be treated, and intend to qualify annually, as a regulated investment company ("RIC") under the Internal Revenue Code of 1986, as amended (the "Code") for U.S. federal income tax purposes. As a BDC and a RIC, we are required to comply with certain regulatory requirements.

We are externally managed by our investment adviser, Runway Growth Capital, LLC ("Runway Growth Capital"). Runway Growth Capital was formed in 2015 to pursue an investment strategy focused on providing growth financing for dynamic, mid-to-late and growth stage companies. Runway Growth Capital's senior executive team has on average more than 26 years of experience, and its investment professionals, including origination and underwriting, have on average 23 years of experience.

As of June 30, 2021, our debt investment portfolio had an aggregate fair value of $530.9 million while our equity portfolio had an aggregate fair value of $56.7 million. Our net asset value as of June 30, 2021 was $478 million, or $14.61 per share.

We are an "emerging growth company," as defined in Section 2(a) of the U.S. Securities Act of 1933, as amended (the "Securities Act"), and are subject to reduced public company reporting requirements and are taking advantage of the extended transition period provided in Section 7(a)(2)(B) of the Securities Act. We cannot be certain if the reduced disclosure requirements applicable to emerging growth companies will make shares of our common stock less attractive to investors.

This is our initial public offering of our shares of common stock and all of the shares of common stock offered by this prospectus are being sold by us.

Our shares of common stock have no history of public trading. We currently expect that the initial public offering price per share of our common stock will be between $ and $ per share. We have applied to have our common stock approved for listing on the Nasdaq Global Select Market under the symbol "RWAY".

Assuming an initial public offering price of $ per share (the mid-point of the estimated initial public offering price range), purchasers in this offering will experience dilution of approximately $ per share. See *"Dilution"* for more information.

OCM Growth Holdings, LLC, or an affiliate thereof, has indicated that it intends to adopt a 10b5-1 plan (the "10b5-1 Plan") in accordance with Rules 10b5-1 and 10b-18 under the Securities Exchange Act of 1934, as amended (the "Exchange Act"). We expect that, under such 10b5-1 Plan, OCM Growth Holdings, LLC, or an affiliate thereof, may buy up to $15 million in the aggregate of our common stock in the open market during the period beginning 30 days after the closing of this offering and ending on the earlier of the date on which the capital committed to the 10b5-1 Plan has been exhausted or one year after the closing of this offering, subject to certain pricing and market conditions. See *"Related Party Transactions and Certain Relationships."* As noted, any purchases of our common stock in the open market by OCM Growth Holdings, LLC, or an affiliate thereof, pursuant to the 10b5-1 Plan will be subject to certain conditions and conducted in accordance with Rule 10b-18 under the Exchange Act and other applicable securities laws and regulations that set certain restrictions on the method, timing, price and volume of stock repurchases.

Investing in our common stock involves a high degree of risk, including credit risk and the risk of the use of leverage, and is highly speculative and there can be no assurance that we will achieve our investment objectives. In addition, shares of closed-end investment companies, including BDCs, frequently trade at a discount to their net asset values. If shares of our common stock trade at a discount to our net asset value, purchasers in this offering will face increased risk of loss. Before buying any shares of our common stock, you should read the discussion of the material risks of investing in our common stock, including the risk of leverage, in *"Risk Factors"* beginning on page 27 of this prospectus.

This prospectus contains important information you should know before investing in our common stock. Please read this prospectus before investing and keep it for future reference. We also file periodic and current reports, proxy statements and other information about us with the U.S. Securities and Exchange Commission (the "SEC"). This information is available free of charge by contacting us at 205 N. Michigan Ave., Suite 4200, Chicago, IL 60601, calling us at (312) 281-6270 or visiting our corporate website located at https://runwaygrowth.com/document-center/. The SEC also maintains a website at http://www.sec.gov that contains this information. Information on our website or the SEC's website is not incorporated into or a part of this prospectus.

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

	Per Share	Total
Public offering price	$	$
Sales load (underwriting discounts and commissions) paid by us[(1)]	$	$
Proceeds to us, before expenses[(2)]	$	$

(1) See *"Underwriting"* for a more complete description of underwriting compensation.

(2) We estimate that we will incur offering expenses of approximately $ million, or approximately $ per share, in connection with this offering.

We have granted the underwriters an option to purchase up to an additional shares of our common stock from us, at the public offering price, less the sales load payable by us, within 30 days from the date of this prospectus. If the underwriters exercise their option in full, the total sales load will be $ million and total proceeds to us, before expenses, will be $ million.

The underwriters expect to deliver the shares of our common stock on or about , 2021.

The date of this prospectus is , 2021.

Joint Book-Running Managers

J.P. MORGAN **MORGAN STANLEY** **WELLS FARGO SECURITIES**

TABLE OF CONTENTS

PROSPECTUS SUMMARY	1
THE OFFERING SUMMARY	19
FEES AND EXPENSES	24
SELECTED FINANCIAL INFORMATION AND OTHER DATA	26
RISK FACTORS	27
SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS	64
USE OF PROCEEDS	66
DISTRIBUTIONS	67
CAPITALIZATION	69
DILUTION	70
MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS	72
BUSINESS	96
SENIOR SECURITIES	117
PORTFOLIO COMPANIES	118
MANAGEMENT	123
MANAGEMENT AND OTHER AGREEMENTS	134
RELATED-PARTY TRANSACTIONS AND CERTAIN RELATIONSHIPS	142
CONTROL PERSONS AND PRINCIPAL SHAREHOLDERS	146
DETERMINATION OF NET ASSET VALUE	148
DIVIDEND REINVESTMENT PLAN	151
CERTAIN U.S. FEDERAL INCOME TAX CONSIDERATIONS	152
DESCRIPTION OF OUR CAPITAL STOCK	161
REGULATION	167
SHARES ELIGIBLE FOR FUTURE SALE	174
UNDERWRITING	176
CUSTODIAN, TRANSFER AND DIVIDEND PAYING AGENT AND REGISTRAR	182
BROKERAGE ALLOCATION AND OTHER PRACTICES	182
LEGAL MATTERS	182
INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM	182
AVAILABLE INFORMATION	182
INDEX TO FINANCIAL STATEMENTS	F-1

You should rely only on the information contained in this prospectus. We have not, and the underwriters have not, authorized anyone to give you any information other than in this prospectus, and we take no responsibility for any other information that others may give you. We are not, and the underwriters are not, making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. You should assume that the information appearing in this prospectus is accurate only as of the date on the front cover of this prospectus. Our business, financial condition, results of operations and prospects may have changed since that date. We will update these documents to reflect material changes only as required by law.

In addition, this prospectus contains statistical and market data that has been obtained from industry sources and publications. These industry sources and publications generally indicate that they have obtained their information from sources believed to be reliable, but do not guarantee the accuracy and completeness of their information. Although we believe that these sources and publications are reliable, we do not represent that we have done a complete search for other industry data and you are cautioned not to give undue weight to such statistical and market data as it involves many assumptions and limitations. Further, neither we nor the underwriters in this

offering have independently verified the accuracy or completeness of the statistical and market data obtained from industry sources and publications, and neither we nor the underwriters in this offering take any further responsibility for such statistical and market data. Forward-looking information obtained from these sources and publications is subject to the same qualifications and the additional uncertainties regarding the other forward-looking statements contained in this prospectus. See "*Special Note Regarding Forward-Looking Statements.*"

PROSPECTUS SUMMARY

This summary highlights some of the information in this prospectus. It is not complete and may not contain all of the information that you may want to consider before investing in our common stock. You should read our entire prospectus before investing in our common stock. Throughout this prospectus we refer to Runway Growth Finance Corp. (formerly known as Runway Growth Credit Fund Inc.) as "we," "us," "our" or the "Company," and to "Runway Growth Capital LLC," our investment adviser, as "Runway Growth Capital" or "Adviser."

Runway Growth Finance Corp.

We are a specialty finance company focused on providing senior secured loans to high growth-potential companies in technology, life sciences, healthcare information and services, business services, select consumer services and products and other high-growth industries. We partner with established venture capital sponsors and directly with entrepreneurs seeking funding to accelerate growth. We are managed by our Adviser, Runway Growth Capital, an experienced provider of growth financing for dynamic, mid-to-late and growth stage companies. Our investment objective is to maximize our total return to our stockholders primarily through current income on our loan portfolio and secondarily through capital appreciation on our warrants and other equity positions, by providing our portfolio companies with financing solutions that are more flexible than traditional credit and less dilutive than equity. As of June 30, 2021, we had an investment portfolio, including U.S. Treasury Bills, of $618 million at fair value, and a net asset value of $478 million. We and Runway Growth Capital have a strategic relationship with Oaktree Capital Management, L.P. ("Oaktree"), a leading global alternative investment management firm with expertise in credit strategies and $156 billion of assets under management as of June 30, 2021.

We are structured as an externally managed, non-diversified closed-end management investment company that has elected to be regulated as a business development company ("BDC") under the Investment Company Act of 1940, as amended (the "1940 Act"). We have also elected to be treated as a regulated investment company ("RIC") under Subchapter M of the Internal Revenue Code of 1986, as amended (the "Code"), have qualified, and intend to continue to qualify annually for treatment as a RIC. See "*Certain U.S. Federal Income Tax Considerations*."

Our Adviser

We are externally managed by Runway Growth Capital. Runway Growth Capital was formed in 2015 to pursue an investment strategy focused on providing growth financing for dynamic, mid-to-late and growth stage companies. David Spreng, our Chairman, Chief Executive Officer and President, formed our Adviser following a more than 25-year career in venture capital investing and lending. Runway Growth Capital has 18 employees across four offices in the United States, including six investment professionals focused on origination activities and five focused on underwriting and managing our investment portfolio. Our Adviser consistently demonstrates a credit first culture while maintaining, what we believe, is an admirable reputation among borrowers for industry knowledge, creativity, and understanding of the challenges often faced by mid-to-late stage and growth companies.

Runway Growth Capital's senior executive team has on average more than 26 years of experience, and its investment professionals, including origination and underwriting, have on average 23 years of experience. Our Adviser has built its team with investment professionals who have deep industry experience, a track record of successful originations and outcomes across the venture debt and venture and private equity spectrums, along with rich experience in working with and understanding high-growth companies from both an investor's and an operator's perspective. Runway Growth Capital was a finalist in 2020 by Private Debt International for Specialty Finance Lender of the Year, and members of the Adviser's team have been recognized for their accomplishments by both Venture Capital Journal and Private Debt International. Numerous business and financial journals seek our Adviser's investment team's commentary and insights on the venture debt market and life sciences industry.

Runway Growth Capital is registered as an investment adviser with the U.S. Securities and Exchange Commission (the "SEC") under the Investment Advisers Act of 1940, as amended (together with the rules and regulations promulgated thereunder, the "Advisers Act"). Subject to the overall supervision of our board of directors (the "Board"), our Adviser manages our day-to-day operations and provides us with investment

advisory services pursuant to the second amended and restated investment advisory agreement, dated May 27, 2021 (the "Advisory Agreement"). Pursuant to the Advisory Agreement, we pay Runway Growth Capital a fee for its investment advisory and management services consisting of two components: a base management fee and an incentive fee. The cost of the base management fee and incentive fee are each borne by our stockholders. See "*Management and Other Agreements — Compensation of the Adviser*."

Our Administrator

We have entered into an amended and restated administration agreement (the "Administration Agreement") with Runway Administrator Services LLC (the "Administrator"), a wholly-owned subsidiary of Runway Growth Capital, pursuant to which our Administrator is responsible for furnishing us with office facilities and equipment and provides us with clerical, bookkeeping, recordkeeping and other administrative services at such facilities. For more information, see "*Management and Other Agreements — Administration Agreement*."

Oaktree Strategic Relationship

In December 2016, we and Runway Growth Capital entered into a strategic relationship with Oaktree. Oaktree is a leading global alternative investment management firm with expertise in credit strategies and $156 billion in assets under management as of June 30, 2021. The firm emphasizes an opportunistic, value-oriented and risk-controlled approach to investments in credit, private equity, real assets and listed equities. The firm has over 1,000 employees and offices in 19 cities worldwide. In 2019, Brookfield Asset Management Inc. ("Brookfield") acquired a majority interest in Oaktree. Together, Brookfield and Oaktree provide investors with one of the most comprehensive offerings of alternative investment products available today.

As part of our strategic relationship, OCM Growth Holdings, LLC, an affiliate of Oaktree ("OCM Growth"), has purchased 18,763,829 shares of our common stock for an aggregate purchase price of $280.9 million as of June 30, 2021. Pursuant to an irrevocable proxy, the shares of our common stock held by OCM Growth must be voted in the same manner that our other stockholders vote their shares. OCM Growth has a right to nominate a member of our Board for election for so long as OCM Growth holds shares of our common stock in an amount equal to, in the aggregate, at least one-third (33.33%) of OCM Growth's initial $125 million capital commitment, which percentage shall be determined based on the dollar value of the shares of common stock owned by OCM Growth. OCM Growth holds the right to appoint a nominee to the Board, subject to the conditions previously described, regardless of the Company's size (e.g., assets under management or market capitalization) or the beneficial ownership interests of other stockholders. Further, to the extent OCM Growth's share ownership falls below one-third of its initial $125 million capital commitment under any circumstances, OCM Growth will no longer have the right to appoint a director nominee and will use reasonable efforts to cause such nominee to resign immediately (subject to his or her existing fiduciary duties). Brian Laibow, Co-Head of North America & Managing Director Opportunities Funds, serves on our Board as OCM Growth's director nominee and is considered an interested director.

In addition, OCM Growth owns a minority interest in Runway Growth Capital and has the right to appoint a member of Runway Growth Capital's board of managers as well as a member of Runway Growth Capital's Investment Committee (the "Investment Committee"). Mr. Laibow serves on Runway Growth Capital's board of managers and investment committee on behalf of OCM Growth. See "*Related Party Transactions and Certain Relationships*."

We believe our strategic relationship with Oaktree provides us with access to additional resources and relationships that are incremental to our already expansive network of venture backed companies and venture capital sponsors and additive to our operations.

Our Portfolio

From the commencement of operations in December 2016 through June 30, 2021, we made total commitments of $1,051 million to fund investments in 47 portfolio companies, invested $903 million in debt and equity investments, excluding U.S. Treasury Bills, and realized 23 investments. Of the $1,051 million total commitments since inception, 8.5% are related to upsizes from existing borrowers. As of June 30, 2021, our debt investment portfolio consisted of 24 debt investments in 23 portfolio companies with an aggregate fair value of $530.9 million, while our equity portfolio consisted of 40 warrant positions in 31 portfolio companies,

four preferred stock positions in four portfolio companies and three common stock positions in three portfolio companies with an aggregate fair value of $56.7 million.

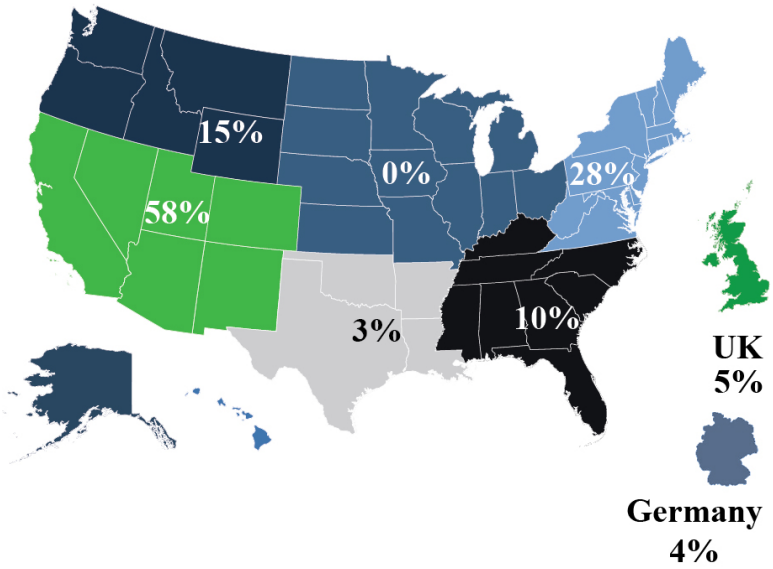
As of June 30, 2021, 100.0%, or $530.9 million, of our debt investment portfolio at fair value consisted of senior term loans and 100.0% of our debt investments were secured by a first lien on all or a portion of the tangible and intangible assets of the applicable portfolio company. The debt investments in our portfolio are generally not rated by any rating agency. If the individual debt investments in our portfolio were rated, they would generally be rated below “investment grade.” Securities rated below investment grade are often referred to as “high yield” securities and “junk bonds,” and are considered “high risk” and speculative in nature compared to debt instruments that are rated investment grade.

Certain of the loans we make to portfolio companies have financial maintenance covenants, which are intended to protect lenders from adverse changes in a portfolio company’s financial performance. Venture lenders, in general, focus on a limited set of key financial performance metrics, including minimum liquidity, performance to plan, and investor abandonment, in lieu of a full set of financial performance covenants that do not meaningfully assess the risk of companies at the stage of development of companies in which venture lenders typically invest. As such, many of our loans could be considered covenant-lite by traditional lending standards. We have made and may in the future make or obtain significant exposure to “covenant-lite” loans, which generally are loans that do not require a borrower to comply with financial maintenance covenants. Generally, covenant-lite loans permit borrowers more opportunity to negatively impact lenders because their covenants are incurrence-based, which means they are only tested and can only be breached following certain actions of the borrower, rather than by a deterioration in the borrower’s financial condition. Accordingly, because we make and have exposure to covenant-lite loans, we may have less protection from borrower actions and may have a greater risk of loss on such investments as compared to investments in or exposure to loans with financial maintenance covenants.

Our portfolio is largely comprised of mid-to-late and growth stage companies. At June 30, 2021, based on the fair value of our investments, 77% of our portfolio companies were backed by well recognized venture capital sponsors and 23% were backed by well-regarded entrepreneurs, or no longer require institutional equity investment, including publicly traded small-cap companies. As of June 30, 2021, our portfolio companies demonstrated the following characteristics as of the time of origination:

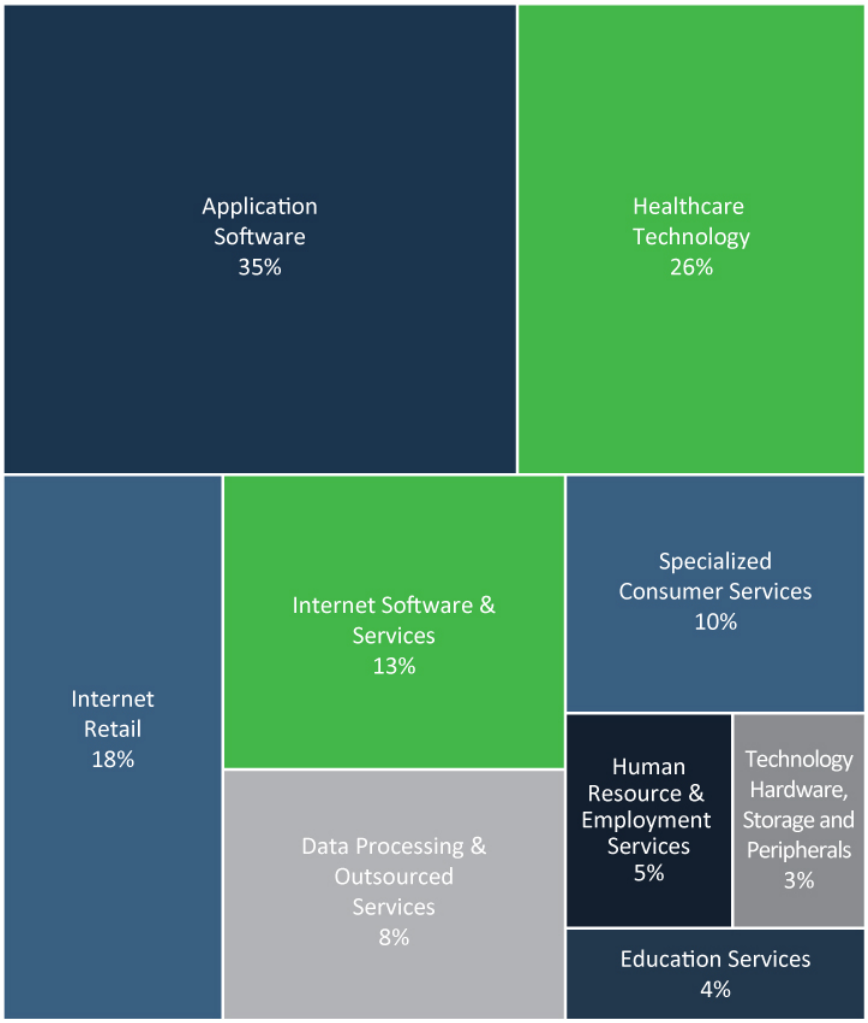
- Weighted Average operating history: 13 years
- Weighted Average enterprise value: $252 million
- Weighted Average revenue: $76 million
- Weighted Average loan-to-enterprise value: 13.5%

Portfolio fair value as a percentage of net assets by geography
(as of June 30, 2021)



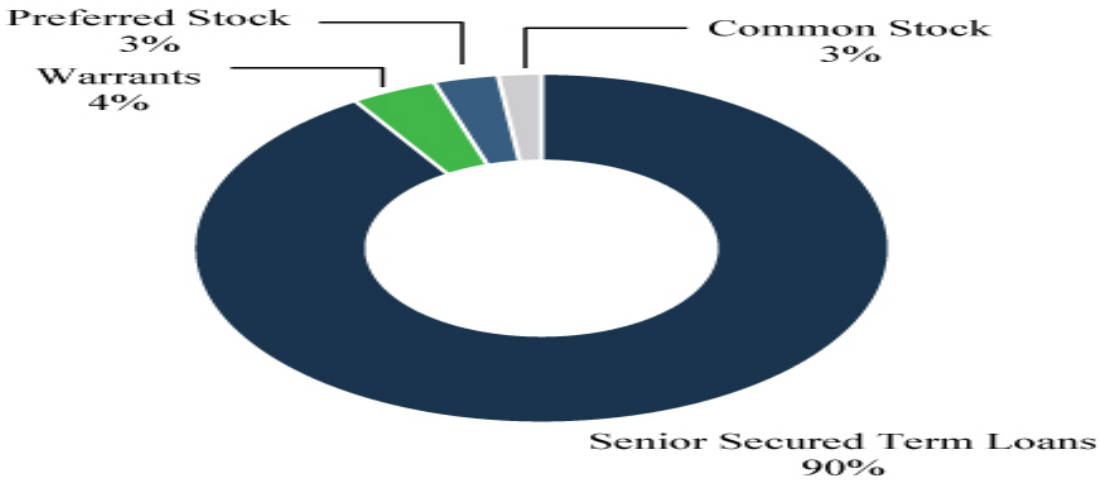
Note: Canada investments represent <1% of fair value and are not depicted in the chart.

Portfolio fair value as a percentage of net assets by industry
(as of June 30, 2021)



Note: The following industries cumulatively represent less than 1% of our portfolio and are not depicted in the chart: System Software, Advertising and Computer & Electronic Retail.

Portfolio fair value as a percentage of total portfolio by investment type
(as of June 30, 2021)



Note: Excludes U.S. Treasury Bills.

As of June 30, 2021, we had unfunded commitments of $122.6 million to our existing portfolio companies, of which $16.8 million is available to be drawn based on agreed upon business and financial milestones. We believe that our available cash balances, availability under our Credit Agreement with KeyBank National Association (as amended, the "Credit Agreement") and/or ability to drawdown capital from investors provides sufficient funds to cover our unfunded commitments as of June 30, 2021.

For the three and six months ended June 30, 2021, our debt investment portfolio had a dollar-weighted annualized yield of 15.25% and 14.11%, respectively. We calculate the yield on dollar-weighted debt investments for any period measured as (1) total related investment income during the period divided by (2) the daily average of the fair value of debt investments outstanding during the period. As of June 30, 2021, our debt investments had a dollar-weighted average outstanding term of 46 months at origination and a dollar-weighted average remaining term of 32 months, or approximately 2.7 years. As of June 30, 2021, substantially all of our debt investments had an original committed principal amount of between $6 million and $65 million, repayment terms of between 34 months and 60 months and pay cash interest at annual interest rates of between 8.55% and 12.50%.

The following table shows our dollar-weighted annualized yield by investment type for the three and six months ended June 30, 2021 and June 30, 2020:

	Fair Value[1]				Cost[2]			
	Three Months Ended		Six Months Ended		Three Months Ended		Six Months Ended	
	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020
Investment type:								
Debt investments	15.25%	14.52%	14.11%	16.12%	15.09%	14.17%	13.97%	15.73%
Equity investments	2.76%	4.87%	2.73%	3.76%	3.31%	4.66%	3.34%	3.61%
All investments	14.08%	13.53%	13.05%	14.89%	14.17%	13.17%	13.15%	14.51%

(1) We calculate the dollar-weighted annualized yield on average investment type for any period as (a) total related investment income during the period divided by (b) the daily average of the fair value of the investment type outstanding during the period. The dollar-weighted annualized yield represents the portfolio yield and will be higher than what investors will realize because it does not reflect our expenses or any sales load paid by investors.

(2) We calculate the dollar-weighted annualized yield on average investment type for any period as (a) total related investment income during the period divided by (b) the daily average of the investment type outstanding during the period, at amortized cost. The dollar-weighted annualized yield represents the portfolio yield and will be higher than what investors will realize because it does not reflect our expenses or any sales load paid by investors.

Realized Gross Internal Rate of Return

Since we began investing in May 2017 through June 30, 2021, our exited investments have resulted in an aggregate cash flow realized gross internal rate of return ("IRR") to us of 17.6% (based on total capital invested of $330 million and total proceeds from these exited investments of $403 million). Over 90% percent of these exited investments resulted in an aggregate cash flow realized gross IRR to us of 12% or greater.

IRR is a measure of our discounted cash flows (inflows and outflows). Specifically, IRR is the discount rate at which the net present value of all cash flows is equal to zero. That is, IRR is the discount rate at which the present value of total capital invested in each of our investments is equal to the present value of all realized returns from that investment. Our IRR calculations are unaudited.

Capital invested, with respect to an investment, represents the aggregate principal basis allocable to the realized investment, net of any upfront fees paid at closing for the term loan portion of the investment.

Realized returns, with respect to an investment, represents the total cash received with respect to each investment, including all amortization payments, interest, dividends, prepayment fees, accrued interest, and other fees and proceeds.

Gross IRR, with respect to an investment, is calculated based on the dates that we invested capital and dates we received distributions, regardless of when we made distributions to our shareholders. Initial investments are assumed to occur at time zero.

Gross IRR reflects historical results relating to our past performance and is not necessarily indicative of our future results. In addition, gross IRR does not reflect the effect of management fees, expenses, incentive fees or taxes borne, or to be borne, by us or our shareholders, and would be lower if it did.

Aggregate cash flow realized gross IRR on our exited investments reflects only invested and realized cash amounts as described above, and does not reflect any unrealized gains or losses in our portfolio.

Our portfolio has included many companies that are leaders in their businesses or markets, have demonstrated strong growth through differentiated technology, and have generated interest from the public equity market and strategic buyers. These current and former portfolio companies include:

Certain Current Portfolio Companies		
ARIA	Technology-Application Software	Provides a cloud-based billing and monetization platform for enterprise companies that wish to sell products via subscription, usage based, and other recurring revenue business models.
BRILLIANT EARTH	Other-Internet Retail	E-commerce company that offers ethical and environmentally responsible, conflict free diamonds and fine jewelry.
credit sesame	Other-Specialized Consumer Services	Leader in the personal credit management space. The company helps users access, understand and improve, leverage and protect their credit / credit scores.
cloudpay	Technology-System Software	Develops and offers a cloud-based payroll platform, managed services, and treasury services to provide end-to-end payroll solutions to multinational organizations. The company's platform offers accurate, standardized payroll processing in over 120 countries, through a single SaaS platform, which enables organizations to increase efficiency, streamline compliance, and achieve greater visibility into payroll.
FiscalNote	Technology-Application Software	Premier information services company focused on global policy and market intelligence. By combining AI technology, expert analysis, and legislative, regulatory, and geopolitical data, FiscalNote is reinventing the way that organizations minimize risk and capitalize on opportunity.
DROP	Technology-Computer & Electronics Retail	Consumer product design, development and e-commerce company focused on providing unique "enthusiast" grade products at attractive prices in multiple verticals.
Porch Group	Technology-Application Software	Vertical software platform for the home, providing software and services to home services companies, such as home inspectors, insurance carriers, moving companies, utility companies, warranty companies, and others.

Former Portfolio Companies		
drawbridge	Technology-Media	Data company that provides cross-device consumer identity management and mapping primarily to advertisers. The data product connects users with devices from various data sources in order to deepen insights into the customer profile. In 2019, Microsoft acquired Drawbridge's machine learning techniques to bolster LinkedIn's marketing platform.
eSilicon	Technology-Semiconductor	Semiconductor Value Chain Producer that provides a comprehensive suite of ASIC (custom chips supplied exclusively to one customer) design, productization and manufacturing services, enabling a flexible, low-cost, lower-risk path to volume production of integrated circuits. In 2019, eSilicon was acquired by Inphi and Synopsys.
Mobius IMAGING Now You See	Healthcare-Technology Equipment	Offers innovative products and services in Orthopedics, Medical and Surgical, and Neurotechnology and Spine that help improve patient and hospital outcomes. In 2019, Stryker acquired Mobius Imaging.
OUSTER	Technology-Hardware, Storage & Peripherals	Light Detection and Ranging (lidar) company that produces high-resolution 3D lidar sensors for use in autonomous vehicles, robotics, drones, mapping, defense, and security systems.

Investment Strategy and Approach

Our investment objective is to maximize our total return to our stockholders primarily through current income on our loan portfolio and secondarily through capital appreciation on our warrants and other equity positions. We invest in senior secured term loans and other senior debt obligations and may on occasion invest in second lien loans. We have and continue to expect to acquire warrants and other equity securities from portfolio companies in connection with our investments in loans to these companies.

We focus on lending to mid-to-late and growth stage companies in technology, life sciences, healthcare information and services, business services, and other high-growth industries.

Technology	Life Sciences	Healthcare Information & Services	Other High-Growth Industries
• Artificial Intelligence • Cloud Computing • Communications and Networking • Consumer-related Technologies • Cybersecurity • Data Storage • Education Technology • Financial Technology • Internet & Media • Semiconductor	• Bioinformatics • Biotechology • Drug Delivery • Drug Discovery • Medical Devices	• Diagnostics • Medical-record services and software • Other healthcare-related services and technologies that improve efficiency and quality of administered healthcare	• Business services • Select consumer products • Select consumer services

We are typically the sole lender to our portfolio companies and do not actively syndicate the loans we originate to other lenders nor do we participate in syndications built by other lenders.

We originate our investments through two strategies: Sponsored Growth Lending and Non-Sponsored Growth Lending. In addition to our core strategy of providing Sponsored Growth Lending and

Non-Sponsored Growth Lending, we may also opportunistically participate in the secondary markets for investments that are consistent with our broader strategy.

Sponsored Growth Lending. Our Sponsored Growth Lending strategy generally includes loans to mid-to-late and growth stage companies that are already backed by established venture capital firms. Our Sponsored Growth Lending strategy typically includes the receipt of warrants and/or other equity from these venture-backed companies.

We believe that our Sponsored Growth Lending strategy is particularly attractive because the loans we make typically have higher investment yields relative to lending to larger, more mature companies and usually include additional equity upside potential. We believe our Sponsored Growth Lending strategy:

- provides us access to many high-quality companies backed by top-tier venture capital and private equity investors;
- delivers consistent returns through double-digit loan yields; and
- often offers us the ability to participate in equity upside of portfolio companies through the acquisition of warrants.

During the COVID-19 pandemic, we shifted our origination efforts to focus primarily on lending transactions with private companies with substantial equity backing from recognized venture sponsors. We generally target companies with annual revenues of at least $15 million.

Non-Sponsored Growth Lending. Our Non-Sponsored Growth Lending strategy generally includes loans to mid-to-late and growth stage, private companies that are funded directly by entrepreneurs and founders, or companies that no longer require institutional equity investment (which may selectively include publicly traded companies). We refer to these target borrowers as “non-sponsored growth companies” and we generally target such companies with annual revenue of at least $20 million per year.

Generally, financing available to these non-sponsored companies is predicated on the underlying value of the business’s assets, in an orderly liquidation scenario, and/or the entrepreneur’s own personal financial resources. These options frequently provide insufficient capital to fund growth plans and do not consider the underlying enterprise value of the business which may be substantial relative to the value of tangible assets deployed in the business. We are frequently the only senior lender to non-sponsored growth companies and evaluate business fundamentals, the commitment of the entrepreneur and secondary sources of repayment in our underwriting approach.

We seek to construct a balanced portfolio with diversification among sponsored and non-sponsored transactions, diversification among sponsors within the Sponsored Growth Lending strategy, diversification among industry, geography, and stage of development, all contributing to a favorable risk adjusted return for the portfolio viewed as a whole. Borrowers tend to use the proceeds of our financings to invest in sales and marketing, expand capacity of the overall business or refinance existing debt.

As a BDC, we are generally limited in our ability to invest in any portfolio company in which Runway Growth Capital or any of its affiliates currently has an investment or to make any co-investments with our investment adviser or its affiliates without an exemptive order from the SEC, subject to certain exceptions. On August 10, 2020, we, Runway Growth Capital, and certain other funds and accounts sponsored or managed by Runway Growth Capital were granted an exemptive order (the “Order”) that permits us greater flexibility than the 1940 Act permits to negotiate the terms of co-investments if our Board determines that it would be advantageous for us to co-invest with other accounts sponsored or managed by Runway Growth Capital or its affiliates in a manner consistent with the our investment objective, positions, policies, strategies and restrictions as well as regulatory requirements and other pertinent factors. We believe that the ability to co-invest with similar investment structures and accounts sponsored or managed by Runway Growth Capital or its affiliates will provide additional investment opportunities and the ability to achieve greater diversification. Under the terms of the Order, a majority of our independent directors are required to make certain determinations in connection with a co-investment transaction, including that (1) the terms of the proposed transaction are reasonable and fair to us and our stockholders and do not involve overreaching of us or our stockholders on the part of any person concerned and (2) the transaction is consistent with the interests of our stockholders

and is consistent with our investment objective, positions, policies, strategies and restrictions as well as regulatory requirements and other pertinent factors. See "*Risk Factors — Risks Related to Our Conflicts of Interest*."

Investment Pipeline

Since our Adviser's inception, Runway Growth Capital has reviewed more than $19 billion in qualified transactions that are consistent with our investment mandate and has had initial contact with the prospective borrower or its representatives. Throughout 2021, our Adviser has reviewed more than $3.9 billion in qualified transactions and currently has transactions with total commitment value of nearly $1.4 billion in various stages of our origination and underwriting process. Our Adviser's investment team is continuously in various stages of reviewing and evaluating other debt financing opportunities with other prospective borrowers. We cannot assure you that these opportunities will successfully pass our investment selection and diligence process, or that we will be awarded the opportunities by these prospective borrowers.

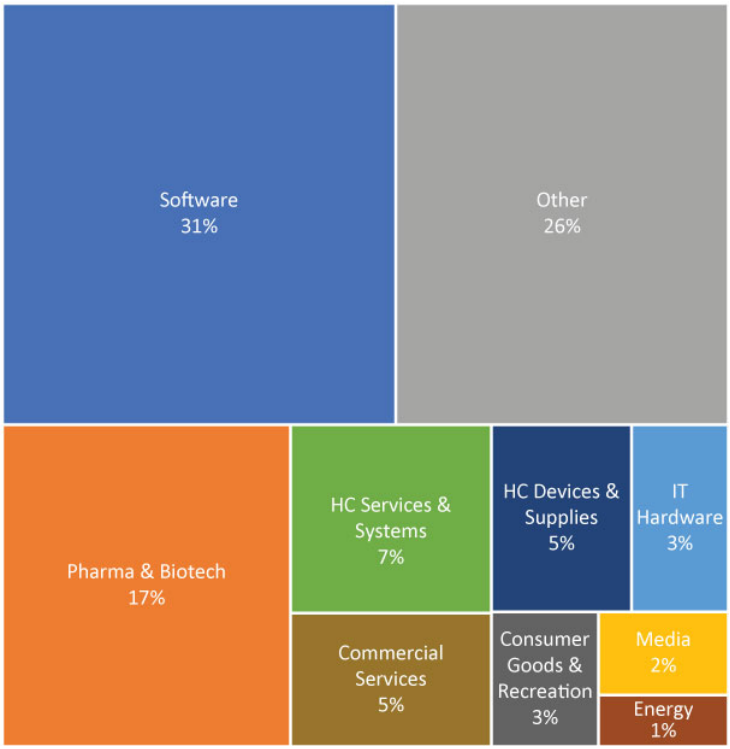
Market Opportunity

We believe that the market environment is favorable for us to continue to pursue an investment strategy primarily focused on mid-to-late stage and high-growth companies in technology, life sciences, healthcare information and services, business services, select consumer services and products and other high-growth industries.

Focus on Innovative Companies Across a Variety of High-Growth Industries

Diversified high growth-potential industries: We target companies active in industries that support high growth-potential. Our Sponsored Growth Lending strategy is focused on the largest industry sectors where venture capital investors are active, primarily technology, life sciences, healthcare information and services, business services, select consumer services and products and other high-growth industries. These sectors' continued growth is supported mostly by ongoing innovation and performance improvements in specific products as well as the adoption of innovative technologies and services across virtually all industries in response to competitive pressures. Term debt has been a loan product used by many of the largest, most successful venture-backed companies.

2020 Venture Capital Invested by Primary Industry Sector



Source: Pitchbook-NVCA Venture Monitor data, March 2021

Sponsored and Non-Sponsored Lending Represents an Attractive Source of Funding

Sponsored Growth Lending: An attractive market opportunity exists for a lender that invests in secured loans to mid-to-late and growth stage companies that have not yet achieved profitability. Sponsored growth lending provides an attractive source of funds for venture-backed companies, their management teams, and their equity capital investors, as it:

- is typically less dilutive and complements equity financing from venture capital and private equity funds;
- often extends the time period during which a company can operate before seeking additional equity capital or pursuing a sale transaction or other liquidity event; and
- generally allows companies to better match cash sources with uses.

Non-Sponsored Growth Lending: An attractive market opportunity exists for a lender that invests in secured loans to mid-to-late and growth stage companies that have reached profitability and need long-term growth capital but do not want the challenges that come with selling equity to venture capital or private equity firms. Non-Sponsored Growth Lending often provides all or some of the following benefits to our borrowers:

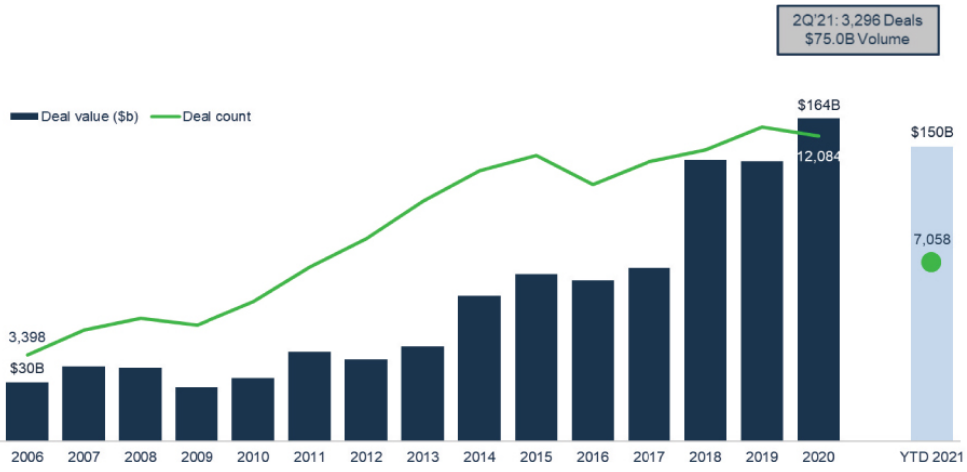
- access to growth capital without the requirement to take on institutional-size investments that may exceed the company's capital requirements;
- tax deductible interest payments;
- no significant operational involvement;
- no personal guarantees;
- very modest dilution, if any; and

- no loss of managerial control or forced redemption.

Large and Growing Market for Debt Financing to Venture Capital-Backed Companies

Healthy, stable venture environment: Approximately 12,000 companies received venture capital financing in 2020, according to the Pitchbook-NVCA Venture Monitor, a quarterly report published jointly by NVCA and Pitchbook on venture capital activity ("Pitchbook-NVCA"), and approximately 27.5% of these transactions were first-round financings. The number of venture capital financings has averaged over 10,000 for the past ten years and, during this period, approximately one-third of these transactions were first time financings. Since 2006, the annual level of venture deal volume has increased to a record of more than $166 billion of total volume in 2020 and is on pace to exceed that amount in 2021. Despite the broader economic challenges of 2020, particularly due to the COVID-19 pandemic, we believe there is evidence of a healthy, stable venture environment where venture capital investment is consistently flowing into high-potential growth companies, and in particular, technology-related companies. The significant increase in investment amounts beginning in 2014 through 2020 is largely the result of growth investments in later-stage companies that are staying private longer. The venture debt lending market, as defined in the Q1 2021 Pitchbook-NVCA Venture Monitor, is estimated at $29.8 billion or roughly 18.3% of total U.S. venture capital deal value. This represents a 24.4% compound annual rate of growth in venture debt deal value since 2011 and an increase, as a percent of venture capital deal value, from 9.2% to 17.9%.

Annual Venture Capital Activity — Deal Volume ($ in billions) and Deal Count



Source: Pitchbook-NVCA Venture Monitor data, June 2021.
*As of June 2021.

Growing pool of target companies: The average time from initial venture capital investment to transaction exit of such investment, either by an initial public offering ("IPO") or merger and acquisition ("M&A") transaction, has lengthened considerably. According to the Pitchbook-NVCA 2016 Yearbook, in 1998 the average number of years from initial venture investment to IPO of a U.S. venture capital-backed company was 3.1 years and the average number of years from initial venture investment to merger and acquisition transaction was 4.5 years. These numbers have steadily increased and have averaged 6.6 years and 6.1 years, respectively, from 2017 through 2020. According to the Q1 2021 Pitchbook-NVCA Venture Monitor, the current average time from initial venture investment to exit transaction is now 5.8 years. Exit transactions are a small proportion of companies financed by venture capital each year. As a result, the pool of target companies has grown larger with increased demand.

Highly Fragmented, Underserved Market with High Barriers to Entry

Unfulfilled demand and limited competition: Many viable venture-backed companies have been unable to obtain sufficient growth financing from traditional lenders, such as commercial banks or asset-based finance

companies, because traditional lenders normally underwrite to tangible asset values and/or operating cash flows. If such firms do provide financing, their loans normally contain financial performance covenants stipulating tangible asset coverages or setting standards of operating performance that do not apply to our target companies. Because sponsored growth lending and non-sponsored growth lending require specialized underwriting and investment structures that fit the distinct characteristics of venture-backed companies and non-sponsored growth companies, more traditional lending approaches largely do not apply to these companies. We also believe that our relationship-based approach to investing helps us to assess and manage investment risks and determine appropriate pricing for our debt investments in portfolio companies.

Competitive Advantages

We believe we are well positioned to address the market for growth lending in a manner that will result in a competitive advantage over other established sponsored growth lenders. We believe our competitive strengths and key differentiators include:

Experienced, Proven Management Team Supported by a Deep Bench of Dedicated Investment Professionals. The investment professionals of Runway Growth Capital have on average over 23 years of experience as venture capitalists and lenders who have developed a disciplined, repeatable approach to investing and managing investments in high potential growth businesses. We believe that the experience, relationships and disciplined investment and risk management processes of Runway Growth Capital's investment professionals are a competitive advantage for us.

Our President and Chief Executive Officer, David Spreng, who is also the founder, Chief Executive Officer and Chief Investment Officer of Runway Growth Capital, has a unique combination of experience as a senior executive of a $20 billion asset management firm and over 25 years as a venture capital equity and debt investor. For the past 20 years, Mr. Spreng has been a leader in applying risk management processes to investing in equity and debt of small, fast-growing, private companies. Our Chief Financial Officer, Thomas Raterman, has more than 30 years of corporate finance, investment banking, private equity and financial executive management experience with rapidly growing entrepreneurial companies. Greg Greifeld, Managing Director and Head of Credit at Runway Growth Capital, has over 12 years of lending, venture capital, and investment management experience. Our Managing Director and Head of Origination, Mark Donnelly, also has over 15 years of experience in venture capital and private equity and experience in origination of new investment opportunities. Finally, Rob Lake, Managing Directors and Head of Life Sciences, has over 28 years of life science and venture capital debt experience and in the past decade has deployed over $1.5 billion of debt to life science and health care companies.

Runway Growth Capital has a broad team of professionals focused on every aspect of the investment lifecycle. Runway Growth Capital has origination, underwriting and portfolio monitoring teams that manage and oversee the investment process from identification of investment opportunity through negotiations of final term sheet and investment in a portfolio company followed by active portfolio monitoring. The team members serving investment management and oversight functions have significant operating experience and are not associated with origination functions to avoid any biased views of performance. This structure helps originators focus on identifying investment opportunities while other team members continue building relationships with our portfolio companies.

Provide Capital to Robust, High-Growth Venture-backed Companies. We believe we are favorably positioned within the venture lending ecosystem, targeting primarily growth focused technology and life sciences companies. We believe the technology and life sciences industries are among the most attractive industries within the venture lending space, primarily representing large, addressable markets with strong and consistent growth. According to the Q1 2021 Pitchbook-NVCA Venture Monitor and Pitchbook-NVCA industry classifications, venture capital deal volume for technology totaled approximately $134.0 billion in 2020, representing an 18.9% Compound Annual Growth Rate ("CAGR") from 2010 to 2020. Venture capital deal volume for life sciences totaled approximately $36.5 billion in 2020, representing a 16.5% CAGR from 2010 to 2020. We believe companies within these industries can often be characterized as having asset-light business models, attractive recurring revenue streams and strong growth trajectories.

We invest across industries to diversify risk and deliver more stable returns. The investment professionals at Runway Growth Capital have extensive experience investing in the industries on which we focus, including

technology, life sciences, healthcare information and services, business services, select consumer services and products and other high-growth industries. Our ability to invest across diverse industries is supported by our Sponsored Growth Lending strategy and relationships with leading venture firms, who are generally industry experts in the areas in which they invest. We are able to leverage our relationships across equity providers, lenders, and advisers to source deals within the venture industry.

We believe we are able to access opportunities to finance companies that are both backed by venture capital sponsors as well as through direct lead generation and other relationships. While many growth lenders focus solely on sponsored lending, we believe we are differentiated in our approach by offering both sponsored growth lending and non-sponsored growth lending that are secured by the assets of many of the most dynamic, innovative and fastest growing companies in the United States.

Robust Disciplined Investment Process and Credit Analysis. Runway Growth Capital's senior investment professionals draw upon their substantial experience, including operating, lending, venture capital and growth investing, to manage the underwriting investment process. Credit analysis, which is a fundamental part of our investment process, is driven by our credit-first philosophy and utilizes the core competencies the team has developed. A strong assessment of underwriting transactions often enables development of structure and pricing terms to win deals and produce strong returns for risks taken versus other lenders that take a more formulaic approach to the business.

We believe the focused and disciplined approach that Runway Growth Capital applies to our lending strategy enables us to deliver strong, consistent returns to our investors. Our debt portfolio is 100 % first lien senior secured. Of our $903 million total funded commitments since inception, our cumulative gross loss rate, as a percentage of total funded commitments since inception, has been 1.3% and our net losses, as a percentage of total funded commitments since inception, has been 0.9% (or 0.2%, annualized). On average, our portfolio companies have raised $108 million of equity proceeds relative to our average loan size of $30 million. To achieve this, we do not follow an "index" strategy or a narrowly focused approach, and we do not lend only to those companies that are backed by a specific set of sponsors. We believe that careful selection among many opportunities, within both sponsored and non-sponsored lending opportunities, will yield the optimal portfolio results.

We maintain rigorous underwriting, monitoring and risk management processes across our portfolio, which is underpinned by our two main lending principles, first the ability to price risk and second the ability to measure and track enterprise value. Our investment process differs from many of our competitors in that we have a dedicated credit team, separate from the origination team, that manages the underwriting process. Unlike many of our competitors, we underwrite the company and the loan separately and spend significant time analyzing the enterprise value of the company and potential upside from the equity component of the transaction.

Proprietary Risk Analytics Return Optimization. Over the past 20 years, Runway Growth Capital's senior investment professionals have iterated upon and built out an extensive due diligence process, which has resulted in the proprietary risk analysis used today. Mr. Spreng has overseen the development of a risk management model that helps to identify, analyze and mitigate risk within individual portfolio companies in the venture capital space. The model utilized by us today examines a consistent set of 30 quantitative and qualitative variables in four main risk areas (market, technology, management and financing) to generate a composite risk ranking for each portfolio company.

Flexible, Opportunity-Specific Pricing and Structure. Runway Growth Capital's comprehensive analysis assesses all factors and does not rely on any one criterion above or more than others. For example, we do not seek to provide financing to every early-stage company backed by top-tier venture firms, but only to those companies that, in our opinion, possess the most favorable risk and return characteristics for our investments. We seek to understand the attractiveness of each opportunity on its own merits. The quality of the venture investors involved is important, but it is only one component of our decision-making process. Within our Non-Sponsored Growth Lending strategy, we expect that most companies will have positive earnings before interest expense, income tax expenses, depreciation and amortization ("EBITDA") but have been unable to access sufficient capital to fund current growth opportunities. We believe that gaining a comprehensive picture of an opportunity based on Runway Growth Capital's defined assessment factors allows us to be more flexible, to identify price and structure inefficiencies in the debt market, better support our portfolio companies, and to

maximize loan and warrant returns, while minimizing losses. In our Sponsored and Non-Sponsored Growth Lending strategies, we target our loan to be less than 25% of enterprise value at inception.

Strong Reputation and Deep Relationships. Runway Growth Capital's senior investment professionals enjoy reputations as innovative thought leaders, ingrained in the fabric of the venture community. Runway Growth Capital's senior investment professionals have been active in venture capital investing, private lending, growth equity investing, corporate finance, and investment banking for more than two decades and are viewed as trustworthy partners to both management and venture investors as well as entrepreneurs. Our investment professionals' experience has often encouraged private companies prefer to work with a lender that can manage challenges and deviations from plans that often arise in developing companies.

Runway Growth Capital's senior investment professionals also have established a network of relationships over two decades with various venture capital firms, venture banks, institutional investors, entrepreneurs and other venture capital market participants, which has allowed Runway Growth Capital to develop a variety of channels for investment originations and referrals. These investment professionals maintain ongoing dialogue with a number of venture capital firms across the country, leverage a suite of technologies to identify potential borrowers and often seek to be the first contact for new investment opportunities.

In addition, our strategic relationship with Oaktree provides us with access to additional resources and relationships that are incremental to our already broad network of venture backed companies and venture capital sponsors.

Use of Leverage

To further implement our investment strategy, we use leverage to provide additional capital for loan investments. The amount of leverage that we employ will depend on Runway Growth Capital's and our Board's assessment of market and other factors at the time of any proposed borrowing. We are generally permitted, under specified conditions, to issue multiple classes of indebtedness and one class of stock senior to our common stock if our asset coverage, as defined in the 1940 Act, is at least equal to 200% (or 150% if certain conditions are met) immediately after each such issuance. We are permitted to increase our leverage capacity if stockholders representing at least a majority of the votes cast, at an annual or special meeting at which quorum is met, approve a proposal to do so. If we receive such stockholder approval, we would be permitted to increase our leverage capacity on the first day after such approval. Alternatively, we may increase the maximum amount of leverage we may incur to an asset coverage ratio of 150% if the "required majority" of our independent directors as defined in Section 57(o) of the 1940 Act approve such increase, with such approval becoming effective after one year. In addition, we would be required to make certain disclosures on our website and in SEC filings regarding, among other things, the receipt of approval to increase our leverage, our leverage capacity and usage and risks related to leverage. In no event do we intend to use leverage to an extent that would cause us to fail to meet the asset coverage ratio required of BDCs under the 1940 Act. Following the completion of this offering, the Board expects to approve a proposal to increase the maximum amount of leverage we may incur to an asset coverage ratio of 150% and seek corresponding approval from stockholders. We cannot assure you that our stockhoders will approve the increase of our leverage.

As of June 30, 2021, our asset coverage was 449%. We target a debt-to-equity leverage range of between 0.8x to 1.1x, which is the equivalent to an asset coverage of approximately 225% to 191%.

Risk Factors

An investment in our common stock involves a high degree of risk and may be considered speculative. You should carefully consider the information found in "*Risk Factors*" before deciding to invest in shares of our common stock. Risks involved in an investment in us include, but are not limited to, the following:

Risks Related to Our Business and Structure

- Our investment portfolio is recorded at fair value, with our Board having final responsibility for overseeing, reviewing and determining, in good faith, the fair value of our investment portfolio and, as a result, there is uncertainty as to the value of our portfolio investments.

- We operate in a highly competitive market for investment opportunities and we may not be able to compete effectively.
- Our success depends on the ability of Runway Growth Capital to attract and retain qualified personnel in a competitive environment.
- Our management fee and incentive fee may induce Runway Growth Capital to purchase assets with borrowed funds and to use leverage despite any enhanced risk, or to make speculative investments.
- Any failure on our part to maintain our status as a BDC or fail to qualify as a RIC would reduce our operating flexibility.
- We may borrow money, which would magnify the potential for gain or loss on amounts invested and may increase the risk of investing in us.
- Changes in interest rates may affect our cost of capital, the ability of our portfolio companies to service their debt obligations and our net investment income.

Risks Related to Our Investments

- Investing in high growth-potential, private companies involves a high degree of risk, and our financial results may be affected adversely if one or more of our significant portfolio investments defaults on its loans or fails to perform as we expect.
- An investment strategy focused primarily on privately held companies presents certain challenges, including the lack of available information about these companies and a greater vulnerability to economic downturns.
- The making of covenant-lite loans may afford us less protection from portfolio company defaults.
- Our portfolio may lack diversification among portfolio companies, which subjects us to a risk of significant loss if one or more of these companies default on their repayment obligations under any of their debt instruments.
- Defaults by our portfolio companies will harm our operating results.
- Our investments in leveraged portfolio companies may be risky, and you could lose all or part of your investment.
- We may not realize gains from our equity investments.

Risks Related to Our Conflicts of Interest

- There are significant potential conflicts of interest which could impact our investment returns, including with regard to our strategic relationship with Oaktree.
- The valuation process for certain of our investments may create a conflict of interest.

Risks Related to RIC Tax Treatment

- We will be subject to U.S. federal corporate-level income tax if we are unable to qualify as a RIC.
- Due to the COVID-19 pandemic or other disruptions in the economy, we may not be able to increase our distributions and may reduce or defer our distributions and choose to incur U.S. federal excise tax in order preserve cash and maintain flexibility, and a portion of our distributions may be a return of capital.

Risks Related to an Investment in Our Common Stock

- Prior to this offering, there has been no public market for our common stock, and we cannot assure you that a market for our common stock will develop or that the market price of shares of our common stock will not decline following the offering.
- The amount of any distributions we may make is uncertain. We may not be able to pay you distributions, or be able to sustain distributions at any particular level, and our distributions per share,

if any, may not grow over time, and our distributions per share may be reduced. We have not established any limit on the extent to which we may use borrowings, if any, and we may use offering proceeds to fund distributions (which may reduce the amount of capital we ultimately invest in portfolio companies).

THE OFFERING SUMMARY

Common Stock Offered by Us	[•] shares (or [•] shares if the underwriters exercise their option to purchase additional shares of our common stock).
Common Stock to be Outstanding after this Offering	[•] shares (or [•] shares if the underwriters exercise their option to purchase additional shares of our common stock).
Use of Proceeds	Our net proceeds from this offering will be approximately $[•] million (or approximately $[•] million if the underwriters exercise their option to purchase additional shares of our common stock) based on an offering price of $[•] per share (the mid-point of the estimated initial public offering price range). We intend to use the net proceeds of this offering to pay down a portion of our existing indebtedness under the Credit Agreement, make investments in accordance with our investment objectives and, to the extent any proceeds remain, for general corporate purposes. See *"Use of Proceeds"*
Symbol on the Nasdaq Global Select Market	"RWAY"
Distributions	We generally intend to make quarterly distributions to our stockholders and to distribute, out of assets legally available for distribution, substantially all of our available earnings, as determined by our Board in its sole discretion and in accordance with RIC requirements. The distributions that we pay may represent a return of capital, which is a cash return to investors of a portion of their original investment in our common stock. A return of capital will (i) lower a stockholder's tax basis in our shares and thereby increase the amount of capital gain (or decrease the amount of capital loss) realized upon a subsequent sale or redemption of such shares, and (ii) reduce the amount of funds we have for investment in portfolio companies. A distribution or return of capital does not necessarily reflect our investment performance, and is different from yield or income. See "*Distributions*" and "*Certain U.S. Federal Income Tax Considerations*." We can offer no assurance that we will achieve investment returns that will permit us to make distributions or that the Board will declare any distributions in the future. To maintain our U.S. federal income tax treatment as a RIC, we must make certain distributions. See "*Certain U.S. Federal Income Tax Considerations — Taxation as a Regulated Investment Company.*"
Taxation	We have elected to be treated as a RIC for U.S. federal income tax purposes, and we intend to operate in a manner so as to continue to qualify annually for the tax treatment applicable to RICs. Our tax treatment as a RIC will enable us to deduct qualifying distributions to our stockholders, so that we will be subject to corporate-level U.S. federal income taxation only in respect of earnings that we retain and do not distribute. To maintain our status as a RIC and to avoid being subject to corporate-level U. S. federal income taxation on our earnings, we must, among other things:

	• maintain our election under the 1940 Act to be treated as a BDC; • derive in each taxable year at least 90% of our gross income from dividends, interest, gains from the sale or other disposition of stock or securities and other specified categories of investment income; and • maintain diversified holdings. In addition, to receive U.S. federal income tax treatment as a RIC, we must distribute (or be treated as distributing) in each taxable year dividends for U.S. federal income tax purposes equal to at least 90% of our investment company taxable income and net tax-exempt income for that taxable year. As a RIC, we generally will not be subject to corporate-level U.S. federal income tax on our investment company taxable income and net capital gains that we distribute to our stockholders. If we fail to distribute our investment company taxable income or net capital gains on a timely basis, we will be subject to a nondeductible 4% U.S. federal excise tax. We may choose to carry forward investment company taxable income in excess of current year distributions into the next tax year and pay the nondeductible 4% U.S. federal excise tax on such income. Any carryover of investment company taxable income or net capital gains must be timely declared and distributed as a dividend in the taxable year following the taxable year in which the income or gains were earned. See *"Distributions"* and *"Certain U.S. Federal Income Tax Considerations."*
Leverage	As a BDC, we are permitted under the 1940 Act to borrow funds or issue "senior securities" to finance a portion of our investments. As a result, we are exposed to the risks of leverage, which may be considered a speculative investment technique. Leverage increases the potential for gain and loss on amounts invested and, as a result, increases the risks associated with investing in our securities. Subject to certain limited exceptions, we may issue "senior securities," including borrowing money from banks or other financial institutions only in amounts such that the ratio of our total assets (less total liabilities other than indebtedness represented by senior securities) to our total indebtedness represented by senior securities plus preferred stock, if any, is at least 200% (or 150% if certain conditions are met) after such incurrence or issuance. This means that generally, we can borrow up to $1 for every $1 of investor equity (or, if certain conditions are met, we can borrow up to $2 for every $1 of investor equity). The costs associated with our borrowings, including any increase in the management fee payable to the Adviser, are borne by our stockholders. Following the completion of this offering, the Board expects to approve a proposal to increase the maximum amount of leverage we may incur to an asset coverage ratio of 150% and seek corresponding approval from stockholders. We cannot assure you that our stockholders will approve the increase of our leverage. *See "Regulation" and "Risk Factors — Risks Related to our Business and Structure — We may borrow money, which would magnify the potential for gain or loss on amounts invested and may increase the risk of investing in us."* As of June 30, 2021, our asset coverage was 449%. We target a debt-to-equity leverage range of between 0.8x to 1.1x, which is the equivalent to an asset coverage of approximately 225% to 191%.

Dividend Reinvestment Plan	We have adopted a dividend reinvestment plan that provides for reinvestment of our dividends and other distributions on behalf of investors, unless an investor elects to receive cash as provided below. As a result of adopting such a plan, if our Board authorizes, and we declare, a cash dividend or distribution, investors who have not opted out of our dividend reinvestment plan will have their cash dividends or distributions automatically reinvested in additional shares, rather than receiving cash. No action will be required on the part of an investor to have his or her cash dividends and distributions reinvested in shares. An investor could instead elect to receive a dividend or distribution in cash by notifying Runway Growth Capital in writing, so that such notice is received by Runway Growth Capital no later than 10 days prior to the record date for distributions. Runway Growth Capital will set up an account for shares acquired through the plan for each investor who does not elect to receive dividends and distributions in cash and hold such shares in non- certificated form. Those investors whose shares are held by a broker or other financial intermediary could receive dividends and distributions in cash by notifying their broker or other financial intermediary of their election. Stockholders who receive dividends and other distributions in the form of shares of common stock generally are subject to the same U.S. federal tax consequences as stockholders who elect to receive their distributions in cash; however, since their cash dividends will be reinvested, those stockholders will not receive cash with which to pay any applicable taxes on reinvested dividends. See *"Dividend Reinvestment Plan."*
Investment Advisory Fees	Pursuant to the Advisory Agreement, dated May 27, 2021, we pay Runway Growth Capital a fee for its investment advisory and management services consisting of two components — a base management fee and an incentive fee. The cost of the base management fee and incentive fee are each borne by our stockholders. The base management fee is currently calculated at an amount equal to 0.40% (1.60% annualized) of our average daily Gross Assets (defined below) during the most recently completed calendar quarter for so long as the aggregate amount of our Gross Assets as of the end of the most recently completed calendar quarter is greater than $500,000,000 and less than $1,000,000,000. For purposes of the Advisory Agreement, "Gross Assets" is defined as our gross assets, including assets purchased with borrowed funds or other forms of leverage, as well as any payment-in-kind ("PIK") interest, as of the end of the most recently completed fiscal quarter. The incentive fee, which provides Runway Growth Capital with a share of the income that Runway Growth Capital generates for us, consists of an investment-income component and a capital-gains component, which are largely independent of each other, with the result that one component may be payable even if the other is not payable. Under the investment income component (the "Income Incentive Fee"), we pay Runway Growth Capital each quarter an incentive fee with respect to our Pre-Incentive Fee net investment income. The Income Incentive Fee is calculated and payable quarterly in arrears

	based on the Pre-Incentive Fee net investment income (as defined below) for the immediately preceding fiscal quarter. Payments based on Pre-Incentive Fee net investment income will be based on the Pre-Incentive Fee net investment income earned for the quarter. Pre-Incentive Fee net investment income, expressed as a rate of return on the value of our net assets (defined as total assets less liabilities) at the end of the immediately preceding fiscal quarter, will be compared to a "hurdle rate" of 2.0% per quarter (8.0% annualized). We pay Runway Growth Capital an Income Incentive Fee with respect to the our Pre-Incentive Fee net investment income in each calendar quarter as follows: (1) no Income Incentive Fee in any calendar quarter in which our Pre-Incentive Fee net investment income does not exceed the hurdle rate of 2.0%; (2) 80% of our Pre-Incentive Fee net investment income with respect to that portion of such Pre-Incentive Fee net investment income, if any, that exceeds the hurdle rate but is less than 2.667% in any calendar quarter (10.668% annualized) (the portion of our Pre-Incentive Fee net investment income that exceeds the hurdle but is less than 2.667% is referred to as the "catch-up"; the "catch-up" is meant to provide Runway Growth Capital with 20.0% of our Pre-Incentive Fee net investment income as if a hurdle did not apply if our Pre-Incentive Fee net investment income exceeds 2.667% in any calendar quarter (10.668% annualized)); and (3) 20.0% of the amount of our Pre-Incentive Fee net investment income, if any, that exceeds 2.667% in any calendar quarter (10.668% annualized) payable to Runway Growth Capital (once the hurdle is reached and the catch-up is achieved, 20.0% of all Pre-Incentive Fee net investment income thereafter is allocated to Runway Growth Capital). Under the capital-gains component of the incentive fee (the "Capital Gains Fee"), we will pay Runway Growth Capital, as of the end of each calendar year, 20.0% of our aggregate cumulative realized capital gains, if any, from the date of our election to be regulated as a BDC through the end of that calendar year, computed net of our aggregate cumulative realized capital losses and aggregate cumulative unrealized capital depreciation through the end of such year, less the aggregate amount of any previously paid Capital Gains Fee. See *"Management and Other Agreements — Compensation of the Adviser."*
Administration Agreement	We reimburse the Administrator for the allocable portion of overhead and other expenses incurred by the Administrator in performing its obligations under the Administration Agreement, including furnishing us with office facilities, equipment and clerical, bookkeeping and recordkeeping services at such facilities, as well as providing us with other administrative services. In addition, we reimburse the Administrator for the fees and expenses associated with performing compliance functions, and our allocable portion of the compensation of certain of our officers, including our Chief Financial Officer, our Chief Compliance Officer and any administrative support staff. In addition Runway Growth Capital and our Administrator have entered into various agreements with Alter Domus ("Alter Domus"), pursuant to which Alter Domus, on behalf of Runway Growth Capital and our Administrator, provides us with certain bookkeeping and consulting services. See "*Management and Other Agreements — Administration Agreement.*"

License Arrangements	We have entered into a license agreement with Runway Growth Capital (the "License Agreement") pursuant to which Runway Growth Capital has agreed to grant us a non-exclusive, royalty-free license to use the name "Runway Growth Finance" Under this agreement, we have the right to use the "Runway Growth Finance" name for so long as Runway Growth Capital or one of its affiliates remains our investment adviser. Other than with respect to this limited license, we have no legal right to the "Runway Growth Finance" name. See *"Management and Other Agreements — License Agreement."*
Trading at a Discount	Shares of closed-end investment companies, including BDCs, frequently trade at a discount to their net asset value. Generally, we are not able to issue and sell our common stock at a price below our net asset value per share unless we have stockholder approval. The risk that our shares may trade at a discount to our net asset value is separate and distinct from the risk that our net asset value per share may decline. We cannot predict whether our shares will trade above, at or below net asset value. Prior to this offering, there has been no public market for our common stock, and we cannot assure you that a market for our common stock will develop or that the market price of shares of our common stock will not decline following the offering. See *"Risk Factors."*
Custodian, Transfer and Dividend Paying Agent and Registrar	U.S. Bank, National Association, serves as our custodian, and American Stock Transfer & Trust Company LLC serves as our transfer and dividend paying agent and registrar. See *"Custodian, Transfer and Dividend Paying Agent and Registrar."*
Available Information	We have filed with the SEC a registration statement on Form N-2, of which this prospectus is a part, under the Securities Act. This registration statement contains additional information about us and the shares of our common stock being offered by this prospectus. We are also required to file periodic reports, current reports, proxy statements and other information with the SEC. This information is available on the SEC's website at h*ttp://www.sec.gov*. We maintain a website at *https://runwaygrowth.com/document-center/*and make all of our periodic and current reports, proxy statements and other information available, free of charge, on or through our website. Information on our website or the SEC's website is not incorporated into or part of this prospectus.

FEES AND EXPENSES

The following table is intended to assist you in understanding the costs and expenses that you will bear directly or indirectly if you acquire our common stock in this offering. We caution you that some of the percentages indicated in the table below are estimates and may vary. The expenses shown in the table under "Annual expenses" are based on estimated amounts for our current fiscal year and assume that we issue shares of common stock in the offering, based on an offering price of $ per share (the mid-point of the estimated initial public offering price range). The following table should not be considered a representation of our future expenses. Actual expenses may be greater or less than shown. Except where the context suggests otherwise, whenever this prospectus contains a reference to fees or expenses paid by "us" or "the Company" or that "we" will pay fees or expenses, you will indirectly bear these fees or expenses if you acquire our common stock in this offering.

Shareholder transaction expenses:	
Sales load (as a percentage of offering price)	6.00%(1)
Offering expenses (as a percentage of offering price)	1.53%(2)
Dividend reinvestment plan expenses	$ —(3)
Total shareholder transaction expenses (as a percentage of offering price)	7.53%
Annual expenses (as a percentage of net assets attributable to common stock):	
Management Fee payable under the Investment Advisory Agreement	1.46%(4)
Incentive Fee payable under the Investment Advisory Agreement	1.28%(5)
Interest payments on borrowed funds	0.50%(6)
Other expenses	0.90%(7)(8)(9)
Total annual expenses	4.14%(8)

(1) The sales load (underwriting discount and commission) with respect to the shares of our common stock sold in this offering, which is a one-time fee paid to the underwriters, is the only sales load paid in connection with this offering.

(2) Amount reflects estimated offering expenses of approximately $1.5 million.

(3) The expenses of the dividend reinvestment plan are included in "other expenses" in the table above. For additional information, see *"Dividend Reinvestment Plan."*

(4) Assumes the base management fee will be an amount equal to 0.40% (1.60% annualized) of our average daily Gross Assets during the most recently completed calendar quarter. See *"Management and Other Agreements — Compensation of Adviser."*

(5) The incentive fee, which provides Runway Growth Capital with a share of the income that Runway Growth Capital generates for us, consists of an Investment Income Fee and a Capital Gains Fee.

Under the Income Incentive Fee, we pay Runway Growth Capital a each quarter an incentive fee with respect to our Pre-Incentive Fee net investment income. The Income Incentive Fee is calculated and payable quarterly in arrears based on the Pre-Incentive Fee net investment income for the immediately preceding fiscal quarter. Payments based on Pre-Incentive Fee net investment income will be based on the Pre-Incentive Fee net investment income earned for the quarter. Pre-Incentive Fee net investment income, expressed as a rate of return on the value of our net assets (defined as total assets less liabilities) at the end of the immediately preceding fiscal quarter, will be compared to a "hurdle rate" of 2.0% per quarter (8.0% annualized). We will pay Runway Growth Capital an Income Incentive Fee with respect to the our Pre-Incentive Fee net investment income in each calendar quarter as follows: (1) no Income Incentive Fee in any calendar quarter in which our Pre-Incentive Fee net investment income does not exceed the hurdle rate of 2.0%; (2) 80% of our Pre-Incentive Fee net investment income with respect to that portion of such Pre-Incentive Fee net investment income, if any, that exceeds the hurdle rate but is less than 2.667% in any calendar quarter (10.668% annualized) (the portion of our Pre-Incentive Fee net investment income that exceeds the hurdle but is less than 2.667% is referred to as the "catch-up"; the "catch-up" is meant to provide Runway Growth Capital with 20.0% of our Pre-Incentive Fee net investment income as if a hurdle did not apply if our Pre-Incentive Fee net investment income exceeds 2.667% in any calendar quarter (10.668% annualized)); and (3) 20.0% of the amount of our Pre-Incentive Fee net investment

income, if any, that exceeds 2.667% in any calendar quarter (10.668% annualized) payable to Runway Growth Capital (once the hurdle is reached and the catch-up is achieved, 20.0% of all Pre-Incentive Fee net investment income thereafter is allocated to Runway Growth Capital).

Under the Capital Gains Fee, we will pay Runway Growth Capital, as of the end of each calendar year, 20.0% of our aggregate cumulative realized capital gains, if any, from the date of our election to be regulated as a BDC through the end of that calendar year, computed net of our aggregate cumulative realized capital losses and aggregate cumulative unrealized capital depreciation through the end of such year, less the aggregate amount of any previously paid Capital Gains Fee.

See *"Management and Other Agreements — Compensation of Adviser*."

(6) Interest payments on borrowed funds represents an estimate of our annualized interest expense based on borrowings under the Credit Agreement. The assumed weighted average interest rate on our total debt outstanding was 3.5%. We may borrow additional funds from time to time to make investments to the extent we determine that the economic situation is conducive to doing so. We may also issue debt securities or preferred stock, subject to our compliance with applicable requirements under the 1940 Act.

(7) Includes our overhead expenses, such as payments under the Administration Agreement for certain expenses incurred by the Adviser. See *"Management and Other Agreements — Investment Advisory Agreement; Administration Agreement; License Agreement."* We based these expenses on estimated amounts for the current fiscal year.

(8) Estimated.

(9) Assumes completion of this offering.

Example

The following example demonstrates the projected dollar amount of total cumulative expenses over various periods with respect to a hypothetical investment in our common stock. In calculating the following expense amounts, we have assumed we would have no additional leverage (taking into account the repayment of certain credit facility indebtedness as described in *"Use of Proceeds")* and that our annual operating expenses would remain at the levels set forth in the table above. Transaction expenses are included in the following example.

	1 year	3 years	5 years	10 years
You would pay the following expenses on a $1,000 investment, assuming a 5% annual return from realized capital gains	$123	$342	$530	$894

The foregoing table is to assist you in understanding the various costs and expenses that an investor in our common stock will bear directly or indirectly. While the example assumes, as required by the SEC, a 5% annual return, our performance will vary and may result in a return greater or less than 5%. Because the Income Incentive Fee under the Advisory Agreement is unlikely to be significant assuming a 5% annual return, the example assumes that the 5% annual return will be generated entirely through the realization of capital gains on our assets and, as a result, will trigger the payment of the Capital Gains Fee under the Advisory Agreement. The Income Incentive Fee under the Advisory Agreement, which, assuming a 5% annual return, would either not be payable or have an immaterial impact on the expense amounts shown above, is not included in the example. If we achieve sufficient returns on our investments, including through the realization of capital gains, to trigger an Income Incentive Fee of a material amount, our expenses, and returns to our investors, would be higher. In addition, while the example assumes reinvestment of all dividends and distributions at net asset value, if our Board authorizes and we declare a cash dividend, participants in our dividend reinvestment plan who have not otherwise elected to receive cash will receive a number of shares of our common stock, determined by dividing the total dollar amount of the dividend payable to a participant by the market price per share of our common stock at the close of trading on the valuation date for the dividend. See *"Dividend Reinvestment Plan"* for additional information regarding our dividend reinvestment plan.

This example and the expenses in the table above should not be considered a representation of our future expenses, and actual expenses (including the cost of debt, if any, and other expenses) may be greater or less than those shown.

SELECTED FINANCIAL INFORMATION AND OTHER DATA

The following selected financial data of the Company as of December 31, 2020 and 2019 and for the years ended December 31, 2020 and 2019 is derived from the financial statements that have been audited by RSM US LLP, independent registered public accounting firm. The Company's financial statements for the six-month period ended June 30, 2021 is unaudited. However, in the opinion of the Company, all adjustments, consisting of normal recurring adjustments, necessary for a fair presentation have been made. Interim results are subject to significant seasonal variations and are not indicative of the results of operations to be expected for a full fiscal year. The selected financial information and other data presented below should be read in conjunction with our financial statements and notes thereto and *"Management's Discussion and Analysis of Financial Condition and Results of Operations,"* which are included elsewhere in this prospectus.

	For the Six Months Ended June 30, 2021 (Unaudited)	For the Years Ended Dec 31, 2020	2019
Income Statement Data:			
Total investment income	$ 35,168,376	$ 57,626,303	$ 55,139,136
Total operating expenses	12,346,165	19,556,586	18,685,305
Net investment income (loss)	22,822,211	38,069,717	36,453,831
Net realized gain (loss) on investments	(4,795,077)	(5,347,409)	609,031
Net change in unrealized appreciation (depreciation) on investments	(1,944,463)	14,257,592	(9,416,462)
Net increase in net assets resulting from operations	$ 16,082,671	$ 46,979,900	$ 27,646,400
Per share data:			
Net investment income (loss)[(1)]	0.71	1.38	1.95
Net increase (decrease) in net assets resulting from operations[(1)]	0.50	1.70	1.48

(1) The basic per share figures noted above are based on weighted averages of 31,953,287, 27,617,425 and 18,701,021 shares outstanding for the six months ended June 30, 2021 and the years ended December 31, 2020 and 2019, respectively.

	For the Six Months Ended June 30, 2021 (Unaudited)	For the Years Ended December 31, 2020	2019
Balance Sheet Data:			
Total Investments at Fair Value	$ 587,617,162	$ 551,824,590	$ 368,016,276
Investment in U.S. Treasury Bills at fair value	29,999,881	70,002,060	99,965,423
Cash and cash equivalents	892,584	14,886,246	45,799,672
Other Assets	2,871,786	3,178,501	2,510,969
Total Assets	$ 621,381,413	$ 639,891,397	$ 516,292,340
Credit facilities, net	115,636,484	97,416,770	60,021,093
Reverse repurchase agreement	19,900,000	69,650,000	74,593,802
Interest payable	761,124	468,014	500,056
Other liabilities	7,344,708	6,112,928	4,864,168
Total Liabilities	$ 143,642,316	$ 173,647,712	$ 139,979,119
Total Net Assets	$ 477,739,097	$ 466,243,685	$ 376,313,221
Other Data:			
Net Asset Value per share[(1)]	$ 14.61	$ 14.84	$ 14.58
Weighted average shares outstanding for period, basic	31,953,287	27,617,425	18,701,021
Dividends declared and paid	$ 23,482,930	$ 39,709,233	$ 40,651,334

(1) Per share data is based on average weighted shares outstanding, except where such amounts need to be adjusted to be consistent with what is disclosed in the financial highlights of our audited financial statements.

RISK FACTORS

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

Risks Related to Our Business and Structure

Our investment portfolio is recorded at fair value, with our Board having final responsibility for overseeing, reviewing and determining, in good faith, the fair value of our investment portfolio and, as a result, there is uncertainty as to the value of our portfolio investments.

Under the 1940 Act, we are required to carry our portfolio investments at market value or, if there is no readily available market value, at fair value as determined by us with our Board having final responsibility for overseeing, reviewing and approving, in good faith, our estimate of fair value. Typically, there will not be a public market for the securities of the privately held companies in which we invest. As a result, we value these securities quarterly at fair value based on input from management, a third-party independent valuation firm and the audit committee of our Board (the "Audit Committee") and with the oversight, review and approval of our Board. The fair value of such securities may meaningfully change between the date of the fair value determination by our Board, third-party independent valuation firms and the Audit Committee and the release of the financial results for the corresponding period or the next date at which fair value is determined.

The determination of fair value and consequently, the amount of unrealized gains and losses in our portfolio, are to a certain degree, subjective and dependent on a valuation process approved by our Board. Certain factors that may be considered in determining the fair value of our investments include external events, such as private mergers, sales and acquisitions involving comparable companies. Because such valuations, and particularly valuations of private securities and private companies, are inherently uncertain, they may fluctuate over short periods of time and may be based on estimates. Our determinations of fair value may differ materially from the values that would have been used if a ready market for these securities existed. Due to this uncertainty, our fair value determinations may cause our net asset value on a given date to materially understate or overstate the value that we may ultimately realize on one or more of our investments. As a result, investors purchasing our common stock based on an overstated net asset value would pay a higher price than the value of our investments might warrant. Conversely, investors selling shares of our common stock during a period in which the net asset value understates the value of our investments will receive a lower price for their shares of our common stock than the value of our investments might warrant.

Additionally, the COVID-19 pandemic, or any other outbreak of epidemic disease, could have a significant adverse impact on the fair value of our investments, which may also cause the valuation of our investments to differ materially from the values that we may ultimately realize. Our valuations, and particularly valuations of private investments and private companies, are inherently uncertain, may fluctuate over short periods of time and are often based on estimates, comparisons and qualitative evaluations of private information that may not show the complete impact of the COVID-19 pandemic and the resulting measures taken in response thereto.

Our financial condition and results of operations depend on our ability to effectively manage and deploy capital.

Our ability to achieve our investment objective depends on our ability to effectively manage and deploy capital, which depends, in turn, on Runway Growth Capital's ability to identify, originate, evaluate and monitor, and our ability to finance and invest in, companies that meet our investment criteria.

Accomplishing our investment objective on a cost-effective basis is largely a function of Runway Growth Capital's handling of the investment process, its ability to provide competent, attentive and efficient services and our access to investments offering acceptable terms. In addition to monitoring the performance of our existing investments and other responsibilities under the Advisory Agreement, Runway Growth Capital's

investment team may also be called upon, from time to time, to provide managerial assistance to some of our portfolio companies. These demands may distract our investment team or slow the rate at which we may make investments.

Even if we are able to grow and build upon our investment portfolio, any failure to manage our growth effectively could have a material adverse effect on our business, financial condition, results of operations and prospects. Our results of operations depend on many factors, including the availability of opportunities for investment, readily accessible short and long-term funding alternatives in the financial markets and economic conditions. Furthermore, if we cannot successfully operate our business or implement our investment policies and strategies as described herein, it could negatively impact our ability to pay dividends.

We operate in a highly competitive market for investment opportunities and we may not be able to compete effectively.

Our primary competitors for investments include both existing and newly formed debt, and to a lesser extent equity, focused public and private funds, other BDCs, commercial and investment banks, venture-oriented commercial banks, commercial financing companies and, to the extent they provide an alternative form of financing, private equity and hedge funds. Many of our competitors are substantially larger and have considerably greater financial, technical and marketing resources than we do. For example, we believe some competitors may have a lower cost of capital and access to funding sources that are not available to us. In addition, some of our competitors may have higher risk tolerances or different risk assessments than we have, which could allow them to consider a wider variety of investments and establish more relationships than we can. Furthermore, many of our competitors are not subject to the regulatory restrictions that the 1940 Act imposes on us as a BDC or to the distribution and other requirements we must satisfy to maintain our ability to be subject to taxation as a RIC. These characteristics could allow our competitors to consider a wider variety of investments, establish more relationships and offer better pricing and more flexible structuring than we are able to offer. In recent years, substantial investor capital has been allocated to the private credit and direct lending asset classes, creating and increasing competition among lenders. Increased competition across all segments of the private credit and direct lending markets, has reduced credit spreads, and along with very low historically low interest rates, has reduced investment yields and resulted in more borrower friendly terms and conditions. For instance, typically when interest rates are low and a credit cycle extended, new entrants will enter traditionally higher yielding markets creating additional competition and pressures and temporarily compressing yields. We believe the credit markets, and in particular the market for our lending strategies, are presently experiencing such pressures. New competitors, including established private credit platforms in other segments, have entered the sponsored and non-sponsored growth lending market and a similar competitive dynamic is possible. While their entry may or may not be permanent, their entry could lead to competitive pressure on our investment yields and other terms and conditions in the short-term.

We do not compete primarily on the financing terms we offer and believe that some competitors make loans with rates that are comparable or lower than our rates. We may lose some investment opportunities if we do not match our competitors' pricing, terms and structure. However, if we match our competitors' pricing, terms and structure, we may experience decreased net interest income, lower yields and increased risk of credit loss. As a result of this competition, we may not be able to take advantage of attractive investment opportunities from time to time, and we may not be able to identify and make investments that are consistent with our investment objective. The competitive pressures we face may have a material adverse effect on our financial condition, results of operations and cash flows.

Our business model depends to a significant extent upon strong referral relationships. Any inability of Runway Growth Capital to maintain or develop these relationships, or the failure of these relationships to generate investment opportunities, could adversely affect our business.

We depend upon Runway Growth Capital to maintain its relationships with venture capital firms, venture banks, institutional investors, entrepreneurs and other venture capital market participants, and we expect to rely to a significant extent upon these relationships to provide us with potential investment opportunities. If Runway Growth Capital fails to maintain such existing relationships, or to develop new relationships with other sources of investment opportunities, we may not be able to grow our investment portfolio. In addition, individuals with whom Runway Growth Capital has relationships are not obligated to provide us with investment opportunities, and we can offer no assurance that these relationships will generate investment

opportunities for us in the future. The failure of Runway Growth Capital to maintain existing relationships, grow new relationships, or for any of those relationships to generate investment opportunities could have an adverse effect on our business, financial condition and results of operations.

We are dependent upon Runway Growth Capital's key personnel for our future success.

We depend on the diligence, skill and investment acumen of R. David Spreng, our President, Chief Executive Officer and the Chairman of our Board, along with the other investment professionals at Runway Growth Capital, including our Chief Financial Officer, Thomas Raterman. Mr. Spreng also serves as the President, Chief Executive Officer and Chief Investment Officer of our Adviser, Runway Growth Capital, and the Chairman of its Investment Committee. Mr. Spreng, Mr. Raterman and the other members of Runway Growth Capital's senior management evaluate, negotiate, structure, close and monitor our investments. Our future success depends on the continued service of these members of Runway Growth Capital's senior management. We cannot assure you that unforeseen business, medical, personal or other circumstances would not lead any such individual to terminate his or her relationship with us. The loss of Mr. Spreng, in particular, Mr. Raterman and/or any of the other members of Runway Growth Capital's senior management could have a material adverse effect on our ability to achieve our investment objective as well as on our financial condition and results of operations.

The members of Runway Growth Capital's senior management are and may in the future become affiliated with entities engaged in business activities similar to those intended to be conducted by us, and may have conflicts of interest in allocating their time. Runway Growth Capital may also manage and sub-advise private investment funds and accounts, and may manage other such funds and accounts in the future, which have investment mandates that are similar, in whole and in part, with ours. Accordingly, Runway Growth Capital's senior management may have obligations to investors in those entities, the fulfillment of which might not be in the best interests of us or our stockholders. For example, Runway Growth Capital's senior management may face conflicts of interest in the allocation of investment opportunities to us and such other existing and future funds and accounts.

Our success depends on the ability of Runway Growth Capital to attract and retain qualified personnel in a competitive environment.

Our growth requires that Runway Growth Capital retains and attracts new investment and administrative personnel in a competitive market. Its ability to attract and retain personnel with the requisite credentials, experience and skills depends on several factors including, but not limited to, its ability to offer competitive wages, benefits and professional growth opportunities. Many of the entities, including investment funds (such as venture capital, private equity funds and mezzanine funds) and traditional financial services companies, with which Runway Growth Capital competes for experienced personnel have greater resources than it possesses, which could have a negative impact on Runway Growth Capital's ability to attract and retain qualified personnel and, as a result, have a material adverse effect on our business and results of operations.

The compensation we pay to Runway Growth Capital and our Administrator was not determined on an arm's-length basis. Thus, the terms of such compensation may be less advantageous to us than if such terms had been the subject of arm's-length negotiations.

The compensation we pay to Runway Growth Capital and our Administrator was not determined on an arm's-length basis with an unaffiliated third party. As a result, the form and amount of such compensation may be less favorable to us than they might have been had the respective agreements been entered into through arm's-length transactions with an unaffiliated third party. In addition, we may choose not to enforce, or to enforce less vigorously, our respective rights and remedies under the Advisory Agreement and the Administration Agreement because of our desire to maintain our ongoing relationship with Runway Growth Capital, our Administrator and their respective affiliates. Any such decision, however, could cause us to breach our fiduciary obligations to our stockholders.

Our management fee may induce Runway Growth Capital to purchase assets with borrowed funds and to use leverage despite any enhanced risk.

The management fee payable by us to Runway Growth Capital may create an incentive for Runway Growth Capital to purchase assets with borrowed funds when it is unwise to do so or to pursue investments on

our behalf that are riskier or more speculative than would be the case in the absence of such compensation arrangement. The management fee payable to Runway Growth Capital is calculated based on the amount of our gross assets which includes assets purchased with borrowed funds or other forms of leverage. Under certain circumstances, the use of leverage may increase the likelihood of default, which would impair the value of our common stock.

The capital gains portion of our incentive fee may induce Runway Growth Capital to make speculative investments.

Runway Growth Capital receives the incentive fee based, in part, upon net capital gains realized on our investments. Under the incentive fee structure, Runway Growth Capital may benefit when we recognize capital gains and, because Runway Growth Capital, in certain circumstances, will determine when to sell a holding, Runway Growth Capital will control the timing of the recognition of such capital gains. As a result, in certain situations Runway Growth Capital may have a tendency to invest more capital in investments that are likely to result in capital gains as compared to income producing securities. Such a practice could result in our investing in more speculative securities than would otherwise be the case, which could result in higher investment losses, particularly during economic downturns.

A general increase in interest rates will likely have the effect of making it easier for Runway Growth Capital to receive incentive fees, without necessarily resulting in an increase in our net earnings.

Given the structure of the Advisory Agreement, any general increase in interest rates can be expected to lead to higher interest rates applicable to our debt investments and will likely have the effect of making it easier for Runway Growth Capital to meet the quarterly hurdle rate for payment of income incentive fees under the Advisory Agreement without any additional increase in relative performance on the part of Runway Growth Capital. This may occur without a corresponding increase in distributions to our stockholders. In addition, in view of the catch-up provision applicable to income incentive fees under the Advisory Agreement, Runway Growth Capital could potentially receive a significant portion of the increase in our investment income attributable to such a general increase in interest rates. If that were to occur, our increase in net earnings, if any, would likely be significantly smaller than the relative increase in Runway Growth Capital's income incentive fee resulting from such a general increase in interest rates.

Runway Growth Capital and our Administrator have the right to resign upon not more than 60 days' notice, and we may not be able to find a suitable replacement for either within that time, or at all, resulting in a disruption in our operations that could adversely affect our financial condition, business and results of operations.

Runway Growth Capital has the right, under the Advisory Agreement, to resign at any time upon not more than 60 days' written notice, regardless of whether we have found a replacement. Similarly, our Administrator has the right under the Administration Agreement to resign at any time upon not more than 60 days' written notice, regardless of whether we have found a replacement. If Runway Growth Capital or our Administrator were to resign, we may not be able to find a new investment adviser or administrator or hire internal management with similar expertise and ability to provide the same or equivalent services on acceptable terms prior to the resignation of Runway Growth Capital or our Administrator, or at all. If we are unable to do so quickly, our operations are likely to experience a disruption, our financial condition, business and results of operations, as well as our ability to pay distributions, are likely to be materially and adversely affected. In addition, the coordination of our internal management and investment or administrative activities, as applicable, are likely to suffer if we are unable to identify and reach an agreement with a single institution or group of executives having the expertise possessed by Runway Growth Capital, our Administrator and their respective affiliates. Even if we are able to retain comparable management, whether internal or external, the integration of such management and their lack of familiarity with our investment objective may result in additional costs and time delays in future investments that may adversely affect our financial condition, business, results of operations and cash flows.

We may need to raise additional capital to grow because we must distribute most of our income.

We may need additional capital to fund growth in our investments. A reduction in the availability of new capital could limit our ability to grow. We must distribute at least 90% of our investment company taxable income to our stockholders to maintain our tax treatment as a RIC. As a result, any such cash earnings may not be available to fund investment originations. We may, in the future, borrow under debt facilities from

financial institutions and issue additional debt and equity securities. If we fail to obtain funds from such sources or from other sources to fund our investments, it could limit our ability to grow, which may have an adverse effect on the value of our securities. In addition, as a BDC, our ability to borrow or issue preferred stock may be restricted if our total assets are less than 200% of our total borrowings and preferred stock (or 150% if we satisfy certain conditions including board and/or stockholder approval, see "— *Regulations governing our operation as a BDC affect our ability to raise additional capital and the way in which we do so. As a BDC, the necessity of raising additional capital may expose us to risks, including the typical risks associated with leverage*.")

In addition, shares of BDCs have recently traded at discounts to their net asset values. If our common stock trades below its net asset value, we will not be able to issue additional shares of our common stock at its market price without first obtaining the approval for such issuance from our stockholders and our independent directors. If additional funds are not available to us, we could be forced to curtail or cease new lending and investment activities and our net asset value could decline.

A reduction in the availability of new capital or an inability on our part to access the capital markets successfully could limit our ability to grow our business and execute our business strategy fully and decrease our earnings, if any, which could have a material adverse effect on our business, financial condition, results of operations and cash flows.

Any failure on our part to maintain our status as a BDC or fail to qualify as a RIC would reduce our operating flexibility.

The 1940 Act imposes numerous constraints on the operations of BDCs. For example, BDCs are required to invest at least 70% of their gross assets in specified types of "qualifying assets," primarily in private U.S. companies or thinly-traded U.S. public companies, cash, cash equivalents, U.S. government securities and other high-quality debt investments that mature in one year or less. In addition, subject to certain limited exceptions, an investment in an issuer that has outstanding securities listed on a national exchange may be treated as a qualifying asset only if such issuer has a market capitalization that is less than $250 million at the time of such investment. In addition, as a RIC, the treatment for which we intend to qualify annually, we are required to satisfy certain source-of-income, diversification and distribution requirements. Therefore, we may be precluded from investing in what we believe are attractive investments if such investments are not qualifying assets. Conversely, if we fail to invest a sufficient portion of our assets in qualifying assets, we could lose our status as a business development company, which would have a material adverse effect on our business, financial condition and results of operations. Similarly, these constraints could prevent us from making additional investments in existing portfolio companies, which could result in the dilution of our position, or could require us to dispose of investments at an inopportune time to comply with the 1940 Act. If we were forced to sell non-qualifying investments in the portfolio for compliance purposes, the proceeds from such sale could be significantly less than the current value of such investments. These constraints, among others, may hinder our ability to take advantage of attractive investment opportunities and to achieve our investment objective.

Any failure to comply with the requirements imposed on BDCs by the 1940 Act could cause the SEC to bring an enforcement action against us and/or expose us to claims of private litigants. In addition, upon approval of a majority of our stockholders, we may elect to withdraw our status as a BDC. If we decide to withdraw our election, or if we otherwise fail to qualify, or maintain our qualification, as a BDC, we will be subject to the substantially greater regulation under the 1940 Act as a closed-end investment company. Compliance with such regulations would significantly decrease our operating flexibility, and could significantly increase our costs of doing business.

Regulations governing our operation as a BDC affect our ability to raise additional capital and the way in which we do so. As a BDC, the necessity of raising additional capital may expose us to risks, including the typical risks associated with leverage.

We may issue debt securities or preferred stock and/or borrow money from banks or other financial institutions, which we refer to collectively as "senior securities," up to the maximum amount permitted by the 1940 Act. Under the provisions of the 1940 Act, we are generally permitted, as a BDC, to issue senior securities in amounts such that our asset coverage ratio, as defined in the 1940 Act, equals at least 200% (or 150% if we

satisfy certain conditions including board and/or stockholder approval) of gross assets less all liabilities and indebtedness not represented by senior securities, after each issuance of senior securities. Following the completion of this offering, the Board, including the "required majority" of our independent directors as defined in Section 57(o) of the 1940 Act, expects to approve a proposal to increase the maximum amount stockholders of leverage we may incur to an asset coverage ratio of 150% and seek corresponding approval from the stockholders representing at least a majority of votes cast at an annual or special meeting at which quorum is met. We cannot assure you that our stockholders will approve the increase of our leverage. If the value of our assets declines, we may be unable to satisfy this asset coverage test. If that happens, we may be required to sell a portion of our investments and, depending on the nature of our leverage, repay a portion of our indebtedness at a time when such sales may be disadvantageous. Also, any amounts that we use to service our indebtedness would not be available for distributions to our common stockholders. Furthermore, as a result of issuing senior securities, we would also be exposed to typical risks associated with leverage, including an increased risk of loss.

If we issue preferred stock, the preferred stock would rank "senior" to common stock in our capital structure, preferred stockholders would have separate voting rights on certain matters and might have other rights, preferences, or privileges more favorable than those of our common stockholders, and the issuance of preferred stock could have the effect of delaying, deferring or preventing a transaction or a change of control that might involve a premium price for holders of our common stock or otherwise be in your best interest.

We are generally not able to issue and sell our common stock at a price below net asset value per share. We may, however, sell our common stock, or warrants, options or rights to acquire our common stock, at a price below the then-current net asset value per share of our common stock if our Board determines that such sale is in the best interests of our stockholders, and our stockholders approve such sale. In any such case, the price at which our securities are to be issued and sold may not be less than a price that, in the determination of our Board, closely approximates the market value of such securities (less any distributing commission or discount). If we raise additional funds by issuing more common stock or senior securities convertible into, or exchangeable for, our common stock, then the percentage ownership of our stockholders at that time will decrease, and you may experience dilution.

We may borrow money, which would magnify the potential for gain or loss on amounts invested and may increase the risk of investing in us.

The use of leverage magnifies the potential for gain or loss on amounts invested and, therefore, increases the risks associated with investing in our securities. We may borrow from and issue senior debt securities to banks, insurance companies and other lenders in the future. Holders of these senior securities will have fixed dollar claims on our assets that are superior to the claims of our common stockholders, and we would expect such lenders to seek recovery against our assets in the event of a default. If the value of our assets increases, then leveraging would cause the net asset value attributable to our common stock to increase more sharply than it would have had we not leveraged. Conversely, if the value of our assets decreases, leveraging would cause net asset value to decline more sharply than it otherwise would have had we not leveraged. Similarly, any increase in our income in excess of interest payable on the borrowed funds would cause our net investment income to increase more than it would without the leverage, while any decrease in our income would cause net income to decline more sharply than it would have had we not borrowed. Such a decline could also negatively affect our ability to make dividend payments on our common stock, scheduled debt payments or other payments related to our securities. Leverage is generally considered a speculative investment technique. Our ability to service any debt that we incur will depend largely on our financial performance and will be subject to prevailing economic conditions and competitive pressures. In addition, our common stockholders will bear the burden of any increase in our expenses, including our interest expense, as a result of leverage.

As a BDC, we are generally required to meet an asset coverage ratio, defined under the 1940 Act as the ratio of our gross assets (less all liabilities and indebtedness not represented by senior securities) to our outstanding senior securities, of at least 200% after each issuance of senior securities. We are permitted, however, to increase our asset coverage ratio to at least 150% if we satisfy certain conditions, including stockholder and/or board approval. Following the completion of this offering, the Board expects to approve a proposal to increase the maximum amount of leverage we may incur to an asset coverage ratio of 150% and seek corresponding approval from our stockholders. We cannot assure you that our stockholders will approve the increase of our leverage. See "— *Regulations governing our operation as a BDC affect our ability to raise*

additional capital and the way in which we do so. As a BDC, the necessity of raising additional capital may expose us to risks, including the typical risks associated with leverage." If this ratio declines below 200%, we may not be able to incur additional debt and could be required by law to sell a portion of our investments to repay some debt when it is disadvantageous to do so, which could have a material adverse effect on our operations, and we may not be able to make distributions. The amount of leverage that we employ will depend on Runway Growth Capital's and our Board's assessment of market and other factors at the time of any proposed borrowing. We cannot assure you that we will be able to obtain credit at all or on terms acceptable to us. In addition, any debt facility into which we may enter would likely impose financial and operating covenants that restrict our business activities, including limitations that could hinder our ability to finance additional loans and investments or to make the distributions required to qualify as a RIC.

The following table illustrates the effect of leverage on returns from an investment in our common stock assuming various annual returns on our portfolio, net of expenses. Leverage generally magnifies the return of stockholders when the portfolio return is positive and magnifies their losses when the portfolio return is negative. The calculations in the table below are hypothetical, and actual returns may be higher or lower than those appearing in the table below.

	Assumed Return on Our Portfolio (Net of Expenses)				
	-10%	**-5%**	**0%**	**5%**	**10%**
Corresponding return to common stockholder[(1)]	-14.2%	-7.6%	-1.1%	5.5%	12.0%

(1) Assumes (i) $619.7 million in total assets, (ii) $146.2 million in outstanding indebtedness, (iii) $ 473.5 million in net assets and (iv) weighted average interest rate, excluding fees (such as fees on undrawn amounts and amortization of financing costs), of 3.5%.

Any defaults under the Credit Agreement could adversely affect our business.

On May 31, 2019 (as subsequently amended), we entered into the Credit Agreement by and among us, as borrower, the financial institutions party thereto as lenders, KeyBank National Association, as administrative agent (the "Administrative Agent"), syndication agent, and a lender, CIBC Bank USA ("CIBC"), as documentation agent and a lender, MUFG Union Bank, N.A., as co-documentation agent and a lender and U.S. Bank National Association, as paying agent. In the event we default under our Credit Agreement, or other borrowings, our business could be adversely affected as we may be forced to sell a portion of our investments quickly and prematurely at what may be unfavorable prices to us in order to meet our outstanding payment obligations and/or support working capital requirements under such borrowing facility, any of which would have a material adverse effect on our business, financial condition, results of operations and cash flows. In addition, following any such default, the agent for the lenders under such borrowing facility could assume control of the disposition of any or all of our assets, including the selection of such assets to be disposed and the timing of such disposition, which would have a material adverse effect on our business, financial condition, results of operations and cash flows.

If we are unable to obtain additional debt financing, or if our borrowing capacity is materially reduced, our business could be materially adversely affected.

We may want to obtain additional debt financing, or need to do so upon maturity of the Credit Agreement, in order to obtain funds which may be made available for investments. The availability period under the Credit Agreement expires on May 31, 2022 and is followed by a two-year amortization period. The stated maturity date under the Credit Agreement is May 31, 2024. If we are unable to increase, renew or replace the Credit Agreement and enter into new debt financing facilities or other debt financing on commercially reasonable terms, our liquidity may be reduced significantly. In addition, if we are unable to repay amounts outstanding under any such facilities and are declared in default or are unable to renew or refinance these facilities, we may not be able to make new investments or operate our business in the normal course. These situations may arise due to circumstances that we may be unable to control, such as lack of access to the credit markets, a severe decline in the value of the U.S. dollar, an economic downturn or an operational problem that affects us or third parties, and could materially damage our business operations, results of operations and financial condition.

Changes in interest rates may affect our cost of capital, the ability of our portfolio companies to service their debt obligations and our net investment income.

General interest rate fluctuations and changes in credit spreads on floating rate loans may have a substantial negative impact on our investments and investment opportunities and, accordingly, may have a material adverse effect on our rate of return on invested capital, our net investment income and our net asset value. Substantially all of our debt investments have variable interest rates that reset periodically based on benchmarks such as the London Interbank Offered Rate ("LIBOR") and the U.S. prime rate ("Prime Rate"), so an increase in interest rates from their relatively low present levels may make it more difficult for our portfolio companies to service their obligations under the debt investments that we will hold.

Alternatively, a decrease in interest rates or interest rate benchmarks, including a reduction of LIBOR to zero, may negatively affect our net interest income if our interest-earning assets reprice sooner than our interest-bearing debt investments. In a low or falling interest rate environment, prepayments may be more likely. We would then be forced to invest unanticipated proceeds at lower interest or dividend rates, resulting in a decline in our net investment income.

In addition, to the extent we borrow money to make investments, our net investment income depends, in part, upon the difference between the rate at which we borrow funds and the rate at which we invest those funds. As a result, we can offer no assurance that a significant change in market interest rates will not have a material adverse effect on our net investment income to the extent we use debt to finance our investments. In periods of rising interest rates, our cost of funds would increase, which could reduce our net investment income. In addition, in a prolonged low interest rate environment, including a reduction of LIBOR to zero, the difference between the total interest income earned on interest earning assets and the total interest expense incurred on interest bearing liabilities may be compressed, reducing our net interest income and potentially adversely affecting our operating results.

In addition, a rise in the general level of interest rates can be expected to lead to higher interest rates applicable to our debt investments. Accordingly, an increase in interest rates would make it easier for us to meet or exceed the incentive fee hurdle rate and may result in a substantial increase of the amount of incentive fees payable to Runway Growth Capital with respect to our pre-incentive fee net investment income.

The financial projections of our portfolio companies could prove inaccurate.

We generally evaluate the capital structure of portfolio companies on the basis of financial projections prepared by the management of such portfolio companies. These projected operating results are normally based primarily on judgments of the management of the portfolio companies. In all cases, projections are only estimates of future results that are based upon assumptions made at the time that the projections are developed. General economic conditions, which are not predictable with accuracy, along with other macroeconomic factors and specific factors of the portfolio company, may cause actual performance to fall short of the financial projections that were used to establish a given portfolio company's capital structure. Because of the leverage that is typically employed by our portfolio companies, this could cause a substantial decrease in the value of our investment in the portfolio company. The inaccuracy of financial projections of portfolio companies could thus cause our investment performance to fall short of our expectations.

Our portfolio securities may not have a readily available market price and, in such a case, we will value these securities at fair value as determined in good faith under procedures adopted by our Board, which valuation is inherently subjective and may not reflect what we may actually realize for the sale of the investment.

A large percentage of our portfolio investments are in the form of debt investments that are not publicly traded. The fair value of these securities is not readily determinable. We value these investments on at least a quarterly basis in accordance with our valuation policy, which is at all times consistent with generally accepted accounting principles in the United States ("U.S. GAAP"). Our Board utilizes the services of certain third-party valuation firms to aid it in determining the fair value of these investments. The Board discusses valuations and determines the fair value in good faith based on the input of Runway Growth Capital, the Audit Committee and the applicable third-party valuation firm. The participation of Runway Growth Capital in our valuation process could result in a conflict of interest, since the management fees are based in part on our gross assets and also because Runway Growth Capital is receiving performance-based incentive fees. The factors that are considered in the fair value pricing of our investments include the nature and realizable value

of any collateral, the portfolio company's ability to make payments on loans and its earnings, the markets in which the portfolio company does business, comparisons to publicly-traded companies, discounted cash flow, relevant credit market indices, and other relevant factors. Because such valuations, and particularly valuations of private investments and private companies, are inherently uncertain, may fluctuate over short periods of time and are often based on estimates, our determinations of fair value may differ materially from the values that would have been used if a ready market for these securities existed. In addition, the valuation of these types of securities may result in substantial write-downs and earnings volatility.

Our net asset value as of a particular date may be materially greater than or less than the value that would be realized if our assets were to be liquidated as of such date. For example, if we were required to sell a certain asset or all or a substantial portion of our assets on a particular date, the actual price that we would realize upon the disposition of such asset or assets could be materially less than the value of such asset or assets as reflected in our net asset value. Volatile market conditions could also cause reduced liquidity in the market for certain assets, which could result in liquidation values that are materially less than the values of such assets as reflected in our net asset value.

Our Board may change our investment objective, operating policies and strategies without prior notice or stockholder approval, the effects of which may be adverse.

Our Board has the authority to modify or waive our investment objective, current operating policies, investment criteria and strategies without prior notice (except as required by the 1940 Act) and without stockholder approval. However, absent stockholder approval, we may not change the nature of our business so as to cease to be, or withdraw our election as, a BDC. We cannot predict the effect any changes to our current operating policies, investment criteria and strategies would have on our business, net asset value, operating results and value of our stock. However, the effects of changes to our investment objective or criteria by our Board might be adverse, which could negatively impact our ability to pay you dividends and cause you to lose all or part of your investment.

To the extent OID and PIK-interest constitute a portion of our income, we are exposed to typical risks associated with such income being required to be included in taxable and accounting income prior to receipt of cash representing such income.

Our investments include original-issue-discount instruments and contractual PIK-interest arrangements. To the extent OID or PIK-interest constitutes a portion of our income, we are exposed to typical risks associated with such income being required to be included in taxable and accounting income prior to receipt of cash, including the following:

- The higher interest rates of OID and PIK instruments reflect the payment deferral, which results in a higher principal amount at the maturity of the instrument as compared to the original principal amount of the instrument, and increased credit risk associated with these instruments, and OID and PIK instruments generally represent a significantly higher credit risk than coupon loans.
- Even if the accounting conditions for income accrual are met, the borrower could still default when our actual collection is supposed to occur at the maturity of the obligation.
- OID and PIK instruments may have unreliable valuations because their continuing accruals require continuing judgments about the collectability of the deferred payments and the value of any associated collateral. OID and PIK-income may also create uncertainty about the source of our cash distributions.
- To the extent we provide loans with interest-only payments or moderate loan amortization, the majority of the principal payment or amortization of principal may be deferred until loan maturity. Because this debt generally allows the borrower to make a large lump-sum payment of principal at the end of the loan term, there is a risk of loss if the borrower is unable to pay the lump sum or refinance the amount owed at maturity.
- For accounting purposes, any cash distributions to stockholders representing OID and PIK-income are not treated as coming from paid-in capital, even though the cash to pay them comes from the offering proceeds. As a result, despite the fact that a distribution representing OID and PIK-income could be paid out of amounts invested by our stockholders, the 1940 Act does not require that stockholders be given notice of this fact by reporting it as a return of capital.

- In certain cases, we may recognize taxable income before or without receiving corresponding cash payments and, as a result, we may have difficulty meeting the annual distribution requirement necessary to maintain our tax treatment as a RIC.

The interest rates of our term loans to our portfolio companies that extend beyond 2021 might be subject to change based on recent regulatory changes.

LIBOR is the basic rate of interest used in lending between banks on the London interbank market and is widely used as a reference for setting the interest rate on loans globally. We typically use LIBOR as a reference rate in term loans we extend to portfolio companies such that the interest due to us pursuant to a term loan extended to a partner company is calculated using LIBOR. The terms of our debt investments generally include minimum interest rate floors which are calculated based on LIBOR.

On March 5, 2021, the United Kingdom's Financial Conduct Authority (the "FCA"), which regulates LIBOR, announced that (i) 24 LIBOR settings would cease to exist immediately after December 31, 2021 (all seven euro LIBOR settings; all seven Swiss franc LIBOR settings; the Spot Next, 1-week, 2-month, and 12-month Japanese yen LIBOR settings; the overnight, 1-week, 2-month, and 12-month sterling LIBOR settings; and the 1-week and 2-month US dollar LIBOR settings); (ii) the overnight and 12-month US LIBOR settings would cease to exist after June 30, 2023; and (iii) the FCA would consult on whether the remaining nine LIBOR settings should continue to be published on a synthetic basis for a certain period using the FCA's proposed new powers that the UK government is legislating to grant to them. Central banks and regulators in a number of major jurisdictions (for example, United States, United Kingdom, European Union, Switzerland and Japan) have convened working groups to find, and implement the transition to, suitable replacements for interbank offered rates. To identify a successor rate for U.S. dollar LIBOR, the Alternative Reference Rates Committee ("ARRC"), a U.S.-based group convened by the Federal Reserve Board and the Federal Reserve Bank of New York, was formed. The ARRC has identified the Secured Overnight Financing Rate ("SOFR") as its preferred alternative rate for LIBOR. SOFR is a measure of the cost of borrowing cash overnight, collateralized by U.S. Treasury securities, and is based on directly observable U.S. Treasury-backed repurchase transactions. Although SOFR appears to be the preferred replacement rate for U.S. dollar LIBOR, at this time, it is not possible to predict the effect of any such changes, any establishment of alternative reference rates or other reforms to LIBOR that may be enacted in the United States, United Kingdom or elsewhere or, whether the COVID-19 pandemic will have further effect on LIBOR transition plans.

The elimination of LIBOR or any other changes or reforms to the determination or supervision of LIBOR or alternative reference rates could have an adverse impact on the market for or value of any LIBOR-linked securities, loans, and other financial obligations or extensions of credit held by or due to us. In addition, if LIBOR ceases to exist, we may need to renegotiate the credit agreements extending beyond 2021 with our portfolio companies that utilize LIBOR as a factor in determining the interest rate, in order to replace LIBOR with the new standard that is established, which may have an adverse effect on our overall financial condition or results of operations. As such, some or all of these credit agreements may bear a lower interest rate, which would adversely impact our financial condition or results of operations. Moreover, if LIBOR ceases to exist, we may need to renegotiate certain terms of the Financing Facilities. If we are unable to do so, amounts drawn under the Financing Facilities may bear interest at a higher rate, which would increase the cost of our borrowings and, in turn, affect our results of operations.

A reduction in the interest rates on new investments relative to interest rates on current investments could also have an adverse impact on our net interest income. However, an increase in interest rates could decrease the value of any investments we hold which earn fixed interest rates, including subordinated loans, senior and junior secured and unsecured debt securities and loans and high yield bonds, and also could increase our interest expense, thereby decreasing our net income.

In periods of rising interest rates, to the extent we borrow money subject to a floating interest rate, our cost of funds would increase, which could reduce our net investment income. Further, rising interest rates could also adversely affect our performance if such increases cause our borrowing costs to rise at a rate in excess of the rate that our investments yield. Further, rising interest rates could also adversely affect our performance if we hold investments with floating interest rates, subject to specified minimum interest rates (such as a LIBOR floor), while at the same time engaging in borrowings subject to floating interest rates not

subject to such minimums. In such a scenario, rising interest rates may increase our interest expense, even though our interest income from investments is not increasing in a corresponding manner as a result of such minimum interest rates.

If general interest rates rise, there is a risk that the portfolio companies in which we hold floating rate securities will be unable to pay escalating interest amounts, which could result in a default under their loan documents with us. Rising interest rates could also cause portfolio companies to shift cash from other productive uses to the payment of interest, which may have a material adverse effect on their business and operations and could, over time, lead to increased defaults. In addition, rising interest rates may increase pressure on us to provide fixed rate loans to our portfolio companies, which could adversely affect our net investment income, as increases in our cost of borrowed funds would not be accompanied by increased interest income from such fixed-rate investments.

We have and will continue to expend significant financial and other resources to comply with the requirements of being a public reporting entity.

As a public reporting entity, we are subject to the reporting requirements of the Securities Exchange Act of 1934, as amended (the "Exchange Act") and certain requirements of the Sarbanes-Oxley Act of 2002 (the "Sarbanes-Oxley Act"). These requirements have placed a strain on our systems and resources and are likely to put additional strain on us as a company listed on NASDAQ.The Exchange Act requires that we file annual, quarterly and current reports with respect to our business and financial condition. The Sarbanes-Oxley Act requires that we maintain effective disclosure controls and procedures and internal control over financial reporting, which are discussed below. See "*Regulation*." In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal controls, significant resources and management oversight is required. We will continue to implement procedures, processes, policies and practices for the purpose of addressing the standards and requirements applicable to public companies. These activities may divert management's attention from other initiatives, strategies or business concerns, which could have a material adverse effect on our business, financial condition, results of operations and cash flows. We expect to incur significant additional annual expenses related to these steps and, among other things, directors' and officers' liability insurance, director fees, reporting requirements of the SEC, transfer agent fees, additional administrative expenses payable to our Administrator to compensate them for hiring additional accounting, legal and administrative personnel, increased auditing and legal fees and similar expenses.

The systems and resources necessary to comply with public company reporting requirements will increase further once we cease to be an "emerging growth company" under the Jumpstart Our Business Startups Act of 2012 ("JOBS Act"). As long as we remain an emerging growth company, we intend to take advantage of certain exemptions from various reporting requirements that are applicable to other public companies, including, but not limited to, not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act. We will remain an emerging growth company for up to five years following this initial public offering, although if the market value of our common stock that is held by non-affiliates exceeds $700 million as of any June 30 before that time or we issue an aggregate of $1.0 billion in non-convertible debt securities in any three year period, we would cease to be an emerging growth company as of the following December 31. See "*Prospectus Summary — Implications of Being an Emerging Growth Company.*"

Failure to achieve and maintain effective internal controls over financial reporting in accordance with Section 404 of the Sarbanes-Oxley Act could have a material adverse effect on our business and the value of our common stock.

We are obligated to maintain proper and effective internal control over financial reporting, including the internal control evaluation and certification requirements of Section 404 of the Sarbanes-Oxley Act ("Section 404"). Our independent registered public accounting firm will not be required to formally attest to the effectiveness of our internal control overfinancial reporting until the date we are no longer an emerging growth company under the JOBS Act or until we become an "accelerated filer" under Rule 12b-2 of the Exchange Act. Accordingly, our internal controls over financial reporting do not currently meet all of the standards contemplated by Section 404 that we will eventually be required to meet. Specifically, we are required to conduct annual management assessments of the effectiveness of our internal controls over financial reporting.

Our internal control over financial reporting may not prevent or detect misstatements because of its inherent limitations, including the possibility of human error, the circumvention or overriding of controls, or fraud. Even effective internal controls can provide only reasonable assurance with respect to the preparation and fair presentation of financial statements. If we fail to maintain the adequacy of our internal controls, including any failure to implement required new or improved controls, or if we experience difficulties in their implementation, our business and operating results could be harmed and we could fail to meet our financial reporting obligations.

Risks Related to Our Investments

Our investments are very risky and highly speculative.

We invest primarily in senior secured term loans and other senior debt obligations and may on occasion invest in second lien loans issued by high growth-potential companies. We also have and continue to expect to acquire warrants and other equity securities from portfolio companies in connection with our investments in loans to these companies. We invest primarily in secured loans made to companies whose debt has generally not been rated by any rating agency, although we would expect such debt, if rated, to fall below investment grade. Securities rated below investment grade are often referred to as "high yield" securities and "junk bonds," and are considered "high risk" and speculative in nature compared to debt instruments that are rated investment grade.

Senior Secured Loans. There is a risk that the collateral securing our loans may decrease in value over time, may be difficult to sell in a timely manner, may be difficult to appraise and may fluctuate in value based upon the success of the business and market conditions, including as a result of the inability of the portfolio company to raise additional capital. In some circumstances, our liens on the collateral securing our loans could be subordinated to claims of other creditors. In addition, deterioration in a portfolio company's financial condition and prospects, including its inability to raise additional capital, may be accompanied by deterioration in the value of the collateral for the loan. Consequently, the fact that a loan is secured does not guarantee that we will receive principal and interest payments according to the loan's terms, or at all, or that we will be able to collect on the loan should we be compelled to enforce our remedies.

Second Lien Secured Loans. In structuring our loans, we may subordinate our security interest in certain assets of a borrower to another lender, usually a bank. In these situations, all of the risks identified above in Senior Secured Loans would be true and additional risks inherent in holding a junior security position would also be present, including, but not limited to those outlined below in the risk factor titled "Second priority liens on collateral securing loans that we make to our portfolio companies may be subject to control by senior creditors with first priority liens. If there is a default, the value of the collateral may not be sufficient to repay in full both the first priority creditors and us."

Equity Investments. When we invest in secured loans, we may acquire equity securities as well, including warrants. In addition, we may also, on a limited basis, invest directly in the equity securities of portfolio companies. The equity interests we receive may not appreciate in value and may in fact decline in value. Accordingly, we may not be able to realize gains from our equity interests, and any gains that we do realize on the disposition of any equity interests may not be sufficient to offset any other losses we experience.

In addition, investing in high growth-potential, private companies involves a number of significant risks, including the following:

- they may have limited financial resources and may be unable to meet their obligations under their debt securities that we hold. This failure to meet obligations may be accompanied by a deterioration in the value of any collateral and a reduction in the likelihood of us realizing any guarantees we may have obtained in connection with our investment;
- they typically have shorter operating histories, narrower product lines and smaller market shares than larger businesses, which tend to render them more vulnerable to competitors' actions, market conditions, and general economic downturns;
- they are more likely to depend on the management talents and efforts of a small group of persons; therefore, the death, disability, resignation or termination of one or more of these persons could have a material adverse impact on our portfolio company and, in turn, on us;

- they generally have less predictable operating results, may from time to time be parties to litigation, may be engaged in rapidly changing businesses with products subject to a substantial risk of obsolescence, and may require substantial additional capital to support their operations, finance expansion, or maintain their competitive position. In addition, our executive officers, directors and Runway Growth Capital may, in the ordinary course of business, be named as defendants in litigation arising from the investments in our portfolio companies; and
- they may have difficulty accessing the capital markets to meet future capital needs, which may limit their ability to grow or to repay their outstanding debt upon maturity.

Venture lenders, in general, focus on a limited set of key financial performance metrics, including minimum liquidity, performance to plan, and investor abandonment, in lieu of a full set of financial performance covenants that do not meaningfully assess the risk of companies at the stage of development of companies in which venture lenders typically invest. As such, many of our loans could be considered covenant-lite by traditional lending standards. We use the term "covenant-lite" loans to refer generally to loans that do not require a borrower to comply with financial maintenance covenants. Generally, covenant-lite loans permit borrowers more opportunity to negatively impact lenders because their covenants are incurrence-based, which means they are only tested and can only be breached following certain actions of the borrower, rather than by a deterioration in the borrower's financial condition. Accordingly, because we make and have exposure to covenant-lite loans, we may have less protection from borrower actions and may have a greater risk of loss on such investments as compared to investments in or exposure to loans with financial maintenance covenants.

Investing in high growth-potential, private companies involves a high degree of risk, and our financial results may be affected adversely if one or more of our significant portfolio investments defaults on its loans or fails to perform as we expect.

We expect that our portfolio will continue to consist primarily of debt investments in privately-owned companies, and to a lesser extent equity investments in privately-owned companies. Investing in these companies involves a number of significant risks. Typically, the debt in which we intend to invest will not be initially rated by any rating agency; however, we believe that if such investments were rated, they would generally be below investment grade. Securities rated below investment grade are often referred to as "high yield" securities and "junk bonds," and are considered "high risk" and speculative in nature compared to debt instruments that are rated investment grade. Compared to larger publicly owned companies, these companies may be in a weaker financial position and may experience wider variations in their operating results, which may make them more vulnerable to economic downturns. Typically, these companies need more capital to compete; however, their access to capital is limited and their cost of capital is often higher than that of their competitors. Our portfolio companies face intense competition from larger companies with greater financial, technical, and marketing resources and their success typically depends on the managerial talents and efforts of an individual or a small group of persons. Therefore, the loss of any of its key employees could affect a portfolio company's ability to compete effectively and harm its financial condition. Further, some of these companies conduct business in regulated industries that are susceptible to regulatory changes, resulting in increased compliance measures and possibly more susceptibility to regulatory breaches or violations. These factors could impair the cash flow of our portfolio companies and result in other events, such as bankruptcy. These events could limit a portfolio company's ability to repay its obligations to us, which may have an adverse effect on the return on, or the recovery of, our investment in these businesses. Deterioration in a borrower's financial condition and prospects may be accompanied by deterioration in the value of the loan's collateral.

Some of these companies cannot obtain financing from public capital markets or from traditional credit sources, such as commercial banks. Accordingly, the loans we make to these types of companies pose a higher default risk than loans made to companies that have access to traditional credit sources.

An investment strategy focused primarily on privately held companies presents certain challenges, including the lack of available information about these companies and a greater vulnerability to economic downturns.

We invest primarily in high growth-potential, privately held companies. Investments in private companies pose certain additional risks as compared to investments in public companies, including that they:

- have reduced access to the capital markets, resulting in diminished capital resources and ability to withstand financial distress;

- may have limited financial resources and may be unable to meet their obligations under their debt obligations that we hold, which may be accompanied by a deterioration in the value of any collateral and a reduction in the likelihood of our realizing any guarantees we may have obtained in connection with our investment;
- may have shorter operating histories, narrower product lines and smaller market shares than larger businesses, which tend to render them more vulnerable to competitors' actions and changing market conditions, as well as general economic downturns;
- are more likely to depend on the management talents and efforts of a small group of persons and, therefore, the death, disability, resignation or termination of one or more of these persons could have a material adverse impact on the company and, in turn, on us; and
- generally have less predictable operating results, may be engaged in rapidly changing businesses with products subject to a substantial risk of obsolescence, and may require substantial additional capital to support their operations, finance expansion or maintain their competitive position.

If we are unable to uncover all material information about these companies, we may not make a fully informed investment decision, and we may lose money on our investments.

In addition, limited public information generally exists about private companies and these companies may not have third-party credit ratings or audited financial statements subject to public accounting standards or otherwise. We must therefore rely on the ability of Runway Growth Capital's investment team to obtain adequate financial or other information to evaluate the potential returns from investing in these companies. Furthermore, private companies and their financial information will not generally be subject to the Sarbanes-Oxley Act and other rules that govern public companies. If we are unable to uncover all material information about these companies through our diligence and underwriting process, we may not make a fully informed investment decision. This could adversely affect our investment returns as compared to companies investing primarily in the securities of public companies.

Our portfolio companies may have limited operating histories and financial resources.

Our portfolio consists of investments in companies that may have relatively limited operating histories. Generally, limited public information exists about these companies, and we are required to rely on the ability of Runway Growth Capital's investment team to obtain adequate information to evaluate the potential returns from investing in these companies. If we are unable to uncover all material information about these companies, we may not make a fully informed investment decision, and we may lose money on our investments. These companies may be particularly vulnerable to U.S. economic downturns and may have limited access to capital. These companies also frequently have less diverse product lines and a smaller market presence than larger competitors and may experience substantial variations in operating results. These companies may face intense competition, including from companies with greater financial, technical, operational and marketing resources, and typically depend upon the expertise and experience of a single individual executive or a small management team. Our success depends, in large part, upon the abilities of the key management personnel of our portfolio companies, who are responsible for the day-to-day operations of our portfolio companies. Competition for qualified personnel is intense at any stage of a company's development, but even more so at the growth stage of the companies we typically invest in. The loss of one or more key managers can hinder or delay a company's implementation of its business plan and harm its financial condition. Our portfolio companies may not be able to attract and retain qualified managers and personnel, which could negatively affect our investment returns.

In addition, our existing and future portfolio companies may compete with each other for investment or business opportunities and the success of one could negatively impact the other. Furthermore, some of our portfolio companies do business in regulated industries and could be affected by changes in government regulation. Accordingly, these factors could impair their cash flow or result in other events, such as bankruptcy, which could limit their ability to repay their obligations to us, and may materially and adversely affect the return on, or the recovery of, our investment. As a result, we may lose our entire investment in any of our portfolio companies.

Our portfolio companies may incur debt that ranks equally with, or senior to, our investments in such companies.

We invest primarily in senior secured loans made to high growth-potential private companies but, on occasion may make second lien loans to portfolio companies. Our portfolio companies may have, or may be permitted to incur, other debt that ranks equally with, or in some cases senior to, the debt in which we invest. By their terms, such debt instruments may entitle these debt holders to receive payment of interest or principal on or before the dates on which we are entitled to receive payments with respect to the debt instruments in which we invest. Also, in the event of insolvency, liquidation, dissolution, reorganization, or bankruptcy of a portfolio company, holders of debt instruments ranking senior to our investment in that portfolio company would typically be entitled to receive payment in full before we receive any distribution. After repaying senior creditors, a portfolio company may not have any remaining assets to use for repaying its obligation to us. In the case of debt ranking equally with debt instruments in which we invest, we would have to share on an equal basis any distributions with other creditors holding such debt in the event of an insolvency, liquidation, dissolution, reorganization, or bankruptcy of the relevant portfolio company. In the case of second lien loans that we make to portfolio companies, we would not recover any of our principal amount of the loan until the first lien holder is fully repaid, which would likely result in us recovering less or no amounts due on our loan and, in turn, could have a material adverse effect on our operations and financial condition.

There may be circumstances in which our debt investments could be subordinated to claims of other creditors or we could be subject to lender liability claims.

Even though we intend to structure most of our debt investments as secured loans, if one of our portfolio companies were to go bankrupt, depending on the facts and circumstances, and based upon principles of equitable subordination as defined by existing case law, a bankruptcy court could subordinate all or a portion of our claim to that of other creditors and transfer any lien securing such subordinated claim to the bankruptcy estate. The principles of equitable subordination defined by case law have generally indicated that a claim may be subordinated only if its holder is guilty of misconduct or where the senior loan is re-characterized as an equity investment and the senior lender has actually provided significant managerial assistance to the bankrupt debtor. In our case, we may, if requested to do so, provide managerial assistance to our portfolio companies. We may also be subject to lender liability claims for actions taken by us with respect to a borrower's business or instances where we exercise control over the borrower. It is possible that we could become subject to a lender's liability claim, including as a result of actions taken in rendering significant managerial assistance or actions to compel and collect payments from the borrower outside the ordinary course of business.

Second priority liens on collateral securing loans that we make to our portfolio companies may be subject to control by senior creditors with first priority liens. If there is a default, the value of the collateral may not be sufficient to repay in full both the first priority creditors and us.

Certain loans that we make will be secured by a second priority security interest in the same collateral pledged by a portfolio company to secure senior debt owed by the portfolio company to commercial banks or other traditional lenders. Often the senior lender has procured covenants from the portfolio company prohibiting the incurrence of additional secured debt without the senior lender's consent. Prior to and as a condition of permitting the portfolio company to borrow money from us secured by the same collateral pledged to the senior lender, the senior lender may require assurances that it will control the disposition of any collateral in the event of bankruptcy or other default. In many such cases, the senior lender will require us to enter into an intercreditor agreement prior to permitting the portfolio company to borrow from us. Typically the intercreditor agreements we will be requested to execute will expressly subordinate our debt instruments to those held by the senior lender and further provide that the senior lender will control: (1) the commencement of foreclosure or other proceedings to liquidate and collect on the collateral; (2) the nature, timing, and conduct of foreclosure or other collection proceedings; (3) the amendment of any collateral document; (4) the release of the security interests in respect of any collateral; and (5) the waiver of defaults under any security agreement. Because of the control we may cede to senior lenders under intercreditor agreements we may enter, we may be unable to realize the proceeds of any collateral securing some of our loans.

We may be subject to risks associated with our investments in covenant-lite loans.

Venture lenders, in general, focus on a limited set of key financial performance metrics, including minimum liquidity, performance to plan, and investor abandonment, in lieu of a full set of financial

performance covenants that do not meaningfully assess the risk of companies at the stage of development of companies in which venture lenders typically invest. As such, many of our loans could be considered covenant-lite by traditional lending standards. We have made and may in the future make or obtain significant exposure to covenant-lite loans, which generally are loans that do not require a borrower to comply with financial maintenance covenants, and may not include terms that allow the lender to monitor the financial performance of the borrower, including financial ratios, and declare a default if certain financial criteria are breached. While these loans may still contain other collateral protections, a covenant-lite loan may carry more risk than a covenant-heavy loan made by the same borrower as it does not require the borrower to provide affirmation that certain specific financial tests have been satisfied on a routine basis as is generally required under a covenant-heavy loan agreement. Generally, covenant-lite loans permit borrowers more opportunity to negatively impact lenders because their covenants, if any, tend to be incurrence-based, which means they are only tested and can only be breached following certain actions of the borrower, rather than by a deterioration in the borrower's financial condition. Our investment in or exposure to a covenant-lite loan may potentially hinder our ability to reprice credit risk associated with the issuer and reduce our ability to restructure a problematic loan and mitigate potential loss. As a result, our exposure to losses may be increased, which could result in an adverse impact on our revenues, net income and net asset value.

The lack of liquidity in our investments may adversely affect our business.

We typically invest in companies whose securities are not publicly traded, and whose securities will be subject to restrictions on resale or will otherwise be less liquid than publicly traded securities. There is no established trading market for the securities in which we invest. The illiquidity of these investments may make it difficult for us to sell these investments when desired. In addition, if we are required to liquidate all or a portion of our portfolio quickly, we may realize significantly less than the value at which we had previously recorded these investments. As a result, we do not expect to achieve liquidity in our investments in the near-term and, in particular, with respect to the equity securities we acquire in our portfolio companies. Our investments are typically subject to contractual or legal restrictions on resale or are otherwise illiquid because there is no established trading market for such investments. The illiquidity of our investments may make it difficult for us to dispose of them at a favorable price or at all, and we may suffer losses as a result.

Our failure to make follow-on investments in our portfolio companies could impair the value of our portfolio.

Following an initial investment in a portfolio company, we may make additional investments in that portfolio company as "follow-on" investments, in order to: (1) increase or maintain in whole or in part our equity ownership percentage; (2) exercise warrants, options, or convertible securities that were acquired in the original or a subsequent financing; or (3) attempt to preserve or enhance the value of our investment. However, we may elect not to make follow-on investments or lack sufficient funds to make those investments. We will have the discretion to make any follow-on investments, subject to the availability of capital resources. The failure to make follow-on investments may, in some circumstances, jeopardize the continued viability of a portfolio company and our initial investment or may result in a missed opportunity for us to increase our participation in a profitable or successful portfolio company. Even if we have sufficient capital to make a desired follow-on investment, we may elect not to make a follow-on investment because we do not want to increase our concentration of risk, we prefer other investment opportunities, we are subject to BDC requirements that would prevent such follow-on investments, or the follow-on investment would affect our qualification as a RIC.

Our portfolio may lack diversification among portfolio companies, which subjects us to a risk of significant loss if one or more of these companies default on their repayment obligations under any of their debt instruments.

Our portfolio may hold a limited number of portfolio companies. Beyond the asset diversification requirements associated with our qualification as a RIC, we do not have fixed guidelines for diversification, and our investments may be concentrated in relatively few companies. As our portfolio is less diversified than the portfolios of some larger funds, we are more susceptible to failure if a single loan fails. As a result, if a significant loan fails to perform as expected, our business, financial condition, results of operations and cash flows could be more negatively affected and the magnitude of the loss could be more significant than if we had made smaller investments in more companies. Similarly, the aggregate returns we realize may be significantly adversely affected if a small number of investments perform poorly or if we need to write down the value of any one investment.

Our portfolio may be concentrated in a limited number of industries, which will subject us to a risk of significant loss if there is a downturn in a particular industry in which a number of our investments are concentrated.

Our portfolio is concentrated in a limited number of industries. We invest primarily in companies focused in technology, life sciences, healthcare information and services, business services, select consumer services and products and other high growth industries. A downturn in any particular industry in which we are invested could significantly impact the aggregate returns we realize. As our portfolio may be less diversified than the portfolios of other investment vehicles, we may be more susceptible to losses if a single loan is not repaid. Similarly, the aggregate returns we realize may be significantly adversely affected if a small number of investments perform poorly or if we need to write down the value of any one investment.

Our portfolio may lack diversification among our Sponsored Growth Lending and Non-Sponsored Growth Lending strategies and among sponsors within the Sponsored Growth Lending strategy.

Our objective is to build a balanced portfolio with diversification among sponsored and non-sponsored transactions diversification among sponsors within the Sponsored Growth Lending strategy, diversification among industry, geography, and stage of development, which we believe will contribute to a favorable risk adjusted return for the portfolio viewed as a whole. As we build our portfolio to scale, the effects of our sponsored and non-sponsored diversification strategy on yield and other metrics may not be fully evident, and the impact of various weightings may be more pronounced from period to period until we achieve greater scale in our portfolio. As a result, we may not achieve favorable risk adjusted returns for the portfolio viewed as a whole when diversification is lacking.

We may be subject to risks associated with our investments in life sciences-related companies.

Our life sciences portfolio consists primarily of companies that commercialize and integrate products in life sciences-related industries, including biotechnology, drug discovery, drug delivery, bioinformatics and medical devices. There are risks in investing in companies that target life sciences-related industries, including, but not limited to, the uncertainty of timing and results of clinical trials to demonstrate the safety and efficacy of products; failure to obtain any required regulatory approval of products; failure to develop manufacturing processes that meet regulatory standards; competition, in particular from companies that develop rival products; and the ability to protect proprietary technology. Adverse developments in any of these areas may adversely affect the value of our life sciences portfolio.

This life sciences industry is dominated by large multinational corporations with substantial greater financial and technical resources than generally will be available to our portfolio companies. Such large corporations may be better able to adapt to the challenges presented by continuing rapid and major scientific, regulatory and technological changes as well as related changes in governmental and third-party reimbursement policies.

Within the life sciences industry, the development of products generally is a costly and time-consuming process. Many highly promising products ultimately fail to prove to be safe and effective. There can be no assurance that the research or product development efforts of our portfolio companies or those of their collaborative partners will be successfully completed, that specific products can be manufactured in adequate quantities at an acceptable cost and with appropriate quality, or that such products can be successfully marketed or achieve customer acceptance. There can be no assurance that a product will be relevant and/or be competitive with products from other companies following the costly, time-consuming process of its development.

The research, development, manufacturing, and marketing of products developed by some life sciences companies are subject to extensive regulation by numerous government authorities in the United States and other countries. There can be no assurance that products developed by the portfolio companies will ever be approved by such governmental authorities.

Many life sciences portfolio companies will depend heavily upon intellectual property for their competitive position. There can be no assurance that the portfolio companies will be able to obtain patents for key inventions. Moreover, within the life sciences industry, patent challenges are frequent. Even if patents held by the portfolio companies are upheld, any challenges thereto may be costly and distracting to the portfolio companies' management.

Some of the life sciences portfolio companies will be at least partially dependent for their success upon governmental and third-party reimbursement policies that are under constant review and are subject to change at any time. Any such change could adversely affect the viability of one or more portfolio companies.

Technology-related sectors, including those involving data processing and outsourced services, in which we invest are subject to many risks, including volatility, intense competition, decreasing life cycles, product obsolescence, changing consumer preferences and periodic downturns.

A number of the companies in which we invest operate in technology-related sectors. The revenue, income (or losses) and valuations of technology-related companies can and often do fluctuate suddenly and dramatically. In addition, because of rapid technological change, the average selling prices of products and some services provided by technology-related sectors have historically decreased over their productive lives. As a result, the average selling prices of products and services offered by our portfolio companies that operated in technology-related sectors may decrease over time, which could adversely affect their operating results and, correspondingly, the value of any securities that we may hold. This could, in turn, materially adversely affect our business, financial condition and results of operations.

Any of our portfolio companies operating in the healthcare information and services industry are subject to extensive government regulation and certain other risks particular to that industry.

Our portfolio companies may be subject to extensive regulation by U.S. and foreign federal, stated and/or local agencies. Our healthcare information and services portfolio companies provide technology to companies that are subject to extensive regulation, including Medicare and Medicaid payment rules and regulation, the False Claims Act and federal and state laws regarding the collection, use and disclosure of patient health information and the storage handling and administration of pharmaceuticals. Changes in existing laws, rules or regulations, or judicial or administrative interpretations, or new laws, rules or regulations could have an adverse impact on the business and industries of our portfolio companies. In addition, changes in government priorities or limitations on government resources could also adversely impact our portfolio companies. If any of our portfolio companies or the companies to which they provide such technology fail to comply with applicable regulations, they could be subject to significant penalties and claims that could materially and adversely affect their operations. Portfolio companies in the healthcare information and services industry are also subject to the risk that changes in applicable regulations will render their technology obsolete or less desirable in the marketplace. We are unable to predict whether any such changes in laws, rules or regulations will occur and, if they do occur, the impact of these changes on our portfolio companies and our investment returns.

Portfolio companies in the healthcare information and services industry may also have a limited number of suppliers of necessary components or a limited number of manufacturers for their products, and therefore face a risk of disruption to their manufacturing process if they are unable to find alternative suppliers when needed. Any of these factors could materially and adversely affect the operations of a portfolio company in this industry and, in turn, impair our ability to timely collect principal and interest payments owed to us.

The semiconductor industry is subject to many risks, including intense competition, volatility, and increasing costs and complexity of research and development.

A number of the companies in which we invest operate in the semiconductor industry. The semiconductor industry is highly cyclical and is characterized by constant and rapid technological change, price erosion, evolving standards, short product life cycles and wide fluctuations in product supply and demand. Any future downturns may result in diminished product demand, production overcapacity, high inventory levels and accelerated erosion of average selling prices for our portfolio companies. Furthermore, any upturn in the semiconductor industry could result in increased competition for access to third-party foundry and assembly capacity for our portfolio companies. Our portfolio companies are dependent on the availability of this capacity to manufacture and assemble all of their products. These risks that our portfolio companies face could, in turn, materially adversely affect our business, financial condition and results of operations.

The internet retail industry is subject to many risks and is highly competitive.

A number of the companies in which we invest operate in the internet retail industry. The internet retail industry is highly competitive. This competition is increasingly intense as a number of internet-based retailers

have started and failed in recent years. Competitors include larger companies than the portfolio companies in which we invest, which, in particular, may have access to greater resources, may be more successful in the recruitment and retention of qualified employees which may give them a competitive advantage. In addition, actual or potential competitors may be strengthened through the acquisition of additional assets and interests. If our portfolio companies are unable to compete effectively or adequately respond to competitive pressures, this inability may materially adversely affect our results of operation and financial condition.

We may be subject to risks associated with our investments in the business services industry.

Portfolio companies in the business services sector are subject to many risks, including the negative impact of regulation, changing technology, a competitive marketplace and difficulty in obtaining financing. Portfolio companies in the business services industry must respond quickly to technological changes and understand the impact of these changes on customers' preferences. Adverse economic, business, or regulatory developments affecting the business services sector could have a negative impact on the value of our investments in portfolio companies operating in this industry, and therefore could negatively impact our business and results of operations.

We may be subject to risks associated with our investments in the consumer services industry.

Portfolio companies in the consumer services sector are subject to many risks, including the negative impact of regulation, changing technology, a competitive marketplace, unpredictability in attracting new customers and difficulty in obtaining financing. Portfolio companies in the consumer services industry must respond quickly to technological changes and understand the impact of these changes on customers' preferences. If a significant number of clients of our portfolio companies in the consumer services industry, or any one client to whom a portfolio company intends to provide a significant amount of services, were to terminate services, or reduce the amount of services purchased or fail to purchase additional services or delay payment of fees, the portfolio company's results of operations may be negatively and materially affected. If the client retention rate of any our portfolio companies declines, the portfolio company's revenue could decline unless it is able to obtain additional clients or alternate revenue sources. Additionally, adverse economic, business, or regulatory developments affecting the consumer services sector could have a negative impact on the value of our investments in portfolio companies operating in this industry, and therefore could negatively impact our business and results of operations.

We may be subject to risks associated with our investments in the software industry.

Portfolio companies in the software industry are subject to a number of risks. The revenue, income (or losses) and valuations of software and other technology-related companies can and often do fluctuate suddenly and dramatically. In addition, because of rapid technological change, the average selling prices of software products have historically decreased over their productive lives. As a result, the average selling prices of software offered by our portfolio companies may decrease over time, which could adversely affect their operating results and, correspondingly, the value of any securities that we may hold. Additionally, companies operating in the software industry are subject to vigorous competition, changing technology, changing client and end-consumer needs, evolving industry standards and frequent introductions of new products and services. Our portfolio companies in the software industry compete with several companies that operate in the global, regional and local software industries, and certain of those current or potential competitors may be engaged in a greater range of businesses, have a larger installed base of customers for their existing products and services or have greater financial, technical, sales or other resources than our portfolio companies do. Our portfolio companies may lose market share if their competitors introduce or acquire new products that compete with their software and related services or add new features to their products. Any of this could, in turn, materially adversely affect our business, financial condition and results of operations.

Because we generally do not hold controlling equity interests in our portfolio companies, we may not be in a position to exercise control over our portfolio companies or to prevent decisions by management of our portfolio companies that could decrease the value of our investments.

In some instances, we may control our portfolio companies or provide our portfolio companies with significant managerial assistance. However, although we may do so in the future, we typically do not hold controlling equity positions in our portfolio companies. Thus, we generally do not, and do not expect to, control the decision making in many of our portfolio companies. As a result, we are subject to the risk that a

portfolio company in which we invest will make business decisions with which we disagree and the management of such company, as representatives of the holders of their common equity, will take risks or otherwise act in ways that do not serve our interests as debt investors. Due to the lack of liquidity of the debt and equity investments that we typically hold in our portfolio companies, we may not be able to dispose of our interests as readily as we would like or at an appropriate valuation in the event we disagree with the actions of a portfolio company. As a result, a portfolio company may make decisions that would decrease the value of our investments.

Defaults by our portfolio companies will harm our operating results.

A portfolio company's failure to satisfy financial or operating covenants imposed by us or other lenders could lead to defaults and, potentially, termination of its loans and foreclosure on its secured assets, which could trigger cross-defaults under other agreements and jeopardize a portfolio company's ability to meet or satisfy its obligations under the loans we made to them. We may incur expenses to the extent necessary to seek recovery upon default or to negotiate new terms, which may include the waiver of certain financial covenants, with a defaulting portfolio company. In addition to the failure to recover loan amounts by a portfolio company in default, the additional expenses incurred to help recovery of loan amounts could materially and adversely affect our operating results and cash flow.

If our portfolio companies are unable to commercialize their technologies, products, business concepts or services, the returns on our investments could be adversely affected.

The value of our investments in our portfolio companies may decline if portfolio companies are not able to commercialize their technology, products, business concepts or services. Additionally, although some of our portfolio companies may already have a commercially successful product or product line at the time of our investment, information technology, e-commerce and life science products and services often have a more limited market or life span than products in other industries. Thus, the ultimate success of these companies often depends on their ability to continually innovate in increasingly competitive markets. If they are unable to do so, our investment returns could be adversely affected and their ability to service their debt obligations to us over the term of the loan could be impaired. Our portfolio companies may be unable to successfully acquire or develop any new products, and the intellectual property they currently hold may not remain viable. Even if our portfolio companies are able to develop commercially viable products, the market for new products and services is highly competitive and rapidly changing. Neither our portfolio companies nor we will have any control over the pace of technology development. Commercial success is difficult to predict, and failure of our portfolio companies to compete by developing and commercializing viable products could have a material adverse effect on our results of operations and financial condition.

If our portfolio companies are unable to protect their intellectual property rights, our business and prospects could be harmed, and if portfolio companies are required to devote significant resources to protecting their intellectual property rights, the value of our investment could be reduced.

Our future success and competitive position will depend in part upon the ability of our portfolio companies to obtain, maintain and protect proprietary technology used in their products and services. The intellectual property held by our portfolio companies often represents a substantial portion of the collateral securing our investments and/or constitutes a significant portion of the portfolio companies' value and may be available in a downside scenario to repay our loans. Our portfolio companies rely, in part, on patent, trade secret, and trademark law to protect that technology, but competitors may misappropriate their intellectual property, and disputes as to ownership of intellectual property may arise. Portfolio companies may, from time to time, be required to institute litigation to enforce their patents, copyrights, or other intellectual property rights; protect their trade secrets; determine the validity and scope of the proprietary rights of others; or defend against claims of infringement. Such litigation could result in substantial costs and diversion of resources. Similarly, if a portfolio company is found to infringe or misappropriate a third party's patent or other proprietary rights, it could be required to pay damages to the third party, alter its products or processes, obtain a license from the third party, and/or cease activities utilizing the proprietary rights, including making or selling products utilizing the proprietary rights. Any of the foregoing events could negatively affect both the portfolio company's ability to service our debt investment and the value of any related debt and equity securities that we own, as well as any collateral securing our investment.

Any unrealized losses we experience on our loan portfolio may be an indication of future realized losses, which could reduce our income available for distribution.

As a BDC, we are required to carry our investments at market value or, if no market value is ascertainable, at the fair value as determined in good faith by our Board. Decreases in the market values or fair values of our investments will be recorded as unrealized depreciation. Any unrealized losses in our loan portfolio could be an indication of a portfolio company's inability to meet its repayment obligations to us with respect to the affected loans. This could result in realized losses in the future and ultimately in reductions of our income available for distribution in future periods.

Prepayments of our debt investments by our portfolio companies could adversely impact our results of operations and reduce our return on equity.

We are subject to the risk that the investments we make in our portfolio companies may be repaid prior to maturity. When this occurs, we will generally reinvest these proceeds in temporary investments, pending future investment in new portfolio companies. These temporary investments will typically have substantially lower yields than the yields of the loans being prepaid and we could experience significant delays in reinvesting these amounts. Any future investment in a new portfolio company may also be at lower yields than the debt that was previously prepaid by a portfolio company. As a result, our results of operations could be materially adversely affected if any of our portfolio companies elect to prepay amounts owed to us. Additionally, prepayments of loans made to portfolio companies could negatively impact our return on equity.

Our investments in leveraged portfolio companies may be risky, and you could lose all or part of your investment.

Some of our portfolio companies may be highly leveraged, which may have adverse consequences to these companies and to us as an investor. These companies may be subject to restrictive financial and operating covenants and the leverage may impair these companies' ability to finance their future operations and capital needs. As a result, these companies' flexibility to respond to changing business and economic conditions and to take advantage of business opportunities may be limited. Further, a leveraged company's income and net assets will tend to increase or decrease at a greater rate than if borrowed money were not used. Leveraged companies may enter into bankruptcy proceedings at higher rates than companies that are not leveraged.

We may not realize gains from our equity investments.

Investments in equity securities involve a number of significant risks, including the risk of further dilution as a result of additional issuances, inability to access additional capital and failure to pay current distributions. Investments in preferred securities involve special risks, such as the risk of deferred distributions, credit risk, illiquidity restraining our ability to transfer or sell such securities and limited voting rights. In addition, we may from time to time make non-control, equity investments in portfolio companies. Our goal is ultimately to realize gains upon our disposition of such equity interests. However, the equity interests we receive may not appreciate in value and, in fact, may decline in value. Accordingly, we may not be able to realize gains from our equity interests, and any gains that we do realize on the disposition of any equity interests may not be sufficient to offset any other losses we experience. We also may be unable to realize any value if a portfolio company does not have a liquidity event, such as a sale of the business, recapitalization or public offering, which would allow us to sell the underlying equity interests. We will sometimes seek puts or similar rights to give us the right to sell our equity securities back to the portfolio company issuer. We may be unable to exercise these put rights for the consideration provided in our investment documents if the issuer is in financial distress.

We may expose ourselves to risks if we engage in hedging transactions.

If we engage in hedging transactions, we may expose ourselves to risks associated with such transactions. We may utilize instruments such as forward contracts, credit default swaps, currency options and interest rate swaps, caps, collars and floors to seek to hedge against fluctuations in the relative values of our portfolio positions from changes in currency exchange rates and market interest rates. Hedging against a decline in the values of our portfolio positions does not eliminate the possibility of fluctuations in the values of such positions or prevent losses if the values of such positions decline. However, such hedging can establish other positions designed to gain from those same developments, thereby offsetting the decline in the value of such portfolio positions. Such hedging transactions may also limit the opportunity for gain if the values of the underlying portfolio positions increase. It may not be possible to hedge against an exchange rate or interest

rate fluctuation that is so generally anticipated that we are not able to enter into a hedging transaction at an acceptable price. Moreover, for a variety of reasons, we may not seek to establish a perfect correlation between such hedging instruments and the portfolio holdings being hedged. Any such imperfect correlation may prevent us from achieving the intended hedge and expose us to risk of loss. In addition, it may not be possible to hedge fully or perfectly against currency fluctuations affecting the value of securities denominated in non-U.S. currencies because the value of those securities is likely to fluctuate as a result of factors not related to currency fluctuations.

Risks Related to Our Conflicts of Interest

There are significant potential conflicts of interest that could impact our investment returns.

Mr. Spreng currently serves as Managing Partner of Crescendo Ventures IV, LLC, which he co-founded in 1998 as a venture capital firm focused on early-stage investments in the technology, digital media and technology-enabled service markets. In addition, our executive officers and directors, as well as the current and future members of Runway Growth Capital, may serve as officers, directors or principals of other entities that operate in the same or a related line of business as we do. Accordingly, they may have obligations to investors in those entities, the fulfillment of which obligations may not be in the best interests of us or our stockholders. However, Runway Growth Capital's core investment team does not have a present intent to advise or manage another BDC with an investment strategy that is substantially similar to our investment strategy.

In the course of our investing activities, we pay management and incentive fees to Runway Growth Capital and reimburse our Administrator for certain expenses incurred. As a result, investors in our common stock invest on a "gross" basis and receive distributions on a "net" basis after expenses, resulting in a lower rate of return than an investor might achieve through direct investments. Accordingly, there may be times when the management team of Runway Growth Capital will have interests that differ from those of our stockholders, giving rise to a conflict.

We entered into the License Agreement with Runway Growth Capital pursuant to which Runway Growth Capital has granted us a personal, non-exclusive, royalty-free right and license to use the name "Runway Growth Finance." Under the License Agreement, we have the right to use the "Runway Growth Finance" name for so long as Runway Growth Capital or one of its affiliates remains our investment adviser. Other than with respect to this limited license, we have no legal right to the "Runway Growth Finance" name.

In addition, we pay our Administrator, a wholly-owned subsidiary of Runway Growth Capital, our allocable portion of overhead and other expenses incurred by our Administrator in performing its obligations under the Administration Agreement, including rent, the fees and expenses associated with performing compliance functions. These arrangements may create conflicts of interest that our Board must monitor.

Our strategic relationship with Oaktree may create conflicts of interest.

As of June 30, 2021, OCM Growth owned approximately 57% of our outstanding common stock. OCM Growth, which is managed by Oaktree, has purchased 18,763,829 shares of our common stock for an aggregate purchase price of $280.9 million as of June 30, 2021. Pursuant to an irrevocable proxy, the shares of our common stock held by OCM Growth must be voted in the same manner that our other stockholders vote their shares. OCM Growth has a right to nominate a member of our Board for election for so long as OCM Growth holds shares of our common stock in an amount equal to, in the aggregate, at least one-third (33.33%) of OCM Growth's initial $125 million capital commitment, which percentage shall be determined based on the dollar value of the shares of common stock owned by OCM Growth. OCM Growth holds the right to appoint a nominee to the Board, subject to the conditions previously described, regardless of the Company's size (e.g., assets under management or market capitalization) or the beneficial ownership interests of other stockholders. Further, to the extent OCM Growth's share ownership falls below one-third of its initial $125 million capital commitment under any circumstances, OCM Growth will no longer have the right to appoint a director nominee and will use reasonable efforts to cause such nominee to resign immediately (subject to his or her existing fiduciary duties). Brian Laibow serves on our Board as OCM Growth's director nominee and is considered an interested director.

In addition, OCM Growth owns a minority interest in Runway Growth Capital and has the right to appoint a member of Runway Growth Capital's board of managers as well as a member of Runway Growth Capital's Investment Committee. Mr. Laibow serves on Runway Growth Capital's board of managers and investment committee on behalf of OCM Growth. See "*Related Party Transactions and Certain Relationships*."

Mr. Laibow is Co-Head of North America & Managing Director Opportunities Funds at Oaktree and we expect that he will continue to engage in investment advisory activities for Oaktree, which could result in a conflict of interest and may distract him from his responsibilities to us and Runway Growth Capital. As a result of the relationship with Oaktree and OCM, we are presumed to be an affiliate of Oaktree and OCM Growth under the 1940 Act. As a result, we are not able to invest in the same portfolio companies in which any funds managed by Oaktree or OCM Growth invest without seeking exemptive relief from the SEC.

Runway Growth Capital's liability is limited under the Advisory Agreement and we have agreed to indemnify Runway Growth Capital against certain liabilities, which may lead Runway Growth Capital to act in a riskier manner on our behalf than it would when acting for its own account.

Under the Advisory Agreement, Runway Growth Capital has not assumed any responsibility to us other than to render the services called for under that agreement. It is not responsible for any action of our Board in following or declining to follow Runway Growth Capital's advice or recommendations. Under the Advisory Agreement, Runway Growth Capital and its professionals and any person controlling or controlled by Runway Growth Capital are not liable to us, any subsidiary of ours, our directors, our stockholders or any subsidiary's stockholders or partners for acts or omissions performed in accordance with and pursuant to the Advisory Agreement, except those resulting from acts constituting gross negligence, willful misfeasance, bad faith or reckless disregard of the duties that Runway Growth Capital owes to us under the Advisory Agreement. In addition, as part of the Advisory Agreement, we will indemnify Runway Growth Capital and its professionals from and against any claims or liabilities, including reasonable legal fees and other expenses reasonably incurred, arising out of or in connection with our business and operations or any action taken or omitted on our behalf pursuant to authority granted by the Advisory Agreement, except where attributable to gross negligence, willful misfeasance, bad faith or reckless disregard of such person's duties under the Advisory Agreement.

There is a risk that our stockholders may not receive any distributions or that our distributions may not grow over time.

We intend to make distributions on a quarterly basis to our stockholders out of assets legally available for distribution. We cannot assure you that we will achieve investment results that will allow us to make a specified level of cash distributions or year-to-year increases in cash distributions. In addition, due to the asset coverage test applicable to us as a BDC, we may be limited in our ability to make distributions. See "*Regulation*."

The valuation process for certain of our investments may create a conflict of interest.

For the majority of our investments, no market-based price quotation is available. As a result, our Board determines the fair value of these securities in good faith as described in "*— Our portfolio securities may not have a readily available market price and, in such a case, we will value these securities at fair value as determined in good faith under procedures adopted by our Board, which valuation is inherently subjective and may not reflect what we may actually realize for the sale of the investment.*" In connection with that determination, Runway Growth Capital's investment team provides our Board with valuation recommendations based upon the most recent and available information, which generally includes industry outlook, capitalization, financial statements and projected financial results of each portfolio company. Our Board utilizes the services of certain third-party valuation firms to aid it in determining the fair value of these investments. The Board discusses valuations and determines the fair value in good faith based on the input of Runway Growth Capital, the Audit Committee of the Board and the applicable third-party valuation firm. The participation of Runway Growth Capital's investment team in our valuation process, and the pecuniary interest in Runway Growth Capital by certain members of our Board, could result in a conflict of interest as Runway Growth Capital's base management fee is based, in part, on the value of our average adjusted gross assets, and Runway Growth Capital's incentive fee is based, in part, on realized gains and realized and unrealized losses.

We may pay our Adviser an incentive fee on certain investments that include a deferred interest feature.

We underwrite our loans to generally include an end-of-term payment, a PIK interest payment and/or OID. Our end-of-term payments are contractual and fixed interest payments due at the maturity date of the

loan, including upon prepayment, and are generally a fixed percentage of the original principal balance of the loan. The portion of our end-of-term payments which equal the difference between our yield-to-maturity and the stated interest rate on the loan are recognized as non-cash income or OID until they are paid. In addition, in connection with our equity-related investments, we may be required to accrue OID which decreases the balance on our secured loans by an amount equal to the value of the warrant investment we receive in connection with the applicable secured loan over its lifetime. Under these types of investments, we accrue interest during the life of the loan on the end-of-term payment, PIK interest payment and/or OID but do not receive the cash income from the investment until the end of the term. However, our Pre-Incentive Fee Net Investments, which is used to calculate the income portion of our incentive fee, includes accrued interest. Thus, a portion of this incentive fee is based on income that we have not yet received in cash, such as an end-of-term payment, a PIK interest payment and/or OID.

Risks Related to RIC Tax Treatment

We will be subject to U.S. federal corporate-level income tax if we are unable to qualify as a RIC.

Although we have elected to be treated as a RIC under Subchapter M of the Code, no assurance can be given that we will be able to qualify as and maintain our qualification as a RIC. To maintain our tax treatment as a RIC, we must meet the following source-of-income, asset diversification, and distribution requirements.

The income source requirement will be satisfied if we obtain at least 90% of our gross income for each year from dividends, interest, foreign currency, payments with respect to loans of certain securities, gains from the sale of stock or other securities, net income from certain "qualified publicly traded partnerships," or similar sources.

The asset diversification requirement will be satisfied if we meet certain asset diversification requirements at the end of each quarter of our taxable year. Failure to meet those requirements may result in our having to dispose of certain investments quickly in order to prevent the loss of our qualification as a RIC. Because most of our investments will be in private companies, and therefore will be relatively illiquid, any such dispositions could be made at disadvantageous prices and could result in substantial losses. We may have difficulty satisfying the diversification requirement during our ramp-up phase until we have a portfolio of investments. In addition, to the extent that we call capital to meet the asset diversification requirements and are unable to deploy such capital into income-earning investments, we may not achieve our expected operating results.

The annual distribution requirement will be satisfied if we distribute to our stockholders on an annual basis at least 90% of our net ordinary income and realized net short-term capital gains in excess of realized net long-term capital losses, if any (the "Annual Distribution Requirement"). Because we may use debt financing, we are subject to certain asset coverage ratio requirements under the 1940 Act and financial covenants under loan and credit agreements that could, under certain circumstances, restrict us from making distributions necessary to satisfy the distribution requirement. If we are unable to obtain cash from other sources, we could fail to qualify for tax treatment as a RIC. If we fail to qualify as a RIC for any reason and therefore become subject to corporate-level federal U.S. income tax, the resulting corporate taxes could substantially reduce our net assets, the amount of income available for distribution and the amount of our distributions.

We may have difficulty paying our required distributions if we recognize income before or without receiving cash representing such income.

For U.S. federal income tax purposes, we will include in our taxable income certain amounts that we have not yet received in cash, such as OID, which may arise if we receive warrants in connection with the origination of a loan or possibly in other circumstances, or contractual PIK interest, which represents contractual interest added to the loan balance and due at the end of the loan term. Such OID or increases in loan balances as a result of contractual PIK arrangements will be included in our taxable income before we receive any corresponding cash payments. We also may be required to include in our taxable income certain other amounts that we will not receive in cash.

Since, in certain cases, we may recognize taxable income before or without receiving corresponding cash payments, we may have difficulty meeting the Annual Distribution Requirement necessary to maintain our qualification as a RIC. Accordingly, to satisfy our RIC distribution requirements, we may have to sell some of our investments at times and/or at prices we would not consider advantageous, raise additional debt or equity

capital or forgo new investment opportunities. If we are not able to obtain cash from other sources, we may fail to qualify for tax treatment as a RIC and thus become subject to corporate-level income tax. For additional discussion regarding the tax implications of our election to be taxed as a RIC, please see "*Certain U.S. Federal Income Tax Considerations*."

Due to the COVID-19 pandemic or other disruptions in the economy, we may not be able to increase our dividends and may reduce or defer our dividends and choose to incur U.S. federal excise tax in order preserve cash and maintain flexibility.

As a BDC, we are not required to make any distributions to stockholders other than in connection with our election to be taxed as a RIC under subchapter M of the Code. In order to maintain our tax treatment as a RIC, we must distribute to stockholders for each taxable year at least 90% of our investment company taxable income (i.e., net ordinary income plus realized net short-term capital gains in excess of realized net long-term capital losses). If we qualify for taxation as a RIC, we generally will not be subject to corporate-level US federal income tax on our investment company taxable income and net capital gains (i.e., realized net long-term capital gains in excess of realized net short-term capital losses) that we timely distribute to stockholders. We will be subject to a 4% U.S. federal excise tax on undistributed earnings of a RIC unless we distribute each calendar year at least the sum of (i) 98.0% of our net ordinary income for the calendar year, (ii) 98.2% of our capital gain net income for the one-year period ending on October 31 of the calendar year, and (iii) any net ordinary income and capital gain net income that we recognized for preceding years, but were not distributed during such years, and on which we paid no corporate-level U.S. federal income tax.

Under the Code, we may satisfy certain of our RIC distributions with dividends paid after the end of the current year. In particular, if we pay a distribution in January of the following year that was declared in October, November, or December of the current year and is payable to stockholders of record in the current year, the dividend will be treated for all US federal tax purposes as if it were paid on December 31 of the current year. In addition, under the Code, we may pay dividends, referred to as "spillover dividends," that are paid during the following taxable year that will allow us to maintain our qualification for taxation as a RIC and eliminate our liability for corporate-level U.S. federal income tax. Under these spillover dividend procedures, we may defer distribution of income earned during the current year until December of the following year. For example, we may defer distributions of income earned during 2020 until as late as December 31, 2021. If we choose to pay a spillover dividend, we will incur the nondeductible 4% U.S. federal excise tax on some or all of the distribution.

Due to the COVID-19 pandemic or other disruptions in the economy, we may take certain actions with respect to the timing and amounts of our distributions in order to preserve cash and maintain flexibility. For example, we may not be able to increase our dividends. In addition, we may reduce our dividends and/or defer our dividends to the following taxable year. If we defer our dividends, we may choose to utilize the spillover dividend rules discussed above and incur the nondeductible 4% U.S. federal excise tax on such amounts. To further preserve cash, we may combine these reductions or deferrals of dividends with one or more distributions that are payable partially in our stock as discussed below under "— *We may choose to pay distributions in our own stock, including in connection with our Dividend Reinvestment Plan, in which case you may be required to pay U.S. federal income tax in excess of the cash you receive*."

We may choose to pay distributions in our own stock, including in connection with our Dividend Reinvestment Plan, in which case you may be required to pay U.S. federal income tax in excess of the cash you receive.

We may distribute taxable distributions that are payable in cash or shares of our common stock, including in connection with our Dividend Reinvestment Plan, at the election of each stockholder. Under certain applicable provisions of the Code and published Internal Revenue Service guidance, distributions payable from a publicly offered RIC that are payable in cash or in shares of stock at the election of stockholders may be treated as taxable distributions. The IRS has issued a revenue procedure indicating that this rule will apply if the total amount of cash to be distributed is not less than 20% of the total distribution. Under this revenue procedure, if too many stockholders elect to receive their distributions in cash, the cash available for distribution must be allocated among the stockholders electing to receive cash (with the balance of the distribution paid in shares of our common stock). If we decide to make any distributions consistent with this revenue procedures that are payable in part in shares of our common stock, taxable stockholders receiving such distributions will be required to include the full amount of the distribution (whether received in cash,

stock or a combination thereof) as ordinary income (or as long-term capital gain to the extent such distribution is properly reported as a capital gain distribution) to the extent of our current and accumulated earnings and profits for U.S. federal income tax purposes. As a result, a U.S. stockholder may be required to pay U.S. federal income tax with respect to such distributions in excess of any cash received. If a U.S. stockholder sells the stock it receives as a distribution in order to pay this tax, the sales proceeds may be less than the amount included in income with respect to the distribution, depending on the net asset value of our stock at the time of the sale. Furthermore, with respect to non-U.S. stockholders, we may be required to withhold U.S. federal tax with respect to such distributions, including in respect of all or a portion of such distribution that is payable in stock. In addition, if a significant number of our stockholders sell shares of our common stock in order to pay U.S. federal income taxes owed on distributions, it may put downward pressure on the net asset value of our common stock.

For any period that we do not qualify as a "publicly offered regulated investment company," as defined in the Code, U.S. stockholders that are individuals, trusts or estates will be taxed as though they received a distribution of some of our expenses.

A "publicly offered regulated investment company" is a RIC whose shares are either (i) continuously offered pursuant to a public offering, (ii) regularly traded on an established securities market or (iii) held by at least 500 persons at all times during the taxable year. We currently do not qualify as a publicly offered RIC; we may qualify as a publicly offered RIC for future taxable years. For any period that we are not a publicly offered RIC, a U.S. non-corporate stockholder's allocable portion of our affected expenses, including our management fees, is treated as an additional distribution to the stockholder and will be deductible by such stockholder only to the extent permitted under the limitations described below. In particular, these expenses, which are "miscellaneous itemized deductions", are not currently deductible by an individual or other non-corporate stockholder (and, beginning in 2026, will be deductible only to the extent they exceed 2% of such a stockholder's adjusted gross income, and are not deductible for alternative minimum tax purposes).

Risks Related to an Investment in Our Common Stock

Prior to this offering, there has been no public market for our common stock, and we cannot assure you that a market for our common stock will develop or that the market price of shares of our common stock will not decline following the offering.

We have applied to have our common stock approved for listing on the Nasdaq Global Select Market under the symbol "RWAY". We cannot assure you that a trading market will develop for our common stock after this offering or, if one develops, that the trading market can be sustained. In addition, we cannot predict the prices at which our common stock will trade. The offering price for our common stock will be determined through our negotiations with the underwriters and may not bear any relationship to the market price at which it may trade after this offering. Shares of companies offered in an initial public offering often trade at a discount to the initial offering price due to underwriting discounts and commissions and related offering expenses. Also, shares of closed-end investment companies, including BDCs, frequently trade at a discount from their net asset value and our stock may also be discounted in the market. This characteristic of closed-end investment companies is separate and distinct from the risk that our net asset value per share of common stock may decline. We cannot predict whether our common stock will trade at, above or below net asset value. The risk of loss associated with this characteristic of closed-end management investment companies may be greater for investors expecting to sell shares of common stock purchased in the offering soon after the offering. In addition, if our common stock trades below its net asset value, we will generally not be able to sell additional shares of our common stock to the public at its market price without first obtaining the approval of a majority of our stockholders (including a majority of our unaffiliated stockholders) and our independent directors for such issuance.

Our common stock may trade below our net asset value per share, which limits our ability to raise additional equity capital.

If our common stock is trading below our net asset value per share, we are not able to issue additional shares of our common stock at the market price without first obtaining the approval for such issuance from our stockholders and our independent directors. If our common stock trades below our net asset value per share, the higher cost of equity capital may result in it being unattractive to raise new equity, which may limit

our ability to grow. The risk of our common stock trading below our net asset value per share is separate and distinct from the risk that our net asset value per share may decline. We cannot predict whether shares of our common stock will trade above, at or below our net asset value per share.

A stockholder's interest in us will be diluted if we issue additional shares, which could reduce the overall value of an investment in us.

Our stockholders do not have preemptive rights to purchase any shares we issue in the future. Our charter authorizes us to issue up to 100 million shares of common stock. Pursuant to our charter, a majority of our entire Board may amend our charter to increase the number of shares of common stock we may issue without stockholder approval. Our Board may elect to sell additional shares in the future or issue equity interests in private offerings. To the extent we issue additional equity interests at or below net asset value, your percentage ownership interest in us may be diluted. In addition, depending upon the terms and pricing of any additional offerings and the value of our investments, you may also experience dilution in the book value and fair value of your shares.

Under the 1940 Act, we generally are prohibited from issuing or selling our common stock at a price below net asset value per share, which may be a disadvantage as compared with certain public companies. We may, however, sell our common stock, or warrants, options, or rights to acquire our common stock, at a price below the current net asset value of our common stock if our Board and independent directors determine that such sale is in our best interests and the best interests of our stockholders, and our stockholders, including a majority of those stockholders that are not affiliated with us, approve such sale. In any such case, the price at which our securities are to be issued and sold may not be less than a price that, in the determination of our Board, closely approximates the fair value of such securities (less any distributing commission or discount). If we raise additional funds by issuing common stock or senior securities convertible into, or exchangeable for, our common stock, then the percentage ownership of our stockholders at that time will decrease and you will experience dilution.

Sales of substantial amounts of our common stock in the public market may have an adverse effect on the market price of our common stock.

Upon completion of this offering, we will have [•] shares of common stock outstanding (or [•] shares of common stock if the underwriters' exercise their option to purchase additional shares of our common stock). The shares of common stock sold in the offering will be freely tradable without restriction or limitation under the Securities Act.

Prior to the consummation of this offering, 34,530,614 shares of our outstanding common stock, including 19,200,496 shares held by OCM Growth and certain of its affiliates are "restricted securities" under the meaning of Rule 144 promulgated under the Securities Act and may only be sold if such sale is registered under the Securities Act or exempt from registration, including the safe harbor provided under Rule 144. See *"Shares Eligible for Future Sale."*

Each of our directors, executive officers and our shareholders have agreed that they will not transfer their shares in accordance with the transfer restrictions provided for in the lock-up agreement with the underwriters for a period of 180 days after the date of the prospectus, subject to certain exceptions as more fully described in "*Shares Eligible for Future Sale*."

In addition, each of the directors, executive officers and certain shareholders are subject to additional transfer restrictions following the 180 day lock-up period (as described in more detail below). First, each of our directors and officers and certain shareholders have agreed that they will not transfer their shares in accordance with the transfer restrictions provided for in the lock-up agreement with the underwriters for an additional 185 days beginning immediately after the expiration of the 180 day lock-up period (365 days in total from the date of this prospectus), subject to certain exceptions as more fully described in *"Shares Eligible for Future Sale"* and *"Underwriting."*

OCM Growth and certain of its affiliates, holding in the aggregate 19,200,496 shares, or 55.60%, of our common stock, have also agreed, without the consent of the Company, that they will not transfer their shares in accordance with the transfer restrictions provided for in the lock-up agreement with the underwriters for an additional 270 days beginning immediately after the expiration of the 180 day lock-up period (450 days in

total from the date of this prospectus), provided, however that (i) 4,800,124 or 25% of the shares of the Company's common stock held by OCM Growth and certain of its affiliates prior to this offering will not be subject to any transfer restrictions on the first day following the expiration of the initial 180 day lock-up period, (ii) an additional 4,800,124 or 25% of the shares of the Company's common stock held by OCM Growth and certain of its affiliates prior to this offering will not be subject to any transfer restrictions on the 90th day following the expiration of the initial 180 day lock-up period, (iii) an additional 4,800,124 or 25% of the shares of the Company's common stock held by OCM Growth and certain of its affiliates prior to this offering will not be subject to any transfer restrictions on the 180th day following the expiration of the initial 180 day lock-up period, and (iv) the remaining 4,800,124 or 25% of the shares of the Company's common stock held by OCM Growth and certain of its affiliates prior to this offering will not be subject to any transfer restrictions on the 270th day following the expiration of the initial 180 day lock-up period.

Certain other institutional shareholders holding in the aggregate approximately 27.23% of the outstanding shares of our common stock have agreed, without the consent of the Company, that they will not transfer their shares in accordance with the transfer restrictions provided for in the lock-up agreement with the underwriters for an additional 185 days beginning immediately after the expiration of the 180 day lock-up period (365 days in total from the date of this prospectus), provided, however that (i) 33% of the shares of the Company's common stock held by certain institutional shareholders prior to this offering will not be subject to any transfer restrictions on the first day following the expiration of the initial 180 day lock-up period, (ii) an additional 33% of the shares of the Company's common stock held by certain institutional shareholders prior to this offering will not be subject to any transfer restrictions on the 90th day following the expiration of the initial 180 day lock-up period, and (iii) the remaining 33% of the shares of the Company's common stock held by certain institutional shareholders prior to this offering will not be subject to any transfer restrictions on the 185th day following the expiration of the initial 180 day lock-up period.

The Company, in its sole discretion, may release the securities subject to any of the transfer restrictions described above, in whole or in part at any time during the subsequent restricted periods. For more information, see "*Shares Eligible for Future Sale*."

Following this offering and the expiration of applicable lock-up periods with the underwriters and subsequent transfer restriction periods with the Company for our directors, officers and our stockholders holding in the aggregate all of the outstanding shares of our common stock, and subject to applicable securities laws, including Rule 144, sales of substantial amounts of our common stock, or the perception that such sales could occur, could adversely affect the prevailing market prices for our common stock. If these sales occur, it could impair our ability to raise additional capital through the sale of equity securities should we desire to do so. We cannot predict what effect, if any, future sales of securities, or the availability of securities for future sales, will have on the market price of our common stock prevailing from time to time.

Any purchases of our common stock under the 10b5-1 Plan may result in the price of our common stock being higher than the price that otherwise might exist in the open market.

OCM Growth, or an affiliate thereof, has indicated that it intends to adopt a 10b5-1 plan (the "10b5-1 Plan") in accordance with Rules 10b5-1 and 10b-18 under the Exchange Act, under which OCM Growth, or an affiliate thereof, may buy up to $15 million in the aggregate of our common stock in the open market during the period beginning 30 days after the closing of this offering and ending on the earlier of the date on which the capital committed to the 10b5-1 Plan has been exhausted or one year after the closing of this offering, subject to certain pricing and market conditions. See "*Related Party Transactions and Certain Relationships*" for additional details regarding the terms and conditions of the 10b5-1 Plan. Whether purchases will be made pursuant to the 10b5-1 Plan and how many shares will be purchased at any time is uncertain, dependent on prevailing market prices and trading volumes, all of which we cannot predict. These activities may have the effect of maintaining the market price of our common stock or preventing a decline in the market price of the common stock, and, as a result, the price of our common stock may be higher than the price that otherwise might exist in the open market.

Certain provisions of our charter and actions of our Board could deter takeover attempts and have an adverse impact on the value of shares of our common stock.

Our charter, as well as certain statutory and regulatory requirements, contain certain provisions that may have the effect of discouraging a third party from attempting to acquire us. Our Board is divided into three

classes of directors serving staggered three-year terms. Our Board may, without stockholder action, authorize the issuance of shares in one or more classes or series, including shares of preferred stock; and our Board may, without stockholder action, amend our charter to increase the number of shares of our common stock, of any class or series, that we will have authority to issue. These anti-takeover provisions may inhibit a change of control in circumstances that could give the holders of shares of our common stock the opportunity to realize a premium over the value of shares of our common stock.

Provisions of the MGCL and of our charter and bylaws could deter takeover attempts and have an adverse impact on the price of our common stock.

Under Maryland General Corporation Law (the "MGCL") and our charter and bylaws contain provisions that may discourage, delay or make more difficult a change in control of us or the removal of our directors. We are subject to the Maryland Business Combination Act, subject to any applicable requirements of the 1940 Act. Our Board has adopted a resolution exempting from the Business Combination Act any business combination between us and any other person, subject to prior approval of such business combination by our Board, including approval by a majority of our disinterested directors. If the resolution exempting business combinations is repealed or our Board does not approve a business combination, the Business Combination Act may discourage third parties from trying to acquire control of us and increase the difficulty of consummating such an offer. Our bylaws exempt from the Maryland Control Share Acquisition Act (the "Control Share Act") acquisitions of our stock by any person. If we amend our bylaws to repeal the exemption from the Control Share Act, the Control Share Act also may make it more difficult for a third party to obtain control of us and increase the difficulty of consummating such a transaction. The SEC staff has rescinded its position that, under the 1940 Act, an investment company may not avail itself of the Control Share Act. As a result, we will amend our bylaws to be subject to the Control Share Act only if our Board determines it would be in our best interests.

We have also adopted measures that may make it difficult for a third party to obtain control of us, including provisions of our charter classifying our Board in three classes serving staggered three-year terms, and authorizing our Board to classify or reclassify shares of our stock in one or more classes or series, to cause the issuance of additional shares of our stock, to amend our bylaws without stockholder approval and to increase or decrease the number of shares of stock that we have authority to issue. These provisions, as well as other provisions of our charter and bylaws, may delay, defer or prevent a transaction or a change in control that might otherwise be in the best interests of our stockholders.

Investing in our common stock involves a high degree of risk.

The investments we make in accordance with our investment objective may result in a higher amount of risk than alternative investment options, including volatility or loss of principal. Our investments in portfolio companies may be highly speculative and aggressive and, therefore, an investment in our common stock may not be suitable for someone with lower risk tolerance.

The market value of our common stock may fluctuate significantly.

The market value and liquidity, if any, of the market for shares of our common stock may be significantly affected by numerous factors, some of which are beyond our control and may not be directly related to our operating performance. These factors include:

- changes in the value of our portfolio of investments and derivative instruments as a result of changes in market factors, such as interest rate shifts, and also portfolio specific performance, such as portfolio company defaults, among other reasons;
- changes in regulatory policies or tax guidelines, particularly with respect to RICs or BDCs;
- loss of RIC or BDC status;
- distributions that exceed our net investment income and net income as reported according to U.S. GAAP;
- changes in earnings or variations in operating results;
- changes in accounting guidelines governing valuation of our investments;

- any shortfall in revenue or net income or any increase in losses from levels expected by investors;
- departure of our Adviser or certain of its key personnel;
- general economic trends and other external factors; and
- loss of a major funding source.

The amount of any distributions we may make is uncertain. We may not be able to pay you distributions, or be able to sustain distributions at any particular level, and our distributions per share, if any, may not grow over time, and our distributions per share may be reduced. We have not established any limit on the extent to which we may use borrowings, if any, and we may use offering proceeds to fund distributions (which may reduce the amount of capital we ultimately invest in portfolio companies).

Subject to our Board's discretion and applicable legal restrictions, we intend to authorize and declare cash distributions on a quarterly basis and pay such distributions on a quarterly basis. We expect to pay distributions out of assets legally available for distribution. However, we cannot assure you that we will achieve investment results that will allow us to make a consistent targeted level of cash distributions or year-to-year increases in cash distributions. Our ability to pay distributions might be adversely affected by the impact of the risks described herein. In addition, the inability to satisfy the asset coverage test applicable to us as a business development company under the 1940 Act can limit our ability to pay distributions. Distributions from offering proceeds also could reduce the amount of capital we ultimately invest in debt or equity securities of portfolio companies. We cannot assure you that we will pay distributions to our stockholders in the future.

Distributions on our common stock may exceed our taxable earnings and profits. Therefore, portions of the distributions that we pay may represent a return of capital to you. A return of capital is a return of a portion of your original investment in shares of our common stock. As a result, a return of capital will (i) lower your tax basis in your shares and thereby increase the amount of capital gain (or decrease the amount of capital loss) realized upon a subsequent sale or redemption of such shares, and (ii) reduce the amount of funds we have for investment in portfolio companies. We have not established any limit on the extent to which we may use offering proceeds to fund distributions.

We may pay our distributions from offering proceeds in anticipation of future cash flow, which may constitute a return of your capital and will lower your tax basis in your shares, thereby increasing the amount of capital gain (or decreasing the amount of capital loss) realized upon a subsequent sale or redemption of such shares, even if such shares have not increased in value or have, in fact, lost value.

Stockholders may experience dilution in the net asset value of their shares if they do not participate in our dividend reinvestment plan and if our shares are trading at a discount to net asset value.

All distributions declared in cash payable to stockholders that are participants in our dividend reinvestment plan will generally be automatically reinvested in shares of our common stock, unless the investor opts out of the plan. In addition, stockholders who do not elect to participate in our dividend reinvestment plan may experience accretion to the net asset value of their shares if our shares are trading at a premium to net asset value and dilution if our shares are trading at a discount to net asset value. The level of accretion or discount would depend on various factors, including the proportion of our stockholders who participate in the plan, the level of premium or discount at which our shares are trading and the amount of the distribution payable to stockholders.

If we issue preferred stock or convertible debt securities, the net asset value of our common stock may become more volatile.

We cannot assure you that the issuance of preferred stock and/or convertible debt securities would result in a higher yield or return to the holders of our common stock. The issuance of preferred stock or convertible debt would likely cause the net asset value of our common stock to become more volatile. If the dividend rate on the preferred stock, or the interest rate on the convertible debt securities, were to approach the net rate of return on our investment portfolio, the benefit of such leverage to the holders of our common stock would be reduced. If the dividend rate on the preferred stock, or the interest rate on the convertible debt securities, were to exceed the net rate of return on our portfolio, the use of leverage would result in a lower rate of return to the holders of common stock than if we had not issued the preferred stock or convertible debt securities. Any

decline in the net asset value of our investment would be borne entirely by the holders of our common stock. Therefore, if the market value of our portfolio were to decline, the leverage would result in a greater decrease in net asset value to the holders of our common stock than if we were not leveraged through the issuance of preferred stock or debt securities. This decline in net asset value would also tend to cause a greater decline in the market price, if any, for our common stock.

There is also a risk that, in the event of a sharp decline in the value of our net assets, we would be in danger of failing to maintain required asset coverage ratios, which may be required by the preferred stock or convertible debt, or our current investment income might not be sufficient to meet the dividend requirements on the preferred stock or the interest payments on the debt securities. In order to counteract such an event, we might need to liquidate investments in order to fund the redemption of some or all of the preferred stock or convertible debt. In addition, we would pay (and the holders of our common stock would bear) all costs and expenses relating to the issuance and ongoing maintenance of the preferred stock, debt securities, convertible debt, or any combination of these securities. Holders of preferred stock or convertible debt may have different interests than holders of common stock and may at times have disproportionate influence over our affairs.

Holders of any preferred stock that we may issue will have the right to elect certain members of our Board and have class voting rights on certain matters.

The 1940 Act requires that holders of shares of preferred stock must be entitled as a class to elect two directors at all times and to elect a majority of the directors if dividends on such preferred stock are in arrears by two years or more, until such arrearage is eliminated. In addition, certain matters under the 1940 Act require the separate vote of the holders of any issued and outstanding preferred stock, including changes in fundamental investment restrictions and conversion to open-end status and, accordingly, preferred stockholders could veto any such changes. Restrictions imposed on the declarations and payment of dividends or other distributions to the holders of our common stock and preferred stock, both by the 1940 Act and by requirements imposed by rating agencies, might impair our ability to maintain our tax treatment as a RIC for U.S. federal income tax purposes.

Our Board is authorized to reclassify any unissued shares of common stock into one or more classes of preferred stock, which could convey special rights and privileges to its owners.

Under MGCL and our charter, our Board is authorized to classify and reclassify any authorized but unissued shares of stock into one or more classes of stock, including preferred stock. Prior to the issuance of shares of each class or series, the is required by Maryland law and our charter to set the terms, preferences, conversion or other rights, voting powers, restrictions, limitations as to dividends or other distributions, qualifications and terms or conditions of redemption for each class or series. Thus, the Board could authorize the issuance of shares of preferred stock with terms and conditions which could have the effect of delaying, deferring or preventing a transaction or a change in control that might involve a premium price for holders of our common stock or otherwise be in their best interest. The cost of any such reclassification would be borne by our existing common stockholders. Certain matters under the 1940 Act require the separate vote of the holders of any issued and outstanding preferred stock. For example, holders of preferred stock would vote separately from the holders of common stock on a proposal to cease operations as a BDC. In addition, the 1940 Act provides that holders of preferred stock are entitled to vote separately from holders of common stock to elect two preferred stock directors. We currently have no plans to issue preferred stock, but may determine to do so in the future. The issuance of preferred stock convertible into shares of common stock might also reduce the net income per share and net asset value per share of our common stock upon conversion, provided, that we will only be permitted to issue such convertible preferred stock to the extent we comply with the requirements of Section 61 of the 1940 Act, including obtaining common stockholder approval. These effects, among others, could have an adverse effect on an investment in our common stock.

Certain investors are limited in their ability to make significant investments in us.

Private funds that are excluded from the definition of "investment company" either pursuant to Section 3(c)(1) or 3(c)(7) of the 1940 Act are restricted from acquiring directly or through a controlled entity more than 3% of our total outstanding voting stock (measured at the time of the acquisition). Investment companies registered under the 1940 Act and BDCs are also generally subject to this restriction as well as other limitations under the 1940 Act that would restrict the amount that they are able to invest in our securities.

Our business and operations could be negatively affected if we become subject to any securities litigation or shareholder activism, which could cause us to incur significant expense, hinder execution of investment strategy and impact our stock price.

In the past, following periods of volatility in the market price of a company's securities, securities class action litigation has often been brought against that company. Shareholder activism, which could take many forms or arise in a variety of situations, has been increasing in the BDC space in recent years. While we are currently not subject to any securities litigation or shareholder activism, due to the potential volatility of our stock price and for a variety of other reasons, we may in the future become the target of securities litigation or shareholder activism. Securities litigation and shareholder activism, including potential proxy contests, could result in substantial costs and divert management's and our Board's attention and resources from our business. Additionally, such securities litigation and shareholder activism could give rise to perceived uncertainties as to our future, adversely affect our relationships with service providers and make it more difficult to attract and retain qualified personnel. Also, we may be required to incur significant legal fees and other expenses related to any securities litigation and activist shareholder matters. Further, our stock price could be subject to significant fluctuation or otherwise be adversely affected by the events, risks and uncertainties of any securities litigation and shareholder activism.

General Risks

We may experience fluctuations in our quarterly and annual results.

We may experience fluctuations in our quarterly and annual operating results due to a number of factors, including, but not limited to, our ability or inability to make investments in companies that meet our investment criteria, the interest rate payable on the debt securities we acquire, the level of portfolio dividend and fee income, the level of our expenses, variations in and the timing of the recognition of realized and unrealized gains or losses, the degree to which we encounter competition in our markets and general economic conditions. As a result of these factors, results for any period should not be relied upon as being indicative of performance in future periods.

We are currently operating in a period of capital markets disruption and economic uncertainty.

The U.S. capital markets have experienced extreme volatility and disruption following the global outbreak of COVID-19 that began in December 2019. The global impact of the outbreak is rapidly evolving, and many countries have reacted by instituting quarantines, prohibitions on travel and the closure of offices, businesses, schools, retail stores and other public venues. Businesses are also implementing similar precautionary measures. Such measures, as well as the general uncertainty surrounding the dangers and impact of the COVID-19 pandemic, have created significant disruption in supply chains and economic activity. The impact of the COVID-19 pandemic has led to significant volatility with significant periodic declines in the global public equity markets and it is uncertain how long this volatility will continue. As COVID-19 continues to spread, the potential impacts, including a global, regional or other economic recession, are increasingly uncertain and difficult to assess. This outbreak has led and for an unknown period of time will continue to lead to disruptions in local, regional, national and global markets and economies affected thereby, including a recession and steep increase in unemployment in the United States.

General uncertainty surrounding the dangers and impact of the COVID-19 pandemic (including the preventative measures taken in response thereto and additional uncertainty regarding new variants of COVID-19 that have emerged in the U.K., South Africa and Brazil) has to date created significant disruption in supply chains and economic activity. Disruptions in the capital markets have increased the spread between the yields realized on risk-free and higher risk securities, resulting in illiquidity in parts of the capital markets. These and future market disruptions and/or illiquidity have had and may continue to have an adverse effect on

our business, financial condition, results of operations and cash flows. Unfavorable economic conditions also have and may continue to increase our funding costs, limit our access to the capital markets or result in a decision by lenders not to extend credit to us. These events have limited and could continue to limit our investment originations, limit our ability to grow and have a material negative impact on our operating results and the fair values of our debt and equity investments.

In addition, due to the outbreak in the United States, certain Runway Growth Capital personnel are currently working remotely, which may introduce additional operational risk to us. Staff members of certain of our other service providers may also work remotely during the COVID-19 pandemic. An extended period of remote working could lead to service limitations or failures that could impact us or our performance.

Additionally, the disruption in economic activity caused by the COVID-19 pandemic has had a negative effect on the potential for liquidity events involving our investments. The illiquidity of our investments may make it difficult for us to sell such investments to access capital if required, and as a result, we could realize significantly less than the value at which we have recorded our investments if we were required to sell them for liquidity purposes. An inability to raise or access capital, and any required sale of all or a portion of our investments as a result, could have a material adverse effect on our business, financial condition or results of operations.

Any public health emergency, including the COVID-19 pandemic or any outbreak of other existing or new epidemic diseases, or the threat thereof, and the resulting financial and economic market uncertainty could have a significant adverse impact on us and the fair value of our investments and our portfolio companies.

The extent of the impact of any public health emergency, including the COVID-19 pandemic, on our and our portfolio companies' operational and financial performance will depend on many factors, including the duration and scope of such public health emergency, the actions taken by governmental authorities to contain its financial and economic impact, the extent of any related travel advisories and restrictions implemented, the impact of such public health emergency on overall supply and demand, goods and services, investor liquidity, consumer confidence and levels of economic activity and the extent of its disruption to important global, regional and local supply chains and economic markets, all of which are highly uncertain and cannot be predicted. In addition, our and our portfolio companies' operations may be significantly impacted, or even temporarily or permanently halted, as a result of government quarantine measures, voluntary and precautionary restrictions on travel or meetings and other factors related to a public health emergency, including its potential adverse impact on the health of any of our or our portfolio companies' personnel. This could create widespread business continuity issues for us and our portfolio companies.

These factors may also cause the valuation of our investments to differ materially from the values that we may ultimately realize. Our valuations, and particularly valuations of private investments and private companies, are inherently uncertain, may fluctuate over short periods of time and are often based on estimates, comparisons and qualitative evaluations of private information that may not show the complete impact of the COVID-19 pandemic and the resulting measures taken in response thereto. Any public health emergency, including the COVID-19 pandemic or any outbreak of other existing or new epidemic diseases, or the threat thereof, and the resulting financial and economic market uncertainty could have a significant adverse impact on us and the fair value of our investments and our portfolio companies.

In addition, due to the outbreak in the United States, certain Runway Growth Capital personnel are currently working remotely, which may introduce additional operational risk to us. Staff members of certain of our other service providers may also be working remotely during the COVID-19 outbreak. An extended period of remote working could lead to service limitations or failures that could impact us or our performance.

The current period of capital markets disruption and economic uncertainty may make it difficult to extend the maturity of, or refinance, our existing indebtedness or obtain new indebtedness and any failure to do so could have a material adverse effect on our business, financial condition or results of operations.

Current market conditions may make it difficult to extend the maturity of or refinance our existing indebtedness or obtain new indebtedness with similar terms and any failure to do so could have a material adverse effect on our business. The debt capital that will be available to us in the future, if at all, may be at a higher cost and on less favorable terms and conditions than what we currently experience, including being at a higher cost in rising rate environments. If we are unable to raise or refinance debt, then our equity investors

may not benefit from the potential for increased returns on equity resulting from leverage and we may be limited in our ability to make new commitments or to fund existing commitments to our portfolio companies. An inability to extend the maturity of, or refinance, our existing indebtedness or obtain new indebtedness could have a material adverse effect on our business, financial condition or results of operations.

Political, social and economic uncertainty, including uncertainty related to the COVID-19 pandemic, creates and exacerbates risks.

Social, political, economic and other conditions and events (such as natural disasters, epidemics and pandemics, terrorism, conflicts and social unrest) will occur that create uncertainty and have significant impacts on issuers, industries, governments and other systems, including the financial markets, to which companies and their investments are exposed. As global systems, economies and financial markets are increasingly interconnected, events that once had only local impact are now more likely to have regional or even global effects. Events that occur in one country, region or financial market will, more frequently, adversely impact issuers in other countries, regions or markets, including in established markets such as the United States. These impacts can be exacerbated by failures of governments and societies to adequately respond to an emerging event or threat.

Uncertainty can result in or coincide with, among other things: increased volatility in the financial markets for securities, derivatives, loans, credit and currency; a decrease in the reliability of market prices and difficulty in valuing assets (including portfolio company assets); greater fluctuations in spreads on debt investments and currency exchange rates; increased risk of default (by both government and private obligors and issuers); further social, economic, and political instability; nationalization of private enterprise; greater governmental involvement in the economy or in social factors that impact the economy; changes to governmental regulation and supervision of the loan, securities, derivatives and currency markets and market participants and decreased or revised monitoring of such markets by governments or self-regulatory organizations and reduced enforcement of regulations; limitations on the activities of investors in such markets; controls or restrictions on foreign investment, capital controls and limitations on repatriation of invested capital; the significant loss of liquidity and the inability to purchase, sell and otherwise fund investments or settle transactions (including, but not limited to, a market freeze); unavailability of currency hedging techniques; substantial, and in some periods extremely high, rates of inflation, which can last many years and have substantial negative effects on credit and securities markets as well as the economy as a whole; recessions; and difficulties in obtaining and/or enforcing legal judgments.

For example, throughout most of 2020 and a part of 2021, the COVID-19 pandemic delivered a shock to the global economy. This outbreak has led and for an unknown period of time will continue to lead to disruptions in local, regional, national and global markets and economies affected thereby. With respect to the U.S. credit markets (in particular for middle-market loans), this outbreak has resulted in, and until fully resolved is likely to continue to result in, the following among other things: (i) government imposition of various forms of shelter in place orders and the closing of “non-essential” businesses, resulting in significant disruption to the businesses of many middle-market loan borrowers including supply chains, demand and practical aspects of their operations, as well as in lay-offs of employees, and, while these effects are hoped to be temporary, some effects could be persistent or even permanent; (ii) increased draws by borrowers on revolving lines of credit; (iii) increased requests by borrowers for amendments and waivers of their credit agreements to avoid default, increased defaults by such borrowers and/or increased difficulty in obtaining refinancing at the maturity dates of their loans; (iv) volatility and disruption of these markets including greater volatility in pricing and spreads and difficulty in valuing loans during periods of increased volatility, and liquidity issues; and (v) rapidly evolving proposals and/or actions by state and federal governments to address problems being experienced by the markets and by businesses and the economy in general which will not necessarily adequately address the problems facing the loan market and middle-market businesses. This outbreak is having, and any future outbreaks could have, an adverse impact on the markets and the economy in general, which could have a material adverse impact on, among other things, the ability of lenders to originate loans, the volume and type of loans originated, and the volume and type of amendments and waivers granted to borrowers and remedial actions taken in the event of a borrower default, each of which could negatively impact the amount and quality of loans available for investment by us and returns to us, among other things. As of the date of this prospectus, it is impossible to determine the scope of this outbreak, or any future outbreaks, how long any such outbreak, market disruption or uncertainties may last, the effect any governmental actions will have or the full potential impact on us, Runway Growth Capital and our portfolio companies.

Although it is impossible to predict the precise nature and consequences of these events, or of any political or policy decisions and regulatory changes occasioned by emerging events or uncertainty on applicable laws or regulations that impact us, our portfolio companies and our investments, it is clear that these types of events are impacting and will, for at least some time, continue to impact us and our portfolio companies and, in many instances, the impact will be adverse and profound. For example, middle-market companies in which we invest may be significantly impacted by these emerging events and the uncertainty caused by these events. The effects of a public health emergency may materially and adversely impact (i) the value and performance of us and our portfolio companies, (ii) the ability of our borrowers to continue to meet loan covenants or repay loans provided by us on a timely basis or at all, which may require us to restructure our investments or write down the value of our investments, (iii) our ability to repay debt obligations, on a timely basis or at all, or (iv) our ability to source, manage and divest investments and achieve our investment objectives, all of which could result in significant losses to us. We will also be negatively affected if the operations and effectiveness of Runway Growth Capital or a portfolio company (or any of the key personnel or service providers of the foregoing) is compromised or if necessary or beneficial systems and processes are disrupted.

Although the Federal Food and Drug Administration authorized vaccines for emergency use starting in December 2020, it remains unclear how quickly the vaccines will be distributed nationwide and globally or when “herd immunity” will be achieved and the restrictions that were imposed to slow the spread of the virus will be lifted entirely. The delay in distributing the vaccines could lead people to continue to self-isolate and not participate in the economy at pre-pandemic levels for a prolonged period of time. Further, the effectiveness of any of the COVID-19 vaccines remains to be verified. Even after the COVID-19 pandemic subsides, the U.S. economy and most other major global economies may continue to experience a recession, and we anticipate our business and operations could be materially adversely affected by a prolonged recession in the United States and other major markets.

If the economy is unable to substantially reopen, and high levels of unemployment continue for an extended period of time, loan delinquencies, loan non-accruals, problem assets, and bankruptcies may increase. In addition, collateral for our loans may decline in value, which could cause loan losses to increase and the net worth and liquidity of loan guarantors could decline, impairing their ability to honor commitments to us. An increase in loan delinquencies and non-accruals or a decrease in loan collateral and guarantor net worth could result in increased costs and reduced income which would have a material adverse effect on our business, financial condition or results of operations.

Economic recessions or downturns, including as a result of the COVID-19 pandemic, could harm our operating results and impair our portfolio companies and the ability of our portfolio companies to repay debt or pay interest.

Many of the portfolio companies in which we make investments may be susceptible to economic slowdowns or recessions and may be unable to repay the loans we made to them during these periods, including as a result of the COVID-19 pandemic. Therefore, our non-performing assets may increase and the value of our portfolio may decrease during these periods as we are required to record our investments at their current fair value. Adverse economic conditions also may decrease the value of collateral securing some of our loans and the value of our equity investments. Economic slowdowns or recessions could lead to financial losses in our portfolio and a decrease in revenues, net income and assets. Unfavorable economic conditions also could increase our and our portfolio companies’ funding costs, limit our and our portfolio companies’ access to the capital markets or result in a decision by lenders not to extend credit to us or our portfolio companies. These events could prevent us from increasing investments and harm our operating results.

A portfolio company’s failure to satisfy financial or operating covenants imposed by us or other lenders could lead to defaults and, potentially, acceleration of the time when the loans are due and foreclosure on its secured assets, which could trigger cross-defaults under other agreements and jeopardize the portfolio company’s ability to meet its obligations under the debt that we hold. We may incur additional expenses to the extent necessary to seek recovery upon default or to negotiate new terms with a defaulting portfolio company. In addition, if one of our portfolio companies were to go bankrupt, depending on the facts and circumstances, including the extent to which we will actually provide significant managerial assistance to that portfolio company, a bankruptcy court might subordinate all or a portion of our claim to that of other creditors.

Further, when recessionary conditions exist, the financial results of middle-market companies, like those in which we invest, typically experience deterioration, which could ultimately lead to difficulty in meeting debt

service requirements and an increase in defaults. Additionally, there can be reduced demand for certain of our portfolio companies' products and services and/or other economic consequences, such as decreased margins or extended payment terms. Further, adverse economic conditions may decrease the value of collateral securing some of our loans and the value of our equity investments. Such conditions may require us to modify the payment terms of our investments, including changes in PIK interest provisions and/or cash interest rates. The performance of certain portfolio companies in the future may be negatively impacted by these economic or other conditions, which may result in our receipt of reduced interest income from our portfolio companies and/or realized and unrealized losses related to our investments, and, in turn, may adversely affect distributable income and have a material adverse effect on our results of operations.

Terrorist attacks, acts of war or widespread health emergencies or natural disasters may affect any market for our common stock, impact the businesses in which we invest and harm our business, operating results and financial condition.

Terrorist acts, acts of war, widespread health emergencies or natural disasters may disrupt our operations, as well as the operations of the businesses in which we invest. Such acts have created, and continue to create, economic and political uncertainties and have contributed to global economic instability. Future terrorist activities, military or security operations, widespread health emergencies or natural disasters could further weaken the domestic/global economies and create additional uncertainties, which may negatively impact the businesses in which we invest directly or indirectly and, in turn, could have a material adverse impact on our business, operating results and financial condition. Losses from terrorist attacks, natural disasters and widespread health emergencies are generally uninsurable.

We are subject to risks in using custodians, administrators and other agents.

We depend on the services of custodians, administrators and other agents to carry out certain securities transactions and administrative services for us. In the event of the insolvency of a custodian, we may not be able to recover equivalent assets in full as we will rank among the custodian's unsecured creditors in relation to assets which the custodian borrows, lends or otherwise uses. In addition, our cash held with a custodian may not be segregated from the custodian's own cash, and we therefore may rank as unsecured creditors in relation thereto. The inability to recover assets from the custodian could have a material impact on our performance.

Changes in laws or regulations governing our business or the businesses of our portfolio companies, changes in the interpretation thereof or newly enacted laws or regulations, and any failure by us or our portfolio companies to comply with these laws or regulations may adversely affect our business and the businesses of our portfolio companies.

We and our portfolio companies are subject to laws and regulations at the U.S. federal, state and local levels and, in some cases, foreign levels. These laws and regulations, as well as their interpretation, may change from time to time, and new laws, regulations and interpretations may also come into effect, potentially with retroactive effect. Any such new or changed laws or regulations could have a material adverse effect on our business or the business of our portfolio companies. The legal, tax and regulatory environment for BDCs, investment advisers and the instruments that they utilize (including derivative instruments) is continuously evolving. In addition, there is significant uncertainty regarding recently enacted legislation (including the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act") and the regulations that have recently been adopted and future regulations that may or may not be adopted pursuant to such legislation) and, consequently, the full impact that such legislation will ultimately have on us and the markets in which we trade and invest is not fully known. Such uncertainty and any resulting confusion may itself be detrimental to the efficient functioning of the markets and the success of certain investment strategies.

In addition, as private equity firms become more influential participants in the U.S. and global financial markets and economy generally, there recently has been pressure for greater governmental scrutiny and/or regulation of the private equity industry. It is uncertain as to what form and in what jurisdictions such enhanced scrutiny and/or regulation, if any, on the private equity industry may ultimately take. Therefore, there can be no assurance as to whether any such scrutiny or initiatives will have an adverse impact on the private equity industry, including our ability to effect operating improvements or restructurings of our portfolio companies or otherwise achieve our objectives.

Over the last several years, there also has been an increase in regulatory attention to the extension of credit outside of the traditional banking sector, raising the possibility that some portion of the non-bank financial sector will be subject to new regulation. While it cannot be known at this time whether any regulation will be implemented or what form it will take, increased regulation of non-bank credit extension could negatively impact our operating results or financial condition, impose additional costs on us, intensify the regulatory supervision of us or otherwise adversely affect our business.

Additionally, any changes to the laws and regulations governing our operations relating to permitted investments may cause us to alter our investment strategy in order to avail ourselves of new or different opportunities. Such changes could result in material differences to the strategies and plans set forth herein and may result in our investment focus shifting from the areas of expertise of Runway Growth Capital's investment team to other types of investments in which the investment team may have less expertise or little or no experience. Thus, any such changes, if they occur, could have a material adverse effect on our results of operations and the value of your investment.

Cybersecurity risks and cyber incidents may adversely affect our business by causing a disruption to our operations, a compromise or corruption of our confidential information and/or damage to our business relationships, all of which could negatively impact our business, results of operations or financial condition.

A cyber incident is considered to be any adverse event that threatens the confidentiality, integrity or availability of our information resources. These incidents may be an intentional attack or an unintentional event and could involve gaining unauthorized access to our information systems for purposes of misappropriating assets, stealing confidential information, corrupting data or causing operational disruption. The result of these incidents may include disrupted operations, misstated or unreliable financial data, liability for stolen information, misappropriation of assets, increased cybersecurity protection and insurance costs, litigation and damage to our business relationships. Any such attack could result in significant losses, reputational damage, litigation, regulatory fines or penalties, or otherwise adversely affect our business, financial condition or results of operations. In addition, we may be required to expend significant additional resources to modify our protective measures and to investigate and remediate vulnerabilities or other exposures arising from operational and security risks. We face risks posed to our information systems, both internal and those provided to us by third-party service providers. We and Runway Growth Capital have implemented processes, procedures and internal controls to help mitigate cybersecurity risks and cyber intrusions, but these measures, as well as our increased awareness of the nature and extent of a risk of a cyber incident, may be ineffective and do not guarantee that a cyber incident will not occur or that our financial results, operations or confidential information will not be negatively impacted by such an incident.

Third parties with which we do business (including those that provide services to us) may also be sources or targets of cybersecurity or other technological risks. We outsource certain functions, and these relationships allow for the storage and processing of our information and assets, as well as certain investor, counterparty, employee and borrower information. While we engage in actions to reduce our exposure resulting from outsourcing, ongoing threats may result in unauthorized access, loss, exposure or destruction of data, or other cybersecurity incidents, with increased costs and other consequences, including those described above. Privacy and information security laws and regulation changes, and compliance with those changes, may also result in cost increases due to system changes and the development of new administrative processes.

We and our service providers are currently impacted by quarantines and similar measures being enacted by governments in response to the COVID-19 pandemic, which are obstructing the regular functioning of business workforces (including requiring employees to work from external locations and their homes). Accordingly, the risks described above may be heightened under current conditions.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus contains forward-looking statements that involve substantial risks and uncertainties. Such statements involve known and unknown risks, uncertainties and other factors and undue reliance should not be placed thereon. These forward-looking statements are not historical facts, but rather are based on current expectations, estimates and projections about the Company, our current and prospective portfolio investments, our industry, our beliefs and opinions, and our assumptions. Words such as "anticipates," "expects," "intends," "plans," "will," "may," "continue," "believes," "seeks," "estimates," "would," "could," "should," "targets," "projects," "outlook," "potential," "predicts" and variations of these words and similar expressions are intended to identify forward-looking statements. These statements are not guarantees of future performance and are subject to risks, uncertainties and other factors, some of which are beyond our control and difficult to predict and could cause actual results to differ materially from those expressed or forecasted in the forward-looking statements, including without limitation:

- changes in political, economic or industry conditions, the interest rate environment or conditions affecting the financial and capital markets, including changes from the impact of the COVID-19 pandemic;
- our ability to continue to effectively manage our business due to the disruptions caused by the COVID-19 pandemic;
- an economic downturn could impair our portfolio companies' ability to continue to operate, which could lead to the loss of some or all of our investments in such portfolio companies;
- such an economic downturn could disproportionately impact the companies that we intend to target for investment, potentially causing us to experience a decrease in investment opportunities and diminished demand for capital from these companies;
- a contraction of available credit and/or an inability to access the equity markets could impair our lending and investment activities, including as a result of the COVID-19 pandemic;
- interest rate volatility could adversely affect our results, particularly to the extent that we use leverage as part of our investment strategy;
- our future operating results, including our ability to achieve objectives as a result of the COVID-19 pandemic;
- our business prospects and the prospects of our portfolio companies, including the impact of the COVID-19 pandemic thereon;
- our contractual arrangements and relationships with third parties;
- the ability of our portfolio companies to achieve their objectives, including as a result of the COVID-19 pandemic;
- competition with other entities and our affiliates for investment opportunities;
- the speculative and illiquid nature of our investments;
- the use of borrowed money and enhanced leverage to finance a portion of our investments;
- the adequacy of our financing sources and working capital;
- the loss of key personnel and members of our management team;
- the timing of cash flows, if any, from the operations of our portfolio companies, and the impact of the COVID-19 pandemic thereon;
- the ability of our external investment adviser, Runway Growth Capital, to locate suitable investments for us and to monitor and administer our investments, and the impacts of the COVID-19 pandemic thereon;
- the ability of Runway Growth Capital to attract and retain highly talented professionals;
- our ability to qualify and maintain our qualification as a RIC under Subchapter M of the Code, and as a BDC;

- the occurrence of a disaster, such as a cyber-attack against us or against a third party that has access to our data or networks, a natural catastrophe, an industrial accident, failure of our disaster-recovery systems, or consequential employee error;
- the effect of legal, tax and regulatory changes; and
- other risks, uncertainties and other factors previously identified elsewhere in this prospectus.

Although we believe that the assumptions on which these forward-looking statements are based are reasonable, any of those assumptions could prove to be inaccurate, and as a result, the forward-looking statements based on those assumptions also could be inaccurate. In light of these and other uncertainties, the inclusion of a projection or forward-looking statement in this prospectus should not be regarded as a representation by us that our plans and objectives will be achieved. These forward-looking statements apply only as of the date of this prospectus. Moreover, we assume no duty and do not undertake to update the forward-looking statements.

USE OF PROCEEDS

We estimate that the net proceeds we will receive from this offering will be approximately $[•] million (or approximately $[•] million, if the underwriters exercise their option to purchase additional shares of our common stock), based on an offering price of $[•] per share of common stock (the mid-point of the estimated initial public offering price range), after deducting the underwriting discounts and commissions paid by us and estimated offering expenses of approximately $[•] million payable by us. Such estimate is subject to change and no assurances can be given that actual expenses will not exceed such amount.

We intend to use the net proceeds from this offering to pay down a portion of our existing indebtedness outstanding under the Credit Agreement in an amount expected to be equal to approximately $[•] million. The Credit Agreement with KeyBank has a maturity date of May 31, 2024 and generally bears interest at a rate of the three-month LIBOR plus a 3.00% margin rate. We intend to use the remaining net proceeds from this offering to make investments in accordance with our investment objective and investment strategy and, to the extent any proceeds remain, for general corporate purposes. We currently anticipate being able to deploy any remaining proceeds from this offering within three to six months after the completion of this offering, depending on the availability of appropriate investment opportunities consistent with our investment objectives and market conditions. However, we can offer no assurance that we will be able to achieve this goal. To the extent we raise less proceeds from this offering than contemplated, we expect that we will have less money available to fund investments or repay amounts outstanding under our Credit Agreement.

DISTRIBUTIONS

To maintain our tax treatment as a RIC, we must distribute (or be treated as distributing) in each taxable year dividends of an amount equal to at least 90% of our investment company taxable income (which includes, among other items, dividends, interest, the excess of any net short-term capital gains over net long-term capital losses, as well as other taxable income, excluding any net capital gains reduced by deductible expenses) and 90% of our net tax-exempt income for that taxable year. As a RIC, we generally will not be subject to corporate-level U.S. federal income tax on our investment company taxable income and net capital gains that we distribute to stockholders. In addition, to avoid the imposition of a nondeductible 4% U.S. federal excise tax, we must distribute (or be treated as distributing) in each calendar year an amount at least equal to the sum of:

- 98% of our net ordinary income, excluding certain ordinary gains and losses, recognized during a calendar year;
- 98.2% of our capital gain net income, adjusted for certain ordinary gains and losses, recognized for the twelve-month period ending on October 31 of such calendar year; and
- 100% of any income or gains recognized, but not distributed, in preceding years.

We have previously incurred, and can be expected to incur in the future, such excise tax on a portion of our income and gains. While we intend to distribute income and capital gains to minimize exposure to the 4% excise tax, we may not be able to, or may not choose to, distribute amounts sufficient to avoid the imposition of the tax entirely. In that event, we will be liable for the tax only on the amount by which we do not meet the foregoing distribution requirement. See *'"Risk Factors — Federal Income Tax Risks — We will be subject to U.S. federal corporate-level income tax if we are unable to qualify as a RIC."*

Dividends Declared

The following table reflects the distributions declared on shares of our common stock during the six months ended June 30, 2021:

	June 30, 2021		
Date Declared	**Record Date**	**Payment Date**	**Distribution per Share**
March 4, 2021	March 5, 2021	March 19, 2021	$0.37
April 29, 2021	April 30, 2021	May 13, 2021	$0.37

The following table reflects the distributions declared on shares of our common stock during the year ended December 31, 2020:

	December 31, 2020		
Date Declared	**Record Date**	**Payment Date**	**Distribution per Share**
March 5, 2020	March 6, 2020	March 20, 2020	$0.40
May 7, 2020	May 8, 2020	May 21, 2020	$0.35
August 5, 2020	August 6, 2020	August 20, 2020	$0.36
October 1, 2020	October 1, 2020	November 12, 2020	$0.38

The following table reflects the distributions declared on shares of our common stock during the year ended December 31, 2019:

	December 31, 2019		
Date Declared	**Record Date**	**Payment Date**	**Distribution per Share**
March 22, 2019	March 22, 2019	March 26, 2019	$0.40
May 2, 2019	May 7, 2019	May 21, 2019	$0.45
May 2, 2019	May 31, 2019	July 16, 2019	$0.46
July 30, 2019	August 8, 2019	August 26, 2019	$0.45
September 27, 2019	September 30, 2019	November 12, 2019	$0.04
December 9, 2019	December 10, 2019	December 23, 2019	$0.40

The following table reflects the distributions declared on shares of our common stock during the year ended December 31, 2018:

	December 31, 2018		
Date Declared	**Record Date**	**Payment Date**	**Distribution per Share**
May 3, 2018	May 15, 2018	May 31, 2018	$0.15
July 26, 2018	August 15, 2018	August 31, 2018	$0.25
November 1, 2018	October 31, 2018	November 15, 2018	$0.35

Dividend Reinvestment

We have adopted an "opt out" dividend reinvestment plan for our stockholders. See "*Dividend Reinvestment Plan.*"

CAPITALIZATION

The following table sets forth:

- the actual capitalization of the Company at June 30, 2021;
- the capitalization of the Company at June 30, 2021 as adjusted for the effect of approximately $[•] net investments funded and drawdowns on our debt facilities to fund investments since July 1, 2021; and
- the capitalization of the Company at June 30, 2021, on a pro forma as adjusted basis to reflect the assumed sale of $[•] million of our common stock in this offering (assuming no exercise of the underwriters' option to purchase additional shares) at an assumed public offering price of $[•] per share (the mid-point of the estimated initial public offering price range) after deducting the underwriting discounts and commissions and estimated offering expenses of approximately $[•] million payable by us and application of the net proceeds as discussed in more detail under *"Use of Proceeds."*

You should read this table together with *"Use of Proceeds"* and the financial statements and the related notes thereto included elsewhere in this prospectus.

	As of June 30, 2021		
(unaudited)	**Actual**	**As Adjusted**	**As Further Adjusted**
Assets			
Investments, at fair value	$617,617,043	$	$
Cash and cash equivalents	892,584		
Other assets	2,871,786		
Total assets	$621,381,413	$	
Liabilities			
Debt		$	$
Credit facilities, net	$115,636,484		
Reverse repurchase agreements	19,900,000		
Interest payable	761,124		
Other Liabilities	7,344,708		
Total liabilities	$143,642,316	$	
Net Assets			
Common stock, par value $0.001 per share 100,000,000 shares authorized; 32,690,454 shares issued and outstanding	$ 326,904	$	$
Additional paid-in capital	485,755,211		
Distributable (losses) earnings	(8,343,018)		
Total net assets	$477,739,097	$	
Net Asset Value Per Share	14.61		

DILUTION

If you invest in our common stock, your interest will be diluted to the extent of the difference between the initial public offering price per share of our common stock and the pro forma net asset value per share of our common stock immediately after the completion of this offering. The net asset value per share is determined by dividing the value of (a) total assets minus liabilities by (b) the total number of shares outstanding.

Our net asset value as of June 30, 2021 was $477,739,097, or $14.61 per share.

After giving effect to the sale of shares to be sold in this offering at the initial public offering price of $[•] per share (the mid-point of the estimated initial public offering price range), the deduction of underwriting discounts and estimated expenses of this offering payable by us, and the application of the net proceeds as discussed in more detail under "Use of Proceeds," our net asset value would have been approximately $[•], or $[•] per share. That net asset value represents an immediate dilution of $[•] per share, or [•]%, to new investors who purchase our common stock in the offering at the initial public offering price. The foregoing assumes no exercise of the underwriters' option to purchase additional shares. If the underwriters' option to purchase additional shares is exercised in full, the immediate dilution to shares sold in this offering would instead be $[•] per share.

The following table illustrates the dilution to the shares on a per share basis (assuming no exercise of the underwriters option to purchase additional shares of our common stock):

The following table illustrates the dilution to the shares on a per share basis (assuming no exercise of the underwriters' option to purchase additional shares of our common stock):

Assumed initial public offering price per share (the mid-point of the estimated initial public offering price range)	$	[•]
June 30, 2021 net asset value per share	$	14.61
Increase subsequent to [•], 2021[(1)(2)(3)(4)]	$	[•]
As adjusted net asset value per share[(1)(2)(3)(4)]	$	[•]
Decrease attributable to this offering	$	[•]
As-adjusted net asset value per share immediately after this offering	$	[•]
Dilution per share to new stockholders (without exercise of the underwriters' option to purchase additional shares of our common stock)	$	[•]

The following table sets forth information with respect to the shares prior to and following this offering:

	Shares		Total Consideration		Average Price
	Number	%	Amount	%	Per Share
Shares of common stock outstanding as of [•], 2021	[•]	[•]%	$[•]	[•]%	$[•]
Shares of common stock to be sold in this offering	[•]	[•]%	$[•]	[•]%	$[•]
Total	**[•]**	**100.0%**	**$[•]**	**100.0%**	

The as-adjusted net asset value upon completion of this offering is calculated as follows:

Numerator	
NAV as adjusted through [•], 2021[(1)(2)(3)(4)]	$[•]
Assumed proceeds from this offering (after deduction of sales load and offering expenses payable by us)	$[•]
NAV upon completion of this offering	$[•]
Denominator	[•]
Shares of common stock outstanding as of [•], 2021	[•]
Shares of common stock included in this offering	[•]
Total shares outstanding upon completion of this offering	[•]

(1) Includes the effect of approximately $[•] million net investments funded and drawdowns under the Credit Facility (as defined below) to fund investments from [•] through [•], 2021; does not include pipeline investments that may occur subsequent to [•], 2021 but prior to this offering.

(2) Adjusted for [•] subsequent to [•], 2021.

(3) Adjusted for [•].

(4) Adjusted for [•].

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

The discussion and analysis of our financial condition and results of operations should be read in conjunction with "Selected Financial Data and Other Information" and our financial statements and related notes appearing elsewhere in this prospectus. The information in this section contains forward-looking statements, which relate to future events or the future performance or financial condition of Runway Growth Finance Corp. (formerly known as Runway Growth Credit Fund Inc.) and involves numerous risks and uncertainties. Please see "Risk Factors" and "Special Note Regarding Forward-Looking Statement" in this prospectus for a discussion of uncertainties, risk and assumptions associated with these statements.

Overview

We are an externally managed, non-diversified closed-end investment management company that was formed on August 31, 2015 as a corporation under the laws of the State of Maryland. We have elected to be regulated as a BDC under the 1940 Act. In addition, we have elected to be treated, have qualified, and intend to continue to qualify annually as a RIC under Subchapter M of the Code. If we fail to qualify as a RIC for any taxable year, we will be subject to corporate-level U.S. federal income tax on any net taxable income for such year. As a BDC and a RIC, we are required to comply with various regulatory requirements, such as the requirement to invest at least 70% of our assets in "qualifying assets," source-of-income limitations, asset diversification requirements, and the requirement to distribute annually at least 90% of our investment company taxable income and net tax-exempt interest.

We are externally managed by Runway Growth Capital, an investment adviser that has registered with the SEC under the Investment Advisers Act of 1940, as amended. The Administrator, a wholly-owned subsidiary of Runway Growth Capital, provides all the administrative services necessary for us to operate.

We commenced investment activities in portfolio securities during the quarter ended June 30, 2017, and we commenced investment activities in U.S. Treasury Bills during the quarter ended December 31, 2016. In October 2015, in connection with our formation, we issued and sold 1,667 shares of our common stock to R. David Spreng, our President, Chief Executive Officer and Chairman of our Board, for an aggregate purchase price of $25,000. In December 2016, we completed the initial closing of capital commitments (the "Initial Closing") in our first private offering of shares of common stock to investors (the "Initial Private Offering") in reliance on exemptions from the registration requirements of the Securities Act, and other applicable securities laws. The final closing of the Initial Private Offering occurred on December 1, 2017. In connection with the Initial Private Offering, we issued 18,241,157 shares of our common stock to stockholders for a total purchase price of $275,000,000.

As of June 30, 2021, we have completed multiple closings under the Company's second private offering (the "Second Private Offering") and had accepted capital commitments of $181,473,500. As of June 30, 2021, in connection with the Second Private Offering, we have issued an aggregate of 8,352,251 shares for a total purchase price of $125,283,766 and $56,189,734 of capital commitments remain undrawn.

On August 10, 2020, we, Runway Growth Capital, and certain other funds and accounts sponsored or managed by Runway Growth Capital and/or its affiliates were granted an the Order that permits us greater flexibility than the 1940 Act permits to negotiate the terms of co-investments if the Board determines that it would be advantageous for us to co-invest with other accounts sponsored or managed by Runway Growth Capital or its affiliates in a manner consistent with our investment objective or criteria, positions, policies, strategies and restrictions as well as regulatory requirements and other pertinent factors. We believe that the ability to co-invest with similar investment structures and accounts sponsored or managed by Runway Growth Capital or its affiliates will provide additional investment opportunities and the ability to achieve greater diversification. Under the terms of the Order, a majority of our independent directors are required to make certain determinations in connection with a co-investment transaction, including that (1) the terms of the proposed transaction are reasonable and fair to us and our stockholders and do not involve overreaching of us or our stockholders on the part of any person concerned and (2) the transaction is consistent with the interests of our stockholders and is consistent with our investment objective, criteria, positions, policies, strategies and restrictions as well as regulatory requirements and other pertinent factors.

Portfolio Composition and Investment Activity

Portfolio Composition

At June 30, 2021, we had investments in 35 portfolio companies, representing 21 companies in which we held loan and warrant investments, four companies in which we held loan investments and common or preferred stocks, nine companies in which we held warrant investments only, three companies in which we held shares of common or preferred stocks only, and we held two U.S. Treasury Bills. At December 31, 2020, we had investments in 31 portfolio companies, representing 22 companies in which we held loan and warrant investments, six companies in which we held warrant interests only, one company in which we held bonds, and we held one U.S. Treasury Bill. At December 31, 2019, we had investments in 25 portfolio companies, representing 21 companies where we held loan and warrant investments, four companies where we held warrant interests only, and held two U.S. Treasury Bills. The following table shows the fair value of our investments, by asset class, as of June 30, 2021 and December 31, 2020 and 2019:

	June 30, 2021			December 31, 2020			December 31, 2019		
Investments	Cost	Fair Value	Percentage of Total Portfolio	Cost	Fair Value	Percentage of Total Portfolio	Cost	Fair Value	Percentage of Total Portfolio
Portfolio Investments									
Common Stocks	$ 1,340,206	$ 15,062,081	2.4%	$ 1,237,196	$ 521,940	0.1%	—	—	—
Corporate Bonds	—	—	—	253,095	333,453	0.1	—	—	—
Senior Secured Term Loans	546,603,090	530,911,757	86.0	506,555,279	501,964,657	80.7	358,385,089	$349,570,424	74.6%
Preferred Stocks	17,337,836	17,248,844	2.8	19,737,450	15,995,868	2.6	250,000	437,515	0.1
Warrants	19,042,851	24,394,480	3.9	18,804,531	33,008,672	5.3	18,383,811	18,008,337	3.9
Total Portfolio Investments	584,323,983	587,617,162	95.1	546,587,551	551,824,590	88.7	377,018,900	368,016,276	78.6
U.S. Treasury Bill	29,999,896	29,999,881	4.9	70,001,472	70,002,060	11.3	99,982,765	99,965,423	21.4
Total Investments	$614,323,879	$617,617,043	100.0%	$616,589,023	$621,826,650	100.0%	477,001,665	$467,981,699	100.0%

For the three and six months ended June 30, 2021, our debt investment portfolio had a dollar-weighted annualized yield of 15.25% and 14.11%, respectively. We calculate the yield on dollar-weighted debt investments for any period measured as (1) total related investment income during the period divided by (2) the daily average of the fair value of debt investments outstanding during the period. As of June 30, 2021, our debt investments had a dollar-weighted average outstanding term of 46 months at origination and a dollar-weighted average remaining term of 32 months, or approximately 2.7 years. As of June 30, 2021, substantially all of our debt investments had an original committed principal amount of between $6 million and $65 million, repayment terms of between 34 months and 60 months and pay cash interest at annual interest rates of between 8.55% and 12.50%.

The following table shows our dollar-weighted annualized yield by investment type for the three and six months ended June 30, 2021 and June 30, 2020:

	Fair Value[1]				Cost[2]			
	Three Months Ended		Six Months Ended		Three Months Ended		Six Months Ended	
	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020
Investment type:								
Debt investments	15.25%	14.52%	14.11%	16.12%	15.09%	14.17%	13.97%	15.73%
Equity investments	2.76%	4.87%	2.73%	3.76%	3.31%	4.66%	3.34%	3.61%
All investments	14.08%	13.53%	13.05%	14.89%	14.17%	13.17%	13.15%	14.51%

(1) We calculate the dollar-weighted annualized yield on average investment type for any period as (a) total related investment income during the period divided by (b) the daily average of the fair value of the investment type outstanding during the period. The dollar-weighted annualized yield represents the

portfolio yield and will be higher than what investors will realize because it does not reflect our expenses or any sales load paid by investors.

(2) We calculate the dollar-weighted annualized yield on average investment type for any period as (a) total related investment income during the period divided by (b) the daily average of the investment type outstanding during the period, at amortized cost. The dollar-weighted annualized yield represents the portfolio yield and will be higher than what investors will realize because it does not reflect our expenses or any sales load paid by investors.

Investment Activity

The value of our investment portfolio will change over time due to changes in the fair value of our underlying investments, as well as changes in the composition of our portfolio resulting from purchases of new and follow-on investments as well as repayments and sales of existing investments.

During the six months ended June 30, 2021, the Company funded $81.5 million in six new portfolio companies and $52.2 million in eight existing portfolio companies. The Company also received $94.7 million in loan repayments from nine portfolio companies. During the six months ended June 30, 2020, the Company funded $110.6 million in seven new portfolio companies and $13.9 million in five existing portfolio companies. The Company also received $56.6 million in loan repayments from four portfolio companies and $2.7 million in proceeds from the termination of warrants.

For the year ended December 31, 2020, the Company funded $249.5 million in eleven new portfolio companies and $46.0 million in seven existing portfolio companies. The Company also received $103.7 million in loan repayments from ten portfolio companies and $2.9 million in proceeds from the termination of warrants.

For the year ended December 31, 2019, the Company funded $173.0 million in nine new portfolio companies and $62.3 million in eight existing portfolio companies. The Company also received $82.5 million in loan repayments from six portfolio companies and $3.2 million in proceeds from the termination of warrants.

Portfolio Reconciliation

The following is a reconciliation of our investment portfolio, including U.S. Treasury Bills, for the six months ended June 30, 2021 and 2020:

	Six Months Ended June 30, 2021	Six Months Ended June 30, 2020
Beginning Investment Portfolio	**$621,826,650**	**$467,981,699**
Purchases of Investments[1]	135,670,562	101,305,339
Purchases of U.S. Treasury Bills	54,999,849	94,999,834
Amortization of Fixed Income Premiums or Accretion of Discounts	3,660,438	4,349,093
Sales or Repayments of Investments	(94,717,114)	(58,635,634)
Scheduled Principal Payments of Investments	(2,066,437)	(2,330,711)
Sales and Maturities of U.S. Treasury Bills	(94,999,162)	(149,986,014)
Realized (Loss) on Investments	(4,813,280)	(6,513,405)
Net Change in Unrealized Appreciation (Depreciation) on Investments	(1,944,463)	4,317,510
Ending Investment Portfolio	$617,617,043	$ 455,487,711

(3) Includes PIK interest.

The following is a reconciliation of our investment portfolio, including U.S. Treasury Bills, for the years ended December 31, 2020, 2019 and 2018:

	Year Ended December 31, 2020	Year Ended December 31, 2019	Year Ended December 31, 2018
Beginning Investment Portfolio	$ 467,981,699	$ 304,208,317	$ 140,721,508
Purchases of Investments[(1)]	276,222,542	242,999,215	168,111,471
Purchases of U.S. Treasury Bills	276,000,012	315,836,640	270,444,962
Amortization of Fixed Income Premiums or Accretion of Discounts	9,255,732	13,021,775	4,621,487
Sales or Repayments of Investments	(107,610,860)	(79,062,912)	(14,500,629)
Scheduled Principal Payments of Investments	(2,948,903)	(23,875,997)	(2,251,899)
Sales and Maturities of U.S. Treasury Bills	(305,983,755)	(295,955,273)	(262,989,682)
Realized Gain (Loss) on Investments	(5,347,409)	226,396	59,792
Net Change in Unrealized Appreciation (Depreciation) on Investments	14,257,592	(9,416,462)	(8,693)
Ending Investment Portfolio	$ 621,826,650	$ 467,981,699	$ 304,208,317

(1) Includes PIK interest.

Asset Quality

In addition to various risk management and monitoring tools, Runway Growth Capital uses an investment rating system to characterize and monitor the quality of our debt investment portfolio. Equity securities (including warrants) and Treasury Bills are not graded. This debt investment rating system uses a five-level numeric scale. The following is a description of the conditions associated with each investment rating:

Investment Rating	Rating Definition
1	Performing above plan and/or strong enterprise profile, value, financial performance/coverage. Maintaining full covenant and payment compliance as agreed.
2	Performing at or reasonably close to plan. Acceptable business prospects, enterprise value, financial coverage. Maintaining key covenant and payment compliance as agreed. All new loans are initially graded Category 2.
3	Performing below plan of record. Potential elements of concern over performance, trends and business outlook. Loan-to-value remains adequate. Potential key covenant non-compliance. Full payment compliance.
4	Performing materially below plan. Non-compliant with material financial covenants. Payment default/deferral could result without corrective action. Requires close monitoring. Business prospects, enterprise value and collateral coverage declining. These investments may be in workout, and there is a possibility of loss of return but no loss of principal is expected.
5	Going concern nature in question. Substantial decline in enterprise value and all coverages. Covenant and payment default imminent if not currently present. Investments are nearly always in workout. May experience partial and/or full loss.

The following table shows the investment ratings of our debt investments at fair value as of June 30, 2021 and December 31, 2020 and 2019:

	As of June 30, 2021			As of December 31, 2020			As of December 31, 2019		
Investment Rating	Fair Value	% of Total Portfolio	Number of Portfolio Companies	Fair Value	% of Total Portfolio	Number of Portfolio Companies	Fair Value	% of Total Portfolio	Number of Portfolio Companies
1	$ —	—	—	$ —	—	—	$ —	—	—
2	411,945,661	66.7%	15	380,796,998	61.2%	15	217,278,446	46.4%	11
3	90,337,985	14.6%	5	90,459,846	14.5%	5	119,109,762	25.5%	8
4	14,830,196	2.4%	2	30,707,813	4.9%	2	8,870,625	1.9%	1
5	13,797,915	2.2%	1	—	—%	—	4,311,591	0.9%	1
	$530,911,757	86.0%	23	$501,964,657	80.7%	22	349,570,424	74.7%	21

The COVID-19 pandemic, to date, has had limited impact on the investment ratings of our debt investments, taken as a whole. However, the ongoing impact of the COVID-19 pandemic is uncertain and we can make no assurances that the COVID-19 pandemic will not have a negative impact on our investment portfolio in the future.

Loans and Debt Securities on Non-Accrual Status

Generally, when interest and/or principal payments on a loan become past due, or if we otherwise do not expect the borrower to be able to service its debt and other obligations, we will place the loan on non-accrual status and will generally cease recognizing interest income on that loan for financial reporting purposes until all principal and interest have been brought current through payment or due to a restructuring such that the interest income is deemed to be collectible. As of June 30, 2021, we had six loans to Mojix, Inc. representing an aggregate principal funded of $11,000,000 at a fair market value of $10,913,998, on non-accrual status, which represents 2.28% of our net assets. As of December 31, 2020, we had six loans to Mojix, Inc. representing an aggregate principal funded of $11,000,000 at a fair market value of $8,961,080, on non-accrual status, which represents 1.92% of our net assets. As of December 31, 2019, we had two loans to Aginity, Inc. representing an aggregate principal funded of $9,000,000 at a fair market value of $4,311,589, on non-accrual status, which represents 1.15% of our net assets.

Results of Operations

An important measure of our financial performance is net increase/(decrease) in net assets resulting from operations, which includes net investment income/(loss), net realized gain/(loss) and net unrealized appreciation/(depreciation). Net investment income/(loss) is the difference between our income from interest, dividends, fees and other investment income and our operating expenses, including interest on borrowed funds. Net realized gain/(loss) on investments is the difference between the proceeds received from dispositions of portfolio investments and their amortized cost. Net unrealized appreciation/(depreciation) on investments is the net change in the fair value of our investment portfolio.

Comparison of the Three Months Ended June 30, 2021 and 2020

	Three Months Ended June 30, 2021		Three Months Ended June 30, 2020	
	Total	Per Share[(1)]	Total	Per Share[(1)]
Investment income				
Interest and dividend income	$18,618,785	$ 0.57	$11,633,251	$0.44
Other income	126,817	0.01	167,803	—
Total investment income	18,745,602	0.58	11,801,054	0.44
Operating expenses				
Management fees	2,276,341	0.07	1,758,729	0.07
Incentive fees	2,836,303	0.09	905,858	0.03
Interest expense	761,815	0.02	23,082	—
Professional fees	429,902	0.02	383,360	0.02
Overhead allocation expense	208,736	0.01	161,665	0.01
Administration fees	92,760	—	121,369	—
Credit facility fees	419,216	0.01	199,993	0.01
Directors' fees	69,250	—	60,250	—
Consulting fees	27,500	—	13,301	—
Tax expense	41	—	—	—
Insurance expense	23,275	—	26,438	—
General and administrative expenses	—	—	4,530	—
Other expenses	259,986	0.01	268,638	0.01
Total operating expenses	7,405,125	0.23	3,927,213	0.15
Net investment income	11,340,477	0.35	7,873,841	0.29
Realized gain (loss) on investments	(4,595,853)	(0.14)	203,854	0.01
Net change in unrealized appreciation (depreciation) on investments	(33,281)	(0.00)	5,496,594	0.21
Net increase in net assets resulting from operations	$ 6,711,343	0.21	$13,574,289	0.51

(1) The basic per share figures noted above are based on weighted averages of 32,396,396 and 26,645,717 shares outstanding for the three months ended June 30, 2021 and 2020, respectively.

Investment Income

Our investment objective is to maximize total return to our stockholders primarily through current income on our loan portfolio, and secondarily through capital appreciation on our warrants and other equity positions. We intend to achieve our investment objective by investing in high growth-potential, private companies. We typically invest in senior secured and second lien secured loans that generally fall into two strategies: Sponsored Growth Lending and Non-Sponsored Growth Lending. Our Sponsored Growth Lending strategy also typically includes the receipt of warrants and/or other equity from venture-backed companies. We expect our investments in loans will generally range from between $5.0 million to $50.0 million, and the upper end of this range may increase as we raise additional capital.

We generate revenue in the form of interest on the loans we make and the debt securities that we hold and distributions and capital gains on other interests that we acquire in our portfolio companies. We expect that the debt we invest in will generally have stated terms of 36 to 60 months. Interest on debt securities is generally payable quarterly or semiannually, primarily based on a floating rate index, and subject to certain floors determined by market rates at the time the investment is made. In some cases, some of our investments may provide for deferred interest payments or PIK interest. The principal amount of the debt securities and any

accrued but unpaid interest generally will become due at the maturity date. In addition, we may generate revenue in the form of commitment and other fees in connection with lending transactions. Original issue discounts and market discounts or premiums will be capitalized, and we will accrete or amortize such amounts as interest income. We record prepayment premiums on loans and debt securities as interest income. Dividend income, if any, will be recognized on an accrual basis to the extent that we expect to collect such amounts.

Included in investment income are non-recurring fees primarily comprised of early prepayment fees and unamortized original issue discounts recorded as interest income. Other non-recurring income consisting of amendment fees, legal fees, reimburseable income, and any other fee income for services rendered, if any, are recorded as other income when earned.

Investment income for the three months ended June 30, 2021 and 2020 was $18,745,602 and $11,801,054, respectively, and includes non-recurring income of $2,966,937 and $160,293, respectively. The increase in investment income for the three months ended June 30, 2021 compared to the three months ended June 30, 2020 was primarily due to interest income and driven by our deployment of capital, increased invested balance, prepayments, and end-of-term payments, partially offset by falling market interest rates.

Operating Expenses

Our primary operating expenses include the payment of fees to Runway Growth Capital under the Advisory Agreement, our allocable portion of overhead expenses under the Administration Agreement, professional fees, and other operating costs described below. We bear all other out-of-pocket costs and expenses of our operations and transactions, including those relating to:

- fees and expenses related to public and private offerings;
- sales and repurchases of our securities;
- our pro-rata portion of fees and expenses related an initial public offering in connection with a future spin-off transaction;
- calculating our net asset value (including the cost and expenses of any independent valuation firm);
- fees and expenses payable to third parties, including agents, consultants or other advisers, in connection with monitoring financial and legal affairs for us and in providing administrative services, monitoring our investments and performing due diligence on our prospective portfolio companies or otherwise relating to, or associated with, evaluating and making investments;
- interest payable on debt incurred to finance our investments;
- sales and purchases of our common stock and other securities;
- investment advisory and management fees;
- administration fees payable under the Administration Agreement;
- transfer agent and custodial fees;
- federal and state registration fees;
- all costs of registration and listing our securities on any securities exchange;
- U.S. federal, state and local taxes;
- independent directors’ fees and expenses;
- costs of preparing and filing reports or other documents required by the SEC, the Financial Industry Regulatory Authority or other regulators;
- costs of any reports, proxy statements or other notices to stockholders, including printing costs;
- our allocable portion of any fidelity bond, directors’ and officers’ errors and omissions liability insurance, and any other insurance premiums;
- direct costs and expenses of administration, including printing, mailing, long distance telephone, copying, secretarial and other staff, independent auditors and outside legal costs; and

- all other expenses incurred by us, our Administrator or Runway Growth Capital in connection with administering our business, including payments under the Administration Agreement based on our allocable portion of our Administrator's overhead in performing its obligations under the Administration Agreement, including rent and the allocable portion of the cost of our Chief Compliance Officer and Chief Financial Officer and their respective staffs.

Operating expenses for the three months ended June 30, 2021 and 2020 were $7,405,125 and $3,927,213, respectively. Operating expenses increased for the three months ended June 30, 2021 from the three months ended June 30, 2020 primarily due to an increase in incentive fees, management fees, and interest expense due to an increase in leverage utilization. Operating expenses per share for the three months ended June 30, 2021 and 2020 were $0.23 per share and $0.15 per share, respectively.

Incentive Fees

Incentive fees for the three months ended June 30, 2021 and 2020 were $2,836,303 and $905,858, respectively, incurred primarily due to net investment income. Incentive fees increased for the three months ended June 30, 2021 from the three months ended June 30, 2020 primarily due to an increase in net investment income arising from prepayments. $2,229,639 of the incentive fees for the three months ended June 30, 2021 were earned, payable in cash, and included under Accrued incentive fees on the Statement of Assets and Liabilities as of June 30, 2021. $606,664 of the incentive fees for the three months ended June 30, 2021 were deferred and accrued, and included in Accrued incentive fees on the Statement of Assets and Liabilities as of June 30, 2021. $686,221 of the incentive fees for the three months ended June 30, 2020 were earned, payable in cash, and included under Accrued incentive fees on the Statement of Assets and Liabilities as of June 30, 2020. $219,637 of the incentive fees for the three months ended June 30, 2020 were deferred and accrued, and included under Accrued incentive fees on the Statement of Assets and Liabilities as of June 30, 2020. Incentive fees related to PIK or deferred interest are accrued and payment is deferred until such interest is collected in cash. Incentive fees per share for the three months ended June 30, 2021 and June 30, 2020 were $0.09 and $0.03 per share, respectively.

Net Investment Income

Net investment income for the three months ended June 30, 2021 and 2020 was $11,340,477 and $7,873,841, respectively. Net investment income increased for the three months ended June 30, 2021 from the three months ended June 30, 2020, primarily due to an increase in interest income resulting from an increase in the size of the investment portfolio and an increase in prepayments. Net investment income per share for the three months ended June 30, 2021 and 2020 was $0.35 per share and $0.29 per share, respectively.

Net Realized Gain (Loss) on Investments

The net realized loss on investments of $4,595,853 for the three months ended June 30, 2021 was primarily due to the loss on a portion of our investment in the preferred stock of CareCloud, Inc. The net realized gain on investments of $203,854 for the three months ended June 30, 2020 was primarily due to the gain on our common stock of TriplePoint Venture Growth BDC Corp.

Net Change in Unrealized Appreciation (Depreciation) on Investments

Net change in unrealized depreciation on investments of $33,281 for the three months ended June 30, 2021 was primarily due to decreases in the fair value of our senior secured loans to Pivot3 Holdings, Inc. and our investment in the preferred stock of Pivot3 Holdings, Inc. This was partially offset by an increase in the fair value of our investment in the common stock of Ouster, Inc. The net change in unrealized appreciation on investments of $5,496,594 for the three months ended June 30, 2020 was primarily due to increases in the fair value of our senior secured loan to Scale Computing, Inc., our preferred stock and warrants in MTBC, Inc., and our common stock in Hercules Capital, Inc.

Net Increase in Net Assets Resulting from Operations

We had a net increase in net assets resulting from operations of $6,711,343 for the three months ended June 30, 2021, as compared to a net increase in net assets resulting from operations of $13,574,289 for the

three months ended June 30, 2020. The net decrease in net assets resulting from operations for the three months ended June 30, 2021 from the three months ended June 30, 2020 was primarily due a decrease in unrealized appreciation in our portfolio for the three months ended June 30, 2021.

Comparison of the Six Months Ended June 30, 2021 and 2020

	Six Months Ended June 30, 2021		Six Months Ended June 30, 2020	
	Total	Per Share[1]	Total	Per Share[1]
Investment income				
Interest and dividend income	$34,927,146	$ 1.09	$26,024,295	$ 0.99
Other income	241,230	0.01	597,616	0.02
Total investment income	35,168,376	1.10	26,621,911	1.01
Operating expenses				
Management fees	4,345,550	0.14	3,295,677	0.13
Incentive fees	3,812,007	0.12	3,220,976	0.12
Interest expense	1,489,730	0.05	187,494	0.01
Professional fees	646,065	0.02	721,173	0.03
Overhead allocation expense	406,119	0.01	345,983	0.01
Administration fees	240,860	0.01	245,680	0.01
Credit facility fees	709,201	0.02	378,722	0.01
Directors' fees	134,000	—	128,000	—
Consulting fees	42,500	—	30,301	—
Tax expense	41	—	1,319	—
Insurance expense	46,551	—	52,876	—
General and administrative expenses	929	—	28,250	—
Other expenses	472,612	0.02	468,032	0.02
Total operating expenses	12,346,165	0.39	9,104,483	0.34
Net investment income	22,822,211	0.71	17,517,428	0.67
Realized (loss) on investments	(4,795,077)	(0.15)	(6,513,408)	(0.25)
Net change in unrealized appreciation (depreciation) on investments	(1,944,463)	(0.06)	4,317,513	0.16
Net increase in net assets resulting from operations	$16,082,671	0.50	$15,321,533	0.58

(2) The basic per share figures noted above are based on weighted averages of 31,953,287 and 26,266,501 shares outstanding for the six months ended June 30, 2021 and 2020, respectively.

Investment Income

Investment income for the six months ended June 30, 2021 and 2020 was $35,168,376 and $26,621,911, respectively, and includes non-recurring income of $3,569,046 and $2,848,465, respectively. The increase in investment income for the six months ended June 30, 2021 compared to the six months ended June 30, 2020 was primarily due to interest income and driven by our deployment of capital, increased invested balance, prepayments, and end-of-term payments, partially offset by falling market interest rates.

Operating Expenses

Operating expenses for the six months ended June 30, 2021 and 2020 were $12,346,165 and $9,104,483, respectively. Operating expenses increased for the three months ended June 30, 2021 from the six months ended June 30, 2020 primarily due to an increase in incentive fees, management fees, and interest expense due

to an increase in leverage utilization. Operating expenses per share for the six months ended June 30, 2021 and 2020 were $0.39 per share and $0.34 per share, respectively.

Incentive Fees

Incentive fees for the six months ended June 30, 2021 and 2020 were $3,812,007 and $3,220,976, respectively, incurred primarily due to net investment income. Incentive fees increased for the three months ended June 30, 2021 from the six months ended June 30, 2020 primarily due to an increase in net investment income arising from prepayments. $2,968,870 of the incentive fees for the six months ended June 30, 2021 were earned, payable in cash, and included under Accrued incentive fees on the Statement of Assets and Liabilities as of June 30, 2021. $843,137 of the incentive fees for the six months ended June 30, 2021 were deferred and accrued, and included in Accrued incentive fees on the Statement of Assets and Liabilities as of June 30, 2021. $2,532,754 of the incentive fees for the six months ended June 30, 2020 were earned, payable in cash, and included under Accrued incentive fees on the Statement of Assets and Liabilities as of June 30, 2020. $688,222 of the incentive fees for the six months ended June 30, 2020 were deferred and accrued, and included under Accrued incentive fees on the Statement of Assets and Liabilities as of June 30, 2020. Incentive fees related to PIK or deferred interest are accrued and payment is deferred until such interest is collected in cash. Incentive fees per share for the six months ended June 30, 2021 and June 30, 2020 were $0.12 and $0.12 per share, respectively.

Net Investment Income

Net investment income for the six months ended June 30, 2021 and 2020 was $22,822,211 and $17,517,428, respectively. Net investment income increased for the six months ended June 30, 2021 from the six months ended June 30, 2020, primarily due to an increase in interest income resulting from an increase in the size of the investment portfolio and an increase in prepayments. Net investment income per share for the six months ended June 30, 2021 and 2020 was $0.71 per share and $0.67 per share, respectively.

Net Realized (Loss) on Investments

The net realized loss on investments of $4,795,077 for the six months ended June 30, 2021 was primarily due to the loss on a portion of our investment in the preferred stock of CareCloud, Inc. The net realized loss on investments of $6,513,408 for the six months ended June 30, 2020 was primarily due to the loss on our senior secured loan to Aginity, Inc.

Net Change in Unrealized Appreciation (Depreciation) on Investments

Net change in unrealized depreciation on investments of $1,944,463 for the six months ended June 30, 2021 was primarily due to decreases in the fair value of our senior secured loans to Pivot3 Holdings, Inc. and our investment in the preferred stock of Pivot3 Holdings, Inc. This was partially offset by an increase in the fair value of our investment in the common stock of Ouster, Inc. The net change in unrealized appreciation on investments of $4,317,513 for the six months ended June 30, 2020 was primarily due to increases in the fair value of our preferred stock and warrants in MTBC, Inc., and our common stock in Hercules Capital, Inc.

Net Increase in Net Assets Resulting from Operations

We had a net increase in net assets resulting from operations of $16,082,671 for the six months ended June 30, 2021, as compared to a net increase in net assets resulting from operations of $15,321,533 for the six months ended June 30, 2020. The net increase in net assets resulting from operations for the six months ended June 30, 2021 from the six months ended June 30, 2020 was primarily due to an increase in interest income resulting from an increase in the size of the investment portfolio and an increase in prepayments.

Comparison of the Years Ended December 31, 2020, 2019 and 2018

	Year Ended December 31, 2020		Year Ended December 31, 2019		Year Ended December 31, 2018	
	Total	Per Share[1]	Total	Per Share[1]	Total	Per Share[1]
Investment income						
Interest and dividend income	$55,458,426	$ 2.01	$54,450,955	$ 2.91	$19,565,467	$2.10
Other income	2,167,877	0.08	688,181	0.04	1,190,587	0.13
Total investment income	57,626,303	2.09	55,139,136	2.95	20,756,054	2.23
Operating expenses						
Management fees	6,831,566	0.25	5,105,009	0.27	4,812,500	0.52
Incentive fees	7,260,656	0.26	8,349,449	0.45	1,411,324	0.15
Interest expense	1,064,150	0.04	1,186,466	0.06	532,732	0.06
Professional fees	1,156,550	0.04	975,688	0.05	700,019	0.08
Overhead allocation expense	677,958	0.02	855,889	0.05	454,337	0.05
Administration fees	515,891	0.02	490,022	0.03	209,761	0.02
Credit facility fees	735,674	0.03	478,731	0.03	—	—
Directors' fees	248,500	0.01	222,154	0.01	208,000	0.02
Consulting fees	58,634	0.00	110,328	0.01	66,933	0.01
Tax expense	1,319	0.00	99,549	0.01	186,782	0.02
Insurance expense	105,192	0.00	96,296	0.01	96,062	0.01
General and administrative expenses	28,557	0.00	26,264	0.00	101,984	0.01
Other expenses	871,939	0.03	689,460	0.04	269,203	0.03
Total operating expenses	19,556,586	0.71	18,685,305	1.00	9,049,637	0.97
Net investment income	**38,069,717**	**1.38**	**36,453,831**	**1.95**	**11,706,417**	**1.26**
Realized gain (loss) on investments	(5,347,409)	(0.19)	609,031	0.03	59,792	0.01
Net change in unrealized appreciation (depreciation) on investments	14,257,592	0.52	(9,416,462)	(0.50)	(8,693)	0.00
Net increase in net assets resulting from operations	**$46,979,900**	**1.70**	**$27,646,400**	**1.48**	**$11,757,516**	**1.26**

(1) Noted above are based on weighted averages of 27,617,425, 18,701,021, and 9,300,960 shares outstanding for the years ended December 31, 2020, 2019, and 2018, respectively.

Investment Income

Investment income for the years ended December 31, 2020, 2019, and 2018 was $57,626,303, $55,139,136, and $20,756,054, respectively, due primarily to interest income earned on our portfolio investments. The increase in interest income for the year ended December 31, 2020 from the year ended December 31, 2019, and for the year ended December 31, 2019 from the year ended December 31, 2018 was driven by our deployment of capital, increased invested balance, prepayments, and end of term payments, partially offset by falling market interest rates.

Operating expenses for the years ended December 31, 2020, 2019 and 2018 were $19,556,586, $18,685,305 and $9,049,637, respectively. Operating expenses increased for the year ended December 31, 2020 from the year ended December 31, 2019 primarily due to increased management fees paid to Runway Growth Capital, professional fees, credit facility fees, and other expenses. Operating expenses increased for the year ended

December 31, 2019 from the year ended December 31, 2018 primarily due to increased management fees and incentive fees paid to Runway Growth Capital, overhead allocation expense, consulting fees, directors' fees, interest expense, administration fees, and other expenses. Incentive fees for the years ended December 31, 2019 and December 31, 2018 increased primarily due to the increase in investment income, as discussed in more detail below. The increases in management fees were driven by our deployment of capital and increasing invested balance. The increase in interest expense was a result of an increase in borrowings under our Credit Facilities (as defined below) to fund investments. The increase in overhead allocation expense was driven by allocation of Runway Growth Capital personnel, time, and resources utilized on fund activity. Operating expenses per share for the years ended December 31, 2020, 2019 and 2018 were $0.71 per share, $1.00 per share and $0.97 per share, respectively.

Incentive Fees

Incentive fees for the years ended December 31, 2020, 2019, and 2018 were $7,260,656, $8,349,449, and $1,411,324, respectively. $1,748,171 of the incentive fees for the year ended December 31, 2020 were earned, payable in cash, and included in accrued incentive fees in the statement of assets and liabilities as of December 31, 2020. $1,853,351 of the incentive fees for the year ended December 31, 2020 were deferred and accrued, and included in accrued incentive fees in the statement of assets and liabilities as of December 31, 2020. $1,586,533 of the incentive fees for the year ended December 31, 2019 were earned, payable in cash, and included in accrued incentive fees in the statement of assets and liabilities as of December 31, 2019. $1,891,676 of the incentive fees for the year ended December 31, 2019 were deferred and accrued, and included in accrued incentive fees in the statement of assets and liabilities as of December 31, 2019. $711,868 of the incentive fees for the year ended December 31, 2018 were earned, payable in cash, and included in accrued incentive fees in the statement of assets and liabilities as of December 31, 2018. $359,698 of the incentive fees for the year ended December 31, 2018 were deferred and accrued, and included in accrued incentive fees in the statement of assets and liabilities as of December 31, 2018. Incentive fees related to paid-in-kind or deferred interest are accrued and payment is deferred until such interest is collected in cash. Incentive fees per share for the years ended December 31, 2020, 2019, and 2018 were $0.26 per share, $0.45 per share, and $0.15 per share, respectively.

Net Investment Income

Net investment income for the years ended December 31, 2020, 2019 and 2018 was $38,069,717, $36,453,831, and $11,706,417, respectively. Net investment income increased for the year ended December 31, 2020 from the year ended December 31, 2019 primarily due to increased interest income earned on our portfolio investments, partially offset by increased management fees and incentive fees and the other operating expenses discussed above. The decrease in early terminations, and accompanying decrease in prepayment fees and associated income, may have been negatively impacted by the COVID-19 pandemic and the associated disruption in the capital markets and merger and acquisition markets. Net investment income increased for the year ended December 31, 2019 from the year ended December 31, 2018 primarily due to increased interest income earned on our portfolio investments, partially offset by increased management fees and incentive fees and the other operating expenses discussed above. Net investment income per share for the years ended December 31, 2020, 2019 and 2018 were $1.38 per share, $1.95 per share and $1.26 per share, respectively.

Net Realized Gain (Loss) on Investment

The net realized loss on investments of $5,347,409 for the year ended December 31, 2020 was primarily due to the loss on our senior secured loan to Aginity, Inc. The net realized gain on investments of $609,031 for the year ended December 31, 2019 was primarily due to the gain on the sale of preferred stock warrant in Drawbridge, Inc. and redemption of warrant for membership interest in Mobius Imagine, LLC, partially offset by a loss our warrants for preferred stock on RedSeal, Inc. The net realized gain on investments of $59,792 for the year ended December 31, 2018 was primarily due to the gain on our warrants for preferred stock of Placecast, Inc.

Net Change in Unrealized Appreciation (Depreciation) on Investments

Net change in unrealized appreciation on investments of $14,257,593 for the year ended December 31, 2020 was primarily due to increases in the fair value of our senior secured loans to Aria Systems, Inc. and our

warrants for preferred stock or common stock of Ouster, Inc., MTBC, Inc., and Aspen Group Inc. This increase was offset by the decreases in the fair value of senior secured loans to Circadence Corporation and Pivot3, Inc., and our preferred stock in MTBC, Inc. Net change in unrealized depreciation on investments of $9,416,462 for the year ended December 31, 2019 was primarily due to increases in the fair value of our senior secured loans to eSilicon Corporation and Realwear, Inc., our preferred stock in Aria Systems, Inc. and our warrants for preferred stock of Aria Systems, Inc. and eSilicon Corporation. This increase was offset by the decreased in the fair value of senior secured loans to Aginity, Inc., CareCloud Corporation, and Mojix Inc., and our warrants for common or preferred stock of All Clear ID, Inc., Mojix Inc. and zSpace, Inc. The net change in unrealized depreciation on investments of $8,693 for the year ended December 31, 2018 was primarily due to increases in the fair value of our senior secured loans to AllClear ID, Inc. and eSilicon Corporation, our preferred stock in Aria Systems, Inc. and our warrants for preferred stock of Aria Systems, Inc., eSilicon Corporation, Mojix Inc. and ShareThis, Inc. This increase was partially offset by decreases in the fair value of our senior secured loans to Aginity, Inc., Aria Systems, Inc., CareCloud Corporation, and Mojix Inc., and our warrants for common or preferred stock of AllClear ID, Inc., Aspen Group Inc., Mojix Inc. and SendtoNews Video, Inc.

The COVID-19 pandemic and its ongoing impact on economic activity and capital market volatility has impacted the fair market values of our investments. As of December 31, 2020, numerous variables used in the valuation process reflected the impact of the COVID-19 pandemic, such as market comparables, market volatility, discount rates and credit spreads; however, the dynamic nature of the COVID-19 pandemic and ability of portfolio companies to assess its impact on future performance may not be fully incorporated into our assumptions.

Net Increase in Net Assets Resulting from Operations

We had a net increase in net assets resulting from operations of $46,979,900 for the year ended December 31, 2020, as compared to a net increase in net assets resulting from operations of $27,646,400 and $11,757,516 for the years ended December 31, 2019 and December 31, 2018, respectively. The net increase in net assets resulting from operations for the year ended December 31, 2020 from the year ended December 31, 2019 is attributable to increases in the fair value of our senior secured loans to Aria Systems, Inc. and our warrants for preferred stock or common stock of Ouster, Inc., MTBC, Inc., and Aspen Group Inc. The net increase in net assets resulting from operations for the year ended December 31, 2019 from the year ended December 31, 2018 is attributable to increased interest income earned on our portfolio investments and the gain on our warrants for preferred stock or units on Drawbridge, Inc. and Mobius Imagine, LLC. The net increase in net assets resulting from operations for the year ended December 31, 2018 from the year ended December 31, 2017 is attributable to increased interest income earned on our portfolio investments and the gain on our warrants for preferred stock of Placecast, Inc.

Financial Condition, Liquidity and Capital Resources

We generate cash primarily from the net proceeds of the offering of our securities and cash flows from our operations, including investment sales and repayments as well as income earned on investments and cash equivalents. We may also fund a portion of our investments through borrowings under the Credit Facilities (discussed below). We expect that we may also raise cash from any financing arrangements we may enter into in the future and any future offerings of our equity or debt securities. We may fund a portion of our investments through borrowings from banks and issuances of senior securities, which may be secured or unsecured, through registered offerings or private placements. Our primary use of funds is to make investments in eligible portfolio companies, pay our operating expenses and make distributions to holders of our common stock.

During the six months ended June 30, 2021, cash and cash equivalents decreased to $892,584 from $14,886,246 as of December 31, 2020. This decrease was primarily the result of the purchase of investments in portfolio companies for $133,681,004 and U.S. Treasury Bills for $54,999,849 and was partially offset by the sales of investments in portfolio companies, the maturity of U.S. Treasury Bills, the issuance of common stock, and net borrowings under the Credit Agreement.

During the year ended December 31, 2020, cash and cash equivalents decreased to $14,886,246, from $45,799,672 as of December 31, 2019. This decrease was primarily the result of the purchase of investments in

portfolio companies for $272,532,493 and U.S. Treasury Bills for $276,000,012 and was partially offset by sales of investments in portfolio companies, the maturity of U.S. Treasury Bills, the issuance of common stock, and borrowings under our Credit Facilities.

During the year ended December 31, 2019, cash and cash equivalents increased to $45,799,672, from $2,527,474 as of December 31, 2018. This increase was primarily the result of the purchase of investments in portfolio companies for $241,669,802 and U.S. Treasury Bills for $315,836,640 and was partially offset by sales of investments in portfolio companies, the maturity of U.S. Treasury Bills, the issuance of common stock, and borrowings under our Credit Facilities.

Equity Activity

We have the authority to issue 100,000,000 shares of common stock, $0.01 par value per share.

On October 8, 2015, we issued 1,667 shares of our common stock to R. David Spreng, our President, Chief Executive Officer and Chairman of our Board, for an aggregate purchase price of $25,000. Additionally, as of June 30, 2021, we have issued 22,564 shares of our common stock to Runway Growth Holdings LLC, an affiliate of Runway Growth Capital. The remaining shares were issued in connection with the Initial Private Offering, the Second Private Offering, or pursuant to our dividend reinvestment plan, as follows:

Issuance Date	Shares Issued	Price Per Share	Gross Proceeds
December 22, 2016	333,333	$15.00	$ 5,000,000
April 19, 2017	1,000,000	15.00	15,000,000
June 26, 2017	1,666,667	15.00	25,000,000
September 12, 2017	2,666,667	15.00	40,000,000
December 22, 2017	3,000,000	15.00	45,000,000
May 31, 2018[(1)]	70,563	14.82	1,045,570
August 31, 2018[(1)]	117,582	14.92	1,754,244
September 27, 2018	1,997,337	15.02	30,000,000
November 15, 2018[(1)]	202,779	15.07	3,055,498
January 14, 2019	4,344,964	15.19	66,000,000
March 26, 2019[(1)]	326,431	15.14	4,942,168
May 21, 2019[(1)]	374,783	15.13	5,670,467
May 24, 2019	3,232,189	15.16	49,000,000
July 16, 2019[(1)]	464,986	15.13	7,035,236
August 26, 2019[(1)]	480,121	14.76	7,088,143
October 15, 2019	1,666,667	15.00	25,000,000
November 12, 2019[(1)]	43,979	14.76	649,123
December 20, 2019	3,333,333	15.00	50,000,000
December 23, 2019[(1)]	487,166	14.52	7,073,650
March 20, 2020[(1)]	575,132	14.58	8,385,423
March 31, 2020	21,021	15.00	315,308
May 21, 2020[(1)]	529,020	14.25	7,538,541
August 6, 2020[(1)]	550,639	14.41	7,934,712
October 15, 2020	3,333,333	15.00	50,000,000
November 12, 2020[(1)]	593,692	14.46	8,584,772
March 19, 2021[(1)]	618,815	14.84	9,183,220
March 24, 2021	20,461	15.00	306,911
May 13, 2021[(1)]	637,127	14.77	9,410,371
Total	**32,688,787**		**$489,973,357**

(1) Shares were issued as part of the dividend reinvestment plan.

Contractual Obligations

At June 30, 2021, the Company had $122,560,569 in unfunded loan commitments to provide debt financing to eleven portfolio companies. The Company's management believes that its available cash balances, availability under the Credit Agreement and/or ability to drawdown capital from investors provides sufficient funds to cover its unfunded commitments as of June 30, 2021.

	Payments Due By Period				
	Total	Less than 1 year	1 – 3 years	3 – 5 years	More than 5 years
Reverse repurchase agreement[1]	$ 19,900,000	$ 19,900,000	$ —	$ —	$ —
Credit facilities[2]	117,000,000	117,000,000	—	—	—
Total	$136,900,000	$136,900,000	$ —	$ —	$ —

(1) Reverse repurchase agreement relates to the purchase of the U.S. Treasury Bill on margin. The reverse repurchase agreement purchased was subsequently repaid in July 2021.

Borrowings

Credit Agreement

On May 31, 2019, we entered into the Credit Agreement. The Credit Agreement provides for borrowings up to a maximum aggregate principal amount of $100 million, subject to availability under a borrowing base that is determined by the number and value of eligible loan investments in the collateral, applicable advance rates and concentration limits, and certain of our cash and cash equivalent holdings. The Credit Agreement has an accordion feature that allows us to increase the aggregate commitments up to $200 million, subject to new or existing lenders agreeing to participate in the increase and other customary conditions. Current capital markets dislocation and economic uncertainty associated with the COVID-19 pandemic may impact our ability to access the accordion features of the Credit Agreement. Borrowings under the Credit Agreement bear interest on a per annum basis equal to a three-month adjusted LIBOR rate (with a LIBOR floor of zero), plus an applicable margin rate that varies from 3.00% to 2.50% per annum depending on utilization and other factors. During the availability period, the applicable margin rate (i) is 3.00% per annum for interest periods during which the average utilization is less than 60% and (ii) varies from 3.00% to 2.50% per annum when the average utilization equals or exceeds 60% (with 3.00% applying when the eligible loans in the collateral consist of 9 or fewer unaffiliated obligors, 2.75% applying when the eligible loans consist of between 10 and 29 unaffiliated obligors, and 2.50% applying when the eligible loans consist of 30 or more unaffiliated obligors). During the amortization period, the applicable margin rate will be 3.00%. If certain eurodollar disruption events occur, then borrowings under the Credit Agreement will bear interest on a per annum basis equal to (i) a base rate instead of LIBOR that is set at the higher of (x) the federal funds rate plus 0.50% and (y) the prime rate, plus (ii) the applicable margin rate discussed above. Interest is payable quarterly in arrears. We also pay unused commitment fees of 0.50% per annum on the unused lender commitments under the Credit Agreement, as well as a minimum earnings fee of 3.00% that will be payable annually in arrears, starting on May 31, 2021, on the average unused commitments below 60% of the aggregate commitments during the preceding 12-month period. The availability period under the Credit Agreement expires on May 31, 2022 and is followed by a two-year amortization period. The stated maturity date under the Credit Agreement is May 31, 2024. The Credit Agreement is secured by a perfected first priority security interest in substantially all of our assets and portfolio investments.

During the fourth quarter of 2020, we amended the Credit Agreement and others to increase its size to $215 million, increase the accordion feature to $300 million, add additional lenders, modify certain pricing elements and other provisions.

During the second quarter of 2021, we further amended the Credit Agreement to: (i) allow the Company to incur permitted indebtedness without the prior written consent of the Administrative Agent, subject to the limitations described in the Credit Agreement; (ii) increase the accordion amount under the Credit Agreement

from a $300 million maximum aggregate commitment amount to a $350 million maximum aggregate commitment amount; and (iii) amend certain other terms of the Credit Agreement.

During the six months ended June 30, 2021, we drew down $93,000,000 on the Credit Agreement and repaid $75,000,000, of which $117,000,000 remains outstanding at June 30, 2021. At June 30, 2021, interest was accruing at a rate of 3.50%. During the year ended December 31, 2020, we drew down $200,500,000 on the Credit Agreement and repaid $162,500,000 of which $99,000,000 remained outstanding at December 31, 2020. At December 31, 2020, interest was accruing at a rate of 3.22%. During the year ended December 31, 2019, the Company drew down $162,250,000 on the Credit Agreement and Credit Facilities and repaid $160,750,000, of which $61,000,000 remained outstanding at December 31, 2019. At December 31, 2019 interest was accruing at a rate of 5.10% per annum.

Off-Balance Sheet Arrangements

We currently have no off-balance sheet arrangements, including any risk management of commodity pricing or other hedging practices.

Distributions

To the extent that we have funds available, we intend to make quarterly distributions to our stockholders. Our stockholder distributions, if any, will be determined by our Board. Any distribution to our stockholders will be declared out of assets legally available for distribution. We anticipate that distributions will be paid from income primarily generated by interest and dividend income earned on investments made by us. We maintain an “opt out” dividend reinvestment plan for our common stockholders. As a result, if we declare a distribution, then stockholders’ cash distributions will be automatically reinvested in additional shares of our common stock, unless they specifically “opt out” of the dividend reinvestment plan so as to receive cash distributions. During the six months ended June 30, 2021, we declared dividends in the amount of $23,482,930, of which $4,889,338 was distributed in cash and the remainder distributed in shares to stockholders pursuant to our dividend reinvestment plan. During the year ended December 31, 2020, we declared and paid dividends in the amount of $39,709,233, of which $7,265,784 was distributed in cash and the remainder distributed in shares to stockholders pursuant to our dividend reinvestment program.

The timing and amount of our distributions, if any, will be determined by our Board and will be declared out of assets legally available for distribution. The following table shows the dividends per share declared since our formation through June 30, 2021.

Date Declared	Record Date	Payment Date	Amount per Share
May 3, 2018	May 15, 2018	May 31, 2018	$0.15
July 26, 2018	August 15, 2018	August 31, 2018	$0.25
November 1, 2018	October 31, 2018	November 15, 2018	$0.35
March 22, 2019	March 22, 2019	March 26, 2019	$0.40
May 2, 2019	May 7, 2019	May 21, 2019	$0.45
May 2, 2019	May 31, 2019	July 16, 2019	$0.46
July 30, 2019	August 8, 2019	August 26, 2019	$0.45
September 27, 2019	September 30, 2019	November 12, 2019	$0.04
December 9, 2019	December 10, 2019	December 23, 2019	$0.40
March 5, 2020	March 6, 2020	March 20, 2020	$0.40
May 7, 2020	May 8, 2020	May 21, 2020	$0.35
August 5, 2020	August 6, 2020	August 20, 2020	$0.36
October 1, 2020	October 1, 2020	November 12, 2020	$0.38
March 4, 2021	March 5, 2021	March 19, 2021	$0.37
April 29, 2021	April 30, 2021	May 13, 2021	$0.37

Critical Accounting Policies

Basis of Presentation

The preparation of the financial statements and related disclosures in conformity with U.S. GAAP requires our management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and revenues and expenses during the period reports. Actual results could materially differ from those estimates. We believe that our most critical accounting policies, which are those that are most important to the portrayal of our financial condition and results of operations and require management's most difficult, subjective and complex judgments, include the valuation of investments and our election to be treated, and intent to qualify annually, as a RIC.

Valuation of Investments

We measure the value of our portfolio investments at fair value in accordance with ASC Topic 820, Fair Value Measurements ("ASC Topic 820") issued by the FASB. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Audit Committee assists our Board in valuing investments that are not publicly traded or for which current market values are not readily available. Investments for which market quotations are readily available are valued using market quotations, which are generally obtained from independent pricing services, broker-dealers or market makers. With respect to portfolio investments for which market quotations are not readily available, our Board, with the assistance of the Audit Committee, Runway Growth Capital and its senior investment team and independent valuation agents, is responsible for determining, in good faith, the fair value of such portfolio investments in accordance with the valuation policy approved by our Board. If more than one valuation method is used to measure fair value, the results are evaluated and weighted, as appropriate, considering the reasonableness of the range indicated by those results. We consider a range of fair values based upon the valuation techniques utilized and select the value within that range that was most representative of fair value based on current market conditions as well as other factors Runway Growth Capital's senior investment team considers relevant.

Our Board makes this fair value determination on a quarterly basis and any other time when a decision regarding the fair value of the portfolio investments is required. A determination of fair value involves subjective judgments and estimates and depends on the facts and circumstances. Due to the inherent uncertainty of determining the fair value of portfolio investments that do not have a readily available market value, the fair value of the investments may differ significantly from the values that would have been used had a readily available market value existed for such investments, and the differences could be material.

ASC Topic 820 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. ASC Topic 820 also provides guidance regarding a fair value hierarchy, which prioritizes information used to measure fair value and the effect of fair value measurements on earnings and provides for enhanced disclosures determined by the level within the hierarchy of information used in the valuation. In accordance with ASC Topic 820, these inputs are summarized in the three levels listed below:

- Level 1 — Valuations are based on quoted prices in active markets for identical assets or liabilities that are accessible at the measurement date.
- Level 2 — Valuations are based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly and model-based valuation techniques for which all significant inputs are observable.
- Level 3 — Valuations based on inputs that are unobservable and significant to the overall fair value measurement. Level 3 assets and liabilities include financial instruments whose value is determined using pricing models incorporating significant unobservable inputs, such as discounted cash flow models and other similar valuations techniques. The valuation of Level 3 assets and liabilities generally requires significant management judgment due to the inability to observe inputs to valuation.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of observable input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment.

Under ASC Topic 820, the fair value measurement also assumes that the transaction to sell an asset occurs in the principal market for the asset or, in the absence of a principal market, the most advantageous market for the asset, which may be a hypothetical market, and excludes transaction costs. The principal market for any asset is the market with the greatest volume and level of activity for such asset in which the reporting entity would or could sell or transfer the asset. In determining the principal market for an asset or liability under ASC Topic 820, it is assumed that the reporting entity has access to such market as of the measurement date. Market participants are defined as buyers and sellers in the principal or most advantageous market that are independent, knowledgeable and willing and able to transact.

With respect to investments for which market quotations are not readily available, our Board undertakes a multi-step valuation process each quarter, as described below:

- Our quarterly valuation process begins with each portfolio company investment being initially valued by Runway Growth Capital's investment professionals that are responsible for the portfolio investment;
- Preliminary valuation conclusions are then documented and discussed with Runway Growth Capital's senior investment team;
- At least once annually, the valuation for each portfolio investment is reviewed by one or more independent valuation firms. Certain investments, however, may not be evaluated by the applicable independent valuation firm if the net asset value and other aspects of such investments in the aggregate do not exceed certain thresholds;
- The Audit Committee then reviews these preliminary valuations from Runway Growth Capital and the applicable independent valuation firm, if any, and makes a recommendation to our Board regarding such valuations; and
- Our Board reviews the recommended preliminary valuations and determines the fair value of each investment in our portfolio, in good faith, based on the input of Runway Growth Capital, the applicable independent valuation firm and the Audit Committee.

Our investments are primarily loans made to high growth-potential companies focused in technology, life sciences, healthcare information and services, business services, select consumer services and products and other high-growth industries. These investments are considered Level 3 assets under ASC Topic 820 because there is no known or accessible market or market indices for these types of debt instruments and, thus, Runway Growth Capital's senior investment team must estimate the fair value of these investment securities based on models utilizing unobservable inputs.

Rule 2a-5 under the 1940 Act was recently adopted by the SEC and establishes requirements for determining fair value in good faith for purposes of the 1940 Act. The Company is evaluating the impact of adopting Rule 2a-5 on the financial statements and intends to comply with the new rule's requirements on or before the compliance date in September 2022.

Investment Valuation Techniques

Debt Investments. To determine the fair value of our debt investments, we compare the cost basis of the debt investment, which includes OID, to the resulting fair value determined using a discounted cash flow model, unless another model is more appropriate based on the circumstances at the measurement date. The discounted cash flow approach entails analyzing the interest rate spreads for recently completed financing transactions that are similar in nature to our investments, in order to determine a comparable range of effective market interest rates for our investments. The range of interest rate spreads utilized is based on borrowers with similar credit profiles. All remaining expected cash flows of the investment are discounted using this range of interest rates to determine a range of fair values for the debt investment.

This valuation process includes, among other things, evaluating the underlying investment performance, the portfolio company's current financial condition and ability to raise additional capital, as well as macro-economic events that may impact valuations. These events include, but are not limited to, current market yields and interest rate spreads of similar securities as of the measurement date. Significant increases or decreases in these unobservable inputs could result in a significantly higher or lower fair value measurement; however, a significantly higher or lower fair value measurement of any of the Company's portfolio investments may occur regardless of whether there is a significant increase or decrease in these unobservable inputs; however, a significantly higher or lower fair value measurement of any of the Company's portfolio investments may occur regardless of whether there is a significant increase or decrease in these unobservable inputs.

Under certain circumstances, we may use an alternative technique to value the debt investments to be acquired by us that better reflects the fair value of the investment, such as the price paid or realized in a recently completed transaction or a binding offer received in an arms-length transaction, the use of multiple probability-weighted cash flow models when the expected future cash flows contain elements of variability or estimates of proceeds that would be received in a liquidation scenario.

Warrants. Fair value of warrants is primarily determined using a Black Scholes option-pricing model. Privately held warrants and equity-related securities are valued based on an analysis of various factors including, but not limited to, the following:

- Underlying enterprise value of the issuer is estimated based on information available, including any information regarding the most recent rounds of issuer funding. Valuation techniques to determine enterprise value include market multiple approaches, income approaches or approaches that utilize recent rounds of financing and the portfolio company's capital structure to determine enterprise value. Valuation techniques are also utilized to allocate the enterprise fair value of a portfolio company to the specific class of common or preferred stock exercisable in the warrant. Such techniques take into account the rights and preferences of the portfolio company's securities, expected exit scenarios, and volatility associated with such outcomes to allocate the fair value to the specific class of stock held in the portfolio. Such techniques include Option Pricing Models, or "OPM," including back-solve techniques, Probability Weighted Expected Return Models, or "PWERM," and other techniques as determined to be appropriate.
- Volatility, or the amount of uncertainty or risk about the size of the changes in the warrant price, is based on comparable publicly traded companies within indices similar in nature to the underlying company issuing the warrant. Significant increases (decreases) in this unobservable input could result in a significantly lower (higher) fair value, but a significantly higher or lower fair value measurement of any of the Company's portfolio investments may occur regardless of whether there is a significant increase or decrease in this unobservable input.
- The risk-free interest rates are derived from the U.S. Treasury yield curve. The risk-free interest rates are calculated based on a weighted average of the risk-free interest rates that correspond closest to the expected remaining life of the warrant. Significant increases (decreases) in this unobservable input could result in a significantly higher (lower) fair value, but a significantly higher or lower fair value measurement of any of the Company's portfolio investments may occur regardless of whether there is a significant increase or decrease in this unobservable input.
- Other adjustments, including a marketability discount on private company warrants, are estimated based on our judgment about the general industry environment. Significant increases (decreases) in this unobservable input could result in a significantly lower (higher) fair value, but a significantly higher or lower fair value measurement of any of the Company's portfolio investments may occur regardless of whether there is a significant increase or decrease in this unobservable input.
- Historical portfolio experience on cancellations and exercises of warrants are utilized as the basis for determining the estimated life of the warrants in each financial reporting period. Warrants may be exercised in the event of acquisitions, mergers or IPOs, and cancelled due to events such as bankruptcies, restructuring activities or additional financings. These events cause the expected remaining life assumption to be shorter than the contractual term of the warrants. Significant increases (decreases) in this unobservable input could result in a significantly higher (lower) fair value, but a

significantly higher or lower fair value measurement of any of the Company's portfolio investments may occur regardless of whether there is a significant increase or decrease in this unobservable input.

Under certain circumstances we may use an alternative technique to value warrants that better reflects the warrants' fair values, such as an expected settlement of a warrant in the near term, a model that incorporates a put feature associated with the warrant, or the price paid or realized in a recently completed transaction or binding offer received in an arms-length transaction. The fair value may be determined based on the expected proceeds to be received from such settlement or based on the net present value of the expected proceeds from the put option.

These valuation methodologies involve a significant degree of judgment. There is no single standard for determining the fair value of investments that do not have an active public market. Valuations of privately held investments are inherently uncertain, as they are based on estimates, and their values may fluctuate over time. The determination of fair value may differ materially from the values that would have been used if an active market for these investments existed. In some cases, the fair value of such investments is best expressed as a range of values derived utilizing different methodologies from which a fair value may then be determined.

Equity Investments. The fair value of an equity investment in a privately held company is initially the face value of the amount invested. We adjust the fair value of equity investments in private companies upon the completion of a new third-party round of equity financing subsequent to our investment. We may make adjustments to fair value, absent a new equity financing event, based upon positive or negative changes in a portfolio company's financial or operational performance. We may also reference comparable transactions and/or secondary market transactions in connection with our determination of fair value. The fair value of an equity investment in a publicly traded company is based upon the closing public share price on the date of measurement. These assets are recorded at fair value on a recurring basis. These valuation methodologies involve a significant degree of judgment. There is no single standard for determining the fair value of investments that do not have an active public market. Valuations of privately held investments are inherently uncertain, as they are based on estimates, and their values may fluctuate over time. The determination of fair value may differ materially from the values that would have been used if an active market for these investments existed. In some cases, the fair value of such investments is best expressed as a range of values derived utilizing different methodologies from which a fair value may then be determined.

Fair Value

The Company's assets measured at fair value on a recurring basis subject to the requirements of ASC Topic 820 at June 30, 2021 and December 31, 2020 and 2019 were as follows:

	As of June 30, 2021			
	Level 1	**Level 2**	**Level 3**	**Total**
Portfolio Investments				
Common Stock	$ 737,971	$14,324,110	$ —	$ 15,062,081
Corporate Bonds	—	—	—	—
Senior Secured Term Loans	—	—	530,911,757	530,911,757
Preferred Stock	15,770,278	—	1,478,566	17,248,844
Warrants	—	27,365	24,367,115	24,394,480
Total Portfolio Investments	16,508,249	14,351,475	556,757,438	587,617,162
U.S. Treasury Bill	29,999,881	—	—	29,999,881
Total Investments	$46,508,130	$14,351,475	$556,757,438	$617,617,043

	As of December 31, 2020			
	Level 1	Level 2	Level 3	Total
Portfolio Investments				
Common Stock	$ —	$ 521,940	$ —	$ 521,940
Corporate Bonds	—	333,453	—	333,453
Senior Secured Term Loans	—	—	501,964,657	501,964,657
Preferred Stock	13,230,000	1,429,600	1,336,268	15,995,868
Warrants	—	—	33,008,672	33,008,672
Total Portfolio Investments	13,230,000	2,284,993	536,309,597	551,824,590
U.S. Treasury Bill	70,002,060	—	—	70,002,060
Total Investments	$83,232,060	$2,284,993	$536,309,597	$621,826,650

	As of December 31, 2019			
	Level 1	Level 2	Level 3	Total
Portfolio Investments				
Senior Secured Term Loans	$ —	$ —	$349,570,424	$349,570,424
Preferred Stock	—	—	437,515	437,515
Warrants	—	—	18,008,337	18,008,337
Total Portfolio Investments	—	—	368,016,276	368,016,276
U.S. Treasury Bill	99,965,423	—	—	99,965,423
Total Investments	$99,965,423	$ —	$368,016,276	$467,981,699

Investment Transactions and Related Investment Income

Security transactions, if any, are recorded on a trade-date basis. We measure realized gains or losses from the repayment or sale of investments using the specific identification method. The amortized cost basis of investments represents the original cost adjusted for the accretion/amortization of discounts and premiums and upfront loan origination fees. We report changes in fair value of investments that are measured at fair value as a component of net change in unrealized appreciation (depreciation) on investments on the statement of operations.

Dividends are recorded on the applicable ex-dividend date. Interest income, if any, adjusted for amortization of market premium and accretion of market discount, is recorded on an accrual basis to the extent that we expect to collect such amounts. Original issue discount, principally representing the estimated fair value of detachable equity or warrants obtained in conjunction with our debt investments, loan origination fees, end of term payments, and market discount or premium are capitalized and accreted or amortized into interest income over the life of the respective security using the effective interest method. Loan origination fees received in connection with the closing of investments are reported as unearned income, which is included as amortized cost of the investment; the unearned income from such fees is accreted over the contractual life of the loan based on the effective interest method. Upon prepayment of a loan or debt security, any prepayment penalties, unamortized loan origination fees, end of term payments and unamortized market discounts are recorded as interest income.

Management and Incentive Fees

We accrue for base management fees and incentive fees. The accrual for incentive fees includes the recognition of incentive fees on unrealized capital gains, even though such incentive fees are neither earned nor payable to Runway Growth Capital until the gains are both realized and in excess of unrealized depreciation on investments. See "*Management and Other Agreements — Compensation of the Adviser*."

Income Taxes

We have elected to be treated, have qualified and intend to qualify annually, as a RIC under Subchapter M of the Code. Generally, a RIC is not subject to U.S. federal income taxes on distributed income and gains if

it distributes at least 90% of its net ordinary income and net short-term capital gains in excess of its net long-term capital losses, if any, to its stockholders. So long as we qualify, and maintain our status, as a RIC, we generally will not pay corporate-level U.S. federal income taxes on any ordinary income or capital gains that we distribute at least annually to our stockholders as dividends. Rather, any tax liability related to income earned by us represents obligations of our investors and will not be reflected in the financial statements of the Company. We intend to make sufficient distributions to maintain our RIC tax treatment each year and we do not anticipate paying any material U.S. federal income taxes in the future.

Recent Developments

We evaluated events subsequent to June 30, 2021 through September 27, 2021.

Effective July 1, 2021, we placed three loans to Pivot3 Holdings, Inc. on non-accrual status, representing an aggregate principal funded of $26,201,092 at a fair market value of $13,797,915 and comprises 2.89% of the investment portfolio as of June 30, 2021. On July 20, 2021, we also received cash proceeds of $5,000,000 from the sale of a portion of assets held by Pivot3 Holdings, Inc.

On July 1, 2021, Aria Systems, Inc. prepaid its outstanding principal balance of $28,500,000. In addition, we received cash proceeds of $1,658,136 in conjunction with end-of-term-payments, prepayment fees, and interest for total proceeds of $30,158,136.

On July 19, 2021, we declared a dividend of $0.34 per share payable on August 12, 2021 to shareholders of record as of July 20, 2021. We set June 30, 2021 as the valuation date for shares issued in connection with the dividend pursuant to our dividend reinvestment plan.

On August 4, 2021, we entered into an amendment to the Credit Agreement to clarify the fee payment schedule and to amend certain other terms of the Credit Agreement.

On August 12, 2021, the Board appointed Joseph McDermott to serve as the Chief Compliance Officer of the Company, effective immediately, in place of Carl Rizzo who previously served in such position. Mr. McDermott serves as the Company's Chief Compliance Officer pursuant to an agreement with Alaric Compliance Services LLC, a compliance consulting firm.

On August 16, 2021, the Board adopted Articles of Amendment for the purpose of amending the Company's current Articles of Amendment and Restatement in order to change its corporate name to "Runway Growth Finance Corp." from "Runway Growth Credit Fund Inc." In addition, on August 16, 2021, the Board approved Amended and Restated Bylaws (the "Amended and Restated Bylaws"), to be effective as of August 19, 2021. The Amended and Restated Bylaws delete any reference to "Runway Growth Credit Fund Inc." and insert "Runway Growth Finance Corp." in lieu thereof.

On September 15, 2021, the Company delivered an optional capital drawdown notice (the "Option Notice") to its investors relating to the investors remaining unfunded capital commitments. The Option Notice provided investors with the ability to elect to either (i) fund their remaining unfunded capital commitment in full or (ii) not fund their remaining unfunded capital commitment without being considered in default under the terms of the subscription agreement, in either case by returning the Option Notice to the Company no later than September 20, 2021. Pursuant to the Option Notice, the Company sold 1,265,128 shares of common stock, par value $0.01 per share for an aggregate offering price of $18,976,917. The sale is expected to close on or about September 29, 2021.

On September 23, 2021, the Company entered into a license agreement (the "License Agreement") with Runway Growth Capital (the "Licensor"), pursuant to which the Licensor granted the Company a non-exclusive, royalty free license to use the "Runway Growth Finance" name. Under the License Agreement, the Company has the right to use such name for so long as the Licensor, or one of its affiliates, remains the Company's investment adviser. Other than with respect to this limited license, the Company has no legal right to the "Runway Growth Finance" name or logo.

Quantitative and Qualitative Disclosures about Market Risk

We commenced investment activities in portfolio securities during the quarter ended June 30, 2017 and commenced investment activities in U.S. Treasury Bills during the quarter ended December 31, 2016.

We are subject to financial market risk, including changes in the valuations of our investment portfolio. Market risk includes risks that arise from changes in interest rates, commodity prices, equity prices and other market changes that affect market sensitive instruments. The prices of securities held by us may decline in response to certain events, including those directly involving the companies we invest in; conditions affecting the general economy; overall market changes; legislative reform; local, regional, national or global political, social or economic instability; and interest rate fluctuations.

Valuation Risk

Our investments may not have a readily available market price, and we value these investments at fair value as determined in good faith by our Board in accordance with our valuation policy. There is no single standard for determining fair value in good faith. As a result, determining fair value requires that judgment be applied to the specific facts and circumstances of each portfolio investment while employing a consistently applied valuation process for the types of investments we make. Due to the inherent uncertainty of determining the fair value of investments that do not have a readily available market value, the fair value of our investments may fluctuate from period to period. Because of the inherent uncertainty of valuation, these estimated values may differ significantly from the values that would have been used had a ready market for the investments existed, and it is possible that the difference could be material.

Interest Rate Risk

Interest rate risk is defined as the sensitivity of our current and future earnings to interest rate volatility, variability of spread relationships, the difference in re-pricing intervals between our assets and liabilities and the effect that interest rates may have on our cash flows. Changes in the general level of interest rates can affect our net interest income, which is the difference between the interest income earned on interest earning assets and our interest expense incurred in connection with our interest-bearing debt and liabilities. Changes in interest rates can also affect, among other things, our ability to acquire and originate loans and securities and the value of our investment portfolio. Our net investment income is affected by fluctuations in various interest rates, including LIBOR and prime rates. In connection with the COVID-19 pandemic, the U.S. Federal Reserve and other central banks have reduced certain interest rates and LIBOR has decreased. In a prolonged low interest rate environment, including a reduction of LIBOR to zero, the difference between the total interest income earned on interest earning assets and the total interest expense incurred on interest bearing liabilities may be compressed, reducing our net interest income and potentially adversely affecting our operating results.

We typically expect that interest rates on the investments held in our portfolio will be based on LIBOR, with many of these investments also having a LIBOR floor. As of June 30, 2021, 97.0%, or $530,414,099 (at cost), of our debt portfolio investments bore interest at variable rates, which are U.S. Prime Rate or LIBOR-based and subject to certain floors, and one of our debt portfolio investments bore interest at a fixed rate. Interest rate floors are established based on prevailing rates at the time of the investment. As a policy, any interest above the cash cap, if applicable, as determined on an individual loan basis, will accrue to principal and be treated as PIK interest. A hypothetical 200 basis point increase or decrease in the interest rates on our variable-rate debt investments could increase our investment income by a maximum of $5,302,210 and decrease our investment income by a maximum of $0, due to certain floors, on an annual basis. In a low interest rate environment, debt investments with interest rate floors substantially in excess of current prevailing interest rates may be more likely to experience early termination.

Borrowings under the Credit Facilities bear interest, at our election at the time of drawdown, at a rate per annum equal to the LIBOR rate for the applicable interest period, subject to a LIBOR rate floor of 0.50%, plus 3.00%.

On March 5, 2021, the United Kingdom’s Financial Conduct Authority (the “FCA”), which regulates LIBOR, announced that (i) 24 LIBOR settings would cease to exist immediately after December 31, 2021 (all seven euro LIBOR settings; all seven Swiss franc LIBOR settings; the Spot Next, 1-week, 2-month, and 12-month Japanese yen LIBOR settings; the overnight, 1-week, 2-month, and 12-month sterling LIBOR settings; and the 1-week and 2-month US dollar LIBOR settings); (ii) the overnight and 12-month US LIBOR settings would cease to exist after June 30, 2023; and (iii) the FCA would consult on whether the remaining nine LIBOR settings should continue to be published on a synthetic basis for a certain period using the FCA’s proposed new powers that the UK government is legislating to grant to them. Central banks and regulators in

a number of major jurisdictions (for example, United States, United Kingdom, European Union, Switzerland and Japan) have convened working groups to find, and implement the transition to, suitable replacements for interbank offered rates. To identify a successor rate for U.S. dollar LIBOR, the Alternative Reference Rates Committee ("ARRC"), a U.S.-based group convened by the Federal Reserve Board and the Federal Reserve Bank of New York, was formed. The ARRC has identified the Secured Overnight Financing Rate ("SOFR") as its preferred alternative rate for LIBOR. SOFR is a measure of the cost of borrowing cash overnight, collateralized by U.S. Treasury securities, and is based on directly observable U.S. Treasury-backed repurchase transactions. Although SOFR appears to be the preferred replacement rate for U.S. dollar LIBOR, at this time, it is not possible to predict the effect of any such changes, any establishment of alternative reference rates or other reforms to LIBOR that may be enacted in the United States, United Kingdom or elsewhere or, whether the COVID-19 pandemic will have further effect on LIBOR transition plans.

The elimination of LIBOR or any other changes or reforms to the determination or supervision of LIBOR could have an adverse impact on the market for or value of any LIBOR-linked securities, loans, and other financial obligations or extensions of credit held by or due to us or on our overall financial condition or results of operations. In addition, if LIBOR ceases to exist, we may need to renegotiate agreements extending beyond 2021 with our portfolio companies that utilize LIBOR as a factor in determining the interest rate, in order to replace LIBOR with the new standard that is established, which may have an adverse effect on our overall financial condition or results of operations. Following the replacement of LIBOR, some or all of these agreements may bear interest a lower interest rate, which could have an adverse impact on our results of operations. Moreover, if LIBOR ceases to exist, we may need to renegotiate certain terms of our credit facilities. If we are unable to do so, amounts drawn under our credit facilities may bear interest at a higher rate, which would increase the cost of our borrowings and, in turn, affect our results of operations. The COVID-19 pandemic may also adversely impact the timing of many firms' LIBOR transition planning. We continue to assess the potential impact of the COVID-19 pandemic on our LIBOR transition plans.

Because we currently borrow, and plan to borrow in the future, money to make investments, our net investment income would be dependent upon the difference between the rate at which we borrow funds and the rate at which we invest the funds borrowed. Accordingly, there can be no assurance that a significant change in market interest rates will not have a material adverse effect on our net investment income. In periods of rising interest rates, our cost of funds would increase, which could reduce our net investment income if there is not a corresponding increase in interest income generated by our investment portfolio.

We regularly measure exposure to interest rate risk. We assess interest rate risk and manage interest rate exposure on an ongoing basis by comparing our interest rate sensitive assets to our interest rate sensitive liabilities. We may hedge against interest rate and currency exchange rate fluctuations by using standard hedging instruments such as futures, options and forward contracts subject to the requirements of the 1940 Act. While hedging activities may insulate us against adverse changes in interest rates, they may also limit our ability to participate in benefits of lower interest rates with respect to our portfolio of investments with fixed interest rates.

In addition, any investments we make that are denominated in a foreign currency will be subject to risks associated with changes in currency exchange rates. These risks include the possibility of significant fluctuations in the foreign currency markets, the imposition or modification of foreign exchange controls and potential illiquidity in the secondary market. These risks will vary depending upon the currency or currencies involved, and may be exacerbated by the COVID-19 pandemic and its impact on foreign financial markets.

BUSINESS

Runway Growth Finance Corp.

We are a specialty finance company focused on providing senior secured loans to high growth-potential companies in technology, life sciences, healthcare information and services, business services, select consumer services and products and other high-growth industries. We partner with established venture capital sponsors and directly with entrepreneurs seeking funding to accelerate growth. We are managed by our Adviser, Runway Growth Capital, an experienced provider of growth financing for dynamic, mid-to-late and growth stage companies. Our investment objective is to maximize our total return to our stockholders primarily through current income on our loan portfolio and secondarily through capital appreciation on our warrants and other equity positions, by providing our portfolio companies with financing solutions that are more flexible than traditional credit and less dilutive than equity. As of June 30, 2021, we had an investment portfolio, including U.S. Treasury Bills, of $618 million at fair value, and a net asset value of $478 million. We and Runway Growth Capital have a strategic relationship with Oaktree, a leading global alternative investment management firm with expertise in credit strategies and $156 billion of assets under management as of June 30, 2021.

We are structured as an externally managed, non-diversified closed-end management investment company that has elected to be regulated as a BDC under the 1940 Act. We have also elected to be treated as a RIC under Subchapter M of the Code, have qualified, and intend to continue to qualify annually for treatment as a RIC. See "*Certain U.S. Federal Income Tax Considerations*."

Our Adviser

We are externally managed by our Adviser, Runway Growth Capital. Runway Growth Capital was formed in 2015 to pursue an investment strategy focused on providing growth financing for dynamic, mid-to-late and growth stage companies. David Spreng, our Chairman, Chief Executive Officer and President, formed our Adviser following a more than 25-year career in venture capital investing and lending. Runway Growth Capital has 18 employees across four offices in the United States, including six investment professionals focused on origination activities and five focused on underwriting and managing our investment portfolio. Our Adviser consistently demonstrates a credit first culture while maintaining, what we believe, is an admirable reputation among borrowers for industry knowledge, creativity, and understanding of the challenges often faced by mid-to-late stage and growth companies.

Runway Growth Capital's senior executive team has on average more than 26 years of experience, and its investment professionals, including origination and underwriting, have on average 23 years of experience. Our Adviser has built its team with investment professionals who have deep industry experience, a track record of successful originations and outcomes across the venture debt and venture and private equity spectrums, along with rich experience in working with and understanding high-growth companies from both an investor's and an operator's perspective. Runway Growth Capital was a finalist in 2020 by Private Debt International for Specialty Finance Lender of the Year, and members of the Adviser's team have been recognized for their accomplishments by both Venture Capital Journal and Private Debt International. Numerous business and financial journals seek our Adviser's investment team's commentary and insights on the venture debt market and life sciences industry.

Runway Growth Capital is registered with the SEC under the Advisers Act. Subject to the overall supervision of our Board, our Adviser manages our day-to-day operations and provides us with investment advisory services pursuant to the Advisory Agreement. Pursuant to the Advisory Agreement, we pay Runway Growth Capital a fee for its investment advisory and management services consisting of two components: a base management fee and an incentive fee. The cost of the base management fee and incentive fee are each borne by our stockholders. See "*Management and Other Agreements — Compensation of the Adviser*."

Our Administrator

We have entered into the Administration Agreement with our Administrator, a wholly-owned subsidiary of Runway Growth Capital, pursuant to which our Administrator is responsible for furnishing us with office facilities and equipment and provides us with clerical, bookkeeping, recordkeeping and other administrative services at such facilities. For more information, see "*Management and Other Agreements — Administration Agreement*."

Oaktree Strategic Relationship

In December 2016, we and Runway Growth Capital entered into a strategic relationship with Oaktree. Oaktree is a leading global alternative investment management firm with expertise in credit strategies and $156 billion in assets under management as of June 30, 2021. The firm emphasizes an opportunistic, value-oriented and risk-controlled approach to investments in credit, private equity, real assets and listed equities. The firm has over 1,000 employees and offices in 19 cities worldwide. In 2019, Brookfield acquired a majority interest in Oaktree. Together, Brookfield and Oaktree provide investors with one of the most comprehensive offerings of alternative investment products available today.

As part of our strategic relationship, OCM Growth, which is managed by Oaktree, has purchased 18,763,829 shares of our common stock for an aggregate purchase price of $280.9 million as of June 30, 2021. Pursuant to an irrevocable proxy, the shares of our common stock held by OCM Growth must be voted in the same manner that our other stockholders vote their shares. OCM Growth has a right to nominate a member of our Board for election for so long as OCM Growth holds shares of our common stock in an amount equal to, in the aggregate, at least one-third (33.33%) of OCM Growth's initial $125 million capital commitment, which percentage shall be determined based on the dollar value of the shares of common stock owned by OCM Growth. OCM Growth holds the right to appoint a nominee to the Board, subject to the conditions previously described, regardless of the Company's size (e.g., assets under management or market capitalization) or the beneficial ownership interests of other stockholders. Further, to the extent OCM Growth's share ownership falls below one-third of its initial $125 million capital commitment under any circumstances, OCM Growth will no longer have the right to appoint a director nominee and will use reasonable efforts to cause such nominee to resign immediately (subject to his or her existing fiduciary duties). Brian Laibow, Co-Head of North America & Managing Director Opportunities at Oaktree, serves on our Board as OCM Growth's director nominee and is considered an interested director.

In addition, OCM Growth owns a minority interest in Runway Growth Capital and has the right to appoint a member of Runway Growth Capital's board of managers as well as a member of Runway Growth Capital's Investment Committee. Mr. Laibow serves on Runway Growth Capital's board of managers and investment committee on behalf of OCM Growth. See "*Related Party Transactions and Certain Relationships*."

We believe our strategic relationship with Oaktree provides us with access to additional resources and relationships that are incremental to our already expansive network of venture backed companies and venture capital sponsors and additive to our operations.

Our Portfolio

From the commencement of operations in December 2016 through June 30, 2021, we made total commitments of $1,051 million to fund investments in 47 portfolio companies, invested $903 million in debt and equity investments, excluding U.S. Treasury Bills, and realized 23 investments. Of the $1,051 million total commitments since inception, 8.5% are related to upsizes from existing borrowers. As of June 30, 2021, our debt investment portfolio consisted of 24 debt investments in 23 portfolio companies with an aggregate fair value of $530.9 million, while our equity portfolio consisted of 40 warrant positions in 31 portfolio companies, four preferred stock positions in four portfolio companies and three common stock positions in three portfolio companies with an aggregate fair value of $56.7 million. As of June 30, 2021, 100.0%, or $530.9 million, of our debt investment portfolio at fair value consisted of senior term loans and 100.0% of our debt investments were secured by a first lien on all or a portion of the tangible and intangible assets of the applicable portfolio company. The debt investments in our portfolio are generally not rated by any rating agency. If the individual debt investments in our portfolio were rated, they would generally be rated below "investment grade." Securities rated below investment grade are often referred to as "high yield" securities and "junk bonds," and are considered "high risk" and speculative in nature compared to debt instruments that are rated investment grade.

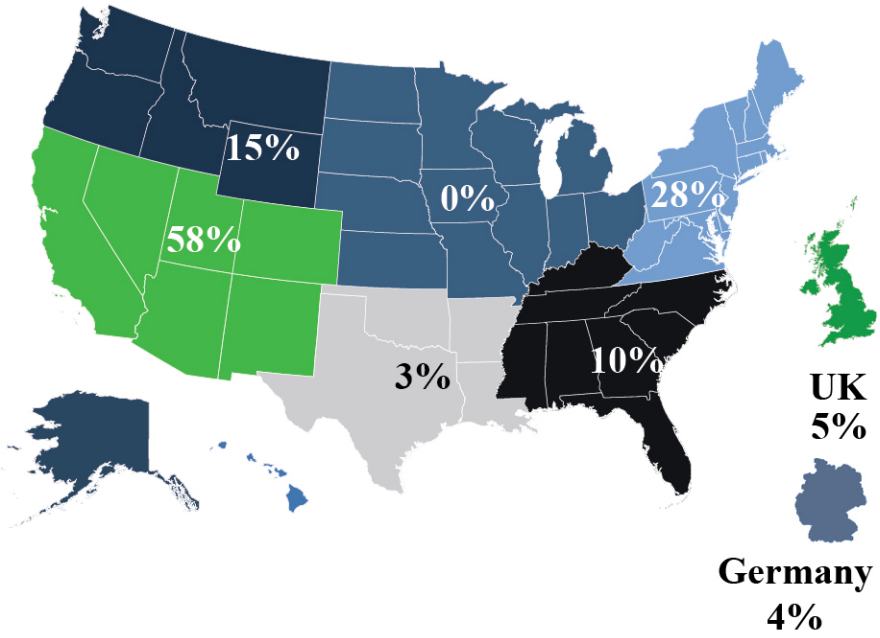
Certain of the loans we make to portfolio companies have financial maintenance covenants, which are intended to protect lenders from adverse changes in a portfolio company's financial performance. Venture lenders, in general, focus on a limited set of key financial performance metrics, including minimum liquidity, performance to plan, and investor abandonment, in lieu of a full set of financial performance covenants that do not meaningfully assess the risk of companies at the stage of development of companies in which venture lenders typically invest. As such, many of our loans could be considered covenant-lite by traditional lending standards. capiltaize have made and may in the future make or obtain significant exposure to "covenant-lite" loans, which generally are loans that do not require a borrower to comply with of financial maintenance

covenants. Generally, covenant-lite loans permit borrowers more opportunity to negatively impact lenders because their covenants are incurrence-based, which means they are only tested and can only be breached following certain actions of the borrower, rather than by a deterioration in the borrower's financial condition. Accordingly, because we make and have exposure to covenant-lite loans, we may have less protection from borrower actions and may have a greater risk of loss on such investments as compared to investments in or exposure to loans with financial maintenance covenants.

Our portfolio is largely comprised of mid-to-late and growth stage companies. At June 30, 2021, based on the fair value of our investments, 77% of our portfolio companies were backed by well recognized venture capital sponsors and 23% were backed by well-regarded entrepreneurs, or no longer require institutional equity investment, including publicly traded small-cap companies. As of June 30, 2021, our portfolio companies demonstrated the following characteristics as of the time of origination:

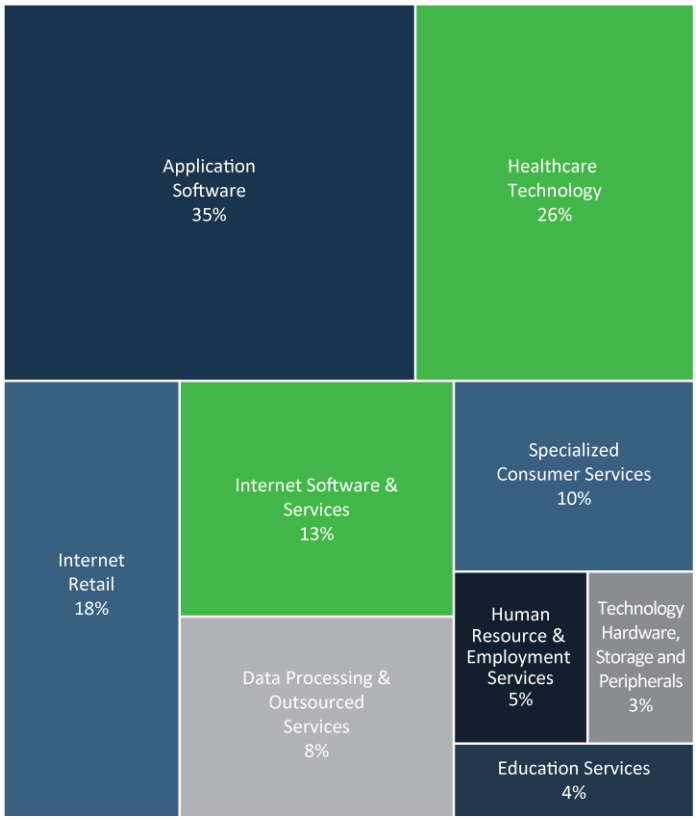
- Weighted average operating history: 13 years
- Weighted average enterprise value: $252 million
- Weighted average revenue: $76 million
- Weighted average loan-to-enterprise value: 13.5%

Portfolio fair value as a percentage of net assets by geography
(as of June 30, 2021)



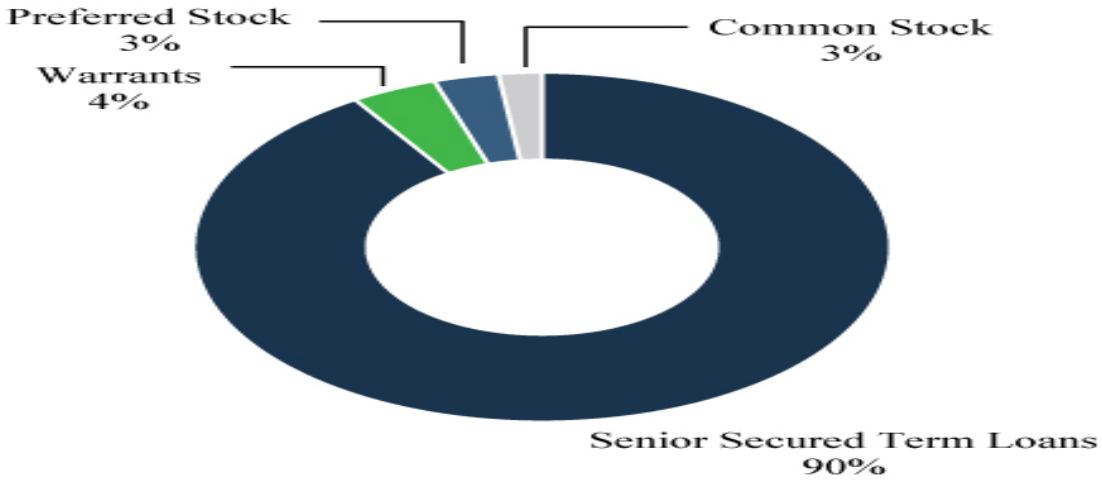
Note: Canada investments represent <1% of fair value and are not depicted in the chart.

Portfolio fair value as a percentage of net assets by industry
(as of June 30, 2021)



Note: The following industries cumulatively represent less than 1% of our portfolio and are not depicted in the chart: System Software, Advertising and Computer & Electronic Retail.

Portfolio fair value as a percentage of total portfolio by investment type
(as of June 30, 2021)



Note: Excludes U.S. Treasury Bills.

As of June 30, 2021, we had unfunded commitments of $122.6 million to our existing portfolio companies, of which $16.8 million is available to be drawn based on agreed upon business and financial milestones. We believe that our available cash balances, availability under the Credit Agreement (as defined below) and/or ability to drawdown capital from investors provides sufficient funds to cover our unfunded commitments as of June 30, 2021.

For the three and six months ended June 30, 2021, our debt investment portfolio had a dollar-weighted annualized yield of 15.25% and 14.11%, respectively. We calculate the yield on dollar-weighted debt investments for any period measured as (1) total related investment income during the period divided by (2) the daily average of the fair value of debt investments outstanding during the period. As of June 30, 2021, our debt investments had a dollar-weighted average outstanding term of 46 months at origination and a dollar-weighted average remaining term of 32 months, or approximately 2.7 years. As of June 30, 2021, substantially all of our debt investments had an original committed principal amount of between $6 million and $65 million, repayment terms of between 34 months and 60 months and pay cash interest at annual interest rates of between 8.55% and 12.50%.

The following table shows our dollar-weighted annualized yield by investment type for the three and six months ended June 30, 2021 and June 30, 2020:

	Fair Value(1)				Cost(2)			
	Three Months Ended		Six Months Ended		Three Months Ended		Six Months Ended	
	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020
Investment type:								
Debt investments	15.25%	14.52%	14.11%	16.12%	15.09%	14.17%	13.97%	15.73%
Equity investments	2.76%	4.87%	2.73%	3.76%	3.31%	4.66%	3.34%	3.61%
All investments	14.08%	13.53%	13.05%	14.89%	14.17%	13.17%	13.15%	14.51%

(1) We calculate the dollar-weighted annualized yield on average investment type for any period as (a) total related investment income during the period divided by (b) the daily average of the fair value of the investment type outstanding during the period. The dollar-weighted annualized yield represents the portfolio yield and will be higher than what investors will realize because it does not reflect our expenses or any sales load paid by investors.

(2) We calculate the dollar-weighted annualized yield on average investment type for any period as (a) total related investment income during the period divided by (b) the daily average of the investment type outstanding during the period, at amortized cost. The dollar-weighted annualized yield represents the portfolio yield and will be higher than what investors will realize because it does not reflect our expenses or any sales load paid by investors.

Realized Gross Internal Rate of Return

Since we began investing in May 2017 through June 30, 2021, our exited investments have resulted in an aggregate cash flow realized gross IRR to us of 17.6% (based on total capital invested of $330 million and total proceeds from these exited investments of $403 million). Over 90% percent of these exited investments resulted in an aggregate cash flow realized gross IRR to us of 12% or greater.

IRR is a measure of our discounted cash flows (inflows and outflows). Specifically, IRR is the discount rate at which the net present value of all cash flows is equal to zero. That is, IRR is the discount rate at which the present value of total capital invested in each of our investments is equal to the present value of all realized returns from that investment. Our IRR calculations are unaudited.

Capital invested, with respect to an investment, represents the aggregate principal basis allocable to the realized investment, net of any upfront fees paid at closing for the term loan portion of the investment.

Realized returns, with respect to an investment, represents the total cash received with respect to each investment, including all amortization payments, interest, dividends, prepayment fees, accrued interest, and other fees and proceeds.

Gross IRR, with respect to an investment, is calculated based on the dates that we invested capital and dates we received distributions, regardless of when we made distributions to our shareholders. Initial investments are assumed to occur at time zero.

Gross IRR reflects historical results relating to our past performance and is not necessarily indicative of our future results. In addition, gross IRR does not reflect the effect of management fees, expenses, incentive fees or taxes borne, or to be borne, by us or our shareholders, and would be lower if it did.

Aggregate cash flow realized gross IRR on our exited investments reflects only invested and realized cash amounts as described above, and does not reflect any unrealized gains or losses in our portfolio.

Our portfolio has included many companies that are leaders in their businesses or markets, have demonstrated strong growth through differentiated technology, and have generated interest from the public equity market and strategic buyers. These current and former portfolio companies include:

Certain Current Portfolio Companies		
ARIA	Technology-Application Software	Provides a cloud-based billing and monetization platform for enterprise companies that wish to sell products via subscription, usage based, and other recurring revenue business models.
BRILLIANT EARTH	Other-Internet Retail	E-commerce company that offers ethical and environmentally responsible, conflict free diamonds and fine jewelry.
credit sesame	Other-Specialized Consumer Services	Leader in the personal credit management space. The company helps users access, understand and improve, leverage and protect their credit / credit scores.
cloudpay	Technology-System Software	Develops and offers a cloud-based payroll platform, managed services, and treasury services to provide end-to-end payroll solutions to multinational organizations. The company's platform offers accurate, standardized payroll processing in over 120 countries, through a single SaaS platform, which enables organizations to increase efficiency, streamline compliance, and achieve greater visibility into payroll.
FiscalNote	Technology-Application Software	Premier information services company focused on global policy and market intelligence. By combining AI technology, expert analysis, and legislative, regulatory, and geopolitical data, FiscalNote is reinventing the way that organizations minimize risk and capitalize on opportunity.
DROP	Technology-Computer & Electronics Retail	Consumer product design, development and e-commerce company focused on providing unique "enthusiast" grade products at attractive prices in multiple verticals.
Porch Group	Technology-Application Software	Vertical software platform for the home, providing software and services to home services companies, such as home inspectors, insurance carriers, moving companies, utility companies, warranty companies, and others.

Former Portfolio Companies		
drawbridge	Technology-Media	Data company that provides cross-device consumer identity management and mapping primarily to advertisers. The data product connects users with devices from various data sources in order to deepen insights into the customer profile. In 2019, Microsoft acquired Drawbridge's machine learning techniques to bolster LinkedIn's marketing platform.
eSilicon	Technology-Semiconductor	Semiconductor Value Chain Producer that provides a comprehensive suite of ASIC (custom chips supplied exclusively to one customer) design, productization and manufacturing services, enabling a flexible, low-cost, lower-risk path to volume production of integrated circuits. In 2019, eSilicon was acquired by Inphi and Synopsys.
Mobius IMAGING Now You See	Healthcare-Technology Equipment	Offers innovative products and services in Orthopedics, Medical and Surgical, and Neurotechnology and Spine that help improve patient and hospital outcomes. In 2019, Stryker acquired Mobius Imaging.
OUSTER	Technology-Hardware, Storage & Peripherals	Light Detection and Ranging (lidar) company that produces high-resolution 3D lidar sensors for use in autonomous vehicles, robotics, drones, mapping, defense, and security systems.

Investment Strategy and Approach

Our investment objective is to maximize our total return to our stockholders primarily through current income on our loan portfolio and secondarily through capital appreciation on our warrants and other equity positions. We invest in senior secured term loans and other senior debt obligations and may on occasion invest in second lien loans. We have and continue to expect to acquire warrants and other equity securities from portfolio companies in connection with our investments in loans to these companies.

We focus on lending to mid-to-late and growth stage companies in technology, life sciences, healthcare information and services, business services, and other high-growth industries.

Technology	Life Sciences	Healthcare Information & Services	Other High-Growth Industries
• Artificial Intelligence • Cloud Computing • Communications and Networking • Consumer-related Technologies • Cybersecurity • Data Storage • Education Technology • Financial Technology • Internet & Media • Semiconductor	• Bioinformatics • Biotechology • Drug Delivery • Drug Discovery • Medical Devices	• Diagnostics • Medical-record services and software • Other healthcare-related services and technologies that improve efficiency and quality of administered healthcare	• Business services • Select consumer products • Select consumer services

We are typically the sole lender to our portfolio companies, and do not actively syndicate the loans we originate to other lenders nor do we participate in syndications built by other lenders.

We originate our investments through two strategies: Sponsored Growth Lending and Non-Sponsored Growth Lending. In addition to our core strategy of providing sponsored growth lending and non-sponsored growth lending, we may also opportunistically participate in the secondary markets for investments that are consistent with our broader strategy.

Sponsored Growth Lending. Our Sponsored Growth Lending strategy generally includes loans to mid-to-late and growth stage companies that are already backed by established venture capital firms. Our Sponsored Growth Lending strategy typically includes the receipt of warrants and/or other equity from these venture-backed companies.

We believe that our Sponsored Growth Lending strategy is particularly attractive because the loans we make typically have higher investment yields relative to lending to larger, more mature companies and usually include additional equity upside potential. We believe our Sponsored Growth Lending strategy:

- provides us access to many high-quality companies backed by top-tier venture capital and private equity investors;
- delivers consistent returns through double-digit loan yields; and
- often offers us the ability to participate in equity upside of portfolio companies through the acquisition of warrants.

During the COVID-19 pandemic, we shifted our origination efforts to focus primarily on lending transactions with private equity companies with substantial equity backing from recognized venture sponsors. We generally target companies with annual revenues of at least $15.0 million.

Non-Sponsored Growth Lending. Our Non-Sponsored Growth Lending generally includes loans to mid-to-late and growth stage, private companies that are funded directly by entrepreneurs and founders, or companies that no longer require institutional equity investment (which may selectively include publicly traded companies). We refer to these target borrowers as “non-sponsored growth companies,” and we generally target such companies with annual revenue of at least $20 million per year.

Generally, financing available to these non-sponsored companies is predicated on the underlying value of the business’s assets, in an orderly liquidation scenario, and/or the entrepreneur’s own personal financial resources. These options frequently provide insufficient capital to fund growth plans and do not consider the underlying enterprise value of the business which may be substantial relative to the value of tangible assets deployed in the business. We are frequently the only senior lender to non-sponsored growth companies and evaluate business fundamentals, the commitment of the entrepreneur and secondary sources of repayment in our underwriting approach.

Typical terms

We believe that our lending approach reduces the potential volatility inherent in financing high growth-potential companies. We structure our investments with the following attributes, which we expect to be included in most of the loans of our investment strategies, to construct an attractive risk and reward profile for our portfolio. Typical terms of our Sponsored Growth Lending and Non-Sponsored Growth Lending strategies include: loan-size ranges from $10 million to $50 million;

- additional loan availability in the form of delayed draw features which are subject to the attainment of pre-identified business and financial related milestones;
- a low ratio of leverage to enterprise value;
- short total repayment periods: typically 48 to 60 months or less;
- may provide for interest-only (12 to 24 months) or moderate loan amortization in the initial period of the loan;
- unlevered yield-to-maturity (i.e., the total return anticipated on a debt investment if it is held until maturity) generally ranging from 10% to 14%, which may include closing fees, current interest payments, success fees upon exit, an end-of-term payment, prepayment fees if applicable and/or a PIK interest payment;

  - interest rate typically indexed to LIBOR or the Prime floating;
  - floors are typically set at the greater of 0.50% or the relevant reference rate at the time of closing;
- senior secured lien on the borrower's assets, including a pledge on or a promise by the borrower to not pledge the borrower's intellectual property to another individual or lender;
- executed deposit account control agreement, which allows the company to access and direct proceeds from the borrower's deposit accounts in the case of loan defaults;
- limited and/or flexible covenant structures and, with certain affirmative and negative covenants, default penalties, lien protection, investor abandonment provisions, material adverse change provisions, change-of-control provisions, restrictions on additional use of leverage, and reimbursement for upfront and regular internal and third-party expenses and prepayment penalties; and
- warrants to acquire preferred or common stock in the borrower that allow us to participate in any equity appreciation and enhance our overall returns, typically up to 1.5% of fully diluted shares outstanding.

We seek to construct a balanced portfolio with diversification among sponsored and non-sponsored transactions, diversification among sponsors within the Sponsored Growth Lending strategy, diversification among industry, geography, and stage of development, all contributing to a favorable risk adjusted return for the portfolio viewed as a whole. Throughout the COVID-19 pandemic, we shifted our origination efforts to focus primarily on lending transactions with private companies with substantial equity backing from recognized venture sponsors. Borrowers tend to use the proceeds of our financings to invest in sales and marketing, expand capacity of the overall business or refinance existing debt.

As a BDC, we are generally limited in our ability to invest in any portfolio company in which Runway Growth Capital or any of its affiliates currently has an investment or to make any co-investments with our investment adviser or its affiliates without an exemptive order from the SEC, subject to certain exceptions. On August 10, 2020, we, Runway Growth Capital, and certain other funds and accounts sponsored or managed by Runway Growth Capital were granted the Order that permits us greater flexibility than the 1940 Act permits to negotiate the terms of co-investments if our Board determines that it would be advantageous for us to co-invest with other accounts sponsored or managed by Runway Growth Capital or its affiliates in a manner consistent with the our investment objective, positions, policies, strategies and restrictions as well as regulatory requirements and other pertinent factors. We believe that the ability to co-invest with similar investment structures and accounts sponsored or managed by Runway Growth Capital or its affiliates will provide additional investment opportunities and the ability to achieve greater diversification. Under the terms of the Order, a majority of our independent directors are required to make certain determinations in connection with a co-investment transaction, including that (1) the terms of the proposed transaction are reasonable and fair to us and our stockholders and do not involve overreaching of us or our stockholders on the part of any person concerned and (2) the transaction is consistent with the interests of our and is consistent with our investment objective, positions, policies, strategies and restrictions as well as regulatory requirements and other pertinent factors. *See "Risk Factors — Risks Related to Our Conflicts of Interest."*

Investment Pipeline

Since our Adviser's inception, Runway Growth Capital has reviewed more than $19 billion in qualified transactions that are consistent with our investment mandate and has had initial contact with the prospective borrower or its representatives. Through 2021, our Adviser has reviewed more than $3.9 billion in qualified transactions and currently has transactions with total commitment value of nearly $1.4 billion in various stages of our origination and underwriting process. Our Adviser's investment team is continuously in various stages of reviewing and evaluating other debt financing opportunities with other prospective borrowers. We cannot assure you that these opportunities will successfully pass our investment selection and diligence process, or that we will be awarded the opportunities by these prospective borrowers.

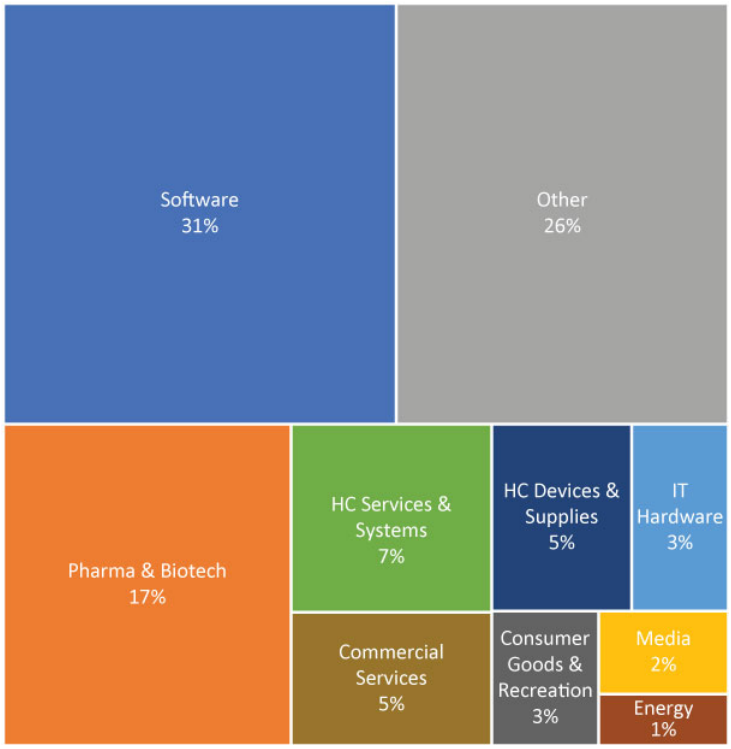
Market Opportunity

We believe that the market environment is favorable for us to continue to pursue an investment strategy primarily focused on mid-to-late stage and high-growth companies in technology, life sciences, healthcare information and services, business services, select consumer services and products and other high-growth industries.

Focus on Innovative Companies Across a Variety of High-Growth Industries

Diversified high growth-potential industries: We target companies active in industries that support high growth-potential. Our Sponsored Growth Lending strategy is focused on the largest industry sectors where venture capital investors are active, primarily technology, life sciences, healthcare information and services, business services, select consumer services and products and other high-growth industries. These sectors' continued growth is supported mostly by ongoing innovation and performance improvements in specific products as well as the adoption of innovative technologies and services across virtually all industries in response to competitive pressures. Term debt has been a loan product used by many of the largest, most successful venture-backed companies.

2020 Venture Capital Invested by Primary Industry Sector



Source: Pitchbook-NVCA Venture Monitor data, March 2021

Sponsored and Non-Sponsored Lending Represents an Attractive Source of Funding

Sponsored Growth Lending: An attractive market opportunity exists for a lender that invests in secured loans to mid-to-late and growth stage companies that have not yet achieved profitability. Sponsored growth lending provides an attractive source of funds for venture-backed companies, their management teams, and their equity capital investors, as it:

- is typically less dilutive and complements equity financing from venture capital and private equity funds;
- often extends the time period during which a company can operate before seeking additional equity capital or pursuing a sale transaction or other liquidity event; and
- primarily allows companies to better match cash sources with uses.

Non-Sponsored Growth Lending: An attractive market opportunity exists for a lender that invests in secured loans to mid-to-late and growth stage companies that have reached profitability and need long-term

growth capital but do not want the challenges that come with selling equity to venture capital or private equity firms. Non-Sponsored Growth Lending often provides all or some of the following benefits to our borrowers:

- access to growth capital without the requirement to take on institutional-size investments that may exceed the company's capital requirements;
- tax deductible interest payments;
- no significant operational involvement;
- no personal guarantees;
- very modest dilution, if any; and
- no loss of managerial control or forced redemption.

Potential benefits to lenders in Sponsored and non-sponsored investments include:

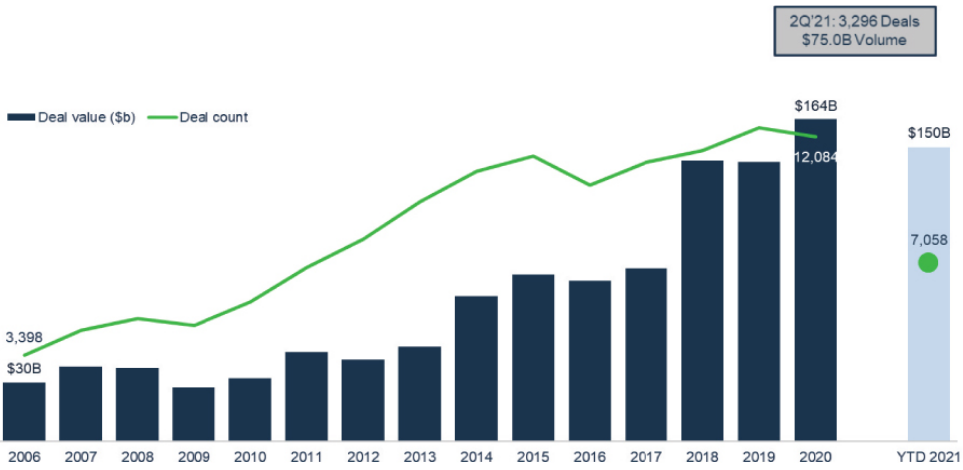
- loan support in the form of cash proceeds from equity capital invested by venture capital and private equity firms with the goal of building enterprise value;
- interest rates that are usually higher than rates portfolio companies could secure if they could borrow from commercial financing institutions, which normally require asset coverage and operating cash flow covenants;
- relatively rapid amortization of loans;
- senior ranking to equity and collateralization of loans to minimize potential loss of capital; and
- potential equity appreciation through warrants.

Large and Growing Market for Debt Financing to Venture Capital-Backed Companies

Healthy, stable venture environment: Approximately 12,000 companies received venture capital financing in 2020, according to Pitchbook-NVCA, and approximately 27.5% of these transactions were first-round financings. The number of venture capital financings has averaged over 10,000 for the past ten years and, during this period, approximately one-third of these transactions were first time financings. Since 2006, the annual level of venture deal volume has increased to a record of more than $166 billion of total volume in 2020 and is on pace to exceed that amount in 2021. Despite the broader economic challenges of 2020, particularly due to the COVID-19 pandemic, we believe there is evidence of a healthy, stable venture environment where venture capital investment is consistently flowing into high-potential growth companies, and in particular, technology-related companies. The significant increase in investment amounts beginning in 2014 through 2020 is largely the result of growth investments in later-stage companies that are staying private longer. The venture debt lending market, as defined in the Q1 2021 Pitchbook-NVCA Venture Monitor, is estimated at $29.8 billion or roughly 18.3% of total U.S. venture capital deal value. This represents a 24.4% compound annual rate of growth in venture debt deal value since 2011 and an increase, as a percent of venture capital deal value, from 9.2% to 17.9%.

We believe that these statistics validate a substantial market opportunity and simultaneously support availability of capital for repayment. Based on our experience, many sponsored-growth loans are repaid from proceeds of new venture-equity financing, a trend that we expect to continue. A report published by Pitchbook-NVCA found (1) strong deal activity during the first quarter of 2021 ($69.0 billion of venture equity funded, representing a 105% increase over the average first quarter deal volume since 2018), (2) first quarter 2021 venture capital total fundraising of $32.7 billion (compared to average annual fundraising of $69.9 billion since 2018), and (3) dry powder is sitting at all-time highs.

Annual Venture Capital Activity — Deal Volume ($ in billions) and Deal Count



Source: Pitchbook-NVCA Venture Monitor data, June 2021.

*As of June 2021.

Growing pool of target companies: The average time from initial venture capital investment to transaction exit of such investment, either by an initial public offering (IPO) or merger and acquisition transaction, has lengthened considerably. According to the Pitchbook-NVCA 2016 Yearbook, in 1998 the average number of years from initial venture investment to IPO of a U.S. venture capital-backed company was 3.1 years and the average number of years from initial venture investment to M&A transaction was 4.5 years. These numbers have steadily increased and have averaged 6.6 years and 6.1 years, respectively, from 2017 through 2020. According to the Q1 2021 Pitchbook- NVCA Venture Monitor, the current average time from initial venture investment to exit transaction is now 5.8 years. Exit transactions are a small proportion of companies financed by venture capital each year. As a result, the pool of target companies has grown larger with increased demand.

Highly Fragmented, Underserved Market with High Barriers to Entry

Unfulfilled demand and limited competition: Many viable venture-backed companies have been unable to obtain sufficient growth financing from traditional lenders, such as commercial banks or asset-based finance companies, because traditional lenders normally underwrite to tangible asset values and/or operating cash flows. If such firms do provide financing, their loans normally contain financial performance covenants stipulating tangible asset coverages or setting standards of operating performance that do not apply to our target companies. Because sponsored growth lending and non-sponsored growth lending require specialized underwriting and investment structures that fit the distinct characteristics of venture-backed companies and non-sponsored growth companies, more traditional lending approaches largely do not apply to these companies. We also believe that our relationship-based approach to investing helps us to assess and manage investment risks and determine appropriate pricing for our debt investments in portfolio companies.

Competitive Advantages

We believe we are well positioned to address the market for growth lending in a manner that will result in a competitive advantage over other established sponsored growth lenders. We believe our competitive strengths and key differentiators include:

Experienced, Proven Management Team Supported by a Deep Bench of Dedicated Investment Professionals. The investment professionals of Runway Growth Capital have on average over 23 years of experience as venture capitalists and lenders who have developed a disciplined, repeatable approach to investing and managing investments in high potential growth businesses. We believe that the experience, relationships and disciplined investment and risk management processes of Runway Growth Capital's investment professionals are a competitive advantage for us.

Our President and Chief Executive Officer, David Spreng, who is also the founder, Chief Executive Officer and Chief Investment Officer of Runway Growth Capital, has a unique combination of experience as a senior executive of a $20 billion asset management firm and over 25 years as a venture capital equity and debt investor. For the past 20 years, Mr. Spreng has been a leader in applying risk management processes to investing in equity and debt of small, fast-growing, private companies. Our Chief Financial Officer, Thomas Raterman, has more than 30 years of corporate finance, investment banking, private equity and financial executive management experience with rapidly growing entrepreneurial companies. Greg Greifeld, Managing Director and Head of Credit at Runway Growth Capital, has over 12 years of lending, venture capital, and investment management experience. Our Managing Director and Head of Origination, Mark Donnelly, also has over 15 years of experience in venture capital and private equity and experience in origination of new investment opportunities. Finally, Rob Lake, Managing Directors and Head of Life Sciences, has over 28 years of life science and venture capital debt experience and in the past decade has deployed over $1.5 billion of debt to life science and health care companies.

Runway Growth Capital has a broad team of professionals focused on every aspect of the investment lifecycle. Runway Growth Capital has origination, underwriting and portfolio monitoring teams that manage and oversee the investment process from identification of investment opportunity through negotiations of final term sheet and investment in a portfolio company followed by active portfolio monitoring. The team members serving investment management and oversight functions have significant operating experience and are not associated with origination functions to avoid any biased views of performance. This structure helps originators focus on identifying investment opportunities while other team members continue building relationships with our portfolio companies.

Provide Capital to Robust, High-Growth Venture-backed Companies. We believe we are favorably positioned within the venture lending ecosystem, targeting primarily growth focused technology and life sciences companies. We believe the technology and life sciences industries are among the most attractive industries within the venture lending space, primarily representing large, addressable markets with strong and consistent growth. According to the Q1 2021 Pitchbook-NVCA Venture Monitor and Pitchbook-NVCA industry classifications, venture capital deal volume for technology totaled approximately $134.0 billion in 2020, representing an 18.9% CAGR from 2010 to 2020. Venture capital deal volume for life sciences totaled approximately $36.5 billion in 2020, representing a 16.5% CAGR from 2010 to 2020. We believe companies within these industries can often be characterized as having asset-light business models, attractive recurring revenue streams and strong growth trajectories.

We invest across industries to diversify risk and deliver more stable returns. The investment professionals at Runway Growth Capital have extensive experience investing in the industries on which we focus, including technology, life sciences, healthcare information and services, business services, select consumer services and products and other high-growth industries. Our ability to invest across diverse industries is supported by our Sponsored Growth Lending strategy and relationships with leading venture firms, who are generally industry experts in the areas in which they invest. We are able to leverage our relationships across equity providers, lenders, and advisers to source deals within the venture industry.

We believe we are able to access opportunities to finance companies that are both backed by venture capital sponsors as well as through direct lead generation and other relationships. While many growth lenders focus solely on sponsored lending, we believe we are differentiated in our approach by offering both sponsored growth lending and non-sponsored growth lending that are secured by the assets of many of the most dynamic, innovative and fastest growing companies in the United States.

Robust Disciplined Investment Process and Credit Analysis. Runway Growth Capital's senior investment professionals draw upon their substantial experience, including operating, lending, venture capital and growth investing, to manage the underwriting investment process. Credit analysis, which is a fundamental part of our investment process, is driven by our credit-first philosophy and utilizes the core competencies the team has developed. A strong assessment of underwriting transactions often enables development of structure and pricing terms to win deals and produce strong returns for risks taken versus other lenders that take a more formulaic approach to the business.

We believe the focused and disciplined approach that Runway Growth Capital applies to our lending strategy enables us to deliver strong, consistent returns to our investors. Our debt portfolio is 100.0% first lien

senior secured. Of our $903 million total funded commitments since inception, our cumulative gross loss rate, as a percentage of total funded commitments since inception, has been 1.3% and our net losses, as a percentage of total funded commitments since inception, has been 0.9% (or 0.2%, annualized). On average, our portfolio companies have raised $108 million of equity proceeds relative to our average loan size of $30 million. To achieve this, we do not follow an "index" strategy or a narrowly focused approach, and we do not lend only to those companies that are backed by a specific set of sponsors. We believe that careful selection among many opportunities, within both sponsored and non-sponsored lending opportunities, will yield the optimal portfolio results.

We maintain rigorous underwriting, monitoring and risk management processes across our portfolio, which is underpinned by our two main lending principles, first the ability to price risk and second the ability to measure and track enterprise value. Our investment process differs from many of our competitors in that we have a dedicated credit team, separate from the origination team, that manages the underwriting process. Unlike many of our competitors, we underwrite the company and the loan separately and spend significant time analyzing the enterprise value of the company and potential upside from the equity component of the transaction.

Proprietary Risk Analytics and Return Optimization. Over the past 20 years, Runway Growth Capital's senior investment professionals have iterated upon and built out an extensive due diligence process, which has resulted in the proprietary risk analysis used today. Mr. Spreng has overseen the development of a risk management model that helps to identify, analyze and mitigate risk within individual portfolio companies in the venture capital space. The model utilized by us today examines a consistent set of 30 quantitative and qualitative variables in four main risk areas (market, technology, management and financing) to generate a composite risk ranking for each portfolio company.

Flexible, Opportunity-Specific Pricing and Structure. Runway Growth Capital's comprehensive analysis assesses all factors and does not rely on any one criterion above or more than others. For example, we do not seek to provide financing to every early-stage company backed by top-tier venture firms, but only to those companies that, in our opinion, possess the most favorable risk and return characteristics for our investments. We seek to understand the attractiveness of each opportunity on its own merits. The quality of the venture investors involved is important, but it is only one component of our decision-making process. Within our Non-Sponsored Growth Lending strategy, we expect that most companies will have positive EBITDA but have been unable to access sufficient capital to fund current growth opportunities. We believe that gaining a comprehensive picture of an opportunity based on Runway Growth Capital's defined assessment factors allows us to be more flexible, to identify price and structure inefficiencies in the debt market, better support our portfolio companies, and to maximize loan and warrant returns, while minimizing losses. In our Sponsored and Non-Sponsored Growth Lending strategies, we target our loan to be less than 25% of enterprise value at inception.

Strong Reputation and Deep Relationships. Runway Growth Capital's senior investment professionals enjoy reputations as innovative thought leaders, ingrained in the fabric of the venture community. Runway Growth Capital's senior investment professionals have been active in venture capital investing, private lending, growth equity investing, corporate finance, and investment banking for more than two decades and are viewed as trustworthy partners to both management and venture investors as well as entrepreneurs. Our investment professionals' experience has often encouraged private companies to work with a lender that can manage challenges and deviations from plans that often arise in developing companies.

Runway Growth Capital's senior investment professionals also have established a network of relationships over two decades with various venture capital firms, venture banks, institutional investors, entrepreneurs and other venture capital market participants, which has allowed Runway Growth Capital to develop a variety of channels for investment originations and referrals. These investment professionals maintain ongoing dialogue with a number of venture capital firms across the country, leverage a suite of technologies to identify potential borrowers and often seek to be the first contact for new investment opportunities.

In addition, our strategic relationship with Oaktree provides us with access to additional resources and relationships that are incremental to our already broad network of venture backed companies and venture capital sponsors.

Investment Evaluation and Approval

Loan Repayment Evaluation

A portfolio company's ability to repay our loan can come from four primary sources:

- existing cash;
- cash from additional financing activities or exit event;
- cash flow from operations; and
- saleability of the business.

The value of a company's assets provide a secondary source of repayment.

Existing Cash — The current cash position, current and projected burn (including debt service), and other cash transactions, such as capital expenditures of the company, are evaluated and factored into projecting the cash-out month for the company and our resulting exposure at that point giving effect to our new loan to the company and the related servicing burden.

Additional Financing or Exit Event — For companies that might require additional equity or debt funding prior to the maturity of our loan, a fundamental component of analysis is determining the company's ability to attract new funds or achieve an exit event (IPO or merger / acquisition) under both planned and stressed operating scenarios.

Given our typical loan amortization, a financing round subsequent to the original loan funding substantially reduces the risk of non-payment. Accurately analyzing the status of each assessment factor allows us to determine what we believe is the likely level and type of support a company will receive from its investors, particularly under stressed circumstances.

Where additional financing above existing cash levels is necessary for the borrower to make regularly scheduled loan payments, we will require a high degree of assurance that the company will be supported by current or new investors and an understanding of the likely form additional investor support might take *(e.g.*, inside round, new outside investor lead round, bridge to another round, bridge to sale or supplemental / replacement debt financing). In the absence of additional investor support, we evaluate likely asset or company sale outcomes.

A company should possess characteristics that will result in a high likelihood of additional financing or an exit event, even if the financing or exit event is suboptimal for equity investors.

Cash Flow from Operations — We analyze each company's existing and projected operating cash flow dynamics.

Projected cash flow from operations for mid-to-late and growth stage companies that have little to no revenue or margin development is analyzed, as future financing may depend upon a projected revenue ramp or operating margin. Early indications in revenue and margin development, if any, are assessed before making an investment.

For late stage companies where revenue traction and gross margin development exist, trajectory of business and likelihood of achieving projected performance are analyzed. Underwriting incorporates, as applicable, review of product and / or service pricing, revenue per customer, pipeline performance, and both current and projected cost structures.

Saleability of the Business — We analyze each company's potential sale outcome, including the anticipated proceeds from the potential sale of the company, the number of prospective buyers, and the speed at which a sale may occur.

Asset Values — Asset value in both orderly sale and creditor-conducted liquidation are assessed. Likely buyers and comparables, if available, are analyzed. Typically, existing investors will continue to support the company in an orderly sale process if there is a suitable return on venture capital time and new funds invested for that purpose. In the absence of investor support, liquidation values are analyzed.

Warrant and Other Equity Evaluation

While our investment analysis is naturally biased toward assuring full loan repayment, the warrant component of each investment opportunity also receives considerable attention. The loan portfolio on its own is designed to produce attractive returns while preserving capital, but it is the warrant portfolio, which remains active well after the at-risk capital of the associated loan is returned, that provides an opportunity for upside return. We expect that our typical loan agreements will normally stipulate that we receive follow-on investment rights for the next round of equity financing by portfolio companies. Our due diligence on these equity opportunities is aided by our ability to follow company progress and performance and, most importantly, interact with management and co-investors prior to making a hard dollar equity investment. This ability to preview the quality of a company's daily operation is a valuable aspect of our business because it allows us to assess equity investment opportunities in high growth-potential, venture-backed companies.

Investment Process and Investment Cycle

Investment Process

Our Adviser's investment process, which includes credit underwriting and portfolio monitoring, has been developed over many years, and is informed and guided by our credit first culture and philosophy. Runway Growth Capital believes that to consistently achieve attractive risk adjusted returns across our portfolio, through various economic and credit cycles, our Adviser must excel at accurately assessing and pricing borrower risk, and, precisely measuring and monitoring borrower enterprise value. Accurately pricing risk is foundational to portfolio construction, by establishing appropriate risk adjusted returns and facilitating loan originations in a competitive environment. Accurately measuring and monitoring enterprise value is fundamental to underwriting and portfolio risk monitoring. Venture lending advance rates are typically determined based on Runway Growth Capital's assessment of borrower enterprise value. Generally, our typical borrower will have few fixed assets compared to intellectual property and other intangible assets. Runway Growth Capital has substantial expertise and a system for determining borrower enterprise value.

Our core competencies are the result of many years of credit experience and are critical for both underwriting and monitoring.

Core Competency	Underwriting	Monitoring
• Ability to analyze and assess cash flow/cash burn in high-growth companies, including those that are cash flow negative, to determine core burn versus growth burn and flexibility to reduce burn if necessary	• Provides the ability to determine adequacy of proposed financing relative to proposed business plan • Provides ability to determine important threshold levels in financial covenant structure.	• Provides specific and sensitized metrics for assessing and measuring borrower performance relative to borrower plan
• Ability to accurately quantify company enterprise value, and identify borrower-specific and market driven factors that influence EV sustainability, fragility, and volatility	• Critical in determining amount of risk associated with specific loan structure relative to downside protection • Influences debt capacity determinations and availability of capital to fully fund business plan	• Provides continuous measure of loan-to-value and portfolio risk
• Ability to accurately estimate borrower cash flow inflection points and associated confidence levels utilized in structure interest-only and amortization periods	• Informs loan maturity, amortization and interest only periods and identifies potential trigger events for forced refinance or loan extension	• Provides specific measurement and trigger points
• Ability to develop, structure and negotiate borrower specific covenant packages and other terms that identify and provide early warning for key borrower performance risks	• Identify risks and structure covenants	• Allows performance tracking to proactively address covenant issues before they develop
• Skilled portfolio monitoring team that fully understands each transaction, potential borrower performance risks, and enterprise value sensitivities	• Promotes strong relationships with management and investors to ensure information flow post-close	• Meticulous tracking of monthly reporting materials and ongoing conversations with management and sponsors/ investors

Investment Cycle

The following stages constitute what Runway Growth Capital considers the investment cycle for our investments:

Focused, superior execution at each stage of the cycle produces better investment portfolio results. We have a developed, proven approach at each stage. In addition, certain portfolio investments will go into default and require restructuring or workout.

Sourcing. Our expansive network of relationships across the venture sponsor ecosystem provides us with meaningful investment opportunities. Our sourcing channels consist of long-standing relationships with venture capital funds, venture banks, and advisors and brokers, in addition to the relationships we manage with mid-to-late and growth stage companies with our direct-lead generation. Since our inception, we have reviewed thousands of opportunities and have identified over 1,200 opportunities as qualified opportunities in our view. We are very selective on transactions that we decide to engage on and review our initial diligence findings, prospective intercreditor issues, and the competitive environment when determining which opportunities we pursue further. Since inception, of total qualified potential investments, we have issued 147 term sheets, representing 12.0% of total qualified deals, to potential borrowers and closed on 41 investments, representing 3.3% of total qualified potential investments.

Runway Growth Capital has a separate and dedicated credit team that manages the underwriting process and monitoring process of our investment portfolio. These processes utilize proprietary underwriting models to evaluate corporate risk and loan risk, in order to determine the appropriate pricing structure for potential borrowers.

Initial Assessment. An initial assessment of opportunities optimizes our efforts in making good investments, by informing partners of new opportunities and eliminating potential transactions that are weak.

Generally, the information requested at this stage is as follows:

- executive summary and company presentation;
- recent financials;
- recent forecast; and
- capitalization table.

The information above supplemented with a review of company websites and discussion with venture capitalists and other company sponsors (if any) and company management. Third party consultants and industry experts are consulted as necessary. An overview of the company is developed and discussed among the investment team to determine if the opportunity is appropriate for further investigation.

Loan Pricing and Structure. Loan pricing and structure are analyzed as they have a direct impact on:

- loan losses;
- returns; and
- ability to win the business in a competitive environment.

Loans are generally secured, and the majority of loans provide for a first, perfected security interest in all, or more rarely a defined subset, of company assets.

Term Sheet, Due Diligence and Approval. A term sheet, detailing pricing and structure, is prepared and subsequently negotiated with potential portfolio companies. Upon acceptance by both us and the potential buyer, formal due diligence is undertaken. Due diligence for investment underwriting purposes is performed and generally includes the following, as applicable:

- comparison of actual performance to most recent plan;
- comparison of performance relative to technical and business milestones;
- business pipeline analysis;
- in-depth industry analysis;
- customer references;
- venture capitalist interviews (if any); and/or

- third party verification of business models and forecasts, as necessary.

Investment memoranda consistent with our evaluation guidelines are prepared, circulated to senior investment professionals, and thoroughly evaluated among the investment professionals and the Investment Committee prior to making an investment decision. Before entering into any legally binding arrangement to advance funds, each investment must be approved by a majority of the Investment Committee. In addition, Mr. Spreng, as Chairman of the Investment Committee, has the right to veto the approval of any investment. Any investment by us that is outside of certain agreed upon investment criteria requires the affirmative vote of OCM's appointee to the Investment Committee.

The principal basis for making an investment decision for both the loan and equity components of a loan is informed and guided by our understanding of the business relative to the above outlined assessment factors utilizing our proprietary risk- analysis and return optimization models. All transactions submitted to the Investment Committee will have to demonstrate the following characteristics, each verified in formal due diligence:

- a competent management team with relevant experience;
- a product or service addressing a large market, meeting a compelling market need which cannot be easily duplicated (*i.e.*, barriers to entry exist);
- a business model that is rational and sustainable;
- a business with the ability to maintain or develop a stable enterprise value;
- demonstrated progress in achieving development of fundamental technology or product offering, for mid-stage companies, or demonstrated revenue traction and momentum for expansion stage companies or both diversified revenue and demonstrated, positive gross margins if late stage;
- the level of debt after our loan is made will not be prohibitive to operating the company or to attracting additional funds to the company; and
- for companies that are not yet profitable, investors that are capable of and are strongly inclined to support the company even if the company departs from plan as there will exist, under all but the most severe stress scenarios, sufficient realizable equity value in excess of our loan to provide strong incentive for investors to make additional funds available to our borrower in order to ultimately realize that equity value.

No single assessment factor is used to support a decision to invest. A decision to invest is made after thorough consideration and discussion of all assessment factors. Each investment must be approved by a majority of the Investment Committee, which is led by Mr. Spreng and includes Messrs. Raterman, Greifeld and Laibow. The Investment Committee meets regularly to consider our investments, review our strategic initiatives and supervise the actions taken by Runway Growth Capital on our behalf. In addition, the Investment Committee reviews and monitors the performance of our investment portfolio. Mr. Spreng, as chairman of the Investment Committee, has the right to veto the approval of any investment, and any investment by us that is outside of certain agreed upon investment criteria requires the affirmative vote of Mr. Laibow as OCM Growth's appointee to the Investment Committee. See "— *Oaktree Strategic Relationship*" above for more information.

Documentation. Documentation is developed in close cooperation with our outside counsel. We confirm that the terms in the financing documentation are consistent with the terms accepted by the company and approved by the Investment Committee. Deviations from our standard documentation must be approved by Mr. Spreng.

Collection and Portfolio Monitoring. Collection of loan payments will be done almost exclusively via automated clearing house debits initiated by us. This process is provided for in our standard documentation and avoids the time and complication associated with invoicing each payment, waiting for a check or wire in return, and following up on late payments.

Portfolio monitoring activities provide an ability to anticipate potential problem investments and investment concentrations. As part of our standard documentation, portfolio companies are required to

provide monthly financial statements, board packages and other operating metrics that we consider important to monitor the health and prospects of the business. On a weekly basis, the investment team reviews the status of opportunities at each stage of our investment process. At least monthly, the investment team reviews the overall industry and stage concentration for the portfolio and the status of each portfolio company. While it is the common practice of venture investors to fund companies to achieve milestones sufficient to raise subsequent financing, overfunding companies is helpful to the value creation process. As a result, the progression of many portfolio companies to lower levels of cash over time is both normal and expected. The investment monitoring team is tasked with quantifying and understanding this progression as well as understanding and influencing sponsor and management plans for additional equity financing, subordinated bridge financing, or exit strategy. We seek to be fully informed about our portfolio companies' business and financial activities since we intend to be proactive, as required, to protect our portfolio investments.

Investment Rating System. In addition to various risk management and monitoring tools, Runway Growth Capital uses an investment rating system to characterize and monitor the quality of our debt investment portfolio. Equity securities (including warrants) and U.S. Treasury Bills are not graded. This debt investment rating system uses a five-level numeric scale. The following is a description of the criteria associated with each investment rating:

Investment Rating	Rating Definition	Current debt portfolio risk rating by fair value as of June 30, 2021	% total portfolio
1	Performing above plan and/or strong enterprise profile, value, financial performance/coverage. Maintaining full covenant and payment compliance as agreed.	—	—
2	Performing at or reasonably close to plan. Acceptable business prospects, enterprise value, financial coverage. Maintaining key covenant and payment compliance as agreed. All new loans are initially graded Category 2.	$411.9	66.7%
3	Performing below plan of record. Potential elements of concern over performance, trends and business outlook. Loan-to-value remains adequate. Potential key covenant non-compliance. Full payment compliance.	$ 90.3	14.6%
4	Performing materially below plan. Non-compliant with material financial covenants. Payment default/deferral could result without corrective action. Requires close monitoring. Business prospects, enterprise value and collateral coverage declining. These investments may be in workout, and there is a possibility of loss of return but no loss of principal is expected.	$ 14.8	2.4%
5	Going concern nature in question. Substantial decline in enterprise value and all coverages. Covenant and payment default imminent if not currently present. Investments are nearly always in workout. May experience partial and/or full loss.	$ 13.8	2.2%
	Total	$530.9	86.0%

Restructures, Defaults and Workouts. Occasionally, companies request restructuring of their loan payment schedule for the purpose of providing additional time to operate and optimize value for stockholders. Given our debt position atop the capital structure and its size relative to total enterprise value, we typically can accommodate these requests. We view deferred payments (interest or principal) as new money into the business that requires adequate incremental return, which we negotiate as part of an amendment process. In addition, we normally require current investors to inject new funds into the business concurrent with a loan restructuring. Sometimes we may also improve our collateral position in the process. In general, with any significant exposure, it is better to enable the company to continue as a going concern as opposed to liquidating collateral. When payment default does occur, we work closely with the defaulting company's management to

maximize the value of our collateral. We also have relationships with individuals and entities that assist in the movement, storage and eventual sale of collateral. Where potentially valuable intellectual property is present, we work with those at the company having the most familiarity and knowledge of it and provide them incentives, based on successful sale outcomes, to assist in documenting and selling the property.

Competition

We believe there are significant barriers to entry in providing sponsored growth lending and non-sponsored growth lending due to the expertise, access to capital and extensive regulatory compliance, which results generally, in an environment with a limited number of competitors. In particular, we believe we will be able to capitalize on the following crucial elements for success in the private growth company lending market:

- relationships with top-tier and other respected venture capital investors, growth company entrepreneurs, and other deal referral sources;
- reputation as a reliable, supportive, and value-added partner;
- ability to accurately determine credit risk and gauge warrant potential; and
- experience in the unique aspects of growth company debt pricing, structure, portfolio construction and management.

The above elements are not easily acquired and take years to establish. We believe Runway Growth Capital's experienced, disciplined, and cohesive investment team possesses these necessary capabilities.

Our primary competitors for investments include public and private funds, other BDCs, commercial and investment banks, venture-oriented commercial banks, commercial financing companies and, to the extent they provide an alternative form of financing, private equity and hedge funds. Many of our competitors are substantially larger and have considerably greater financial, technical and marketing resources than we do. For example, we believe some competitors may have access to funding sources that are not available to us. In addition, some of our competitors may have higher risk tolerances or different risk assessments, which could allow them to consider a wider variety of investments and establish more relationships than us. Furthermore, many of our competitors are not subject to the regulatory restrictions that the 1940 Act imposes on us as a BDC or to the distribution and other requirements we must satisfy to qualify and maintain our qualification as a RIC. We do not compete primarily on the financing terms we offer and believe that some competitors make loans with rates that are comparable to or lower than our rates. For additional information concerning the competitive risks we face, see "*Risk Factors — Risks Related to Our Business and Structure — We operate in a highly competitive market for investment opportunities and we may not be able to compete effectively.*"

Staffing

We do not currently have any employees. Mr. Spreng, our President, Chief Executive Officer and Chairman of our Board, is also the founder, President, Chief Executive Officer and Chief Investment Officer of our Adviser, Runway Growth Capital. Mr. Raterman is our Chief Financial Officer, Treasurer, and Secretary, and serves as the Chief Financial Officer of Runway Growth Capital. Our Chief Financial Officer performs his functions for us under the terms of our Administration Agreement. We have also retained Joseph McDermott of Alaric Compliance Services LLC to serve as our Chief Compliance Officer pursuant to an agreement with Alaric Compliance Services LLC. Mr. McDermott also serves as the Chief Compliance Officer for Runway Growth Capital.

Our day-to-day investment and administrative operations are managed by Runway Growth Capital and our Administrator. The Investment Committee is supported by a team of additional experienced investment professionals. Runway Growth Capital and our Administrator may hire additional investment and administrative professionals in the future to provide services to us, based upon our needs.

In addition, we reimburse the Administrator for its costs and expenses and our allocable portion of overhead incurred by it in performing its obligations under the Administration Agreement, including compensation paid to or compensatory distributions received by our officers (including our Chief Compliance Officer and Chief Financial Officer) and any of their respective staff who provide services to us, operations

staff who provide services to us, and any internal audit staff, to the extent internal audit performs a role in our internal control assessment under the Sarbanes-Oxley Act.

Implications of Being an Emerging Growth Company

We currently are, and expect to remain, an "emerging growth company," as that term is used in the JOBS Act until the earliest of:

- the last day of our fiscal year following the fifth anniversary of this IPO;
- the last day of the first fiscal year in which our annual gross revenues are equal to or greater than $1.07 billion;
- the date on which we have, during the preceding three-year period, issued more than $1.0 billion in non-convertible debt securities ; and
- the date that we become a "large accelerated filer" as defined in Rule 12b-2 under the Exchange Act, which would occur if the market value of our common stock that is held by non-affiliates exceeds $700 million as of any June 30.

Under the JOBS Act, we are exempt from the provisions of Section 404(b) of the Sarbanes-Oxley Act, which would require that our independent registered public accounting firm provide an attestation report on the effectiveness of our internal control over financial reporting. This may increase the risk that material weaknesses or other deficiencies in our internal control over financial reporting go undetected. See "*Risk Factors — Risks Related to Our Business and Structure — We are obligated to maintain proper and effective internal control over financial reporting. Failure to achieve and maintain effective internal controls over financial reporting in accordance with Section 404 of the Sarbanes-Oxley Act could have a material adverse effect on our business and the value of our common stock*."

Properties

Our corporate headquarters are located at 205 N. Michigan Ave., Suite 4200, Chicago, IL 60601 and are provided by the Administrator in accordance with the terms of the Administration Agreement. We and Runway Growth Capital also have offices located in Woodside, California, San Diego, California and New York, New York. We do not own any real estate. We believe that our office facilities are suitable and adequate for our business as it is contemplated to be conducted.

Legal Proceedings

We and Runway Growth Capital are not currently subject to any material legal proceedings, nor, to our knowledge, is any material legal proceeding threatened against us. From time to time, we or Runway Growth Capital may be a party to certain legal proceedings in the ordinary course of business, including proceedings relating to the enforcement of our rights under contracts with our portfolio companies. Our business is also subject to extensive regulation, which may result in regulatory proceedings against us. While the outcome of these legal proceedings cannot be predicted with certainty, we do not expect that these proceedings will have a material effect upon our financial condition or results of operations.

SENIOR SECURITIES

Information about our senior securities is shown in the following table as of the unaudited fiscal quarter ended June 30, 2021 and the end of the fiscal years ended December 31, 2020, 2019 and 2018. No senior securities were outstanding for the fiscal years ending December 31, 2017 or 2016.

Class and Period	Total Amount Outstanding Exclusive of Treasury Securities[1] ($ in thousands)	Asset Coverage per Unit[2]	Involuntary Liquidating Preference per Unit[3]	Average Market Value per Unit[4]
Credit Agreement				
June 30, 2021 (unaudited)	$117,000,000	$5,083	—	N/A
December 31, 2020	$ 99,000,000	$5,710	—	N/A
December 31, 2019	$ 61,000,000	$7,169	—	N/A
December 31, 2018	$ —	$ —	—	N/A
Credit Facilities[5]				
June 30, 2021 (unaudited)	$ —	$ —	—	N/A
December 31, 2020	$ —	$ —	—	N/A
December 31, 2019	$ —	$ —	—	N/A
December 31, 2018	$ 59,500,000	$3,811	—	N/A
Total				
June 30, 2021 (unaudited)	$117,000,000	$5,083	—	N/A
December 31, 2020	$ 99,000,000	$5,710	—	N/A
December 31, 2019	$ 61,000,000	$7,169	—	N/A
December 31, 2018	$ 59,500,000	$3,811	—	N/A

(1) Total amount of each class of senior securities outstanding at the end of the period presented.

(2) Asset coverage per unit is the ratio of the carrying value of total assets, less all liabilities excluding indebtedness represented by senior securities in this table to the aggregate amount of senior securities representing indebtedness. Asset coverage per unit is express in terms of dollar amounts per $1,000 of indebtedness and is calculated on a consolidated basis.

(3) The amount to which such class of senior security would be entitled upon the Company's involuntary liquidation in preference to any security junior to it. The "—" in this column indicates information that the SEC expressly does not require to be disclosed for certain types of senior securities.

(4) Not applicable because the senior securities are not registered for public trading.

(5) On June 22, 2018, the Company entered into the Credit Facilities with CIBC. On May 31, 2019, in conjunction with securing and entering into the Credit Agreement, the Company terminated the Credit Facilities.

PORTFOLIO COMPANIES

The following table sets forth certain information regarding each of the portfolio companies in which we had a debt or equity investment as of June 30, 2021. We may receive rights to observe the meetings of our portfolio companies' board of directors. Other than these investments, our only relationships with our portfolio companies are the managerial assistance we may separately provide to our portfolio companies, which services would be ancillary to our investments. As of June 30, 2021, with the exception of Mojix, Inc., we did not "control" and are not an "affiliate" of any of our portfolio companies, each as defined in the 1940 Act. In general, under the 1940 Act, we would "control" a portfolio company if we owned 25% or more of its voting securities and would be an "affiliate" of a portfolio company if we owned five percent or more of its voting securities.

Portfolio Company	Industry	Type of Investment	Interest Rate/Description	Maturity	Principal	Percentage of Class Held on a Fully Diluted Basis	Number of Shares	Cost	Fair Value
3DNA Corp. (dba NationBuilder) 520 S. Grand Ave., 2nd Floor Los Angeles, CA 90071	**Software**	Warrant	Series C-1 Preferred Stock; strike price $1.46	12/28/2028	n/a	n/a	273,164	104	64
AllClear ID, Inc. 816 Congress Ave., Suite 1800 Austin,TX 78701	**Diversified Consumer Services**	Warrant	Common Stock; strike price $0.01	9/1/2027	n/a	n/a	870,514	1,750	909
Allurion Technologies, Inc. 11 Huron Dr. Natick, MA 01760	**Medical Devices & Equipment**	Senior Secured Term Loan	LIBOR+9.05%, 9.50% floor, 3.00% ETP	3/30/2025	15,000	n/a	n/a	14,805	14,805
		Warrant	Series C Preferred Stock; strike price $6.58	3/30/2031	n/a	n/a	79,787	46	46
Aria Systems, Inc. 600 Reed Rd., Suite 302	**Software**	Senior Secured Term Loan	LIBOR+9.00%, 11.35% floor, 4.50% ETP	12/15/2021	25,000	n/a	n/a	25,709	26,335
		Senior Secured Term Loan	LIBOR+9.00%, 11.35% floor, 4.50% ETP	12/15/2021	2,500	n/a	n/a	2,312	2,633
		Warrant	Series G Preferred Stock; strike price $0.86	6/29/2028	n/a	n/a	2,387,705	1,048	3,049
		Preferred Stock	Series G Preferred Stock	n/a	n/a	0.12%	289,419	250	370
Aspen Group Inc. 276 Fifth Ave., Suite 306A New York, NY 10001	**Diversified Consumer Services**	Warrant	Common Stock; strike price $6.87	7/25/2022	n/a	n/a	224,174	583	349
Bombora, Inc. 257 Park Ave. South, Floor 6 New York, NY 10010	**Software**	Senior Secured Term Loan	LIBOR+5.00%, 5.50% floor, 3.75% PIK, 2.00% ETP	3/31/2025	20,000	n/a	n/a	19,626	19,626
		Warrant	Common Stock; strike price $3.29	3/31/2031	n/a	n/a	121,581	175	175
Brilliant Earth, LLC 26 O'Farrell St., 10th Floor San Francisco, CA 94103	**Specialty Retail**	Senior Secured Term Loan	LIBOR+8.25%, 9.25% floor, 4.50% ETP	10/15/2023	35,000	n/a	n/a	34,911	34,735
		Senior Secured Term Loan	LIBOR+8.25%, 9.25% floor, 0.75% ETP	10/15/2023	30,000	n/a	n/a	29,786	29,773
		Warrant	Class P Units; strike price $5.25	9/30/2029	n/a	n/a	333,333	973	1,407
		Warrant	Class P Units; strike price $10.00	12/17/2030	n/a	n/a	25,000	26	54
CareCloud, Inc. 7 Clyde Rd. Somerset, NJ 08873	**Health Care Equipment & Services**	Warrant	Common Stock; strike price $7.50	1/8/2022	n/a	n/a	1,000,000	435	2,205
		Warrant	Common Stock; strike price $10.00	1/8/2023	n/a	n/a	1,000,000	837	2,068
		Preferred Stock	11% Series A Cumulative Redeemable Perpetual Preferred Stock	n/a	n/a	13.81%	760,000	18,687	15,678

Portfolio Company	Industry	Type of Investment	Interest Rate/Description	Maturity	Principal	Percentage of Class Held on a Fully Diluted Basis	Number of Shares	Cost	Fair Value
Circadence Corporation 1900 9th St., Suite 300 Boulder, CO 80302	**Software**	Senior Secured Term Loan	LIBOR+9.50%, 12.00% floor, 7.50% ETP	12/15/2022	17,400	n/a	n/a	16,792	15,808
		Warrant	Series A-6 Preferred Stock; strike price $1.17	12/20/2028	n/a	n/a	1,538,462	3,630	2,990
		Warrant	Series A-6 Preferred Stock; strike price $1.17	10/31/2029	n/a	n/a	384,615	846	747
Cloudpassage, Inc. 44 Tehama St. San Francisco, CA 94105	**IT Services**	Senior Secured Term Loan	LIBOR+7.50%, 1.00% PIK, 10.00% floor,2.75% ETP,	6/13/2023	7,635	n/a	n/a	7,609	7,355
		Warrant	Series D-1 Preferred Stock; strike price $1.60	6/13/2029	n/a	n/a	201,938	273,798	—
CloudPay Solutions Ltd. 3128 Highwoods Blvd., Suite 160 Raleigh, NC 27604	**Software**	Senior Secured Term Loan	LIBOR+9.50%, 1.25% PIK, 11.25% floor, 3.00% ETP	12/15/2023	25,225	n/a	n/a	24,951	24,951
		Warrant	Series B Preferred Stock; strike price $66.53	6/30/2030	n/a	n/a	11,273	218	335
Credit Sesame, Inc. 444 Castro St., Suite 500 Mountain View, CA 94040	**Diversified Consumer Services**	Senior Secured Term Loan	LIBOR+8.35%, 10.25% floor, 2.50% ETP	12/15/2023	35,000	n/a	n/a	34,861	34,700
		Senior Secured Term Loan	LIBOR+8.35% , 2.00% PIK on overadvance, 10.25% floor	5/15/2023	9,518	n/a	n/a	9,518	9,437
		Warrant	Common Stock; strike price $0.01	1/7/2030	N/A	n/a	191,601	425	598
Dejero Labs Inc. 412 Albert St., Suite 100 Waterloo ON, N2L 3V3	**IT Services**	Warrant	Common Stock; strike price $0.01	5/31/2029	N/A	n/a	333,621	192	231
Dtex Systems, Inc. 3055 Olin Ave., Suite 2000 San Jose, CA 95128	**Software**	Senior Secured Term Loan	LIBOR+9.15%, 11.50% floor, 5.13% ETP	11/15/2021	4,271	n/a	n/a	4,615	4,615
		Warrant	Series C-Prime Preferred Stock; strike price $0.60	6/1/2025	n/a	n/a	500,000	59	295
		Warrant	Series C-Prime Preferred Stock; strike price $0.60	7/11/2026	n/a	n/a	833,333	115	492
Echo 360 Holdings, Inc. 11955 Freedom Dr., Suite 700 Reston, VA 20190	**Diversified Consumer Services**	Senior Secured Term Loan	LIBOR+9.25%, 12.05% floor, 4.00% ETP	5/3/2023	14,000	n/a	n/a	14,149	14,344
		Senior Secured Term Loan	LIBOR+9.25%, 12.05% floor, 4.00% ETP	5/3/2023	3,000	n/a	n/a	3,042	3,074
		Warrant	Series E Preferred Stock; strike price $1.60	5/3/2029	n/a	n/a	1,066,767	300	630
FiscalNote, Inc. 1201 Pennsylvania Ave. NW, 6th Floor Washington, DC 20004	**Software**	Senior Secured Term Loan	LIBOR+9.25%, 9.75% floor, 5.00% ETP	8/21/2023	45,000	n/a	n/a	44,603	44,603
		Warrant	Common Stock; strike price $0.01	10/19/2030	n/a	n/a	194,673	438	627
Gynesonics, Inc. 600 Chesapeake Dr. Redwood City, CA 94063	**Medical Devices & Equipment**	Senior Secured Term Loan	LIBOR+8.75%, 9.25% floor, 3.50% ETP	12/1/2025	30,000	n/a	n/a	29,247	29,247
		Warrant	Success Fee	12/1/2027	n/a	n/a	n/a	499	515
INRIX, Inc. 10210 NE Points Dr., Suite 400 Kirkland, WA 98033	**Software**	Senior Secured Term Loan	LIBOR+8.00%, 10.50% floor, 2.50% ETP	7/15/2023	20,000	n/a	n/a	19,976	19,892
		Senior Secured Term Loan	LIBOR+8.00%, 10.50% floor, 2.50% ETP	7/15/2023	10,000	n/a	n/a	9,862	9,946
		Warrant	Common Stock; strike price $9.29	7/26/2029	n/a	n/a	150,804	522	519
Longtail Ad Solutions, Inc. (dba JW Player) 2 Park Ave., 10th Floor New York, NY 10016	**Software**	Senior Secured Term Loan	LIBOR+8.75%, 10.75% floor, 3.00% ETP	6/15/2023	30,000	n/a	n/a	30,116	30,410
		Warrant	Common Stock; strike price $1.49	12/12/2029	n/a	n/a	387,596	47	423

Portfolio Company	Industry	Type of Investment	Interest Rate/Description	Maturity	Principal	Percentage of Class Held on a Fully Diluted Basis	Number of Shares	Cost	Fair Value
Massdrop, Inc. 710 Sansome St. San Francisco, CA 94111	**Internet & Catalog Retail**	Senior Secured Term Loan	LIBOR+8.25%, 10.65% floor, 4.00% ETP	1/15/2023	18,474	n/a	n/a	18,699	18,479
		Senior Secured Term Loan	LIBOR+8.25%, 10.65% floor,	1/15/2023	2,000	n/a	n/a	2,000	2,000
		Warrant	Series B Preferred Stock; strike price $1.19	7/22/2029	n/a	n/a	848,093	183	284
Mingle Healthcare Solutions, Inc. 8911 Sandy Parkway, Suite 200 Sandy, UT 84070	**Health Care Equipment & Services**	Senior Secured Term Loan	LIBOR+9.50%, 11.75% floor, 10.00% ETP	8/15/2022	3,952	n/a	n/a	4,287	4,250
		Warrant	Series AA Preferred Stock; strike price $0.24	8/15/2028	n/a	n/a	1,625,000	492	—
Mojix, Inc. 11075 Santa Monica Blvd., Suite 350 Los Angeles, CA 90025	**Software**	Senior Secured Term Loan	LIBOR+12.00% PIK, 12.00% floor, 5% ETP	5/15/2021	6,519	n/a	n/a	6,502	5,280
		Senior Secured Term Loan	LIBOR+12.00% PIK, 12.00% floor, 5% ETP	5/15/2021	2,173	n/a	n/a	2,170	1,760
		Senior Secured Term Loan	LIBOR+12.00% PIK, 12.00% floor, 5% ETP	5/15/2021	543	n/a	n/a	544	440
		Senior Secured Term Loan	LIBOR+12.00% PIK, 12.00% floor, 5% ETP	5/15/2021	542	n/a	n/a	542	439
		Senior Secured Term Loan	LIBOR+12.00% PIK, 12.00% floor, 5% ETP	5/15/2021	1,079	n/a	n/a	1,073	874
		Senior Secured Term Loan	LIBOR+12.00% PIK, 12.00% floor, 5% ETP	4/30/2021	1,034	n/a	n/a	1,034	838
		Senior Secured Term Loan	LIBOR+12.00% PIK, 12.00% floor	4/30/2021	500	n/a	n/a	500	505
		Warrant	Common Stock; strike price $1.29	12/13/2030	n/a	n/a	2,349	119	—
		Warrant	Common Stock; strike price $2.13	12/13/2030	n/a	n/a	5,873	298	—
		Warrant	Common Stock; strike price $5.57	12/13/2030	n/a	n/a	394,733	829	—
		Preferred Stock	Series A-1 Preferred Stock	n/a	n/a	61.53%	67,114,092	800	738
Ouster, Inc. 350 Treat Ave. San Francisco, CA 94110	**Technology Hardware, Storage & Peripherals**	Common Stock	Common Stock	n/a	n/a	0.75%	1,209,659	103	9,492
Pivot3 Holdings, Inc. 221 W. 6th St., Suite 750 Austin, TX 78701	**IT Services**	Senior Secured Term Loan	LIBOR+8.50% PIK, 11.00% floor, 4.00% ETP	11/15/2022	21,973	n/a	n/a	22,334	20,112
		Senior Secured Term Loan	LIBOR+8.50% PIK, 11.00% floor	11/15/2022	1,051	n/a	n/a	1,051	964
		Senior Secured Term Loan	LIBOR+8.50% PIK, 11.00% floor, 4.00% ETP	11/15/2022	500	n/a	n/a	500	471
		Preferred Stock	Series 1 Preferred Stock	n/a	n/a	30%	2,675,585	2,000	1,950
Porch Group, Inc. 2200 1st Avenue South, Seattle, WA 98134	**Software**	Senior Secured Term Loan	LIBOR+8.00%, 8.55% floor, 4.99% ETP	12/15/2024	40,395	n/a	n/a	40,389	40,389
		Common Stock	Common Stock	n/a	n/a	0.04%	38,079	118	674
		Warrant	Earnout	12/23/2023	n/a	n/a	n/a	—	—
RealWear, Inc. 600 Hatheway Road Vancouver, WA 98661	**Technology Hardware, Storage & Peripherals**	Warrant	Series A Preferred Stock; strike price $4.44	10/5/2028	n/a	n/a	112,451	136	—
		Warrant	Series A Preferred Stock; strike price $6.78	6/27/2029	n/a	n/a	123,894	381	—
		Warrant	Series A Preferred Stock; strike price $4.44	12/28/2028	n/a	n/a	22,491	25	—

Portfolio Company	Industry	Type of Investment	Interest Rate/Description	Maturity	Principal	Percentage of Class Held on a Fully Diluted Basis	Number of Shares	Cost	Fair Value
Scale Computing, Inc. 525 S. Meridian St, Suite. 3E Indianapolis, IN 46225	**Software**	Warrant	Common Stock; strike price $0.80	3/29/2029	n/a	n/a	9,665,667	346	—
SendtoNews Video, Inc. 1111 Wharf St., Victoria British Columbia, V8W 1T7	**Media**	Warrant	Class B Non-Voting Stock; strike price $0.67	6/30/2027	n/a	n/a	191,500	246	29
ShareThis, Inc. 5 Palo Alto Square, Suite 150 Palo Alto, CA 94306	**IT Services**	Senior Secured Term Loan	LIBOR+9.25%, 11.60% floor, 3.00% ETP	7/15/2023	19,250	n/a	n/a	18,982	18,982
		Senior Secured Term Loan	LIBOR+9.25%, 11.60% floor, 3.00% ETP	7/15/2023	750	n/a	n/a	736	736
		Senior Secured Term Loan	LIBOR+9.25%, 11.60% floor, 3.00% ETP	7/15/2023	1,000	n/a	n/a	974	974
		Senior Secured Term Loan	LIBOR+8.25%, 10.60% floor, 3.00% ETP	7/15/2023	1,000	n/a	n/a	1,002	1,002
		Warrant	Series D-3 Preferred Stock; strike price $2.43	12/3/2028	n/a	n/a	647,615	2,162	2,162
The Kairn Corporation 464 Monetary Ave., Suite E Los Gatos, CA 95030	**Software**	Senior Secured Term Loan	6.50% PIK	3/9/2027	4,256	n/a	n/a	4,256	4,256
		Senior Secured Term Loan	LIBOR+9.50% PIK, 10.81% floor	12/15/2022	1,063	n/a	n/a	1,063	1,063
		Warrant	Common Stock; strike price $0.01	3/9/2030	n/a	n/a	81,177	—	—
TriplePoint Venture Growth BDC Corp. 2755 Sand Hill Rd. Menlo Park, CA 94025	**Specialty Finance**	Corporate Bonds	5.75% Interest rate	7/15/2022	n/a	n/a	13,227	253	335
VERO Biotech LLC Atlanta, GA 30308 55 Ivan Allen Jr. Blvd., Suite 525	**Medical Devices & Equipment**	Senior Secured Term Loan	LIBOR+9.05%, 9.55% floor, 3.00% ETP	12/1/2024	25,000	n/a	n/a	24,369	24,369
		Senior Secured Term Loan	LIBOR+9.05%, 9.55% floor, 3.00% ETP	12/1/2024	15,000	n/a	n/a	14,858	14,858
		Warrant	Success fee	12/29/2025	n/a	n/a	n/a	377	382
zSpace, Inc. 490 De Guigne Dr., Suite 200 Sunnyvale, CA 94085	**Technology Hardware, Storage & Peripherals**	Common Stock	Common Stock	n/a	n/a	1.34%	6,078,499	1,119	—

Set forth below is a brief description of each portfolio company in which the fair value of our investment represents greater than 5% of our total assets as of June 30, 2021.

Aria Systems, Inc. — A provider of a cloud-based billing and monetization platform for enterprise companies that wish to sell products via subscription, usage based, and other recurring revenue business models.

Brilliant Earth, LLC — An e-commerce company that offers ethical and environmentally responsible conflict free diamonds and fine jewelry.

CloudPay Solutions Ltd. — A developer of a cloud-based payroll platform, managed services, and treasury services to provide end-to-end payroll solutions to multinational organizations. The company's platform offers accurate, standardized payroll processing in over 120 countries, through a single SaaS platform, which enables organizations to increase efficiency, streamline compliance, and achieve greater visibility into payroll.

Credit Sesame, Inc. — A leader in the personal credit management space. The company helps users access, understand and improve, leverage and protect their credit / credit scores.

Fiscal Note, Inc. — A premier information services company focused on global policy and market intelligence. By combining AI technology, expert analysis, and legislative, regulatory, and geopolitical data, FiscalNote is reinventing the way that organizations minimize risk and capitalize on opportunity.

Gynesonics, Inc. — A healthcare company focused on advancing women's health by developing minimally invasive, incision-free, uterus-preserving, transcervical technologies for diagnostic and therapeutic applications.

VERO Biotech LLC — A biotechnology company focused on the design, development, and commercialization of next generation products to meet the needs of patients with a variety of pulmonary and cardiac diseases. VERO developed the GENOSYL® Delivery System (GENOSYL DS), the first and only "tankless" inhaled nitric oxide delivery system approved by the U.S. Food and Drug Administration (FDA).

Porch Group, Inc. — A vertical software platform for the home, providing software and services to home services companies, such as home inspectors, insurance carriers, moving companies, utility companies, warranty companies, and others.

MANAGEMENT

We are managed by the Adviser. The Adviser is registered with the SEC as an investment adviser under the Advisers Act. Subject to the overall supervision of our Board, the Adviser manages our day-to-day operations, and provides investment advisory and management services to us pursuant to the Advisory Agreement. The Adviser is responsible for managing our business and activities, including sourcing investment opportunities, conducting research, performing diligence on potential investments, structuring our investments, and monitoring our portfolio companies on an ongoing basis through a team of investment professionals.

Our Board of Directors

Board Composition

The Board consists of five members. Pursuant to the Articles of Amendment and Restatement, the Board is divided into three classes, with the members of each class serving staggered, three-year terms; however, the initial members of the three classes have initial terms of one, two and three years, respectively. The term of our Class II director will expire at the 2021 annual meeting of stockholders; the term of our Class III directors will expire at the 2022 annual meeting of the stockholders; and the term of our Class I directors will expire at the 2023 annual meeting of stockholders. The current composition of the Board is described above under "*— Biographical Information.*"

Independent Directors

Pursuant to Section 56 of the 1940 Act, a majority of a BDC's board of directors must be comprised of persons who are not "interested persons," as defined in Section 2(a)(19) of the 1940 Act, of the Company or any of its affiliates (the "Independent Directors").

Consistent with these considerations, after review of all relevant transactions and relationships between each director, or any of his or her family members, and the Company, Runway Growth Capital LLC, or of any of their respective affiliates, the Board has determined that Julie Persily, Gary Kovacs and Lewis W. Solimene qualify as Independent Directors. Each director who serves on the Audit Committee is an Independent Director for purposes of Rule 10A-3 under the Exchange Act.

Interested Directors

Messrs. Spreng and Laibow are considered "interested persons" (as defined in the 1940 Act) of the Company. Mr. Spreng is an "interested person" of the Company as defined in Section 2(a)(19) of the 1940 Act because he is the President and Chief Executive Officer of the Company and the Chief Executive Officer and Chief Investment Officer for Runway Growth Capital LLC. Mr. Laibow is an "interested person" (as defined in the 1940 Act) of the Company because he is the nominee of OCM Growth, a majority shareholder of the Company, to the Board and because he serves on the Board of Managers and Investment Committee of Runway Growth Capital LLC.

Board Meetings and Attendance

The Board met five times during 2020. Each incumbent director attended at least 75% of the aggregate number of meetings of the Board and of the respective committees on which he or she served (during the periods that he or she served). The Board's standing committees are set forth below under "*— Board Committees.*" We require each director to make a diligent effort to attend all Board and committee meetings, as well as each annual meeting of stockholders. Ms. Persily and Messrs. Solimene and Spreng attended the Annual Meeting in 2020.

Board Leadership Structure

The Board monitors and performs an oversight role with respect to our business and affairs, including with respect to investment practices and performance, compliance with regulatory requirements and the services, expenses and performance of service providers to us. Among other things, the Board approves the

appointment of our investment adviser and officers, reviews and monitors the services and activities performed by our investment adviser and executive officers and approves the engagement, and reviews the performance of, our independent public accounting firm.

Under our bylaws, the Board may designate a Chair to preside over the meetings of the Board and meetings of the stockholders and to perform such other duties as may be assigned to him by the Board. We do not have a fixed policy as to whether the Chairman of the Board should be an Independent Director and believe that we should maintain the flexibility to select the Chairman and reorganize the leadership structure, from time to time, based on the criteria that is in the Company's and our stockholders' best interests at such times.

Presently, Mr. Spreng serves as the Chairman of the Board. Mr. Spreng is an "interested person" of the Company as defined in Section 2(a)(19) of the 1940 Act because he is the President and Chief Executive Officer of the Company and the Chief Executive Officer and Chief Investment Officer for the Adviser. Mr. Spreng's familiarity with the Adviser's investment platform and extensive knowledge of the financial services industry and the investment valuation process in particular qualify him to serve as the Chairman of the Board. Our view is that we are best served through this existing leadership structure, as Mr. Spreng's relationship with the Adviser provides an effective bridge and encourages an open dialogue between management and the Board, ensuring that both groups act with a common purpose.

The Board does not currently have a designated lead independent director. We are aware of the potential conflicts that may arise when a non-independent director serves as Chairman of the Board, but believe these potential conflicts are offset by our strong corporate governance policies. Our corporate governance policies include regular meetings of the Independent Directors in executive session without the presence of interested directors and management, the establishment of an Audit Committee, Compensation Committee and a Nominating and Corporate Governance Committee, each of which is comprised solely of Independent Directors, and the appointment of a Chief Compliance Officer, with whom the Independent Directors meet regularly without the presence of interested directors and other members of management, for administering our compliance policies and procedures.

We recognize that different board leadership structures are appropriate for companies in different situations. We intend to re-examine our corporate governance policies on an ongoing basis to ensure that they continue to meet our needs.

Board's Role in Risk Oversight

The Board performs its risk oversight function primarily through (a) its two standing committees, which report to the entire Board and are comprised solely of Independent Directors, and (b) active monitoring of our Chief Compliance Officer and our compliance policies and procedures.

As described below in more detail under "— *Board Committees*," the Audit Committee, Compensation Committee and Nominating and Corporate Governance Committee assist the Board in fulfilling its risk oversight responsibilities. The Audit Committee's risk oversight responsibilities include overseeing the Company's accounting and financial reporting processes, systems of internal controls regarding finance and accounting, audits of the Company's financial statements and establishing guidelines and making recommendations to the Board regarding the valuation of our investments. The Nominating and Corporate Governance Committee's risk oversight responsibilities include selecting, researching and nominating directors for election by our stockholders, developing and recommending to the Board a set of corporate governance principles and overseeing the evaluation of the Board and our management.

The Board also performs its risk oversight responsibilities with the assistance of the Chief Compliance Officer. The Board annually reviews a written report from the Chief Compliance Officer discussing the adequacy and effectiveness of the compliance policies and procedures of the Company and its service providers. The Chief Compliance Officer's annual report will address, at a minimum, (a) the operation of the compliance policies and procedures of the Company and its service providers since the last report; (b) any material changes to such policies and procedures since the last report; (c) any recommendations for material changes to such policies and procedures as a result of the Chief Compliance Officer's annual review; and (d) any compliance matter that has occurred since the date of the last report about which the Board would reasonably need to know to oversee our compliance activities and risks. In addition, the Chief Compliance Officer will meet separately in executive session with the Independent Directors at least once each year.

We believe that the Board's role in risk oversight is effective and appropriate, given the extensive regulation to which we are already subject as a BDC. As a BDC, we are required to comply with certain regulatory requirements that control the levels of risk in our business and operations. For example, our ability to incur indebtedness is limited such that our asset coverage must equal at least 200% immediately after each time we incur indebtedness. We also generally have to invest at least 70% of our gross assets in "qualifying assets" and we are not generally permitted to invest in any portfolio company in which one of our affiliates currently has an investment.

We recognize that different board roles in risk oversight are appropriate for companies in different situations. We intend to re-examine the manners in which the Board administers its oversight function on an ongoing basis to ensure that they continue to meet our needs.

Biographical Information

Brief biographies of the members of the Board are set forth below. Also included below following each biography is a brief discussion of the specific experience, qualifications, attributes or skills that led our Board to conclude that the applicable director should serve on our Board at this time. In addition, set forth further below is a biography of each of our executive officers who is not a director.

Name Address, and Age	Position(s) Held with Registrant	Term of Office And Length of Time Served	Principal Occuation(s) During Past 5 Years	Number of Portfolios in Fund Complex Overseen By Director	Other Directorships Held by Director
Independent Directors					
Gary Kovacs, 58	Director	Director since 2016, Term expires in 2023	Chief Executive Officer of Accela, Inc.	1	Desire to Learn (D2L), ePhox Corporation, Sensory Inc. and Make-a-Wish Foundation
Julie Persily, 56	Director	Director since 2017, Term expires in 2024	Retired	1	Investcorp Credit Management BDC, Inc. and SEACOR Marine Holdings Inc.
Lewis W. Solimene, Jr., 62	Director	Director since 2016, Term expires in 2024	Managing Director, Monroe Capital LLC	1	
Interested Directors					
R. David Spreng, 59	Chairman of the Board, Chief Executive Officer, President and Director of the Company, and Chief	Director since 2015, Term expires in 2022	Chief Executive Officer of the Company and Runway Growth Capital	1	

Name Address, and Age	Position(s) Held with Registrant	Term of Office And Length of Time Served	Principal Occuation(s) During Past 5 Years	Number of Portfolios in Fund Complex Overseen By Director	Other Directorships Held by Director
	Executive Officer and Chief Investment Officer of Runway Growth Capital				
Brian Laibow, 43	Director	Director since 2017, Term expires 2022	Co-Head of North America & Managing Director Opportunities Funds at Oaktree	1	Aleris Corporation

Independent Directors

Gary Kovacs has served as a member of the Board since 2016 and is a member of the Audit Committee and Compensation Committee and Chair of the Nominating and Corporate Governance Committee. Mr. Kovacs has served as Chief Executive Officer of Accela, Inc., a provider of technology solutions, since December 2018. Prior to joining Accela, Mr. Kovacs served as managing director of AVG Technologies N.V.'s management board and as Chief Executive Officer of AVG from 2013 to December 2016. Prior to joining AVG, Mr. Kovacs served as Chief Executive Officer of Mozilla Corporation from 2010 to 2013. Prior to joining Mozilla, Mr. Kovacs held senior leadership roles as Senior Vice President of Markets, Solutions & Products at Sybase through to the acquisition by SAP, and as General Manager and Vice President of Mobile & Devices at Macromedia and Adobe. Previously, he led Zi Corporation, a public company specializing in embedded software and services for mobile and consumer devices. Before founding Zi Corporation, Mr. Kovacs spent 10 years at IBM in leadership positions in product management, sales, marketing and operations within the global software division. Mr. Kovacs graduated from the University of Calgary, in Canada, with his Bachelor of Commerce and an MBA with distinction. Mr. Kovacs serves on the advisory board of DocuSign, and the board of directors of Desire to Learn (D2L), ePhox Corporation, Sensory, Inc. and Make-a-Wish Foundation (Bay Area Chapter). He is also a member of the University of Calgary Management Advisory Council.

The Board has concluded that Mr. Kovacs' extensive leadership experience in the technology industry qualifies him to serve as a member of the Board.

Julie Persily has served as a member of the Board since 2017 and is a member of the Audit Committee and the Nominating and Corporate Governance Committee and Chair of the Compensation Committee. Ms. Persily has also served as a member of the board of directors of Investcorp Credit Management BDC, Inc. (f/k/a CM Finance Inc.) (Nasdaq: ICMB), a BDC, since 2013; and SEACOR Marine Holdings Inc. (NYSE: SMHI), a global marine and support transportation services company, since April 2018. Ms. Persily retired in 2011 after serving as the Co-Head of Leveraged Finance and Capital Markets of Nomura Securities North America, a unit of Nomura Holdings Inc. (NYSE: NMR), a securities and investment banking company, since July 2010. Ms. Persily previously served in various capacities at Citigroup Inc. (NYSE: C), a financial services company, including as the Co-Head of Leveraged Finance Group from December 2006 to November 2008, the Head of Acquisition Finance Group from December 2001 to November 2006 and as Managing Director from July 1999 to November 2001. From 1990 to 1999, Ms. Persily served in various capacities including as a Managing Director, Leveraged Finance at BT Securities Corp., a financial services company and a subsidiary of Bankers Trust Corp., which was acquired by Deutsche Bank in April 1999. From 1987 to 1989, Ms. Persily served as an analyst at Drexel Burnham Lambert, a securities and investment banking

company. Ms. Persily received a B.A. in psychology and economics from Columbia College and a M.B.A. in financing and accounting from Columbia Business School.

The Board has concluded that Ms. Persily's extensive experience with structuring, negotiating and marketing senior loans and high-yield and mezzanine financings brings important and valuable skills to the Board.

Lewis W. Solimene, Jr. has served as a member of the Board since 2017 and is the Chair of the Audit Committee and a member the Compensation Committee and Nominating and Corporate Governance Committee. Since July 2021, Mr. Solimene has served as a Managing Director of Monroe Capital LLC. Prior to joining Monroe Capital LLC, Mr. Solimene served as a Managing Director and Head of Opportunistic Investments at Allstate Investments from March 2016 through April 2021, where he was responsible for managing a portfolio strategy that focuses on deploying debt and equity capital in dislocated markets, out-of-favor sectors and special solutions. Prior to joining Allstate Investments, Mr. Solimene was Senior Managing Director and Head of the Restructuring and Special Situations Group, as well as the Chicago office, at Macquarie Capital from 2007 to 2016. He was also a Managing Director at Giuliani Capital Advisors LLC from 2004 to 2007, where he ran the Restructuring Advisory Practice. At Ernst & Young Corporate Finance LLC from 2000 to 2004, Mr. Solimene was a Managing Director specializing in providing strategic solutions for underperforming and over-leveraged companies. From 1981 to 2000, Mr. Solimene held a number of leadership roles at Bank of America (and its predecessor, Continental Illinois National Bank and Trust Company), including as a Managing Director in the Global Special Situation Group where he managed a proprietary capital portfolio of stressed and distressed bank debt, private placements, high-yield bonds and equities. Mr. Solimene currently serves on the boards of directors of a number of privately held companies and non-profit organizations. He received a B.S. in Finance from Western Illinois University and an M.B.A. from the University of Chicago Graduate School of Business.

The Board has concluded that Mr. Solimene's over 30 years of investment management, investment banking, restructuring, advisory and corporate finance experience with companies that have complex capital needs qualifies him to serve as a member of the Board.

Interested Directors

R. David Spreng is our President, Chief Executive Officer and Chairman of the Board and is the founder, Chief Executive Officer and Chief Investment Officer of Runway Growth Capital LLC, our external investment adviser. Mr. Spreng has over 25 years of experience as a venture capitalist and ten years as a growth-debt lender. Mr. Spreng also previously served as a Partner of Decathlon Capital Partners, which he co-founded in 2010 as a provider of growth capital for established companies. He also served as Managing Partner of Crescendo Ventures, which he co-founded in 1998 as a venture capital firm focused on early-stage investments in the technology, digital media and technology-enabled service markets. He founded IAI Ventures in 1994, before which he served as Vice President and then Senior Vice President of Investment Advisers Inc., a $20 billion diversified asset management firm from 1989 to 1994. Mr. Spreng served on the board and as chairman of the Government Affairs Committee of the National Venture Capital Association from 2005 to 2009. He served as an advisory board member of the Silicon Valley Executive Network from 2007 to 2012 and as a member of the Silicon Valley Executive Network from 2007 to 2015. Mr. Spreng has been an active member of the World Economic Forum community since 2005, including as a frequent panelist in Davos, as a member of the Technology Pioneers Selection Committee, the Steering Committee for Entrepreneurship and Successful Growth Strategies, and as an adviser to the Alternative Investments 2020 and Mainstreaming Impact Investing initiatives. Mr. Spreng currently serves on the board of directors of a number of private companies. In addition, Mr. Spreng served on the board of directors for Envivio, Inc., a provider of software-based IP video processing and distribution solutions, from 2004 to 2015, when it was acquired by Ericsson and previously served on the board of directors of Compellent Technologies, a publicly-traded provider of enterprise-class network solutions, from 2006 to 2011, prior to its acquisition by Dell. He also served on the board of directors of GSV Capital Corp., an investment company, from 2011 to 2015. Mr. Spreng is a graduate, with distinction, of the University of Minnesota.

The Board has concluded that Mr. Spreng's experience in managerial positions in investment management, venture capital and direct growth-debt lending provides the Board valuable industry-specific knowledge and expertise on these and other matters, thus qualifying him to serve as a member of the Board.

Brian Laibow has served as a member of the Board since 2017. Mr. Laibow currently serves as Co-Head of North America & Managing Director Opportunities Funds at Oaktree and has served in various capacities at Oaktree since 2006. Mr. Laibow previously worked at Caltius Private Equity, a middle market LBO firm in Los Angeles, in 2005. Mr. Laibow's prior experience includes Director of M&A and Corporate Strategy at EarthLink, Inc., senior business analyst at McKinsey & Company and an investment banking internship at J.P. Morgan. Mr. Laibow has served as a member of the board of directors of Aleris Corporation, a holding company, since 2010. Mr. Laibow graduated *magna cum laude* with a B.A. degree in economics from Dartmouth College and studied economics at Oxford University. Mr. Laibow received his M.B.A. from Harvard Business School.

The Board has concluded that Mr. Laibow's experience in middle market lending and investment banking provides the Board valuable expertise, thus qualifying him to serve as a member of the Board.

Information About Executive Officers Who Are Not Directors

Name	Age	Position	Officer Since
Thomas B. Raterman	62	Chief Financial Officer, Treasurer and Secretary	2015
Joseph McDermott	52	Chief Compliance Officer	2021

The address for each of our executive officers is c/o Runway Growth Finance Corp., 205 N. Michigan Ave, Suite 4200, Chicago, IL 60601.

Thomas B. Raterman has served as our Chief Financial Officer, Treasurer and Secretary, and as the Chief Financial Officer of Runway Growth Capital LLC since 2015. Mr. Raterman formerly served as Director, Chief Operating Officer and Chief Financial Officer of GSV Financial Group from February 2011 to December 2016. Mr. Raterman has more than 30 years of corporate finance, investment banking, private equity and financial executive management experience with rapidly growing entrepreneurial companies. Mr. Raterman has been the President of Burling Street Capital LLC, a boutique financial advisory and private equity firm, since 2001. Mr. Raterman also served as chairman and Chief Executive Officer of a boutique financial advisory firm, InterOcean Financial Group LLC, and its wholly-owned subsidiaries from March 2006 to August 2009, where he led the day-to-day operations of InterOcean Financial Group's merchant banking and private equity business. In addition, he was co-founder and served as Chief Financial Officer, Executive Vice President and Central Region Manager of LKQ Corporation from February 1998 to February 2001. During his tenure, LKQ completed 31 acquisitions and grew to $225 million in revenue. Today LKQ Corporation is publicly traded (NASDAQ: LKQX) with annual revenue of $11.6 billion in 2020 and current market capitalization of $15.2 billion. Mr. Raterman also served as a Vice President of Flynn Enterprises, Inc., a family office and venture capital and consulting firm, from June 1995 to February 2001. Earlier in his career, Mr. Raterman worked at several leading commercial lending firms including GE Capital, Continental Illinois National Bank and Security Pacific Bank. Mr. Raterman earned a Masters of Management with a concentration in Finance from Northwestern University Kellogg Graduate School of Management and a Bachelor of Science from Miami University in Oxford, Ohio.

Joseph McDermott has served as our Chief Compliance Officer since August 2021. Mr. McDermott has served as a Director at Alaric Compliance Services LLC ("Alaric") since July 2019 and performs his functions as our Chief Compliance Officer under the terms of an agreement between the Company and Alaric. He may be from time to time engaged to serve as the Chief Compliance Officer for other BDCs, SEC registered investment advisers, and other funds or managers pursuant to his employment with Alaric. He most recently served as the Chief Compliance Officer for the THL Credit Senior Loan Fund from 2018 to 2019, a NYSE listed closed-end fund, and the Compliance Manager for its investment adviser, THL Credit Advisors LLC, a $16 billion alternative credit adviser. Prior to his employment at THL Credit, he served as Chief Compliance Officer for Aviva Investors Americas, LLC and Aviva Investors Canada, Inc. from 2015 to 2018. Mr. McDermott received his B.A. from Loras College and M.B.A. from DePaul University.

Board Committees

The Board has established an Audit Committee, Compensation Committee and a Nominating and Corporate Governance Committee and may establish additional committees in the future. The Board does

not have a standing compensation committee because our executive officers do not receive any direct compensation from us. Both the Audit Committee, Compensation Committee and the Nominating and Corporate Governance Committee operate pursuant to a charter, each of which is available on our website.

Audit Committee

The members of our Audit Committee are Messrs. Solimene and Kovacs and Ms. Persily, each of whom is not considered an "interested person" (as defined in the 1940 Act) of the Company. Mr. Solimene serves as Chair of the Audit Committee. The Board has determined that Mr. Solimene is an "audit committee financial expert" as that term is defined under Item 407 of Regulation S-K, as promulgated under the Exchange Act. Messrs. Solimene and Kovacs and Ms. Persily meet the current independence and experience requirements of Rule 10A-3 of the Exchange Act. The Audit Committee operates pursuant to a charter approved by the Board, which sets forth the responsibilities of the Audit Committee. The Audit Committee's responsibilities include establishing guidelines and making recommendations to the Board regarding the valuation of our loans and investments, selecting our independent registered public accounting firm, reviewing with such independent registered public accounting firm the planning, scope and results of their audit of our financial statements, pre-approving the fees for services performed, reviewing with the independent registered public accounting firm the adequacy of internal control systems, reviewing our annual financial statements, overseeing internal audit staff and periodic filings and receiving our audit reports and financial statements. The Audit Committee held eight meetings in 2020.

Compensation Committee

The members of our Compensation Committee are Messrs. Solimene and Kovacs and Ms. Persily, each of whom is not considered an "interested person" (as defined in the 1940 Act) of the Company. Ms. Persily serves as Chair of the Compensation Committee. In accordance with its written charter adopted by the Board, the Compensation Committee is responsible for determining, or recommending to the Board for determination, the compensation, if any, of our Chief Executive Officer and all other executive officers. The Compensation Committee also assists the Board with matters related to compensation generally, except with respect to compensation of the directors. As none of our executive officers currently is compensated by us, the Compensation Committee will not produce and/or review a report on executive compensation practices.

Nominating and Corporate Governance Committee

The Nominating and Corporate Governance Committee operates pursuant to a charter approved by the Board. The members of the Nominating and Corporate Governance Committee are Ms. Persily and Messrs. Solimene and Kovacs, each of whom is considered independent under the rules of the NASDAQ Global Select Market and is not an "interested person" (as defined in the 1940 Act) of the Company. Mr. Kovacs serves as Chair of the Nominating and Corporate Governance Committee. The Nominating and Corporate Governance Committee is responsible for selecting, researching and nominating directors for election by our stockholders, selecting nominees to fill vacancies on the Board or a committee thereof, developing and recommending to the Board a set of corporate governance principles and overseeing the evaluation of the Board and our management. The Nominating and Corporate Governance Committee may consider nominating an individual recommended by a stockholder for election as a director if such stockholder complies with the advance notice provisions of our bylaws.

The Nominating and Corporate Governance Committee seeks candidates who possess the background, skills and expertise to make a significant contribution to the Board, the Company and its stockholders. In considering possible candidates for election as a director, the Nominating and Corporate Governance Committee takes into account, in addition to such other factors as it deems relevant, the desirability of selecting directors who:

- are of high character and integrity;
- are accomplished in their respective fields, with superior credentials and recognition;
- have relevant expertise and experience upon which to be able to offer advice and guidance to management;

- have sufficient time available to devote to our affairs;
- are able to work with the other members of the Board and contribute to our success;
- can represent the long-term interests of our stockholders as a whole; and
- are selected such that the Board represents a range of diverse backgrounds and experience.

The Nominating and Corporate Governance Committee has not adopted a formal policy with regard to the consideration of diversity in identifying director nominees. In determining whether to recommend a director nominee, the Nominating and Corporate Governance Committee considers and discusses diversity, among other factors, with a view toward the needs of the Board as a whole. The Nominating and Corporate Governance Committee generally conceptualizes diversity expansively to include, without limitation, concepts such as race, gender, national origin, differences of viewpoint, professional experience, education, skill and other qualities that contribute to the Board, when identifying and recommending director nominees. The Nominating and Corporate Governance Committee believes that the inclusion of diversity as one of many factors considered in selecting director nominees is consistent with the Nominating and Corporate Governance Committee's goal of creating a board of directors that best serves our needs and the interests of our stockholders. In addition, as part of the Board's annual-self assessment, the members of our Nominating and Corporate Governance Committee will evaluate the membership of the Board and whether the Board maintains satisfactory policies regarding membership selection. The Nominating and Corporate Governance Committee held one meeting in 2020.

Director Nominations

Nomination for election as a director may be made by, or at the direction of, the Nominating and Corporate Governance Committee or by stockholders in compliance with the procedures set forth in our bylaws.

Shareholder proposals or director nominations to be presented at the annual meeting of shareholders, other than shareholder proposals submitted pursuant to the SEC's Rule 14a-8, must be submitted in accordance with the advance notice procedures and other requirements set forth in our bylaws. These requirements are separate from the requirements discussed above to have the shareholder nomination or other proposal included in our proxy statement and form of proxy/voting instruction card pursuant to the SEC's rules.

Our bylaws require that the proposal or recommendation for nomination must be delivered to, or mailed and received at, the principal executive offices of the Company not earlier than the 150th day prior to the one year anniversary of the date the Company's proxy statement for the preceding year's annual meeting, or later than the 120th day prior to the first anniversary of the date of the proxy statement for the preceding year's annual meeting. If the date of the annual meeting has changed by more than 30 days from the first anniversary of the date of the preceding year's annual meeting, shareholder proposals or director nominations must be so received not earlier than the 150th day prior to the date of such annual meeting and not later than the 120th day prior to the date of such annual meeting or the tenth day following the day on which public announcement of the date of such meeting is first made.

Compensation and Insider Participation

Compensation

Director

The following table sets forth the compensation received by our directors for the year ended December 31, 2020. No compensation is paid to our directors who are "interested persons," as such term is defined in Section 2(a)(19) of the 1940 Act, for their service as directors.

Name	Fees Earned or Paid in Cash[1]	All Other Compensation[2]	Total
Interested Directors			
R. David Spreng	—	—	—
Brian Laibow	—	—	—
Independent Directors			
Gary Kovacs	$84,500	—	$84,500
Julie Persily	$79,500	—	$79,500
Lewis W. Solimene, Jr.	$84,500	—	$84,500

(1) For a discussion of the Independent Directors' compensation, see below.

(2) We do not maintain a stock or option plan, non-equity incentive plan or pension plan for our directors.

The Independent Directors receive an annual fee of $65,000. They also receive $2,500 plus reimbursement of reasonable out-of-pocket expenses incurred in connection with attending in-person each regular meeting of the Board and $1,500 for attending any regular Board meeting telephonically. They also receive $1,000 plus reimbursement of reasonable out-of-pocket expenses incurred in connection with each committee meeting attended in-person and $500 for attending any committee meeting telephonically. In addition, they will receive $500 plus reimbursement of reasonable out-of-pocket expenses incurred in connection with attending each special Board meeting. The Chair of the Audit Committee receives an annual fee of $5,000. We have obtained directors' and officers' liability insurance on behalf of our directors and officers. Independent Directors will have the option of having their directors' fees paid in shares of our common stock issued at a price per share equal to the per share net asset value of our common stock.

Upon the completion of an Exchange Listing, including in connection with this offering, the Independent Directors will receive an annual fee of $95,000. They will also continue to receive $2,500 plus reimbursement of reasonable out-of-pocket expenses incurred in connection with attending in-person each regular meeting of the Board and $1,500 for attending any regular Board meeting telephonically. They will also continue to receive $1,000 plus reimbursement of reasonable out-of-pocket expenses incurred in connection with each committee meeting attended in-person and $500 for attending any committee meeting telephonically, as well as $500 plus reimbursement of reasonable out-of-pocket expenses in connection with attending each special Board meeting. The chairman of the Audit Committee, Compensation Committee and Nominating and Corporate Governance Committee will each receive an annual fee of $5,000.

Compensation of Executive Officers

We do not currently have any employees and do not expect to have any employees. Services necessary for our business are provided by individuals who are employees of the Adviser, the Administrator, or their affiliates, pursuant to the terms of our Advisory Agreement, and the Administration Agreement, as applicable. Our day-to-day investment and administrative operations are managed by the Adviser and the Administrator. Most of the services necessary for the origination and administration of our investment portfolio are provided by investment professionals employed by the Adviser, the Administrator or their affiliates. Mr. McDermott, our Chief Compliance Officer, has been appointed pursuant to an agreement between the Company and Alaric Compliance Services LLC and is compensated by Alaric Compliance Services LLC.

None of our executive officers receive direct compensation from us. We reimburse the Administrator the allocable portion of the compensation paid by the Administrator (or its affiliates) to our Chief Compliance Officer and Chief Financial Officer (based on the percentage of time such individuals devote, on an estimated basis, to our business and affairs). Certain of our executive officers and other members of the Adviser's Investment Committee, including Messrs. Spreng and Raterman, through their ownership interest in or management positions with the Adviser, may be entitled to a portion of any profits earned by the Adviser, which includes any fees payable to the Adviser under the terms of the Advisory Agreement, less expenses incurred by the Adviser in performing its services under the Advisory Agreement. See "*Certain Relationships and Related Transactions*" below.

We have entered into indemnification agreements with our directors and executive officers. The indemnification agreements are intended to provide our directors and executive officers the maximum indemnification permitted under Maryland law and the 1940 Act. Each indemnification agreement provides that we shall indemnify the director or executive officer who is a party to the agreement, or an "Indemnitee," including the advancement of legal expenses, if, by reason of his or her corporate status, the Indemnitee is, or is threatened to be, made a party to or a witness in any threatened, pending, or completed proceeding, to the maximum extent permitted by Maryland law and the 1940 Act.

Portfolio Managers

The management of our investment portfolio is the responsibility of Runway Growth Capital. Runway Growth Capital's Investment Committee includes:

- David Spreng, Founder, Chief Executive Officer and Chief Investment Officer, Chairman of Investment Committee
- Thomas B. Raterman, Chief Financial Officer, Treasurer and Secretary, Member of Investment Committee
- Greg Greifeld, Member of Investment Committee
- Brian Laibow, Member of Investment Committee

The Investment Committee of Runway Growth Capital meets regularly to consider our investments, review our strategic initiatives and supervise the actions taken by Runway Growth Capital on our behalf. In addition, the Investment Committee will review and monitor the performance of our investment portfolio. Each investment must be approved by a majority of the Investment Committee. In addition, Mr. Spreng, as Chairman of the Investment Committee, has the right to veto the approval of any investment, and any investment by us that is outside of certain agreed upon investment objectives or criteria requires the affirmative vote of OCM's appointee to the Investment Committee. Runway Growth Capital may increase or decrease the size of its Investment Committee from time to time. For more information regarding the business experience for Messrs. Spreng, Raterman, and Laibow see "*Management — Biographical Information*."

Investment Committee Members Who Are Not Officers or Directors

Greg Greifeld, a Managing Director of Runway Growth Capital, has served as a member of the Investment Committee since November 2018. Following multiple consultant assignments during 2016, Mr. Greifeld formally joined Runway Growth Capital in January 2017. Prior to this time, Mr. Greifeld worked for HPS Investment Partners, a $33 billion global alternative investment firm with a focus on directly originated credit (formerly Highbridge Principal Strategies), as a member of the Offices of the CFO/COO with wide ranging responsibilities in portfolio oversight, investor reporting, valuation and fund financing. Additionally, prior to HPS, Mr. Greifeld held roles in several departments at J.P. Morgan, including Technology, Media and Telecom Investment Banking and the Special Investments Group, a Merchant Banking Division of the Chief Investment Office. Mr. Greifeld was included in the 2020 Rising Stars list by the Venture Capital Journal and the 2020 Rising Stars list by Private Debt Investor. Mr. Greifeld holds a Bachelor's degree from Bard College.

Investment Personnel

Our investment activities will be managed by Runway Growth Capital, and we expect to benefit from Runway Growth Capital's ability to identify attractive investment opportunities, conduct due diligence to

determine credit risk and gauge warrant potential, structure and price investments accordingly, and manage a diversified portfolio of loans.

See "*Management — Biographical Information*" for more information about members of the Investment Committee.

None of the members of the Investment Committee are employed by us and none receives any compensation from us in connection with their portfolio management activities. However, Mr. Spreng, Raterman and Greifeld, through their direct and indirect financial interests in Runway Growth Capital, are entitled to a portion of any investment advisory fees paid to Runway Growth Capital.

MANAGEMENT AND OTHER AGREEMENTS

About Runway Growth Capital

We are externally managed by Runway Growth Capital, an investment adviser that has registered with the SEC under the Advisers Act. The Administrator, a wholly-owned subsidiary of Runway Growth Capital, provides all administrative services necessary for us to operate. Subject to the overall supervision of our Board, Runway Growth Capital manages our day-to-day operations and provides us with investment advisory services pursuant to the Advisory Agreement. Under the terms of the Advisory Agreement, Runway Growth Capital:

- determines the composition of our portfolio, the nature and timing of the changes to the portfolio and the manner of implementing such changes;
- identifies, evaluates and negotiates the structure of the investments we make;
- executes, closes and monitors the investments we make;
- determines the securities and other assets that we will purchase, retain or sell;
- performs due diligence on prospective investments; and
- provides us with other such investment advisory, research and related services as we may, from time to time, reasonably require for the investment of our funds.

Pursuant to the Advisory Agreement, we pay Runway Growth Capital a fee for its investment advisory and management services consisting of two components: a base management fee and an incentive fee. The cost of the base management fee and incentive fee are each borne by our stockholders. See *"Related-Party Transactions and Certain Relationships"* and *"Control Persons and Principal Shareholders."*

The Adviser's address is 205 N. Michigan Ave, Suite 4200, Chicago, IL 60601.

Duration and Termination

Unless terminated earlier as described below, the Advisory Agreement will continue automatically for successive annual periods provided that such continuance is specifically approved at least annually by (i) (A) the affirmative vote of a majority of our Board or (B) the affirmative vote of a majority of our outstanding voting securities, and (ii) the affirmative vote of a majority of our directors who are not "interested persons," as defined in Section 2(a)(19) of the 1940 Act, of us, Runway Growth Capital or our respective affiliates. The Advisory Agreement automatically terminates in the event of its assignment, as defined in the 1940 Act, and may be terminated, without penalty, upon not more than 60 days' written notice, by (i) the affirmative vote of a majority of our outstanding voting securities, (ii) the affirmative vote of a majority of our Board, including a majority of our directors who are not "interested persons," as defined in Section 2(a)(19) of the 1940 Act, of us, Runway Growth Capital or our respective affiliates, or (iii) Runway Growth Capital. See "*Risk Factors — Risks Related to our Business and Structure — Runway Growth Capital and our Administrator have the right to resign upon not more than 60 days' notice, and we may not be able to find a suitable replacement for either within that time, or at all, resulting in a disruption in our operations that could adversely affect our financial condition, business and results of operations*."

Removal of Adviser

The Adviser may be removed by the Board or by the affirmative vote of a majority of the outstanding shares (as defined in the 1940 Act).

Compensation of the Adviser

We pay Runway Growth Capital a fee for its services under the Investment Advisory Agreement consisting of two components: a Base Management Fee and an Incentive Fee. The cost of the Base Management Fee and the Incentive Fee will each be borne by our stockholders.

For purposes of the Advisory Agreement, a "Spin-Off transaction" includes either a transaction whereby (a) the Company offers its stockholders the option to elect to either (i) retain their ownership of shares of the

Company's common stock, or (ii) exchange their shares of the Company's common stock for shares of common stock in a newly formed entity that shall elect to be regulated as a BDC under the 1940 Act and treated as a RIC under Subchapter M of the Code; or (b) the Company completes a listing of the Company's securities on any securities exchange (an "Exchange Listing"), including this offering.

Base Management Fee

The base management fee is payable on the first day of each calendar quarter and calculated as follows:

The base management fee will be an amount equal to 0.4375% (1.75% annualized) of the Company's average daily Gross Assets (defined below) during the most recently completed calendar quarter for so long as the aggregate amount of Gross Assets of the Company as of the end of the most recently completed calendar quarter is less than $500,000,000. For purposes of the Advisory Agreement, "Gross Assets" is defined as the Company's gross assets, including assets purchased with borrowed funds or other forms of leverage, as of the end of the most recently completed fiscal quarter. If the aggregate amount of the Company's Gross Assets as of the end of the most recently completed calendar quarter is equal to or greater than $500,000,000, but less than $1,000,000,000, the base management fee will be an amount equal to 0.40% (1.60% annualized) of the Company's average daily Gross Assets during the most recently completed calendar quarter. If the aggregate amount of the Company's Gross Assets as of the end of the most recently completed calendar quarter is equal to or greater than $1,000,000,000, the base management fee will be an amount equal to 0.375% (1.50% annualized) of the Company's average daily Gross Assets during the most recently completed calendar quarter.

The base management fee shall be appropriately prorated for any partial month or quarter.

For the years ended December 31, 2020, 2019 and 2018, we incurred $6,831,566, $5,105,009 and $4,812,500, respectively, of base management fees.

Incentive Fee

The incentive fee, which provides Runway Growth Capital with a share of the income that Runway Growth Capital generates for the Company, consists of an investment-income component and a capital-gains component, which are largely independent of each other, with the result that one component may be payable even if the other is not payable.

Under the investment-income component (the "Income Incentive Fee"), the Company will pay Runway Growth Capital each quarter an incentive fee with respect to the Company's Pre-Incentive Fee net investment income. The Income Incentive Fee is calculated and payable quarterly in arrears based on the Pre-Incentive Fee net investment income for the immediately preceding fiscal quarter. Payments based on Pre-Incentive Fee net investment income will be based on the Pre-Incentive Fee net investment income earned for the quarter. 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, managerial and consulting fees or other fees that the Company receives from portfolio companies) that the Company accrues during the fiscal quarter, minus the Company's operating expenses for the quarter (including the base management fee, expenses payable under the administration agreement with the Administrator (as defined below), and any dividends paid on any issued and outstanding preferred stock, but excluding the incentive fee). Pre-Incentive Fee net investment income includes, in the case of investments with a deferred interest feature (such as OID, debt instruments with pay in kind interest and zero coupon securities), accrued income the Company has not yet received in cash; provided, however, that the portion of the Income Incentive Fee attributable to deferred interest features will be paid, only if and to the extent received in cash, and any accrual thereof will be reversed if and to the extent such interest is reversed in connection with any write off or similar treatment of the investment giving rise to any deferred interest accrual, applied in each case in the order such interest was accrued. Such subsequent payments in respect of previously accrued income will not reduce the amounts payable for any quarter pursuant to the calculation of the Income Incentive Fee described above. Pre-Incentive Fee net investment income does not include any realized capital gains, realized capital losses or unrealized capital appreciation or depreciation.

Pre-Incentive Fee net investment income, expressed as a rate of return on the value of the Company's net assets (defined as total assets less liabilities) at the end of the immediately preceding fiscal quarter, will be compared to a "hurdle rate" of 2.0% per quarter (8.0% annualized). The Company pays Runway Growth

Capital an Income Incentive Fee with respect to the Company's Pre-Incentive Fee net investment income in each calendar quarter as follows: (1) no Income Incentive Fee in any calendar quarter in which the Company's Pre-Incentive Fee net investment income does not exceed the hurdle rate of 2.0%; (2) 80% of the Company's Pre-Incentive Fee net investment income with respect to that portion of such Pre-Incentive Fee net investment income, if any, that exceeds the hurdle rate but is less than 2.667% in any calendar quarter (10.668% annualized) (the portion of the Company's Pre-Incentive Fee net investment income that exceeds the hurdle but is less than 2.667% is referred to as the "catch-up"; the "catch-up" is meant to provide Runway Growth Capital with 20.0% of the Company's Pre-Incentive Fee net investment income as if a hurdle did not apply if the Company's Pre-Incentive Fee net investment income exceeds 2.667% in any calendar quarter (10.668% annualized)); and (3) 20.0% of the amount of the Company's Pre-Incentive Fee net investment income, if any, that exceeds 2.667% in any calendar quarter (10.668% annualized) payable to Runway Growth Capital (once the hurdle is reached and the catch-up is achieved, 20.0% of all Pre-Incentive Fee net investment income thereafter is allocated to Runway Growth Capital).

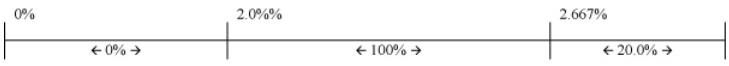
Until the consummation of a Spin-Off transaction, in the event that (a) the sum of the Company's cumulative net realized losses since the date of the Company's election to be regulated as a BDC exceeds 2.0% of the total non-control/non-affiliate investments made by the Company since the date of the Company's election to be regulated as a BDC through the end of the quarter and (b) the Adjusted Pre-Incentive Fee net investment income, expressed as an annualized rate of return on the value of the Company's average daily net assets (defined as total assets less liabilities), since the Company's election to be regulated as a BDC through the end of the quarter is less than 10.0%, no Income Incentive Fee will be payable for such quarter until the first subsequent quarter in which either (x) the sum of the Company's cumulative net realized losses since the date of the Company's election to be regulated as a BDC is equal to or less than 2.0% of the total non-control/non-affiliate investments made by the Company since the date of the Company's election to be regulated as a BDC through the end of such subsequent quarter or (y) the Adjusted Pre-Incentive Fee net investment income, expressed as an annualized rate of return on the value of the Company's average daily net assets (defined as total assets less liabilities), since the Company's election to be regulated as a BDC through the of the end of the quarter equals or exceeds 10.0%; provided, however, that in no event will any Income Incentive Fee be payable for any prior quarter after the three-year anniversary of the end of such quarter.

Under the Capital Gains Fee, the Company will pay Runway Growth Capital, as of the end of each calendar year, 20.0% of the Company's aggregate cumulative realized capital gains, if any, from the date of the Company's election to be regulated as a BDC through the end of that calendar year, computed net of the Company's aggregate cumulative realized capital losses and aggregate cumulative unrealized capital depreciation through the end of such year, less the aggregate amount of any previously paid Capital Gains Fee. For the foregoing purpose, the Company's "aggregate cumulative realized capital gains" will not include any unrealized appreciation. If such amount is negative, then no Capital Gains Fee will be payable for such year.

The Capital Gains Fee consists of fees related to realized gains, realized capital losses and unrealized capital depreciation. With respect to the incentive fee expense accrual related to the capital gains incentive fee, U.S. GAAP requires that the capital gains invective fee accrual consider the cumulative aggregate unrealized appreciation in the calculation, as a capital gains incentive fee would be payable if such unrealized appreciation were realized even though such unrealized appreciation is not permitted to be considered in calculating the fee actually payable under the Advisory Agreement.

The following is a graphical representation of the calculation of the income-related portion of the incentive fee:

Quarterly Subordinated Incentive Fee on
Pre-Incentive Fee Net Investment Income
(expressed as a percentage of the value of net assets)



The fees that are payable under the Investment Advisory Agreement for any partial period will be appropriately prorated.

Examples of the two-part incentive fee:

Example 1: Investment Income Related Portion of Incentive Fee:

Assumptions	Alternative 1[1]	Alternative 2[2]	Alternative 3[3]
Investment income (including interest, dividends, fees, etc.)	2.50%	3.00%	3.50%
Management fee[4]	0.40%	0.40%	0.40%
Other expenses (legal, accounting, custodian, transfer agent, etc.)[5]	0.40%	0.40%	0.40%
Pre-incentive fee net investment income (investment income – (management fee + other expenses))[6]	1.70%	2.20%	2.70%
Hurdle rate[7]	2.00%	2.00%	2.00%
Catch-up[8]	2.67%	2.67%	2.67%
Incentive fee above Hurdle[9]	0.00%	0.16%	0.53%
Incentive fee above Catch-up[10]	0.00%	0.00%	0.01%
Total Incentive earned	**0.00%**	**0.16%**	**0.54%**

(1) Represents a scenario where no incentive fee is earned as pre-incentive income does not exceed the hurdle rate of 2.0%

(2) Represents a scenario where a portion of the maximum allowable incentive fee is earned; known as the "catch-up" portion defined below

(3) Represents a scenario where the maximum allowable incentive fee is earned as the pre-incentive income exceeds the catch-up rate of 2.67%

(4) Represents 1.60% annualized management fee.

(5) Excludes organizational and offering expenses.

(6) The hypothetical amount of pre-incentive fee net investment income shown is based on a percentage of total net assets.

(7) Represents 8.0% annualized hurdle rate.

(8) The "catch-up" provision is intended to provide the Adviser with an Incentive Fee of 20% on all of the Company's pre-incentive fee net investment income as if a hurdle rate did not apply. The "catch-up" portion of the Company's pre-incentive fee net investment income is the portion that exceeds the 2.0% hurdle rate but is less than or equal to 2.67% in any quarter.

(9) The incentive fee above the hurdle rate is calculated by multiplying 80% by the difference between the pre-incentive fee net investment income and the hurdle rate.

Alternative 1: N/A

Alternative 2: 80% x (2.20% – 2.00%) = 0.16%

Alternative 3: 80% x (2.70% – 2.00%) = 0.53%

(10) The incentive fee above the catch-up is calculated by multiplying 20% by the difference between the pre-incentive fee net investment income and the catch-up rate.

Alternative 1: N/A

Alternative 2: N/A

Alternative 3: 20% x (2.70% – 2.67%) = 0.01%

Example 2: Capital Gains Portion of Incentive Fee:

Example 1	Year 1	Year 2	Year 3
Assumptions:			
Realized capital gains	0.0%	9.0%	12.0%
Realized capital losses	0.0%	0.0%	0.0%
Unrealized depreciation	0.0%	1.0%	2.0%
Total incentive fee capital gains[(1)]	0.0%	8.0%	10.0%
Total capital gains incentive fees earned[(2)]	**0.0%**	**1.6%**	**2.0%**

(1) Total incentive fee capital gains is calculated by taking net realized capital gains (i.e. realized capital gains less realized capital losses) less unrealized depreciation

Year 1: N/A

Year 2: 9.0% – 1.0% = 8.0%

Year 3: 12.0% – 2.0% = 10.0%

(2) Total capital gains incentive fees earned is calculated by multiplying 20% by the total incentive fee capital gains

Year 1: N/A

Year 2: 20.0% x 8.0% = 1.6%

Year 2: 20.0% x 10.0% = 2.0%

Incentive fees paid by us to Runway Growth Capital for the years ended December 31, 2020, 2019, and 2018 were $7,260,656, $8,349,449, and $1,411,324, respectively.

Limitation on Liability of Directors and Officers; Indemnification and Advance of Expenses

Maryland law permits a Maryland corporation to include in its charter a provision limiting the liability of its directors and officers to the corporation and its stockholders for money damages except for liability resulting from (a) actual receipt of an improper benefit or profit in money, property or services or (b) active and deliberate dishonesty established by a final judgment as being material to the cause of action. Our charter contains such a provision which eliminates directors' and officers' liability to the maximum extent permitted by Maryland law, subject to the requirements of the 1940 Act.

Our charter authorizes us, to the maximum extent permitted by Maryland law and subject to the requirements of the 1940 Act, to indemnify any present or former director or officer or any individual who, while serving as our director or officer and at our request, serves or has served another corporation, real estate investment trust, limited liability company, partnership, joint venture, trust, employee benefit plan or other enterprise as a director, officer, partner, trustee, member or manager from and against any claim or liability to which that person may become subject or which that person may incur by reason of his or her service in any such capacity and to pay or reimburse their reasonable expenses in advance of final disposition of a proceeding. Our bylaws obligate us, to the maximum extent permitted by Maryland law and subject to the requirements of the 1940 Act, to indemnify any present or former director or officer or any individual who, while serving as our director or officer and at our request, serves or has served another corporation, real estate investment trust, limited liability company, partnership, joint venture, trust, employee benefit plan or other enterprise as a director, officer, partner, trustee, member or manager and who is made, or threatened to be made, a party to the proceeding by reason of his or her service in that capacity from and against any claim or liability to which that person may become subject or which that person may incur by reason of his or her service in any such capacity and to pay or reimburse his or her reasonable expenses in advance of final disposition of a proceeding. The charter and bylaws also permit us to indemnify and advance expenses to any person who served a predecessor of us in any of the capacities described above and any of our employees or agents or any employees or agents of our predecessor. In accordance with the 1940 Act, we will not indemnify any person for any liability to which such person would be subject by reason of such person's willful misfeasance, bad faith, gross negligence or reckless disregard of the duties involved in the conduct of his or her office.

Maryland law requires a corporation (unless its charter provides otherwise, which our charter does not) to indemnify a director or officer who has been successful in the defense of any proceeding to which he or she is made, or threatened to be made, a party by reason of his or her service in that capacity. Maryland law permits a corporation to indemnify its present and former directors and officers, among others, against judgments, penalties, fines, settlements and reasonable expenses actually incurred by them in connection with any proceeding to which they may be made, or threatened to be made, a party by reason of their service in those or other capacities unless it is established that (a) the act or omission of the director or officer was material to the matter giving rise to the proceeding and (1) was committed in bad faith or (2) was the result of active and deliberate dishonesty, (b) the director or officer actually received an improper personal benefit in money, property or services or (c) in the case of any criminal proceeding, the director or officer had reasonable cause to believe that the act or omission was unlawful. However, under Maryland law, a Maryland corporation may not indemnify for an adverse judgment in a suit by or in the right of the corporation or for a judgment of liability on the basis that a personal benefit was improperly received unless, in either case a court orders indemnification, and then only for expenses. In addition, Maryland law permits a corporation to advance reasonable expenses to a director or officer in advance of final disposition of a proceeding upon the corporation's receipt of (a) a written affirmation by the director or officer of his or her good-faith belief that he or she has met the standard of conduct necessary for indemnification by the corporation and (b) a written undertaking by him or her or on his or her behalf to repay the amount paid or reimbursed by the corporation if it is ultimately determined that the standard of conduct was not met.

We have entered into indemnification agreements with our directors and executive officers. The indemnification agreements provide our directors and executive officers the maximum indemnification permitted under Maryland law and the 1940 Act.

Board Approval of the Advisory Agreement

On April 7, 2021, the Board approved the Advisory Agreement between Runway Growth Capital and the Company, under which Runway Growth Capital, subject to the overall supervision of the Board of Directors, manages the day-to-day operations of and provides investment advisory services to the Company. In reliance upon certain exemptive relief granted by the SEC in connection with the COVID-19 pandemic, the Board undertook to ratify the Advisory Agreement at its next in-person meeting. The Advisory Agreement became effective on May 27, 2021 upon approval by the Company's stockholders at a special meeting.

In its consideration of the approval of the Advisory Agreement, our Board of Directors focused on information it had received relating to, among other things:

- the nature, quality and extent of the advisory and other services provided to us by Runway Growth Capital under the terms of the Advisory Agreement;
- our investment performance and the investment performance of Runway Growth Capital;
- comparative data with respect to advisory fees or similar expenses paid by other BDCs with similar investment objectives;
- information about the services being performed and the personnel performing such services under the Advisory Agreement;
- our projected operating expenses and expense ratio compared to BDCs with similar investment objectives, including expenses related to investment due diligence, travel and investigating and monitoring investments;
- any existing and potential sources of indirect income to Runway Growth Capital from its relationship with us and Runway Growth Capital's profitability; and
- the extent to which economies of scale would be realized as we grow and whether fee levels reflect these economies of scale for the benefit of our stockholders.

Our Board of Directors did not quantify, rank or otherwise assign relative weights to the specific factors it considered in reaching its decision. Our Board did not undertake to make any specific determination as to whether any particular factor, or any aspect of any particular factor, was favorable or unfavorable to its ultimate determination. Rather, our Board based its approval on the totality of information presented to, and

the investigation conducted by, it. In considering the factors discussed above, individual directors may have given different weights to different factors. Based on its review of the above-mentioned factors and discussion of the Advisory Agreement, our Board approved the Advisory Agreement as being in our and our stockholders' best interests.

Administration Agreement

Pursuant to a separate Administration Agreement, Runway Administrator Services LLC, a Delaware limited liability company and wholly-owned subsidiary of Runway Growth Capital, furnishes us with office facilities, together with equipment and clerical, bookkeeping and recordkeeping services at such facilities. The principal executive offices of our Administrator are located at 205 N. Michigan Ave., Suite 4200, Chicago, IL 60601. Under the Administration Agreement, our Administrator also performs, or oversees the performance of, our required administrative services, which includes being responsible for the financial records that we are required to maintain and preparing reports to our stockholders and reports filed with the SEC. In addition, our Administrator assists us in determining and publishing our net asset value, overseeing the preparation and filing of our tax returns and the printing and dissemination of reports to our stockholders, and generally overseeing the payment of our expenses and the performance of administrative and professional services rendered to us by others. Payments under the Administration Agreement are based upon our allocable portion of overhead and other expenses incurred by our Administrator in performing its obligations under the Administration Agreement, including a portion of the rent and the compensation of our Chief Financial Officer and Chief Compliance Officer and other staff providing administrative services. In accordance with the terms of the Administration Agreement, overhead and other administrative expenses are generally allocated between us and Runway Growth Capital by reference to the relative time spent by personnel in performing administrative and similar functions on our behalf as compared to performing investment advisory or administrative functions on behalf of Runway Growth Capital. To the extent personnel retained by the Administrator perform administrative tasks for Runway Growth Capital, the fees incurred with respect to the actual time dedicated to such tasks will be reimbursed by Runway Growth Capital. Our Administrator charges us only for the actual expenses it incurs on our behalf, or our allocable portion thereof, without any profit to our Administrator. The Administration Agreement may be terminated at any time, without the payment of any penalty, upon not more than 60 days' written notice, by: (i) the affirmative vote of a majority of our outstanding voting securities, (ii) the affirmative vote of a majority of our Board, including a majority of our directors who are not "interested persons," as defined in Section 2(a)(19) of the 1940 Act, of us, the Administrator or our respective affiliates, or (iii) the Administrator.

The Administration Agreement provides that, absent criminal conduct, willful misfeasance, bad faith or gross negligence in the performance of their respective duties or by reason of the reckless disregard of their respective duties and obligations, our Administrator and its officers, manager, agents, employees, controlling persons, members and any other person or entity affiliated with it are entitled to indemnification from us for any damages, liabilities, costs and expenses (including reasonable attorneys' fees and amounts reasonably paid in settlement) arising from the rendering of our Administrator's services under the Administration Agreement or otherwise as our Administrator.

Runway Growth Capital and our Administrator have also entered into various agreements with Alter Domus, pursuant to which Alter Domus, on behalf of Runway Growth Capital and our Administrator, provides us with certain bookkeeping and consulting services.

Our Administrator also provides administrative services to Runway Growth Capital. As a result, Runway Growth Capital also reimburses our Administrator for its allocable portion of our Administrator's overhead, including rent, the fees and expenses associated with performing compliance functions for Runway Growth Capital, and its allocable portion of the compensation of any administrative support staff.

We made payments under the Administration Agreement for the years ended December 31, 2020, 2019 and 2018 in the amounts of $515,891, $490,022 and $209,761, respectively.

Payment of Our Expenses

All professionals of Runway Growth Capital, when and to the extent engaged in providing investment advisory and management services to us, and the compensation and routine overhead expenses of personnel

allocable to these services to us, are provided and paid for by Runway Growth Capital and not by us. We bear all other out-of-pocket costs and expenses of our operations and transactions, including, without limitation, those relating to:

- our pro-rata portion of fees and expenses related to an initial public offering in connection with a Spin-Off transaction;
- fees and expenses related to public and private offerings, sales and repurchases of the Company's securities;
- calculating our net asset value (including the cost and expenses of any independent valuation firm);
- fees and expenses payable to third parties, including agents, consultants or other advisers, in connection with monitoring financial and legal affairs for us and in providing administrative services, monitoring our investments and performing due diligence on our prospective portfolio companies or otherwise relating to, or associated with, evaluating and making investments;
- interest payable on debt incurred to finance our investments;
- sales and purchases of our common stock and other securities;
- investment advisory and management fees;
- administration fees payable under the Administration Agreement;
- transfer agent and custodial fees;
- federal and state registration fees;
- all costs of registration and listing our securities on any securities exchange;
- U.S. federal, state and local taxes;
- independent directors' fees and expenses;
- costs of preparing and filing reports or other documents required by the SEC, the Financial Industry Regulatory Authority or other regulators;
- costs of any reports, proxy statements or other notices to stockholders, including printing costs;
- our allocable portion of any fidelity bond, directors' and officers' errors and omissions liability insurance, and any other insurance premiums;
- direct costs and expenses of administration, including printing, mailing, long distance telephone, copying, secretarial and other staff, independent auditors and outside legal costs; and
- all other expenses incurred by us, our Administrator or Runway Growth Capital in connection with administering our business, including payments under the Administration Agreement based on our allocable portion of our Administrator's overhead in performing its obligations under the Administration Agreement, including rent and the allocable portion of the cost of our Chief Compliance Officer and Chief Financial Officer and their respective staffs.

License Agreement

The Company has entered into the License Agreement pursuant to which Runway Growth Capital has granted the Company a personal, non-exclusive, royalty-free right and license to use the name "Runway Growth Finance." Under the License Agreement, the Company has the right to use the "Runway Growth Finance" name for so long as Runway Growth Capital or one of its affiliates remains the Company's investment adviser. Other than with respect to this limited license, the Company has no legal right to the "Runway Growth Finance" name.

RELATED-PARTY TRANSACTIONS AND CERTAIN RELATIONSHIPS

Certain members of Runway Growth Capital's senior investment team and the Investment Committee serve, or may serve, as officers, directors, members or principals of entities that operate in the same or a related line of business as we do, or of investment vehicles managed by Runway Growth Capital with similar investment objectives. Similarly, Runway Growth Capital may have other clients with similar, different or competing investment objectives.

Our investment strategy includes investments in secured loans, together with, in many cases, attached equity "kickers" in the form of warrants, and direct equity investments. As a result, members of Runway Growth Capital senior investment team and the Investment Committee, in their roles at Runway Growth Capital, may face conflicts in the allocation of investment opportunities among us and other investment vehicles that may in the future be managed by Runway Growth Capital with similar or overlapping investment objectives in a manner that is fair and equitable over time and consistent with Runway Growth Capital's allocation policy. Generally, when a particular investment would be appropriate for us as well as one or more other investment funds, accounts or vehicles that may in the future be managed by Runway Growth Capital's senior investment team, such investment will be apportioned by Runway Growth Capital's senior investment team in accordance with (1) Runway Growth Capital's internal conflict of interest and allocation policies, (2) the requirements of the Advisers Act, and (3) certain restrictions under the 1940 Act regarding co-investments with affiliates. Such apportionment may not be strictly pro rata, depending on the good-faith determination of all relevant factors, including differing investment objectives, diversification considerations and the terms of our or the respective governing documents of such investment funds, accounts or investment vehicles. These procedures could, in certain circumstances, limit whether a co-investment opportunity is available to us, the timing of acquisitions and dispositions of investments, the price paid or received by us for investments or the size of the investment purchased or sold by us. Runway Growth Capital believes this allocation system is fair and equitable, and consistent with its fiduciary duty to us. In particular, we have disclosed to investors how allocation determinations are made among any investment vehicles managed by Runway Growth Capital.

In the ordinary course of business, we may enter into transactions with affiliates and portfolio companies that may be considered related party transactions. In order to ensure that we do not engage in any prohibited transactions with any persons affiliated with us, we have implemented certain policies and procedures whereby certain of our executive officers screen each of our transactions for any possible affiliations between the proposed portfolio investment, us, companies controlled by us, stockholders that own more than 5% of us and our employees and directors. We will not enter into any agreements unless and until we are satisfied that doing so will not raise concerns under the 1940 Act or, if such concerns exist, we have taken appropriate actions to seek review and approval by the Board or exemptive relief for such transaction. The Board will review these procedures on an annual basis.

In the future, we may co-invest with investment funds, accounts and vehicles managed by Runway Growth Capital, where doing so is consistent with our investment strategy as well as applicable law and SEC staff interpretations. On August 10, 2020, we, Runway Growth Capital, and certain other funds and accounts sponsored or managed by Runway Growth Capital were granted the Order that permits us greater flexibility than the 1940 Act permits to negotiate the terms of co-investments if our Board determines that it would be advantageous for us to co-invest with other accounts sponsored or managed by Runway Growth Capital or its affiliates in a manner consistent with the our investment objective, positions, policies, strategies and restrictions as well as regulatory requirements and other pertinent factors. We believe that the ability to co-invest with similar investment structures and accounts sponsored or managed by Runway Growth Capital or its affiliates will provide additional investment opportunities and the ability to achieve greater diversification. Under the terms of the Order, a majority of our independent directors are required to make certain determinations in connection with a co-investment transaction, including that (1) the terms of the proposed transaction are reasonable and fair to us and our stockholders and do not involve overreaching of us or our stockholders on the part of any person concerned and (2) the transaction is consistent with the interests of our stockholders and is consistent with our investment objective, positions, policies, strategies and restrictions as well as regulatory requirements and other pertinent factors.

Advisory Agreement

We have entered into the Advisory Agreement with Runway Growth Capital. Mr. Spreng, our President, Chief Executive Officer and Chairman of our Board of Directors, and a member of Runway Growth Capital's Investment Committee, Mr. Raterman, our Chief Financial Officer and a member of Runway Growth Capital's Investment Committee, and Mr. Greifeld, a member of Runway Growth Capital's Investment Committee, each has a direct pecuniary interest in Runway Growth Capital and an indirect pecuniary interest in Runway Growth Capital through their ownership interest in Runway Growth Holdings LLC ("Runway Growth Holdings"). Mr. Laibow, our director, and a member of Runway Growth Capital's Investment Committee, may be deemed to have an indirect pecuniary interest in Runway Growth Capital through his role at Oaktree which has a direct pecuniary interest in Runway Growth Capital. Pursuant to the Advisory Agreement, we pay Runway Growth Capital LLC a base management fee and an incentive fee for its services. We paid Runway Growth Capital management fees of $6,831,566 and incentive fees of $7,260,656 for the year ended December 31, 2020.

Runway Growth Capital is responsible for sourcing, reviewing and structuring investment opportunities for us, underwriting and conducting diligence on our investments and monitoring our investment portfolio on an ongoing basis. Runway Growth Capital's incentive fee is based on the value of our investments and, therefore, there may be a conflict of interest when personnel of Runway Growth Capital LLC are involved in the valuation process for our portfolio investments. See the "*Risk Factors*" sections of our public SEC filings for more information about these potential conflicts of interest.

Administration Agreement

We have entered into the Administration Agreement with the Administrator, a wholly-owned subsidiary of Runway Growth Capital, pursuant to which the Administrator is responsible for furnishing us with office facilities and equipment and will provide us with clerical, bookkeeping, recordkeeping and other administrative services at such facilities. Pursuant to the Administration Agreement, we pay the Administrator an amount equal to our allocable portion (subject to the review of the Board) of the Administrator's overhead resulting from its obligations under the Administration Agreement, including rent and the allocable portion of the cost of our Chief Compliance Officer and Chief Financial Officer and their respective staffs associated with performing compliance functions. We reimbursed the Administrator $546,073 and accrued a payable of $143,515 due to the Administrator for the year ended December 31, 2020, which includes amounts reimbursable to the Administrator for organizational and offering costs, including rent and the allocable portion of the cost of our Chief Compliance Officer and Chief Financial Officer and their respective staffs.

License Agreement

We have entered into a license agreement with Runway Growth Capital pursuant to which Runway Growth Capital has agreed to grant us a non-exclusive, royalty-free license to use the name "Runway Growth Finance." Under this agreement, we have the right to use the "Runway Growth Finance" name for so long as Runway Growth Capital or one of its affiliates remains our investment adviser. Other than with respect to this limited license, we will have no legal right to the "Runway Growth Finance" name.

If any of the contractual obligations discussed above are terminated in the future, our costs under any new agreements that we enter into may increase. In addition, we would likely incur significant time and expense in locating alternative parties to provide the services we receive under the Advisory Agreement and the Administration Agreement. Any new investment advisory agreement would also be subject to approval by our stockholders.

Oaktree Strategic Relationship

In December 2016, we and Runway Growth Capital entered into a strategic relationship with Oaktree. As part of our strategic relationship, OCM Growth, which is managed by Oaktree, has purchased 18,763,829 shares of our common stock for an aggregate purchase price of $280.9 million as of June 30, 2021. Pursuant to an irrevocable proxy, the shares of our common stock held by OCM Growth must be voted in the same manner that our other stockholders vote their shares. OCM Growth has a right to nominate a member of our Board for election for so long as OCM Growth holds shares of our common stock in an amount equal to, in

the aggregate, at least one-third (33.33%) of OCM Growth's initial $125 capital commitment, which percentage shall be determined based on the dollar value of the shares of common stock owned by OCM Growth. OCM Growth holds the right to appoint a nominee to the Board, subject to the conditions previously described, regardless of the Company's size (e.g., assets under management or market capitalization) or the beneficial ownership interests of other stockholders. Further, to the extent OCM Growth's share ownership falls below one-third of its initial $125 million capital commitment under any circumstances, OCM Growth will no longer have the right to appoint a director nominee and will use reasonable efforts to cause such nominee to resign immediately (subject to his or her existing fiduciary duties). Brian Laibow serves on our Board as OCM Growth's director nominee and is considered an interested director.

In addition, OCM Growth owns a minority interest in Runway Growth Capital and has the right to appoint a member of Runway Growth Capital's board of managers as well as a member of Runway Growth Capital's Investment Committee. Mr. Laibow serves on Runway Growth Capital's board of managers and investment committee on behalf of OCM Growth.

Mr. Laibow is an employee of Oaktree, and we expect that he will continue to engage in investment advisory activities for Oaktree, which could result in a conflict of interest and may distract him from his responsibilities to us and Runway Growth Capital. Messrs. Spreng and Raterman will monitor the relationship with Mr. Laibow for any conflicts of interest and will seek to resolve them on our behalf, subject to the oversight of the Board. Mr. Laibow will recuse himself from consideration of any potential conflicts related to Oaktree, should any such conflicts arise.

10b5-1 Plan

OCM Growth, or an affiliate thereof, has indicated that it intends to adopt a 10b5-1 Plan in accordance with Rules 10b5-1 and 10b-18 under the Exchange Act. We expect that under such plan OCM Growth, or an affiliate thereof, may buy up to $15 million in the aggregate of our common stock in the open market during the period beginning 30 days after the closing of this offering and ending on the earlier of the date on which the capital committed to the 10b5-1 Plan has been exhausted or one year after the closing of this offering, subject to certain pricing and market conditions. J.P. Morgan Securities LLC will serve as the plan administrator. The 10b5-1 Plan will require J.P. Morgan Securities LLC, as the plan administrator, to purchase shares of common stock from and beginning 30 days after the consummation of this offering until the completion of the fourth full quarter after the consummation of this offering, when the market price per share is below our most recently reported NAV per share (including any updates, corrections or adjustments publicly announced by us to any previously announced NAV per share). The purchase of shares by the participants pursuant to the 10b5-1 Plan is intended to satisfy the conditions of Rules 10b5-1 and 10b-18 under the Exchange Act, and will otherwise be subject to applicable law, including Regulation M under the Exchange Act, which may prohibit purchases under certain circumstances. Whether purchases will be made pursuant to the 10b5-1 Plan and how many shares will be purchased at any time is uncertain, dependent on prevailing market prices and trading volumes, all of which we cannot predict. These activities may have the effect of maintaining the market price of the common stock or retarding a decline in the market price of the common stock, and, as a result, the price of our common stock may be higher than the price that otherwise might exist in the open market. See "*Risk Factors — Any purchases of our common stock under the 10b5-1 Plan may result in the price of our common stock being higher than the price that otherwise might exist in the open market.*"

Affiliated Transactions

On August 10, 2020, we, Runway Growth Capital, and certain other funds and accounts sponsored or managed by Runway Growth Capital were granted the Order that permits us greater flexibility than the 1940 Act permits to negotiate the terms of co-investments if our Board of Directors determines that it would be advantageous for us to co-invest with other accounts sponsored or managed by Runway Growth Capital or its affiliates in a manner consistent with the our investment objective, positions, policies, strategies and restrictions as well as regulatory requirements and other pertinent factors. We believe that the ability to co-invest with similar investment structures and accounts sponsored or managed by Runway Growth Capital or its affiliates will provide additional investment opportunities and the ability to achieve greater diversification. Under the terms of the Order, a majority of our independent directors are required to make certain determinations in connection with a co-investment transaction, including that (1) the terms of the proposed transaction are

reasonable and fair to us and our stockholders and do not involve overreaching of us or our stockholders on the part of any person concerned and (2) the transaction is consistent with the interests of our stockholders and is consistent with our investment objective, positions, policies, strategies and restrictions as well as regulatory requirements and other pertinent factors.

CONTROL PERSONS AND PRINCIPAL SHAREHOLDERS

The following table sets forth, as of September 24, 2021, the beneficial ownership of our common stock by each of our current directors, each nominee for director, each of our executive officers, each person known to us to beneficially own 5% or more of the outstanding shares of our common stock, and all of our executive officers and directors as a group.

Beneficial ownership is determined in accordance with the rules of the SEC and includes voting or investment power with respect to the securities. Shares of common stock subject to options or warrants that are currently exercisable or exercisable within 60 days of September 24, 2021 are deemed to be outstanding and beneficially owned by the person holding such options or warrants. Such shares, however, are not deemed outstanding for the purposes of computing the percentage ownership of any other person. There is no common stock subject to options or warrants that are currently exercisable or exercisable within 60 days of September 24, 2021. Percentage of ownership is based on 34,530,614 shares of common stock outstanding as of September 24, 2021.

Unless otherwise indicated, to our knowledge, each stockholder listed below has sole voting and investment power with respect to the shares beneficially owned by the stockholder, except to the extent authority is shared by their spouses under applicable law. Unless otherwise indicated, the address of all executive officers and directors is c/o Runway Growth Finance Corp., 205 N. Michigan Ave, Suite 4200, Chicago, Illinois 60601.

The Company's directors are divided into two groups: interested directors and independent directors. Interested directors are "interested persons," as defined in Section 2(a)(19) of the 1940 Act, of the Company.

Name and Address of Beneficial Owner	Number of Shares Owned Beneficially[1]	Percentage of Class
Interested Directors:		
R. David Spreng	96,839[4]	*
Brian Laibow	—	*
Independent Directors:		
Gary Kovacs	44,273	*
Julie Persily	13,282	*
Lewis W. Solimene, Jr.	13,282	*
Executive Officers Who Are Not Directors:		
Thomas B. Raterman	69,747[5]	*
Joseph McDermott	—	*
Executive officers and directors as a group	175,436	*
5% or More Holders:		
OCM Growth Holdings, LLC[2]	19,177,871	55.54%
Carilion Clinic[3]	2,321,929	6.72%
Retirement Plan of Carilion Clinic[3]	2,321,929	6.72%

* Less than 1%.

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

(2) Based on information included in the Schedule 13D/A filed by OCM Growth with the SEC on October 15, 2020 and additional information from the shareholder. Also includes shares acquired pursuant to the Company's automatic dividend reinvestment plan since the last Schedule 13D/A filing on October 15, 2020. Pursuant to an irrevocable proxy, the shares held by OCM Growth must be voted in the same manner that our other stockholders vote their shares. The following entities may be deemed to have indirect beneficial ownership of the shares of common stock held by OCM Growth: (i) Oaktree Fund GP, LLC, a Delaware limited liability company ("GP LLC"), in its capacity as the manager of OCM Growth; (ii) Oaktree GP I, L.P., a Delaware limited partnership ("GP I LLC"), in its capacity as the managing

member of GP LLC; (iii) Oaktree Capital I, L.P., a Delaware limited partnership ("Capital I"), in its capacity as the general partner of GP I LLC; (iv) OCM Holdings I, LLC, a Delaware limited liability company ("Holdings I"), in its capacity as the general partner of Capital I; (v) Oaktree Holdings, LLC, a Delaware limited liability company ("Holdings LLC"), in its capacity as the managing member of Holdings I; (vi) Oaktree Capital Group, LLC, a Delaware limited liability company ("OCG"), in its capacity as the managing member of Holdings LLC; (vii) Oaktree Capital Group Holdings GP, LLC ("OCGH GP"), in its capacity as the duly appointed manager of OCG; (viii) Brookfield Asset Management Inc., a Canadian corporation ("BAM") in its capacity as the indirect owner of the class A units of OCG; and (ix) Partners Limited, a Canadian corporation ("Partners," and collectively with GP LLC, GP I LLC, Capital I, Holdings I, Holdings LLC, OCG, OCGH GP and BAM, the "Oaktree Funds"), in its capacity as the sole owner of Class B Limited Voting Shares of BAM. Each Oaktree Fund disclaims beneficial ownership of all equity securities reported in the above table. OCGH GP is managed by an executive committee consisting of Howard S. Marks, Bruce A. Karsh, Sheldon M. Stone, John B. Frank and Jay S. Wintrob (the "OCGH GP Members"). In such capacity, the OCGH GP Members may be deemed to have indirect beneficial ownership of the shares of common stock held by OCM Growth. Each OCGH GP Member expressly disclaims beneficial ownership of shares of common stock held by OCM Growth, except to the extent of his respective pecuniary interest therein. The principal business address of OCM Growth is 333 South Grand Avenue, 28th Floor, Los Angeles, California 90071.

(3) Based on information included in the amended Schedule 13D jointly filed by Carilion Clinic and Retirement Place of Carilion Clinic on May 20, 2019. Also includes shares acquired pursuant to the Company's automatic dividend reinvestment plan since the last Schedule 13D filing on May 20, 2019. The address of Carilion Clinic and Retirement Plan of Carilion Clinic is 213 South Jefferson Street, Suite 807, Roanoke, Virginia 24011.

(4) Includes 13,121 shares held by Mr. Spreng directly, 21,732 shares held by Mr. Spreng's 401(k) Plan, and 61,985 shares held by Runway Growth Holdings LLC. The shares held by Runway Growth Holdings LLC, may be deemed to be beneficially owned by Mr. Spreng by virtue of his ownership interest in Runway Growth Holdings LLC and his position of Chief Executive Officer thereof. Mr. Spreng disclaims any beneficial ownership of these shares.

(5) Includes 7,761 shares held by Mr. Raterman directly and 61,985 shares held by Runway Growth Holdings LLC. The shares held by Runway Growth Holdings LLC, may be deemed to be beneficially owned by Mr. Raterman by virtue of his ownership interest in Runway Growth Holdings LLC and his position of Chief Financial Officer thereof. Mr. Raterman disclaims any beneficial ownership of these shares.

Equity Owned by Directors in the Company

Set forth below is the dollar range of equity securities beneficially owned by each of our directors as of the September 24, 2021:

Name	Dollar Range of Equity Securities Beneficially Owned[1][2][3]
Interested Directors:	
R. David Spreng	Over $100,000
Brian Laibow	None
Independent Directors:	
Gary Kovacs	Over $100,000
Julie Persily	Over $100,000
Lewis W. Solimene,Jr.	Over $100,000

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

(2) Dollar ranges were determined using the number of shares that are beneficially owned as of September 24, 2021, multiplied by the Company's net asset value per share as June 30, 2021, which was $14.61.

(3) The dollar ranges of equity securities beneficially owned are: none; $1 – $10,000; $10,001 – $50,000; $50,001 – $100,000; and over $100,000.

DETERMINATION OF NET ASSET VALUE

Determinations in Connection with our Investments

We determine the net asset value per share of our common stock quarterly. The net asset value per share is equal to the value of our total assets minus liabilities and any preferred stock outstanding divided by the total number of shares of common stock outstanding. As of the date of this prospectus, we do not have any preferred stock outstanding.

Our investment assets are carried at fair value in accordance with the 1940 Act and ASC Topic 820, Fair Value Measurements. Fair value, as defined in Section 2(a)(41) of the 1940 Act, is (i) the market price for those securities for which a market quotation is readily available and (ii) for all other securities and assets, fair value is as determined in good faith by our Board. Our investments are primarily made to venture-backed companies focused in technology, life sciences, business services and industrial companies and other high-growth industries, including select consumer products and services. Given the nature of lending to these types of companies, our investments are generally considered Level 3 assets under ASC Topic 820 because there is no known or accessible market or market indexes for these investments to be traded or exchanged. As such, we value substantially all of our investments at fair value as determined in good faith pursuant to a consistent valuation policy and our Board of Directors in accordance with the provisions of ASC Topic 820 and the 1940 Act.

Our Audit Committee is also responsible for assisting our Board in valuing investments that are not publicly traded or for which current market values are not readily available. Investments for which market quotations are readily available are valued using market quotations, which are generally obtained from independent pricing services, broker-dealers or market makers. With respect to portfolio investments for which market quotations are not readily available, our Board, with the assistance of Runway Growth Capital and its senior investment team and independent valuation agents, is responsible for determining in good faith the fair value in accordance with the valuation policy approved by our Board of Directors. If more than one valuation method is used to measure fair value, the results are evaluated and weighted, as appropriate, considering the reasonableness of the range indicated by those results. We consider a range of fair values based upon the valuation techniques utilized and select the value within that range that was most representative of fair value based on current market conditions as well as other factors Runway Growth Capital's senior investment team considers relevant. When an external event with respect to one of our portfolio companies, such as a purchase transaction, public offering or subsequent equity sale occurs, we expect to use the pricing indicated by the external event to corroborate our valuation.

Our Board will make this fair value determination on a quarterly basis and any other time when a decision regarding the fair value of the portfolio investments is required. A determination of fair value involves subjective judgments and estimates and depends on the facts and circumstances. Due to the inherent uncertainty of determining the fair value of portfolio investments that do not have a readily available market value, the fair value of the investments may differ significantly from the values that would have been used had a readily available market value existed for such investments, and the differences could be material.

ASC Topic 820 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. ASC Topic 820 also provides guidance regarding a fair value hierarchy, which prioritizes information used to measure fair value and the effect of fair value measurements on earnings and provides for enhanced disclosures determined by the level within the hierarchy of information used in the valuation. In accordance with ASC Topic 820, these inputs are summarized in the three levels listed below:

- Level 1 — Valuations are based on quoted prices in active markets for identical assets or liabilities that are accessible at the measurement date.
- Level 2 — Valuations are based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly and model-based valuation techniques for which all significant inputs are observable.
- Level 3 — Valuations based on inputs that are unobservable and significant to the overall fair value measurement. Level 3 assets and liabilities include financial instruments whose value is determined

using pricing models incorporating significant unobservable inputs, such as discounted cash flow models and other similar valuations techniques. The valuation of Level 3 assets and liabilities generally requires significant management judgment due to the inability to observe inputs to valuation.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of observable input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment.

Under ASC Topic 820, the fair value measurement also assumes that the transaction to sell an asset occurs in the principal market for the asset or, in the absence of a principal market, the most advantageous market for the asset, which may be a hypothetical market, and excludes transaction costs. The principal market for any asset is the market with the greatest volume and level of activity for such asset in which the reporting entity would or could sell or transfer the asset. In determining the principal market for an asset or liability under ASC Topic 820, it is assumed that the reporting entity has access to such market as of the measurement date. Market participants are defined as buyers and sellers in the principal or most advantageous market that are independent, knowledgeable and willing and able to transact.

With respect to investments for which market quotations are not readily available, our Board will undertake a multi-step valuation process each quarter, as described below:

- Our quarterly valuation process will begin with each portfolio company or investment being initially valued by Runway Growth Capital's professionals that are responsible for the portfolio investment;
- Preliminary valuation conclusions will then be documented and discussed with Runway Growth Capital's senior investment team;
- At least once annually, the valuation for each portfolio investment will be reviewed by one or more independent valuation firms. Certain investments, however, will not be evaluated by the applicable independent valuation firm if the net asset value and other aspects of such investments in the aggregate do not exceed certain thresholds;
- The Audit Committee then reviews these preliminary valuations from Runway Growth Capital and the independent valuation firm, if any, and makes a recommendation to our Board of Directors regarding such valuations; and
- Our Board of Directors will then discuss valuations and determine the fair value of each investment in our portfolio in good faith, based on the input of Runway Growth Capital, the respective independent valuation firms and our audit committee.

Determinations in Connection with our Offerings

In connection with certain future offerings of shares of our common stock, our Board or an authorized committee thereof is required by the 1940 Act to make the determination that we are not selling shares of our common stock at a price below our then current net asset value at the time at which the sale is made. Our Board or an authorized committee thereof considers the following factors, among others, in making such determination:

- the net asset value of our common stock disclosed in the most recent periodic report we filed with the SEC;
- our management's assessment of whether any material change in the net asset value has occurred (including through the realization of net gains on the sale of our investments) from the period beginning on the date of the most recently disclosed net asset value to the period ending two days prior to the date of the sale of our common stock; and
- the magnitude of the difference between (i) a value that our Board or an authorized committee thereof has determined reflects the current net asset value of our common stock, which is based upon the net asset value disclosed in the most recent periodic report we filed with the SEC, as adjusted to reflect our

management's assessment of any material change in the net asset value since the date of the most recently disclosed net asset value, and (ii) the offering price of the shares of our common stock in the proposed offering.

Moreover, to the extent that there is even a remote possibility (other than with respect to this offering) that we may (i) issue shares of our common stock at a price below the then-current net asset value of our common stock at the time at which the sale is made or (ii) trigger the undertaking to suspend the offering of shares of our common stock pursuant to this prospectus if the net asset value fluctuates by certain amounts in certain circumstances until the prospectus is amended, our Board or an authorized committee thereof will elect, in the case of clause (i) above, either to postpone the offering until such time that there is no longer the possibility of the occurrence of such event or to undertake to determine net asset value within two days prior to any such sale to ensure that such sale will not be below our then current net asset value, and, in the case of clause (ii) above, to comply with such undertaking or to undertake to determine net asset value to ensure that such undertaking has not been triggered.

These processes and procedures are part of our compliance policies and procedures. Records will be made contemporaneously with all determinations described in this section and these records will be maintained with other records we are required to maintain under the 1940 Act.

DIVIDEND REINVESTMENT PLAN

We have adopted a dividend reinvestment plan that provides for reinvestment of our dividends and other distributions on behalf of our stockholders, unless a stockholder elects to receive cash as provided below. As a result of adopting such a plan, if our Board authorizes, and we declare, a cash dividend or distribution, our stockholders who have not opted out of our dividend reinvestment plan will have their cash dividends or distributions automatically reinvested in additional shares of our common stock, rather than receiving cash.

If newly issued shares are used to implement the dividend reinvestment plan, the number of shares to be issued to a shareholder will be determined by dividing the total dollar amount of the cash dividend or distribution payable to a shareholder by the market price per share of our common stock at the close of regular trading on the Nasdaq Global Select Market on the payment date of a distribution, or if no sale is reported for such day, the average of the reported bid and ask prices. However, if the market price per share on the payment date of a cash dividend or distribution exceeds the most recently computed net asset value per share, we will issue shares at the greater of (i) the most recently computed net asset value per share and (ii) 95% of the current market price per share (or such lesser discount to the current market price per share that still exceeded the most recently computed net asset value per share).

If shares are purchased in the open market to implement the dividend reinvestment plan, the number of shares to be issued to a shareholder shall be determined by dividing the dollar amount of the cash dividend payable to such shareholder by the weighted average price per share for all shares purchased by the plan administrator in the open market in connection with the dividend.

The number of shares to be issued to a participant in the dividend reinvestment plan are rounded downward to the nearest whole number to avoid the issuance of fractional shares, and any fractional share otherwise issuable to a participant but for this provision is instead be paid to such participant in cash contemporaneously with the issuance of such shares in connection with such cash dividend.

No action will be required on the part of a registered stockholder to have his or her cash dividends and distributions reinvested in shares of our common stock. A registered stockholder could instead elect to receive a dividend or distribution in cash by notifying Runway Growth Capital in writing, so that such notice is received by Runway Growth Capital no later than 5 days prior to the record date for distributions to the stockholders. Runway Growth Capital will set up an account for shares of our common stock acquired through the plan for each stockholder who does not elect to receive dividends and distributions in cash and hold such shares in non-certificated form. Those stockholders whose shares are held by a broker or other financial intermediary could receive dividends and distributions in cash by notifying their broker or other financial intermediary of their election.

Stockholders who receive dividends and distributions in the form of stock are generally subject to the same U.S. federal, state and local tax consequences as are stockholders who elect to receive their dividends and distributions in cash. However, since a participating stockholder’s cash dividends and distributions will be reinvested in our common stock, such stockholder will not receive cash with which to pay applicable taxes on reinvested dividends and distributions. A stockholder’s basis for determining gain or loss upon the sale of stock received in a dividend or distribution from us will generally be equal to the cash that would have been received if the stockholder had received the dividend or distribution in cash, unless we were to issue new shares that are trading at or above net asset value, in which case, the stockholder’s basis in the new shares will generally be equal to their fair market value. Any stock received in a dividend or distribution will have a new holding period for tax purposes commencing on the day following the day on which the shares are credited to the U.S. stockholder’s account.

The plan will be terminable by us upon notice in writing mailed to each stockholder of record at least 30 days prior to any record date for the payment of any distribution by us. All correspondence concerning the plan should be directed to Runway Growth Capital by mail at Runway Growth Capital LLC, 205 N. Michigan Ave., Suite 4200, Chicago, IL 60601.

CERTAIN U.S. FEDERAL INCOME TAX CONSIDERATIONS

The following discussion is a general summary of the certain U.S. federal income tax considerations applicable to us and to an investment in shares of our common stock. This discussion is based on the provisions of the Code and the regulations of the U.S. Department of Treasury promulgated thereunder, or "Treasury regulations," each as in effect as of the date of this Memorandum.

These provisions are subject to differing interpretations and change by legislative or administrative action, and any change may be retroactive. This discussion does not constitute a detailed explanation of all U.S. federal income tax aspects affecting us and our stockholders and does not purport to deal with the U.S. federal income tax consequences that may be important to particular stockholders in light of their individual investment circumstances or to some types of stockholders subject to special tax rules, such as financial institutions, broker dealers, insurance companies, tax-exempt organizations, partnerships or other pass-through entities, persons holding our common stock in connection with a hedging, straddle, conversion or other integrated transaction, non-U.S. stockholders (as defined below) engaged in a trade or business in the United States, persons who have ceased to be U.S. citizens or to be taxed as resident aliens or individual non-U.S. stockholders present in the United States for 183 days or more during a taxable year. This discussion also does not address any aspects of U.S. estate or gift tax or foreign, state or local tax. This discussion assumes that our stockholders hold their shares of our common stock as capital assets for U.S. federal income tax purposes (generally, assets held for investment). No ruling has been or will be sought from the Internal Revenue Service (the "IRS") regarding any matter discussed herein.

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

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

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

- a nonresident alien individual;
- a foreign corporation; or
- a foreign estate or trust.

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

Taxation of the Company

We have elected to be treated as a RIC under Subchapter M of the Code, for 2016 and we intend to qualify for treatment as a RIC annually thereafter. As a RIC, we generally will not pay corporate-level U.S. federal income taxes on any ordinary income or capital gains that we timely distribute to our stockholders as dividends.

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

- derive in each taxable year at least 90% of our gross income from dividends, interest, payments with respect to certain securities loans, gains from the sale or other disposition of stock, securities or foreign

currencies, other income derived with respect to our business of investing in stock, securities or currencies, or net income derived from an interest in a "qualified publicly traded partnership," or "QPTP," hereinafter the "90% Gross Income Test;" and

- diversify our holdings so that, at the end of each quarter of each taxable year:
  - at least 50% of the value of our total assets is represented by cash and cash items, U.S. Government securities, the securities of other RICs and other securities, with other securities limited, in respect of any one issuer, to an amount not greater than 5% of the value of our total assets and not more than 10% of the outstanding voting securities of such issuer, and
  - not more than 25% of the value of our total assets is invested in the securities of any issuer (other than U.S. Government securities and the securities of other RICs), the securities of any two or more issuers that we control and that are determined to be engaged in the same business or similar or related trades or businesses, or the securities of one or more QPTPs, or the "Diversification Tests."

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

As a RIC, we (but not our stockholders) are generally not subject to U.S. federal income tax on investment company taxable income and net capital gains net income that we timely distribute to our stockholders in any taxable year with respect to which we distribute an amount equal to at least 90% of the sum of our (i) investment company taxable income (which includes, among other items, dividends, interest and the excess of any net realized short-term capital gains over net realized long-term capital losses and other taxable income (other than any net capital gain net income), reduced by deductible expenses) determined without regard to the deduction for dividends and distributions paid and (ii) net tax-exempt interest income (which is the excess of our gross tax-exempt interest income over certain disallowed deductions), or the "Annual Distribution Requirement." We intend to distribute annually all or substantially all of such income. Generally, if we fail to meet this Annual Distribution Requirement for any taxable year, we will fail to qualify as a RIC for such taxable year. To the extent we meet the Annual Distribution Requirement for a taxable year, but retain our net capital gains net income for investment or any investment company taxable income, we are subject to U.S. federal income tax on such retained capital gains and investment company taxable income. We may choose to retain our net capital gains for investment or any investment company taxable income, and pay the associated corporate-level U.S. federal income tax, including any nondeductible 4% U.S. federal excise tax described below, if applicable.

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

- at least 98% of our ordinary income (not taking into account any capital gains or losses) for the calendar year;
- at least 98.2% of our capital gain net income for a one-year period generally ending on October 31 of the calendar year (unless an election is made by us to use our taxable year); and
- any net ordinary income and capital gain net income that we recognized for preceding years, but were not distributed during such years, and on which we paid no corporate-level U.S. federal income tax.

While we intend to distribute any income and capital gains in order to avoid imposition of this nondeductible 4% U.S. federal excise tax, we may not be successful in avoiding entirely the imposition of this tax. In that case, we will be liable for the tax only on the amount by which we do not meet the foregoing distribution requirement.

We are authorized to borrow funds and to sell assets in order to satisfy distribution requirements. However, under the 1940 Act, we are not permitted to make distributions to our stockholders while any senior

securities are outstanding unless we meet the applicable asset coverage ratios. See "*Regulation as a Business Development Company — Senior Securities*." Moreover, our ability to dispose of assets to meet our distribution requirements may be limited by (1) the illiquid nature of our portfolio and/or (2) other requirements relating to our status as a RIC, including the Diversification Tests. If we dispose of assets in order to meet the Annual Distribution Requirement or to avoid the 4% U.S. federal excise tax, we may make such dispositions at times that, from an investment standpoint, are not advantageous.

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

Failure to Qualify as a RIC

While we have elected to be treated as a RIC and intend to qualify to be treated as a RIC annually, no assurance can be provided that we will qualify as a RIC for any taxable year. For example, we anticipate that we may have difficulty satisfying the Diversification Tests as we deploy initial capital and build our portfolio. In addition, we may have difficulty satisfying the diversification requirements after the consummation of the initial Spin-Off transaction if we decide to liquidate our portfolio since we will not be making additional investments. While we generally will not lose our status as a RIC as long as we do not acquire any non-qualifying securities or other property, under certain circumstances we may be deemed to have made an acquisition of non-qualifying securities or other property. If we have previously qualified as a RIC, but were subsequently unable to qualify for treatment as a RIC, and certain amelioration provisions are not applicable, we would be subject to U.S. federal income tax on all of our taxable income (including our net capital gains) at regular corporate rates. We would not be able to deduct distributions to stockholders, nor would they be required to be made. Distributions, including distributions of net long-term capital gain, would generally be taxable to our stockholders as ordinary dividend income to the extent of our current and accumulated earnings and profits. Subject to certain limitations under the Code, corporate stockholders would be eligible to claim a dividend received deduction with respect to such dividend; non-corporate stockholders would generally be able to treat such dividends as "qualified dividend income," which is subject to reduced rates of U.S. federal income tax. Distributions in excess of our current and accumulated earnings and profits would be treated first as a return of capital to the extent of the stockholder's tax basis, and any remaining distributions would be treated as a capital gain. In order to requalify as a RIC, in addition to the other requirements discussed above, we would be required to distribute all of our previously undistributed earnings attributable to the period we failed to qualify as a RIC by the end of the first year that we intend to requalify as a RIC. If we fail to requalify as a RIC for a period greater than two taxable years, we may be subject to regular corporate-level U.S. federal income tax on any net built-in gains with respect to certain of our assets *(i.e.*, the excess of the aggregate gains, including items of income, over aggregate losses that would have been realized with respect to such assets if we had been liquidated) that we elect to recognize on requalification or when recognized over the next five years.

The remainder of this discussion assumes that we qualify as a RIC for each taxable year.

Company Investments

Certain of our investment practices are subject to special and complex U.S. federal income tax provisions that may, among other things, (i) disallow, suspend or otherwise limit the allowance of certain losses or deductions, including the dividends received deduction, (ii) convert lower taxed long-term capital gains and qualified dividend income into higher taxed short-term capital gains or ordinary income, (iii) convert ordinary loss or a deduction into capital loss (the deductibility of which is more limited), (iv) cause us to recognize

income or gain without a corresponding receipt of cash, (v) adversely affect the time as to when a purchase or sale of stock or securities is deemed to occur, (vi) adversely alter the characterization of certain complex financial transactions and (vii) produce income that will not qualify as good income for purposes of the 90% Gross Income Test. We monitor our transactions and may make certain tax elections and may be required to borrow money or dispose of securities to mitigate the effect of these rules and to prevent disqualification of us as a RIC but there can be no assurance that we will be successful in this regard.

Debt Instruments. In certain circumstances, we may be required to recognize taxable income prior to the time at which we receive cash. For example, if we hold debt instruments that are treated under applicable tax rules as having OID (such as debt instruments with an end-of-term payment and/or PIK interest payment or, in certain cases, increasing interest rates or issued with warrants), we must include in taxable income each year a portion of the OID that accrues over the life of the obligation, regardless of whether cash representing such income is received by us in the same taxable year. Because any OID accrued will be included in our investment company taxable income for the year of accrual, we may be required to make a distribution to our stockholders in order to satisfy the Annual Distribution Requirement and to avoid the 4% U.S. federal excise tax, even though we will not have received any corresponding cash amount.

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

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

Passive Foreign Investment Companies. We may invest in the stock of a foreign corporation which is classified as a "passive foreign investment company" (within the meaning of Section 1297 of the Code), or "PFIC." In general, unless a special tax election has been made, we are required to pay U.S. federal income tax at ordinary income rates on any gains and "excess distributions" with respect to PFIC stock as if such items had been realized ratably over the period during which we held the PFIC stock, plus an interest charge. If we invest in a PFIC and elect to treat the PFIC as a "qualified electing fund" under the Code (a "QEF"), in lieu of the foregoing requirements, we will be required to include in income each year a portion of the ordinary earnings and net capital gain of the QEF, even if such income is not distributed to us. Alternatively, we can elect to mark-to-market at the end of each taxable year our shares in a PFIC; in this case, we will recognize as ordinary income any increase in the value of such shares, and as ordinary loss any decrease in such value to the extent it does not exceed prior increases included in income. Under either election, we may be required to recognize in a year income in excess of our distributions from PFICs and our proceeds from dispositions of PFIC stock during that year, and such income will nevertheless be subject to the Annual Distribution Requirement and will be taken into account for purposes of the 4% U.S. federal excise tax. No assurances can be given that any such election will be available or that, if available, we will make such an election. Income inclusions from a QEF will be "good income" for purposes of the 90% Gross Income Test provided that they are derived in connection with our business of investing in stocks and securities or the QEF distributes such income to us in the same taxable year to which the income is included in our income.

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

Taxation of U.S. Stockholders

Distributions by us generally are taxable to U.S. stockholders as ordinary income or capital gains. Distributions of our "investment company taxable income" (which is, generally, our net ordinary income plus

realized net short-term capital gains in excess of realized net long-term capital losses) will be taxable as ordinary income to U.S. stockholders to the extent of our current or accumulated earnings and profits, whether paid in cash or reinvested in additional shares of our common stock. To the extent such distributions paid by us to non-corporate U.S. stockholders (including individuals) are attributable to dividends from U.S. corporations and certain qualified foreign corporations and such distributions are timely designated ("Qualifying Dividends"), they may be eligible for a maximum U.S. federal tax rate of 20%. In this regard, it is anticipated that distributions paid by us generally will not be attributable to dividends and, therefore, generally will not qualify for the 20% maximum rate applicable to Qualifying Dividends.

Distributions of our capital gain net income (which is generally our realized net long-term capital gains in excess of realized net short-term capital losses) properly reported by us as "capital gain dividends" will be taxable to a U.S. stockholder as long-term capital gains, which are currently taxable at a maximum rate of 20% in the case of individuals or estates, regardless of the U.S. stockholder's holding period for his, her or its common stock and regardless of whether paid in cash or reinvested in additional common stock. Distributions in excess of our current and accumulated earnings and profits first will reduce a U.S. stockholder's adjusted tax basis in such U.S. stockholder's common stock and, after the adjusted basis is reduced to zero, will constitute capital gains to such U.S. stockholder.

U.S. stockholders receiving dividends or distributions in the form of additional shares of our common stock purchased in the market should be treated for U.S. federal income tax purposes as receiving a distribution in an amount equal to the amount of money that the stockholders receiving cash dividends or distributions will receive, and should have a cost basis in the shares received equal to such amount. Stockholders receiving dividends in newly issued shares of our common stock will be treated as receiving a distribution equal to the value of the shares received, and should have a cost basis of such amount.

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

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

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

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

Tax Shelter Reporting Regulations. Under applicable Treasury regulations, if a U.S. stockholder recognizes a loss with respect to shares of $2 million or more for a non-corporate U.S. stockholder or $10 million or more for a corporate U.S. stockholder in any single taxable year (or a greater loss over a combination of years), the U.S. stockholder must file with the IRS a disclosure statement on Form 8886. Direct U.S. stockholders of portfolio securities are in many cases excepted from this reporting requirement, but under current guidance, U.S. stockholders of a RIC are not excepted. Future guidance may extend the current exception from this reporting requirement to U.S. stockholders of most or all RICs. The fact that a loss is reportable under these regulations does not affect the legal determination of whether the taxpayer's treatment of the loss is proper. U.S. stockholders should consult their own tax advisers to determine the applicability of these regulations in light of their individual circumstances.

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

Limitation on Deduction for Certain Expenses. For any period that we do not qualify as a "publicly offered regulated investment company," as defined in the Code, U.S. stockholders will be taxed as though they received a distribution of some of our expenses. A "publicly offered regulated investment company" is a RIC whose shares are either (i) continuously offered pursuant to a public offering, (ii) regularly traded on an established securities market or (iii) held by at least 500 persons at all times during the taxable year. We anticipate that we will not qualify as a publicly offered RIC immediately after this offering; we may qualify as a publicly offered RIC for future taxable years. If we are not a publicly offered RIC for any period, a non-corporate U.S. stockholder's allocable portion of our affected expenses, including our management fees, will be treated as an additional distribution to the U.S. stockholder and will be deductible by such U.S. stockholder only to the extent permitted under the limitations described below. For non-corporate U.S. stockholders, including individuals, trusts, and estates, significant limitations generally apply to the deductibility of certain expenses of a non-publicly offered RIC, including advisory fees. In particular, these expenses, referred to as "miscellaneous itemized deductions," are currently not deductible to an individual or other non-corporate U.S. stockholder (and beginning in 2026, will be deductible only to the extent they exceed 2% of such a U.S. stockholder's adjusted gross income), and are not deductible for alternative minimum tax purposes.

U.S. Taxation of Tax-Exempt U.S. Stockholders. A U.S. stockholder that is a tax-exempt organization for U.S. federal income tax purposes and therefore generally exempt from U.S. federal income taxation may nevertheless be subject to taxation to the extent that it is considered to derive unrelated business taxable income ("UBTI"). The direct conduct by a tax-exempt U.S. stockholder of the activities we propose to conduct could give rise to UBTI. However, a BDC is a corporation for U.S. federal income tax purposes and its business activities generally will not be attributed to its stockholders for purposes of determining their treatment under current law. Therefore, a tax-exempt U.S. stockholder generally should not be subject to U.S. taxation solely as a result of the U.S. stockholder's ownership of shares of common stock and receipt of dividends with respect to such shares. Moreover, under current law, if we incur indebtedness, such indebtedness will not be attributed to a tax-exempt U.S. stockholder. Therefore, a tax-exempt U.S. stockholder should not be treated as earning income from "debt-financed property" and dividends we pay should not be treated as "unrelated debt-financed income" solely as a result of indebtedness that we incur. Proposals periodically are made to change the treatment of "blocker" investment vehicles interposed between tax-exempt investors and non-qualifying investments. In the event that any such proposals were to be adopted and applied to BDCs, the treatment of dividends payable to tax- exempt investors could be adversely affected. In addition, special rules would apply if we were to invest in certain real estate investment trusts or other taxable mortgage pools, which we do not currently plan to do, that could result in a tax-exempt U.S. stockholder recognizing income that would be treated as UBTI.

Taxation of Non-U.S. Stockholders

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

In general, non-U.S. stockholders that are not otherwise engaged in a U.S. trade or business will not be subject to U.S. federal income on distributions paid by us. However, distributions of our "investment company taxable income" generally are subject to withholding of U.S. federal tax at a 30% rate (or lower rate provided by an applicable treaty) to the extent of our current or accumulated earnings and profits unless an applicable exception applies. If the distributions are effectively connected with a U.S. trade or business of the non-U.S. stockholder (and, if a treaty applies, are attributable to a U.S. permanent establishment of the non-U.S. stockholder), we will not be required to withhold U.S. federal tax if the non-U.S. stockholder complies with applicable certification and disclosure requirements, although the distributions will be subject to U.S. federal income tax at the rates applicable to U.S. persons. Special certification requirements apply to a non-U.S. stockholder that is a foreign partnership or a foreign trust, and such entities are urged to consult their own tax advisers.

However, no withholding is required with respect to certain distributions if (i) the distributions are properly reported to our non-U.S. stockholders as "interest-related dividends" or "short-term capital gain dividends," (ii) the distributions are derived from sources specified in the Code for such dividends and (iii) certain other requirements are satisfied. Currently, we do not anticipate that any significant amount of our distributions would be reported as eligible for this exemption from withholding. No assurance can be provided that any of our distributions will qualify for this exemption.

Actual or deemed distributions of our net capital gains to a non-U.S. stockholder, and gains realized by a non-U.S. stockholder upon the sale or redemption of our common stock, will not be subject to U.S. federal income tax if properly reported by us as capital gain dividends unless the distributions or gains, as the case may be, are effectively connected with a U.S. trade or business of the non-U.S. stockholder (and, if an income tax treaty applies, are attributable to a permanent establishment maintained by the non-U.S. stockholder in the United States) or, in the case of an individual, the non-U.S. stockholder was present in the United States for 183 days or more during the taxable year and certain other conditions are met.

If we distribute our net capital gains in the form of deemed rather than actual distributions, a non-U.S. stockholder will be entitled to a U.S. federal income tax credit or tax refund equal to the non-U.S. stockholder's allocable share of the corporate-level U.S. federal income tax we pay on the capital gains deemed to have been distributed; however, in order to obtain the refund, the non-U.S. stockholder must obtain a U.S. taxpayer

identification number and file a U.S. federal income tax return even if the non-U.S. stockholder would not otherwise be required to obtain a U.S. taxpayer identification number or file a U.S. federal income tax return.

If any actual or deemed distributions of our net capital gains, or any gains realized upon the sale or redemption of our common stock, are effectively connected with a U.S. trade or business of the non-U.S. stockholder (and, if an income tax treaty applies, are attributable to a U.S. permanent establishment maintained by the non-U.S. stockholder), such amounts will be subject to U.S. income tax, on a net income basis, in the same manner, and at the graduated rates applicable to, a U.S. stockholder. For a corporate non-U.S. stockholder, the after-tax amount of distributions (both actual and deemed) and gains realized upon the sale or redemption of our common stock that are effectively connected to a U.S. trade or business (and, if a treaty applies, are attributable to a U.S. permanent establishment), may, under certain circumstances, be subject to an additional "branch profits tax" at a 30% rate (or at a lower rate if provided for by an applicable treaty). Accordingly, investment in shares of our common stock may not be appropriate for certain non-U.S. stockholders.

Non-U.S. stockholders will not generally be subject to U.S. federal income or withholding tax with respect to gain recognized on the sale or other disposition of shares of our common stock.

Under the dividend reinvestment plan, our non-U.S. stockholders who have not "opted out" of our dividend reinvestment plan will have their cash distributions automatically reinvested in additional shares of our common stock, rather than receiving the cash distributions. If the distribution is a distribution of our investment company taxable income and is not properly reported by us as a short-term capital gains dividend or interest-related dividend (assuming an extension of the exemption discussed above), the amount distributed (to the extent of our current and accumulated earnings and profits) will be subject to U.S. federal withholding tax as described above and only the net after-tax amount will be reinvested in our common stock. If the distribution is effectively connected with a U.S. trade or business of the non-U.S. stockholder (and, if a treaty applies, is attributable to a U.S. permanent establishment), generally the full amount of the distribution will be reinvested in the plan and will nevertheless be subject to U.S. federal income tax at the ordinary income rates applicable to U.S. persons. The non-U.S. stockholder will have an adjusted basis in the additional common stock purchased through the plan equal to the amount reinvested. The additional shares will have a new holding period commencing on the day following the day on which the shares are credited to the non-U.S. stockholder's account.

Non-U.S. persons should consult their own tax advisers with respect to the U.S. federal income tax and withholding tax, and state, local and foreign tax consequences of an investment in the shares.

If we were unable to qualify for treatment as a RIC, any distributions by us would be treated as dividends to the extent of our current and accumulated earnings and profits. We would not be eligible to report any such dividends as interest-related dividends, short-term capital gain dividends, or capital gain dividends. As a result, any such dividend paid to a non-U.S. stockholder that is not effectively connected with a U.S. trade or business of the non-U.S. stockholder (and, if an income tax treaty applies, attributable to a permanent establishment maintained by the non-U.S. stockholder in the United States) would be subject to the 30% (or reduced applicable treaty rate) U.S. withholding tax discussed above regardless of the source of the income giving rise to such distribution. Distributions in excess of our current and accumulated earnings and profits would be treated first as a return of capital to the extent of the non-U.S. stockholder's tax basis, and any remaining distributions would be treated as a gain from the sale of the non-U.S. stockholder's shares subject to taxation as discussed above. For the consequences to the Company for failing to qualify as a RIC, see "— *Failure to Qualify as a RIC*" above.

Backup Withholding and Information Reporting

U.S. stockholders. Information returns are required to be filed with the IRS in connection with dividends on the common stock and proceeds received from a sale or other disposition of the common stock to a U.S. stockholder unless the U.S. stockholder is an exempt recipient. U.S. stockholders may also be subject to backup withholding on these payments in respect of the common stock unless such U.S. stockholder provides its taxpayer identification number and otherwise complies with applicable requirements of the backup withholding rules or provides proof of an applicable exemption.

Non-U.S. stockholders. Information returns are required to be filed with the IRS in connection with payment of dividends on the common stock to non-U.S. stockholders. Unless a non-U.S. stockholder complies with certification procedures to establish that it is not a United States person, information returns may also be filed with the IRS in connection with the proceeds from a sale or other disposition of the common stock. A non-U.S. stockholder who is a nonresident alien individual may be subject to information reporting and backup-withholding of U.S. federal income tax on dividends unless the non-U.S. stockholder provides us or the dividend paying agent with an IRS Form W-8BEN or IRS Form W-8BEN-E (or an acceptable substitute form) or otherwise meets documentary evidence requirements for establishing that it is a non-U.S. stockholder or otherwise establishes an exemption from backup withholding.

Amounts withheld under the backup withholding rules are not additional taxes and may be refunded or credited against a U.S. stockholder's or non-U.S. stockholder's U.S. federal income tax liability, if any, provided the required information is timely furnished to the IRS.

Foreign Account Tax Compliance Act

Legislation commonly referred to as the "Foreign Account Tax Compliance Act," or "FATCA," generally imposes a 30% withholding tax on payments of certain types of income to foreign financial institutions ("FFIs") unless such FFIs either: (i) enter into an agreement with the U.S. Treasury to report certain required information with respect to accounts held by U.S. persons (or held by foreign entities that have U.S. persons as substantial owners) or (ii) reside in a jurisdiction that has entered into an intergovernmental agreement ("IGA") with the United States to collect and share such information and are in compliance with the terms of such IGA and any enabling legislation or regulations. The types of income subject to the tax include U.S. source interest and dividends. While existing U.S. Treasury regulations would also require withholding on payments of the gross proceeds from the sale of any property that could produce U.S. source interest or dividends, the U.S. Treasury Department has indicated its intent to eliminate this requirement in subsequent proposed regulations, which state that taxpayers may rely on the proposed regulations until final regulations are issued. The information required to be reported includes the identity and taxpayer identification number of each account holder that is a U.S. person and transaction activity within the holder's account. In addition, subject to certain exceptions, FATCA also imposes a 30% withholding on payments to foreign entities that are not FFIs unless such foreign entities certify that they do not have a greater than 10% U.S. owner or provide the withholding agent with identifying information on each greater than 10% U.S. owner. Depending on the status of a beneficial owner and the status of the intermediaries through which they hold their shares, beneficial owners of our common stock could be subject to this 30% withholding tax with respect to distributions on their shares of our common stock and proceeds from the sale of their shares of our common stock. Under certain circumstances, a beneficial owner might be eligible for refunds or credits of such taxes.

DESCRIPTION OF OUR CAPITAL STOCK

The following description is based on relevant portions of the MGCL and on our certificate of incorporation and bylaws. This summary is not necessarily complete, and we refer you to the MGCL and our charter and bylaws for a more detailed description of the provisions summarized below.

The following is a brief description of the securities of the Company registered pursuant to Section 12 of the Exchange Act. This description of the terms of our shares of common stock, par value $0.01 ("Shares," each a "Share") does not purport to be complete and is subject to and qualified in its entirety by reference to the applicable provisions of MGCL, and the full text of our charter and bylaws. As of the date hereof, our common stock is the only class of our securities registered under Section 12 of the Exchange Act.

Stock

Our authorized stock consists of 100,000,000 shares, par value $0.01 per share, all of which are initially designated as common stock. There are no outstanding options or warrants to purchase our stock. No stock has been authorized for issuance under any equity compensation plans. Under Maryland law, our stockholders generally are not personally liable for our debts or obligations.

The following are our outstanding classes of securities as of September 24, 2021:

(1) Title of Class	(2) Amount Authorized	(3) Amount Held by Us or for Our Account	(4) Amount Outstanding Exclusive of Amounts Shown Under[3]
Common stock	100,000,000	—	34,530,614

Under our charter, the Company's Board is authorized to classify and reclassify any unissued shares of stock into other classes or series of stock without obtaining stockholder approval. As permitted by the MGCL, our charter provides that the Board, without any action by our stockholders, may amend the charter from time to time to increase or decrease the aggregate number of shares of stock or the number of shares of stock of any class or series that we have authority to issue.

Common Stock

All shares of our common stock have equal rights as to earnings, assets, voting, and dividends and, when they are issued, will be duly authorized, validly issued, fully paid and nonassessable. Distributions may be paid to the holders of our common stock if, as and when authorized by our Board and declared by us out of assets legally available therefor. Shares of our common stock have no preemptive, conversion or redemption rights and are freely transferable, except where their transfer is restricted by federal and state securities laws or by contract. In the event of our liquidation, dissolution or winding up, each share of our common stock would be entitled to share ratably in all of our assets that are legally available for distribution after we pay all debts and other liabilities and subject to any preferential rights of holders of our preferred stock, if any preferred stock is outstanding at such time. Each share of our common stock is entitled to one vote on all matters submitted to a vote of stockholders, including the election of directors. Except as provided with respect to any other class or series of stock, the holders of our common stock will possess exclusive voting power. There is no cumulative voting in the election of directors, which means that holders of a majority of the outstanding shares of common stock can elect all of our directors, and holders of less than a majority of such shares will be unable to elect any director.

Limitation on Liability of Directors and Officers; Indemnification and Advance of Expenses

Maryland law permits a Maryland corporation to include in its charter a provision limiting the liability of its directors and officers to the corporation and its stockholders for money damages except for liability resulting from (a) actual receipt of an improper benefit or profit in money, property or services or (b) active and deliberate dishonesty established by a final judgment as being material to the cause of action. Our charter

contains such a provision which eliminates directors' and officers' liability to the maximum extent permitted by Maryland law, subject to the requirements of the 1940 Act.

Our charter authorizes us, to the maximum extent permitted by Maryland law and subject to the requirements of the 1940 Act, to indemnify any present or former director or officer or any individual who, while serving as our director or officer and at our request, serves or has served another corporation, real estate investment trust, limited liability company, partnership, joint venture, trust, employee benefit plan or other enterprise as a director, officer, partner, trustee, member or manager from and against any claim or liability to which that person may become subject or which that person may incur by reason of his or her service in any such capacity and to pay or reimburse their reasonable expenses in advance of final disposition of a proceeding. Our bylaws obligate us, to the maximum extent permitted by Maryland law and subject to the requirements of the 1940 Act, to indemnify any present or former director or officer or any individual who, while serving as our director or officer and at our request, serves or has served another corporation, real estate investment trust, limited liability company, partnership, joint venture, trust, employee benefit plan or other enterprise as a director, officer, partner, trustee, member or manager and who is made, or threatened to be made, a party to the proceeding by reason of his or her service in that capacity from and against any claim or liability to which that person may become subject or which that person may incur by reason of his or her service in any such capacity and to pay or reimburse his or her reasonable expenses in advance of final disposition of a proceeding. The charter and bylaws also permit us to indemnify and advance expenses to any person who served a predecessor of us in any of the capacities described above and any of our employees or agents or any employees or agents of our predecessor. In accordance with the 1940 Act, we will not indemnify any person for any liability to which such person would be subject by reason of such person's willful misfeasance, bad faith, gross negligence or reckless disregard of the duties involved in the conduct of his or her office.

Maryland law requires a corporation (unless its charter provides otherwise, which our charter does not) to indemnify a director or officer who has been successful in the defense of any proceeding to which he or she is made, or threatened to be made, a party by reason of his or her service in that capacity. Maryland law permits a corporation to indemnify its present and former directors and officers, among others, against judgments, penalties, fines, settlements and reasonable expenses actually incurred by them in connection with any proceeding to which they may be made, or threatened to be made, a party by reason of their service in those or other capacities unless it is established that (a) the act or omission of the director or officer was material to the matter giving rise to the proceeding and (1) was committed in bad faith or (2) was the result of active and deliberate dishonesty, (b) the director or officer actually received an improper personal benefit in money, property or services or (c) in the case of any criminal proceeding, the director or officer had reasonable cause to believe that the act or omission was unlawful. However, under Maryland law, a Maryland corporation may not indemnify for an adverse judgment in a suit by or in the right of the corporation or for a judgment of liability on the basis that a personal benefit was improperly received unless, in either case a court orders indemnification, and then only for expenses. In addition, Maryland law permits a corporation to advance reasonable expenses to a director or officer in advance of final disposition of a proceeding upon the corporation's receipt of (a) a written affirmation by the director or officer of his or her good-faith belief that he or she has met the standard of conduct necessary for indemnification by the corporation and (b) a written undertaking by him or her or on his or her behalf to repay the amount paid or reimbursed by the corporation if it is ultimately determined that the standard of conduct was not met.

We have entered into indemnification agreements with our directors and executive officers. The indemnification agreements provide our directors and executive officers the maximum indemnification permitted under Maryland law and the 1940 Act.

Certain Provisions of the Maryland General Corporation Law and Our Charter and Bylaws

The MGCL and our charter and bylaws contain provisions that could make it more difficult for a potential acquirer to acquire us by means of a tender offer, proxy contest or otherwise, the material ones of which are discussed below. These provisions are expected to discourage certain coercive takeover practices and inadequate takeover bids and to encourage persons seeking to acquire control of us to negotiate first with our Board of Directors. We expect the benefits of these provisions to outweigh the potential disadvantages of discouraging any such acquisition proposals because, among other things, the negotiation of such proposals may improve their terms.

Classified Board of Directors

Our Board is divided into three classes of directors serving staggered three-year terms. Upon expiration of their terms, directors of each class will be elected to serve for three-year terms and until their successors are duly elected and qualify, and each year one class of directors will be elected by the stockholders. A classified Board may render a change in control of us or removal of our incumbent management more difficult. We believe, however, that the longer time required to elect a majority of a classified Board will help to ensure the continuity and stability of our management and policies.

Election of Directors

Our bylaws, as authorized by our charter, provide that the affirmative vote of the holders of a plurality of the outstanding shares of stock entitled to vote in the election of directors cast at a meeting of stockholders duly called, and at which a quorum is present, will be required to elect a director. Pursuant to our charter our Board may amend the bylaws to alter the vote required to elect directors.

Number of Directors; Vacancies; Removal

Our charter provides that the number of directors will be set only by the Board in accordance with our bylaws. Our bylaws provide that a majority of our entire Board may at any time increase or decrease the number of directors. However, unless our bylaws are amended, the number of directors may never be less than one nor more than nine. Our charter provides that, at such time as we have at least three independent directors and our common stock is registered under the Exchange Act, as amended, we elect to be subject to the provision of Subtitle 8 of Title 3 of the MGCL regarding the filling of vacancies on the Board. Accordingly, at such time, except as may be provided by the Board in setting the terms of any class or series of preferred stock, any and all vacancies on the Board may be filled only by the affirmative vote of a majority of the remaining directors in office, even if the remaining directors do not constitute a quorum, and any director elected to fill a vacancy will serve for the remainder of the full term of the directorship in which the vacancy occurred and until a successor is elected and qualifies, subject to any applicable requirements of the 1940 Act.

Our charter provides that a director may be removed only for cause, as defined in our charter, and then only by the affirmative vote of at least two-thirds of the votes entitled to be cast in the election of directors.

Action by Stockholders

Under the MGCL, stockholder action can be taken only at an annual or special meeting of stockholders or (unless the charter provides for stockholder action by less than unanimous written consent, which our charter does not) by unanimous written consent in lieu of a meeting. These provisions, combined with the requirements of our bylaws regarding the calling of a stockholder-requested special meeting of stockholders discussed below, may have the effect of delaying consideration of a stockholder proposal until the next annual meeting.

Advance Notice Provisions for Stockholder Nominations and Stockholder Proposals

Our bylaws provide that with respect to an annual meeting of stockholders, nominations of persons for election to the Board and the proposal of business to be considered by stockholders may be made only (1) pursuant to our notice of the meeting, (2) by or at the direction of the Board or (3) by a stockholder of the Company who is a stockholder of record both at the time of giving of notice provided for in our bylaws and at the time of the annual meeting, who is entitled to vote at the meeting and who has complied with the advance notice provisions of the bylaws. With respect to special meetings of stockholders, only the business specified in our notice of the meeting may be brought before the meeting. Nominations of persons for election to the Board at a special meeting may be made only (1) by or at the direction of the Board of Directors or (2) provided that the Board of Directors has determined that directors will be elected at the meeting, by a stockholder of the Company who is a stockholder of record both at the time of giving of notice provided for in our bylaws and at the time of the special meeting, who is entitled to vote at the meeting and who has complied with the advance notice provisions of the bylaws.

The purpose of requiring stockholders to give us advance notice of nominations and other business is to afford our Board a meaningful opportunity to consider the qualifications of the proposed nominees and the

advisability of any other proposed business and, to the extent deemed necessary or desirable by our Board, to inform stockholders and make recommendations about such qualifications or business, as well as to provide a more orderly procedure for conducting meetings of stockholders. Although our bylaws do not give our Board any power to disapprove stockholder nominations for the election of directors or proposals recommending certain action, they may have the effect of precluding a contest for the election of directors or the consideration of stockholder proposals if proper procedures are not followed and of discouraging or deterring a third party from conducting a solicitation of proxies to elect its own slate of directors or to approve its own proposal without regard to whether consideration of such nominees or proposals might be harmful or beneficial to us and our stockholders.

Calling of Special Meetings of Stockholders

Our bylaws provide that special meetings of stockholders may be called by our Board and certain of our officers. Additionally, our bylaws provide that, subject to the satisfaction of certain procedural and informational requirements by the stockholders requesting the meeting, a special meeting of stockholders will be called by the secretary of the corporation upon the written request of stockholders entitled to cast not less than a majority of all the votes entitled to be cast at such meeting.

Approval of Extraordinary Corporate Action; Amendment of Charter and Bylaws

Under Maryland law, a Maryland corporation generally cannot dissolve, amend its charter, merge, sell all or substantially all of its assets, engage in a share exchange or engage in similar transactions outside the ordinary course of business, unless approved by the affirmative vote of stockholders entitled to cast at least two-thirds of the votes entitled to be cast on the matter. However, a Maryland corporation may provide in its charter for approval of these matters by a lesser percentage, but not less than a majority of all of the votes entitled to be cast on the matter. Our charter generally provides for approval of charter amendments and extraordinary transactions by the stockholders entitled to cast at least a majority of the votes entitled to be cast on the matter. Our charter also provides that certain charter amendments, any proposal for our conversion, whether by charter amendment, merger or otherwise, from a closed-end company to an open-end company and any proposal for our liquidation or dissolution requires the approval of the stockholders entitled to cast at least 80% of the votes entitled to be cast on such matter. However, if such amendment or proposal is approved by a majority of our continuing directors (in addition to approval by our Board of Directors), such amendment or proposal may be approved by a majority of the votes entitled to be cast on such a matter. The “continuing directors” are defined in our charter as (1) our current directors, (2) those directors whose nomination for election by the stockholders or whose election by the directors to fill vacancies is approved by a majority of our current directors then on the Board or (3) any successor directors whose nomination for election by the stockholders or whose election by the directors to fill vacancies is approved by a majority of continuing directors or the successor continuing directors then in office.

Our charter and bylaws provide that the Board of Directors will have the exclusive power to make, alter, amend or repeal any provision of our bylaws.

No Appraisal Rights

Except with respect to appraisal rights arising in connection with the Control Share Act discussed below, as permitted by the MGCL, our charter provides that stockholders will not be entitled to exercise appraisal rights unless a majority of the Board of Directors shall determine such rights apply.

Control Share Acquisitions

The MGCL Control Share Act provides that control shares of a Maryland corporation acquired in a control share acquisition have no voting rights except to the extent approved by a vote of two-thirds of the votes entitled to be cast on the matter. Shares owned by the acquirer, by officers or by directors who are employees of the corporation are excluded from shares entitled to vote on the matter. Control shares are voting shares of stock which, if aggregated with all other shares of stock owned by the acquirer or in respect of which the acquirer is able to exercise or direct the exercise of voting power (except solely by virtue of a revocable proxy), would entitle the acquirer to exercise voting power in electing directors within one of the following ranges of voting power:

- one-tenth or more but less than one-third;
- one-third or more but less than a majority; or
- a majority or more of all voting power.

The requisite stockholder approval must be obtained each time an acquirer crosses one of the thresholds of voting power set forth above. Control shares do not include shares the acquiring person is then entitled to vote as a result of having previously obtained stockholder approval. A control share acquisition means the acquisition of control shares, subject to certain exceptions.

A person who has made or proposes to make a control share acquisition may compel the Board of Directors of the corporation to call a special meeting of stockholders to be held within 50 days of demand to consider the voting rights of the shares. The right to compel the calling of a special meeting is subject to the satisfaction of certain conditions, including an undertaking to pay the expenses of the meeting. If no request for a meeting is made, the corporation may itself present the question at any stockholders meeting.

If voting rights are not approved at the meeting or if the acquiring person does not deliver an acquiring person statement as required by the statute, then the corporation may redeem for fair value any or all of the control shares, except those for which voting rights have previously been approved. The right of the corporation to redeem control shares is subject to certain conditions and limitations, including, as provided in our bylaws compliance with the 1940 Act. Fair value is determined, without regard to the absence of voting rights for the control shares, as of the date of the last control share acquisition by the acquirer or of any meeting of stockholders at which the voting rights of the shares are considered and not approved. If voting rights for control shares are approved at a stockholders meeting and the acquirer becomes entitled to vote a majority of the shares entitled to vote, all other stockholders may exercise appraisal rights. The fair value of the shares as determined for purposes of appraisal rights may not be less than the highest price per share paid by the acquirer in the control share acquisition.

The Control Share Act does not apply (a) to shares acquired in a merger, consolidation or share exchange if the corporation is a party to the transaction or (b) to acquisitions approved or exempted by the charter or bylaws of the corporation. Our bylaws contain a provision exempting from the Control Share Act any and all acquisitions by any person of our shares of stock. There can be no assurance that such provision will not be amended or eliminated at any time in the future. However, we will amend our bylaws to be subject to the Control Share Act only if the Board of Directors determines that it would be in our best interests to do so.

Business Combinations

Under Maryland law, "business combinations" between a Maryland corporation and an interested stockholder or an affiliate of an interested stockholder are prohibited for five years after the most recent date on which the interested stockholder becomes an interested stockholder (the "Business Combination Act"). These business combinations include a merger, consolidation, share exchange or, in circumstances specified in the statute, an asset transfer or issuance or reclassification of equity securities. An interested stockholder is defined as:

- any person who beneficially owns 10% or more of the voting power of the corporation's outstanding voting stock; or
- an affiliate or associate of the corporation who, at any time within the two-year period prior to the date in question, was the beneficial owner of 10% or more of the voting power of the then outstanding voting stock of the corporation.

A person is not an interested stockholder under this statute if the Board approved in advance the transaction by which the stockholder otherwise would have become an interested stockholder. However, in approving a transaction, the Board may provide that its approval is subject to compliance, at or after the time of approval, with any terms and conditions determined by the Board.

After the five-year prohibition, any business combination between the Maryland corporation and an interested stockholder generally must be recommended by the Board of the corporation and approved by the affirmative vote of at least:

- 80% of the votes entitled to be cast by holders of outstanding shares of voting stock of the corporation; and
- two-thirds of the votes entitled to be cast by holders of voting stock of the corporation other than shares held by the interested stockholder with whom or with whose affiliate the business combination is to be effected or held by an affiliate or associate of the interested stockholder.

These super-majority vote requirements do not apply if the corporation's common stockholders receive a minimum price, as defined under Maryland law, for their shares in the form of cash or other consideration in the same form as previously paid by the interested stockholder for its shares.

The statute permits various exemptions from its provisions, including business combinations that are exempted by the Board before the time that the interested stockholder becomes an interested stockholder. Our Board has adopted a resolution that any business combination between us and any other person is exempted from the provisions of the Business Combination Act, provided that the business combination is first approved by the Board, including a majority of the directors who are not "interested persons" as defined in the 1940 Act. This resolution may be altered or repealed in whole or in part at any time; however, our Board of Directors will adopt resolutions so as to make us subject to the provisions of the Business Combination Act only if the Board determines that it would be in our best interests and if the SEC staff does not object to our determination that our being subject to the Business Combination Act does not conflict with the 1940 Act. If this resolution is repealed, or the Board of Directors does not otherwise approve a business combination, the statute may discourage others from trying to acquire control of us and increase the difficulty of consummating any offer.

Conflict with 1940 Act

Our bylaws provide that, if and to the extent that any provision of the MGCL, including the Control Share Act (if we amend our bylaws to be subject to such Act) and the Business Combination Act, or any provision of our charter or bylaws conflicts with any provision of the 1940 Act, the applicable provision of the 1940 Act will control.

Exclusive Forum

Our charter and bylaws provide that, to the fullest extent permitted by law, unless we consent in writing to the selection of an alternative forum, the sole and exclusive forum for (i) any derivative action or proceeding brought on behalf of the Company, (ii) any action asserting a claim of breach of a fiduciary duty owed by any director, officer or other employee of the Company to the Company or the Company's stockholders, (iii) any action asserting a claim arising pursuant to any provision of the MGCL, the charter or bylaws or the securities, antifraud, unfair trade practices or similar laws of any international, national, state, provincial, territorial, local or other governmental or regulatory authority, including, in each case, the applicable rules and regulations promulgated thereunder, or (iv) any action asserting a claim governed by the internal affairs doctrine shall be a federal or state court located in the state of Delaware, provided that to the extent the appropriate court located in the state of Delaware determines that it does not have jurisdiction over such action, then the sole and exclusive forum shall be any federal or state court located in the state of Maryland. Any person or entity purchasing or otherwise acquiring any interest in shares of capital stock of the Company shall be deemed, to the fullest extent permitted by law, to have notice of and consented to these exclusive forum provisions and to have irrevocably submitted to, and waived any objection to, the exclusive jurisdiction of such courts in connection with any such action or proceeding and consented to process being served in any such action or proceeding, without limitation, by United States mail addressed to the stockholder at the stockholder's address as it appears on the records of the Company, with postage thereon prepaid.

REGULATION

We have elected to be regulated as a BDC under the 1940 Act. A BDC must be organized in the United States for the purpose of investing in or lending to primarily private companies and making significant managerial assistance available to them. A BDC may use capital provided by stockholders and from other sources to make long-term, private investments in businesses. A BDC provides stockholders the ability to retain the liquidity of a publicly traded stock while sharing in the possible benefits, if any, of investing in primarily privately-owned companies.

We may not change the nature of our business so as to cease to be, or withdraw our election as, a BDC unless authorized by vote of a majority of the outstanding voting securities, as required by the 1940 Act. A majority of the outstanding voting securities of a company is defined under the 1940 Act as the lesser of: (a) 67% or more of such company's voting securities present at a meeting if more than 50% of the outstanding voting securities of such company are present or represented by proxy, or (b) more than 50% of the outstanding voting securities of such company. We do not anticipate any substantial change in the nature of our business.

As with other companies regulated by the 1940 Act, a BDC must adhere to certain substantive regulatory requirements. A majority of our directors must be persons who are not "interested persons," as that term is defined in the 1940 Act. Additionally, we are required to provide and maintain a bond issued by a reputable fidelity insurance company to protect the BDC. Furthermore, as a BDC, we are prohibited from protecting any director or officer against any liability to us or our stockholders arising from willful misfeasance, bad faith, gross negligence or reckless disregard of the duties involved in the conduct of such person's office.

As a BDC, we are generally required to meet an asset coverage ratio, defined under the 1940 Act as the ratio of our gross assets (less all liabilities and indebtedness not represented by senior securities) to our outstanding senior securities, of at least 200% after each issuance of senior securities. However, the 1940 Act has been modified to allow a BDC to increase the maximum amount of leverage it may incur from an asset coverage ratio of 200% to an asset coverage ratio of 150%, if certain requirements are met. We are permitted to increase our leverage capacity if stockholders representing at least a majority of the votes cast, at an annual or special meeting at which quorum is met, approve a proposal to do so. If we receive such stockholder approval, we would be permitted to increase our leverage capacity on the first day after such approval. Alternatively, we may increase the maximum amount of leverage we may incur to an asset coverage ratio of 150% if the "required majority" of our independent directors as defined in Section 57(o) of the 1940 Act approve such increase, with such approval becoming effective after one year. If we receive approval to increase the maximum amount of leverage we may incur to an asset coverage ratio of 150% from an asset coverage ratio of 200%, we would be required to make certain disclosures on our website and in SEC filings regarding, among other things, the receipt of approval to increase our leverage, our leverage capacity and usage and risks related to leverage.

We may also be prohibited under the 1940 Act from knowingly participating in certain transactions with our affiliates without the prior approval of our directors who are not "interested persons," as defined in Section 2(a)(19) of the 1940 Act, of us, Runway Growth Capital or our respective affiliates and, in some cases, prior approval by the SEC.

We do not intend to acquire securities issued by any investment company that exceed the limits imposed by the 1940 Act and the rules and regulations thereunder. Prior to January 19, 2021, except for registered money market funds, we generally were prohibited from acquiring more than 3% of the voting stock of any registered investment company, investing more than 5% of the value of our total assets in the securities of one investment company, or investing more than 10% of the value of our total assets in the securities of more than one investment company without obtaining exemptive relief from the SEC. However, the SEC adopted new rules, which became effective on January 19, 2021, that allow us to acquire the securities of other investment companies in excess of the 3%, 5%, and 10% limitations without obtaining exemptive relief if we comply with certain conditions. If we invest in securities issued by investment companies, if any, it should be noted that such investments might subject our stockholders to additional expenses as they will be indirectly responsible for the costs and expenses of such companies.

Investment companies registered under the 1940 Act and private funds that are excluded from the definition of "investment company" pursuant to either Section 3(c)(1) or 3(c)(7) of the 1940 Act may not

acquire directly or through a controlled entity more than 3% of our total outstanding voting stock (measured at the time of the acquisition), unless the funds comply with an exemption under the 1940 Act. As a result, certain of our investors may hold a smaller position in our shares than if they were not subject to these restrictions.

We are generally not able to issue and sell our common stock at a price below net asset value per share. We may, however, sell our common stock, or warrants, options or rights to acquire our common stock, at a price below the then-current net asset value of our common stock if our Board of Directors determines that such sale is in our best interests and the best interests of our stockholders, and our stockholders approve such sale. In addition, we may generally issue new shares of our common stock at a price below net asset value in rights offerings to existing stockholders, in payment of dividends and in certain other limited circumstances.

As a BDC, we are generally limited in our ability to invest in any portfolio company in which Runway Growth Capital or any of its affiliates currently has an investment or to make any co-investments with our investment adviser or its affiliates without an exemptive order from the SEC, subject to certain exceptions. On August 10, 2020, we, Runway Growth Capital, and certain other funds and accounts sponsored or managed by Runway Growth Capital were granted the Order that permits us greater flexibility than the 1940 Act permits to negotiate the terms of co-investments if our Board of Directors determines that it would be advantageous for us to co-invest with other accounts sponsored or managed by Runway Growth Capital or its affiliates in a manner consistent with the our investment objective, positions, policies, strategies and restrictions as well as regulatory requirements and other pertinent factors. We believe that the ability to co-invest with similar investment structures and accounts sponsored or managed by Runway Growth Capital or its affiliates will provide additional investment opportunities and the ability to achieve greater diversification. Under the terms of the Order, a majority of our independent directors are required to make certain determinations in connection with a co-investment transaction, including that (1) the terms of the proposed transaction are reasonable and fair to us and our stockholders and do not involve overreaching of us or our stockholders on the part of any person concerned and (2) the transaction is consistent with the interests of our stockholders and is consistent with our investment objective, positions, policies, strategies and restrictions as well as regulatory requirements and other pertinent factors.

We are subject to periodic examination by the SEC for compliance with the 1940 Act.

As a BDC, we are subject to certain risks and uncertainties. See "*Risk Factors — Risks Related to Our Business and Structure*."

Qualifying Assets

Under the 1940 Act, a BDC may not acquire any asset other than assets of the type listed in Section 55(a) of the 1940 Act, which are referred to as qualifying assets, unless, at the time the acquisition is made, qualifying assets represent at least 70% of the company's total assets. The principal categories of qualifying assets relevant to our business are any of the following:

(1) Securities purchased in transactions not involving any public offering from the issuer of such securities, which issuer (subject to certain limited exceptions) is an eligible portfolio company, or from any person who is, or has been during the preceding 13 months, an affiliated person of an eligible portfolio company, or from any other person, subject to such rules as may be prescribed by the SEC. An eligible portfolio company is defined in the 1940 Act as any issuer which:

   (a) is organized under the laws of, and has its principal place of business in, the United States;

   (b) is not an investment company (other than a small business investment company wholly owned by the BDC) or a company that would be an investment company but for certain exclusions under the 1940 Act; and

   (c) satisfies any of the following:

      (i) does not have any class of securities that is traded on a national securities exchange;

      (ii) has a class of securities listed on a national securities exchange, but has an aggregate market value of outstanding voting and non-voting common equity of less than $250 million;

(iii) is controlled by a BDC or a group of companies including a BDC and the BDC has an affiliated person who is a director of the eligible portfolio company; or

(iv) is a small and solvent company having total assets of not more than $4 million and capital and surplus of not less than $2 million.

(2) Securities of any eligible portfolio company controlled by the Company.

(3) Securities purchased in a private transaction from a U.S. issuer that is not an investment company or from an affiliated person of the issuer, or in transactions incident thereto, if the issuer is in bankruptcy and subject to reorganization or if the issuer, immediately prior to the purchase of its securities was unable to meet its obligations as they came due without material assistance other than conventional lending or financing arrangements.

(4) Securities of an eligible portfolio company purchased from any person in a private transaction if there is no ready market for such securities and the Company already owns 60% of the outstanding equity of the eligible portfolio company.

(5) Securities received in exchange for or distributed on or with respect to securities described in (1) through (4) above, or pursuant to the exercise of warrants or rights relating to such securities.

(6) Cash, cash equivalents, U.S. government securities or high-quality debt securities maturing in one year or less from the time of investment.

In addition, a BDC must be operated for the purpose of making investments in the types of securities described in (1), (2) or (3) above.

Control, as defined by the 1940 Act, is presumed to exist where a BDC beneficially owns more than 25% of the outstanding voting securities of the portfolio company, but may exist in other circumstances based on the facts and circumstances.

The regulations defining qualifying assets may change over time. The Company may adjust its investment focus as needed to comply with and/or take advantage of any regulatory, legislative, administrative or judicial actions

Managerial Assistance to Portfolio Companies

In addition, a BDC must have been organized and have its principal place of business in the United States and must be operated for the purpose of making investments in the types of securities described above in Qualifying Assets categories (1), (2) or (3). However, in order to count portfolio securities as qualifying assets for the purpose of the 70% test, the BDC must either control the issuer of the securities or must offer to make available to the issuer of the securities (other than small and solvent companies described above in Qualifying Assets category (1)(c)(iv)) significant managerial assistance; except that, where the BDC purchases such securities in conjunction with one or more other persons acting together, one of the other persons in the group may make available such managerial assistance. Making available managerial assistance means, among other things, any arrangement whereby the BDC, through its directors, officers or employees, offers to provide, and, if accepted, does so provide, significant guidance and counsel concerning the management, operations or business objectives and policies of a portfolio company. We may also receive fees for these services. Runway Growth Capital may provide, or arrange for the provision of, such managerial assistance on our behalf to portfolio companies that request this assistance, subject to reimbursement of any fees or expenses incurred on our behalf by Runway Growth Capital in accordance with our Advisory Agreement.

Temporary Investments

Pending investment in other types of "qualifying assets," as described above, our investments may consist of cash, cash equivalents, U.S. government securities or high-quality debt securities maturing in one year or less from the time of investment, which we refer to, collectively, as temporary investments, so that 70% of our assets are qualifying assets. Typically, we will invest in U.S. Treasury Bills or in repurchase agreements, provided that such agreements are fully collateralized by cash or securities issued by the U.S. government or its agencies.

A repurchase agreement involves the purchase by an investor, such as us, of a specified security and the simultaneous agreement by the seller to repurchase it at an agreed-upon future date and at a price which is greater than the purchase price by an amount that reflects an agreed-upon interest rate. There is no percentage restriction on the proportion of our assets that may be invested in such repurchase agreements. However, if more than 25% of our gross assets constitute repurchase agreements from a single counterparty, we would not meet the diversification tests in order to qualify as a RIC for U.S. federal income tax purposes. Thus, we do not intend to enter into repurchase agreements with a single counterparty in excess of this limit. Runway Growth Capital monitors the creditworthiness of the counterparties with which we enter into repurchase agreement transactions.

Warrants

Under the 1940 Act, a BDC is subject to restrictions on the issuance, terms and amount of warrants, options or rights to purchase shares of capital stock that it may have outstanding at any time. Under the 1940 Act, we may generally only offer warrants provided that (i) the warrants expire by their terms within ten years, (ii) the exercise or conversion price is not less than the current market value at the date of issuance, (iii) stockholders authorize the proposal to issue such warrants, and the Board approves such issuance on the basis that the issuance is in our best interests and the stockholders best interests and (iv) if the warrants are accompanied by other securities, the warrants are not separately transferable unless no class of such warrants and the securities accompanying them has been publicly distributed. The 1940 Act also provides that the amount of our voting securities that would result from the exercise of all outstanding warrants, as well as options and rights, at the time of issuance may not exceed 25% of our outstanding voting securities. In particular, the amount of capital stock that would result from the conversion or exercise of all outstanding warrants, options or rights to purchase capital stock cannot exceed 25% of the BDC's total outstanding shares of capital stock.

Senior Securities; Coverage Ratio

We are generally permitted, under specified conditions, to issue multiple classes of indebtedness and one class of stock senior to our common stock if our asset coverage, as defined in the 1940 Act, is at least equal to 200% immediately after each such issuance. However, the 1940 Act has been modified to allow a BDC to increase the maximum amount of leverage it may incur from an asset coverage ratio of 200% to an asset coverage ratio of 150%, if certain requirements are met. We are permitted to increase our leverage capacity if stockholders representing at least a majority of the votes cast, at an annual or special meeting at which quorum is met, approve a proposal to do so. If we receive such stockholder approval, we would be permitted to increase our leverage capacity on the first day after such approval. Alternatively, we may increase the maximum amount of leverage we may incur to an asset coverage ratio of 150% if the "required majority" of our independent directors as defined in Section 57(o) of the 1940 Act approve such increase, with such approval becoming effective after one year. If we receive approval to increase the maximum amount of leverage we may incur to an asset coverage ratio of 150% from an asset coverage ratio of 200%, we would be required to make certain disclosures on our website and in SEC filings regarding, among other things, the receipt of approval to increase our leverage, our leverage capacity and usage and risks related to leverage. Following the completion of this offering, the Board expects to approve a proposal to increase the maximum amount of leverage we may incur to an asset coverage ratio of 150% and seek corresponding approval from our stockholders. We cannot assure you that our stockholders will approve the increase of our leverage.

In addition, while any senior securities remain outstanding, we must make provisions to prohibit any distribution to our stockholders or the repurchase of such securities or shares unless we meet the applicable asset coverage ratios at the time of the distribution or repurchase. We may also borrow amounts up to 5% of the value of our gross assets for temporary purposes without regard to asset coverage. For a discussion of the risks associated with leverage, see "*Risk Factors — Risks Related to Our Business and Structure — We may borrow money, which would magnify the potential for gain or loss on amounts invested and may increase the risk of investing in us*."

Compliance Policies and Procedures

We and Runway Growth Capital have adopted and implemented written policies and procedures reasonably designed to detect and prevent violation of the federal securities laws and are required to review

these compliance policies and procedures annually for their adequacy and the effectiveness of their implementation and designate a chief compliance officer to be responsible for administering the policies and procedures. Joseph McDermott currently serves as our Chief Compliance Officer.

Codes of Ethics

We have adopted a Code of Business Conduct Ethics for our employees and directors, including, specifically, our Chief Executive Officer, our Chief Financial Officer, and our other executive officers. Our Code of Business Conduct and Ethics satisfies the requirements for a "code of ethics" within the meaning of SEC rules. A copy of the Code of Business Conduct and Ethics is posted on our website. We intend to disclose any changes in, or waivers from, the Code of Business Conduct and Ethics by posting such information on the same website or by filing a Form 8-K, in each case to the extent such disclosure is required by rules of the SEC or NASDAQ.

Affiliated Transactions

On August 10, 2020, we, Runway Growth Capital, and certain other funds and accounts sponsored or managed by Runway Growth Capital were granted the Order that permits us greater flexibility than the 1940 Act permits to negotiate the terms of co-investments if our Board of Directors determines that it would be advantageous for us to co-invest with other accounts sponsored or managed by Runway Growth Capital or its affiliates in a manner consistent with the our investment objective, positions, policies, strategies and restrictions as well as regulatory requirements and other pertinent factors. We believe that the ability to co-invest with similar investment structures and accounts sponsored or managed by Runway Growth Capital or its affiliates will provide additional investment opportunities and the ability to achieve greater diversification. Under the terms of the Order, a majority of our independent directors are required to make certain determinations in connection with a co-investment transaction, including that (1) the terms of the proposed transaction are reasonable and fair to us and our stockholders and do not involve overreaching of us or our stockholders on the part of any person concerned and (2) the transaction is consistent with the interests of our stockholders and is consistent with our investment objective, positions, policies, strategies and restrictions as well as regulatory requirements and other pertinent factors.

Cancellation of the Investment Advisory Agreement

Under the 1940 Act, the Advisory Agreement will automatically terminate in the event of its assignment, as defined in the 1940 Act, by Runway Growth Capital. The Advisory Agreement automatically terminates in the event of its assignment, as defined in the 1940 Act, and may be terminated, without penalty, upon not more than 60 days' written notice, by (i) the affirmative vote of a majority of our outstanding voting securities, (ii) the affirmative vote of a majority of our Board of Directors, including a majority of our directors who are not "interested persons," as defined in Section 2(a)(19) of the 1940 Act, of us, Runway Growth Capital or our respective affiliates, or (iii) Runway Growth Capital.

Proxy Voting Policies and Procedures

We have delegated our proxy voting responsibility to Runway Growth Capital. The Proxy Voting Policies and Procedures of Runway Growth Capital are set forth below. The guidelines will be reviewed periodically by Runway Growth Capital and our non-interested directors, and, accordingly, are subject to change. For purposes of the Proxy Voting Policies and Procedures described below, "we," "our" and "us" refers to Runway Growth Capital.

An investment adviser registered under the Advisers Act has a fiduciary duty to act solely in the best interests of its clients. As part of this duty, we recognize that we must vote client securities in a timely manner, free of conflicts of interest and in the best interests of our clients.

These policies and procedures for voting proxies for our investment advisory clients are intended to comply with Section 206 of, and Rule 206(4)-6 under, the Advisers Act.

Proxy Policies

We will vote proxies relating to our portfolio securities in what we perceive to be the best interests of our clients' stockholders. We will review on a case-by-case basis each proposal submitted to a stockholder vote to

determine its impact on the portfolio securities held by our clients. Although we will generally vote against proposals that may have a negative impact on our clients' portfolio securities, we may vote for such a proposal if there exist compelling long-term reasons to do so.

Our proxy-voting decisions will be made by the senior officers who are responsible for monitoring each of our clients' investments. To ensure that our vote is not the product of a conflict of interest, we will require that: (1) anyone involved in the decision-making process disclose to our management any potential conflict that he or she is aware of and any contact that he or she has had with any interested party regarding a proxy vote; and (2) employees involved in the decision-making process or vote administration are prohibited from revealing how we intend to vote on a proposal in order to reduce any attempted influence from interested parties.

Proxy Voting Records

You may obtain information about how we voted proxies by making a written request for proxy voting information to: Runway Growth Capital LLC, 205 N. Michigan Ave., Suite 4200, Chicago, IL 60601.

Privacy Principles

We are committed to maintaining the privacy of our stockholders and to safeguarding their non-public personal information. The following information is provided to help you understand what personal information we collect, how we protect that information and why, in certain cases, we may share information with select other parties.

Pursuant to our privacy policy, we do not disclose any non-public personal information about our stockholders or former stockholders to anyone, except as permitted by law, or as is necessary in order to service stockholder accounts (for example, to a transfer agent or third-party administrator).

We may collect non-public information about investors from our subscription agreements or other forms, such as name, address, account number and the types and amounts of investments, and information about transactions with us or our affiliates, such as participation in other investment programs, ownership of certain types of accounts or other account data and activity. We may disclose the information that we collect from our stockholders or former stockholders, as described above, only to our affiliates and service providers and only as allowed by applicable law or regulation. Any party that receives this information uses it only for the services required by us and as allowed by applicable law or regulation and is not permitted to share or use this information for any other purpose. To protect the non-public personal information of individuals, we restrict access to non-public personal information about our stockholders to employees of Runway Growth Capital and its affiliates with a legitimate business need for the information. In order to guard our stockholders' non-public personal information, we maintain physical, electronic and procedural safeguards that are designed to comply with applicable law. Non-public personal information that we collect about our stockholders is generally stored on secured servers located in the United States. An individual stockholder's right to privacy extends to all forms of contact with us, including telephone, written correspondence and electronic media, such as the Internet.

Reporting Obligations

We furnish our stockholders with annual reports containing audited financial statements, quarterly reports, and such other periodic reports as we determine to be appropriate or as may be required by law. We are required to comply with all periodic reporting, proxy solicitation and other applicable requirements under the Exchange Act.

Our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, as well as reports on Forms 3, 4 and 5 regarding directors, officers and 10% beneficial owners of us, filed or furnished pursuant to section 13(a), 15(d) or 16(a) of the Exchange Act, are available on our website free of charge (*https://runwaygrowth.com/document-center/*) and none of the information on our website is incorporated or a part of this prospectus.

Stockholders and the public may also view any materials we file with the SEC on the SEC's website *http://www.sec.gov* and none of the information on the SEC's website is incorporated or a part of this prospectus.

Other

We have adopted an investment policy that complies with the requirements applicable to us as a BDC. We expect to be periodically examined by the SEC for compliance with the 1940 Act and the 1934 Act, and are subject to the periodic reporting and related requirements of the 1934 Act.

We are also required to provide and maintain a bond issued by a reputable fidelity insurance company to protect against larceny and embezzlement. Furthermore, as a BDC, we are prohibited from protecting any director or officer against any liability to our stockholders arising from willful misfeasance, bad faith, gross negligence or reckless disregard of the duties involved in the conduct of such person's office.

We are also required to designate a chief compliance officer and to adopt and implement written policies and procedures reasonably designed to prevent violation of the federal securities laws and to review these policies and procedures annually for their adequacy and the effectiveness of their implementation.

We are not permitted to change the nature of our business so as to cease to be, or to withdraw our election as, a BDC unless approved by a majority of the outstanding shares of our common stock.

We intend to operate as a non-diversified management investment company; however, we are currently and may, from time to time, in the future, be considered a diversified management investment company pursuant to the definitions set forth in the 1940 Act.

Our internet address is *https://runwaygrowth.com.* Information contained on our website or the SEC's website is not incorporated by reference into this prospectus. We make available free of charge on our website our annual report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, proxy statement and amendments to those reports as soon as reasonably practicable after we electronically file such material with, or furnish them to, the SEC.

SHARES ELIGIBLE FOR FUTURE SALE

Prior to this offering, there has been no public market for our common stock. We cannot predict the effect, if any, that sales of shares or the availability of shares for sale will have on the market price of our common stock prevailing from time to time. Sales of substantial amounts of our common stock in the public market, or the perception that such sales could occur, could adversely affect the prevailing market price of our common stock.

Prior to this offering, we had 34,530,614 shares of our common stock outstanding. Upon completion of this offering [•] shares of our common stock will be issued and outstanding. If the underwriters exercise their option to purchase additional shares of our common stock, [•] shares of our common stock will be issued and outstanding immediately after the completion of this offering.

Rule 144

All of the 34,530,614 shares outstanding prior to this offering are considered "restricted" securities under the meaning of Rule 144 and may not be sold in the absence of registration under the Securities Act unless an exemption from registration is available. Additionally, any shares purchased in this offering by our affiliates, as that term is defined in Rule 144 under the Securities Act, would only be able to be sold in compliance with the Rule 144 limitations described below. See *"Risk Factors — Risks Related to an Investment in Our Common Stock — Prior to this offering, there has been no public market for our common stock, and we cannot assure you that a market for our common stock will develop or that the market price of shares of our common stock will not decline following the offering."*

In general, under Rule 144 under the Securities Act, a person (or persons whose shares are aggregated) who is not deemed to have been an affiliate of ours at any time during the three months preceding a sale, and who has beneficially owned restricted securities within the meaning of Rule 144 for at least six months (including any period of consecutive ownership of preceding non-affiliated holders) would be entitled to sell those shares, subject only to the availability of current public information about us. A non-affiliated person who has beneficially owned restricted securities within the meaning of Rule 144 for at least one year would be entitled to sell those shares without regard to the provisions of Rule 144.

A person (or persons whose shares are aggregated) who is deemed to be an affiliate of ours and who has beneficially owned restricted securities within the meaning of Rule 144 for at least six months would be entitled to sell within any three-month period a number of shares that does not exceed the greater of 1% of the then outstanding shares of our common stock or the average weekly trading volume of our common stock during the four calendar weeks preceding such sale. Such sales are also subject to certain manner of sale provisions, notice requirements and the availability of current public information about us (which requires that we are current in our periodic reports under the 1934 Act).

No assurance can be given as to the likelihood that an active trading market for our common stock will develop, the liquidity of any such market, the ability of our stockholders to sell their shares or the prices that our stockholders may obtain for any of their shares.

Lock-up Restrictions

We, our executive officers, our directors, our stockholders holding in the aggregate all of the outstanding shares of our common stock and the Adviser have entered into lock-up agreements with the underwriters. Under these agreements, subject to certain exceptions, we and each of these persons agree not to, without the prior written approval of the representatives of the underwriters, offer, sell, offer to sell, contract or agree to sell, hypothecate, hedge, pledge, grant any option to purchase or otherwise dispose of or agree to dispose of, directly or indirectly, any shares of our common stock or any securities convertible into or exercisable or exchangeable for our common stock. These restrictions are in effect for a period of 180 days after the date of this prospectus. At any time, the representatives may, in their sole discretion, release some or all of the securities from these lock-up agreements. See *"Underwriting."*

In addition, each of our directors, executive officers and certain shareholders have agreed that they will not transfer their shares in accordance with the transfer restrictions provided for in the lock-up agreement with the underwriters for an additional 185 days beginning immediately after the expiration of the 180 day lock-up period (365 days in total from the date of this prospectus).

OCM Growth and certain of its affiliates, holding in the aggregate 19,200,496 shares, or 55.60%, of our common stock, have also agreed that they will not transfer their shares in accordance with the transfer restrictions provided for in the lock-up agreement with the underwriters for an additional 270 days beginning immediately after the expiration of the 180 day lock-up period (450 days in total from the date of this prospectus), provided, however that (i) 4,800,124 or 25% of the shares of the Company's common stock held by OCM Growth and certain of its affiliates prior to this offering will not be subject to any transfer restrictions on the first day following the expiration of the initial 180 day lock-up period, (ii) an additional 4,800,124 or 25% of the shares of the Company's common stock held by OCM Growth and certain of its affiliates prior to this offering will not be subject to any transfer restrictions on the 90th day following the expiration of the initial 180 day lock-up period, (iii) an additional 4,800,124 or 25% of the shares of the Company's common stock held by OCM Growth and certain of its affiliates prior to this offering will not be subject to any transfer restrictions on the 180th day following the expiration of the initial 180 day lock-up period and (iv) the remaining 4,800,124 or 25% of the shares of the Company's common stock held by OCM Growth and certain of its affiliates prior to this offering will not be subject to any transfer restrictions on the 270th day following the expiration of the initial 180 day lock-up period.

Further, certain other institutional shareholders holding in the aggregate approximately 27.23% of the outstanding shares of our common stock have agreed that they will not transfer their shares in accordance with the transfer restrictions provided for in the lock-up agreement with the underwriters for an additional 185 days beginning immediately after the expiration of the 180 day lock-up period (365 days in total from the date of this prospectus), provided, however that (i) 33% of the shares of the Company's common stock held by certain institutional shareholders prior to this offering will not be subject to any transfer restrictions on the first day following the expiration of the initial 180 day lock-up period, (ii) an additional 33% of the shares of the Company's common stock held by certain institutional shareholders prior to this offering will not be subject to any transfer restrictions on the 90th day following the expiration of the initial 180 day lock-up period, and (iii) the remaining 33% of the shares of the Company's common stock held by certain institutional shareholders prior to this offering will not be subject to any transfer restrictions on the 185th day following the expiration of the initial 180 day lock-up period.

The Company, in its sole discretion, may release the securities subject to any of the transfer restrictions described above, in whole or in part at any time during the subsequent restricted periods. See "*Underwriting*."

UNDERWRITING

We are offering the shares of common stock described in this prospectus through a number of underwriters. J.P. Morgan Securities LLC, Morgan Stanley & Co. LLC and Wells Fargo Securities, LLC are acting as joint book-running managers of the offering and as representatives of the underwriters (the "Representatives"). We will enter into an underwriting agreement with the underwriters. Subject to the terms and conditions of the underwriting agreement, we will agree to sell to the underwriters, and each underwriter will severally agreed to purchase, at the public offering price less the underwriting discounts and commissions set forth on the cover page of this prospectus, the number of shares of common stock listed next to its name in the following table:

Name	Number of Shares
J.P. Morgan Securities LLC	
Morgan Stanley & Co. LLC	
Wells Fargo Securities, LLC	
Total	

The underwriters are committed to purchase all the common shares offered by us if they purchase any shares. The underwriting agreement also provides that if an underwriter defaults, the purchase commitments of non-defaulting underwriters may also be increased or the offering may be terminated.

The underwriters propose to offer the common shares directly to the public at the initial public offering price set forth on the cover page of this prospectus and to certain dealers at that price less a concession not in excess of $ per share. Any such dealers may resell shares to certain other brokers or dealers at a discount of up to $ per share from the initial public offering price. After the initial offering of the shares to the public, if all of the common shares are not sold at the initial public offering price, the underwriters may change the offering price and the other selling terms. Sales of any shares made outside the United States may be made by affiliates of the underwriters.

The underwriters have an option to buy up to additional shares of common stock from us to cover sales of shares by the underwriters which exceed the number of shares specified in the table above. The underwriters have 30 days from the date of this prospectus to exercise this option to purchase additional shares. If any shares are purchased with this option to purchase additional shares, the underwriters will purchase shares in approximately the same proportion as shown in the table above. If any additional shares of common stock are purchased, the underwriters will offer the additional shares on the same terms as those on which the shares are being offered.

The underwriting fee is equal to the public offering price per share of common stock less the amount paid by the underwriters to us per share of common stock. The underwriting fee is $ per share. The following table shows the per share and total underwriting discounts and commissions to be paid to the underwriters assuming both no exercise and full exercise of the underwriters' option to purchase additional shares.

	Without option to purchase additional shares exercise	With full option to purchase additional shares exercise
Per Share	$	$
Total	$	$

We estimate that the total expenses of this offering, including registration, filing and listing fees, printing fees and legal and accounting expenses, and up to $[•] reimbursement of certain underwriters' counsel fees in connection with the review of the terms of this offering by the Financial Industry Regulatory Authority, Inc., but excluding the underwriting discounts and commissions, will be approximately $[•].

A prospectus in electronic format may be made available on the web sites maintained by one or more underwriters, or selling group members, if any, participating in the offering. The underwriters may agree to allocate a number of shares to underwriters and selling group members for sale to their online brokerage account holders. Internet distributions will be allocated by the representatives to underwriters and selling group members that may make Internet distributions on the same basis as other allocations.

We have agreed that we will not (i) offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of, directly or indirectly, or submit to, or file with, SEC a registration statement under the Securities Act relating to, any shares of our common stock or securities convertible into or exercisable or exchangeable for any shares of our common stock, or publicly disclose the intention to make any offer, sale, pledge, loan, disposition or filing, or (ii) enter into any swap or other arrangement that transfers all or a portion of the economic consequences associated with the ownership of any shares of common stock or any such other securities (regardless of whether any of these transactions are to be settled by the delivery of shares of common stock or such other securities, in cash or otherwise), in each case without the prior written consent of the Representatives for a period of 180 days after the date of this prospectus, other than the shares of our common stock to be sold in this offering.

The restrictions on our actions, as described above, do not apply to certain transactions, including (i) the issuance of shares of common stock or securities convertible into or exercisable for shares of our common stock pursuant to the conversion or exchange of convertible or exchangeable securities or the exercise of warrants or options (including net exercise) or the settlement of restricted stock units (including net settlement), in each case outstanding on the date of the underwriting agreement and described in this prospectus; (ii) grants of stock options, stock awards, restricted stock, restricted stock units, or other equity awards and the issuance of shares of our common stock or securities convertible into or exercisable or exchangeable for shares of our common stock (whether upon the exercise of stock options or otherwise) to our employees, officers, directors, advisors, or consultants pursuant to the terms of an equity compensation plan in effect as of the closing of this offering and described in this prospectus, provided that such recipients enter into a lock-up agreement with the underwriters.

Lock-Up with Directors, Officers and Shareholders

Initial Transfer Restrictions

Our directors and executive officers, and our stockholders holding in the aggregate all of the outstanding shares of our common stock (such persons, the “lock-up parties”) have entered into lock-up agreements with the underwriters prior to the commencement of this offering pursuant to which each lock-up party, with limited exceptions, for a period of 180 days after the date of this prospectus (such period, the “restricted period”), may not (and may not cause any of their direct or indirect affiliates to), without the prior written consent of the Representatives, (1) offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of, directly or indirectly, any shares of our common stock or any securities convertible into or exercisable or exchangeable for our common stock (including, without limitation, common stock or such other securities which may be deemed to be beneficially owned by such lock-up parties in accordance with the rules and regulations of the SEC and securities which may be issued upon exercise of a stock option or warrant (collectively with the common stock, the “lock-up securities”)), (2) enter into any hedging, swap or other agreement or transaction that transfers, in whole or in part, any of the economic consequences of ownership of the lock-up securities, whether any such transaction described in clause (1) or (2) above is to be settled by delivery of lock-up securities, in cash or otherwise, (3) make any demand for, or exercise any right with respect to, the registration of any lock-up securities, or (4) publicly disclose the intention to do any of the foregoing (such restrictions and prohibitions set forth in (1) through (4) above, the “transfer restrictions”). Such lock-up parties have further acknowledged that these undertakings preclude them from engaging in any hedging or other transactions or arrangements (including, without limitation, any short sale or the purchase or sale of, or entry into, any put or call option, or combination thereof, forward, swap or any other derivative transaction or instrument, however described or defined) designed or intended, or which could reasonably be expected to lead to or result in, a sale or disposition or transfer (by any person or entity, whether or not a signatory to such agreement) of any economic consequences of ownership, in whole or in part, directly or

indirectly, of any lock-up securities, whether any such transaction or arrangement (or instrument provided for thereunder) would be settled by delivery of lock-up securities, in cash or otherwise.

The restrictions described in the immediately preceding paragraph and contained in the lock-up agreements between the underwriters and the lock-up parties do not apply, subject in certain cases to various conditions, to certain transactions, including (a) transfers of lock-up securities: (i) as bona fide gifts, or for bona fide estate planning purposes, (ii) by will or intestacy, (iii) to any trust for the direct or indirect benefit of the lock-up party or any immediate family member, (iv) to a partnership, limited liability company or other entity of which the lock-up party and its immediate family members are the legal and beneficial owner of all of the outstanding equity securities or similar interests, (v) to a nominee or custodian of a person or entity to whom a disposition or transfer would be permissible under clauses (i) through (iv), (vi) in the case of a corporation, partnership, limited liability company, trust or other business entity, (A) to another corporation, partnership, limited liability company, trust or other business entity that is an affiliate of the lock-up party, or to any investment fund or other entity controlling, controlled by, managing or managed by or under common control with the lock-up party or its affiliates or (B) as part of a distribution to members or stockholders of the lock-up party; (vii) by operation of law, (viii) to us from an employee upon death, disability or termination of employment of such employee, (ix) as part of a sale of lock-up securities acquired in open market transactions after the completion of this offering, (x) to us in connection with the vesting, settlement or exercise of restricted stock units, options, warrants or other rights to purchase shares of our common stock (including "net" or "cashless" exercise), including for the payment of exercise price and tax and remittance payments, or (xi) pursuant to a bona fide third-party tender offer, merger, consolidation or other similar transaction approved by our Board and made to all stockholders involving a change in control, provided that if such transaction is not completed, all such lock-up securities would remain subject to the restrictions in the immediately preceding paragraph; (b) exercise of the options, settlement of restricted stock units or other equity awards, or the exercise of warrants granted pursuant to plans described in in this prospectus, provided that any lock-up securities received upon such exercise, vesting or settlement would be subject to restrictions similar to those in the immediately preceding paragraph; (c) the conversion of outstanding preferred stock, warrants to acquire preferred stock, or convertible securities into shares of our common stock or warrants to acquire shares of our common stock, provided that any common stock or warrant received upon such conversion would be subject to restrictions similar to those in the immediately preceding paragraph; and (d) the establishment by lock-up parties of trading plans under Rule 10b5-1 under the Exchange Act, provided that such plan does not provide for the transfer of lock-up securities during the restricted period. The Representatives, in their sole discretion, may release the securities subject to any of the lock-up agreements with the underwriters described above, in whole or in part at any time during the 180 day lock-up.

Additional Transfer Restrictions

Each of our directors and executive officers and certain of our shareholders have also agreed that they will not transfer their shares in accordance with the transfer restrictions provided for in the lock-up agreement with the underwriters for an additional 185 days beginning immediately after the expiration of the 180 day lock-up period (365 days in total from the date of this prospectus).

OCM Growth and certain of its affiliates, holding in the aggregate 19,200,496 shares, or 55.60%, of our common stock, have also agreed that they will not transfer their shares in accordance with the transfer restrictions provided for in the lock-up agreement with the underwriters for an additional 270 days beginning immediately after the expiration of the 180 day lock-up period (450 days in total from the date of this prospectus), provided, however that (i) 4,800,124 or 25% of the shares of the Company's common stock held by OCM Growth and certain of its affiliates prior to this offering will not be subject to any transfer restrictions on the first day following the expiration of the initial 180 day lock-up period, (ii) an additional 4,800,124 or 25% of the shares of the Company's common stock held by OCM Growth and certain of its affiliates prior to this offering will not be subject to any transfer restrictions on the 90th day following the expiration of the initial 180 day lock-up period, (iii) an additional 4,800,124 or 25% of the shares of the Company's common stock held by OCM Growth and certain of its affiliates prior to this offering will not be subject to any transfer restrictions on the 180th day following the expiration of the initial 180 day lock-up period and (iv) the remaining 4,800,124 or 25% of the shares of the Company's common stock held by OCM Growth and certain of its affiliates prior to this offering will not be subject to any transfer restrictions on the 270th day following the expiration of the initial 180 day lock-up period.

Certain other institutional shareholders holding in the aggregate approximately 27.23% of the outstanding shares of our common stock have agreed that they will not transfer their shares in accordance with the transfer restrictions provided for in the lock-up agreement with the underwriters for an additional 185 days beginning immediately after the expiration of the 180 day lock-up period (365 days in total from the date of this prospectus), provided, however that (i) 33% of the shares of the Company's common stock held by certain institutional shareholders prior to this offering will not be subject to any transfer restrictions on the first day following the expiration of the initial 180 day lock-up period, (ii) an additional 33% of the shares of the Company's common stock held by certain institutional shareholders prior to this offering will not be subject to any transfer restrictions on the 90th day following the expiration of the initial 180 day lock-up period and (iii) the remaining 33% of the shares of the Company's common stock held by certain institutional shareholders prior to this offering will not be subject to any transfer restrictions on the 185th day following the expiration of the initial 180 day lock-up period.

The Company, in its sole discretion, may release the securities subject to any of the transfer restrictions described above, in whole or in part at any time during the subsequent restricted periods.

The underwriting agreement we will enter into with the underwriters contains provisions for the indemnification of the underwriters by the Company and the Adviser against liabilities arising out of or based upon material misstatements or omissions in disclosure materials used in connection with this offering, subject to customary exceptions.

We have applied to have our common stock approved for listing on the Nasdaq Global Select Market under the symbol "RWAY".

In connection with this offering, the underwriters may engage in stabilizing transactions, which involves making bids for, purchasing and selling shares of common stock in the open market for the purpose of preventing or retarding a decline in the market price of the common stock while this offering is in progress. These stabilizing transactions may include making short sales of common stock, which involves the sale by the underwriters of a greater number of shares of common stock than they are required to purchase in this offering, and purchasing shares of common stock on the open market to cover positions created by short sales. Short sales may be "covered" shorts, which are short positions in an amount not greater than the underwriters' option to purchase additional shares referred to above, or may be "naked" shorts, which are short positions in excess of that amount. The underwriters may close out any covered short position either by exercising their option to purchase additional shares, in whole or in part, or by purchasing shares in the open market. In making this determination, the underwriters will consider, among other things, the price of shares available for purchase in the open market compared to the price at which the underwriters may purchase shares through the option to purchase additional shares. A naked short position is more likely to be created if the underwriters are concerned that there may be downward pressure on the price of the common stock in the open market that could adversely affect investors who purchase in this offering. To the extent that the underwriters create a naked short position, they will purchase shares in the open market to cover the position.

The underwriters have advised us that, pursuant to Regulation M of the Securities Act, they may also engage in other activities that stabilize, maintain or otherwise affect the price of the common stock, including the imposition of penalty bids. This means that if the representatives of the underwriters purchase common stock in the open market in stabilizing transactions or to cover short sales, the representatives can require the underwriters that sold those shares as part of this offering to repay the underwriting discount received by them.

These activities may have the effect of raising or maintaining the market price of the common stock or preventing or retarding a decline in the market price of the common stock, and, as a result, the price of the common stock may be higher than the price that otherwise might exist in the open market. If the underwriters commence these activities, they may discontinue them at any time. The underwriters may carry out these transactions on the Nasdaq Stock Market, in the over-the-counter market or otherwise.

Prior to this offering, there has been no public market for our common stock. The initial public offering price will be determined by negotiations between us and the representatives of the underwriters. In determining the initial public offering price, we and the representatives of the underwriters expect to consider a number of factors including:

- the information set forth in this prospectus and otherwise available to the representatives;
- our prospects and the history and prospects for the industry in which we compete;
- an assessment of our management;
- our prospects for future earnings;
- the general condition of the securities markets at the time of this offering;
- the recent market prices of, and demand for, publicly traded common stock of generally comparable companies; and
- other factors deemed relevant by the underwriters and us.

Neither we nor the underwriters can assure investors that an active trading market will develop for our common shares, or that the shares will trade in the public market at or above the initial public offering price.

Certain of the underwriters and their affiliates have provided in the past to us and our affiliates and may provide from time to time in the future certain commercial banking, financial advisory, investment banking and other services for us and such affiliates in the ordinary course of their business, for which they have received and may continue to receive customary fees and commissions. In addition, from time to time, certain of the underwriters and their affiliates may effect transactions for their own account or the account of customers, and hold on behalf of themselves or their customers, long or short positions in our debt or equity securities or loans, and may do so in the future.

OCM Growth, or an affiliate thereof, has indicated that it intends to adopt the 10b5-1 Plan in accordance with Rules 10b5-1 and 10b-18 under the Exchange Act. We expect that, under such 10b5-1 Plan, OCM Growth, or an affiliate thereof, may buy up to $15 million in the aggregate of our common stock in the open market during the period beginning 30 days after the closing of this offering and ending on the earlier of the date on which the capital committed to the 10b5-1 Plan has been exhausted or one year after the closing of this offering, subject to certain pricing and market conditions. J.P. Morgan Securities LLC is acting as agent for the 10b5-1 Plan. See "*Related Party Transactions and Certain Relationships*."

Principal Business Addresses

The principal business address of J.P. Morgan Securities LLC is 383 Madison Avenue, New York, New York 10079. The principal business address of Morgan Stanley & Co. LLC is 1585 Broadway, New York, New York 10036. The principal business address of Wells Fargo Securities, LLC is 550 South Tryon Street, Charlotte, North Carolina 28202.

Selling Restrictions

General

Other than in the United States, no action has been taken by us or the underwriters that would permit a public offering of the securities offered by this prospectus in any jurisdiction where action for that purpose is required. The securities offered by this prospectus may not be offered or sold, directly or indirectly, nor may this prospectus or any other offering material or advertisements in connection with the offer and sale of any such securities be distributed or published in any jurisdiction, except under circumstances that will result in compliance with the applicable rules and regulations of that jurisdiction. Persons into whose possession this prospectus comes are advised to inform themselves about and to observe any restrictions relating to the offering and the distribution of this prospectus. This prospectus does not constitute an offer to sell or a solicitation of an offer to buy any securities offered by this prospectus in any jurisdiction in which such an offer or a solicitation is unlawful.

Notice to Prospective Investors in Canada

The shares may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103

Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the shares must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this prospectus (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to section 3A.3 (or, in the case of securities issued or guaranteed by the government of a non-Canadian jurisdiction, section 3A.4) of National Instrument 33-105 Underwriting Conflicts (NI 33-105), the underwriters are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

Notice to Prospective Investors in Australia

No placement document, prospectus, product disclosure statement or other disclosure document has been lodged with the Australian Securities and Investments Commission ("ASIC"), in relation to the offering. This prospectus does not constitute a prospectus, product disclosure statement or other disclosure document under the Corporations Act 2001 (the "Corporations Act"), and does not purport to include the information required for a prospectus, product disclosure statement or other disclosure document under the Corporations Act.

Any offer in Australia of the common stock may only be made to persons (the "Exempt Investors") who are "sophisticated investors" (within the meaning of section 708(8) of the Corporations Act), "professional investors" (within the meaning of section 708(11) of the Corporations Act) or otherwise pursuant to one or more exemptions contained in section 708 of the Corporations Act so that it is lawful to offer the common stock without disclosure to investors under Chapter 6D of the Corporations Act.

The common stock applied for by Exempt Investors in Australia must not be offered for sale in Australia in the period of 12 months after the date of allotment under the offering, except in circumstances where disclosure to investors under Chapter 6D of the Corporations Act would not be required pursuant to an exemption under section 708 of the Corporations Act or otherwise or where the offer is pursuant to a disclosure document which complies with Chapter 6D of the Corporations Act. Any person acquiring common stock must observe such Australian on-sale restrictions.

This prospectus contains general information only and does not take account of the investment objectives, financial situation or particular needs of any particular person. It does not contain any securities recommendations or financial product advice. Before making an investment decision, investors need to consider whether the information in this prospectus is appropriate to their needs, objectives and circumstances, and, if necessary, seek expert advice on those matters.

Notice to Prospective Investors in the Dubai International Financial Centre

This document relates to a company which is not subject to any form of regulation or approval by the Dubai Financial Services Authority ("DFSA").

The DFSA has not approved this document nor has any responsibility for reviewing or verifying any document or other documents in connection with this company. Accordingly, the DFSA has not approved this document or any other associated documents nor taken any steps to verify the information set out in this document, and has no responsibility for it.

The shares of common stock have not been offered and will not be offered to any persons in the Dubai International Financial Centre except on that basis that an offer is:

(i) an "Exempt Offer" in accordance with the Markets Rules (MKT) module of the DFSA; and

(ii) made only to persons who meet the Professional Client criteria set out in Rule 2.3.2 of the DFSA Conduct of Business Module.

This document must not, therefore, be delivered to, or relied on by, any other type of person. The company to which this document relates may be illiquid and/or subject to restrictions on its resale. Prospective purchasers should conduct their own due diligence on the company.

The DFSA has not taken steps to verify the information set out in this document, and has no responsibility for it. If you do not understand the contents of this document you should consult an authorized financial adviser.

CUSTODIAN, TRANSFER AND DIVIDEND PAYING AGENT AND REGISTRAR

Our securities and loan documents are held by U.S. Bank, National Association, pursuant to a custodian agreement. The principal business address of U.S. Bank, National Association, is 190 S. LaSalle Street, 8th Floor, Chicago, IL 60603. American Stock Transfer & Trust Company LLC will serve as our transfer agent, distribution paying agent and registrar. The principal business address of American Stock Transfer & Trust Company LLC is 6201 15th Avenue, Brooklyn, NY 11219.

BROKERAGE ALLOCATION AND OTHER PRACTICES

Since we will acquire and dispose of many of our investments in privately negotiated transactions, many of the transactions that we engage in will not require the use of brokers or the payment of brokerage commissions. Subject to policies established by our Board, the Adviser will be primarily responsible for selecting brokers and dealers to execute transactions with respect to the publicly traded securities portion of our portfolio transactions and the allocation of brokerage commissions. The Adviser does not expect to execute transactions through any particular broker or dealer but will seek to obtain the best net results for us under the circumstances, taking into account such factors as price (including the applicable brokerage commission or dealer spread), size of order, difficulty of execution and operational facilities of the firm and the firm's risk and skill in positioning blocks of securities. The Adviser generally will seek reasonably competitive trade execution costs but will not necessarily pay the lowest spread or commission available. Subject to applicable legal requirements and consistent with Section 28(e) of the 1934 Act, the Adviser may select a broker based upon brokerage or research services provided to the Adviser and us and any other clients. In return for such services, we may pay a higher commission than other brokers would charge if the Adviser determines in good faith that such commission is reasonable in relation to the services provided.

LEGAL MATTERS

The validity of the common stock offered hereby and certain legal matters for us in connection with the offering will be passed upon for us by Eversheds Sutherland (US) LLP. Eversheds Sutherland (US) LLP also represents the Adviser. Certain legal matters in connection with the offering will be passed upon for the underwriters by Ropes & Gray LLP.

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The financial statements of Runway Growth Finance Corp. (formerly known as Runway Growth Credit Fund Inc.) as of December 31, 2020 and 2019 and for each of the years in the three-year period ended December 31, 2020 have been audited by RSM US LLP, an independent registered public accounting firm, as stated in their report thereon and included in this Registration Statement in reliance upon such report and upon the authority of such firm as experts in accounting and auditing.

AVAILABLE INFORMATION

We have filed with the SEC a registration statement on Form N-2, together with all amendments and related exhibits, under the Securities Act, with respect to the shares of our common stock offered by this prospectus. The registration statement contains additional information about us and the shares of our common stock being offered by this prospectus.

We also file with or submit to the SEC periodic and current reports, proxy statements and other information meeting the informational requirements of the 1934 Act.

We furnish our stockholders with annual reports containing audited financial statements, quarterly reports, and such other periodic reports as we determine to be appropriate or as may be required by law.

We make available on our website *(*https://runwaygrowth.com/document-center/) our annual reports on Form 10-K, quarterly reports on Form 10-Q and our current reports on Form 8-K. The SEC also maintains a website *(www.sec.gov)* that contains such information. The reference to our website is an inactive textual reference only and the information contained on our website or the SEC's website is not incorporated as a part of this prospectus. You may also obtain such information free of charge by contacting us in writing at 205 N. Michigan Ave., Suite 4200, Chicago, IL 60601, or by emailing us at prospectus@runwaygrowth.com.

INDEX TO FINANCIAL STATEMENTS

INTERIM FINANCIAL STATEMENTS

Statements of Assets and Liabilities as of June 30, 2021 (Unaudited) and December 31, 2020	F-2
Statements of Operations for the Three and Six Months Ended June 30, 2021 and 2020 (Unaudited)	F-3
Statements of Changes in Net Assets for the Three and Six Months Ended June 30, 2021 and 2020 (Unaudited)	F-4
Statements of Cash Flows for the Six Months Ended June 30, 2021 and 2020 (Unaudited)	F-5
Schedules of Investments as of June 30, 2021 (Unaudited) and December 31, 2020	F-6
Notes to Financial Statements (Unaudited)	F-22

AUDITED FINANCIAL STATEMENTS

Report of Independent Registered Public Accounting Firm	
Statements of Assets and Liabilities as of December 31, 2020, and 2019	F-47
Statements of Operations for the Years Ended December 31, 2020, 2019 and 2018	F-48
Schedules of Investments as of December 31, 2020 and 2019	F-51
Statements of Changes in Net Assets for the Years Ended December 31. 2020. 2019 and 2018	F-49
Statements of Cash Flows for the Years Ended December 31, 2020, 2019 and 2018	F-50
Notes to Financial Statements	F-66

PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

RUNWAY GROWTH CREDIT FUND INC.

Statements of Assets and Liabilities

	June 30, 2021 (Unaudited)	December 31, 2020
Assets		
Investments at fair value:		
Non-control/non-affiliate investments at fair value (cost of $570,412,489 and $532,676,057, respectively)	$575,594,218	$541,978,736
Control/affiliate investments at fair value (cost of $13,911,494 and $13,911,494, respectively)	12,022,944	9,845,854
Investment in U.S. Treasury Bills at fair value (cost of $29,999,896 and $70,001,472, respectively)	29,999,881	70,002,060
Total investments at fair value (cost of $614,323,879 and $616,589,023, respectively)	617,617,043	621,826,650
Cash and cash equivalents	892,584	14,886,246
Accrued interest receivable	2,233,161	2,682,405
Other accounts receivable	229,750	359,000
Prepaid and deferred expenses	408,875	137,096
Total assets	621,381,413	639,891,397
Liabilities		
Debt:		
Credit facilities	117,000,000	99,000,000
Deferred credit facility fees (net of accumulated amortization of $615,908 and $383,873, respectively)	(1,363,516)	(1,583,230)
Total debt, less unamortized deferred financing costs	115,636,484	97,416,770
Reverse repurchase agreement	19,900,000	69,650,000
Accrued incentive fees	6,073,854	5,007,065
Due to affiliate	116,544	143,515
Interest payable	761,124	468,014
Accrued expenses and other liabilities	1,154,310	962,348
Total liabilities	143,642,316	173,647,712
Commitments and contingencies (Note 3)		
Net assets		
Common stock, $0.01 par value; 100,000,000 shares authorized; 32,690,454 and 31,414,051 shares issued and outstanding, respectively	326,904	314,140
Additional paid-in capital	485,755,211	466,872,304
Distributable (losses) earnings	(8,343,018)	(942,759)
Total net assets	$477,739,097	$466,243,685
Net asset value per share	$ 14.61	$ 14.84

See notes to financial statements.

RUNWAY GROWTH CREDIT FUND INC.

Statements of Operations
(Unaudited)

	Three Months Ended June 30, 2021	Three Months Ended June 30, 2020	Six Months Ended June 30, 2021	Six Months Ended June 30, 2020
Investment income				
From non-control/non-affiliate:				
Interest income	$17,229,488	$10,944,773	$32,250,053	$24,572,148
Payment in-kind interest income	1,045,527	249,917	1,989,558	767,847
Other income	126,678	160,293	240,970	564,843
Interest income from U.S. Treasury Bills	15	527	25	17,096
Dividend income	343,755	438,034	687,510	667,204
Other income from non-investment sources	139	7,510	260	32,773
Total investment income	18,745,602	11,801,054	35,168,376	26,621,911
Operating expenses				
Management fees	2,276,341	1,758,729	4,345,550	3,295,677
Incentive fees	2,836,303	905,858	3,812,007	3,220,976
Interest expense	761,815	23,082	1,489,730	187,494
Professional fees	429,902	383,360	646,065	721,173
Overhead allocation expense	208,736	161,665	406,119	345,983
Administration fee	92,760	121,369	240,860	245,680
Facility fees	419,216	199,993	709,201	378,722
Directors' fees	69,250	60,250	134,000	128,000
Consulting fees	27,500	13,301	42,500	30,301
Tax expense	41	—	41	1,319
Insurance expense	23,275	26,438	46,551	52,876
General and administrative expenses	—	4,530	929	28,250
Other expenses	259,986	268,638	472,612	468,032
Total operating expenses	7,405,125	3,927,213	12,346,165	9,104,483
Net investment income	11,340,477	7,873,841	22,822,211	17,517,428
Realized and unrealized gain (loss) on investments				
Realized gain (loss) on non-control/non-affiliate investments, including U.S. Treasury Bills	(4,595,853)	203,854	(4,795,077)	(6,513,408)
Net change in unrealized appreciation (depreciation) on non-control/non-affiliate investments, including U.S. Treasury Bills	(1,683,287)	5,496,594	(4,121,553)	4,317,513
Net change in unrealized appreciation on control/ affiliate investments	1,650,006	—	2,177,090	—
Net realized and unrealized gain (loss) on investments	(4,629,134)	5,700,448	(6,739,540)	(2,195,895)
Net increase in net assets resulting from operations	$ 6,711,343	$13,574,289	$16,082,671	$15,321,533
Net increase in net assets resulting from operations per common share	$ 0.21	$ 0.51	$ 0.50	$ 0.58
Net investment income per common share	$ 0.35	$ 0.30	$ 0.71	$ 0.67
Weighted-average shares outstanding	32,396,396	26,645,717	31,953,287	26,266,501

See notes to financial statements.

RUNWAY GROWTH CREDIT FUND INC.

Statements of Changes in Net Assets
(Unaudited)

	Three Months Ended June 30, 2021	Three Months Ended June 30, 2020	Six Months Ended June 30, 2021	Six Months Ended June 30, 2020
Net increase in net assets from operations				
Net investment income	$ 11,340,477	$ 7,873,841	$ 22,822,211	$ 17,517,428
Realized gain (loss) on non-control/non-affiliate investments, including U.S. Treasury Bills	(4,595,853)	203,854	(4,795,077)	(6,513,408)
Net change in unrealized appreciation (depreciation) on non-control/non-affiliate investments, including U.S. Treasury Bills	(1,683,287)	5,496,594	(4,121,553)	4,317,513
Net change in unrealized appreciation on control/affiliate investments	1,650,006	—	2,177,090	—
Net increase in net assets resulting from operations	6,711,343	13,574,289	16,082,671	15,321,533
Distributions to stockholders from:				
Dividends paid to stockholders	(11,859,731)	(9,242,578)	(23,482,930)	(19,567,064)
Total distributions to stockholders	(11,859,731)	(9,242,578)	(23,482,930)	(19,567,064)
Capital share transactions				
Issuance of shares of common stock	—	—	306,911	315,308
Issuance of shares of common stock under dividend reinvestment plan	9,410,371	7,538,541	18,593,591	15,923,964
Offering costs	(310)	(7,836)	(4,831)	(52,904)
Net increase in net assets resulting from capital share transactions	9,410,061	7,530,705	18,895,671	16,186,368
Total increase in net assets	4,261,673	11,862,416	11,495,412	11,940,837
Net assets at beginning of period	473,477,424	376,391,642	466,243,685	376,313,221
Net assets at end of period	$477,739,097	$388,254,058	$477,739,097	$388,254,058
Capital share activity				
Shares issued	637,127	529,020	1,276,403	1,125,173
Shares outstanding at beginning of period	32,053,327	26,407,367	31,414,051	25,811,214
Shares outstanding at end of period	32,690,454	26,936,387	32,690,454	26,936,387

See notes to financial statements.

RUNWAY GROWTH CREDIT FUND INC.

Statements of Cash Flows
(Unaudited)

	Six Months Ended June 30, 2021	Six Months Ended June 30, 2020
Cash flows from operating activities		
Net increase in net assets resulting from operations	$ 16,082,671	$ 15,321,533
Adjustments to reconcile net increase in net assets resulting from operations to net cash provided by (used in) operating activities:		
Purchases of investments	(133,681,004)	(100,537,492)
Purchases of U.S. Treasury Bills	(54,999,849)	(94,999,834)
Payment in-kind interest	(1,989,558)	(767,847)
Sales or repayments of investments	96,783,551	60,966,345
Sales or maturities of U.S. Treasury Bills	94,999,162	149,986,014
Realized loss on investments, including U.S. Treasury Bills	4,795,077	6,513,408
Net change in unrealized appreciation (depreciation) on investments, including U.S. Treasury Bills	1,944,463	(4,317,513)
Amortization of fixed income premiums or accretion of discounts	(3,660,438)	(4,349,093)
Amortization of deferred credit facility fees	232,034	111,862
Changes in operating assets and liabilities:		
Accrued interest receivable	449,244	125,470
Other accounts receivable	129,250	(36,024)
Prepaid and deferred expenses	(271,779)	97,690
Deferred revenue	—	54,004
Accrued incentive fees	1,066,789	(802,863)
Due to affiliate	(26,971)	2,895
Interest payable	293,110	(493,558)
Accrued expenses and other liabilities	210,164	(442,834)
Net cash provided by operating activities	22,355,916	26,432,163
Cash flows from financing activities		
Deferred credit facility fees	(12,320)	(25,000)
Borrowings under credit facilities	93,000,000	47,000,000
Repayments under credit facilities	(75,000,000)	(83,000,000)
Proceeds from reverse repurchase agreements	44,774,914	94,524,501
Repayments of reverse repurchase agreements	(94,524,914)	(124,345,001)
Dividends paid to stockholders	(4,889,338)	(3,643,100)
Offering costs	(4,831)	(52,904)
Net cash received from common stock issued	306,911	315,308
Net cash (used in) financing activities	(36,349,578)	(69,226,196)
Net (decrease) in cash	(13,993,662)	(42,794,033)
Cash and cash equivalents at beginning of period	14,886,246	45,799,672
Cash and cash equivalents at end of period	$ 892,584	$ 3,005,639
Supplemental and non-cash financing cash flow information:		
Taxes paid	$ —	$ 99,549
Interest paid	1,196,620	681,052
Non-cash portfolio purchases	648,744	23,959,450
Non-cash dividend reinvestments	18,593,591	15,923,964

See notes to financial statements.

RUNWAY GROWTH CREDIT FUND INC.

Schedule of Investments (Unaudited)
June 30, 2021

Portfolio Companies	Sub-Industry	Investment Description[1],[5],[10]	Acquisition Date	Principal/ Shares	Cost	Fair Value[2],[6]	% of Net Assets
Control/affiliate investments[15]							
Senior Secured Term Loans[7],[8]							
Mojix, Inc.	Application Software	Tranche I: LIBOR+12.00% PIK, 12.00% floor, 5% ETP, due 7/15/2021[4]	5/16/2017	$ 6,519,240	$ 6,502,036	$ 5,983,889	1.25%
		Tranche II: LIBOR+12.00% PIK, 12.00% floor, 5% ETP, due 7/15/2021[4]	8/3/2017	2,173,080	2,170,069	1,994,630	0.42
		Tranche III: LIBOR+12.00% PIK, 12.00% floor, 5% ETP, due 7/15/2021[4]	7/6/2018	542,721	543,783	498,154	0.10
		Tranche IV: LIBOR+12.00% PIK, 12.00% floor, 5% ETP, due 7/15/2021[4]	9/5/2018	541,964	542,215	497,459	0.10
		Tranche V: LIBOR+12.00% PIK, 12.00% floor, 5% ETP, due 7/15/2021[4]	1/28/2019	1,079,293	1,073,081	990,645	0.21
		Tranche VI: LIBOR+12.00% PIK, 12.00% floor, 5% ETP, due 7/31/2021[4]	12/18/2019	1,034,143	1,034,143	949,221	0.20
Total Senior Secured Term Loans					11,865,327	10,913,998	2.28
Preferred Stocks[7]							
Mojix, Inc.	Application Software	Series A-1 Preferred Stock	12/14/2020	67,114,092	800,000	1,108,946	0.23
Warrants[7]							
Mojix, Inc.	Application Software	Warrant for Common Stock, exercise price $1.286/share, expires 12/13/2030	12/14/2020	2,349	119,320	—	—
		Warrant for Common Stock, exercise price $2.1286/share, expires 12/13/2030	12/14/2020	5,873	298,325	—	—
		Warrant for Common Stock, exercise price $5.57338/share, expires 12/13/2030	12/14/2020	394,733	828,522	—	—
Total Warrants					1,246,167	—	—
Total Control/affiliate investments					13,911,494	12,022,944	2.52
Non-control/non-affiliate investments							
Senior Secured Term Loans[8]							
Aria Systems, Inc.	Application Software	Tranche I: LIBOR+9.00%, 11.35% floor, 4.50% ETP, due 12/15/2021	6/29/2018	25,000,000	25,851,328	26,507,396	5.55
		Tranche II: LIBOR+9.00%, 11.35% floor, 4.50% ETP, due 12/15/2021	3/31/2020	2,500,000	2,411,143	2,650,740	0.55
		Tranche III: LIBOR+9.00%, 11.35% floor, due 12/15/2021	4/23/2021	1,000,000	1,000,000	1,000,000	0.21
Allurion Technologies, Inc.	Health Care Technology	LIBOR+9.05%, 9.50% floor, 3.00% ETP, due 3/30/2025	3/30/2021	15,000,000	14,847,502	14,847,502	3.11
Bombora, Inc.	Internet Software and Services	LIBOR+5.00%, 5.50% floor, 3.75% PIK, 2.00% ETP, due 3/31/2025[4]	3/31/2021	20,158,734	19,834,959	19,834,959	4.15
Brilliant Earth, LLC	Internet Retail	Tranche I: LIBOR+8.25%, 9.25% floor, 4.50% ETP, due 10/15/2023	9/30/2019	35,000,000	35,107,170	35,177,982	7.36
		Tranche II: LIBOR+8.25%, 9.25% floor, 0.75% ETP, due 10/15/2023	12/17/2020	30,000,000	29,840,832	30,152,556	6.31

See notes to financial statements.

RUNWAY GROWTH CREDIT FUND INC.

Schedule of Investments (Unaudited) (continued)
June 30, 2021

Portfolio Companies	Sub-Industry	Investment Description[1],[5],[10]	Acquisition Date	Principal/ Shares	Cost	Fair Value[2],[6]	% of Net Assets
Circadence Corporation	Application Software	LIBOR+9.50%, 12.00% floor, 7.50% ETP, due 12/15/2022	12/20/2018	$17,400,000	$17,187,153	$15,905,794	3.33%
CloudPay Solutions Ltd.	Human Resource & Employment Services	LIBOR+9.50%, 1.25% PIK, 11.25% floor, 3.00% ETP, due 12/15/2023[3],[4],[13]	6/30/2020	25,305,514	25,135,929	25,135,929	5.26
Credit Sesame, Inc.	Specialized Consumer Services	Tranche I: LIBOR+8.35%, 10.25% floor, 2.50% ETP, due 12/15/2023	1/7/2020	35,000,000	35,034,482	34,795,736	7.28
		Tranche II: LIBOR+8.35% , 2.00% PIK on overadvance, 10.25% floor, due 5/15/2023[4]	1/7/2020	9,539,099	9,539,099	9,478,319	1.98
CrossRoads Extremity Systems, LLC	Health Care Technology	LIBOR+8.15%, 1.50% PIK, 8.65% floor, 3.50% ETP, due 7/1/2025[4]	6/29/2021	7,500,000	7,255,874	7,255,874	1.52
Dtex Systems, Inc.	Application Software	LIBOR+9.50%, 10.00% floor, 1.75% ETP, due 6/1/2025	6/1/2021	10,000,000	9,904,096	9,904,096	2.07
Echo 360 Holdings, Inc.	Education Services	LIBOR+10.50%, 11.00% floor, 3.00% ETP, due 12/15/2024	6/22/2021	20,000,000	19,926,816	19,926,816	4.17
Fidelis Cybersecurity, Inc.	Internet Software and Services	LIBOR+11.00%, 12.0% Floor, 2.44% ETP, due 5/13/2024	5/13/2021	12,641,254	12,541,372	12,537,571	2.62
FiscalNote, Inc.	Application Software	LIBOR+9.25%, 9.75% floor, 5.00% ETP, due 8/21/2023	10/19/2020	45,000,000	44,887,723	44,887,723	9.40
Gynesonics, Inc.	Health Care Technology	LIBOR+8.75%, 9.25% floor, 3.50% ETP, due 12/1/2025	12/1/2020	30,000,000	29,339,975	29,323,360	6.14
INRIX, Inc.	Internet Software and Services	Tranche I: LIBOR+8.00%, 10.50% floor, 2.50% ETP, due 7/15/2023	7/26/2019	20,000,000	20,048,250	20,048,250	4.20
		Tranche II: LIBOR+8.00%, 10.50% floor, 2.50% ETP, due 7/15/2023	7/26/2019	10,000,000	9,898,882	9,898,882	2.07
Marley Spoon AG	Internet Retail	LIBOR+8.50%, 1.25% PIK, 9.00% floor, due 6/15/2025[3],[4],[12]	6/30/2021	17,550,000	17,110,084	17,110,084	3.58
Mingle Healthcare Solutions, Inc.	Health Care Technology	LIBOR+9.50%, 11.75% floor, .25% PIK, 10.00% ETP, due 8/15/2022[4]	8/15/2018	3,953,456	4,351,193	4,302,146	0.90
Pivot3 Holdings, Inc.	Data Processing & Outsourced Services	Tranche I: LIBOR+8.50% PIK, 11.00% floor, 4.00% ETP, due 11/15/2022[4]	5/13/2019	22,593,161	23,049,601	11,898,196	2.49
		Tranche II: LIBOR+8.50% PIK, 11.00% floor, due 11/15/2022[4]	3/30/2021	1,080,984	1,080,984	569,181	0.12
		Tranched III: LIBOR+8.50% PIK, 11.00% floor, 4.00% ETP, due 11/15/2022[4]	3/30/2021	2,526,947	2,531,039	1,330,538	0.28
Porch Group, Inc.	Application Software	LIBOR+8.00%, 8.55% floor, 4.99% ETP, due 12/15/2024[3],[16]	7/22/2020	40,394,947	40,514,455	40,514,455	8.48

See notes to financial statements.

RUNWAY GROWTH CREDIT FUND INC.

Schedule of Investments (Unaudited) (continued)
June 30, 2021

Portfolio Companies	Sub-Industry	Investment Description[1],[5],[10]	Acquisition Date	Principal/ Shares	Cost	Fair Value[2],[6]	% of Net Assets
SetPoint Medical Corporation	Health Care Technology	LIBOR+8.75%, 9.25% floor, 4.00% ETP, due 12/1/2025	6/29/2021	$10,000,000	$ 9,886,574	$ 9,886,574	2.07%
ShareThis, Inc.	Data Processing & Outsourced Services	Tranche I: LIBOR+9.25%, 11.60% floor, 3.00% ETP, due 7/15/2023	12/3/2018	19,250,000	19,099,162	19,099,161	4.00
		Tranche II: LIBOR+9.25%, 11.60% floor, 3.00% ETP, due 7/15/2023	1/7/2019	750,000	741,181	741,181	0.16
		Tranche III: LIBOR+9.25%, 11.60% floor, 3.00% ETP, due 7/15/2023	7/24/2019	1,000,000	981,727	981,727	0.21
		Tranche IV: LIBOR+8.25%, 10.60% floor, 3.00% ETP, due 7/15/2023	8/18/2020	1,000,000	1,006,026	1,006,026	0.21
The Kairn Corporation	Application Software	Tranche I: LIBOR+9.50% PIK, 10.81% floor, due 12/15/2022[4]	3/24/2020	1,092,895	1,092,895	1,092,895	0.23
		Tranche II: Fixed 6.50% PIK, due 3/9/2027[4]	3/9/2020	4,327,450	4,327,450	2,823,303	0.59
VERO Biotech LLC	Health Care Technology	Tranche I: LIBOR+9.05%, 9.55% floor, 3.00% ETP, due 12/1/2024	12/29/2020	25,000,000	24,471,486	24,471,486	5.12
		Tranche II: LIBOR+9.05%, 9.55% floor, 3.00% ETP, due 12/1/2024	3/30/2021	15,000,000	14,901,321	14,901,321	3.12
Total Senior Secured Term Loans					534,737,763	519,997,759	108.85
Preferred Stocks							
Aria Systems, Inc.	Application Software	Series G Preferred Stock[7]	7/10/2018	289,419	250,000	369,620	0.08
CareCloud, Inc.	Health Care Technology	11% Series A Cumulative Redeemable Perpetual Preferred Stock[16]	1/8/2020	544,178	14,287,836	15,770,278	3.30
Pivot3 Holdings, Inc.	Data Processing & Outsourced Services	Series 1 Preferred Stock[7]	1/27/2021	2,675,585	2,000,000	—	—
Total Preferred Stocks					16,537,836	16,139,898	3.38
Common Stocks[7]							
Porch Group, Inc.	Application Software	Common Stock[3],[16]	12/23/2020	38,079	118,100	737,971	0.15
Ouster, Inc.	Technology Hardware, Storage & Peripherals	Common Stock[3],[16]	3/12/2021	1,209,659	103,010	14,324,110	3.00
zSpace, Inc.	Technology Hardware, Storage & Peripherals	Common Stock	12/31/2020	6,078,499	1,119,096	—	—
Total Common Stocks					1,340,206	15,062,081	3.15

See notes to financial statements.

RUNWAY GROWTH CREDIT FUND INC.

Schedule of Investments (Unaudited) (continued)
June 30, 2021

Portfolio Companies	Sub-Industry	Investment Description[1],[5],[10]	Acquisition Date	Principal/ Shares	Cost	Fair Value[2],[6]	% of Net Assets
Warrants[7]							
AllClear ID, Inc.	Specialized Consumer Services	Warrant for Common Stock, exercise price $0.01/share, expires 9/1/2027	9/1/2017	870,514	$1,749,733	$ 736,455	0.15%
Allurion Technologies, Inc.	Health Care Technology	Warrant for Series C Preferred Stock, exercise price $6.58/share, expires 3/30/2031	3/30/2021	79,787	46,289	68,108	0.01
Aria Systems, Inc.	Application Software	Warrant for Series G Preferred Stock, exercise price $0.8638/share, expires 6/29/2028	6/29/2018	2,387,705	1,047,581	3,049,362	0.64
Aspen Group Inc.	Education Services	Warrant for Common Stock, exercise price $6.87/share, expires 7/25/2022	7/25/2017	224,174	583,301	339,000	0.07
Bombora, Inc.	Internet Software and Services	Warrant for Common Stock, exercise price $3.29/share, expires 3/31/2031	3/31/2021	121,581	174,500	187,658	0.04
Brilliant Earth, LLC	Internet Retail	Warrant for Class P Units, exercise price $5.25/share, expires 9/30/2029	9/30/2019	333,333	973,000	1,823,333	0.38
		Warrant for Class P Units, exercise price $10.00/share, expires 12/17/2030	12/17/2020	25,000	25,500	75,500	0.02
CareCloud, Inc.	Health Care Technology	Warrant for Common Stock, exercise price $7.50/share, expires 1/8/2022	1/8/2020	1,000,000	435,000	1,725,000	0.36
		Warrant for Common Stock, exercise price $10.00/share, expires 1/8/2023	1/8/2020	1,000,000	837,000	1,733,000	0.36
Circadence Corporation	Application Software	Warrant for Series A-6 Preferred Stock, exercise price $1.17/share, expires 12/20/2028	12/20/2018	1,538,462	3,630,000	2,678,948	0.56
		Warrant for Series A-6 Preferred Stock, exercise price $1.17/share, expires 10/31/2029	10/31/2019	384,615	845,540	669,737	0.14
CloudPay Solutions Ltd.	Human Resource & Employment Services	Warrant for Series B Preferred Stock, exercise price $66.53/share, expires 6/30/2030[3],[13]	6/30/2020	11,273	217,500	407,625	0.09
Credit Sesame, Inc.	Specialized Consumer Services	Warrant for Common Stock, exercise price $0.01/share, expires 1/7/2030	1/7/2020	191,601	424,800	1,580,833	0.33
CrossRoads Extremity Systems, LLC	Health Care Technology	Warrant for Series C Preferred Stock, exercise price $3.79/share, expires 6/29/2031	6/29/2021	69,261	94,888	94,888	0.02
Dejero Labs Inc.	System Software	Warrant for Common Stock, exercise price $0.01/share, expires 5/31/2029[3],[11]	5/31/2019	333,621	192,499	570,597	0.12
Dtex Systems, Inc.	Application Software	Warrant for Series C-Prime Preferred Stock, exercise price $0.6000/share, expires 6/1/2025	6/1/2018	500,000	59,000	313,381	0.07
		Warrant for Series C-Prime Preferred Stock, exercise price $0.6000/share, expires 7/11/2026	7/11/2019	833,333	114,719	522,301	0.11

See notes to financial statements.

RUNWAY GROWTH CREDIT FUND INC.

Schedule of Investments (Unaudited) (continued)
June 30, 2021

Portfolio Companies	Sub-Industry	Investment Description[1],[5],[10]	Acquisition Date	Principal/ Shares	Cost	Fair Value[2],[6]	% of Net Assets
Echo 360 Holdings, Inc.	Education Services	Warrant for Series E Preferred Stock, exercise price $1.5963/share, expires 5/3/2029	5/3/2019	1,066,767	$ 299,762	$ 629,630	0.13%
		Warrant for Series E Preferred Stock, exercise price $1.5963/share, expires 6/21/2031	6/21/2021	125,502	74,046	74,074	0.02
Fidelis Cybersecurity, Inc.	Internet Software and Services	Warrant for Common Stock, exercise price $337.50/share, expires 5/13/2031 [17]	5/13/2021	—	—	—	—
FiscalNote, Inc.	Application Software	Warrant for Common Stock, exercise price $0.01/share, expires 10/19/2030	10/19/2020	194,673	438,014	1,643,754	0.34
Gynesonics, Inc.	Health Care Technology	Success fee, expires 12/1/2027 [13]	12/1/2020	—	498,900	559,917	0.12
INRIX, Inc.	Internet Software and Services	Warrant for Common Stock, exercise price $9.29/share, expires 7/26/2029	7/26/2019	150,804	522,083	1,141,521	0.24
Longtail Ad Solutions, Inc. (dba JW Player)	Internet Software and Services	Warrant for Common Stock, exercise price $1.49/share, expires 12/12/2029	12/12/2019	387,596	46,552	422,868	0.09
Massdrop, Inc.	Computer & Electronics Retail	Warrant for Series B Preferred Stock, exercise price $1.1938/share, expires 7/22/2029	7/22/2019	848,093	183,188	251,884	0.05
Mingle Healthcare Solutions, Inc.	Health Care Technology	Warrant for Series AA Preferred Stock, exercise price $0.24/share, expires 8/15/2028	8/15/2018	1,625,000	492,375	—	—
3DNA Corp. (dba NationBuilder)	Application Software	Warrant for Series C-1 Preferred Stock, exercise price $1.4643/share, expires 12/28/2028	12/28/2018	273,164	104,138	—	—
Porch Group, Inc.	Application Software	Earnout, expires 12/23/2023[3], [13], [16]	12/23/2020	1,412	—	27,365	0.01
RealWear, Inc.	Technology Hardware, Storage & Peripherals	Warrant for Series A Preferred Stock, exercise price $4.4464/share, expires 10/5/2028	10/5/2018	112,451	135,841	—	—
		Warrant for Series A Preferred Stock, exercise price $4.4464/share, expires 12/28/2028	12/28/2018	22,491	25,248	—	—
		Warrant for Series A Preferred Stock, exercise price $6.78/share, expires 6/27/2029	6/27/2019	123,894	380,850	—	—
Scale Computing, Inc.	System Software	Warrant for Common Stock, exercise price $0.80/share, expires 3/29/2029	3/29/2019	9,665,667	345,816	—	—
SetPoint Medical Corporation	Health Care Technology	Warrant for Class B Preferred Stock, exercise price $1.00/share, expires 6/29/2031[3],[7]	6/29/2021	400,000	14,060	14,060	0.00
ShareThis, Inc.	Data Processing & Outsourced Services	Warrant for Series D-3 Preferred Stock, exercise price $2.4320/share, expires 12/3/2028	12/3/2018	647,615	2,162,000	2,162,000	0.45
STN Video Inc.	Advertising	Warrant for Class B Non-Voting Stock, exercise price $0.67/share, expires 6/30/2027[3],[7]	6/30/2017	191,500	246,461	11,000	0.00
The Kairn Corporation	Application Software	Warrant for Common Stock, exercise price $0.01/share, expires 3/9/2030	3/9/2020	81,177	—	453,751	0.09

See notes to financial statements.

RUNWAY GROWTH CREDIT FUND INC.

Schedule of Investments (Unaudited) (continued)
June 30, 2021

Portfolio Companies	Sub-Industry	Investment Description[1],[5],[10]	Acquisition Date	Principal/ Shares	Cost	Fair Value[2],[6]	% of Net Assets
VERO Biotech LLC	Health Care Technology	Success fee, expires 12/29/2025[14]	12/29/2020	—	$ 376,500	$ 426,930	0.09%
Total Warrants					17,796,684	24,394,480	5.11
Total non-control/non-affiliate investments					570,412,489	575,594,218	120.48
U.S. Treasury							
		U.S. Treasury Bill, 0.025%, due 07/08/2021[9]	6/30/2021	20,000,000	19,999,903	19,999,889	4.19
		U.S. Treasury Bill, 0.005%, due 07/06/2021	6/30/2021	10,000,000	9,999,993	9,999,992	2.09
Total U.S.Treasury					29,999,896	29,999,881	6.28
Total Investments					$614,323,879	$617,617,043	129.28%

(1) Disclosures of interest rates on notes include cash interest rates and payment-in-kind ("PIK") interest rates, as applicable. Unless otherwise indicated, all of the Company's variable rate debt investments bear interest at a rate that is determined by reference to the 3-Month London Interbank Offered Rate ("LIBOR") or the U.S. Prime Rate. At June 30, 2021, the 3-Month LIBOR was 0.15% and the U.S. Prime Rate was 3.25%.

(2) All investments in portfolio companies, which as of June 30, 2021 represented 123.00% of the Company's net assets, are restricted as to resale and were valued at fair value as determined in good faith by the Company's Board of Directors.

(3) Investment is not a qualifying asset as defined under Section 55(a) of the Investment Company Act of 1940, as amended (the "1940 Act"). Non-qualifying assets at fair value represent 16.00% of total assets as of June 30, 2021. Qualifying assets must represent at least 70% of total assets at the time of acquisition of any additional non-qualifying assets. If at any time qualifying assets do not represent at least 70% of the Company's total assets, the Company will be precluded from acquiring any additional non-qualifying assets until such time as it complies with the requirements of Section 55(a) of the 1940 Act.

(4) Represents a PIK security. PIK interest is accrued and will be paid at maturity.

(5) Disclosures of end-of-term-payments ("ETP") are one-time payments stated as a percentage of original principal amount.

(6) Investments are held at Fair Value net of the Fair Value of Unfunded Commitments. See Note 3 for additional detail.

(7) Investments are non-income producing.

(8) The Credit Agreement (as defined in Note 10) is secured by a perfected first priority security interest in each of the Company's senior secured term loan investments, except for the Mojix, Inc., Pivot3 Holdings, Inc., and The Kairn Corporation senior secured term loans.

(9) Treasury bill with $20,000,000 par value was purchased pursuant to a 0.30% reverse repurchase agreement with Goldman Sachs dated June 30, 2021, due July 8, 2021, with a repurchase price of $19,900,000 collateralized by a 0.025% U.S. Treasury Bill due July 8, 2021 with a par value of 20,000,000 and fair value of $19,999,889.

(10) All investments are domiciled in the United States, unless otherwise noted.

(11) Investment is domiciled in Canada.

(12) Investment is domiciled in Germany.

See notes to financial statements.

RUNWAY GROWTH CREDIT FUND INC.

Schedule of Investments (Unaudited) (continued)
June 30, 2021

(13) Investment is domiciled in the United Kingdom.

(14) Investment is either a cash success fee payable or earnout of shares based on the consummation of certain trigger events.

(15) Control investment, as defined under the 1940 Act, in which the Company owns at least 25% of the investment's voting securities or has greater than 50% representation on its board.

(16) Investment is publicly traded and listed on NASDAQ.

(17) The warrant count is based upon a percentage of ownership of Fidelis Cybersecurity, Inc..

See notes to financial statements.

RUNWAY GROWTH CREDIT FUND INC.

Schedule of Investments (Unaudited) (continued)
June 30, 2021

The following table shows the fair value of the portfolio company investments in which we are deemed to exercise a controlling influence over the management or policies of the portfolio company, as defined in the 1940 Act, due to beneficially owning, either directly or through one or more controlled companies, more than 25% of the outstanding voting securities of the portfolio company as of June 30, 2021, along with the transactions during the six months ended June 30, 2021:

			For the Six Months Ended June 30, 2021				
Portfolio Company[4]	**Investment Description**	**Fair Value as of December 31, 2020**	**Gross Additions[1]**	**Gross Reductions[2]**	**Net Realized Gains (Losses)**	**Net Change in Unrealized Appreciation (Depreciation)**	**Fair Value as of June 30, 2021[3]**
Senior Secured Term Loans							
Mojix, Inc.	Tranche I: LIBOR+12.00% PIK, 12.00% floor, 5% ETP, due 7/15/2021	$4,913,150	$ —	$ —	$—	$1,070,739	$ 5,983,889
	Tranche II: LIBOR+12.00% PIK, 12.00% floor, 5% ETP, due 7/15/2021	1,637,717	—	—	—	356,913	1,994,630
	Tranche III: LIBOR+12.00% PIK, 12.00% floor, 5% ETP, due 7/15/2021	409,016	—	—	—	89,138	498,154
	Tranche IV: LIBOR+12.00% PIK, 12.00% floor, 5% ETP, due 7/15/2021	408,445	—	—	—	89,014	497,459
	Tranche V: LIBOR+12.00% PIK, 12.00% floor, 5% ETP, due 7/15/2021	813,382	—	—	—	177,263	990,645
	Tranche VI: LIBOR+12.00% PIK, 12.00% floor, 5% ETP, due 7/31/2021	779,370	—	—	—	169,851	949,221
	Tranche VII: LIBOR+12.00% PIK, 12.00% floor, due 4/30/21	—	500,000	(500,000)	—	—	—
Total Senior Secured Term Loans		8,961,080	500,000.00	(500,000.00)	—	1,952,918	10,913,998
Preferred Stocks							
Mojix, Inc.	Series A-1 Preferred Stock	884,774	—	—	—	224,172	1,108,946
Warrants							
Mojix, Inc.	Warrant for Common Stock, exercise price $1.286/share, expires 12/13/2030	—	—	—	—	—	—
	Warrant for Common Stock, exercise price $2.1286/share, expires 12/13/2030	—	—	—	—	—	—
	Warrant for Common Stock, exercise price $5.57338/share, expires 12/13/2030	—	—	—	—	—	—
Total Warrants		—	—	—	—	—	—
Total Control/affiliate investments		$9,845,854	$ 500,000	$ (500,000)	$—	$2,177,090	$12,022,944

(1) Gross additions includes increases in the basis of investments resulting from new portfolio investments,

See notes to financial statements.

RUNWAY GROWTH CREDIT FUND INC.

Schedule of Investments (Unaudited) (continued)
June 30, 2021

PIK interest, accretion of OID, the exchange of one or more existing investments for one or more new investments and the movement of an existing portfolio company into this category from a different category.

(2) Gross reductions include decreases in the basis of investments resulting from principal collections related to investment repayments or sales, the exchange of one or more existing investments for one or more new investments and the movement of an existing portfolio company out of this category into a different category.

(3) All investments in the portfolio company, which as of June 30, 2021 represented 2.52% of the Company's net assets, are restricted as to resale and were valued at fair value as determined in good faith by the Company's Board of Directors.

(4) The Company earned no investment income from control investments.

The following tables show the fair value of our portfolio of investments (excluding any U.S. Treasury Bills held) by geographic region and industry as of June 30, 2021:

	June 30, 2021	
Geographic Region	**Investments at Fair Value**	**Percentage of Net Assets**
Western United States	$276,039,672	57.78%
Northeastern United States	134,288,940	28.11
Northwestern United States	72,368,444	15.15
Southeastern United States	47,150,499	9.87
United Kingdom	25,543,554	5.35
Germany	17,110,084	3.58
South Central United States	14,534,370	3.04
Canada	581,597	0.12
Total	$587,617,160	123.00%

	June 30, 2021	
Industry	**Investments at Fair Value**	**Percentage of Net Assets**
Application Software	$167,775,535	35.12%
Healthcare Technology	125,380,444	26.24
Internet Retail	84,339,455	17.65
Internet Software & Services	64,071,708	13.41
Specialized Consumer Services	46,591,343	9.75
Data Processing & Outsourced Services	37,788,010	7.91
Human Resource & Employment Services	25,543,554	5.35
Education Services	20,969,520	4.39
Technology Hardware, Storage & Peripherals	14,324,110	3.00
System Software	570,597	0.12
Computer & Electronics Retail	251,884	0.05
Advertising	11,000	0.00
Total	$587,617,160	123.00%

See notes to financial statements.

RUNWAY GROWTH CREDIT FUND INC.

Schedule of Investments
December 31, 2020

Portfolio Companies	Sub-Industry	Investment Description[1],[5],[10]	Acquisition Date	Principal/ Shares	Cost	Fair Value[2],[8]	% of Net Assets
Control/affiliate investments[12]							
Senior Secured Term Loans[13]							
Mojix, Inc.	Application Software	Tranche I: LIBOR+12.00% PIK, 12.00% floor, 5% ETP, due 5/15/2021[4]	5/16/2017	$ 6,519,240	$ 6,502,036	$ 4,913,150	1.05%
		Tranche II: LIBOR+12.00% PIK, 12.00% floor, 5% ETP, due 5/15/2021[4]	8/3/2017	2,173,080	2,170,069	1,637,717	0.35
		Tranche III: LIBOR+12.00% PIK, 12.00% floor, 5% ETP, due 5/15/2021[4]	7/6/2018	542,721	543,783	409,016	0.09
		Tranche IV: LIBOR+12.00% PIK, 12.00% floor, 5% ETP, due 5/15/2021[4]	9/5/2018	541,964	542,215	408,445	0.09
		Tranche V: LIBOR+12.00% PIK, 12.00% floor, 5% ETP, due 5/15/2021[4]	1/28/2019	1,079,293	1,073,081	813,382	0.17
		Tranche VI: LIBOR+12.00% PIK, 12.00% floor, 5% ETP, due 4/30/2021[4]	12/18/2019	1,034,143	1,034,143	779,370	0.17
Total Senior Secured Term Loans					11,865,327	8,961,080	1.92
Preferred Stocks							
Mojix, Inc.	Application Software	Series A-1 Preferred Stock[7]	12/14/2020	67,114,092	800,000	884,774	0.19
Warrants[8]							
Mojix, Inc.	Application Software	Warrant for Common Stock, exercise price $1.286/share, expires 12/13/2030	12/14/2020	2,349	119,320	—	—
		Warrant for Common Stock, exercise price $2.1286/share, expires 12/13/2030	12/14/2020	5,873	298,325	—	—
		Warrant for Common Stock, exercise price $5.57338/share, expires 12/13/2030	12/14/2020	394,733	828,522	—	—
Total Warrants					1,246,167	—	—
Total Control/affiliate investments					13,911,494	9,845,854	2.11
Non-control/non-affiliate investments							
Corporate Bond							
TriplePoint Venture Growth BDC Corp.	Specialty Finance	Bonds, 5.75% Interest rate, due 7/15/2022[3]	3/23/2020	13,227	253,095	333,453	0.07
Senior Secured Term Loans[13]							
Aria Systems, Inc.	Application Software	Tranche I: LIBOR+9.00%, 11.35% floor, 4.50% ETP, due 12/15/2021	6/29/2018	25,000,000	25,573,394	26,487,949	5.68
		Tranche II: LIBOR+9.00%, 11.35% floor, 4.50% ETP, due 12/15/2021	3/31/2020	2,500,000	2,546,484	2,648,795	0.57
Brilliant Earth, LLC	Internet Retail	Tranche I: LIBOR+8.25%, 9.25% floor, 4.50% ETP, due 10/15/2023	9/30/2019	$ 35,000,000	$ 34,722,601	$ 34,722,601	7.45%
		Tranche II: LIBOR+8.25%, 9.25% floor, 0.75% ETP, due 10/15/2023	12/17/2020	30,000,000	29,733,181	29,758,229	6.38

See notes to financial statements.

RUNWAY GROWTH CREDIT FUND INC.

Schedule of Investments (continued)
December 31, 2020

Portfolio Companies	Sub-Industry	Investment Description[1],[5],[10]	Acquisition Date	Principal/ Shares	Cost	Fair Value[2],[8]	% of Net Assets
Circadence Corporation	Application Software	LIBOR+9.50%, 12.00% floor, 7.50% ETP, due 12/15/2022	12/20/2018	17,400,000	16,348,200	15,598,546	3.35
CloudPassage, Inc.	Data Processing & Outsourced Services	LIBOR+7.50%, 1.00% PIK, 10.00% floor, 2.75% ETP, due 6/13/2023[4]	6/13/2019	7,615,625	7,540,959	7,447,536	1.60
CloudPay Solutions Ltd.	Human Resource & Employment Services	LIBOR+9.50%, 1.25% PIK, 11.25% floor, 3.00% ETP, due 12/15/2023[3],[4],[11]	6/30/2020	25,146,185	24,772,553	24,772,553	5.31
Credit Sesame, Inc.	Specialized Consumer Services	Tranche I: LIBOR+8.35%, 10.25% floor, 2.50% ETP, due 12/15/2023	1/7/2020	35,000,000	34,693,762	34,531,361	7.41
		Tranche II: LIBOR+8.35% , 2.00% PIK on overadvance, 10.25% floor, due 5/15/2023[4]	1/7/2020	9,489,736	9,489,736	9,362,671	2.01
Dtex Systems, Inc.	Application Software	LIBOR+9.15%, 11.50% floor, 5.13% ETP, due 11/15/2021	6/1/2018	5,872,257	6,177,307	6,180,487	1.33
Echo 360 Holdings, Inc.	Education Services	Tranche I: LIBOR+9.25%, 12.05% floor, 4.00% ETP, due 5/3/2023	5/3/2019	14,000,000	14,078,320	14,324,161	3.07
		Tranche II: LIBOR+9.25%, 12.05% floor, 4.00% ETP, due 5/3/2023	5/3/2019	3,000,000	3,029,295	3,069,463	0.66
FiscalNote, Inc.	Application Software	LIBOR+9.25%, 9.75% floor, 5.00% ETP, due 8/21/2023	10/19/2020	45,000,000	44,330,193	44,330,193	9.51
Gynesonics, Inc.	Health Care Technology	LIBOR+8.75%, 9.25% floor, 3.50% ETP, due 12/1/2025	12/1/2020	30,000,000	29,156,536	29,156,536	6.25
INRIX, Inc.	Internet Software and Services	Tranche I: LIBOR+8.00%, 10.50% floor, 2.50% ETP, due 7/15/2023	7/26/2019	20,000,000	19,899,836	19,817,189	4.25
		Tranche II: LIBOR+8.00%, 10.50% floor, 2.50% ETP, due 7/15/2023	7/26/2019	10,000,000	9,825,946	9,908,594	2.13
Longtail Ad Solutions, Inc. (dba JW Player)	Internet Software and Services	LIBOR+8.75%, 10.75% floor, 3.00% ETP, due 6/15/2023	12/12/2019	30,000,000	30,054,163	30,270,499	6.49
Massdrop, Inc.	Computer & Electronics Retail	LIBOR+8.25%, 10.65% floor, 4.00% ETP, due 1/15/2023	7/22/2019	18,474,451	18,597,407	18,405,948	3.95
Mingle Healthcare Solutions, Inc.	Health Care Technology	LIBOR+9.50%, 11.75% floor, 10.00% ETP, due 8/15/2022	8/15/2018	4,416,667	4,683,180	4,646,930	1.00
3DNA Corp. (dba NationBuilder)	Application Software	Tranche I: LIBOR+9.00%, 11.50% floor, 5.50% ETP, due 4/15/2023	12/28/2018	$ 7,000,000	$ 7,160,591	$ 7,079,561	1.52%
		Tranche II: LIBOR+9.00%, 11.50% floor, 5.50% ETP, due 4/15/2023	6/12/2019	500,000	512,117	505,683	0.11
Ouster, Inc.	Technology Hardware, Storage & Peripherals	LIBOR+8.50%, 10.75% floor, 5% ETP, due 11/15/2021	11/27/2018	7,000,000	7,134,750	7,234,515	1.55
Pivot3, Inc.	Data Processing & Outsourced Services	Tranche I: LIBOR+8.50% PIK, 11.00% floor, 4.00% ETP, due 11/15/2022[4]	5/13/2019	21,345,001	21,609,825	19,864,282	4.26
		Tranche II: LIBOR+8.50% PIK, 11.00% floor, due 11/15/2022[4]	10/2/2020	1,022,772	1,022,772	951,822	0.20
		Tranche III: LIBOR+8.50% PIK, 11.00% floor, due 11/15/2022[4]	10/2/2020	1,000,000	1,000,000	930,629	0.20
Porch Group, Inc.	Application Software	LIBOR+8.50%, 2.00% PIK, 9.05% floor, 3.50% ETP, due 7/22/2024[4]	7/22/2020	40,327,734	40,206,479	40,206,479	8.62

See notes to financial statements.

RUNWAY GROWTH CREDIT FUND INC.

Schedule of Investments (continued)
December 31, 2020

Portfolio Companies	Sub-Industry	Investment Description[1],[5],[10]	Acquisition Date	Principal/ Shares	Cost	Fair Value[2],[8]	% of Net Assets
ShareThis, Inc.	Data Processing & Outsourced Services	Tranche I: LIBOR+9.25%, 11.60% floor, 3.00% ETP, due 12/31/2022	12/3/2018	19,250,000	18,850,776	18,850,776	4.04
		Tranche II: LIBOR+9.25%, 11.60% floor, 3.00% ETP, due 12/31/2022	1/7/2019	750,000	730,458	730,457	0.16
		Tranche III: LIBOR+9.25%, 11.60% floor, 3.00% ETP, due 12/31/2022	7/24/2019	1,000,000	965,131	965,131	0.21
		Tranche IV: LIBOR+8.25%, 10.60% floor, 3.00% ETP, due 12/31/2022	8/18/2020	1,000,000	997,975	997,975	0.21
The Kairn Corporation	Application Software	Tranche I: LIBOR+9.50% PIK, 10.81% floor, due 12/15/2022[4]	3/24/2020	788,143	788,143	788,143	0.17
		Tranche II: Fixed 6.50% PIK, due 3/9/2027[4]	3/9/2020	4,187,932	4,187,932	4,187,933	0.90
VERO Biotech LLC	Health Care Technology	LIBOR+9.05%, 9.55% floor, 3.00% ETP, due 12/1/2024	12/29/2020	25,000,000	24,269,950	24,269,950	5.21
Total Senior Secured Term Loans					494,689,952	493,003,577	105.74
Preferred Stocks							
Aria Systems, Inc.	Application Software	Series G Preferred Stock[7]	7/10/2018	289,419	250,000	451,494	0.10
MTBC, Inc.	Health Care Technology	11% Series A Cumulative Redeemable Perpetual Preferred Stock[15],[16]	1/8/2020	760,000	18,687,450	14,659,600	3.14
Total Preferred Stocks					18,937,450	15,111,094	3.24
Common Stocks[7]							
Porch Group, Inc.	Application Software	Common Stock[15]	12/23/2020	38,079	$ 118,100	$ 521,940	0.11%
zSpace, Inc.	Technology Hardware, Storage & Peripherals	Common Stock	12/31/2020	6,811,430	1,119,096	—	—
Total Common Stocks					1,237,196	521,940	0.11
Warrants[7]							
AllClear ID, Inc.	Specialized Consumer Services	Warrant for Common Stock, exercise price $0.01/share, expires 9/1/2027	9/1/2017	870,514	1,749,733	980,199	0.21
Aria Systems, Inc.	Application Software	Warrant for Series G Preferred Stock, exercise price $0.8638/share, expires 6/29/2028	6/29/2018	2,170,641	770,578	2,772,147	0.59
Aspen Group Inc.	Education Services	Warrant for Common Stock, exercise price $6.87/share, expires 7/25/2022	7/25/2017	224,174	583,301	1,217,000	0.26
Brilliant Earth, LLC	Internet Retail	Warrant for Class P Units, exercise price $5.25/share, expires 9/30/2029	9/30/2019	333,333	973,000	1,380,000	0.30
		Warrant for Class P Units, exercise price $10.00/share, expires 12/17/2030	12/17/2020	25,000	25,500	25,500	0.01
Circadence Corporation	Application Software	Warrant for Series A-6 Preferred Stock, exercise price $1.17/share, expires 12/20/2028	12/20/2018	1,538,462	3,630,000	3,083,703	0.66
		Warrant for Series A-6 Preferred Stock, exercise price $1.17/share, expires 10/31/2029	10/31/2019	384,615	845,540	770,926	0.17
CloudPassage, Inc.	Data Processing & Outsourced Services	Warrant for Series D-1 Preferred Stock, exercise price $1.60/share, expires 6/13/2029	6/13/2019	210,938	273,798	116,135	0.02

See notes to financial statements.

RUNWAY GROWTH CREDIT FUND INC.

Schedule of Investments (continued)
December 31, 2020

Portfolio Companies	Sub-Industry	Investment Description[1],[5],[10]	Acquisition Date	Principal/ Shares	Cost	Fair Value[2],[8]	% of Net Assets
CloudPay Solutions Ltd.	Human Resource & Employment Services	Warrant for Series B Preferred Stock, exercise price $66.53/share, expires 6/30/2030[3],[11]	6/30/2020	11,273	217,500	298,697	0.06
Credit Sesame, Inc.	Specialized Consumer Services	Warrant for Common Stock, exercise price $0.01/share, expires 1/7/2030	1/7/2020	191,601	424,800	596,167	0.13
Dejero Labs Inc.	System Software	Warrant for Common Stock, exercise price $0.01/share, expires 5/31/2029[3],[6]	5/31/2019	333,621	192,499	264,160	0.06
Dtex Systems, Inc.	Application Software	Warrant for Series C-Prime Preferred Stock, exercise price $0.6000/share, expires 6/1/2025	6/1/2018	500,000	59,000	297,136	0.06
		Warrant for Series C-Prime Preferred Stock, exercise price $0.6000/share, expires 7/11/2026	7/11/2019	833,333	114,719	495,226	0.11
Echo 360 Holdings, Inc.	Education Services	Warrant for Series E Preferred Stock, exercise price $1.5963/share, expires 5/3/2029	5/3/2019	1,066,767	299,762	629,630	0.14
FiscalNote, Inc.	Application Software	Warrant for Common Stock, exercise price $0.01/share, expires 10/19/2030	10/19/2020	194,673	$ 438,014	$ 409,996	0.09%
Gynesonics, Inc.	Health Care Technology	Success fee, expires 12/1/2027 [12]	12/1/2020	—	498,900	506,293	0.11
INRIX, Inc.	Internet Software and Services	Warrant for Common Stock, exercise price $9.29/share, expires 7/26/2029	7/26/2019	150,804	522,083	504,439	0.11
Longtail Ad Solutions, Inc. (dba JW Player)	Internet Software and Services	Warrant for Common Stock, exercise price $1.49/share, expires 12/12/2029	12/12/2019	322,997	38,800	304,264	0.07
Massdrop, Inc.	Computer & Electronics Retail	Warrant for Series B Preferred Stock, exercise price $1.1938/share, expires 7/22/2019	7/22/2019	848,093	183,188	276,478	0.06
Mingle Healthcare Solutions, Inc.	Health Care Technology	Warrant for Series AA Preferred Stock, exercise price $0.24/share, expires 8/15/2028	8/15/2018	1,625,000	492,375	—	—
MTBC, Inc.	Health Care Technology	Warrant for Common Stock, exercise price $7.50/share, expires 1/8/2022	1/8/2020	1,000,000	435,000	3,195,000	0.69
		Warrant for Common Stock, exercise price $10.00/share, expires 1/8/2023	1/8/2020	1,000,000	837,000	2,492,000	0.53
3DNA Corp. (dba NationBuilder)	Application Software	Warrant for Series C-1 Preferred Stock, exercise price $1.4643/share, expires 12/28/2028	12/28/2018	273,164	104,138	66,341	0.01
Ouster, Inc.	Technology Hardware, Storage & Peripherals	Warrant for Series B Preferred Stock, exercise price $0.3323/share, expires 11/27/2028	11/27/2018	1,805,597	103,010	9,901,935	2.12
Pivot3, Inc.	Data Processing & Outsourced Services	Warrant for Series D Preferred Stock, exercise price $0.59/share, expires 5/13/2029	5/13/2019	2,033,898	216,610	—	—
Porch Group, Inc.	Application Software	Earnout, expires 12/23/2023 [12]	12/23/2020	—	—	—	—
RealWear, Inc.	Technology Hardware, Storage & Peripherals	Warrant for Series A Preferred Stock, exercise price $4.4464/share, expires 10/5/2028	10/5/2018	112,451	135,841	—	—
		Warrant for Series A Preferred Stock, exercise price $4.4464/share, expires 12/28/2028	12/28/2018	22,491	25,248	—	—
		Warrant for Series A Preferred Stock, exercise price $6.78/share, expires 6/27/2029	6/27/2019	123,894	380,850	—	—

See notes to financial statements.

RUNWAY GROWTH CREDIT FUND INC.

Schedule of Investments (continued)
December 31, 2020

Portfolio Companies	Sub-Industry	Investment Description[1],[5],[10]	Acquisition Date	Principal/ Shares	Cost	Fair Value[2],[8]	% of Net Assets
Scale Computing, Inc.	System Software	Warrant for Common Stock, exercise price $0.8031/share, expires 3/29/2029	3/29/2019	9,665,667	345,816	—	—
SendtoNews Video, Inc.	Advertising	Warrant for Class B Non-Voting Stock, exercise price $0.67/share, expires 6/30/2027[3],[6]	6/30/2017	191,500	246,461	30,000	0.01
ShareThis, Inc.	Data Processing & Outsourced Services	Warrant for Series D-3 Preferred Stock, exercise price $2.4320/share, expires 12/3/2028	12/3/2018	647,615	$ 2,162,000	$ 2,162,000	0.46%
The Kairn Corporation	Application Software	Warrant for Common Stock, exercise price $0.01/share, expires 3/9/2030	3/9/2020	81,177	—	—	—
VERO Biotech LLC	Health Care Technology	Success fee, expires 12/29/2025[12]	12/29/2020	—	233,300	233,300	0.05
Total Warrants					17,558,364	33,008,672	7.08
Total non-control/non-affiliate investments					532,676,057	541,978,736	116.24
U.S. Treasury		U.S. Treasury Bill, 0.40%, due 01/12/2021[9]	12/30/2020	70,000,000	70,001,472	70,002,060	15.01
Total U.S.Treasury					70,001,472	70,002,060	15.01
Total Investments					$616,589,023	$621,826,650	133.37%

(1) Disclosures of interest rates on notes include cash interest rates and payment-in-kind ("PIK") interest rates, as applicable. Unless otherwise indicated, all of the Company's variable rate debt investments bear interest at a rate that is determined by reference to the 3-Month London Interbank Offered Rate ("LIBOR") or the U.S. Prime Rate. At December 31, 2020, the 3-Month LIBOR was 0.24% and the U.S. Prime Rate was 3.25%.

(2) All investments in portfolio companies, which as of December 31, 2020 represented 118.36% of the Company's net assets, are restricted as to resale and were valued at fair value as determined in good faith by the Company's Board of Directors.

(3) Investment is not a qualifying asset as defined under Section 55(a) of the Investment Company Act of 1940, as amended (the "1940 Act"). Non-qualifying assets represent 10.68% of total investments at fair value as of December 31, 2020. Qualifying assets must represent at least 70% of total assets at the time of acquisition of any additional non-qualifying assets. If at any time qualifying assets do not represent at least 70% of the Company's total assets, the Company will be precluded from acquiring any additional non-qualifying assets until such time as it complies with the requirements of Section 55(a) of the 1940 Act.

(4) Represents a PIK security. PIK interest is accrued and will be paid at maturity.

(5) All investments are domiciled in the United States, unless otherwise noted.

(6) Investment is domiciled in Canada.

(7) Investments are non-income producing.

(8) Investments are held at Fair Value net of the Fair Value of Unfunded Commitments. See Note 3 for additional detail.

(9) Treasury bills with $70,000,000 in aggregate of par value were purchased pursuant to a 0.40% reverse repurchase agreement with Goldman Sachs dated December 30, 2020 and due to the Company on January 12 2021, with a repurchase price to the Company of $69,650,000, collateralized by a 0.40% U.S. Treasury Bill due January 12 2021 with an aggregate par value of $70,000,000 and fair value of $70,002,060.

See notes to financial statements.

RUNWAY GROWTH CREDIT FUND INC.

Schedule of Investments (continued)
December 31, 2020

(10) Disclosures of end-of-term-payments ("ETP") are one-time payments stated as a percentage of original principal amount.

(11) Investment is domiciled in the United Kingdom.

(12) Investment is either a cash success fee payable or earnout of shares based on the consummation of certain trigger events.

(13) The Credit Agreement (as defined in Note 10) is secured by a perfected first priority security interest in each of the Company's senior secured term loan investments, except for the Mojix, Inc., Pivot3, Inc., and The Kairn Corporation senior secured term loans.

(14) Control investment, as defined under the 1940 Act, in which the Company owns at least 25% of the investment's voting securities or has greater than 50% representation on its board.

(15) Investment is publicly traded and listed on NASDAQ.

(16) 260,000 shares of MTBC, Inc. preferred stock with a fair value of $1,429,600 have restrictions on the sale of the shares due to escrow claims, and such fair value is considered a Level 2 fair value measurement under the fair value hierarchy.

The following table shows the fair value of the portfolio company investments in which we are deemed to exercise a controlling influence over the management or policies of the portfolio company, as defined in the 1940 Act, due to beneficially owning, either directly or through one or more controlled companies, more than 25% of the outstanding voting securities of the portfolio company as of December 31, 2020, along with the transactions during the year ended December 31, 2020:

			For the Year Ended December 31, 2020				
Portfolio Company[4]	**Investment Description**	**Fair Value as of December 31, 2019**	**Gross Additions[1]**	**Gross Reductions[2]**	**Net Realized Gains (Losses)**	**Net Change in Unrealized Appreciation (Depreciation)**	**Fair Value as of December 31, 2020[3]**
Senior Secured Term Loans							
Mojix, Inc.	Tranche I: LIBOR+12.00% PIK, 12.00% floor, 5% ETP, due 7/15/2021	$ —	$4,860,763	$ —	$ —	$ 52,387	$4,913,150
	Tranche II: LIBOR+12.00% PIK, 12.00% floor, 5% ETP, due 7/15/2021	—	1,620,255	—	—	17,462	1,637,717
	Tranche III: LIBOR+12.00% PIK, 12.00% floor, 5% ETP, due 7/15/2021	—	404,654	—	—	4,362	409,016
	Tranche IV: LIBOR+12.00% PIK, 12.00% floor, 5% ETP, due 7/15/2021	—	404,090	—	—	4,355	408,445
	Tranche V: LIBOR+12.00% PIK, 12.00% floor, 5% ETP, due 7/15/2021	—	804,709	—	—	8,673	813,382
	Tranche VI: LIBOR+12.00% PIK, 12.00% floor, 5% ETP, due 7/31/2021	—	771,060	—	—	8,310	779,370
Total Senior Secured Term Loans		—	8,865,531	—	—	95,549	8,961,080
Preferred Stocks							
Mojix, Inc.	Series A-1 Preferred Stock	—	800,000	—	—	84,774	884,774
Warrants							
Mojix, Inc.	Warrant for Common Stock, exercise price $1.286/share, expires 12/13/2030	—	—	—	—	—	—
	Warrant for Common Stock, exercise price $2.1286/share, expires 12/13/2030	—	—	—	—	—	—
	Warrant for Common Stock, exercise price $5.57338/share, expires 12/13/2030	—	—	—	—	—	—
Total Warrants		—	—	—	—	—	—
Total Control/ affiliate investments		$ —	$9,665,531	$ —	$ —	$180,323	$9,845,854

See notes to financial statements.

RUNWAY GROWTH CREDIT FUND INC.

Schedule of Investments (continued)
December 31, 2020

(1) Gross additions includes increases in the basis of investments resulting from new portfolio investments, PIK interest, accretion of OID, the exchange of one or more existing investments for one or more new investments and the movement of an existing portfolio company into this category from a different category.

(2) Gross reductions include decreases in the basis of investments resulting from principal collections related to investment repayments or sales, the exchange of one or more existing Investments for one or more new investments and the movement of an existing portfolio company out of this category into a different category.

(3) All investments in the portfolio company, which as of December 31, 2020 represented 2.11% of the Company's net assets, are restricted as to resale and were valued at fair value as determined in good faith by the Company's Board of Directors.

(4) The Company earned no investment income from control investments.

The following tables show the fair value of our portfolio of investments (excluding any U.S. Treasury Bills held) by geographic region and industry as of December 31, 2020:

	December 31, 2020	
Geographic Region	**Investments at Fair Value**	**Percentage of Net Assets**
Western United States	$294,585,551	63.18%
Northeastern United States	113,684,806	24.38
Northwestern United States	70,958,641	15.22
United Kingdom	25,071,250	5.38
Southeastern United States	24,503,250	5.26
South Central United States	22,726,932	4.87
Canada	294,160	0.06
Total	$551,824,590	118.36%

	December 31, 2020	
Industry	**Investments at Fair Value**	**Percentage of Net Assets**
Application Software	$166,728,532	35.76%
Healthcare Technology	79,159,609	16.98
Internet Retail	65,886,330	14.13
Internet Software & Services	60,804,985	13.04
Data Processing & Outsourced Services	53,016,743	11.37
Specialized Consumer Services	45,470,398	9.75
Human Resource & Employment Services	25,071,250	5.38
Education Services	19,240,254	4.13
Computer & Electronics Retail	18,682,426	4.01
Technology Hardware, Storage & Peripherals	17,136,450	3.68
Specialty Finance	333,453	0.07
System Software	264,160	0.06
Advertising	30,000	0.01
Total	$551,824,590	118.36%

See notes to financial statements.

RUNWAY GROWTH CREDIT FUND INC.

Notes to Financial Statements

Note 1 — Organization

Runway Growth Credit Fund Inc. (the "Company") is a Maryland corporation that was formed on August 31, 2015. The Company is an externally managed, non-diversified, closed-end investment company that has elected to be regulated as a business development company ("BDC") under the Investment Company Act of 1940, as amended (the "1940 Act"). In addition, the Company has elected to be treated, has qualified, and intends to continue to qualify annually as a regulated investment company ("RIC") under Subchapter M of the Internal Revenue Code of 1986, as amended (the "Code").

The Company was formed primarily to lend to, and selectively invest in, high growth-potential companies in technology, life sciences, healthcare information and services, business services, select consumer services and products in other high-growth industries in the United States. The Company's investment objective is to maximize its total return to its stockholders primarily through current income on its loan portfolio, and secondarily through capital appreciation on its warrants and other equity positions. The Company's investment activities are managed by its external investment adviser, Runway Growth Capital LLC ("RGC"). The Company's administrator, Runway Administrator Services LLC (the "Administrator"), is a wholly owned subsidiary of RGC and provides administrative services necessary for the Company to operate.

In October 2015, in connection with the Company's formation, the Company issued and sold 1,667 shares of common stock to R. David Spreng, the President and Chief Executive Officer of the Company and Chairman of the Company's Board of Directors, for an aggregate purchase price of $25,000. The sale of shares of common stock was approved by the unanimous consent of the Company's sole director at the time. Between December 2016 and December 2017, the Company completed its first private offering of shares of common stock to investors (the "Initial Private Offering") in reliance on exemptions from the registration requirements of the Securities Act of 1933, as amended (the "Securities Act"), and other applicable securities laws. As of June 30, 2021, in connection with the Initial Private Offering, the Company had issued 18,241,157 shares of its common stock for a total purchase price of $275,000,000.

As of June 30, 2021, the Company has completed multiple closings under its second private offering (the "Second Private Offering") and had accepted aggregate capital commitments of $181,473,500. As of June 30, 2021, the Company has issued 8,352,251 shares of its common stock for a total purchase price of $125,283,766 in connection with the Second Private Offering and $56,189,734 of capital commitments remain undrawn. As of June 30, 2021, the Company has issued 22,564 shares as an additional direct investment by Runway Growth Holdings LLC, an affiliate of RGC, at a per-share price of $15.00 for total proceeds of $338,453. As of June 30, 2021, the Company has issued an additional 6,072,815 shares as part of the dividend reinvestment program. Refer to Note 6 for further detail.

Note 2 — Summary of Significant Accounting Policies

Basis of Presentation

The accompanying interim unaudited financial statements of the Company are prepared on the accrual basis of accounting in conformity with U.S. Generally Accepted Accounting Principles ("U.S. GAAP") and pursuant to the requirements for reporting on Form 10-Q and Regulation S-X under the Securities Exchange Act of 1934, as amended (the "Exchange Act"). The Company is an investment company following the specialized accounting and reporting guidance specified in the Financial Accounting Standards Board's ("FASB") Accounting Standards Codification ("ASC") Topic 946, Financial Services — Investment Companies.

In the opinion of management, all adjustments, all of which were of a normal recurring nature, considered necessary for the fair presentation of financial statements for the interim period have been included. The results of operations for the current interim period are not necessarily indicative of results that ultimately may be achieved for any other interim period or for the year ending December 31, 2021, including the impact of the novel strain of coronavirus ("COVID-19") pandemic thereon. The interim unaudited financial statements

and notes hereto should be read in conjunction with the audited financial statements and notes thereto contained in the Company's annual report on Form 10-K for the year ended December 31, 2020, filed with the SEC on March 11, 2021.

Certain items in the June 30, 2020 financial statements have been reclassified to conform to the June 30, 2021 presentation with no net effect on the net increase in net assets resulting from operations.

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 as of the date of the financial statements and the reported amounts of income and expense during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash represents deposits held at financial institutions, while cash equivalents are highly liquid investments held at financial institutions with an original maturity of three months or less at the date of acquisition. From time to time, the Company's cash and cash equivalents exceed federally insured limits, subjecting the Company to risks related to the uninsured balance. Cash and cash equivalents are held at large, established, high credit-quality financial institutions, and management believes that risk of loss associated with any uninsured balance is remote.

Deferred Credit Facility Fees

The fees and expenses associated with opening the KeyBank loan facilities or Credit Agreement (as defined below) and Credit Facilities (as defined below) are being deferred and amortized as part of interest expense using the effective interest method over the term of the Credit Agreement and the Credit Facilities in accordance with ASC 470, Debt. Debt issuance costs associated with the Credit Agreement and the Credit Facilities are classified as a direct reduction of the carrying amount of borrowings with the Credit Agreement and the Credit Facilities, unless there are no outstanding borrowings, in which case the debt issuance costs are presented as an asset.

Reverse Repurchase Agreement

The Company has, and may in the future, enter into reverse repurchase agreements, under the terms of a Master Repurchase Agreement, with selected commercial banks and broker-dealers, under which the Company acquires securities as collateral (debt obligation) subject to an obligation of the counterparty to repurchase and the Company to resell the securities (obligation) at an agreed upon time and price. The Company, through the custodian or a sub-custodian, receives delivery of the underlying securities collateralizing reverse repurchase agreements. The Company requires the custodian to take possession, to have legally segregated in the Federal Reserve Book Entry System, or to have segregated within the custodian's vault, all securities held as collateral for reverse repurchase agreements. The Company and the counterparties are permitted to sell, re-pledge, or use the collateral associated with the transaction. It is the Company's policy that the market value of the collateral be at least equal to 100 percent of the repurchase price in the case of a reverse repurchase agreement of one-day duration and 102 percent of the repurchase price in the case of all other reverse repurchase agreements. Upon an event of default under the terms of the Master Repurchase Agreement, both parties have the right to set-off. If the seller defaults or enters an insolvency proceeding, realization of the collateral by the Company may be delayed, limited or wholly denied.

Pursuant to a reverse repurchase agreement with Goldman Sachs, which expired on July 7, 2021, the Company purchased a U.S. Treasury Bill, due July 8, 2021. The fair value of the related collateral that the Company received for this agreement was $19,999,889 at June 30, 2021. Pursuant to a reverse repurchase agreement with Goldman Sachs which expired on January 6, 2021, the Company purchased a U.S. Treasury Bill, due January 12, 2021. The value of the related collateral that the Company received for this agreement was $70,002,060 at December 31, 2020. At June 30, 2021 and December 31, 2020, the repurchase liability was $19,900,000 and $69,650,000, respectively, which is reflected as Reverse repurchase agreement on the Statement of Assets and Liabilities.

Investment Transactions and Related Investment Income

Security transactions, if any, are recorded on a trade-date basis. Realized gains or losses from the repayment or sale of investments are measured using the specific identification method. The amortized cost basis of investments represents the original cost adjusted for the accretion/amortization of discounts and premiums and upfront loan origination fees. The Company reports changes from the prior period in fair value of investments that are measured at fair value as a component of net change in unrealized appreciation (depreciation) on investments on the Statements of Operations.

Dividends are recorded on the applicable ex-dividend date. Interest income, if any, adjusted for amortization of market premium and accretion of market discount, is recorded on an accrual basis to the extent that the Company expects to collect such amounts. Original issue discount, principally representing the estimated fair value of detachable equity, warrants or contractual success fees obtained in conjunction with the Company's debt investments, loan origination fees, end of term payments, and market discount or premium are capitalized and accreted or amortized into interest income over the life of the respective security using the effective interest method. Loan origination fees received in connection with the closing of investments are reported as unearned income, which is included as amortized cost of the investment; the unearned income from such fees is accreted into interest income over the contractual life of the loan based on the effective interest method. Upon prepayment of a loan or debt security, any prepayment penalties, unamortized loan origination fees, end-of-term payments, and unamortized market discounts are recorded as interest income.

The Company currently holds, and expects to hold in the future, some investments in its portfolio that contain payment-in-kind ("PIK") interest provisions. PIK interest is computed at the contractual rate specified in each loan agreement and is added to the principal balance of the loan, rather than being paid to the Company in cash, and is recorded as interest income. Thus, the actual collection of PIK interest may be deferred until the time of debt principal repayment. PIK interest, which is a non-cash source of income, is included in the Company's taxable income and therefore affects the amount of income the Company is required to distribute to stockholders to maintain its qualification as a RIC for U.S. federal income tax purposes, even though the Company has not yet collected the cash. Generally, when current cash interest and/or principal payments on a loan become past due, or if the Company otherwise does not expect the borrower to be able to service its debt and other obligations, the Company will place the investment on non-accrual status and will generally cease recognizing PIK interest and dividend income on that loan for financial reporting purposes until all principal and interest have been brought current through payment or through a restructuring such that the interest and dividend income is deemed to be collectible. As of June 30, 2021, and December 31, 2020, the Company has not written off any accrued and uncollected PIK interest and dividends. As of June 30, 2021, the Company had six loans to Mojix, Inc. representing an aggregate principal funded of $11,000,000 at a fair value of $10,913,998, on non-accrual status, which represents 2.28% of the Company's net assets. The non-accrual loans as of June 30, 2021 had total interest of $2,561,665 that would have been accrued into income. Had the loans not been on non-accrual status, $2,039,925 would be payable, and $521,740 would be original issue discount. As of December 31, 2020, the Company had six loans to Mojix, Inc. representing an aggregate principal funded of $11,000,000 at a fair value of $8,961,080, on non-accrual status, which represented 1.92% of the Company's net assets. The non-accrual status loans as of December 31, 2020 had total interest of $1,627,725 that would have been accrued into income. Had the loan not been on non-accrual status, $1,213,861 would be payable, and $413,864 would be original issue discount. For the three and six months ended June 30, 2021, approximately 5.6% and 5.7%, respectively, of the Company's total investment income was attributable to non-cash PIK interest and dividend income. For the three and six months ended June 30, 2020, approximately 2.1% and 2.9%, respectively, of the Company's total investment income was attributable to non-cash PIK interest and dividend income.

Valuation of Investments

The Company measures the value of its investments at fair value in accordance with ASC *Topic 820, Fair Value Measurements and Disclosure* ("ASC Topic 820"), issued by the FASB. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The audit committee of the Company's Board of Directors (the "Audit Committee") assists the Board of Directors in valuing investments that are not publicly traded or for which current market values are not readily available. Investments for which market quotations are readily available are valued using market quotations, which are generally obtained from independent pricing services, broker-dealers or market makers. With respect to portfolio investments for which market quotations are not readily available, the Company's Board of Directors, with the assistance of the Audit Committee, RGC and its senior investment team and independent valuation agents, is responsible for determining, in good faith, the fair value of such investments in accordance with the valuation policy approved by the Board of Directors. If more than one valuation method is used to measure fair value, the results are evaluated and weighted, as appropriate, considering the reasonableness of the range indicated by those results. The Company considers a range of fair values based upon the valuation techniques utilized and selects the value within that range that was most representative of fair value based on current market conditions as well as other factors RGC's senior investment team considers relevant.

The Company's Board of Directors makes this fair value determination on a quarterly basis and any other time when a decision regarding the fair value of the portfolio investments is required. A determination of fair value involves subjective judgments and estimates and depends on the facts and circumstances. Due to the inherent uncertainty of determining the fair value of portfolio investments that do not have a readily available market value, the fair value of the investments may differ significantly from the values that would have been used had a readily available market value existed for such investments, and the differences could be material.

ASC Topic 820 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. ASC Topic 820 also provides guidance regarding a fair value hierarchy, which prioritizes information used to measure fair value and the effect of fair value measurements on earnings and provides for enhanced disclosures determined by the level within the hierarchy of information used in the valuation. In accordance with ASC Topic 820, these inputs are summarized in the three levels listed below:

- Level 1 — Valuations are based on quoted prices in active markets for identical assets or liabilities that are accessible at the measurement date.
- Level 2 — Valuations are based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly and model-based valuation techniques for which all significant inputs are observable.
- Level 3 — Valuations based on inputs that are unobservable and significant to the overall fair value measurement. Level 3 assets and liabilities include financial instruments whose value is determined using pricing models incorporating significant unobservable inputs, such as discounted cash flow models and other similar valuations techniques. The valuation of Level 3 assets and liabilities generally requires significant management judgment due to the inability to observe inputs to valuation.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of observable input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the investment.

Under ASC Topic 820, the fair value measurement also assumes that the transaction to sell an asset occurs in the principal market for the asset or, in the absence of a principal market, the most advantageous market for the asset, which may be a hypothetical market, and excludes transaction costs. The principal market for any asset is the market with the greatest volume and level of activity for such asset in which the reporting entity would or could sell or transfer the asset. In determining the principal market for an asset or liability under ASC Topic 820, it is assumed that the reporting entity has access to such market as of the measurement date. Market participants are defined as buyers and sellers in the principal or most advantageous market that are independent, knowledgeable and willing and able to transact.

With respect to investments for which market quotations are not readily available, the Company undertakes a multi-step valuation process each quarter, as described below:

- The quarterly valuation process begins with each portfolio company investment being initially valued by RGC's investment professionals that are responsible for the portfolio investment;
- Preliminary valuation conclusions are then documented and discussed with RGC's senior investment team;
- At least once annually, the valuation for each portfolio investment, is reviewed by one or more independent valuation firms. Certain investments, however, may not be evaluated by the applicable independent valuation firm if the net asset value and other aspects of such investments in the aggregate do not exceed certain thresholds;
- The Audit Committee then reviews these preliminary valuations from RGC and the applicable independent valuation firm, if any, and makes a recommendation to the Company's Board of Directors regarding such valuations; and
- The Company's Board of Directors reviews the recommended preliminary valuations and determines the fair value of each investment in the Company's portfolio, in good faith, based on the input of RGC, the independent valuation firm and the Audit Committee.

The Company's investments are primarily loans made to and equity and warrants of high growth-potential companies focused in technology, life sciences, healthcare information and services, business services, select consumer services and products and other high-growth industries. These investments are considered Level 3 assets under ASC Topic 820 because there is no known or accessible market or market indices for these types of debt instruments and, thus, RGC's senior investment team must estimate the fair value of these investment securities based on models utilizing unobservable inputs.

Rule 2a-5 under the 1940 Act was recently adopted by the SEC and establishes requirements for determining fair value in good faith for purposes of the 1940 Act. The Company is evaluating the impact of adopting Rule 2a-5 on the financial statements and intends to comply with the new rule's requirements on or before the compliance date in September 2022.

Investment Valuation Techniques

Debt Investments: To determine the fair value of the Company's debt investments, the Company compares the cost basis of the debt investment, which includes original issue discount, if any, to the resulting fair value determined using a discounted cash flow model, unless another model is more appropriate based on the circumstances at the measurement date. The discounted cash flow approach entails analyzing the interest rate spreads for recently completed financing transactions that are similar in nature to the Company's investments, in order to determine a comparable range of effective market interest rates for its investments. The range of interest rate spreads utilized is based on borrowers with similar credit profiles. All remaining expected cash flows of the investment are discounted using this range of interest rates to determine a range of fair values for the debt investment.

This valuation process includes, among other things, evaluating the underlying investment performance, the portfolio company's current financial condition and ability to raise additional capital, as well as macro-economic events that may impact valuations. These events include, but are not limited to, current market yields and interest rate spreads of similar securities as of the measurement date. Significant increases or decreases in these unobservable inputs could result in a significantly higher or lower fair value measurement; however, a significantly higher or lower fair value measurement of any of the Company's portfolio investments may occur regardless of whether there is a signficiant increase or decrease in these unobservable inputs.

Under certain circumstances, the Company may use an alternative technique to value the debt investments to be acquired by the Company that better reflects the fair value of the investment, such as the price paid or realized in a recently completed transaction or a binding offer received in an arms-length transaction, the use of multiple probability-weighted cash flow models when the expected future cash flows contain elements of variability or estimates of proceeds that would be received in a liquidation scenario.

Warrants: Fair value of warrants is primarily determined using a Black Scholes option-pricing model. Privately held warrants and equity-related securities are valued based on an analysis of various factors including, but not limited to, the following:

- Underlying enterprise value of the issuer is estimated based on information available, including any information regarding the most recent rounds of issuer funding. Valuation techniques to determine enterprise value include market multiple approaches, income approaches or approaches that utilize recent rounds of financing and the portfolio company's capital structure to determine enterprise value. Valuation techniques are also utilized to allocate the enterprise fair value of a portfolio company to the specific class of common or preferred stock exercisable in the warrant. Such techniques take into account the rights and preferences of the portfolio company's securities, expected exit scenarios, and volatility associated with such outcomes to allocate the fair value to the specific class of stock held in the portfolio. Such techniques include Option Pricing Models, or "OPM," including back-solve techniques, Probability Weighted Expected Return Models, or "PWERM," and other techniques as determined to be appropriate.
- Volatility, or the amount of uncertainty or risk about the size of the changes in the warrant price, is based on comparable publicly traded companies within indices similar in nature to the underlying company issuing the warrant. Significant increases (decreases) in this unobservable input could result in a significantly lower (higher) fair value, but a significantly higher or lower fair value measurement of any of the Company's portfolio investments may occur regardless of whether there is a significant increase or decrease in this unobservable input.
- The risk-free interest rates are derived from the U.S. Treasury yield curve. The risk-free interest rates are calculated based on a weighted average of the risk-free interest rates that correspond closest to the expected remaining life of the warrant. Significant increases (decreases) in this unobservable input could result in a significantly higher (lower) fair value, but a significantly higher or lower fair value measurement of any of the Company's portfolio investments may occur regardless of whether there is a significant increase or decrease in this unobservable input.
- Other adjustments, including a marketability discount on private company warrants, are estimated based on judgment about the general industry environment. Significant increases (decreases) in this unobservable input could result in a significantly lower (higher) fair value, but a significantly higher or lower fair value measurement of any of the Company's portfolio investments may occur regardless of whether there is a significant increase or decrease in this unobservable input.
- Historical portfolio experience on cancellations and exercises of warrants are utilized as the basis for determining the estimated life of the warrants in each financial reporting period. Warrants may be exercised in the event of acquisitions, mergers or initial public offerings, and cancelled due to events such as bankruptcies, restructuring activities or additional financings. These events cause the expected remaining life assumption to be shorter than the contractual term of the warrants. Significant increases (decreases) in this unobservable input could result in a significantly higher (lower) fair value, but a significantly higher or lower fair value measurement of any of the Company's portfolio investments may occur regardless of whether there is a significant increase or decrease in this unobservable input.

Under certain circumstances, the Company may use an alternative technique to value warrants that better reflects the warrants' fair values, such as an expected settlement of a warrant in the near term, a model that incorporates a put feature associated with the warrant, or the price paid or realized in a recently completed transaction or binding offer received in an arms-length transaction. The fair value may be determined based on the expected proceeds to be received from such settlement or based on the net present value of the expected proceeds from the put option.

These valuation methodologies involve a significant degree of judgment. There is no single standard for determining the fair value of investments that do not have an active public market. Valuations of privately held investments are inherently uncertain, as they are based on estimates, and their values may fluctuate over time. The determination of fair value may differ materially from the values that would have been used if an active market for these investments existed. In some cases, the fair value of such investments is best expressed as a range of values derived utilizing different methodologies from which a fair value may then be determined.

Equity Investments. The fair value of an equity investment in a privately held company is initially the face value of the amount invested. The Company adjusts the fair value of equity investments in private companies upon the completion of a new third-party round of equity financing subsequent to the Company's

investment. The Company may make adjustments to fair value, absent a new equity financing event, based upon positive or negative changes in a portfolio company's financial or operational performance. The Company may also reference comparable transactions and/or secondary market transactions in connection with its determination of fair value. The fair value of an equity investment in a publicly traded company is based upon the closing public share price on the date of measurement. These assets are recorded at fair value on a recurring basis. These valuation methodologies involve a significant degree of judgment. There is no single standard for determining the fair value of investments that do not have an active public market. Valuation of privately held investments are inherently uncertain, as they are based on estimates, and their values may fluctuate over time. The determination of fair value may differ materially from the values that would have been used if an active market for these investments existed. In some cases, the fair value of such investments is best expressed as a range of values derived utilizing different methodologies from which a fair value may then be determined.

Fair Value of Financial Instruments

The carrying amounts of the Company's financial instruments, including cash and accrued liabilities, approximate fair value due to their short-term nature.

Investment Classification

The Company is a non-diversified company within the meaning of the 1940 Act. The Company classifies its investments by level of control. As defined in the 1940 Act, control investments are those where the investor has the ability or power to exercise a controlling influence over the management or policies of a company. Control is generally deemed to exist when a company or individual possesses, or has the right to acquire within 60 days or less, beneficial ownership of more than 25.0% of the voting securities of a company. Affiliated investments and affiliated companies are defined by a lesser degree of influence and are deemed to exist through the possession outright, or via the right to acquire within 60 days or less, beneficial ownership of 5.0% or more of the outstanding voting securities of a company.

Investments are recognized when the Company assumes an obligation to acquire a financial instrument and assumes the risks for gains or losses related to that instrument. Investments are derecognized when the Company assumes an obligation to sell a financial instrument and foregoes the risks for gains or losses related to that instrument. Specifically, the Company records all security transactions on a trade date basis. Investments in other, non-security financial instruments, such as limited partnerships or private companies, are recorded on the basis of subscription date or redemption date, as applicable. Amounts for investments recognized or derecognized but not yet settled will be reported as receivables for investments sold and payables for investments acquired, respectively, on the Statements of Assets and Liabilities.

Income Taxes

The Company elected to be treated as a RIC under Subchapter M of the Code beginning with its taxable year ended December 31, 2016, and has qualified and intends to continue to qualify for the tax treatment applicable to RICs. Generally, a RIC is not subject to U.S. federal income taxes on distributed income and gains so long as it meets certain source-of-income and asset diversification requirements and it distributes at least 90% of its net ordinary income and net short-term capital gains in excess of its net long-term capital losses, if any, to its stockholders. So long as the Company obtains and maintains its status as a RIC, it generally will not pay corporate-level U.S. federal income taxes on any ordinary income or capital gains that it distributes at least annually to its stockholders as dividends. Rather, any tax liability related to income earned by the Company represents obligations of the Company's investors and will not be reflected in the financial statements of the Company. The Company intends to make sufficient distributions to maintain its RIC status each year and it does not anticipate paying any material U.S. federal income taxes in the future.

The Company accounts for income taxes in conformity with ASC Topic 740, Income Taxes ("ASC 740"). ASC 740 provides guidelines for how uncertain tax positions should be recognized, measured, presented and disclosed in Consolidated Financial Statements. ASC 740 requires the evaluation of tax positions taken or expected to be taken in the course of preparing the Company's tax returns to determine whether the tax positions are "more-likely-than-not" of being sustained by the applicable tax authority. Tax positions deemed to meet a "more-likely-than-not" threshold would be recorded as a tax benefit or expense in the current period.

The Company recognizes interest and penalties, if any, related to unrecognized tax benefits as income tax expense in the Statements of Operations. There were no material uncertain income tax positions at June 30, 2021 or December 31, 2020. Although we file federal and state tax returns, our major tax jurisdiction is federal. The previous three tax year-ends and the interim tax period since then remain subject to examination by the Internal Revenue Service.

If the Company does not timely distribute (or is not deemed to have distributed) each calendar year the sum of (1) at least 98% of its net ordinary income (not taking into account any capital gains or losses) for each calendar year, (2) at least 98.2% of the amount by which the Company's capital gains exceed its capital losses (adjusted for certain ordinary losses) for a one-year period generally ending on October 31 in that calendar year (unless the Company makes an election to use its taxable year) and (3) any net ordinary income and net capital gain recognized in preceding years on which the Company paid no U.S. federal income tax (the "Minimum Distribution Amount"), the Company will generally be required to pay a nondeductible U.S. federal excise tax equal to 4% of the amount by which the Minimum Distribution Amount exceeds the distributions for the year. To the extent that the Company determines that its estimated current year annual taxable income will be in excess of estimated current year dividend distributions from such taxable income, the Company accrues excise taxes, if any, on estimated excess taxable income as taxable income is earned using an annual effective excise tax rate. The annual effective U.S. federal excise tax rate is determined by dividing the estimated annual excise tax by the estimated annual taxable income.

If the Company does not qualify to be treated as a RIC for any taxable year, the Company will be taxed as a regular corporation (a "C corporation") under subchapter C of the Code for such taxable year. If the Company has previously qualified to be treated as a RIC but is subsequently unable to qualify for treatment as a RIC, and certain amelioration provisions are not applicable, the Company would be subject to U.S. federal income tax on all of its taxable income (including its net capital gains) at regular corporate rates. The Company would not be able to deduct distributions to stockholders, nor would it be required to make distributions. In order to requalify as a RIC, in addition to the other requirements discussed above, the Company would be required to distribute all of its previously undistributed earnings attributable to the period it failed to qualify as a RIC by the end of the first year that it intends to requalify as a RIC. If the Company fails to requalify as a RIC for a period greater than two taxable years, it may be subject to regular corporate-level U.S. federal income tax on any net built-in gains with respect to certain of its assets (i.e., the excess of the aggregate gains, including items of income, over aggregate losses that would have been realized with respect to such assets if the Company had been liquidated) that it elects to recognize on requalification or when recognized over the next five years.

Per Share Information

Basic and diluted earnings per common share is calculated using the weighted-average number of common shares outstanding for the period presented. For the three and six months ended June 30, 2021 and 2020, basic and diluted earnings per share of common stock were the same because there were no potentially dilutive securities outstanding. Per share data is based on the weighted-average shares outstanding.

Distributions

The Company generally intends to distribute, out of assets legally available for distribution, substantially all of its available earnings, on a quarterly basis, subject to the discretion of the Board of Directors. For the three and six months ended June 30, 2021, the Company declared and paid dividends in the amount of $11,859,731 and $23,482,930, respectively, of which $2,449,360 and $4,889,338, respectively, was distributed in cash and the remainder distributed in shares to stockholders pursuant to the Company's dividend reinvestment plan. For the three and six months ended June 30, 2020, the Company declared dividends in the amount of $9,242,578 and $19,567,064, respectively, of which $1,704,037 and $3,643,100, respectively, was distributable in cash and the remainder distributable in shares to stockholders pursuant to the Company's dividend reinvestment plan.

Organization and Offering Costs

Organization costs include, among other things, the cost of organizing as a Maryland corporation, including the cost of legal services and other fees pertaining to the Company's organization, all of which are

expensed as incurred. Offering costs include, among other things, legal fees and other costs pertaining to the preparation of the Company's private placement memorandum and other offering documents, including travel-related expenses related to the Initial Private Offering. Pursuant to the investment advisory agreement in place between the Company and RGC at the time of the Initial Private Offering, the Company and RGC agreed that organization and offering costs incurred in connection with the Initial Private Offering would be borne by the Company up to a maximum amount of $1,000,000, provided that the amount of such costs in excess of $1,000,000 would be paid by RGC. As of December 31, 2016, the Company had already incurred the maximum amount of $1,000,000 in organization and offering costs incurred in connection with the Initial Private Offering. As a result, for the three and six months ended June 30, 2021 and 2020, the Company did not incur any organization or offering expenses in connection with the Initial Private Offering.

Offering costs related to new or follow-on offerings, including the Second Private Offering, were accumulated and charged to additional paid in capital at the time of closing beginning in 2019. These offering costs related to the Second Private Offering are subject to a cap of $600,000, excluding placement agent fees which have no cap, of which the Company will bear the cost. As of June 30, 2021 and December 31, 2020, respectively, the Company had accumulated and recorded $613,820 and $608,989 of offering costs related to the Second Private Offering. As of each of June 30, 2021 and December 31, 2020, respectively, $154,738 and $123,009 in placement agent fees had been incurred. Under the terms of the Second Private Offering, offering costs in excess of $600,000, excluding placement agent fees, will be reimbursed by RGC.

Recent Accounting Pronouncements

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. These agreements include language for choosing an alternative successor rate if LIBOR reference is no longer considered to be appropriate. Such 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 new guidance is effective as of March 12, 2020 through December 21, 2022. The Company is currently evaluating its effective date for adoption and the impact the adoption of this new accounting standard will have on its financial statements, however the impact of the adoption is not expected to be material.

Note 3 — Commitments and Contingencies

In the normal course of business, the Company may enter into investment agreements under which it commits to make an investment in a portfolio company at some future date or over a specified period of time.

At June 30, 2021, the Company had $122,560,569 in unfunded loan commitments to provide debt financing to its portfolio companies. The balance of unfunded commitments to extend financing as of June 30, 2021 was as follows:

Portfolio Company	Investment Type	June 30, 2021
Allurion Technologies, Inc.	Senior Secured Term Loan	$ 10,000,000
Credit Sesame, Inc.	Senior Secured Term Loan	585,569
CrossRoads Extremity Systems, LLC	Senior Secured Term Loan	7,500,000
Dtex Systems, Inc.	Senior Secured Term Loan	15,000,000
Fidelis Cybersecurity, Inc.	Senior Secured Term Loan	1,000,000
Gynesonics, Inc.	Senior Secured Term Loan	20,000,000
Marley Spoon AG	Senior Secured Term Loan	20,475,000
Porch Group, Inc.	Senior Secured Term Loan	10,000,000
SetPoint Medical Corporation	Senior Secured Term Loan	25,000,000

Portfolio Company	Investment Type	June 30, 2021
ShareThis, Inc.	Senior Secured Term Loan	3,000,000
VERO Biotech LLC	Senior Secured Term Loan	10,000,000
Total unused commitments to extend financing		$122,560,569

At December 31, 2020, the Company had $49,085,569 in unfunded loan commitments to provide debt financing to its portfolio companies. The balance of unfunded commitments to extend financing as of December 31, 2020 was as follows:

Portfolio Company	Investment Type	December 31, 2020
CloudPassage, Inc.	Senior Secured Term Loan	$ 2,500,000
Credit Sesame, Inc.	Revolving Line	585,569
Gynesonics, Inc.	Senior Secured Term Loan	20,000,000
ShareThis, Inc.	Senior Secured Term Loan	1,000,000
VERO Biotech LLC	Senior Secured Term Loan	25,000,000
Total unused commitments to extend financing		$49,085,569

The Company's management believes that its available cash balances, availability under the Credit Agreement and/or ability to drawdown capital from investors provides sufficient funds to cover its unfunded commitments as of June 30, 2021. The Company has evaluated the expected net future cash flows related to unfunded commitments and determined the fair value to be zero as of June 30, 2021 and December 31, 2020.

The Company is currently not subject to any material legal proceedings, nor, to its knowledge, is any material proceeding threatened against the Company. From time to time, the Company may be a party to certain legal proceedings in the ordinary course of business, including proceedings relating to the enforcement of its rights under contracts with its portfolio companies. While the outcome of any such legal proceedings cannot be predicted with certainty, the Company does not expect that any such proceedings will have a material effect upon its business, financial condition or results of operations.

Note 4 — Concentration of Credit Risk

In the normal course of business, the Company maintains its cash balances in financial institutions, which at times may exceed federally insured limits. The Company is subject to credit risk to the extent that any financial institution with which it conducts business is unable to fulfill contractual obligations on its behalf. The Company's management monitors the financial condition of those financial institutions and does not currently anticipate any losses from these counterparties.

Note 5 — Net Increase in Net Assets Resulting from Operations per Common Share

The following information sets forth the computation of basic income per common share for the three and six months ended June 30, 2021 and 2020:

	Three Months Ended June 30, 2021	Three Months Ended June 30, 2020	Six Months Ended June 30, 2021	Six Months Ended June 30, 2020
Net increase in net assets resulting from operations	$ 6,711,343	$ 13,574,289	$16,082,671	$15,321,533
Weighted-average shares outstanding for the period				
Basic	32,396,396	26,645,717	31,953,287	26,266,501
Diluted	32,396,396	26,645,717	31,953,287	26,266,501
Per Share Data[1]:				
Basic and diluted income per common share				

	Three Months Ended June 30, 2021	Three Months Ended June 30, 2020	Six Months Ended June 30, 2021	Six Months Ended June 30, 2020
Basic	$ 0.21	$ 0.51	$ 0.50	$ 0.58
Diluted	$ 0.21	$ 0.51	$ 0.50	$ 0.58

(1) Per share data is based on average weighted shares outstanding.

Note 6 — Net Assets

The Company has the authority to issue 100,000,000 shares of common stock, $0.01 par value per share.

During the three months ended June 30, 2021, the Company issued 637,127 shares for $9,410,371 in connection with the reinvestment of dividends. The following table summarizes capital activity during the three months ended June 30, 2021:

	Common Stock		Additional Paid-in Capital	Distributable (Losses) Earnings	Total Net Assets
	Shares	Amount			
Balance, beginning of period	32,053,327	$320,533	$476,351,521	$ (3,194,630)	$473,477,424
Issuance of common stock	—	—	—	—	—
Reinvestment of dividends	637,127	6,371	9,404,000	—	9,410,371
Offering costs	—	—	(310)	—	(310)
Net investment income	—	—	—	11,340,477	11,340,477
Net realized gain (loss) on investments	—	—	—	(4,595,853)	(4,595,853)
Net change in unrealized appreciation					
(depreciation) on investments	—	—	—	(33,281)	(33,281)
Dividends declared	—	—	—	(11,859,731)	(11,859,731)
Tax reconciliation of stockholders’					
equity in accordance with U.S. GAAP	—	—	—	—	—
Balance, end of period	32,690,454	$326,904	$485,755,211	$ (8,343,018)	$477,739,097

During the six months ended June 30, 2021, the Company issued 1,255,942 shares for $18,593,591 in connection with the reinvestment of dividends. The following table summarizes capital activity during the six months ended June 30, 2021:

	Common Stock		Additional Paid-in Capital	Distributable (Losses) Earnings	Total Net Assets
	Shares	Amount			
Balance, beginning of period	31,414,051	$314,140	$466,872,304	$ (942,759)	$466,243,685
Issuance of common stock	20,461	205	306,706	—	306,911
Reinvestment of dividends	1,255,942	12,559	18,581,032	—	18,593,591
Offering costs	—	—	(4,831)	—	(4,831)
Net investment income	—	—	—	22,822,211	22,822,211
Net realized gain (loss) on investments	—	—	—	(4,795,077)	(4,795,077)
Net change in unrealized appreciation					

	Common Stock		Additional Paid-in Capital	Distributable (Losses) Earnings	Total Net Assets
	Shares	Amount			
(depreciation) on investments	—	—	—	(1,944,463)	(1,944,463)
Dividends declared	—	—	—	(23,482,930)	(23,482,930)
Tax reconciliation of stockholders' equity in accordance with U.S. GAAP	—	—	—	—	—
Balance, end of period	32,690,454	$326,904	$485,755,211	$ (8,343,018)	$477,739,097

During the three months ended June 30, 2020, the Company issued 529,020 shares for $7,538,541 in connection with the reinvestment of dividends. The following table summarizes capital activity during the three months ended June 30, 2020:

	Common Stock		Additional Paid-in Capital	Distributable (Losses) Earnings	Total Net Assets
	Shares	Amount			
Balance, beginning of period	26,407,367	$264,074	$393,019,555	$(16,891,987)	$376,391,642
Issuance of common stock	—	—	—	—	—
Reinvestment of dividends	529,020	5,290	7,533,251	—	7,538,541
Offering costs	—	—	(7,836)	—	(7,836)
Net investment income	—	—	—	7,873,841	7,873,841
Net realized gain (loss) on investments	—	—	—	203,854	203,854
Net change in unrealized appreciation (depreciation) on investments	—	—	—	5,496,594	5,496,594
Dividends declared	—	—	—	(9,242,578)	(9,242,578)
Tax reconciliation of stockholders' equity in accordance with U.S. GAAP	—	—	—	—	—
Balance, end of period	26,936,387	$269,364	$400,544,970	$(12,560,276)	$388,254,058

During the six months ended June 30, 2020, the Company issued 1,104,152 shares for $15,923,964 in connection with the reinvestment of dividends. The following table summarizes capital activity during the six months ended June 30, 2020:

	Common Stock		Additional Paid-in Capital	Distributable (Losses) Earnings	Total Net Assets
	Shares	Amount			
Balance, beginning of period	25,811,214	$258,112	$384,369,854	$ (8,314,745)	$376,313,221
Issuance of common stock	21,021	210	315,098	—	315,308
Reinvestment of dividends	1,104,152	11,042	15,912,922	—	15,923,964
Offering costs	—	—	(52,904)	—	(52,904)
Net investment income	—	—	—	17,517,428	17,517,428
Net realized gain (loss) on investments	—	—	—	(6,513,408)	(6,513,408)
Net change in unrealized appreciation					

	Common Stock		Additional Paid-in Capital	Distributable (Losses) Earnings	Total Net Assets
	Shares	Amount			
(depreciation) on investments	—	—	—	4,317,513	4,317,513
Dividends declared	—	—	—	(19,567,064)	(19,567,064)
Tax reconciliation of stockholders' equity in accordance with U.S. GAAP	—	—	—	—	—
Balance, end of period	26,936,387	$269,364	$400,544,970	$(12,560,276)	$388,254,058

The shares of common stock issued, the price per share and the proceeds raised, from inception through June 30, 2021, are detailed in the following table:

Issuance Date	Shares Issued	Price Per Share	Gross Proceeds
October 8, 2015	1,667	$15.00	$ 25,000
December 22, 2016	333,333	15.00	5,000,000
April 19, 2017	1,000,000	15.00	15,000,000
June 26, 2017	1,666,667	15.00	25,000,000
September 12, 2017	2,666,667	15.00	40,000,000
December 22, 2017	3,000,000	15.00	45,000,000
May 31, 2018[(1)]	70,563	14.82	1,045,570
August 31, 2018[(1)]	117,582	14.92	1,754,244
September 27, 2018	1,997,337	15.02	30,000,000
November 15, 2018[(1)]	202,779	15.07	3,055,498
January 14, 2019	4,344,964	15.19	66,000,000
March 26, 2019[(1)]	326,431	15.14	4,942,168
May 21, 2019[(1)]	374,783	15.13	5,670,467
May 24, 2019	3,232,189	15.16	49,000,000
July 16, 2019[(1)]	464,986	15.13	7,035,236
August 26, 2019[(1)]	480,121	14.76	7,088,143
October 15, 2019	1,666,667	15.00	25,000,000
November 12, 2019[(1)]	43,979	14.76	649,123
December 20, 2019	3,333,333	15.00	50,000,000
December 23, 2019[(1)]	487,166	14.52	7,073,650
March 20, 2020[(1)]	575,132	14.58	8,385,423
March 31, 2020	21,021	15.00	315,308
May 21, 2020[(1)]	529,020	14.25	7,538,541
August 6, 2020[(1)]	550,639	14.41	7,934,712
October 15, 2020	3,333,333	15.00	50,000,000
November 12, 2020[(1)]	593,692	14.46	8,584,772
March 19, 2021[(1)]	618,815	14.84	9,183,220
March 24, 2021	20,461	15.00	306,911
May 13, 2021[(1)]	637,127	14.77	9,410,371
Total	**32,690,454**		**$489,998,357**

(1) Shares were issued as part of the dividend reinvestment plan.

In connection with the Initial Private Offering, the Company issued 18,241,157 shares of its common stock to stockholders for a total purchase price of $275,000,000. Between June 14, 2019 and June 30, 2021, the Company accepted $181,473,500 in capital commitments under its Second Private Offering. As of June 30, 2021 and December 31, 2020, respectively, the Company issued 8,352,251 and 8,352,251 shares of its common stock for aggregate proceeds of $125,283,766 and $125,283,766 under the Second Private Offering. As of June 30, 2021, the Company has issued 22,564 shares as an additional direct investment by Runway Growth Holdings LLC, an affiliate of RGC, at $15.00 per share for total proceeds of $338,453.

Capital commitments may be drawn down from investors by the Company on a pro rata basis, as needed, upon not less than ten (10) days' prior written notice for the purposes of funding the Company's investments (including follow-on investments), paying the Company's expenses, including fees under the second amended and restated investment advisory agreement, by and between the Company and RGC (the "Advisory Agreement"), and/or maintaining a reserve account for the payment of future expenses or liabilities.

Note 7 — Related Party Agreements and Transactions

Amended and Restated Advisory Agreement

On November 29, 2016, the Company's Board of Directors approved an investment advisory agreement between RGC and the Company, under which RGC, subject to the overall supervision of the Board of Directors, manages the day-to-day operations of and provides investment advisory services to the Company (together with a subsequent amendment thereto, the "Prior Agreement"). On April 7, 2021, the Board of Directors approved the Advisory Agreement at a virtual meeting and recommended that the Company's stockholders approve the Advisory Agreement. In reliance upon certain exemptive relief granted by the SEC in connection with the global COVID-19 pandemic, the Board of Directors undertook to ratify the Advisory Agreement at its next in-person meeting which was held in July 2021. The Advisory Agreement amended the Prior Advisory Agreement to include certain revisions to the management and incentive fee calculation mechanisms and clarify language relating to liquidity events. The Advisory Agreement became effective on May 27, 2021 upon approval by the stockholders at a special meeting of stockholders of the Company. Under the terms of the Advisory Agreement, RGC:

- determines the composition of the Company's portfolio, the nature and timing of the changes to the portfolio and the manner of implementing such changes;
- identifies, evaluates and negotiates the structure of the investments the Company makes;
- executes, closes and monitors the investments the Company makes;
- determines the securities and other assets that the Company will purchase, retain or sell;
- performs due diligence on prospective investments; and
- provides the Company with other such investment advisory, research and related services as the Company may, from time to time, reasonably require for the investment of its funds.

Pursuant to the Advisory Agreement, the Company pays RGC a fee for its investment advisory and management services consisting of two components — a base management fee and an incentive fee. The cost of both the base management fee and incentive fee are ultimately borne by the Company's stockholders.

Base Management Fee

The base management fee is payable on the first day of each calendar quarter.

For purposes of the Advisory Agreement, a "Spin-Off transaction" includes either a transaction whereby (a) the Company offers its stockholders the option to elect to either (i) retain their ownership of shares of the Company's common stock, or (ii) exchange their shares of the Company's common stock for shares of common stock in a newly formed entity (the "Public Fund") that will elect to be regulated as a BDC under the 1940 Act and treated as a RIC under Subchapter M of the Code (the "Public Fund Spin Off"); or (b) the

Company completes a listing of the Company's securities on any securities exchange (an "Exchange Listing"). The base management fee will be an amount equal to 0.40% (1.60% annualized) of the Company's average daily Gross Assets (defined below) during the most recently completed calendar quarter for so long as the aggregate amount of Gross Assets of the Company as of the end of the most recently completed calendar quarter is equal or greater than $500,000,000 but less than $1,000,000. For purposes of the Advisory Agreement, "Gross Assets" is defined as the Company's gross assets, including assets purchased with borrowed funds or other forms of leverage, as well as any paid-in-kind interest, as of the end of the most recently completed fiscal quarter. If the aggregate amount of the Company's Gross Assets as of the end of the most recently completed calendar quarter is less than $500,000,000the base management fee will be an amount equal to 0.4375% (1.75% annualized) of the Company's average daily Gross Assets during the most recently completed calendar quarter. If the aggregate amount of the Company's Gross Assets as of the end of the most recently completed calendar quarter is equal to or greater than $1,000,000,000, the base management fee will be an amount equal to 0.375% (1.50% annualized) of the Company's average daily Gross Assets during the most recently completed calendar quarter.

RGC earned base management fees of $2,276,341 and $4,345,550 for the three and six months ended June 30, 2021, respectively, and $1,758,729 and $3,295,677 for the three and six months ended June 30, 2020, respectively.

Incentive Fee

The incentive fee, which provides RGC with a share of the income that RGC generates for the Company, consists of an investment-income component and a capital-gains component, which are largely independent of each other, with the result that one component may be payable even if the other is not.

Under the investment-income component (the "Income Incentive Fee"), the Company pays RGC each quarter an incentive fee with respect to the Company's Pre-Incentive Fee net investment income. The Income Incentive Fee is calculated and payable quarterly in arrears based on the Pre-Incentive Fee net investment income for the immediately preceding fiscal quarter. Payments based on Pre-Incentive Fee net investment income will be based on the Pre-Incentive Fee net investment income earned for the quarter. 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, managerial and consulting fees or other fees that the Company receives from portfolio companies) that the Company accrues during the fiscal quarter, minus the Company's operating expenses for the quarter (including the base management fee, expenses payable under the amended and restated administration agreement with the Administrator (the "Administration Agreement"), and any dividends paid on any issued and outstanding preferred stock, but excluding 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 with pay in kind interest and zero coupon securities), accrued income the Company has not yet received in cash; provided, however, that the portion of the Income Incentive Fee attributable to deferred interest features will be paid, only if and to the extent received in cash, and any accrual thereof will be reversed if and to the extent such interest is reversed in connection with any write off or similar treatment of the investment giving rise to any deferred interest accrual, applied in each case in the order such interest was accrued. Such subsequent payments in respect of previously accrued income will not reduce the amounts payable for any quarter pursuant to the calculation of the Income Incentive Fee described above. Pre-Incentive Fee net investment income does not include any realized capital gains, realized capital losses or unrealized capital appreciation or depreciation.

Pre-Incentive Fee net investment income, expressed as a rate of return on the value of the Company's net assets (defined as total assets less liabilities) at the end of the immediately preceding fiscal quarter, will be compared to a "hurdle rate" of 2.0% per quarter (8.0% annualized). The Company pays RGC an Income Incentive Fee with respect to the Company's Pre-Incentive Fee net investment income in each calendar quarter as follows: (1) no Income Incentive Fee in any calendar quarter in which the Company's Pre-Incentive Fee net investment income does not exceed the hurdle rate of 2.0%; (2) 80% of the Company's Pre-Incentive Fee net investment income with respect to that portion of such Pre-Incentive Fee net investment income, if any, that exceeds the hurdle rate but is less than 2.667% in any calendar quarter (10.668% annualized) (the portion of the Company's Pre-Incentive Fee net investment income that exceeds the hurdle but is less than 2.667% is referred to as the "catch-up"; the "catch-up" is meant to provide RGC with 20.0% of the Company's

Pre-Incentive Fee net investment income as if a hurdle did not apply if the Company's Pre-Incentive Fee net investment income exceeds 2.667% in any calendar quarter (10.668% annualized)); and (3) 20.0% of the amount of the Company's Pre-Incentive Fee net investment income, if any, that exceeds 2.667% in any calendar quarter (10.668% annualized) payable to RGC (once the hurdle is reached and the catch-up is achieved, 20.0% of all Pre-Incentive Fee net investment income thereafter is allocated to RGC).

Until the consummation of a Spin-Off transaction, in the event that (a) the sum of the Company's cumulative net realized losses since the date of the Company's election to be regulated as a BDC exceeds 2.0% of the total non-control/non-affiliate investments made by the Company since the date of the Company's election to be regulated as a BDC through the end of the quarter and (b) the Pre-Incentive Fee net investment income adjusted to include any realized capital gains and losses ("Adjusted Pre-Incentive Fee net investment income"), expressed as an annualized rate of return on the value of the Company's average daily net assets (defined as total assets less liabilities), since the Company's election to be regulated as a BDC through the end of the quarter is less than 10.0%, no Income Incentive Fee will be payable for such quarter until the first subsequent quarter in which either (x) the sum of the Company's cumulative net realized losses since the date of the Company's election to be regulated as a BDC is equal to or less than 2.0% of the total non-control/non-affiliate investments made by the Company since the date of the Company's election to be regulated as a BDC through the end of such subsequent quarter or (y) the Adjusted Pre-Incentive Fee net investment income, expressed as an annualized rate of return on the value of the Company's average daily net assets (defined as total assets less liabilities), since the Company's election to be regulated as a BDC through the of the end of the quarter equals or exceeds 10.0%; provided, however, that in no event will any Income Incentive Fee be payable for any prior quarter after the three-year anniversary of the end of such quarter.

Under the capital-gains component of the incentive fee (the "Capital Gains Fee"), the Company will pay RGC, as of the end of each calendar year, 20.0% of the Company's aggregate cumulative realized capital gains, if any, from the date of the Company's election to be regulated as a BDC through the end of that calendar year, computed net of the Company's aggregate cumulative realized capital losses and aggregate cumulative unrealized capital depreciation through the end of such year, less the aggregate amount of any previously paid Capital Gains Fee. For the foregoing purpose, the Company's "aggregate cumulative realized capital gains" will not include any unrealized appreciation. If such amount is negative, then no Capital Gains Fee will be payable for such year.

RGC earned incentive fees of $2,836,303 and $3,812,007, respectively, for the three and six months ended June 30, 2021; $2,229,639 and $2,968,870, respectively, of the incentive fees for the three and six months ended June 30, 2021 were earned, payable in cash, and $606,664 and $843,137, respectively, of the incentive fees for the three and six months ended June 30, 2021 were accrued and generated from deferred interest (i.e., PIK interest and certain discount accretion) and are not payable pending receipt of cash by the Company. RGC earned incentive fees for the three and six months ended June 30, 2020 of $905,858 and $3,220,976, respectively; $686,221 and $2,532,754, respectively, of the incentive fees for the three and six months ended June 30, 2020 were earned, payable in cash, and $219,637 and $688,222, respectively, of the incentive fees for the three and six months ended June 30, 2020 were accrued and deferred (i.e., PIK interest and certain discount accretion) and are not payable pending receipt of cash by the Company.

The capital gains incentive fee consists of fees related to realized gains, realized capital losses and unrealized capital depreciation. With respect to the incentive fee expense accrual related to the capital gains incentive fee, U.S. GAAP requires that the capital gains invective fee accrual consider the cumulative aggregate unrealized appreciation in the calculation, as a capital gains incentive fee would be payable if such unrealized appreciation were realized even though such unrealized appreciation is not permitted to be considered in calculating the fee actually payable under the Advisory Agreement. As of each of June 30, 2021 and December 31, 2020, there was no capital gains incentive fee accrued, earned or payable to RGC under the Advisory Agreement.

Spin-Off Incentive Fee

The Income Incentive Fee will be payable in connection with a Public Fund Spin-Off as follows. The Income Incentive Fee will be calculated as of the date of the completion of each Public Fund Spin-Off and will equal the amount of Income Incentive Fee that would be payable to RGC if (1) all of the Company's investments were liquidated for their current value and any unamortized deferred portfolio investment-related

fees would be deemed accelerated, (2) the proceeds from such liquidation were used to pay all of the Company's outstanding liabilities, and (3) the remainder were distributed to the Company's stockholders and paid as incentive fee in accordance with the Income Incentive Fee described in clauses (1) and (2) above for determining the amount of the Income Incentive Fee; provided, however, that in no event will the Income Incentive Fee paid in connection with the completion of the Public Fund Spin-Off(x) include the portion of the Income Incentive Fee attributable to deferred interest features of a particular investment that is not transferred pursuant to the Public Fund Spin-Off until such time as the deferred interest is received in cash, or (y) exceed 20.0% of the Company's Pre-Incentive Fee net investment income accrued by the Company for the fiscal quarter as of the date of the completion of the Public-Fund Spin-Off. The Company will make the payment of the Income Incentive Fee paid in connection with the completion of the Public Fund Spin-Off in cash on or immediately following the date of the completion of the Public-Fund Spin-Off. After the Public Fund Spin-Off, all calculations relating to the incentive fee payable will be made beginning on the day immediately following the completion of the Public Fund Spin-Off without taking into account the exchanged shares of the Company's common stock (or contributions, distributions or proceeds relating thereto).

The Capital Gains Fee will be payable in respect of the exchanged shares of the Company's common stock in connection with the Public Fund Spin-Off and will be calculated as of the date of the completion of the Public Fund Spin-Off as if such date were a calendar year-end for purposes of calculating and paying the Capital Gains Fee.

No Income Incentive Fee or Capital Gains Fee will be payable in connection with the Public Fund Spin-Off unless, on the date of the completion of the Public Fund Spin-Off, the sum of the Company's (i) Pre-Incentive Fee net investment income and (ii) realized capital gains less realized capital losses and unrealized capital depreciation from the date of the Company's election to be regulated as a BDC through, and including, the date of the completion of the Public Fund Spin-Off, is greater than 8.0% of the cumulative net investments made by the Company since the Company's election to be regulated as a BDC.

Administration Agreement

The Company reimburses the Administrator for the allocable portion of overhead and other expenses incurred by the Administrator in performing its obligations under the Administration Agreement, including furnishing the Company with office facilities, equipment and clerical, bookkeeping and recordkeeping services at such facilities, as well as providing other administrative services. In addition, the Company reimburses the Administrator for the fees and expenses associated with performing compliance functions, and the Company's allocable portion of the compensation of certain of its officers, including the Company's Chief Financial Officer, Chief Compliance Officer and any administrative support staff.

The Company reimbursed the Administrator $163,842 and $479,382, respectively, during the three and six months ended June 30, 2021. As of June 30, 2021, the Company had accrued a net payable to the Administrator of $116,544. Of the total amount reimbursed and accrued during the three and six months ended June 30, 2021, $151,524 and $437,439, respectively, was related to overhead allocation expense. The Company reimbursed the Administrator $144,206 and $306,329, respectively, during the three and six months ended June 30, 2020. As of June 30, 2020, the Company accrued a net payable to the Administrator of $84,432. Of the total amount reimbursed and accrued during the three and six months ended June 30, 2020, $141,901 and $274,694, respectively, was related to overhead allocation expense. As of December 31, 2020, the Company had accrued a net payable to the Administrator of $143,515. Administration fees, which include fees payable by the Administrator to third-party service providers who provide additional administration services for the Company, were $92,760 and $240,860 for the three and six months ended June 30, 2021, respectively. Administration fees, which include fees payable by the Administrator to third-party service providers who provide additional administration services for the Company, were $121,369 and $245,680 for the three and six months ended June 30, 2020, respectively.

License Agreement

The Company has entered into a license agreement with RGC (the "License Agreement") pursuant to which RGC has granted the Company a personal, non-exclusive, royalty-free right and license to use the name "Runway Growth Credit Fund". Under the License Agreement, the Company has the right to use the "Runway Growth Credit Fund" name for so long as RGC or one of its affiliates remains the Company's

investment adviser. Other than with respect to this limited license, the Company has no legal right to the "Runway Growth Credit Fund" name.

Oaktree Strategic Relationship

In December 2016, the Company and RGC entered into a strategic relationship with Oaktree Capital Management, L.P. ("Oaktree"). As part of the strategic relationship, OCM Growth Holdings, LLC, a Delaware limited liability company ("OCM") managed by Oaktree, made an initial $125.0 million capital commitment to the Company, which was subsequently increased to $139.0 million (the "Initial OCM Commitment"). On September 14, 2019, in connection with the Second Private Offering, the Company accepted a capital commitment from OCM in the amount of $112.5 million (the "Subsequent OCM Commitment and, together with the Initial OCM Commitment, the "OCM Commitment"). As of June 30, 2021, OCM owns 18,763,829 shares of our common stock or 57% of our total issued and outstanding shares. Pursuant to an irrevocable proxy, the shares of the Company's common stock held by OCM must be voted in the same manner that our other stockholders vote their shares.

In connection with the OCM Commitment, the Company entered into a stockholder agreement, dated December 15, 2016, with OCM, pursuant to which OCM has a right to nominate a member of the Company's Board of Directors for election for so long as OCM holds shares of the Company's common stock in an amount equal to, in the aggregate, at least one-third (33%) of OCM's initial $125 million capital commitment. Brian Laibow, Co-Head of North America & Managing Director Opportunities Funds, serves on the Company's Board of Directors as OCM's director nominee and is considered an interested director. OCM also holds a minority interest in RGC and has the right to appoint a member of RGC's board of managers and a member of RGC's investment committee. Brian Laibow is OCM's appointee to RGC's board of managers and investment committee. In connection with the Subsequent OCM Commitment, OCM also purchased additional equity in RGC.

Note 8 — Fair Value Measurements

The Company's assets and liabilities recorded at fair value have been categorized based upon a fair value hierarchy in accordance with ASC Topic 820. See Note 2 for discussion of the Company's valuation policies.

The following tables present information about the Company's assets and liabilities measured at fair value as of June 30, 2021 and December 31, 2020, respectively:

	As of June 30, 2021			
	Level 1	Level 2	Level 3	Total
Portfolio Investments				
Common Stock	$ 737,971	$14,324,110	$ —	$ 15,062,081
Senior Secured Term Loans	—	—	530,911,757	530,911,757
Preferred Stock	15,770,278	—	1,478,566	17,248,844
Warrants	—	27,365	24,367,115	24,394,480
Total Portfolio Investments	16,508,249	14,351,475	556,757,438	587,617,162
U.S. Treasury Bill	29,999,881	—	—	29,999,881
Total Investments	$46,508,130	$14,351,475	$556,757,438	$617,617,043

	As of December 31, 2020			
	Level 1	Level 2	Level 3	Total
Portfolio Investments				
Common Stock	$ —	$ 521,940	$ —	$ 521,940
Corporate Bonds	—	333,453	—	333,453
Senior Secured Term Loans	—	—	501,964,657	501,964,657
Preferred Stock	13,230,000	1,429,600	1,336,268	15,995,868

	As of December 31, 2020			
	Level 1	Level 2	Level 3	Total
Warrants	—	—	33,008,672	33,008,672
Total Portfolio Investments	13,230,000	2,284,993	536,309,597	551,824,590
U.S. Treasury Bill	70,002,060	—	—	70,002,060
Total Investments	$83,232,060	$2,284,993	$536,309,597	$621,826,650

The Company recognizes transfers into and out of the levels indicated above at the end of each reporting period. During the period ended June 30, 2021, the Company had a warrant investment converted to a common stock investment, resulting in an asset transfer out of Level 3 and into Level 2 at the fair value of $9,492,345. There were no transfers into or out of the levels during the year ended December 31, 2020.

The following table presents a rollforward of Level 3 assets measured at fair value as of June 30, 2021:

	Preferred Stock	Senior Secured Term Loans	Warrants	Total
Fair value at December 31, 2020	$ 1,336,268	$501,964,657	$33,008,672	$536,309,597
Amortization of fixed income premiums or accretion of discounts	—	3,661,864	—	3,661,864
Purchases of investments[(1)]	2,000,000	132,838,824	728,728	135,567,552
Sales or repayments of investments[(1)]	—	(96,452,874)	—	(96,452,874)
Transfers out of Level 3	—	—	(9,492,345)	(9,492,345)
Realized (loss)	—	—	(490,408)	(490,408)
Change in unrealized appreciation (depreciation)	(1,857,702)	(11,100,714)	612,468	(12,345,948)
Fair value at June 30, 2021	$ 1,478,566	$530,911,757	$24,367,115	$556,757,438
Change in unrealized appreciation (depreciation) on Level 3 investments still held as of June 30, 2021	$ 142,297	$ (9,896,411)	$ (8,569,068)	$ (18,323,182)

(1) Includes PIK interest, net of reorganization and restructuring of investments.

The following table presents a rollforward of Level 3 assets measured at fair value as of June 30, 2020:

	Preferred Stock	Senior Secured Term Loans	Warrants	Total
Fair value at December 31, 2019	$ 437,515	$349,570,424	$18,008,337	$368,016,276
Amortization of fixed income premiums or accretion of discounts	—	4,331,997	—	4,331,997
Purchases of investments[(1)]	18,687,450	77,680,287	2,011,400	98,379,137
Sales or repayments of investments[(1)]	—	(57,316,891)	(2,749,949)	(60,066,840)
Realized gain (loss)	—	(7,883,584)	1,179,751	(6,703,833)
Change in unrealized appreciation (depreciation)	(1,233,471)	2,652,095	1,815,431	3,234,055
Fair value at June 30, 2020	$17,891,494	$369,034,328	$20,264,970	$407,190,792
Change in unrealized appreciation (depreciation) on Level 3 investments still held as of June 30, 2020	$ 13,979	$ 3,431,640	$ (1,855,184)	$ 1,590,435

(1) Includes PIK interest, net of reorganization and restructuring of investments.

The following table provides quantitative information regarding Level 3 fair value measurements as of June 30, 2021:

Description	Fair Value	Valuation Technique	Unobservable Inputs	Range (Weighted Average)
Preferred Stock	$ 1,478,566	Recent private market and merger and acquisition transaction prices	N/A	N/A
Senior Secured Term Loans[1]	506,199,844	Discounted cash flow analysis	Discount rate	8.6%-100.0% (14.1%)
		Market approach	Origination yield	6.8%-100.1% (13.2%)
	24,711,913	PWERM	Discount rate	27.1%-46.3% (37.8%)
Warrants[2]	17,465,202	Option pricing model	Risk-free interest rate	0.0%-1.0% (0.1%)
			Average industry volatility	0.0%-75.0% (50.3%)
			Estimated time to exit	0.0-5.0 (1.4) years
			Revenue multiples	0.00x-9.78x (3.59x)
	6,901,913	PWERM	Discount rate	30.0%-46.0% (37.0%)
			Revenue multiples	3.57x-36.51x (7.33x)
Total Level 3 Investments	**$556,757,438**			

The following table provides quantitative information regarding Level 3 fair value measurements as of December 31, 2020:

Description	Fair Value	Valuation Technique	Unobservable Inputs	Range (Weighted Average)
Preferred Stock	$ 1,336,268	Recent private market and merger and acquisition transaction prices	N/A	N/A
Senior Secured Term Loans[1]	471,256,844	Discounted Cash Flow analysis	Discount Rate	8.0%-100.0% (14.8%)
		Market approach	Origination yield	11.4%-100.1% (14.3%)
	30,707,813	PWERM	Discount Rate	19.5%-23.8% (20.2%)
Warrants[2]	16,803,367	Option pricing model	Risk-free interest rate	0.1%-0.8% (0.1%)
			Average industry volatility	35.0%-72.2% (56.0%)

Description	Fair Value	Valuation Technique	Unobservable Inputs	Range (Weighted Average)
			Estimated time to exit	0.3-9.2 (1.5) years
			Revenue Multiples	0.00x-5.85x (1.92x)
	16,205,305	PWERM	Discount Rate	21.0%-40.0% (27.9%)
			Revenue Multiples	0.00x-51.69x (5.62x)
Total Level 3 Investments	**$536,309,597**			

(1) The significant unobservable inputs used in the fair value measurement of the Company's debt securities are origination yields and discount rates. The origination yield is defined as the initial market price of an investment in a hypothetical market to hypothetical market participants where buyers and sellers are willing participants. The discount rate is related to company-specific characteristics such as underlying investment performance, projected cash flows, and other characteristics of the investment. Significant increases (decreases) in the inputs in isolation may result in a significantly higher (lower) fair value measurement, depending on the materiality of the investment. However, a significantly higher or lower fair value measurement of any of the Company's portfolio investments may occur regardless of whether there is a significant increase or decrease in the unobservable inputs.

(2) The significant unobservable inputs used in the fair value measurement of the Company's warrant and equity-related securities are inputs used in the option pricing model ("OPM"), which include industry volatility, risk free interest rate and estimated time to exit. The Equity Allocation model and the Black Scholes model were the main OPMs used during the period ended June 30, 2021 and the year ended December 31, 2020. Probability Weighted Expected Return Models ("PWERM") and other techniques were used as determined appropriate. Significant increases (decreases) in the inputs in isolation would result in a significantly higher (lower) fair value measurement, depending on the materiality of the investment. However, a significantly higher or lower fair value measurement of any of the Company's portfolio investments may occur regardless of whether there is a significant increase or decrease in the unobservable inputs. For some investments, additional consideration may be given to data from the last round of financing or merger/acquisition events near the measurement date.

Note 9 — Derivative Financial Instruments

In the normal course of business, the Company may utilize derivative contracts in connection with its investment activities. Investments in derivative contracts are subject to additional risks that can result in a loss of all or part of an investment. The derivative activities and exposure to derivative contracts primarily involve equity price risks. In addition to the primary underlying risk, additional counterparty risk exists due to the potential inability of counterparties to meet the terms of their contracts.

Warrants

Warrants provide exposure and potential gains upon equity appreciation of the portfolio company's equity value. A warrant has a limited life and expires on a certain date. As a warrant's expiration date approaches, the time value of the warrant will decline. In addition, if the stock underlying the warrant declines in price, the intrinsic value of an "in the money" warrant will decline. Further, if the price of the stock underlying the warrant does not exceed the strike price of the warrant on the expiration date, the warrant will expire worthless. As a result, there is the potential for the entire value of an investment in a warrant to be lost. The Company's volume of warrant investment activity is closely correlated to its primary senior secured loans to portfolio companies. For the three and six months ended June 30, 2021, the Company had a net realized loss of $273,798 and $490,408, respectively, and a net change in unrealized appreciation of $2,875,080 and $612,468, respectively, from its investments in warrants. For the three and six months ended June 30, 2020, the Company had net realized gains of $0 and $1,179,751, respectively, and a net change in unrealized appreciation of $3,445,598 and $1,815,431, respectively, from its investments in warrants. Realized loss from warrants is

included in Realized gain (loss) on non-control/non-affiliate investments, including U.S. Treasury Bills on the Statement of Operations. Net change in unrealized appreciaiont/depreciation from investments in warrants is included in Net Change in unrealized appreciation (depreciation) on non-control/non-affiliate investments, including U.S. Treasury Bills.

Counterparty risk exists from the potential failure of an issuer of warrants to settle its exercised warrants. The maximum risk of loss from counterparty risk is the fair value of the contracts and the purchase price of the warrants. The Company's Board of Directors considers the effects of counterparty risk when determining the fair value of its investments in warrants.

Note 10 — Credit Facilities

On May 31, 2019, the Company entered into a Credit Agreement (the "Credit Agreement") by and among the Company, as borrower, KeyBank National Association, as administrative agent, syndication agent, and a lender, CIBC Bank USA ("CIBC"), as documentation agent and a lender, U.S. Bank National Association, as paying agent, the guarantors from time to time party thereto, and the other lenders from time to time party thereto.

The Credit Agreement provides for borrowings up to a maximum aggregate principal amount of $100 million, subject to availability under a borrowing base that is determined by the number and value of eligible loan investments in the collateral, applicable advance rates and concentration limits, and certain cash and cash equivalent holdings of the Company. The Credit Agreement has an accordion feature that allows the Company to increase the aggregate commitments up to $200 million, subject to new or existing lenders agreeing to participate in the increase and other customary conditions. There can be no assurances that existing lenders will agree to such an increase, or that additional lenders will join the credit facility to increase available borrowings.

Borrowings under the Credit Agreement bear interest on a per annum basis equal to a three-month adjusted LIBOR rate (with a LIBOR floor of zero), plus an applicable margin rate that varies from 3.00% to 2.50% per annum depending on utilization and other factors. During the availability period, the applicable margin rate (i) is 3.00% per annum for interest periods during which the average utilization is less than 60% and (ii) varies from 3.00% to 2.50% per annum when the average utilization equals or exceeds 60% (with 3.00% applying when the eligible loans in the collateral consist of 9 or fewer unaffiliated obligors, 2.75% applying when the eligible loans consist of between 10 and 29 unaffiliated obligors, and 2.50% applying when the eligible loans consist of 30 or more unaffiliated obligors). During the amortization period, the applicable margin rate will be 3.00%. If certain eurodollar disruption events occur, then borrowings under the Credit Agreement will bear interest on a per annum basis equal to (i) a base rate instead of LIBOR that is set at the higher of (x) the federal funds rate plus 0.50% and (y) the prime rate, plus (ii) the applicable margin rate discussed above. Interest is payable quarterly in arrears. The Company also pays unused commitment fees of 0.50% per annum on the unused lender commitments under the Credit Agreement, as well as a minimum earnings fee of 3.00% that will be payable annually in arrears, starting on May 31, 2021, on the average unused commitments below 60% of the aggregate commitments during the preceding 12-month period.

The availability period under the Credit Agreement expires on May 31, 2022 and is followed by a two-year amortization period. The stated maturity date under the Credit Agreement is May 31, 2024.

On November 10, 2020, Company entered into an amendment (the "November Credit Facility Amendment") to the Credit Agreement. The November Credit Facility Amendment amended the Credit Agreement to, among other things: (i) increase the size of the aggregate commitments under the Credit Facility to $175 million from $100 million; (ii) add MUFG Union Bank, N.A. as a new lender and co-documentation agent under the Credit Agreement; (iii) revise the interest rate margin to be 3.00% for the remaining term of the Credit Facility regardless of the Credit Facility average utilization or the number of unaffiliated obligors on loans in the collateral; (iv) permit the Company to obtain a future subscription line of credit of up to $50 million; (v) revise the LIBOR replacement provisions; (vi) implement a 0.50% LIBOR floor and benchmark replacement rate floor on borrowings under the Credit Agreement; and (vii) revise certain of the borrowing base concentration limits.

On December 2, 2020, the Company entered into an amendment (the "December Credit Facility Amendment") to the Credit Agreement. The December Credit Facility Amendment amended the Credit

Agreement to: (i) increase the size of the aggregate commitments under the Credit Facility to $215 million from $175 million; (ii) increase the accordion amount under the Credit Facility from a $200 million maximum aggregate commitment amount to a $300 million maximum aggregate commitment amount; and (iii) add Bank of Hope and First Foundation Bank as new Lenders and Managing Agents under the Credit Agreement. Borrowing under the Credit Facility remains subject to the leverage restrictions contained in the 1940 Act.

On June 1, 2021, the Company entered into an amendment (the "June Credit Facility Amendment") to the Credit Agreement. The June Credit Facility Amendment amended the Credit Agreement to: (i) allow the Company to incur permitted indebtedness without the prior written consent of the Keybank National Association, as administrative agent, subject to the limitations described in the Credit Agreement; (ii) increase the accordion amount under the Credit Agreement from a $300 million maximum aggregate commitment amount to a $350 million maximum aggregate commitment amount; and (iii) amend certain other terms of the Credit Agreement.

The Credit Agreement is secured by a perfected first priority security interest in substantially all of the Company's assets and portfolio investments.

The Credit Agreement contains certain customary covenants and events of default for secured revolving credit facilities of this nature, including, without limitation, maintenance of a tangible net worth as of the last day of each fiscal quarter in excess of the greater of (i) $125 million plus 75% of the net proceeds of sales of equity interests in the Company and (ii) the loan balance of the Company's four largest obligors; maintenance of an asset coverage ratio as of the last day of each fiscal quarter that equals or exceeds the greater of 150% and the ratio otherwise applicable to the Company under the 1940 Act; maintenance of an interest coverage ratio as of the last day of each fiscal quarter of 2.00 to 1.00; maintenance of a minimum liquidity amount as of the last day of each fiscal quarter; net income not being negative for two consecutive fiscal quarters or any trailing 12-month period; a limitation on incurring additional indebtedness without the prior written consent of the administrative agent (subject to limited exceptions); certain change-of-control events occur at the Company or the Company's investment adviser; the departure of certain key persons from the Company or the Company's investment adviser; RGC ceases to be the Company's investment adviser; maintenance of business-development-company status and regulated-investment-company status; nonpayment; misrepresentation of representations and warranties; breach of covenant; and certain bankruptcy and liquidation events.

For the three and six months ended June 30, 2021, the weighted average outstanding debt balance was $86,010,989 and $84,359,116, respectively, and the weighted average effective interest rate under the Credit Agreement and Credit Facilities was 3.5% and 3.5%, respectively. For the three and six months ended June 30, 2020, the weighted average outstanding debt balance was $274,725 and $3,906,593, respectively, and the weighted average effective interest rate under the Credit Agreement and Credit Facilities was 3.98% and 4.88%, respectively.

As of June 30, 2021, the Company had $117,000,000 outstanding under the Credit Agreement with maturity as follows:

Loan Facility	Date of Advance	Due Date	Amount	Rate
KeyBank National Association Loan Facility	6/30/2020	5/31/2022	$117,000,000	3.50%
			$117,000,000	

As of December 31, 2020, the Company had $99,000,000 outstanding under the Credit Agreement with maturity as follows:

Loan Facility	Date of Advance	Due Date	Amount	Rate
KeyBank National Association Loan Facility	6/30/2020	5/31/2022	$99,000,000	3.22%
			$99,000,000	

Note 11 — Financial Highlights

	Three Months Ended June 30, 2021 (Unaudited)	Three Months Ended June 30, 2020 (Unaudited)	Six Months Ended June 30, 2021 (Unaudited)	Six Months Ended June 30, 2020 (Unaudited)
Per Share Data[1]:				
Net asset value at beginning of period	$ 14.77	$ 14.25	$ 14.84	$ 14.58
Net investment income[3]	0.35	0.30	0.71	0.67
Realized gain (loss)	(0.14)	0.01	(0.15)	(0.25)
Change in unrealized appreciation (depreciation)	—	0.21	(0.06)	0.16
Dividends	(0.37)	(0.35)	(0.73)	(0.74)
Accretion (Dilution)[4]	—	(0.01)	—	(0.01)
Net asset value at end of period	$ 14.61	$ 14.41	$ 14.61	$ 14.41
Total return based on net asset value[2]	(1.08)%	1.12%	(1.55)%	(1.16)%
Weighted-average shares outstanding for period, basic	32,396,396	26,645,717	31,953,287	26,266,501
Ratio/Supplemental Data:				
Net assets at end of period	$477,739,097	$388,254,058	$477,739,097	$388,254,058
Average net assets[5]	$481,543,614	$382,569,050	$477,645,007	$382,389,927
Annualized ratio of net operating expenses to average net assets[6][7]	4.39%	3.40%	4.40%	3.93%
Annualized ratio of net increase (decrease) in net assets resulting from operations to average net assets[7]	7.36%	14.94%	7.60%	8.88%

(1) Financial highlights are based on weighted-average shares outstanding.

(2) Total return based on net asset value is based upon the change in net asset value per share between the opening and ending net asset values per share in the period. The total returns are not annualized.

(3) Return from investment operations was 2.37% and 2.11% for the three months ended June 30, 2021 and 2020, respectively. Return from investment operations was 4.78% and 4.60% for the six months ended June 30, 2021 and 2020, respectively. Return from investment operations represents returns on net investment income (loss) from operations.

(4) Return from accretion was 0.00% and (0.07)% for the three months ended June 30, 2021 and 2020, respectively. Return from accretion was 0.00% and (0.06)% for the six months ended June 30, 2021 and 2020, respectively.

(5) The annualized ratio of net investment income to average net assets was 11.22% and 8.97% for the three months ended June 30, 2021 and 2020, respectively. The annualized ratio of net investment income to average net assets was 10.45% and 10.03% for the six months ended June 30, 2021 and 2020, respectively.

(6) The annualized ratio of net operating expenses excluding incentive fees, to average net assets was 3.81%

and 3.17% for the three months ended June 30, 2021 and 2020, respectively. The annualized ratio of net operating expenses excluding incentive fees, to average net assets was 3.60% and 3.09% for the six months ended June 30, 2021 and 2020, respectively

(7) Incentive fees are not annualized.

Note 12 — Subsequent Events

The Company evaluated events subsequent to June 30, 2021 through August 5, 2021.

Effective July 1, 2021, the Company placed three loans to Pivot3 Holdings, Inc. on non-accrual status, representing an aggregate principal funded of $26,201,092 at a fair market value of $13,797,915 and comprises 2.89% of the investment portfolio as of June 30, 2021. On July 20, 2021, the Company also received cash proceeds of $5,000,000 from the sale of a portion of assets held by Pivot3 Holdings, Inc.

On July 1, 2021, Aria Systems, Inc. prepaid its outstanding principal balance of $28,500,000. In addition, the Company received cash proceeds of $1,658,136 in conjunction with ETP, prepayment fees, and interest for total proceeds of $30,158,136.

On July 19, 2021, the Company declared a dividend of $0.34 per share payable on August 12, 2021 to shareholders of record as of July 20, 2021. The Company set June 30, 2021 as the valuation date for shares issued in connection with the dividend pursuant to the Company's dividend reinvestment plan.

On August 4, 2021, the Company entered into an amendment (the "August Amendment") to the Credit Agreement to clarify the fee payment schedule and to amend certain other terms of the Credit Agreement.

RUNWAY GROWTH CREDIT FUND INC.
Statements of Assets and Liabilities

	December 31, 2020	December 31, 2019
Assets		
Investments at fair value:		
Non-control/non-affiliate investments at fair value (cost of $532,676,057 and $377,018,900, respectively)	$541,978,736	$368,016,276
Control/affiliate investments at fair value (cost of $13,911,494 and $0, respectively)	9,845,854	—
Investment in U.S. Treasury Bills at fair value (cost of $70,001,472 and $99,982,765, respectively)	70,002,060	99,965,423
Total investments at fair value (cost of $616,589,023 and $477,001,665, respectively)	621,826,650	467,981,699
Cash and cash equivalents	14,886,246	45,799,672
Accrued interest receivable	2,682,405	1,941,502
Other accounts receivable	359,000	403,566
Prepaid expenses	137,096	165,901
Total assets	639,891,397	516,292,340
Liabilities		
Debt:		
Credit facilities	99,000,000	61,000,000
Deferred credit facility fees (net of accumulated amortization of $383,873 and $129,290, respectively)	(1,583,230)	(978,907)
Total debt, less unamortized deferred financing costs	97,416,770	60,021,093
Reverse repurchase agreement	69,650,000	74,593,802
Accrued incentive fees	5,007,065	3,582,987
Due to affiliate	143,515	81,537
Interest payable	468,014	500,056
Accrued expenses and other liabilities	962,348	1,199,644
Total liabilities	173,647,712	139,979,119
Commitments and contingencies (Note 3)		
Net assets		
Common stock, $0.01 par value; 100,000,000 shares authorized; 31,414,051 and 25,811,214 shares issued and outstanding, respectively	314,140	258,112
Additional paid-in capital	466,872,304	384,369,854
Distributable (losses) earnings	(942,759)	(8,314,745)
Total net assets	$466,243,685	$376,313,221
Net asset value per share	$ 14.84	$ 14.58

See notes to financial statements.

RUNWAY GROWTH CREDIT FUND INC.
Statements of Operations

	Year Ended December 31, 2020	Year Ended December 31, 2019	Year Ended December 31, 2018
Investment income			
From non-control/non-affiliate:			
Interest income	$51,591,420	$53,015,168	$19,446,270
Payment in-kind interest income	3,690,049	1,329,413	49,859
Other income	939,623	557,796	900,377
Interest income from U.S. Treasury Bills	17,223	106,374	69,338
Dividend income	1,354,714	—	290,210
Other income from non-investment sources	33,274	130,385	—
Total investment income	57,626,303	55,139,136	20,756,054
Operating expenses			
Management fees	6,831,566	5,105,009	4,812,500
Incentive fees	7,260,656	8,349,449	1,411,324
Interest expense	1,064,150	1,186,466	532,732
Professional fees	1,156,550	975,688	700,019
Overhead allocation expense	677,958	855,889	454,337
Administration fee	515,891	490,022	209,761
Facility fees	735,674	478,731	—
Directors' fees	248,500	222,154	208,000
Consulting fees	58,634	110,328	66,933
Tax expense	1,319	99,549	186,782
Insurance expense	105,192	96,296	96,062
General and administrative expenses	28,557	26,264	101,984
Other expenses	871,939	689,460	269,203
Total operating expenses	19,556,586	18,685,305	9,049,637
Net investment income	38,069,717	36,453,831	11,706,417
Realized and unrealized gain (loss) on investments			
Realized gain (loss) on non-control/non-affiliate investments, including U.S. Treasury Bills	(5,347,409)	609,031	59,792
Net change in unrealized appreciation (depreciation) on non-control/non-affiliate investments, including U.S. Treasury Bills	13,970,465	(9,416,462)	(8,693)
Net change in unrealized appreciation on control/affiliate investments	287,127	—	—
Net realized and unrealized gain (loss) on investments	8,910,183	(8,807,431)	51,099
Net increase in net assets resulting from operations	$46,979,900	$27,646,400	$11,757,516
Net increase in net assets resulting from operations per common share	$ 1.70	$ 1.48	$ 1.26
Net investment income per common share	$ 1.38	$ 1.95	$ 1.26
Weighted-average shares outstanding	27,617,425	18,701,021	9,300,960

See notes to financial statements.

RUNWAY GROWTH CREDIT FUND INC.

Statements of Changes in Net Assets

	Year Ended December 31, 2020	Year Ended December 31, 2019	Year Ended December 31, 2018
Net increase in net assets from operations			
Net investment income	$ 38,069,717	$ 36,453,831	$ 11,706,417
Realized gain (loss) on non-control/non-affiliate investments, including U.S. Treasury Bills	(5,347,409)	609,031	59,792
Net change in unrealized appreciation (depreciation) on non-control/non-affiliate investments, including U.S. Treasury Bills	13,970,465	(9,416,462)	(8,693)
Net change in unrealized appreciation on control/affiliate investments	287,127	—	—
Net increase in net assets resulting from operations	46,979,900	27,646,400	11,757,516
Distributions to stockholders from:			
Dividends paid to stockholders	(39,709,233)	(40,651,334)	(7,283,810)
Total distributions to stockholders	(39,709,233)	(40,651,334)	(7,283,810)
Capital share transactions			
Issuance of shares of common stock	50,315,308	190,000,000	30,000,000
Issuance of shares of common stock under dividend reinvestment plan	32,443,448	32,458,787	5,855,312
Offering costs	(98,959)	(510,027)	—
Net increase in net assets resulting from capital share transactions	82,659,797	221,948,760	35,855,312
Total increase in net assets	89,930,464	208,943,826	40,329,018
Net assets at beginning of period	376,313,221	167,369,395	127,040,377
Net assets at end of period	$466,243,685	$376,313,221	$167,369,395
Capital share activity			
Shares issued	5,602,837	14,754,619	2,388,261
Shares outstanding at beginning of period	25,811,214	11,056,595	8,668,334
Shares outstanding at end of period	31,414,051	25,811,214	11,056,595

See notes to financial statements.

RUNWAY GROWTH CREDIT FUND INC.
Statements of Cash Flows

	Year Ended 2020	Year Ended 2019	Year Ended 2018
Cash flows from operating activities			
Net increase in net assets resulting from operations	$ 46,979,900	$ 27,646,400	$ 11,757,516
Adjustments to reconcile net increase in net assets resulting from operations to net cash provided by (used in) operating activities:			
Purchases of investments	(272,532,493)	(241,669,802)	(168,111,471)
Purchases of U.S. Treasury Bills	(276,000,012)	(315,836,640)	(270,444,962)
Payment in-kind interest	(3,690,049)	(1,329,413)	—
Sales or repayments of investments	110,559,763	102,938,909	16,752,528
Sales or maturities of U.S. Treasury Bills	279,984,131	295,955,273	262,989,682
Proceeds from U.S. Treasury Bills sold short	25,999,624	—	—
Realized (gain) loss on investments, including U.S. Treasury Bills	5,347,409	(609,031)	(59,792)
Net change in unrealized (appreciation) depreciation on investments, including U.S. Treasury Bills	(14,257,592)	9,416,462	8,693
Amortization of fixed income premiums or accretion of discounts	(9,255,732)	(13,021,775)	(4,621,487)
Amortization of deferred credit facility fees	225,286	236,981	82,648
Changes in operating assets and liabilities:			
Accrued interest receivable	(740,903)	(720,008)	(890,568)
Other accounts receivable	44,569	20,231	(16,006)
Prepaid expenses	28,805	(45,837)	(23,615)
Payable for securities purchased	—	(80,699)	(18,915,011)
Deferred revenue	—	(100,000)	100,000
Accrued incentive fees	1,424,078	2,511,421	1,071,566
Due to portfolio company	—	—	(3,000,000)
Due to affiliate	61,978	(35,160)	104,743
Interest payable	(32,042)	336,075	163,981
Accrued expenses and other liabilities	(237,299)	810,976	121,000
Net cash provided by (used in) operating activities	(106,090,579)	(133,575,637)	(172,930,555)
Cash flows from financing activities			
Deferred offering costs	—	102,865	(102,865)
Deferred credit facility fees	(829,609)	(1,086,129)	(212,407)
Borrowings under credit facilities	200,500,000	162,250,000	74,500,000
Repayments under credit facilities	(162,500,000)	(160,750,000)	(15,000,000)
Proceeds from reverse repurchase agreements	248,749,477	289,385,422	79,560,129
Repayments of reverse repurchase agreements	(253,693,279)	(294,351,749)	—
Dividends paid to stockholders	(7,265,785)	(8,192,547)	(1,428,498)
Offering costs	(98,959)	(510,027)	—
Net cash received from common stock issued	50,315,308	190,000,000	30,000,000
Net cash provided by (used in) financing activities	75,177,153	176,847,835	167,316,359
Net increase (decrease) in cash	(30,913,426)	43,272,198	(5,614,196)
Cash and cash equivalents at beginning of period	45,799,672	2,527,474	8,141,670
Cash and cash equivalents at end of period	$ 14,886,246	$ 45,799,672	$ 2,527,474
Supplemental and non-cash financing cash flow information:			
Taxes paid	$ 99,549	$ 183,510	$ 3,272
Interest paid	1,096,192	850,391	368,751
Non-cash portfolio purchases	23,959,450	—	—
Non-cash dividend reinvestments	32,443,448	32,458,787	5,855,312

See notes to financial statements.

RUNWAY GROWTH CREDIT FUND INC.
Schedule of Investments
December 31, 2020

Portfolio Companies	Sub-Industry	Investment Description[1],[5],[6],[11]	Acquisition Date	Principal/ Shares	Cost	Fair Value[2],[9]	% of Net Assets
Control/affiliate investments[15]							
Senior Secured Term Loans[14]							
Mojix, Inc.	Application Software	Tranche I: LIBOR+12.00% PIK, 12.00% floor, 5% ETP, due 5/15/2021[4]	5/16/2017	$ 6,519,240	$ 6,502,036	$ 4,913,150	1.05%
		Tranche II: LIBOR+12.00% PIK, 12.00% floor, 5% ETP, due 5/15/2021[4]	8/3/2017	2,173,080	2,170,069	1,637,717	0.35
		Tranche III: LIBOR+12.00% PIK, 12.00% floor, 5% ETP, due 5/15/2021[4]	7/6/2018	542,721	543,783	409,016	0.09
		Tranche IV: LIBOR+12.00% PIK, 12.00% floor, 5% ETP, due 5/15/2021[4]	9/5/2018	541,964	542,215	408,445	0.09
		Tranche V: LIBOR+12.00% PIK, 12.00% floor, 5% ETP, due 5/15/2021[4]	1/28/2019	1,079,293	1,073,081	813,382	0.17
		Tranche VI: LIBOR+12.00% PIK, 12.00% floor, 5% ETP, due 9/30/2020[4]	12/18/2019	1,034,143	1,034,143	779,370	0.17
Total Senior Secured Term Loans					11,865,327	8,961,080	1.92
Preferred Stocks							
Mojix, Inc.	Application Software	Series A-1 Preferred Stock[8]	12/14/2020	67,114,092	800,000	884,774	0.19
Warrants[8]							
Mojix, Inc.	Application Software	Warrant for Common Stock, exercise price $1.286/share, expires 12/13/2030	12/14/2020	2,349	119,320	—	—
		Warrant for Common Stock, exercise price $2.1286/share, expires 12/13/2030	12/14/2020	5,873	298,325	—	—
		Warrant for Common Stock, exercise price $5.57338/share, expires 12/13/2030	12/14/2020	394,733	828,522	—	—
Total Warrants					1,246,167	—	—
Total Control/affiliate investments					13,911,494	9,845,854	2.11
Non-control / non-affiliate investments							
Corporate Bond							
TriplePoint Venture Growth BDC Corp.	Specialty Finance	Bonds, 5.75% Interest rate, due 7/15/2022[3]	3/23/2020	13,227	253,095	333,453	0.07
Senior Secured Term Loans[14]							
Aria Systems, Inc.	Application Software	Tranche I: LIBOR+9.00%, 11.35% floor, 4.50% ETP, due 12/15/2021	6/29/2018	25,000,000	25,573,394	26,487,949	5.68
		Tranche II: LIBOR+9.00%, 11.35% floor, 4.50% ETP, due 12/15/2021	3/31/2020	2,500,000	2,546,484	2,648,795	0.57

See notes to financial statements.

RUNWAY GROWTH CREDIT FUND INC.
Schedule of Investments (continued)
December 31, 2020

Portfolio Companies	Sub-Industry	Investment Description[1],[5],[6],[11]	Acquisition Date	Principal/ Shares	Cost	Fair Value[2],[9]	% of Net Assets
Brilliant Earth, LLC	Internet Retail	Tranche I: LIBOR+8.25%, 9.25% floor, 4.50% ETP, due 10/15/2023	9/30/2019	$35,000,000	$34,722,601	$34,722,601	7.45%
		Tranche II: LIBOR+8.25%, 9.25% floor, 0.75% ETP, due 10/15/2023	12/17/2020	30,000,000	29,733,181	29,758,229	6.38
Circadence Corporation	Application Software	LIBOR+9.50%, 12.00% floor, 7.50% ETP, due 12/15/2022	12/20/2018	17,400,000	16,348,200	15,598,546	3.35
CloudPassage, Inc.	Data Processing & Outsourced Services	LIBOR+7.50%, 1.00% PIK, 10.00% floor, 2.75% ETP, due 6/13/2023[4]	6/13/2019	7,615,625	7,540,959	7,447,536	1.60
CloudPay Solutions Ltd.	Human Resource & Employment Services	LIBOR+9.50%, 1.25% PIK, 11.25% floor, 3.00% ETP, due 12/15/2023[3],[4],[12]	6/30/2020	25,146,185	24,772,553	24,772,553	5.31
Credit Sesame, Inc.	Specialized Consumer Services	Tranche I: LIBOR+8.35%, 10.25% floor, 2.50% ETP, due 12/15/2023	1/7/2020	35,000,000	34,693,762	34,531,361	7.41
		Tranche II: LIBOR+8.35% , 2.00% PIK on overadvance, 10.25% floor, due 5/15/2023[4]	1/7/2020	9,489,736	9,489,736	9,362,671	2.01
Dtex Systems, Inc.	Application Software	LIBOR+9.15%, 11.50% floor, 5.13% ETP, due 11/15/2021	6/1/2018	5,872,257	6,177,307	6,180,487	1.33
Echo 360 Holdings, Inc.	Education Services	Tranche I: LIBOR+9.25%, 12.05% floor, 4.00% ETP, due 5/3/2023	5/3/2019	14,000,000	14,078,320	14,324,161	3.07
		Tranche II: LIBOR+9.25%, 12.05% floor, 4.00% ETP, due 5/3/2023	5/3/2019	3,000,000	3,029,295	3,069,463	0.66
FiscalNote, Inc.	Application Software	LIBOR+9.25%, 9.75% floor, 5.00% ETP, due 8/21/2023	10/19/2020	45,000,000	44,330,193	44,330,193	9.51
Gynesonics, Inc.	Health Care Technology	LIBOR+8.75%, 9.25% floor, 3.50% ETP, due 12/1/2025	12/1/2020	30,000,000	29,156,536	29,156,536	6.25
INRIX, Inc.	Internet Software and Services	Tranche I: LIBOR+8.00%, 10.50% floor, 2.50% ETP, due 7/15/2023	7/26/2019	20,000,000	19,899,836	19,817,189	4.25
		Tranche II: LIBOR+8.00%, 10.50% floor, 2.50% ETP, due 7/15/2023	7/26/2019	10,000,000	9,825,946	9,908,594	2.13
Longtail Ad Solutions, Inc. (dba JW Player)	Internet Software and Services	LIBOR+8.75%, 10.75% floor, 3.00% ETP, due 6/15/2023	12/12/2019	30,000,000	30,054,163	30,270,499	6.49
Massdrop, Inc.	Computer & Electronics Retail	LIBOR+8.25%, 10.65% floor, 4.00% ETP, due 1/15/2023	7/22/2019	18,474,451	18,597,407	18,405,948	3.95

See notes to financial statements.

RUNWAY GROWTH CREDIT FUND INC.
Schedule of Investments (continued)
December 31, 2020

Portfolio Companies	Sub-Industry	Investment Description[1],[5],[6],[11]	Acquisition Date	Principal/ Shares	Cost	Fair Value[2],[9]	% of Net Assets
Mingle Healthcare Solutions, Inc.	Health Care Technology	LIBOR+9.50%, 11.75% floor, 10.00% ETP, due 8/15/2022	8/15/2018	$ 4,416,667	$ 4,683,180	$ 4,646,930	1.00%
3DNA Corp. (dba Nation Builder)	Application Software	Tranche I: LIBOR+9.00%, 11.50% floor, 5.50% ETP, due 4/15/2023	12/28/2018	7,000,000	7,160,591	7,079,561	1.52
		Tranche II: LIBOR+9.00%, 11.50% floor, 5.50% ETP, due 4/15/2023	6/12/2019	500,000	512,117	505,683	0.11
Ouster, Inc.	Technology Hardware, Storage & Peripherals	LIBOR+8.50%, 10.75% floor, 5% ETP, due 11/15/2021	11/27/2018	7,000,000	7,134,750	7,234,515	1.55
Pivot3, Inc.	Data Processing & Outsourced Services	Tranche I: LIBOR+8.50% PIK, 11.00% floor, 4.00% ETP, due 11/15/2022[4]	5/13/2019	21,345,001	21,609,825	19,864,282	4.26
		Tranche II: LIBOR+8.50% PIK, 11.00% floor, due 11/15/2022[4]	10/2/2020	1,022,772	1,022,772	951,822	0.20
		Tranche III: LIBOR+8.50% PIK, 11.00% floor, due 11/15/2022[4]	10/2/2020	1,000,000	1,000,000	930,629	0.20
Porch Group, Inc.	Application Software	LIBOR+8.50%, 2.00% PIK, 9.05% floor, 3.50% ETP, due 7/22/2024[4]	7/22/2020	40,327,734	40,206,479	40,206,479	8.62
ShareThis, Inc.	Data Processing & Outsourced Services	Tranche I: LIBOR+9.25%, 11.60% floor, 3.00% ETP, due 12/31/2022	12/3/2018	19,250,000	18,850,776	18,850,776	4.04
		Tranche II: LIBOR+9.25%, 11.60% floor, 3.00% ETP, due 12/31/2022	1/7/2019	750,000	730,458	730,457	0.16
		Tranche III: LIBOR+9.25%, 11.60% floor, 3.00% ETP, due 12/31/2022	7/24/2019	1,000,000	965,131	965,131	0.21
		Tranche IV: LIBOR+8.25%, 10.60% floor, 3.00% ETP, due 12/31/2022	8/18/2020	1,000,000	997,975	997,975	0.21
The Kairn Corporation	Application Software	Tranche I: LIBOR+9.50% PIK, 10.81% floor, due 12/15/2022[4]	3/24/2020	788,143	788,143	788,143	0.17
		Tranche II: Fixed 6.50% PIK, due 3/9/2027(4)	3/9/2020	4,187,932	4,187,932	4,187,933	0.90
VERO Biotech LLC	Health Care Technology	LIBOR+9.05%, 9.55% floor, 3.00% ETP, due 12/1/2024	12/29/2020	25,000,000	24,269,950	24,269,950	5.21
Total Senior Secured Term Loans					494,689,952	493,003,577	105.74

See notes to financial statements.

RUNWAY GROWTH CREDIT FUND INC.
Schedule of Investments (continued)
December 31, 2020

Portfolio Companies	Sub-Industry	Investment Description[1],[5],[6],[11]	Acquisition Date	Principal/ Shares	Cost	Fair Value[2],[9]	% of Net Assets
Preferred Stocks							
Aria Systems, Inc.	Application Software	Series G Preferred Stock[8]	7/10/2018	$ 289,419	$ 250,000	$ 451,494	0.10%
MTBC, Inc.	Health Care Technology	11% Series A Cumulative Redeemable Perpetual Preferred Stock[16],[17]	1/8/2020	760,000	18,687,450	14,659,600	3.14
Total Preferred Stocks					18,937,450	15,111,094	3.24
Common Stocks[8]							
Porch Group, Inc.	Application Software	Common Stock[16]	12/23/2020	38,079	118,100	521,940	0.11
zSpace, Inc.	Technology Hardware, Storage & Peripherals	Common Stock	12/31/2020	6,078,499	1,119,096	—	—
Total Common Stocks					1,237,196	521,940	0.11
Warrants[8]							
AllClear ID, Inc.	Specialized Consumer Services	Warrant for Common Stock, exercise price $0.01/share, expires 9/1/2027	9/1/2017	870,514	1,749,733	980,199	0.21
Aria Systems, Inc.	Application Software	Warrant for Series G Preferred Stock, exercise price $0.8638/share, expires 6/29/2028	6/29/2018	2,170,641	770,578	2,772,147	0.59
Aspen Group Inc.	Education Services	Warrant for Common Stock, exercise price $6.87/share, expires 7/25/2022	7/25/2017	224,174	583,301	1,217,000	0.26
Brilliant Earth, LLC	Internet Retail	Warrant for Class P Units, exercise price $5.25/share, expires 9/30/2029	9/30/2019	333,333	973,000	1,380,000	0.30
		Warrant for Class P Units, exercise price $10.00/share, expires 12/17/2030	12/17/2020	25,000	25,500	25,500	0.01
Circadence Corporation	Application Software	Warrant for Series A-6 Preferred Stock, exercise price $1.17/share, expires 12/20/2028	12/20/2018	1,538,462	3,630,000	3,083,703	0.66
		Warrant for Series A-6 Preferred Stock, exercise price $1.17/share, expires 10/31/2029	10/31/2019	384,615	845,540	770,926	0.17
CloudPassage, Inc.	Data Processing & Outsourced Services	Warrant for Series D-1 Preferred Stock, exercise price $1.60/share, expires 6/13/2029	6/13/2019	210,938	273,798	116,135	0.02
CloudPay Solutions Ltd.	Human Resource & Employment Services	Warrant for Series B Preferred Stock, exercise price $66.53/share, expires 6/30/2030[3],[12]	6/30/2020	11,273	217,500	298,697	0.06
Credit Sesame, Inc.	Specialized Consumer Services	Warrant for Common Stock, exercise price $0.01/share, expires 1/7/2030	1/7/2020	191,601	424,800	596,167	0.13

See notes to financial statements.

RUNWAY GROWTH CREDIT FUND INC.
Schedule of Investments (continued)
December 31, 2020

Portfolio Companies	Sub-Industry	Investment Description[1],[5],[6],[11]	Acquisition Date	Principal/ Shares	Cost	Fair Value[2],[9]	% of Net Assets
Dejero Labs Inc.	System Software	Warrant for Common Stock, exercise price $0.01/share, expires 5/31/2029[3],[7]	5/31/2019	$ 333,621	$192,499	$ 264,160	0.06%
Dtex Systems, Inc.	Application Software	Warrant for Series C-Prime Preferred Stock, exercise price $0.6000/share, expires 6/1/2025	6/1/2018	500,000	59,000	297,136	0.06
		Warrant for Series C-Prime Preferred Stock, exercise price $0.6000/share, expires 7/11/2026	7/11/2019	833,333	114,719	495,226	0.11
Echo 360 Holdings, Inc.	Education Services	Warrant for Series E Preferred Stock, exercise price $1.5963/share, expires 5/3/2029	5/3/2019	1,066,767	299,762	629,630	0.14
FiscalNote, Inc.	Application Software	Warrant for Common Stock, exercise price $0.01/share, expires 10/19/2030	10/19/2020	194,673	438,014	409,996	0.09
Gynesonics, Inc.	Health Care Technology	Success fee, expires 12/1/2027[13]	12/1/2020	—	498,900	506,293	0.11
INRIX, Inc.	Internet Software and Services	Warrant for Common Stock, exercise price $9.29/share, expires 7/26/2029	7/26/2019	150,804	522,083	504,439	0.11
Longtail Ad Solutions, Inc. (dba JW Player)	Internet Software and Services	Warrant for Common Stock, exercise price $1.49/share, expires 12/12/2029	12/12/2019	322,997	38,800	304,264	0.07
Massdrop, Inc.	Computer & Electronics Retail	Warrant for Series B Preferred Stock, exercise price $1.1938/share, expires 7/22/2019	7/22/2019	848,093	183,188	276,478	0.06
Mingle Healthcare Solutions, Inc.	Health Care Technology	Warrant for Series AA Preferred Stock, exercise price $0.24/share, expires 8/15/2028	8/15/2018	1,625,000	492,375	—	—
MTBC, Inc.	Health Care Technology	Warrant for Common Stock, exercise price $7.50/share, expires 1/8/2022	1/8/2020	1,000,000	435,000	3,195,000	0.69
		Warrant for Common Stock, exercise price $10.00/share, expires 1/8/2023	1/8/2020	1,000,000	837,000	2,492,000	0.53
3DNA Corp. (dba NationBuilder)	Application Software	Warrant for Series C-1 Preferred Stock, exercise price $1.4643/share, expires 12/28/2028	12/28/2018	273,164	104,138	66,341	0.01
Ouster, Inc.	Technology Hardware, Storage & Peripherals	Warrant for Series B Preferred Stock, exercise price $0.3323/share, expires 11/27/2028	11/27/2018	1,805,597	103,010	9,901,935	2.12
Pivot3, Inc.	Data Processing & Outsourced Services	Warrant for Series D Preferred Stock, exercise price $0.59/share, expires 5/13/2029	5/13/2019	2,033,898	216,610	—	—

See notes to financial statements.

RUNWAY GROWTH CREDIT FUND INC.
Schedule of Investments (continued)
December 31, 2020

Portfolio Companies	Sub-Industry	Investment Description[1],[5],[6],[11]	Acquisition Date	Principal/ Shares	Cost	Fair Value[2],[9]	% of Net Assets
Porch Group, Inc.	Application Software	Earnout, expires 12/23/2023[13]	12/23/2020	$ —	$ —	$ —	—%
RealWear, Inc.	Technology Hardware, Storage & Peripherals	Warrant for Series A Preferred Stock, exercise price $4.4464/share, expires 10/5/2028	10/5/2018	112,451	135,841	—	—
		Warrant for Series A Preferred Stock, exercise price $4.4464/share, expires 12/28/2028	12/28/2018	22,491	25,248	—	—
		Warrant for Series A Preferred Stock, exercise price $6.78/share, expires 6/27/2029	6/27/2019	123,894	380,850	—	—
Scale Computing, Inc.	System Software	Warrant for Common Stock, exercise price $0.8031/share, expires 3/29/2029	3/29/2019	9,665,667	345,816	—	—
SendtoNews Video, Inc.	Advertising	Warrant for Class B Non-Voting Stock, exercise price $0.67/ share, expires 6/30/2027[3],[7]	6/30/2017	191,500	246,461	30,000	0.01
ShareThis, Inc.	Data Processing & Outsourced Services	Warrant for Series D-3 Preferred Stock, exercise price $2.4320/share, expires 12/3/2028	12/3/2018	647,615	2,162,000	2,162,000	0.46
The Kairn Corporation	Application Software	Warrant for Common Stock, exercise price $0.01/share, expires 3/9/2030	3/9/2020	81,177	—	—	—
VERO Biotech LLC	Health Care Technology	Success fee, expires 12/29/2025[13]	12/29/2020	—	233,300	233,300	0.05
Total Warrants					17,558,364	33,008,672	7.08
Total non-control/non-affiliate investments					532,676,057	541,978,736	116.24
U.S. Treasury		U.S. Treasury Bill, 0.40%, due 01/12/2021[10]	12/30/2020	70,000,000	70,001,472	70,002,060	15.01
Total Investments					$616,589,023	$621,826,650	133.37%

(1) Disclosures of interest rates on notes include cash interest rates and payment-in-kind ("PIK") interest rates, as applicable. Unless otherwise indicated, all of the Company's variable rate debt investments bear interest at a rate that is determined by reference to the 3-Month London Interbank Offered Rate ("LIBOR") or the U.S. Prime Rate. At December 31, 2020, the 3-Month LIBOR was 0.24% and the U.S. Prime Rate was 3.25%.

(2) All investments in portfolio companies, which as of December 31, 2020 represented 118.36% of the Company's net assets, are restricted as to resale and were valued at fair value as determined in good faith by the Company's Board of Directors.

(3) Investment is not a qualifying investment as defined under Section 55(a) of the Investment Company Act of 1940, as amended. Non-qualifying assets represent 10.68% of total investments at fair value as of December 31, 2020. Qualifying assets must represent at least 70% of total assets at the time of acquisition of any additional non-qualifying assets. If at any time qualifying assets do not represent at least 70% of the Company's total assets, the Company will be precluded from acquiring any additional non-qualifying assets until such time as it complies with the requirements of Section 55(a) of the 1940 Act.

See notes to financial statements.

RUNWAY GROWTH CREDIT FUND INC.
Schedule of Investments (continued)
December 31, 2020

(4) Represents a PIK security. PIK interest will be accrued and paid at maturity.

(5) All investments are valued using unobservable inputs, except Corporate Bonds and U.S. Treasury Bills, which are valued using observable inputs.

(6) All investments are domiciled in the United States, unless otherwise noted.

(7) Investment is domiciled in Canada.

(8) Investments are non-income producing.

(9) Investments are held at Fair Value net of the Fair Value of Unfunded Commitments. See Note 3 for additional detail.

(10) Treasury bills with $70,000,000 in aggregate of par value were purchased pursuant to a 0.40% reverse repurchase agreement with Goldman Sachs, dated December 30, 2020 and due to the Company on January 12, 2021, with a repurchase price to the Company of $69,650,000, collateralized by a 0.40% U.S. Treasury Bill due January 12, 2021 with an aggregate par value of $70,000,000 and fair value of $70,002,060

(11) Disclosures of end-of-term-payments ("ETP") are one-time payments stated as a percentage of original principal amount.

(12) Investment is domiciled in the United Kingdom.

(13) Investment is either a cash success fee payable or earnout of shares based on the consummation of certain trigger events.

(14) The Credit Agreement (as defined in Note 10) is secured by a perfected first priority security interest in each of the Company's senior secured term loan investments, except for the Mojix, Inc. Pivot3, Inc., and The Kairn Corporation senior secured term loans.

(15) Control investment as defined under the 1940 Act in which the Company owns at least 25% of the investment's voting securities or has greater than 50% representation on its board.

(16) Investment is publicly traded and listed on NASDAQ.

(17) 260,000 shares of MTBC, Inc. preferred stock with a fair value of $1,429,600 have restrictions on the sale of the shares due to escrow claims, and such fair value is considered a Level 2 fair value measurement under the fair value hierarchy.

The following tables show the fair value of our portfolio of investments (excluding any U.S. Treasury Bills held) by geographic region and industry as of December 31, 2020:

	December 31, 2020	
Geographic Region	**Investments at Fair Value**	**Percentage of Net Assets**
Western United States	$294,585,551	63.18%
Northeastern United States	113,684,806	24.38
Northwestern United States	70,958,641	15.22
United Kingdom	25,071,250	5.38
Southeastern United States	24,503,250	5.26
South Central United States	22,726,932	4.87
Canada	294,160	0.06
Total	$551,824,590	118.36%

	December 31, 2020	
Industry	**Investments at Fair Value**	**Percentage of Net Assets**
Application Software	$166,728,532	35.76%
Healthcare Technology	79,159,609	16.98

See notes to financial statements.

RUNWAY GROWTH CREDIT FUND INC.
Schedule of Investments (continued)
December 31, 2020

	December 31, 2020	
Industry	**Investments at Fair Value**	**Percentage of Net Assets**
Internet Retail	65,886,330	14.13
Internet Software & Services	60,804,985	13.04
Data Processing & Outsourced Services	53,016,743	11.37
Specialized Consumer Services	45,470,398	9.75
Human Resource & Employment Services	25,071,250	5.38
Education Services	19,240,254	4.13
Computer & Electronics Retail	18,682,426	4.01
Technology Hardware, Storage & Peripherals	17,136,450	3.68
Specialty Finance	333,453	0.07
System Software	264,160	0.06
Advertising	30,000	0.01
Total	$551,824,590	118.36%

See notes to financial statements.

RUNWAY GROWTH CREDIT FUND INC.

Schedule of Investments
December 31, 2019

Portfolio Companies	Sub-Industry	Investment Description[1],[5],[6],[11]	Acquisition Date	Principal/ Shares	Cost	Fair Value[2]	% of Net Assets
Non-control/non-affiliate investments							
Senior Secured Term Loans							
Aginity, Inc.	Application Software	Tranche I: LIBOR+10.5% PIK, 11.50% floor, 5% ETP, due 2/15/2020[4],[8],[12]	5/25/2018	$ 7,386,026	$ 7,232,349	$ 2,511,589	0.67%
		Tranche II: LIBOR+10.5% PIK, 11.50% floor, Extension line, due 2/15/2020[4],[8],[12]	7/25/2019	2,000,000	2,000,000	1,800,000	0.48
Aria Systems, Inc.	Application Software	LIBOR+9.0%, 11.35% floor, 4.5% ETP, due 12/15/2021	6/29/2018	25,000,000	25,016,698	24,863,442	6.61
Brilliant Earth, LLC	Internet Retail	LIBOR+8.25%, 10.40% floor, 4.5% ETP, due 4/15/2023	9/30/2019	35,000,000	33,795,605	33,795,605	8.98
CareCloud Corporation	Healthcare Technology	Prime+7.0%, 11.75% floor, 3.5% ETP, due 6/15/2022	6/19/2018	25,000,000	24,994,734	23,320,627	6.20
Circadence Corporation	Application Software	LIBOR+9.50%, 12.0% floor, 6% ETP, due 12/15/2022	12/20/2018	18,000,000	15,038,641	15,485,065	4.11
CloudPassage, Inc.	Data Processing & Outsourced Services	LIBOR+7.50%, 1% PIK, 10.00% floor, 2.75% ETP, due 6/13/2023[4]	6/13/2019	7,538,624	7,280,486	7,280,486	1.93
Dejero Labs Inc.	Data Processing & Outsourced Services	LIBOR+9.25%, 11.75% floor, 4.5% ETP, due 5/31/2023[3],[7]	5/31/2019	11,000,000	10,797,612	10,797,612	2.87
Dtex Systems, Inc.	Application Software	LIBOR+10.65% PIK, 13% floor, 4.875% ETP, due 11/15/2021	6/1/2018	8,130,147	8,233,588	8,436,559	2.24
Echo 360 Holdings, Inc.	Education Services	Tranche I: LIBOR+9.25%, 12.05% floor, 4.0% ETP, due 5/3/2023	5/3/2019	14,000,000	13,773,561	13,773,561	3.66
		Tranche II: LIBOR+9.25%, 12.05% floor, 4.0% ETP, due 5/3/2023	5/3/2019	3,000,000	2,973,193	2,970,709	0.79
eSilicon Corporation	Semiconductors	Tranche I: LIBOR+10.50%, 13% floor, 5% ETP, due 7/15/2020	7/31/2017	2,916,667	3,323,305	3,442,998	0.91
		Tranche II: LIBOR+10.50%, 13% floor, 5% ETP, due 1/15/2021	2/8/2018	2,708,333	2,886,855	2,982,784	0.79
		Tranche III: LIBOR+10.50%, 13% floor, 5% ETP, due 6/15/2020	6/21/2019	10,000,000	10,177,163	11,063,021	2.94
		Tranche IV: Prime+2.75%, Revolving line, due 6/15/2020	6/21/2019	11,000,000	11,000,000	10,590,278	2.81

See notes to financial statements.

RUNWAY GROWTH CREDIT FUND INC.

Schedule of Investments (continued)
December 31, 2019

Portfolio Companies	Sub-Industry	Investment Description[1],[5],[6],[11]	Acquisition Date	Principal/ Shares	Cost	Fair Value[2]	% of Net Assets
INRIX, Inc.	Internet Software and Services	Tranche I: LIBOR+8.0%, 10.5% floor, 2.5% ETP, due 7/15/2023	7/26/2019	$20,000,000	$19,600,991	$19,600,991	5.21%
		Tranche II: LIBOR+8.0%, 10.5% floor, 2.5% ETP, due 7/15/2023	7/26/2019	5,000,000	4,703,249	4,703,249	1.25
Longtail Ad Solutions, Inc. (dba JW Player)	Internet Software and Services	LIBOR+8.75%. 10.75% Floor, 3% ETP, due 6/15/2023	12/12/2019	25,000,000	24,655,194	24,655,194	6.55
Massdrop Inc.	Computer & Electronics Retail	LIBOR+8.25%, 10.65% floor, 4% ETP, due 1/15/2023	7/22/2019	17,500,000	17,220,865	17,220,865	4.58
MingleHealth Care Solutions, Inc.	Healthcare Technology	LIBOR+9.5%, 11.75% floor, 4% ETP, due 8/15/2022[12]	8/15/2019	6,000,000	5,783,543	5,417,339	1.44
Mojix, Inc.	Application Software	Tranche I: LIBOR+12% PIK, 11.00% floor, 5% ETP, due 5/15/2021	5/16/2017	$ 6,296,833	$ 6,191,982	$ 4,726,334	1.26%
		Tranche II: LIBOR+12% PIK, 11.00% floor, 5% ETP, due 5/15/2021	8/3/2017	2,098,944	2,067,505	1,575,445	0.42
		Tranche III: LIBOR+12% PIK, 11.00% floor, 5% ETP, due 5/15/2021	7/6/2018	524,206	518,684	393,914	0.10
		Tranche IV: LIBOR+12% PIK, 11.00% floor, 5% ETP, due 5/15/2021	9/5/2018	523,474	516,902	392,469	0.10
		Tranche V: LIBOR+12% PIK, 11.00% floor, 5% ETP, due 5/15/2021	1/28/2019	1,042,472	1,020,642	782,463	0.21
		Tranche VI: LIBOR+12% PIK, 11.00% floor, due 1/31/2020	12/18/2019	1,000,000	1,000,000	1,000,000	0.27
3DNA Corp.(dba NationBuilder)	Application Software	Tranche I: LIBOR+9.00%, 11.50% floor, 5% ETP, due 4/28/2022	12/28/2018	7,000,000	7,016,888	6,942,703	1.84
		Tranche II: LIBOR+9.00%, 11.50% floor, 5% ETP, due 4/28/2022	6/12/2019	500,000	502,374	497,063	0.13
Ouster, Inc.	Technology Hardware, Storage & Peripherals	LIBOR+8.50%, 10.75% floor, 3.50% ETP, due 5/15/2021	11/27/2018	10,000,000	10,007,056	10,007,056	2.66
Pivot3, Inc.	Data Processing & Outsourced Services	LIBOR+8.50%, 11.00% floor, 4% ETP, due 11/15/2022	5/13/2019	20,000,000	19,863,175	19,728,122	5.24
RealWear, Inc.	Technology Hardware, Storage & Peripherals	LIBOR+8%, 10.35% floor, 5% ETP, due 6/28/2023	6/28/2018	25,000,000	24,653,512	24,653,512	6.55

See notes to financial statements.

RUNWAY GROWTH CREDIT FUND INC.

Schedule of Investments (continued)
December 31, 2019

Portfolio Companies	Sub-Industry	Investment Description[1],[5],[6],[11]	Acquisition Date	Principal/ Shares	Cost	Fair Value[2]	% of Net Assets
Scale Computing, Inc.	System Software	LIBOR+9.25%, 11.75% floor, 4.5% ETP, due 9/15/2022	3/29/2019	$15,000,000	$ 14,798,210	$ 14,418,842	3.83%
ShareThis, Inc.	Data Processing & Outsourced Services	Tranche I: LIBOR+9.25%, 11.60% floor, 5% ETP, due 6/15/2022	12/3/2018	19,250,000	18,123,758	18,123,758	4.82
		Tranche II: LIBOR+9.25%, 11.60% floor, 5% ETP, due 6/15/2022	1/17/2019	750,000	699,312	699,312	0.19
		Tranche III: LIBOR+9.25%, 11.60% floor, 5% ETP, due 6/15/2022	7/24/2019	1,000,000	917,457	917,457	0.25
Total Senior Secured Term Loans					358,385,089	349,570,424	92.89
Preferred Stock[8]							
Aria Systems, Inc.	Application Software	Series G Preferred Stock	7/10/2018	289,419	250,000	437,515	0.12
Warrants[8]							
Aginity, Inc.	Application Software	Warrant for Series A Preferred Stock, exercise price $1.949/share, expires 5/25/2028[12]	5/25/2018	359,158	167,727	—	—
		Warrant for Series A-1 Preferred Stock, exercise price $0.01/share, expires 2/25/2029	2/25/2019	205,234	151,873	—	—
AllClear ID, Inc.	Specialized Consumer Services	Warrant for Common Stock, exercise price $0.01/share, expires 9/1/2027	9/1/2017	870,514	1,749,733	906,205	0.24
Aria Systems, Inc.	Application Software	Warrant for Series G Preferred Stock, exercise price $0.8638/share, expires 6/29/2028	6/29/2018	2,170,641	770,578	2,633,681	0.70
Aspen Group Inc.	Education Services	Warrant for Common Stock, exercise price $6.87/share, expires 7/25/2022	7/25/2017	224,174	583,301	631,000	0.17
Brilliant Earth, LLC	Internet Retail	Warrant for Class P Units, exercise price $5.25/share, expires 9/30/2029	9/30/2019	333,333	973,000	955,667	0.25
CareCloud Corporation	Healthcare Technology	Warrant for Series A-1 Preferred Stock, exercise price $0.8287/share, expires 6/16/2025	4/17/2019	2,262,579	394,163	—	—
Circadence Corporation	Application Software	Warrant for Series A-5 Preferred Stock, exercise price $1.08/share, expires 12/20/2028	12/20/2018	1,666,667	3,630,000	3,393,522	0.90

See notes to financial statements.

RUNWAY GROWTH CREDIT FUND INC.

Schedule of Investments (continued)
December 31, 2019

Portfolio Companies	Sub-Industry	Investment Description[1],[5],[6],[11]	Acquisition Date	Principal/ Shares	Cost	Fair Value[2]	% of Net Assets
		Warrant for Series A-5 Preferred Stock, exercise price $1.08/share, expires 10/31/2029	10/31/2019	$ 416,667	$845,540	$ 848,380	0.23%
CloudPassage, Inc.	Data Processing & Outsourced Services	Warrant for Series D-1 Preferred Stock, exercise price $1.60/share, expires 6/13/2029	6/13/2019	210,938	273,798	266,626	0.07
Dejero Labs Inc.	Data Processing & Outsourced Services	Warrant for Common Stock, exercise price $0.01/share, expires 5/31/2029[3],[7]	5/31/2019	333,621	192,499	198,664	0.05
Dtex Systems, Inc.	Application Software	Warrant for Series C-Prime Preferred Stock, exercise price $0.6000/share, expires 6/1/2025	6/1/2018	500,000	59,000	57,500	0.02
		Warrant for Series C-Prime Preferred Stock, exercise price $0.6000/share, expires 7/11/2026	7/11/2019	833,333	114,719	115,000	0.03
Echo 360 Holdings, Inc.	Education Services	Warrant for Series E Preferred Stock, exercise price $1.5963/share, expires 5/3/2029	5/3/2019	1,066,767	299,762	318,963	0.08
eSilicon Corporation	Semiconductors	Warrant for Series H Preferred Stock, exercise price $1.01/share, expires 7/31/2027	7/31/2017	1,485,149	543,564	2,249,999	0.60
		Warrant for Series H Preferred Stock, exercise price $1.01/share, expires 6/21/2029	6/21/2019	990,099	312,871	500,000	0.13
INRIX, Inc.	Internet Software and Services	Warrant for Common Stock, exercise price $9.29/share, expires 7/26/2029	7/26/2019	150,804	522,083	475,485	0.13
Longtail Ad Solutions, Inc. (dba JW Player)	Internet Software and Services	Warrant for Common Stock, exercise price $1.49/share, expires 12/12/2029	12/12/2019	332,997	38,800	38,800	0.01
Massdrop Inc.	Computer & Electronics Retail	Warrant for B Series Preferred Stock, exercise price $1.1938/share, expires 7/22/2019	7/22/2019	848,093	183,188	190,821	0.05
MingleHealth Care Solutions, Inc.	Healthcare Technology	Warrant for Series AA Preferred Stock, exercise price $0.24/share, expires 8/15/2028	8/15/2018	1,625,000	492,375	—	—

See notes to financial statements.

RUNWAY GROWTH CREDIT FUND INC.

Schedule of Investments (continued)
December 31, 2019

Portfolio Companies	Sub-Industry	Investment Description[1],[5],[6],[11]	Acquisition Date	Principal/ Shares	Cost	Fair Value[2]	% of Net Assets
Mojix, Inc.	Application Software	Warrant for Common Stock exercise price $10.64/share, expires 5/16/2027	5/16/2017	$ 164,427	$ 417,645	$ —	—%
		Warrant for Series 1 Preferred Stock, exercise price $0.28/share, expires 12/20/2028	12/20/2018	7,176,973	806,991	—	—
		Warrant for Series 1 Preferred Stock exercise price $0.28/share, expires 5/30/2029	5/30/2019	358,849	21,531	—	—
		Warrant for Series 1 Preferred Stock exercise price $0.28/share, expires 12/17/2029	12/17/2029	358,849	—	—	—
3DNA Corp.(dba NationBuilder)	Application Software	Warrant for Series C-1 Preferred Stock, exercise price $1.4643/share, expires 12/28/2028	12/28/2018	273,164	104,138	87,959	0.02
Ouster, Inc.	Technology Hardware, Storage & Peripherals	Warrant for Series A Preferred Stock, exercise price $11.3158/share, expires 11/27/2028	11/27/2018	53,023	103,010	134,837	0.04
Pivot3, Inc.	Data Processing & Outsourced Services	Warrant for Series D Preferred Stock, exercise price $0.59/share, expires 5/13/2029	5/13/2029	2,033,898	216,610	141,966	0.04
RealWear, Inc.	Technology Hardware, Storage & Peripherals	Warrant for Series A Preferred Stock, exercise price $4.4464/share, expires 10/5/2028	10/5/2018	112,451	135,841	393,129	0.10
		Warrant for Series A Preferred Stock, exercise price $4.4464/share, expires 12/28/2028	12/28/2018	22,491	25,248	78,628	0.02
		Warrant Series A Preferred Stock, exercise price $6.78/share, expires 6/27/2029	6/27/2019	123,894	380,850	336,372	0.09
Scale Computing, Inc.	System Software	Warrant for Series F-1 Preferred Stock, exercise price $0.8031/share, expires 3/29/2029	3/29/2019	2,147,926	345,816	317,893	0.08
SendtoNews Video, Inc.	Advertising	Warrant for Class B Non-Voting Stock, exercise price $0.67/share, expires 6/30/2027[3],[7]	6/30/2017	191,500	246,461	58,000	0.02
ShareThis Inc.	Data Processing & Outsourced Services	Warrant for Series D-3 Preferred Stock, exercise price $2.4320/share, expires 12/3/2028	12/3/2018	647,615	2,162,000	2,162,000	0.57

See notes to financial statements.

RUNWAY GROWTH CREDIT FUND INC.

Schedule of Investments (continued)
December 31, 2019

Portfolio Companies	Sub-Industry	Investment Description[1],[5],[6],[11]	Acquisition Date	Principal/ Shares	Cost	Fair Value[2]	% of Net Assets
zSpace, Inc.	Technology Hardware, Storage & Peripherals	Warrant for Series E Preferred Stock, exercise price $0.90/share, expires 12/29/2027	12/29/2017	$1,896,966	$ 707,568	$ 208,595	0.07%
		Warrant for Series E Preferred Stock, exercise price $0.90/share, expires 2/11/2029	2/11/2019	2,806,830	411,528	308,645	0.08
Total Warrants					18,383,811	18,008,337	4.79
Total non-control/non-affiliate investments					377,018,900	368,016,276	97.80
U.S. Treasury		U.S. Treasury Bill, 1.33%, due 1/7/2020[10]			74,983,437	74,966,770	19.92
		U.S. Treasury Bill, 0.97%, due 1/2/2020			24,999,328	24,998,653	6.64
Total U.S. Treasury					99,982,765	99,965,423	26.56
Total Investments					$477,001,665	$467,981,699	124.36%

(1) Disclosures of interest rates on notes include cash interest rates and payment-in-kind ("PIK") interest rates, as applicable. Unless otherwise indicated, all of the Company's variable rate debt investments bear interest at a rate that is determined by reference to the 3-Month London Interbank Offered Rate ("LIBOR") or the U.S. Prime Rate. At December 31, 2019, the 3-Month LIBOR was 1.91% and the U.S. Prime Rate was 4.75%.

(2) All investments in portfolio companies, which as of December 31, 2019 represented 97.80% of the Company's net assets, are restricted as to resale and were valued at fair value as determined in good faith by the Company's Board of Directors.

(3) Investment is not a qualifying investment as defined under Section 55(a) of the Investment Company Act of 1940, as amended. Non-qualifying assets represent 4.25% of total investments at fair value as of December 31, 2019. Qualifying assets must represent at least 70% of total assets at the time of acquisition of any additional non-qualifying assets. If at any time qualifying assets do not represent at least 70% of the Company's total assets, the Company will be precluded from acquiring any additional non-qualifying assets until such time as it complies with the requirements of Section 55(a) of the 1940 Act.

(4) Represents a PIK security. PIK interest will be accrued and paid at maturity.

(5) All investments are valued using unobservable inputs, except Corporate Bonds and U.S. Treasury Bills, which are valued using observable inputs.

(6) All investments are domiciled in the United States, unless otherwise noted.

(7) Investment is domiciled in Canada.

(8) Investments are non-income producing.

(9) Investments are held at Fair Value net of the Fair Value of Unfunded Commitments. See Note 3 for additional detail.

(10) Treasury bills with $75,000,000 in aggregate of par value were purchased pursuant to a 5.00% reverse repurchase agreement with Goldman Sachs, dated December 27, 2019 and due to the Company on January 3, 2020, with a repurchase price to the Company of $75,000,000, collateralized by a 1.45% U.S. Treasury Bill due January 7, 2020 with an aggregate par value of $75,000,000 and fair value of $74,966,771.

See notes to financial statements.

RUNWAY GROWTH CREDIT FUND INC.

Schedule of Investments (continued)
December 31, 2019

(11) Disclosures of end-of-term-payments ("ETP") are one-time payments stated as a percentage of original principal amount.

(12) In the occurrence of a sale by the borrower, Aginity, Inc. will satisfy the repayment of the Extension line first from the proceeds available to the Company.

The following tables show the fair value of our portfolio of investments (excluding any U.S. Treasury Bills held) by geographic region and industry as of December 31, 2019:

	December 31, 2019	
Geographic Region	**Investments at Fair Value**	**Percentage of Net Assets**
Western United States	$226,473,356	60.19%
Northwestern United States	50,241,366	13.35
Southeastern United States	23,320,627	6.20
South Central United States	20,776,293	5.52
Midwestern United States	19,048,324	5.06
Northeastern United States	17,102,034	4.54
Canada	11,054,276	2.94
Total	$368,016,276	97.80%

	December 31, 2019	
Industry	**Investments at Fair Value**	**Percentage of Net Assets**
Application Software	$101,674,597	27.02%
Data Processing & Outsourced Services	60,316,003	16.03
Technology Hardware, Storage & Peripherals	36,120,776	9.60
Internet Retail	34,751,272	9.23
Semiconductors	30,829,079	8.19
Healthcare Technology	28,737,966	7.64
Internet Software & Services	24,779,724	6.58
Education Services	17,694,233	4.70
Computer & Electronics Retail	17,411,686	4.63
System Software	14,736,735	3.92
Specialized Consumer Services	906,205	0.24
Advertising	58,000	0.02
Total	$368,016,276	97.80%

See notes to financial statements.

RUNWAY GROWTH CREDIT FUND INC.

Notes to Financial Statements as of December 31, 2020

Note 1 — Organization

Runway Growth Credit Fund Inc. (the "Company") is a Maryland corporation that was formed on August 31, 2015. The Company is an externally managed, non-diversified, closed-end investment company that has elected to be regulated as a business development company ("BDC") under the Investment Company Act of 1940, as amended (the "1940 Act"). In addition, the Company has elected to be treated, has qualified, and intends to continue to qualify annually, as a regulated investment company ("RIC") under Subchapter M of the Internal Revenue Code of 1986, as amended (the "Code").

The Company was formed primarily to lend to, and selectively invest in, small, fast-growing companies in the United States. The Company's investment objective is to maximize its total return to its stockholders primarily through current income on its loan portfolio, and secondarily through capital appreciation on its warrants and other equity positions. The Company's investment activities are managed by its external investment adviser, Runway Growth Capital LLC ("RGC"). Runway Administrator Services LLC (the "Administrator") is a wholly owned subsidiary of RGC and provides administrative services necessary for the Company to operate.

In October 2015, in connection with the Company's formation, the Company issued and sold 1,667 shares of common stock to R. David Spreng, the President and Chief Executive Officer of the Company and Chairman of the Company's Board of Directors, for an aggregate purchase price of $25,000. The sale of shares of common stock was approved by the unanimous consent of the Company's sole director at the time. In December 2016, the Company completed the initial closing of capital commitments in its first private offering of shares of common stock to investors (the "Initial Private Offering") in reliance on exemptions from the registration requirements of the Securities Act of 1933, as amended (the "Securities Act"), and other applicable securities laws. The final closing of the Initial Private Offering occurred on December 1, 2017. In connection with the Initial Private Offering, the Company issued 18,241,157 shares of its common stock for a total purchase price of $275,000,000. The Company has issued an additional 4,816,873 shares as part of the dividend reinvestment program. Refer to Note 6 for further detail.

As of December 31, 2020, the Company had completed multiple closings under its second private offering (the "Second Private Offering") and had accepted capital commitments of $174,673,500. The Company has issued 8,352,251 shares of its common stock for a total purchase price of $125,283,766 in connection with the Second Private Offering. In March 2020, the Company issued 2,103 shares as an additional direct investment by Runway Growth Holdings LLC, an affiliate of RGC, at a per-share price of $15.00 for total proceeds of $31,542.

Note 2 — Summary of Significant Accounting Policies

Basis of Presentation

The accompanying financial statements of the Company are prepared on the accrual basis of accounting in conformity with U.S. Generally Accepted Accounting Principles ("U.S. GAAP") and pursuant to the requirements for reporting on Form 10-K and Regulation S-X under the Securities Exchange Act of 1934, as amended (the "Exchange Act"). The Company is an investment company following the specialized accounting and reporting guidance specified in the Financial Accounting Standards Board's ("FASB") Accounting Standards Codification ("ASC") Topic 946, Financial Services — Investment Companies. Certain items in the December 31, 2019 and December 31, 2018 financial statements have been reclassified to conform to the December 31, 2020 presentation with no effect on net income.

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 as of the date of the financial statements and the reported amounts of income and expense during the reporting period. Actual results could differ from those estimates.

Cash and cash equivalents

Cash represents deposits held at financial institutions while cash equivalents are highly liquid investments held at financial institutions with an original maturity of three months or less at the date of acquisition. At times, the Company's cash and cash equivalents exceed federally insured limits, subjecting the Company to risks related to the uninsured balance. Cash and cash equivalents are held at large, established, high credit-quality financial institutions, and management believes that risk of loss associated with any uninsured balance is remote.

Deferred Credit Facility Fees

The fees and expenses associated with opening the KeyBank loan facilities or Credit Agreement (as defined below) and CIBC USA Credit Facilities (as defined below) are being deferred and amortized as part of interest expense using the effective interest method over the term of the Credit Agreement and the Credit Facilities in accordance with ASC 470, Debt. Debt issuance costs associated with the Credit Agreement and the Credit Facilities are classified as a direct reduction of the carrying amount of borrowings with the Credit Agreement and the Credit Facilities, unless there are no outstanding borrowings, in which case the debt issuance costs are presented as an asset.

Reverse Repurchase agreement

The Company has, and may in the future, enter into reverse repurchase agreements, under the terms of a Master Repurchase Agreement, with selected commercial banks and broker-dealers, under which the Company acquires securities as collateral (debt obligation) subject to an obligation of the counterparty to repurchase and the Company to resell the securities (obligation) at an agreed upon time and price. The Company, through the custodian or a sub-custodian, receives delivery of the underlying securities collateralizing repurchase agreements. The Company requires the custodian to take possession, to have legally segregated in the Federal Reserve Book Entry System, or to have segregated within the custodian's vault, all securities held as collateral for repurchase agreements. The Company and the counterparties are permitted to sell, re-pledge, or use the collateral associated with the transaction. It is the Company's policy that the market value of the collateral be at least equal to 100 percent of the repurchase price in the case of a repurchase agreement of one-day duration and 102 percent of the repurchase price in the case of all other repurchase agreements. Upon an event of default under the terms of the Master Repurchase Agreement, both parties have the right to set-off. If the seller defaults or enters an insolvency proceeding, realization of the collateral by the Company may be delayed, limited or wholly denied.

Pursuant to a reverse repurchase agreement with Goldman Sachs, which expired on January 6, 2021, the Company purchased a U.S. Treasury Bill, due January 12, 2021. The fair value of the related collateral that the Company received for this agreement was $70,002,060 at December 31, 2020. Pursuant to a reverse repurchase agreement with Goldman Sachs which expired on January 3, 2020, the Company purchased a U.S. Treasury Bill, due January 7, 2020. The value of the related collateral that the Company received for this agreement was $74,593,802 at December 31, 2019. At December 31, 2020 and December 31, 2019, the repurchase liability is $69,650,000 and $74,593,802, respectively, which is reflected as Reverse Repurchase Agreement on the Statement of Assets and Liabilities.

Investment Transactions and Related Investment Income

Security transactions, if any, are recorded on a trade-date basis. Realized gains or losses from the repayment or sale of investments are measured using the specific identification method. The amortized cost basis of investments represents the original cost adjusted for the accretion/amortization of discounts and premiums and upfront loan origination fees. The Company reports changes from the prior period in fair value of investments that are measured at fair value as a component of net change in unrealized appreciation (depreciation) on investments on the Statements of Operations.

Dividends are recorded on the ex-dividend date. Interest income, if any, adjusted for amortization of market premium and accretion of market discount, is recorded on an accrual basis to the extent that the Company expects to collect such amounts. Original issue discount, principally representing the estimated fair value of detachable equity, warrants, or contractual success fees obtained in conjunction with the Company's

debt investments, loan origination fees, end of term payments, and market discount or premium are capitalized and accreted or amortized into interest income over the life of the respective security using the effective interest method. Loan origination fees received in connection with the closing of investments are reported as unearned income, which is included as amortized cost of the investment; the unearned income from such fees is accreted into interest income over the contractual life of the loan based on the effective interest method. Upon prepayment of a loan or debt security, any prepayment penalties, unamortized loan origination fees, end-of-term payments, and unamortized market discounts are recorded as interest income.

The Company currently holds, and expects to hold in the future, some investments in its portfolio that contain payment-in-kind ("PIK") interest provisions. PIK interest is computed at the contractual rate specified in each loan agreement and is added to the principal balance of the loan, rather than being paid to the Company in cash, and is recorded as interest income. Thus, the actual collection of PIK interest may be deferred until the time of debt principal repayment. PIK interest, which is a non-cash source of income, is included in the Company's taxable income and therefore affects the amount the Company is required to distribute to stockholders to maintain its qualification as a RIC for U.S. federal income tax purposes, even though the Company has not yet collected the cash. Generally, when current cash interest and/or principal payments on a loan become past due, or if the Company otherwise does not expect the borrower to be able to service its debt and other obligations, the Company will place the investment on non-accrual status and will generally cease recognizing PIK interest and dividend income on that loan for financial reporting purposes until all principal and interest have been brought current through payment or due to a restructuring such that the interest and dividend income is deemed to be collectible. As of December 31, 2020, and December 31, 2019, the Company has not written off any accrued and uncollected PIK interest and dividends. As of December 31, 2020, the Company had six loans to Mojix, Inc. representing an aggregate principal funded of $11,000,000 at a fair market value of $8,961,080, on non-accrual status, which represents 1.92% of the Company's net assets. The non-accrual status loans as of December 31, 2020 had total interest of $1,627,725 that would have been accrued into income. Had the loan not been on non-accrual status, $1,213,861 would be payable, and $413,864 would be original issue discount. For the year ended December 31, 2020, approximately 6.4% of the Company's total investment income was attributable to non-cash PIK interest. As of December 31, 2019, the Company had two loans to Aginity, Inc. representing an aggregate principal funded of $9,000,000 at a fair market value of $4,311,589, on non-accrual status, which represented 1.15% of the Company's net assets. The non-accrual status loans as of December 31, 2019, had total interest of $1,033,827 that would have been accrued into income. Had the loan not been on non-accrual status, $576,314 would be payable, and $457,513 would be original issue discount. For the year ended December 31, 2019, approximately 2.4% of the Company's total investment income was attributable to non-cash PIK interest. The Company did not have non-cash PIK interest and dividend income for the year ended December 31, 2018.

Valuation of Investments

The Company measures the value of its investments at fair value in accordance with ASC *Topic 820, Fair Value Measurements and Disclosure* ("ASC Topic 820"), issued by the FASB. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The COVID-19 pandemic and its resultant impact on economic activity and capital market volatility has impacted and may continue to have an impact on the fair market values of the Company's portfolio investments. As a result, the fair market values of the Company's portfolio investments may be negatively impacted after December 31, 2020 by circumstances and events that are not yet known, including the complete or continuing impact of the COVID-19 pandemic and the resulting measures taken in response thereto. The Company's valuation process carefully considers the impact of COVID-19-related uncertainties in the various inputs utilized in the determination of the fair market value of its portfolio investments.

The audit committee of the Company's Board of Directors (the "Audit Committee") assists the Board of Directors in valuing investments that are not publicly traded or for which current market values are not readily available. Investments for which market quotations are readily available are valued using market quotations, which are generally obtained from independent pricing services, broker-dealers or market makers. With respect to portfolio investments for which market quotations are not readily available, the Company's Board of Directors, with the assistance of the Audit Committee, RGC and its senior investment team and independent valuation agents, is responsible for determining, in good faith, the fair value in accordance with the valuation policy approved by the Board of Directors. If more than one valuation method is used to measure fair value,

the results are evaluated and weighted, as appropriate, considering the reasonableness of the range indicated by those results. The Company considers a range of fair values based upon the valuation techniques utilized and selects the value within that range that was most representative of fair value based on current market conditions as well as other factors RGC's senior investment team considers relevant.

The Company's Board of Directors makes this fair value determination on a quarterly basis and any other time when a decision regarding the fair value of the portfolio investments is required. A determination of fair value involves subjective judgments andestimates and depends on the facts and circumstances. Due to the inherent uncertainty of determining the fair value of portfolio investments that do not have a readily available market value, the fair value of the investments may differ significantly from the values that would have been used had a readily available market value existed for such investments, and the differences could be material.

ASC Topic 820 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. ASC Topic 820 also provides guidance regarding a fair value hierarchy, which prioritizes information used to measure fair value and the effect of fair value measurements on earnings and provides for enhanced disclosures determined by the level within the hierarchy of information used in the valuation. In accordance with ASC Topic 820, these inputs are summarized in the three levels listed below:

- Level 1 — Valuations are based on quoted prices in active markets for identical assets or liabilities that are accessible at the measurement date.
- Level 2 — Valuations are based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly and model-based valuation techniques for which all significant inputs are observable.
- Level 3 — Valuations based on inputs that are unobservable and significant to the overall fair value measurement. Level 3 assets and liabilities include financial instruments whose value is determined using pricing models incorporating significant unobservable inputs, such as discounted cash flow models and other similar valuations techniques. The valuation of Level 3 assets and liabilities generally requires significant management judgment due to the inability to observe inputs to valuation.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of observable input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the investment.

Under ASC Topic 820, the fair value measurement also assumes that the transaction to sell an asset occurs in the principal market for the asset or, in the absence of a principal market, the most advantageous market for the asset, which may be a hypothetical market, and excludes transaction costs. The principal market for any asset is the market with the greatest volume and level of activity for such asset in which the reporting entity would or could sell or transfer the asset. In determining the principal market for an asset or liability under ASC Topic 820, it is assumed that the reporting entity has access to such market as of the measurement date. Market participants are defined as buyers and sellers in the principal or most advantageous market that are independent, knowledgeable and willing and able to transact.

With respect to investments for which market quotations are not readily available, the Company undertakes a multi-step valuation process each quarter, as described below:

- The quarterly valuation process begins with each portfolio company investment being initially valued by RGC's investment professionals that are responsible for the portfolio investment;
- Preliminary valuation conclusions are then documented and discussed with RGC's senior investment team;
- At least once annually, the valuation for each portfolio investment is reviewed by an independent valuation firm. Certain investments, however, may not be evaluated by an independent valuation firm unless the net asset value and other aspects of such investments in the aggregate exceed certain thresholds;

- The Audit Committee then reviews these preliminary valuations from RGC and the independent valuation firm, if any, and makes a recommendation to our Board of Directors regarding such valuations; and
- The Company's Board of Directors reviews the recommended preliminary valuations and determines the fair value of each investment in the Company's portfolio, in good faith, based on the input of RGC, the independent valuation firm and the Audit Committee.

The Company's investments are primarily loans made to and equity and warrants of small, fast-growing companies focused in technology, life sciences, health care information and services, business services, and other high-growth industries. These investments are considered Level 3 assets under ASC Topic 820 because there is no known or accessible market or market indices for these types of debt instruments and, thus, RGC's senior investment team must estimate the fair value of these investment securities based on models utilizing unobservable inputs.

Investment Valuation Techniques

Debt Investments: To determine the fair value of the Company's debt investments, the Company compares the cost basis of the debt investment, which includes original issue discount, to the resulting fair value determined using a discounted cash flow model, unless another model is more appropriate based on the circumstances at the measurement date. The discounted cash flow approach entails analyzing the interest rate spreads for recently completed financing transactions which are similar in nature to the Company's investments, in order to determine a comparable range of effective market interest rates for its investments. The range of interest rate spreads utilized is based on borrowers with similar credit profiles. All remaining expected cash flows of the investment are discounted using this range of interest rates to determine a range of fair values for the debt investment.

This valuation process includes, among other things, evaluating the underlying investment performance, the portfolio company's current financial condition and ability to raise additional capital, as well as macro-economic events that may impact valuations. These events include, but are not limited to, current market yields and interest rate spreads of similar securities as of the measurement date. Significant increases or decreases in these unobservable inputs could result in a significantly higher or lower fair value measurement.

Under certain circumstances, the Company may use an alternative technique to value the debt investments to be acquired by the Company that better reflects the fair value of the investment, such as the price paid or realized in a recently completed transaction or a binding offer received in an arms-length transaction, the use of multiple probability-weighted cash flow models when the expected future cash flows contain elements of variability or estimates of proceeds that would be received in a liquidation scenario.

Warrants: Fair value of warrants is primarily determined using a Black Scholes option-pricing model. Privately held warrants and equity-related securities are valued based on an analysis of various factors including, but not limited to, the following:

- Underlying enterprise value of the issuer is estimated based on information available, including any information regarding the most recent rounds of issuer funding. Valuation techniques to determine enterprise value include market multiple approaches, income approaches or approaches that utilize recent rounds of financing and the portfolio company's capital structure to determine enterprise value. Valuation techniques are also utilized to allocate the enterprise fair value of a portfolio company to the specific class of common or preferred stock exercisable in the warrant. Such techniques take into account the rights and preferences of the portfolio company's securities, expected exit scenarios, and volatility associated with such outcomes to allocate the fair value to the specific class of stock held in the portfolio. Such techniques include Option Pricing Models, or "OPM," including back-solve techniques, Probability Weighted Expected Return Models, or "PWERM," and other techniques as determined to be appropriate.
- Volatility, or the amount of uncertainty or risk about the size of the changes in the warrant price, is based on comparable publicly traded companies within indices similar in nature to the underlying company issuing the warrant. Significant increases (decreases) in this unobservable input could result in a significantly lower (higher) fair value, but a significantly higher or lower fair value measurement of

any of the Company's portfolio investments may occur regardless of whether there is a significant increase or decrease in this unobservable input.

- The risk-free interest rates are derived from the U.S. Treasury yield curve. The risk-free interest rates are calculated based on a weighted average of the risk-free interest rates that correspond closest to the expected remaining life of the warrant. Significant increases (decreases) in this unobservable input could result in a significantly higher (lower) fair value, but a significantly higher or lower fair value measurement of any of the Company's portfolio investments may occur regardless of whether there is a significant increase or decrease in this unobservable input.
- Other adjustments, including a marketability discount on private company warrants, are estimated based on judgment about the general industry environment. Significant increases (decreases) in this unobservable input could result in a significantly lower (higher) fair value, but a significantly higher or lower fair value measurement of any of the Company's portfolio investments may occur regardless of whether there is a significant increase or decrease in this unobservable input.
- Historical portfolio experience on cancellations and exercises of warrants are utilized as the basis for determining the estimated life of the warrants in each financial reporting period. Warrants may be exercised in the event of acquisitions, mergers or initial public offerings, and cancelled due to events such as bankruptcies, restructuring activities or additional financings. These events cause the expected remaining life assumption to be shorter than the contractual term of the warrants. Significant increases or decreases in this unobservable input could result in a significantly higher or lower fair value, but a significantly higher or lower fair value measurement of any of the Company's portfolio investments may occur regardless of whether there is a significant increase or decrease in this unobservable input.

Under certain circumstances, the Company may use an alternative technique to value warrants that better reflects the warrants' fair values, such as an expected settlement of a warrant in the near term, a model that incorporates a put feature associated with the warrant, or the price paid or realized in a recently completed transaction or binding offer received in an arms-length transaction. The fair value may be determined based on the expected proceeds to be received from such settlement or based on the net present value of the expected proceeds from the put option.

These valuation methodologies involve a significant degree of judgment. There is no single standard for determining the fair value of investments that do not have an active public market. Valuations of privately held investments are inherently uncertain, as they are based on estimates, and their values may fluctuate over time. The determination of fair value may differ materially from the values that would have been used if an active market for these investments existed. In some cases, the fair value of such investments is best expressed as a range of values derived utilizing different methodologies from which a fair value may then be determined.

Equity Investments. The fair value of an equity investment in a privately held company is initially the face value of the amount invested. The Company adjusts the fair value of equity investments in private companies upon the completion of a new third-party round of equity financing subsequent to the Company's investment. The Company may make adjustments to fair value, absent a new equity financing event, based upon positive or negative changes in a portfolio company's financial or operational performance. The Company may also reference comparable transactions and/or secondary market transactions in connection with its determination of fair value. The fair value of an equity investment in a publicly traded company is based upon the closing public share price on the date of measurement. These assets are recorded at fair value on a recurring basis. These valuation methodologies involve a significant degree of judgment. There is no single standard for determining the fair value of investments that do not have an active public market. Valuations of privately held investments are inherently uncertain, as they are based on estimates, and their values may fluctuate over time. The determination of fair value may differ materially from the values that would have been used if an active market for these investments existed. In some cases, the fair value of such investments is best expressed as a range of values derived utilizing different methodologies from which a fair value may then be determined.

Fair Value of Financial Instruments

The carrying amounts of the Company's financial instruments, including cash and accrued liabilities, approximate fair value due to their short-term nature.

Investment Classification

The Company is a non-diversified company within the meaning of the 1940 Act. The Company classifies its investments by level of control. As defined in the 1940 Act, control investments are those where there is the ability or power to exercise a controlling influence over the management or policies of a company. Control is generally deemed to exist when a company or individual possesses or has the right to acquire within 60 days or less, a beneficial ownership of more than 25.0% of the voting securities of an investee company. Affiliated investments and affiliated companies are defined by a lesser degree of influence and are deemed to exist through the possession outright, or via the right to acquire within 60 days or less, beneficial ownership of 5.0% or more of the outstanding voting securities of a company.

Investments are recognized when the Company assumes an obligation to acquire a financial instrument and assumes the risks for gains or losses related to that instrument. Investments are derecognized when the Company assumes an obligation to sell a financial instrument and foregoes the risks for gains or losses related to that instrument. Specifically, the Company records all security transactions on a trade date basis. Investments in other, non-security financial instruments, such as limited partnerships or private companies, are recorded on the basis of subscription date or redemption date, as applicable. Amounts for investments recognized or derecognized but not yet settled will be reported as receivables for investments sold and payables for investments acquired, respectively, on the Statements of Assets and Liabilities.

Income Taxes

The Company elected to be treated as a RIC under Subchapter M of the Code starting with its taxable year ended December 31, 2016 and intends to qualify annually for the tax treatment applicable to RICs. Generally, a RIC is not subject to federal income taxes on distributed income and gains so long as it meets certain source-of-income and asset diversification requirements and it distributes at least 90% of its net ordinary income and net short-term capital gains in excess of its net long-term capital losses, if any, to its stockholders. So long as the Company obtains and maintains its status as a RIC, it generally will not pay corporate-level U.S. federal income taxes on any ordinary income or capital gains that it distributes at least annually to its stockholders as dividends. Rather, any tax liability related to income earned by the Company represents obligations of the Company's investors and will not be reflected in the financial statements of the Company. The Company intends to make sufficient distributions to maintain its RIC status each year and it does not anticipate paying any material federal income taxes in the future.

Depending on the level of taxable income earned in a tax year, we may choose to carry forward such taxable income in excess of current year dividend distributions from such current year taxable income into the next tax year and pay a 4% excise tax on such income, as required. If we determine that our estimated current year taxable income will exceed our estimated dividend distributions for the current year from such income, we accrue excise tax on estimated excess taxable income as such taxable income is earned. For the years ended December 31, 2020, 2019, and 2018, we recorded an expense of $1,319, $99,549, and $183,510, respectively, for U.S. federal excise tax, which is included in tax expense in the statement of operations. Differences between taxable income and net increase in net assets resulting from operations either can be temporary, meaning they will reverse in the future, or permanent. In accordance with Section 946-205-45-3 of the ASC, permanent tax differences are reclassified from accumulated undistributed earnings to paid-in-capital at the end of each year and have no impact on total net assets. For the years ended December 31, 2020, 2019, and 2018, the Company reclassified for book purposes amounts arising from permanent book/tax differences related to non-deductible excise taxes paid as follows:

	Year Ended December 31, 2020	Year Ended December 31, 2019	Year Ended December 31, 2018
Additional paid-in capital	$(1,765)	$(99,549)	$(183,510)
Accumulated undistributed earnings	1,765	99,549	183,510

For U.S. federal income tax purposes, distributions paid to stockholders are reported as ordinary income, return of capital, long term capital gains or a combination thereof. The tax character of distributions paid for the years ended December 31, 2020, 2019, and 2018 was as follows:

	Year Ended December 31, 2020	Year Ended December 31, 2019	Year Ended December 31, 2018
Ordinary income	$39,518,000	$40,651,335	$7,283,810
Long-term capital gain	191,233	—	—
Return of capital	—	—	—

Certain stockholders who are deemed "Affected Investors" as a result of the Company not being a publicly traded Regulated Investment Company may have additional taxable income.

For U.S. federal income tax purposes, the tax cost of investments as of December 31, 2020, 2019 and 2018 was $619,496,230, $480,118,372, and $304,063,822, respectively. The net unrealized appreciation (depreciation) on investments owned at December 31, 2020, 2019 and 2018 was $2,330,420, $(12,136,672), and $277,495, respectively. For the year ended December 31, 2020, gross unrealized appreciation and depreciation was $21,395,985 and $(19,065,565), respectively. For the year ended December 31, 2019, gross unrealized appreciation and depreciation was $6,121,374 and $(18,258,046), respectively.

At December 31, 2020, 2019 and 2018, the components of distributable earnings on a tax basis detailed below differ from the amounts reflected in the Company's Statements of Assets and Liabilities by temporary and other book/tax differences, primarily relating to the tax treatment of debt modifications, as follows:

	December 31, 2020	December 31, 2019	December 31, 2018
Net increase in net assets resulting from operations	$ 46,979,900	$27,646,400	$11,757,516
Net change in unrealized appreciation (depreciation) on investments	(14,257,592)	9,416,462	8,693
Other book to tax differences	(231,829)	2,940,608	347,516
Taxable income	32,490,479	40,003,470	12,113,725
Distributed during the year	35,527,183	35,821,420	7,283,810
Accumulated undistributed earnings on a tax basis	$ (3,036,704)	$ 4,182,050	$ 4,829,915

For tax purposes, net realized capital losses may be carried over to offset future capital gains, if any. Funds are permitted to carry forward capital losses for an indefinite period, and such losses will retain their character as either short-term or long-term capital losses. For the years ended December 31, 2020 and 2019, the Company had a long-term capital loss carryforward of $4,358,511 and $0, respectively. The Company had no long-term capital loss carryforward for the year ended December 31, 2018.

The Company accounts for income taxes in conformity with ASC Topic 740 — Income Taxes ("ASC 740"). ASC 740 provides guidelines for how uncertain tax positions should be recognized, measured, presented and disclosed in Financial Statements. ASC 740 requires the evaluation of tax positions taken or expected to be taken in the course of preparing the Company's tax returns to determine whether the tax positions are "more-likely-than-not" of being sustained by the applicable tax authority. Tax positions deemed to meet a "more-likely-than-not" threshold would be recorded as a tax benefit or expense in the current period. The Company recognizes interest and penalties, if any, related to unrecognized tax benefits as income tax expense in the Statements of Operations. There were no material uncertain income tax positions at December 31, 2020, December 31, 2019 or December 31, 2018. Although we file federal and state tax returns, our major tax jurisdiction is federal. The previous three year-ends and the interim tax period since then remain subject to examination by the Internal Revenue Service.

If the Company does not distribute (or is not deemed to have distributed) each calendar year the sum of (1) 98% of its net ordinary income for each calendar year, (2) 98.2% of its capital gain net income for the one-year period ending October 31 in that calendar year and (3) any income recognized, but not distributed, in preceding years (the "Minimum Distribution Amount"), the Company will generally be required to pay a U.S. federal excise tax equal to 4% of the amount by which the Minimum Distribution Amount exceeds the distributions for the year. To the extent that the Company determines that its estimated current year annual taxable income will be in excess of estimated current year dividend distributions from such taxable income, the

Company accrues excise taxes, if any, on estimated excess taxable income as taxable income is earned using an annual effective excise tax rate. The annual effective U.S. federal excise tax rate is determined by dividing the estimated annual excise tax by the estimated annual taxable income.

If the Company does not qualify to be treated as a RIC for any taxable year, the Company will be taxed as a regular corporation (a "C corporation") under subchapter C of the Code for such taxable year. If the Company has previously qualified as a RIC but is subsequently unable to qualify for treatment as a RIC, and certain amelioration provisions are not applicable, the Company would be subject to U.S. federal income tax on all of its taxable income (including its net capital gains) at regular corporate rates. The Company would not be able to deduct distributions to stockholders, nor would it be required to make distributions. In order to requalify as a RIC, in addition to the other requirements discussed above, the Company would be required to distribute all of its previously undistributed earnings attributable to the period it failed to qualify as a RIC by the end of the first year that it intends to requalify as a RIC. If the Company fails to requalify as a RIC for a period greater than two taxable years, it may be subject to regular corporate-level U.S. federal income tax on any net built-in gains with respect to certain of its assets (i.e., the excess of the aggregate gains, including items of income, over aggregate losses that would have been realized with respect to such assets if the Company had been liquidated) that it elects to recognize on requalification or when recognized over the next five years.

Per Share Information

Basic and diluted earnings/(loss) per common share is calculated using the weighted-average number of common shares outstanding for the period presented. For the years ended December 31, 2020, 2019 and 2018, basic and diluted earnings/(loss) per share were the same because there were no potentially dilutive securities outstanding. Per share data is based on the weighted-average shares outstanding.

Distributions

The Company generally intends to distribute, out of assets legally available for distribution, substantially all of its available earnings, on a quarterly basis, subject to the discretion of the Board of Directors. For the year ended December 31, 2020, the Company declared and paid dividends in the amount of $39,709,233 of which $7,265,785 was distributed in cash and the remainder distributed in shares to stockholders pursuant to the Company's dividend reinvestment program. For the year ended December 31, 2019, the Company declared and paid dividends in the amount of $40,651,334 of which $8,192,547 was distributed in cash and the remainder distributed in shares to stockholders pursuant to the Company's dividend reinvestment program. For the year ended December 31, 2018, the Company declared and paid dividends in the amount of $7,283,810 of which $1,428,498 was distributed in cash and the remainder distributed in shares to stockholders pursuant to the Company's dividend reinvestment program.

Organization and Offering Costs

Organization costs include, among other things, the cost of organizing as a Maryland corporation, including the cost of legal services and other fees pertaining to our organization, all of which are expensed as incurred. Offering costs include, among other things, legal fees and other costs pertaining to the preparation of the Company's private placement memorandum and other offering documents, including travel-related expenses related to the Initial Private Offering. Pursuant to the investment advisory agreement between the Company and RGC, as subsequently amended and restated (the "Advisory Agreement"), the Company and RGC agreed that organization and offering costs incurred in connection with the Initial Private Offering would be borne by the Company up to a maximum amount of $1,000,000, provided that the amount of such costs in excess of $1,000,000 would be paid by RGC. As of December 31, 2016, the Company had already incurred the maximum amount of $1,000,000 in organization and offering costs incurred in connection with the Initial Private Offering. As a result, for the years ended December 31, 2020, December 31, 2019 and December 31, 2018, the Company did not incur any organization or offering expenses in connection with the Initial Private Offering.

Offering costs related to new or follow on offerings will be accumulated and charged to additional paid in capital at the time of closing beginning in 2019. These offering costs are subject to a cap of $600,000, excluding placement agent fees which have no cap, of which the Company will bear the cost. As of December 31, 2020, the Company had accumulated and recorded $608,989 of deferred offering costs. As of December 31, 2020,

$154,738 in placement agent fees had been incurred. As of December 31, 2019, the Company had accumulated and recorded $510,027 of deferred offering costs. As of December 31, 2019, $123,009 in placement agent fees had been incurred. Under the terms of the Second Private Offering, offering costs in excess of $600,000, excluding placement agent fees, will be reimbursed by RGC.

Recent Accounting Pronouncements

In June 2016, the FASB issued ASU 2016-13 *Financial Instruments — Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments* to replace the incurred loss model for loans and other financial assets with an expected loss model, which is referred to as the current expected credit loss (CECL) model. The CECL model is applicable to the measurement of credit losses on financial assets measured at amortized cost, including loan receivables and held-to maturity debt securities. It also applies to off-balance sheet credit exposures not accounted for as insurance (loan commitments, stand-by letters of credit, financial guarantees, and other similar instruments) and net investments in certain leases recognized by a lessor. Effective January 1, 2020, the Company adopted ASU 2016-13 under a modified retrospective approach for all financial assets measured at amortized cost. There was no adjustment recorded to distributable losses for the cumulative effect of adopting ASU 2016-13 as amortized cost has approximated fair value.

In August 2018, the FASB issued ASU 2018-13, *Fair Value Measurement (Topic 820): Disclosure Framework — Changes to the Disclosure Requirements for Fair Value Measurement*, which changes the fair value measurement disclosure requirements of ASC 820. The key provisions include new, eliminated and modified disclosure requirements. The new guidance is effective for fiscal years beginning after December 15, 2019, including interim periods therein. Early application is permitted. The Company adopted ASU 2018-13 effective January 1, 2020. The adoption of this accounting standard had no material effect on the Company's financial statements.

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. These agreements include language for choosing an alternative successor rate if LIBOR reference is no longer considered to be appropriate. Such 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 new guidance is effective as of March 12, 2020 through December 21, 2022. The Company is currently evaluating its effective date for adoption and the impact the adoption of this new accounting standard will have on its financial statements, however the impact of the adoption is not expected to be material.

Note 3 — Commitments and Contingencies

In the normal course of business, the Company may enter into investment agreements under which it commits to make an investment in a portfolio company at some future date or over a specified period of time.

At December 31, 2020, the Company had $49,085,569 in unfunded loan commitments to provide debt financing to its portfolio companies. The balance of unfunded commitments to extend financing as of December 31, 2020 was as follows:

Portfolio Company	Investment Type	December 31, 2020
CloudPassage, Inc.	Senior Secured Term Loan	$ 2,500,000
Credit Sesame, Inc.	Revolving Line	585,569
Gynesonics, Inc.	Senior Secured Term Loan	20,000,000
ShareThis, Inc.	Senior Secured Term Loan	1,000,000
VERO Biotech LLC	Senior Secured Term Loan	25,000,000
Total unused commitments to extend financing		$49,085,569

At December 31, 2019, the Company had $40,000,000 in unfunded loan commitments to provide debt financing to its portfolio companies. The balance of unfunded commitments to extend financing as of December 31, 2019 was as follows:

Portfolio Company	Investment Type	December 31, 2019
Aria Systems, Inc.	Senior Secured Term Loan	2,500,000
Brilliant Earth, LLC	Senior Secured Term Loan	5,000,000
CloudPassage, Inc.	Senior Secured Term Loan	2,500,000
Dejero Labs Inc.	Senior Secured Term Loan	4,000,000
Dtex Systems, Inc.	Senior Secured Term Loan	7,000,000
eSilicon Corporation	Revolving Line	1,000,000
INRIX, Inc.	Senior Secured Term Loan	8,000,000
Longtail Ad Solutions, Inc. (dba JW Player)	Senior Secured Term Loan	5,000,000
Massdrop Inc.	Senior Secured Term Loan	5,000,000
Total unused commitments to extend financing		$40,000,000

The Company's management believes that its available cash balances, availability under the Credit Agreement and/or ability to drawdown capital from investors provides sufficient funds to cover its unfunded commitments as of December 31, 2020. The Company has evaluated the expected net future cash flows related to unfunded commitments and determined the fair value to be zero as of December 31, 2020 and December 31, 2019.

The Company is currently not subject to any material legal proceedings, nor, to its knowledge, is any material proceeding threatened against the Company. From time to time, the Company may be a party to certain legal proceedings in the ordinary course of business, including proceedings relating to the enforcement of its rights under contracts with its portfolio companies. While the outcome of these legal proceedings cannot be predicted with certainty, the Company does not expect that these proceedings will have a material effect upon its business, financial condition or results of operations.

Note 4 — Concentration of Credit Risk

In the normal course of business, the Company maintains its cash balances in financial institutions, which at times may exceed federally insured limits. The Company is subject to credit risk to the extent that any financial institution with which it conducts business is unable to fulfill contractual obligations on its behalf. Management monitors the financial condition of those financial institutions and does not currently anticipate any losses from these counterparties.

Note 5 — Net Increase/(Decrease) in Net Assets Resulting from Operations per Common Share

The following information sets forth the computation of basic income/losses per common share for the years ended December 31, 2020, 2019 and 2018:

	Year Ended December 31, 2020	Year Ended December 31, 2019	Year Ended December 31, 2018
Net increase in net assets resulting from operations	$46,979,900	$27,646,400	$11,757,516
Weighted-average shares outstanding for the period			
Basic	27,617,425	18,701,021	9,300,960
Diluted	27,617,425	18,701,021	9,300,960
Per Share Data[1]:			
Basic and diluted income per common share			
Basic	$ 1.70	$ 1.48	$ 1.26
Diluted	$ 1.70	$ 1.48	$ 1.26

(1) Per share data is based on average weighted shares outstanding.

Note 6 — Net Assets

The Company has the authority to issue 100,000,000 shares of common stock, $0.01 par value per share.

During the year ended December 31, 2020, the Company issued 2,248,483 shares for $32,443,448 in connection with the reinvestment of dividends. The following table summarizes capital activity during the year ended December 31, 2020:

	Common Stock		Additional Paid-in Capital	Distributable (Losses) Earnings	Total Net Assets
	Shares	Amount			
Balance, beginning of year	25,811,214	$258,112	$384,369,854	$ (8,314,745)	$376,313,221
Issuance of common stock	3,354,354	33,544	50,281,764	—	50,315,308
Reinvestment of dividends	2,248,483	22,484	32,420,964	—	32,443,448
Offering costs	—	—	(98,959)	—	(98,959)
Net investment income	—	—	—	38,069,717	38,069,717
Net realized gain (loss) on investments	—	—	—	(5,347,409)	(5,347,409)
Net change in unrealized appreciation (depreciation) on investments	—	—	—	14,257,592	14,257,592
Dividends declared	—	—	—	(39,709,233)	(39,709,233)
Tax reconciliation of stockholders' equity in accordance with U.S. GAAP	—	—	(101,319)	101,319	—
Balance, end of year	31,414,051	$314,140	$466,872,304	$ (942,759)	$466,243,685

During the year ended December 31, 2019, the Company issued 2,177,466 shares for $32,458,787 in connection with the reinvestment of dividends. The following table summarizes capital activity during the year ended December 31, 2019:

	Common Stock		Additional Paid-in Capital	Distributable (Losses) Earnings	Total Net Assets
	Shares	Amount			
Balance, beginning of year	11,056,595	$110,566	$162,568,188	$ 4,690,641	$167,369,395
Issuance of common stock	12,577,153	125,771	189,874,229	—	190,000,000
Reinvestment of dividends	2,177,466	21,775	32,437,012	—	32,458,787
Offering costs	—	—	(510,027)	—	(510,027)
Net investment income	—	—	—	36,453,831	36,453,831
Net realized gain (loss) on investments	—	—	—	609,031	609,031
Net change in unrealized appreciation (depreciation) on investments	—	—	—	(9,416,462)	(9,416,462)
Dividends declared	—	—	—	(40,651,334)	(40,651,334)
Tax reconciliation of stockholders' equity in accordance with U.S. GAAP	—	—	452	(452)	—
Balance, end of year	25,811,214	$258,112	$384,369,854	$ (8,314,745)	$376,313,221

During the year ended December 31, 2018, the Company issued 390,924 shares for $5,855,312 in connection with the reinvestment of dividends. The following table summarizes capital activity during the year ended December 31, 2018:

	Common Stock		Additional Paid-in Capital	Distributable (Losses) Earnings	Total Net Assets
	Shares	Amount			
Balance, beginning of year	8,668,334	$ 86,683	$126,920,269	$ 33,425	$127,040,377
Issuance of common stock	1,997,337	19,973	29,980,027	—	30,000,000
Reinvestment of dividends	390,924	3,910	5,851,402	—	5,855,312
Offering costs	—	—	—	—	—
Net investment income	—	—	—	11,706,417	11,706,417
Net realized gain (loss) on investments	—	—	—	59,792	59,792
Net change in unrealized appreciation (depreciation) on investments	—	—	—	(8,693)	(8,693)
Dividends declared	—	—	—	(7,283,810)	(7,283,810)
Tax reconciliation of stockholders' equity in accordance with U.S. GAAP	—	—	(183,510)	183,510	—
Balance, end of year	11,056,595	$110,566	$162,568,188	$ 4,690,641	$167,369,395

The common shares issued, the price per share and the proceeds raised, since inception, are detailed in the following table:

Issuance Date	Shares Issued	Price Per Share	Gross Proceeds
October 8, 2015	1,667	$15.00	$ 25,000
December 22, 2016	333,333	15.00	5,000,000
April 19, 2017	1,000,000	15.00	15,000,000
June 26, 2017	1,666,667	15.00	25,000,000
September 12, 2017	2,666,667	15.00	40,000,000
December 22, 2017	3,000,000	15.00	45,000,000
May 31, 2018[(1)]	70,563	14.82	1,045,570
August 31, 2018[(1)]	117,582	14.92	1,754,244
September 27, 2018	1,997,337	15.02	30,000,000
November 15, 2018[(1)]	202,779	15.07	3,055,498
January 14, 2019	4,344,964	15.19	66,000,000
March 26, 2019[(1)]	326,431	15.14	4,942,168
May 21, 2019[(1)]	374,783	15.13	5,670,467
May 24, 2019	3,232,189	15.16	49,000,000
July 16, 2019[(1)]	464,986	15.13	7,035,236
August 26, 2019[(1)]	480,121	14.76	7,088,143
October 15, 2019	1,666,667	15.00	25,000,000
November 12, 2019[(1)]	43,979	14.76	649,123
December 20, 2019	3,333,333	15.00	50,000,000
December 23, 2019[(1)]	487,166	14.52	7,073,650
March 20, 2020[(1)]	575,132	14.58	8,385,423
March 31, 2020	21,021	15.00	315,308
May 21, 2020[(1)]	529,020	14.25	7,538,541
August 6, 2020[(1)]	550,639	14.41	7,934,712
October 15, 2020	3,333,333	15.00	50,000,000
November 12, 2020[(1)]	593,692	14.46	8,584,772
Total	**31,414,051**		**$471,097,855**

(1) Shares were issued as part of the dividend reinvestment program.

In connection with the Initial Private Offering, the Company issued 18,241,157 shares of our common stock to stockholders for a total purchase price of $275,000,000. Between June 14, 2019 and December 31, 2020, the Company accepted $174,673,500 in capital commitments under its Second Private Offering. As of December 31, 2020 and December 31, 2019, respectively, the Company issued 8,352,251 and 5,000,000 shares of common stock for aggregate proceeds of $125,283,766 and $75,000,000 under the Second Private Offering, respectively. In March 2020, the Company issued 2,103 shares as an additional direct investment at $15.00 per share for total proceeds of $31,542 by Runway Growth Holdings LLC, an affiliate of RGC.

Capital commitments may be drawn down by the Company on a pro rata basis, as needed, upon not less than ten (10) days' prior written notice for the purposes of funding the Company's investments (including follow-on investments), paying the Company's expenses, including fees under the Advisory Agreement, and/or maintaining a reserve account for the payment of future expenses or liabilities.

Note 7 — Related Party Agreements and Transactions

Advisory Agreement

On November 29, 2016, the Company's Board of Directors approved an investment advisory agreement between RGC and the Company, under which RGC, subject to the overall supervision of the Board of Directors, manages the day-to-day operations of and provides investment advisory services to the Company (the "Prior Agreement"). On August 3, 2017, the Board of Directors approved the Advisory Agreement and recommended that the Company's stockholders approve the Advisory Agreement. The Advisory Agreement became effective on September 12, 2017 upon approval by the stockholders at a special meeting of stockholders of the Company and was most recently renewed by the Company's Board of Directors at a virtual meeting on August 5, 2020. In reliance upon certain exemptive relief granted by the SEC in connection with the global COVID-19 pandemic, the Board of Directors undertook to ratify the Advisory Agreement at its next in-person meeting. Under the terms of the Advisory Agreement, RGC:

- determines the composition of the Company's portfolio, the nature and timing of the changes to the portfolio and the manner of implementing such changes;
- identifies, evaluates and negotiates the structure of the investments the Company makes;
- executes, closes and monitors the investments the Company makes;
- determines the securities and other assets that the Company will purchase, retain or sell;
- performs due diligence on prospective investments; and
- provides the Company with other such investment advisory, research and related services as the Company may, from time to time, reasonably require for the investment of its funds.

Pursuant to the Advisory Agreement, the Company pays RGC a fee for its investment advisory and management services consisting of two components — a base management fee and an incentive fee. The cost of both the base management fee and incentive fee are ultimately borne by the Company's stockholders.

Base Management Fee

The base management fee is payable on the first day of each calendar quarter, is subject to an annual cap based on RGC's actual operating expenses and is calculated based on the Capital Commitments (as defined below) and assets purchased with borrowed funds or other forms of leverage (collectively, the "Pre-Spin-Off Gross Assets") during the preceding calendar quarter. For purposes of the Advisory Agreement, "Capital Commitments" is defined as the aggregate amount of capital committed to the Company by investors as of the end of the most recently completed calendar quarter. On September 12, 2017, without changing the base management fee percentage, the Prior Agreement was amended to provide clarification as to the calculation of the base management fee. Prior to amendment, the base management fee was collected on the first day of each quarter based on an estimate of actual operating expenses, not to exceed 1.75% per annum, for the following quarter with an implied, though not defined "true-up" mechanism effected once all actual costs were known. The Advisory Agreement defines the process and timing of the true-up and base management fee. The base management fee is now collected at the maximum annualized rate of 1.75% per annum with a comparison of actual expenses for the immediately preceding calendar year to occur on or before March 31 of the subsequent calendar year, with any excess management fee collected when compared to actual operating expenses credited against the base management fee payable for subsequent quarters.

Until the earlier of (1) the consummation of an initial public offering ("IPO") of the Public Fund (defined below) in connection with a Spin-Off transaction (defined below) and (2) the earliest date at which (a) all Capital Commitments have been called for investments and/or expenses and (b) the Company holds no more than 10.0% of its total assets in cash, the base management fee will be an amount equal to 0.4375% (1.75% annualized) of the Pre-Spin-Off Gross Assets at the end of the most recently completed calendar quarter, provided, however, that the base management fee payable in a calendar year will not exceed the actual operating expenses incurred by RGC during such calendar year (the "Management Fee Cap"). No later than March 31 of each calendar year, RGC will provide the Company a reconciliation of the actual operating expenses incurred by RGC for the prior calendar year and the base management fee paid to RGC for such prior calendar year. To the extent the base management fee paid to RGC for such prior calendar year exceeds the

Management Fee Cap (the "Excess Fee") for such prior calendar year, the base management fee payable to RGC for the second calendar quarter and each subsequent quarter immediately following such calendar year will be reduced by the Excess Fee until such time as the Excess Fee for the prior calendar year has been reduced to zero. For the avoidance of doubt, actual operating expenses of RGC for a particular year will not include any reduction in base management fees as a result of Excess Fees paid by the Company.

For purposes of the Advisory Agreement, a "Spin-Off transaction" includes a transaction whereby the Company offers its stockholders the option to elect to either (i) retain their ownership of shares of the Company's common stock; (ii) exchange their shares of the Company's common stock for shares of common stock in a newly formed entity (the "Public Fund") that will elect to be regulated as a BDC under the 1940 Act and treated as a RIC under Subchapter M of the Code, and will use its commercially reasonable best efforts to complete an IPO of shares of its common stock not later than three years after the Company's final closing of the Initial Private Offering, which occurred on December 1, 2017; or (iii) exchange their shares of the Company's common stock for interests of one or more newly formed entities (each, a "Liquidating Fund") that will each be organized as a limited liability company, and which will, among other things, seek to complete an orderly wind down and/or liquidation of any such Liquidating Fund.

Following the earlier of (1) the consummation of an IPO of the Public Fund in connection with a Spin-Off transaction and (2) the earliest date at which (a) all Capital Commitments have been called for investments and/or expenses and (b) the Company holds no more than 10.0% of its total assets in cash, the base management fee will be an amount equal to 0.4375% (1.75% annualized) of the Company's average daily Gross Assets (defined below) during the most recently completed calendar quarter for so long as the aggregate amount of Gross Assets of the Company as of the end of the most recently completed calendar quarter is less than $500,000,000. For purposes of the Advisory Agreement, "Gross Assets" is defined as the Company's gross assets, including assets purchased with borrowed funds or other forms of leverage, as well as any paid-in-kind interest, as of the end of the most recently completed fiscal quarter. If the aggregate amount of the Company's Gross Assets as of the end of the most recently completed calendar quarter is equal to or greater than $500,000,000, but less than $1,000,000,000, the base management fee will be an amount equal to 0.40% (1.60% annualized) of the Company's average daily Gross Assets during the most recently completed calendar quarter. If the aggregate amount of the Company's Gross Assets as of the end of the most recently completed calendar quarter is equal to or greater than $1,000,000,000, the base management fee will be an amount equal to 0.375% (1.50% annualized) of the Company's average daily Gross Assets during the most recently completed calendar quarter.

RGC earned base management fees of $6,831,566, $5,105,009 and $4,812,500 for the years ended December 31, 2020, 2019 and 2018, respectively. There were no excess fees paid during any of these years.

Incentive Fee

The incentive fee, which provides RGC with a share of the income that RGC generates for the Company, consists of an investment-income component and a capital-gains component, which are largely independent of each other, with the result that one component may be payable even if the other is not.

Under the investment-income component (the "Income Incentive Fee"), the Company will pay RGC each quarter an incentive fee with respect to the Company's Pre-Incentive Fee net investment income. The Income Incentive Fee is calculated and payable quarterly in arrears based on the Pre-Incentive Fee net investment income for the immediately preceding fiscal quarter. Payments based on Pre-Incentive Fee net investment income will be based on the Pre-Incentive Fee net investment income earned for the quarter. 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, managerial and consulting fees or other fees that the Company receives from portfolio companies) that the Company accrues during the fiscal quarter, minus the Company's operating expenses for the quarter (including the base management fee, expenses payable under the administration agreement with the Administrator (the "Administration Agreement"), and any dividends paid on any issued and outstanding preferred stock, but excluding the incentive fee); provided however, that Pre-Incentive Fee net investment income will be reduced by multiplying the Pre-Incentive Fee net investment income earned for the quarter by a fraction, the numerator of which is the Company's average daily Gross Assets during the immediately preceding fiscal quarter minus average daily borrowings during the immediately preceding fiscal quarter, and the denominator of which is the

Company's average daily Gross Assets during the immediately preceding fiscal quarter. Pre-Incentive Fee net investment income includes, in the case of investments with a deferred interest feature (such as original issue discount, debt instruments with pay in kind interest and zero coupon securities), accrued income the Company has not yet received in cash; provided, however, that the portion of the Income Incentive Fee attributable to deferred interest features will be paid, only if and to the extent received in cash, and any accrual thereof will be reversed if and to the extent such interest is reversed in connection with any write off or similar treatment of the investment giving rise to any deferred interest accrual, applied in each case in the order such interest was accrued. Such subsequent payments in respect of previously accrued income will not reduce the amounts payable for any quarter pursuant to the calculation of the Income Incentive Fee described above. Pre-Incentive Fee net investment income does not include any realized capital gains, realized capital losses or unrealized capital appreciation or depreciation.

Pre-Incentive Fee net investment income, expressed as a rate of return on the value of the Company's net assets (defined as total assets less liabilities) at the end of the immediately preceding fiscal quarter, will be compared to a "hurdle rate" of 2.0% per quarter (8.0% annualized). The Company will pay RGC an Income Incentive Fee with respect to the Company's Pre-Incentive Fee net investment income in each calendar quarter as follows: (1) no Income Incentive Fee in any calendar quarter in which the Company's Pre-Incentive Fee net investment income does not exceed the hurdle rate of 2.0%; (2) 80% of the Company's Pre-Incentive Fee net investment income with respect to that portion of such Pre-Incentive Fee net investment income, if any, that exceeds the hurdle rate but is less than 2.667% in any calendar quarter (10.668% annualized) (the portion of the Company's Pre-Incentive Fee net investment income that exceeds the hurdle but is less than 2.667% is referred to as the "catch-up"; the "catch-up" is meant to provide RGC with 20.0% of the Company's Pre-Incentive Fee net investment income as if a hurdle did not apply if the Company's Pre-Incentive Fee net investment income exceeds 2.667% in any calendar quarter (10.668% annualized)); and (3) 20.0% of the amount of the Company's Pre-Incentive Fee net investment income, if any, that exceeds 2.667% in any calendar quarter (10.668% annualized) payable to RGC (once the hurdle is reached and the catch-up is achieved, 20.0% of all Pre-Incentive Fee net investment income thereafter is allocated to RGC).

Until the consummation of an IPO of the Public Fund in connection with a Spin-Off transaction, in the event that (a) the sum of the Company's cumulative net realized losses since the date of the Company's election to be regulated as a BDC exceeds 2.0% of the total non-control/non-affiliate investments made by the Company since the date of the Company's election to be regulated as a BDC through the end of the quarter and (b) the Pre-Incentive Fee net investment income adjusted to include any realized capital gains and losses ("Adjusted Pre-Incentive Fee net investment income"), expressed as an annualized rate of return on the value of the Company's average daily net assets (defined as total assets less liabilities), since the Company's election to be regulated as a BDC through the end of the quarter is less than 10.0%, no Income Incentive Fee will be payable for such quarter until the first subsequent quarter in which either (x) the sum of the Company's cumulative net realized losses since the date of the Company's election to be regulated as a BDC is equal to or less than 2.0% of the total non-control/non-affiliate investments made by the Company since the date of the Company's election to be regulated as a BDC through the end of such subsequent quarter or (y) the Adjusted Pre-Incentive Fee net investment income, expressed as an annualized rate of return on the value of the Company's average daily net assets (defined as total assets less liabilities), since the Company's election to be regulated as a BDC through the of the end of the quarter equals or exceeds 10.0%; provided, however, that in no event will any Income Incentive Fee be payable for any prior quarter after the three-year anniversary of the end of such quarter.

After the consummation of an IPO of the Public Fund in connection with a Spin-Off transaction, in the event that (a) the sum of the Company's cumulative net realized losses for the previous four fiscal quarters or, if fewer than four fiscal quarters have passed since such IPO, that number of fiscal quarters since such IPO (the "Look-Back Period"), exceeds 2.0% of the total non-control/non-affiliate investments (i) made by the Company during the Look-Back Period or (ii) transferred to the Public Fund in connection with a Spin-Off transaction during the Look-Back Period and (b) the Adjusted Pre-Incentive Fee net investment income, expressed as an annualized rate of return on the value of the Company's average daily net assets (defined as total assets less liabilities), during the Look-Back Period is less than 10.0% no Income Incentive Fee will be payable for such quarter until the first subsequent quarter in which (x) the sum of the Company's cumulative net realized losses for the Look-Back Period is equal to or less than 2.0% of the total non-control/non-affiliate investments (i) made by the Company during the Look-Back Period or (ii) transferred to the Public Fund in

connection with a Spin-Off transaction during the Look-Back Period or (y) the Adjusted Pre-Incentive Fee net investment income, expressed as an annualized rate of return on the value of the Company's average daily net assets (defined as total assets less liabilities), during the Look-Back Period equals or exceeds 10.0%; provided, however, that in no event will any Income Incentive Fee be paid for any prior quarter after the three-year anniversary of the end of such quarter.

Under the capital-gains component of the incentive fee (the "Capital Gains Fee"), the Company will pay RGC, as of the end of each calendar year, 20.0% of the Company's aggregate cumulative realized capital gains, if any, from the date of the Company's election to be regulated as a BDC through the end of that calendar year, computed net of the Company's aggregate cumulative realized capital losses and aggregate cumulative unrealized capital depreciation through the end of such year, less the aggregate amount of any previously paid Capital Gains Fee; provided, however, that the Company will not pay the Capital Gains Fee to RGC for any calendar year in which the sum of the Company's (1) Pre-Incentive Fee net investment income and (2) realized gains less realized losses and unrealized capital depreciation from the date of the Company's election to be regulated as a BDC through the end of such calendar year, expressed as a rate of return on the value of the Company's net assets (defined as total assets less liabilities) at the end of such calendar year is less than 8.0% until the first subsequent calendar quarter in which the sum of the Company's (1) Pre-Incentive Fee net investment income and (2) realized gains less realized losses and unrealized capital depreciation from the date of the Company's election to be regulated as a BDC through, and including, the end of such subsequent calendar quarter, expressed as a rate of return on the value of the Company's net assets (defined as total assets less liabilities) at the end of such calendar quarter is equal to or exceeds 8.0%; provided, further, that in no event will any Capital Gains Fee be paid for any prior year after the three-year anniversary of the end of such year. For the foregoing purpose, the Company's "aggregate cumulative realized capital gains" will not include any unrealized appreciation. If such amount is negative, then no Capital Gains Fee will be payable for such year.

RGC earned incentive fees for the year ended December 31, 2020 of $7,260,656. $5,407,305 of the incentive fees for the year ended December 31, 2020 were earned, payable in cash, and $1,853,351 of the incentive fees for the year ended December 31, 2020 were accrued and generated from deferred interest (i.e., PIK and certain discount accretion) and are not payable pending receipt of cash by the Company. RGC earned incentive fees for the year ended December 31, 2019 of $8,349,449. $6,500,502 of the incentive fees for the year ended December 31, 2019 were earned, payable in cash, and $1,848,947 of the incentive fees for the year ended December 31, 2019 were accrued and generated from deferred interest (i.e., PIK and certain discount accretion) and are not payable pending receipt of cash by the Company. RGC earned incentive fees for the year ended December 31, 2018 of $1,411,324. $711,868 of the incentive fees for the year ended December 31, 2018 were earned, payable in cash, and $359,698 of the incentive fees for the year ended December 31, 2018 were accrued and deferred (i.e., PIK and certain discount accretion) and are not payable pending receipt of cash by the Company. Both currently payable in cash, $1,892,430 and $1,586,533, and deferred incentive fees, $3,114,635 and $1,845,873, are included in accrued incentive fees on the Statements of Assets and Liabilities as of December 31, 2020 and December 31, 2019, respectively.

The capital gains incentive fee consists of fees related to realized gains, realized capital losses and unrealized capital depreciation. With respect to the incentive fee expense accrual related to the capital gains incentive fee, U.S. GAAP requires that the capital gains invective fee accrual consider the cumulative aggregate unrealized appreciation in the calculation, as a capital gains incentive fee would be payable if such unrealized appreciation were realized even though such unrealized appreciation is not permitted to be considered in calculating the fee actually payable under the Advisory Agreement. As of each of December 31, 2020 and December 31, 2019, there was no capital gains incentive fee accrued, earned or payable to RGC under the Advisory Agreement.

Spin-Off Incentive Fee

The Income Incentive Fee will be payable in connection with a Spin-Off transaction. The Income Incentive Fee will be calculated as of the date of the completion of each Spin-Off transaction and will equal the amount of Income Incentive Fee that would be payable to RGC if (1) all of the Company's investments were liquidated for their current value and any unamortized deferred portfolio investment-related fees would be deemed accelerated, (2) the proceeds from such liquidation were used to pay all of the Company's outstanding liabilities, and (3) the remainder were distributed to the Company's stockholders and paid as

incentive fee in accordance with the Income Incentive Fee described in clauses (1) and (2) above for determining the amount of the Income Incentive Fee; provided, however, that in no event will the Income Incentive Fee paid in connection with the completion of a Spin-Off transaction (x) include the portion of the Income Incentive Fee attributable to deferred interest features of a particular investment that is not transferred pursuant to a Spin-Off transaction until such time as the deferred interest is received in cash, or (y) exceed 20.0% of the Company's Pre-Incentive Fee net investment income accrued by the Company for the fiscal quarter as of the date of the completion of the Spin-Off transaction. The Company will make the payment of the Income Incentive Fee paid in connection with the completion of a Spin-Off transaction in cash on or immediately following the date of the completion of a Spin-Off transaction. After a Spin-Off transaction, all calculations relating to the incentive fee payable will be made beginning on the day immediately following the completion of the Spin-Off transaction without taking into account the exchanged shares of the Company's common stock (or contributions, distributions or proceeds relating thereto).

The Capital Gains Fee will be payable in respect of the exchanged shares of the Company's common stock in connection with a Spin-Off transaction and will be calculated as of the date of the completion of a Spin-Off transaction as if such date were a calendar year-end for purposes of calculating and paying the Capital Gains Fee.

No Income Incentive Fee or Capital Gains Fee will be payable in connection with a Spin-Off transaction unless, on the date of the completion of a Spin-Off transaction, the sum of the Company's (i) Pre-Incentive Fee net investment income and (ii) realized capital gains less realized capital losses and unrealized capital depreciation from the date of the Company's election to be regulated as a BDC through, and including, the date of the completion of such Spin-Off transaction, is greater than 8.0% of the cumulative net investments made by the Company since the Company's election to be regulated as a BDC.

Administration Agreement

The Company reimburses the Administrator for the allocable portion of overhead and other expenses incurred by the Administrator in performing its obligations under the Administration Agreement, including furnishing the Company with office facilities, equipment and clerical, bookkeeping and recordkeeping services at such facilities, as well as providing other administrative services. In addition, the Company reimburses the Administrator for the fees and expenses associated with performing compliance functions, and the Company's allocable portion of the compensation of certain of its officers, including the Company's Chief Financial Officer, Chief Compliance Officer and any administrative support staff. Pursuant to the terms of the Administration Agreement, the amounts payable to the Administrator by the Company in any fiscal year will not exceed the greater of (i) 0.75% of the aggregate capital commitments as of the end of the most recently completed fiscal year and (ii) $1.0 million.

The Company reimbursed the Administrator $546,073 during the year ended December 31, 2020. As of December 31, 2020, the Company had accrued a net payable to the Administrator of $143,515. Of the total amount reimbursed to the Administrator, $532,879 was related to overhead allocation expense for the year ended December 31, 2020. The Company reimbursed the Administrator $1,168,188 during the year ended December 31, 2019. As of December 31, 2019, the Company had accrued a net payable to the Administrator of $81,537. Of the total amount reimbursed to the Administrator, $827,464 was related to overhead allocation expense for the year ended December 31, 2019. The Company reimbursed the Administrator $614,405 during the year ended December 31, 2018. As of December 31, 2018, the Company had accrued a net payable to the Administrator of $116,697. Of the total amount reimbursed to the Administrator, $380,064 was related to overhead allocation expense for the year ended December 31, 2018. Administration fees, which include fees payable by the Administrator to third-party service providers who provide additional administration services for the Company, were $515,891, $490,022 and $209,761 for the years ended December 31, 2020, 2019 and 2018 respectively.

License Agreement

The Company has entered into a license agreement with RGC (the "License Agreement") pursuant to which RGC has granted the Company a personal, non-exclusive, royalty-free right and license to use the name "Runway Growth Credit Fund". Under the License Agreement, the Company has the right to use the "Runway Growth Credit Fund" name for so long as RGC or one of its affiliates remains the Company's

investment adviser. Other than with respect to this limited license, the Company has no legal right to the "Runway Growth Credit Fund" name.

Oaktree Strategic Relationship

In December 2016, RGC entered into a strategic relationship with Oaktree Capital Management, L.P. ("Oaktree"). In connection with the strategic relationship, OCM Growth Holdings, LLC, a Delaware limited liability company ("OCM") managed by Oaktree, made an initial $125.0 million capital commitment to the Company, which was subsequently increased to $139.0 million (the "Initial OCM Commitment"). On June 14, 2019, the Company accepted a capital commitment from OCM in the amount of $112.5 million (the "Subsequent OCM Commitment" and, together with the Initial OCM Commitment, the "OCM Commitment"). OCM has granted a proxy to the Company pursuant to which the shares held by OCM will be voted in the same proportion as the Company's other stockholders vote their shares.

In connection with the OCM Commitment, the Company entered into a stockholder agreement, dated December 15, 2016, with OCM, pursuant to which OCM has a right to nominate a member of the Company's Board of Directors for election. Brian Laibow was appointed to the Company's Board of Directors as OCM's representative. OCM also holds an interest in RGC and has the right to appoint a member of RGC's board of managers and a member of RGC's investment committee. Brian Laibow is OCM's initial appointee to RGC's board of managers and investment committee.

Note 8 — Fair Value Measurements

The Company's assets recorded at fair value have been categorized based upon a fair value hierarchy in accordance with ASC Topic 820. See Note 2 for discussion of the Company's policies.

The following tables present information about the Company's assets measured at fair value as of December 31, 2020 and 2019, respectively:

	As of December 31, 2020			
	Level 1	Level 2	Level 3	Total
Portfolio Investments				
Common Stock	$ —	$ 521,940	$ —	$ 521,940
Corporate Bonds	—	333,453	—	333,453
Senior Secured Term Loans	—	—	501,964,657	501,964,657
Preferred Stock	13,230,000	1,429,600	1,336,268	15,995,868
Warrants	—	—	33,008,672	33,008,672
Total Portfolio Investments	13,230,000	2,284,993	536,309,597	551,824,590
U.S. Treasury Bill	70,002,060	—	—	70,002,060
Total Investments	$83,232,060	$2,284,993	$536,309,597	$621,826,650

	As of December 31, 2019			
	Level 1	Level 2	Level 3	Total
Portfolio Investments				
Senior Secured Term Loans	$ —	$ —	$349,570,424	$349,570,424
Preferred Stock	—	—	437,515	437,515
Warrants	—	—	18,008,337	18,008,337
Total Portfolio Investments	—	—	368,016,276	368,016,276
U.S. Treasury Bill	99,965,423	—	—	99,965,423
Total Investments	$99,965,423	$ —	$368,016,276	$467,981,699

The Company recognizes transfers into and out of the levels indicated above at the end of the reporting period. There were no transfers into or out of the levels during the years ended December 31, 2020 and 2019. The following table presents a rollforward of Level 3 assets measured at fair value as of December 31, 2020:

	Preferred Stock	Senior Secured Term Loans	Warrants	Total
Fair value at December 31, 2019	$ 437,515	$ 349,570,424	$18,008,337	$ 368,016,276
Amortization of fixed income premiums or accretion of discounts	—	9,238,509	—	9,238,509
Purchases of investments[(1)]	800,000	250,483,677	2,088,018	253,371,695
Sales or repayments of investments[(1)]	—	(103,716,096)	(2,874,028)	(106,590,124)
Realized gain (loss)	—	(7,835,899)	1,206,730	(6,629,169)
Change in unrealized appreciation (depreciation)	98,753	4,224,042	14,579,615	18,902,410
Fair value at December 31, 2020	$1,336,268	$ 501,964,657	$33,008,672	$ 536,309,597
Change in unrealized appreciation (depreciation) on Level 3 investments still held as of December 31, 2020	$ 13,979	$ 4,526,472	$ 9,932,673	$ 14,473,124

(1) Includes PIK interest, and is net of reorganization and restructuring of investments.

The following table presents a rollforward of Level 3 assets measured at fair value as of December 31, 2019:

	Preferred Stock	Senior Secured Term Loans	Warrants	Total
Fair value at December 31, 2018	$461,826	$ 208,539,353	$15,247,210	$ 224,248,389
Amortization of fixed income premiums or accretion of discounts	—	12,878,530	—	12,878,530
Purchases of investments[(1)]	—	236,997,789	6,001,426	242,999,215
Sales or repayments of investments[(1)]	—	(100,079,608)	(2,859,301)	(102,938,909)
Realized gain	—	—	228,171	228,171
Change in unrealized appreciation (depreciation)	(24,311)	(8,765,640)	(609,169)	(9,399,120)
Fair value at December 31, 2019	$437,515	$ 349,570,424	$18,008,337	$ 368,016,276
Change in unrealized appreciation (depreciation) on Level 3 investments still held as of December 31, 2019	$ (24,311)	$ (8,519,560)	$ 728,460	$ (7,815,411)

(1) Includes PIK interest, and is net of reorganization and restructuring of investments.

The following table provides quantitative information regarding Level 3 fair value measurements as of December 31, 2020:

Description	Fair Value	Valuation Technique	Unobservable Inputs	Range (Weighted Average)
Preferred Stock	$ 1,336,268	Recent private market and merger and acquisition transaction prices	N/A	N/A
Senior Secured Term Loans[(1)]	471,256,844	Discounted Cash Flow analysis	Discount Rate	8.0%-100.0% (14.8)%
		Market approach	Origination yield	11.4% − 100.1% (14.3)%
	30,707,813	PWERM	Discount Rate	19.5% − 23.8% (20.2)%
Warrants[(2)]	16,803,367	Option pricing model	Risk-free interest rate	0.1% − 0.8% (0.1)%

Description	Fair Value	Valuation Technique	Unobservable Inputs	Range (Weighted Average)
			Average industry volatility	35.0% − 72.2% (56.0)%
			Estimated time to exit	0.3 − 9.2 (1.5)
			Revenue Multiples	0.00x − 5.85x (1.92x)
	16,205,305	PWERM	Discount Rate	21.0% − 40.0% (27.9)%
			Revenue Multiples	0.00x − 51.69x (5.62x)
Total Level 3 Investments	**$536,309,597**			

The following table provides quantitative information regarding Level 3 fair value measurements as of December 31, 2019:

Description	Fair Value	Valuation Technique	Unobservable Inputs	Range (Weighted Average)
Preferred Stock	$ 437,515	Recent private market and merger and acquisition transaction prices	N/A	N/A
Senior Secured Term Loans[1]	336,388,211	Discounted Cash Flow analysis	Discount rate	12.3% − 28.0% (16.8)%
		Market approach	Origination yield	12.3% − 26.0% (14.5)%
	13,182,213	PWERM	Discount rate	30.5% − 36.2% (32.6)%
Warrants[2]	12,695,414	Option pricing model	Risk-free interest rate	1.6% − 1.8% (1.6)%
			Average industry volatility	30.0% − 60.0% (41.2)%
			Estimated time to exit	0.5 years − 5.9 years (3.1 years)
			Revenue Multiples	1.18x − 7.57x (2.05x)
	5,312,923	PWERM	Discount Rate	20.7% − 45.0% (32.6)%
			Revenue Multiples	4.33x − 4.79x (4.13x)
Total Level 3 Investments	**$368,016,276**			

(1) The significant unobservable inputs used in the fair value measurement of the Company's debt securities are origination yields and discount rates. The origination yield is defined as the initial market price of an investment in a hypothetical market to hypothetical market participants where buyers and sellers are willing participants. The discount rate is related to company specific characteristics such as underlying investment performance, projected cash flows, and other characteristics of the investment. Significant increases (decreases) in the inputs in isolation may result in a significantly higher (lower) fair value measurement, depending on the materiality of the investment. However, a significantly higher or lower fair value measurement of any of the Company's portfolio investments may occur regardless of whether there is a significant increase or decrease in the unobservable inputs.

(2) The significant unobservable inputs used in the fair value measurement of the Company's warrant and equity-related securities are inputs used in the option pricing model ("OPM") which include industry volatility, risk free interest rate and estimated time to exit. The Equity Allocation model and the Black Scholes model were the main OPM's used. Significant increases (decreases) in the inputs in isolation would result in a significantly higher (lower) fair value measurement, depending on the materiality of the investment. However, a significantly higher or lower fair value measurement of any of the Company's portfolio investments may occur regardless of whether there is a significant increase or decrease in the unobservable inputs. For some investments, additional consideration may be given to data from the last round of financing or merger/acquisition events near the measurement date.

Note 9 — Derivative Financial Instruments

In the normal course of business, the Company may utilize derivative contracts in connection with its investment activities. Investments in derivative contracts are subject to additional risks that can result in a loss

of all or part of an investment. The derivative activities and exposure to derivative contracts primarily involve equity price risks. In addition to the primary underlying risk, additional counterparty risk exists due to the potential inability of counterparties to meet the terms of their contracts.

Warrants

Warrants provide exposure and potential gains upon equity appreciation of the portfolio company's equity value. A warrant has a limited life and expires on a certain date. As a warrant's expiration date approaches, the time value of the warrant will decline. In addition, if the stock underlying the warrant declines in price, the intrinsic value of an "in the money" warrant will decline. Further, if the price of the stock underlying the warrant does not exceed the strike price of the warrant on the expiration date, the warrant will expire worthless. As a result, there is the potential for the entire value of an investment in a warrant to be lost. The Company's volume of warrant investment activity is closely correlated to its primary senior secured loans to portfolio companies. For the year ended December 31, 2020, the Company had realized gains of $1,175,229 and a net change in unrealized appreciation of $14,161,969 from its investments in warrants. For the year ended December 31, 2019, the Company had realized gains of $228,171 and a net change in unrealized (depreciation) of $(609,169) from its investments in warrants. For the year ended December 31, 2018, the Company had realized gains of $59,792 and a net change in unrealized (depreciation) of $(171,493) from its investments in warrants. Realized gains from warrants is included in Realized gain (loss) on non-control/non-affiliate investments, including U.S. Treasury Bills on the Statement of Operations. The net change in unrealized appreciation (depreciation) from warrants is included in Net change in unrealized appreciation (depreciation) on non-control/non-affiliate investments, including U.S. Treasury Bills, except for $358,682, $0 and $0, respectively for the years ended December 31, 2020, December 31, 2019 and December 31, 2018, included in Net change in unrealized appreciation on control/affiliate investments.

Counterparty risk exists from the potential failure of an issuer of warrants to settle its exercised warrants. The maximum risk of loss from counterparty risk is the fair value of the contracts and the purchase price of the warrants. The Company's Board of Directors considers the effects of counterparty risk when determining the fair value of its investments in warrants.

Note 10 — Credit Facilities

On May 31, 2019, the Company entered into a Credit Agreement (the "Credit Agreement") by and among the Company, as borrower, KeyBank National Association, as administrative agent, syndication agent, and a lender, CIBC Bank USA, as documentation agent and a lender, U.S. Bank National Association, as paying agent, the guarantors from time to time party thereto, and the other lenders from time to time party thereto.

The Credit Agreement provides for borrowings up to a maximum aggregate principal amount of $100 million, subject to availability under a borrowing base that is determined by the number and value of eligible loan investments in the collateral, applicable advance rates and concentration limits, and certain cash and cash equivalent holdings of the Company. The Credit Agreement has an accordion feature that allows the Company to increase the aggregate commitments up to $200 million, subject to new or existing lenders agreeing to participate in the increase and other customary conditions. There can be no assurances that existing lenders will agree to such an increase, or that additional lenders will join the credit facility to increase available borrowings.

Borrowings under the Credit Agreement bear interest on a per annum basis equal to a three-month adjusted LIBOR rate (with a LIBOR floor of zero), plus an applicable margin rate that varies from 3.00% to 2.50% per annum depending on utilization and other factors. During the availability period, the applicable margin rate (i) is 3.00% per annum for interest periods during which the average utilization is less than 60% and (ii) varies from 3.00% to 2.50% per annum when the average utilization equals or exceeds 60% (with 3.00% applying when the eligible loans in the collateral consist of 9 or fewer unaffiliated obligors, 2.75% applying when the eligible loans consist of between 10 and 29 unaffiliated obligors, and 2.50% applying when the eligible loans consist of 30 or more unaffiliated obligors). During the amortization period, the applicable margin rate will be 3.00%. If certain eurodollar disruption events occur, then borrowings under the Credit Agreement will bear interest on a per annum basis equal to (i) a base rate instead of LIBOR that is set at the higher of (x) the federal funds rate plus 0.50% and (y) the prime rate, plus (ii) the applicable margin rate discussed above. Interest is payable quarterly in arrears. The Company also pays unused commitment fees of

0.50% per annum on the unused lender commitments under the Credit Agreement, as well as a minimum earnings fee of 3.00% that will be payable annually in arrears, starting on May 31, 2021, on the average unused commitments below 60% of the aggregate commitments during the preceding 12-month period.

The availability period under the Credit Agreement expires on May 31, 2022 and is followed by a two-year amortization period. The stated maturity date under the Credit Agreement is May 31, 2024.

On November 10, 2020, Company entered into an amendment (the "Credit Facility Amendment") to the Credit Agreement. The Credit Facility Amendment amended the Credit Agreement to, among other things: (i) increase the size of the aggregate commitments under the Credit Facility to $175 million from $100 million; (ii) add MUFG Union Bank, N.A. as a new lender and co-documentation agent under the Credit Agreement; (iii) revise the interest rate margin to be 3.00% for the remaining term of the Credit Facility regardless of the Credit Facility average utilization or the number of unaffiliated obligors on loans in the collateral; (iv) permit the Company to obtain a future subscription line of credit of up to $50 million; (v) revise the LIBOR replacement provisions; (vi) implement a 0.50% LIBOR floor and benchmark replacement rate floor on borrowings under the Credit Agreement; and (vii) revise certain of the borrowing base concentration limits. Borrowing under the Credit Facility remains subject to the leverage restrictions contained in the 1940 Act.

On December 2, 2020, the Company entered into an amendment (the "Credit Facility Amendment") to the Credit Agreement. The Credit Facility Amendment is effective as of December 2, 2020.

The Credit Facility Amendment amended the Credit Agreement to: (i) increase the size of the aggregate commitments under the Credit Facility to $215 million from $175 million; (ii) increase the accordion amount under the Credit Facility from a $200 million maximum aggregate commitment amount to a $300 million maximum aggregate commitment amount; and (iii) add Bank of Hope and First Foundation Bank as new Lenders and Managing Agents under the Credit Agreement. Borrowing under the Credit Facility remains subject to the leverage restrictions contained in the Investment Company Act of 1940, as amended.

The Credit Agreement is secured by a perfected first priority security interest in substantially all of the Company's assets and portfolio investments.

The Credit Agreement contains certain customary covenants and events of default for secured revolving credit facilities of this nature, including, without limitation, maintenance of a tangible net worth as of the last day of each fiscal quarter in excess of the greater of (i) $125 million plus 75% of the net proceeds of sales of equity interests in the Company and (ii) the loan balance of the Company's four largest obligors; maintenance of an asset coverage ratio as of the last day of each fiscal quarter that equals or exceeds the greater of 150% and the ratio otherwise applicable to the Company under the 1940 Act; maintenance of an interest coverage ratio as of the last day of each fiscal quarter of 2.00 to 1.00; maintenance of a minimum liquidity amount as of the last day of each fiscal quarter; net income not being negative for two consecutive fiscal quarters or any trailing 12-month period; a limitation on incurring additional indebtedness without the prior written consent of the administrative agent (subject to limited exceptions); certain change-of-control events occur at the Company or the Company's investment adviser; the departure of certain key persons from the Company or the Company's investment adviser; RGC ceases to be the Company's investment adviser; maintenance of business-development-company status and regulated-investment-company status; nonpayment; misrepresentation of representations and warranties; breach of covenant; and certain bankruptcy and liquidation events.

On June 22, 2018, the Company entered into a demand loan agreement (the "Uncommitted Facility") and a revolving loan agreement (the "Committed Facility," and together with the Uncommitted Facility, the "Credit Facilities") with CIBC Bank USA ("CIBC"). An amendment to the Credit Facilities was entered into on September 24, 2018 between the Company and CIBC. On May 31, 2019, in conjunction with securing and entering into the Credit Agreement, the Company terminated the Credit Facilities.

Prior to termination on May 31, 2019, the current maximum principal amount of available borrowings under each of the Uncommitted Facility and the Committed Facility was $30 million (for a combined maximum principal amount under the Credit Facilities of $60 million), subject in each case to availability under the borrowing base, which was based on unused capital commitments. Borrowings under the Credit Facilities bore interest, at the Company's election at the time of drawdown, at a rate per annum equal to (i) in

the case of LIBOR rate loans, the LIBOR rate for the applicable interest period plus 2.50% or (ii) in the case of prime rate loans, CIBC's prime commercial rate at the time of the borrowing minus 0.50%.

For the years ended December 31, 2020 and December 31, 2019, the weighted average outstanding debt balance was $27,449,454 and $12,355,311, respectively, and the weighted average effective interest rate under the Credit Agreement and Credit Facilities was 3.43% and 4.66%, respectively.

As of December 31, 2020, the Company had $99,000,000 outstanding under the Credit Agreement and the Credit Facilities with maturities as follows:

Loan Facility	Date of Advance	Due Date	Amount	Rate
KeyBank National Association Loan Facility	6/30/2020	5/31/2022	$99,000,000	3.22%
			$99,000,000	

As of December 31, 2019, the Company had $61,000,000 outstanding under the Credit Facilities with maturities as follows:

Loan Facility	Date of Advance	Due Date	Amount	Rate
KeyBank National Association Loan Facility	12/31/2019	5/31/2022	$61,000,000	5.10%
			$61,000,000	

Senior Securities

Information about the Company's senior securities is shown in the following table for the fiscal years ended December 31, 2018 through 2020. No senior securities were outstanding for the fiscal years ended December 31, 2016 and 2017.

Class and Year	Total Amount Outstanding Exclusive of Treasury Securities[1]	Asset Coverage per Unit[2]	Involuntary Liquidating Preference per Unit[3]	Average Market Value per Unit[4]
Credit Agreement				
Year Ended 12/31/2020	$99,000,000	$5,710	—	N/A
Year Ended 12/31/2019	$61,000,000	$7,169	—	N/A
Year Ended 12/31/2018	$ —	$ —	—	N/A
Credit Facilities				
Year Ended 12/31/2020	$ —	$ —	—	N/A
Year Ended 12/31/2019	$ —	$ —	—	N/A
Year Ended 12/31/2018	$59,500,000	$3,811	—	N/A
Total				
Year Ended 12/31/2020	$99,000,000	$5,710	—	N/A
Year Ended 12/31/2019	$61,000,000	$7,169	—	N/A
Year Ended 12/31/2018	$59,500,000	$3,811	—	N/A

(1) Total amount of each class of senior securities outstanding at the end of the period presented.

(2) Asset coverage per unit is the ratio of the carrying value of total assets, less all liabilities excluding indebtedness represented by senior securities in this table to the aggregate amount of senior securities representing indebtedness. Asset coverage per unit is express in terms of dollar amounts per $1,000 of indebtedness and is calculated on a consolidated basis.

(3) The amount to which such class of senior security would be entitled upon the Company's involuntary liquidation in preference to any security junior to it. The "— " in this column indicates information that the SEC expressly does not require to be disclosed for certain types of senior securities.

(4) Not applicable because the senior securities are not registered for public trading.

(5) On June 22, 2018, the Company entered into the Credit Facilities with CIBC. On May 31, 2019, in conjunction with securing and entering into the new Credit Agreement, the Company terminated the Credit Facilities.

Note 11 — Financial Highlights

	Year Ended December 31, 2020	Year Ended December 31, 2019	Year Ended December 31, 2018	Year Ended December 31, 2017	Year Ended December 31, 2016
Per Share Data[1]:					
Net asset value at beginning of period	$ 14.58	$ 15.14	$ 14.66	$ 10.38	$ 15.00
Net investment income[3]	1.38	1.95	1.26	(0.66)	(83.81)
Realized gain (loss)	(0.19)	0.03	—	—	—
Change in unrealized appreciation (depreciation)	0.52	(0.50)	—	0.14	(0.01)
Issuance of common shares	—	—	—	—	79.20
Dividends	(1.44)	(2.17)	(0.77)	—	—
Offering costs	—	(0.03)	—	—	—
Accretion (Dilution)[4]	(0.01)	0.16	(0.01)	4.80	—
Net asset value at end of period	$ 14.84	$ 14.58	$ 15.14	$ 14.66	$ 10.38
Total return based on net asset value(2)	1.79%	(3.70)%	3.27%	41.23%	(30.80)%
Weighted-average shares outstanding for period, basic	27,617,425	18,701,021	9,300,960	2,795,274	10,774
Ratio/Supplemental Data:					
Net assets at end of period	$466,243,685	$376,313,221	$167,369,395	$127,040,377	$3,476,672
Average net assets[5]	$403,188,386	$283,773,605	$141,046,177	$ 40,388,772	$ 151,520
Ratio of net operating expenses to average net assets[6]	4.84%	6.58%	6.42%	12.46%	595.90%
Ratio of net increase (decrease) in net assets resulting from operations to average net assets	11.62%	9.74%	8.34%	(3.56)%	(595.90)%

(1) Financial highlights are based on weighted-average shares outstanding.

(2) Total return based on net asset value is based upon the change in net asset value per share between the opening and ending net asset values per share in the year.

(3) Return from investment operations was 9.47%, 12.88%, 8.59%, (6.36)% and (30.80)% for the years ended December 31, 2020, 2019, 2018, 2017, and 2016, respectively. Return from investment operations represents returns on net investment income from operations.

(4) Return from accretion (dilution) was (0.06)%, 0.88%, (0.07)%, 46.24% and 0.00% for the years ended December 31, 2020, 2019, 2018, 2017, and 2016, respectively.

(5) Ratio of net investment income to average net assets was 9.47%, 12.88%, 8.30%, (4.56)% and (595.90)% for the years ended December 31, 2020, 2019, 2018, 2017, and 2016, respectively.

(6) Ratio of net operating expenses excluding incentive fees, to average net assets was 3.04%, 3.64%, 5.42%, 12.46% and 595.95% for the years ended December 31, 2020, 2019, 2018, 2017 and 2016, respectively.

Note 12 — Selected Quarterly Financial Data (Unaudited)

	March 31, 2020	June 30, 2020	September 30, 2020	December 31, 2020
Total investment income	$14,820,857	$11,801,054	$14,215,723	$16,788,669
Total operating expenses	5,177,270	3,927,213	4,693,143	5,758,960
Net investment income	9,643,587	7,873,841	9,522,580	11,029,709
Net realized gain (loss) on investments	(6,717,262)	203,854	1,142,706	23,293
Net change in unrealized appreciation (depreciation) on investments	(1,179,081)	5,496,594	243,742	9,696,337
Increase in net assets resulting from operations	1,747,244	13,574,289	10,909,028	20,749,339
Increase in net assets resulting from operations per share	$ 0.07	$ 0.51	$ 0.40	$ 0.38
Net asset value per share as of the end of the period	$ 14.25	$ 14.41	$ 14.46	$ 14.84

	March 31, 2019	June 30, 2019	September 30, 2019	December 31, 2019
Total investment income	$12,150,329	$16,395,990	$11,834,485	$14,758,332
Total operating expenses	4,076,305	5,025,981	4,329,742	5,253,277
Net investment income (loss)	8,074,024	11,370,009	7,504,743	9,505,055
Net realized gain on investments	—	493,308	(966)	116,689
Net change in unrealized appreciation (depreciation) on investments	(2,240,510)	(3,247,119)	(2,782,423)	(1,146,410)
Increase (decrease) in net assets resulting from operations	5,833,514	8,616,198	4,721,354	8,475,334
Increase (decrease) in net assets resulting from operations per share	$ 0.40	$ 0.55	$ 0.24	$ 0.38
Net asset value per share as of the end of the period	$ 15.13	$ 14.76	$ 14.52	$ 14.58

Note 13 — Subsequent Events

The Company evaluated events subsequent to December 31, 2020 through March 11, 2021, the date the financial statements were issued.

On January 26, 2021, the Company funded an investment of $250,000 to The Kairn Corporation.

On January 27, 2021, as part of an overall reorganization of Pivot3, Inc., Pivot3, Inc. changed its name to Pivot3 Holdings, Inc. and the Company: (i) funded a $1,000,000 investment of Series 1 Preferred Stock, and (ii) converted the $1,000,000 Convertible Bridge Loan into Series 1 Preferred Stock. Further, in conjunction with the reorganization, our Series D warrants were effectively canceled and as such we recorded a $216,610 realized loss.

On February 11, 2021, the Company funded an investment of $500,000 to Mojix, Inc.

On February 23, 2021, the Company funded an investment of $2,000,000 to Massdrop, Inc.

On March 2, 2021, 3DNA Corp. prepaid its outstanding principal balance of $7,500,000. In addition, the Company received cash proceeds of $598,438 in conjunction with ETP, prepayment fees, and interest for total proceeds of $8,098,438.

On March 4, 2021, the Company declared a dividend of $0.37 per share payable on March 19, 2021 to shareholders of record as of March 5, 2021. The Company set December 31, 2020 as the valuation date for shares issued in connection with the dividend pursuant to the Company’s dividend reinvestment plan.

RUNWAY GROWTH FINANCE CORP.

[•] Shares of Common Stock

PRELIMINARY PROSPECTUS

[•] , 2021

Joint Book-Running Managers

J.P. MORGAN **MORGAN STANLEY** **WELLS FARGO SECURITIES**

Runway Growth Finance Corp.

PART C

Other Information

ITEM 25. FINANCIAL STATEMENTS AND EXHIBITS

(1) FINANCIAL STATEMENTS

The following financial statements of Runway Growth Finance Corp. (formerly known as Runway Growth Credit Fund Inc.) are provided in Part A of this Registration Statement:

INTERIM FINANCIAL STATEMENTS

Statements of Assets and Liabilities as of June 30, 2021 (Unaudited) and December 31, 2020	F-2
Statements of Operations for the Three and Six Months Ended June 30, 2021 and 2020 (Unaudited)	F-3
Statements of Changes in Net Assets for the Three and Six Months Ended June 30, 2021 and 2020 (Unaudited)	F-4
Statements of Cash Flows for the Three and Six Months Ended June 30, 2021 and 2020 (Unaudited)	F-5
Schedules of Investments as of June 30, 2021 (Unaudited) and December 31, 2020	F-6
Notes to Financial Statements (Unaudited)	F-22

AUDITED FINANCIAL STATEMENTS

Report of Independent Registered Public Accounting Firm	
Statements of Assets and Liabilities as of December 31, 2020, and 2019	F-47
Statements of Operations for the Years Ended December 31, 2020, 2019 and 2018	F-48
Schedules of Investments as of December 31, 2020 and 2019	F-51
Statements of Changes in Net Assets for the Years Ended December 31, 2020, 2019 and 2018	F-49
Statements of Cash Flows for the Years Ended December 31, 2020, 2019 and 2018	F-50
Notes to Financial Statements	F-66

(2) Exhibits

Exhibit No.	Description
(a)(1)	Articles of Amendment and Restatement[(1)]
(a)(2)	Articles of Amendment[(2)]
(b)(1)	Amended and Restated Bylaws[(2)]
(c)(1)	Voting Proxy of OCM Growth Holdings, LLC in favor of Runway Growth Credit Fund Inc.[(4)]
(d)(1)	Form of Subscription Agreement[(3)]
(e)(1)	Dividend Reinvestment Plan**
(f)	Not applicable.
(g)(1)	Second Amended and Restated Investment Advisory Agreement between Runway Growth Credit Fund Inc. and Runway Growth Capital LLC, as the investment adviser[(5)]
(h)	Form of Underwriting Agreement*
(i)	Not applicable.
(j)(1)	Custody Agreement between Runway Growth Credit Fund Inc. and U.S. Bank National Association, as the custodian[(1)]

Exhibit No.	Description
(k)(1)	Administration Agreement between Runway Growth Credit Fund Inc. and GSV Credit Service Company, LLC, as the administrator[(1)]
(k)(2)	Stockholder Agreement between Runway Growth Credit Fund Inc. and OCM Growth Holdings, LLC[(1)]
(k)(3)	Form of Indemnification Agreement[(6)]
(k)(4)	Trademark License Agreement by and between Runway Growth Capital LLC and the Registrant[(15)]
(k)(5)	Transfer Agent Agreement by and between American Stock Transfer & Trust Company, LLC and the Registrant[(8)]
(k)(6)	Marketing and Consulting Agreement by and between Pickwick Capital Partners, LLC, Runway Growth Capital LLC and the Registrant[(9)]
(k)(7)	Marketing and Consulting Agreement by and between Peak Capital Limited, Runway Growth Capital LLC and the Registrant[(9)]
(k)(8)	Credit Agreement, dated as of May 31, 2019, by and among the Company, as borrower, KeyBank National Association, as administrative agent and syndication agent, CIBC Bank USA, as documentation agent, U.S. Bank National Association, as paying agent, the guarantors from time to time party thereto, and the lenders from time to time party thereto.[(10)]
(k)(9)	First Amendment to Credit Agreement, dated as of November 10, 2020, among the Company, as borrower; the financial institutions party thereto as lenders; KeyBank National Association, as administrative agent and lender; CIBC Bank USA, as documentation agent and lender; and U.S. Bank National Association, as paying agent.[(11)]
(k)(10)	Second Amendment to Credit Agreement, dated as of December 2, 2020, among the Company, as borrower; the financial institutions party thereto as lenders; KeyBank National Association, as administrative agent and lender; CIBC Bank USA, as documentation agent and lender; MUFG Union Bank, N.A., as co-documentation agent and lender; and U.S. Bank National Association, as paying agent.[(12)]
(k)(11)	Third Amendment to Credit Agreement, dated as of June 1, 2021, among the Company, as borrower; the financial institutions party thereto as lenders; KeyBank National Association, as administrative agent and lender; CIBC Bank USA, as documentation agent and lender; MUFG Union Bank, N.A., as co-documentation agent and lender; and U.S. Bank National Association, as paying agent.*
(k)(12)	Fourth Amendment to Credit Agreement, dated as of August 3, 2021, among Runway Growth Credit Fund Inc., as borrower; the financial institutions party thereto as lenders; KeyBank National Association, as administrative agent and lender; CIBC Bank USA, as documentation agent and lender; MUFG Union Bank, N.A. as co-documentation agent and lender; and U.S. Bank National Association, as paying agent.[(14)]
(n)(1)	Consent of Eversheds Sutherland (US) LLP**
(n)(2)	Consent of Independent Registered Public Accounting Firm*
(r)	Code of Ethics[(14)]

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* filed herewith

** to be filed by amendment.

(1) Previously filed as an exhibit to the Registrant's Current Report on Form 8-K filed with the SEC on December 19, 2016.

(2) Previously filed as an exhibit to the Registrant's Current Report on Form 8-K filed with the SEC on August 19, 2021.

(3) Previously filed as an exhibit to the Registrant's Quarterly Report on Form 10-Q filed with the SEC on August 10, 2017.

(4) Previously filed as an exhibit to the Registrant's Annual Report on Form 10-K filed with the SEC on March 29, 2017.

(5) Previously filed as an exhibit to the Registrant's Current Report on Form 8-K filed with the SEC on May 28, 2021.

(6) Previously filed as an exhibit to the Registrant's Registration Statement on Form 10 (File No. 000-55544) filed with the SEC on February 12, 2016.

(7) Previously filed as an exhibit to the Registrant's Quarterly Report on Form 10-Q filed with the SEC on November 9, 2017.

(8) Previously filed as an exhibit to the Registrant's Current Report on Form 8-K filed with the SEC on December 28, 2018.

(9) Previously filed as an exhibit to the Registrant's Annual Report on Form 10-K filed with the SEC on March 28, 2019.

(10) Previously filed as an exhibit to the Registrant's Current Report on Form 8-K filed with the SEC on June 6, 2019.

(11) Previously filed as an exhibit to the Registrant's Quarterly Report on Form 10-Q filed with the SEC on November 12, 2020.

(12) Previously filed as an exhibit to the Registrant's Current Report on Form 8-K filed with the SEC on December 4, 2020.

(13) Previously filed as an exhibit to the Registrant's Current Report on Form 8-K filed with the SEC on June 3, 2021.

(14) Previously filed as an exhibit to the Registrant's Quarterly Report on Form 10-Q filed with the SEC on August 5, 2021.

(15) Previously filed as an exhibit to the Registrant's Current Report on Form 8-K filed with the SEC on September 23, 2021.

Item 26. Marketing Arrangements

The information contained under the heading "Underwriting" in this Registration Statement is incorporated herein by reference.

Item 27. Other Expenses of Issuance and Distribution

	Amount in thousands
U.S. Securities and Exchange Commission registration fee	$ 10.9
FINRA Filing Fee	100.0
Nasdaq Global Select Market listing fees	25.0
Printing expenses[(1)]	85.0
Legal fees and expenses[(1)]	1,200.0
Accounting fees and expenses[(1)]	155.0
Miscellaneous[(1)]	50.0
Total[(1)]	$ 1,625.9

(1) These amounts are estimates.

All of the expenses set forth above shall be borne by the Registrant.

Item 28. Persons Controlled by or Under Common Control

The information contained under the headings "The Company," "Management," "Related-Party Transactions and Certain Relationships" and "Control Persons and Principal Shareholders" in this Registration Statement is incorporated herein by reference.

Item 29. Number of Holders of Securities

The following table sets forth the approximate number of record holders of our common stock as of September 24, 2021.

Title of Class	Number of Record Holders
Common Stock	190

Item 30. Indemnification

Section 2-418 of the Maryland General Corporation Law allows for the indemnification of officers, directors and any corporate agents in terms sufficiently broad to indemnify these persons under certain circumstances for liabilities, including reimbursement for expenses, incurred arising under the Securities Act. Our charter and bylaws provide that we shall indemnify our directors and officers to the fullest extent authorized or permitted by law and this right to indemnification shall continue as to a person who has ceased to be a director or officer and shall inure to the benefit of his or her heirs, executors and personal and legal representatives; provided, however, that, except for proceedings to enforce rights to indemnification, we are not obligated to indemnify any director or officer (or his or her heirs, executors or personal or legal representatives) in connection with a proceeding (or part thereof) initiated by the person unless the proceeding (or part thereof) was authorized or consented to by the Board. The right to indemnification conferred includes the right to be paid by us the expenses incurred in defending or otherwise participating in any proceeding in advance of its final disposition.

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

The Adviser and its affiliates (each, an “Indemnitee”) are not liable to us for (i) mistakes of judgment or for action or inaction that such person reasonably believed to be in our best interests absent such Indemnitee’s gross negligence, knowing and willful misconduct, or fraud or (ii) losses or expenses due to mistakes of judgment, action or inaction, or the negligence, dishonesty or bad faith of any broker or other agent of the Company who is not an affiliate of such Indemnitee, provided that such person was selected, engaged or retained without gross negligence, willful misconduct, or fraud.

We will indemnify each Indemnitee against any liabilities relating to the offering of our common stock or our business, operation, administration or termination, if the Indemnitee acted in good faith and in a manner it believed to be in, or not opposed to, our interests and except to the extent arising out of the Indemnitee’s gross negligence, fraud or knowing and willful misconduct. We may pay the expenses incurred by the Indemnitee in defending an actual or threatened civil or criminal action in advance of the final disposition of such action, provided the Indemnitee agrees to repay those expenses if found by adjudication not to be entitled to indemnification.

We have agreed to indemnify the underwriters against certain liabilities, including liabilities under the Securities Act.

Insofar as indemnification for liability arising under the Securities Act may be permitted to directors, officers and controlling persons of the Registrant pursuant to the foregoing provisions, or otherwise, we have been advised that in the opinion of the SEC such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by us of expenses incurred or paid by a director, officer or controlling person of the Registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, we will, unless in the opinion of

our counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by us is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

Item 31. Business and Other Connections of Investment Adviser.

A description of any other business, profession, vocation or employment of a substantial nature in which the Adviser, and each managing director, director or executive officer of the Adviser, is or has been during the past two fiscal years, engaged in for his or her own account or in the capacity of director, officer, employee, partner or trustee, is set forth in this Registration Statement in the sections entitled "The Company," "Management" and "Management and Other Agreements." Additional information regarding the Adviser and its officers is set forth in its Form ADV, filed with the SEC (SEC File No. 801-108476), and is incorporated herein by reference.

Item 32. Location of Accounts and Records.

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

(1) The Registrant, 205 N. Michigan Ave, Suite 4200, Chicago, IL 60601;

(2) The custodian, U.S. Bank, National Association, One Federal Street, 3rd Floor, Boston MA 02110;

(3) The transfer agent, American Stock Transfer & Trust Company LLC 6201 15th Avenue, Brooklyn, NY 11219; and

(4) The Adviser, 205 N. Michigan Ave, Suite 4200, Chicago, IL 60601.

Item 33. Management Services

Not Applicable.

Item 34. Undertakings

(1) We undertake to suspend the offering of shares until the prospectus is amended if (1) subsequent to the effective date of its registration statement, the net asset value declines more than 10% from its net asset value as of the effective date of the registration statement; or (2) the net asset value increases to an amount greater than the net proceeds as stated in the prospectus.

(2) Not applicable.

(3) Not applicable.

(4) We undertake that:

(a) For the purpose of determining any liability under the Securities Act, the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by us pursuant to Rule 424(b)(1) under the Securities Act shall be deemed to be part of this registration statement as of the time it was declared effective.

(b) For the purpose of determining any liability under the Securities Act, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(5) Not applicable.

(6) Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the Registrant pursuant to the foregoing provisions, or otherwise, the Registrant has been advised that in the opinion of the SEC such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Registrant of expenses incurred or paid by a director, officer or controlling person of the Registrant in the

successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

(7) We undertake to send by first class mail or other means designed to ensure equally prompt delivery, within two business days of receipt of a written or oral request, any prospectus or Statement of Additional Information.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant has duly caused this Registration Statement on Form N-2 to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Chicago, and the State of Illinois on the 27th day of September 2021.

RUNWAY GROWTH FINANCE CORP.

By: /s/ R. David Spreng

Name: R. David Spreng
Title: President, Chief Executive Officer and
Chairman of the Board of Directors

POWER OF ATTORNEY

Each officer and director of Runway Growth Finance Corp. whose signature appears below constitutes and appoints R. David Spreng and Thomas B. Raterman, and each of them to act without the other, as his or her true and lawful attorney-in-fact and agent, with full power of substitution and revocation, for him or her and in his or her name, place and stead, in any and all capacities, to execute and file any or all amendments including any post-effective amendments and supplements to this registration statement, and any additional registration statement filed pursuant to Rule 462(b), and to file the same, with all exhibits thereto, and other documents in connection therewith, with the U.S. Securities and Exchange Commission, granting unto said attorney-in-fact and agent full power and authority to do and perform each and every act and thing requisite and necessary to be done, as fully to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorney-in-fact and agent, or his or her substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, as amended, this Registration Statement has been signed by the following persons in the capacities indicated on September 27, 2021.

Date: September 27, 2021 By: /s/ R. David Spreng

R. David Spreng
President, Chief Executive Officer and
Chairman of the Board of Directors
(Principal Executive Officer)

Date: September 27, 2021 By: /s/ Thomas B. Raterman

Thomas B. Raterman
Chief Financial Officer, Treasurer and Secretary
(Principal Financial and Accounting Officer)

Date: September 27, 2021 By: /s/ Gary Kovacs

Gary Kovacs
Director

Date: September 27, 2021 By: /s/ Brian Laibow

Brian Laibow
Director

Date: September 27, 2021

By: /s/ Julie Persily
Julie Persily
Director

Date: September 27, 2021

By: /s/ Lewis W. Solimene Jr.
Lewis W. Solimene, Jr.
Director

Exhibit (h)

RUNWAY GROWTH FINANCE CORP.

(a Maryland corporation)

[•] Shares of Common Stock

UNDERWRITING AGREEMENT

Dated: October [•], 2021

RUNWAY GROWTH FINANCE CORP.

(a Maryland corporation)

[•] Shares of Common Stock

UNDERWRITING AGREEMENT

October [•], 2021

J.P. Morgan Securities LLC
383 Madison Avenue
New York, New York 10079

Morgan Stanley & Co. LLC
1585 Broadway
New York, New York 10036

Wells Fargo Securities, LLC
500 West 33rd Street, 14th Floor
New York, New York 10001

as Representatives of the
several Underwriters named
in Schedule A hereto

Ladies and Gentlemen:

Runway Growth Finance Corp., a Maryland corporation (the "Company"), confirms its agreement with J.P. Morgan Securities LLC ("JP Morgan"), Morgan Stanley & Co. LLC ("Morgan Stanley"), Wells Fargo Securities, LLC ("Wells Fargo") and each of the underwriters named in Schedule A hereto (collectively, the "Underwriters," which term shall also include any underwriter substituted as hereinafter provided in Section 10 hereof), for whom JP Morgan, Morgan Stanley, and Wells Fargo are acting as representatives (in such capacity, the "Representatives"), with respect to (i) the sale by the Company and the purchase by the Underwriters, acting severally and not jointly, of the respective numbers of shares of Common Stock, par value $0.01 per share, of the Company ("Common Stock") set forth in Schedule A hereto and (ii) the grant by the Company to the Underwriters, acting severally and not jointly, of the option described in Section 2(b) hereof to purchase all or any part of [•] additional shares of Common Stock. The aforesaid [•] shares of Common Stock (the "Initial Securities") to be purchased by the Underwriters and all or any part of the [•] shares of Common Stock subject to the option described in Section 2(b) hereof (the "Option Securities") are herein called, collectively, the "Securities." The shares of Common Stock of the Company to be outstanding after giving effect to the sale of the Securities are referred to herein as the "Stock."

The Company understands that the Underwriters propose to make a public offering of the Securities as soon as the Representatives deem advisable after this Underwriting Agreement (this "Agreement") has been executed and delivered.

The Company has filed with the Securities and Exchange Commission (the "Commission") a registration statement on Form N-2 (No. [•]), including the related preliminary prospectus or prospectuses, covering the registration of the sale of the Securities under the Securities Act of 1933, as amended (the "Act"). Promptly after execution and delivery of this Agreement, the Company will prepare and file a prospectus in accordance with the provisions of Rule 430A ("Rule 430A") of the rules and regulations of the Commission under the Act (the "Act Regulations") and paragraph (b) of Rule 424 ("Rule 424(b)") of the Act Regulations. The information included in such prospectus that was omitted from such registration statement at the time it became effective but that is deemed to be part of such registration statement at the time it became effective pursuant to Rule 430A(b) is herein called the "Rule 430A Information." Such registration statement, including the amendments thereto, the exhibits thereto and any schedules thereto, at the time it became effective, and including the Rule 430A Information and the information (if any) deemed to be part of the registration statement at the time of effectiveness pursuant to Rule 424(b), is herein called the "Registration Statement." Any registration statement filed pursuant to Rule 462(b) of the Act Regulations is herein called the "Rule 462(b) Registration Statement" and, after such filing, the term "Registration Statement" shall include the Rule 462(b) Registration Statement. Each prospectus used prior to the effectiveness of the Registration Statement in the form furnished to the Underwriters for use in connection with the offering of the Securities, and each prospectus that omitted the Rule 430A Information that was used after such effectiveness and prior to the execution and delivery of this Agreement is herein called a "preliminary prospectus." The final prospectus filed with the Commission pursuant to Rule 424(b), in the form first furnished to the Underwriters for use in connection with the offering of the Securities, is herein called the "Prospectus." Any "issuer free writing prospectus" (as defined in Rule 433 under the Act) relating to the offering of the Securities contemplated by this Agreement is hereinafter called an "Issuer Free Writing Prospectus." Any press releases or similar written materials meeting the definition of an "advertisement" as set forth in Rule 482 under the Act, the use of which has been consented to by each of the Representatives, is herein called "Rule 482 Material." For purposes of this Agreement, all references to the Registration Statement, any preliminary prospectus, the Rule 482 Material, the Prospectus, any Issuer Free Writing Prospectus or any amendment or supplement to any of the foregoing shall be deemed to include the copy filed with the Commission pursuant to its Electronic Data Gathering, Analysis and Retrieval system or any successor system ("EDGAR").

A Form N-54A Notification of Election to be Subject to Sections 55 through 65 of the Investment Company Act of 1940 Filed Pursuant to Section 54(a) of the Investment Company Act (File No. 814-01180) (the "Notification of Election") was filed with the Commission on December 15, 2016 under the Investment Company Act of 1940, as amended (the "1940 Act"), and the rules and regulations and any applicable guidance and/or interpretation of the Commission or its staff thereunder (the "1940 Act Regulations").

The Company has entered into the Second Amended and Restated Investment Advisory Agreement, effective as of May 27, 2021 (the "Investment Management Agreement"), with Runway Growth Capital LLC (the "Adviser"), a Delaware limited liability company registered as an investment adviser, under the Investment Advisers Act of 1940, as amended, and the rules and regulations thereunder (collectively, the "Advisers Act"). The Company has also entered into the Amended and Restated Administration Agreement, effective as of June 28, 2021 (the "Administration Agreement"), with the Runway Administrator Services LLC (the "Administrator"), a Delaware limited liability company.

As used in this Agreement:

"Applicable Time" means [•] [A.M./P.M.], New York City time, on October [•], 2021 or such other time as agreed by the Company and the Representatives.

"General Disclosure Package" means (i) the preliminary prospectus, dated October [•], 2021, any Issuer Free Writing Prospectuses, and (iii) the information included on Schedule B hereto.

"Testing-the-Waters Communication" means any oral or written communication with potential investors undertaken in reliance on Section 5(d) of the Act.

"Written Testing-the-Waters Communication" means any Testing-the-Waters Communication that is a written communication within the meaning of Rule 405 under the Act.

SECTION 1. Representations and Warranties.

(a) *Representations and Warranties by the Company.* The Company represents and warrants to each Underwriter as of the date hereof, the Applicable Time, the Closing Time (as defined below) and any Date of Delivery (as defined below), and agrees with each Underwriter, as follows:

(i) Registration Statement and Prospectuses. The Company is eligible to use Form N-2. Each of the Registration Statement and any amendment thereto has become effective under the Act. No stop order suspending the effectiveness of the Registration Statement or any post-effective amendment thereto has been issued under the Act, no order preventing or suspending the use of any preliminary prospectus or the Prospectus has been issued and no proceedings for any of those purposes or pursuant to Section 8A of the Act against the Company or related to the offering of Securities have been instituted or are pending or, to the Company's knowledge, contemplated. The Company has complied with each request (if any) from the Commission for additional information in connection with the Registration Statement.

Each of the Registration Statement and any post-effective amendment thereto, at the time it became effective, complied in all material respects with the requirements of the Act, the Act Regulations, the 1940 Act and the 1940 Act Regulations. Each preliminary prospectus, the Rule 482 Material, the Prospectus and any amendment or supplement thereto, at the time each was filed with the Commission, complied in all material respects with the requirements of the Act, the Act Regulations, the 1940 Act and the 1940 Act Regulations. Each preliminary prospectus delivered to the Underwriters for use in connection with this offering, the Rule 482 Material that is required to be filed with the Commission pursuant to Rule 482 of the Act and the Prospectus was or will be identical to the electronically transmitted copies thereof filed with the Commission pursuant to EDGAR, except to the extent permitted by Regulation S-T; Rule 482 Material, as of its issue date and at all subsequent times through the completion of this offering and sale of the Securities, did not, does not and will not include any information that conflicted, conflicts or will conflict with the information contained in the Registration Statement, each preliminary prospectus or the Prospectus that has not been superseded or modified.

(ii) Accurate Disclosure. Neither the Registration Statement nor any amendment thereto, at its effective time, at the Closing Time or at any Date of Delivery, contained, contains or will contain an untrue statement of a material fact or omitted, omits or will omit to state a material fact required to be stated therein or necessary to make the statements therein, not misleading. As of the Applicable Time, none of the General Disclosure Package, any individual preliminary prospectus, any individual Free Writing Prospectus, nor the Rule 482 Material, when considered together with the General Disclosure Package, included, includes or will include an untrue statement of a material fact or omitted, omits or will omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading. Neither the Prospectus nor any amendment or supplement thereto, as of their respective date(s), at the time of any filing with the Commission pursuant to Rule 424(b), at the Closing Time or at any Date of Delivery, included, includes or will include an untrue statement of a material fact or omitted, omits or will omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

The representations and warranties in this subsection shall not apply to statements in or omissions from the Registration Statement (or any amendment thereto), the General Disclosure Package or the Prospectus (or any amendment or supplement thereto) made in reliance upon and in conformity with written information furnished to the Company by any Underwriter through the Representatives expressly for use therein. For purposes of this Agreement, the only information so furnished shall be the information in the first and third sentences of the third paragraph under the heading "Underwriting," the information in the first sentence of the eighteenth paragraph under the heading "Underwriting," and the information in the first sentence of the nineteenth paragraph under the heading "Underwriting," in each case contained in the Prospectus (collectively, the "Underwriter Information").

(iii) Issuer Free Writing Prospectus. (i) The Company shall furnish to the Representatives for review, a reasonable amount of time prior to the proposed time of filing or use thereof, a copy of each proposed Issuer Free Writing Prospectus or any amendment or supplement thereto prepared by or on behalf of, used by, or referred to by the Company, and the Company shall not file, use or refer to any proposed Issuer Free Writing Prospectus or any amendment or supplement thereto without the Representatives' prior written consent. The Company shall furnish to the Representatives, without charge, as many copies of any Issuer Free Writing Prospectus prepared by or on behalf of, used by or referred to by the Company as the Representatives may reasonably request. If at any time when a prospectus is required by the Act to be delivered (whether physically or through compliance with Rule 172 under the Act or any similar rule) in connection with sales of the Securities (but in any event if at any time through and including the Closing Time) there occurred or occurs an event or development as a result of which any Issuer Free Writing Prospectus prepared by or on behalf of, used by, or referred to by the Company conflicted or could conflict with the information contained in the Registration Statement, the preliminary prospectus or the Prospectus or included or could include an untrue statement of a material fact or omitted or could omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances prevailing at such time, not misleading, the Company shall promptly amend or supplement such Issuer Free Writing Prospectus to eliminate or correct such conflict so that the statements in such Issuer Free Writing Prospectus as so amended or supplemented will not include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances prevailing at such time, not misleading, as the case may be; provided, that prior to amending or supplementing any such Issuer Free Writing Prospectus, the Company shall furnish to the Representatives for review, a reasonable amount of time prior to the proposed time of filing or use thereof, a copy of such proposed amended or supplemented Issuer Free Writing Prospectus, and the Company shall not file, use or refer to any such amended or supplemented Issuer Free Writing Prospectus without the Representatives' prior written consent; (ii) no Issuer Free Writing Prospectus conflicts or will conflict with the information contained in the Registration Statement, the preliminary prospectus or the Prospectus, including any document incorporated by reference therein, that has not been superseded or modified; and (iii) the Company represents and agrees that, without the prior consent of the Representatives, it has not made and shall not make any offer relating to the Securities that could constitute an Issuer Free Writing Prospectus; any such Issuer Free Writing Prospectus the use of which has been consented to by the Company and the Representatives is listed on Schedule B hereto.

(iv) Testing-the-Waters Materials. The Company (i) has not alone engaged in any Testing-the-Waters Communications other than Testing-the-Waters Communications with the consent of the Representatives (x) with entities that are qualified institutional buyers ("QIBs") within the meaning of Rule 144A under the Securities Act or institutions that are accredited investors within the meaning of Rule 501(a)(1), (a)(2), (a)(3), (a)(7), (a)(8), (a)(9), (a)(12) or (a)(13) under the Act ("IAIs") and otherwise in compliance with the requirements of Section 5(d) of the Act or (y) with entities that the Company reasonably believed to be QIBs or IAIs and otherwise in compliance with the requirements of Rule 163B under the Act and (ii) has not authorized anyone other than the Representatives to engage in Testing-the-Waters Communications. The Company reconfirms that the Representatives have been authorized to act on its behalf in undertaking Testing-the-Waters Communications. The Company has not distributed or approved for distribution any Written Testing-the-Waters Communications other than those listed on Exhibit C-1 hereto. Any individual Written Testing-the-Waters Communication does not conflict with the information contained in the Registration Statement or the General Disclosure Package, complied in all material respects with the Act, and when taken together with the General Disclosure Package as of the Applicable Time, did not, and as of the Closing Time and as of the Date of Delivery, as the case may be, will not, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(v) Company Not Ineligible Issuer. At the time of filing the Registration Statement and any post-effective amendment thereto, at the earliest time thereafter that the Company or another offering participant made a *bona fide* offer (within the meaning of Rule 164(h)(2) of the Act Regulations) of the Securities and at the date hereof, the Company was not and is not an "ineligible issuer," as defined in Rule 405, without taking account of any determination by the Commission pursuant to Rule 405 that it is not necessary that the Company be considered an ineligible issuer.

(vi) Emerging Growth Company Status. From the time of the initial filing of the Registration Statement with the Commission (or, if earlier, the first date on which the Company engaged directly or through any person authorized to act on its behalf in any Testing-the-Waters Communication) through the date hereof, the Company has been and is an "emerging growth company," as defined in Section 2(a) of the Act (an "Emerging Growth Company").

(vii) Independent Accountants. The accountants who certified the financial statements and supporting schedules included in the Registration Statement, the General Disclosure Package and the Prospectus are independent public accountants as required by the Act, the Act Regulations, the Securities Exchange Act of 1934, as amended (the "Exchange Act") and the Public Accounting Oversight Board ("PCAOB").

(viii) Financial Statements. The financial statements included in the Registration Statement, the General Disclosure Package and the Prospectus, together with the related schedules and notes, present fairly in all material respects the financial position of the Company at the dates indicated and the results of their operations and the changes in the cash flows for the periods specified; said financial statements have been prepared in conformity with U.S. generally accepted accounting principles ("GAAP") applied on a consistent basis throughout the periods involved. The supporting schedules, if any, included in the Registration Statement present fairly in all material respects in accordance with GAAP the information required to be stated therein. The selected financial information and other data included in the Registration Statement, the General Disclosure Package and the Prospectus have been derived from the accounting records and other books and records of the Company and present fairly in all material respects the information shown therein. No historical or pro forma financial statements or supporting schedules are required to be included in the Registration Statement, the General Disclosure Package or the Prospectus under the Act or the Act Regulations.

(ix) No Material Adverse Change in Business. Since the respective dates as of which information is given in the Registration Statement, the General Disclosure Package or the Prospectus, (A) there has been no material adverse change in the condition, financial or otherwise, or in the earnings, business affairs or business prospects of the Company, whether or not arising in the ordinary course of business (a "Material Adverse Effect"), (B) there have been no transactions entered into by the Company, other than those in the ordinary course of business, which are material with respect to the Company and (C) there has been no dividend or distribution of any kind declared, paid or made by the Company on any class of its capital stock.

(x) Good Standing of the Company. The Company has been duly organized and is validly existing as a corporation in good standing under the laws of the State of Maryland and has corporate power and authority to own, lease and operate its properties and to conduct its business as described in the Registration Statement, the General Disclosure Package and the Prospectus and to enter into and perform its obligations under this Agreement, the Investment Management Agreement and the Administration Agreement; and the Company is duly qualified as a foreign corporation to transact business and is in good standing in each other jurisdiction in which such qualification is required, whether by reason of the ownership or leasing of property or the conduct of business, except where the failure so to qualify or to be in good standing would not reasonably be expected to result in a Material Adverse Effect.

(xi) No Subsidiaries of the Company; Portfolio Companies. The Company does not own any subsidiaries that are consolidated with the Company for financial reporting purposes under GAAP as of the date hereof. Except for any investments made in the ordinary course of business since the most recent quarter end, the Company does not own, directly or indirectly, any investments or shares of stock or any other equity or long-term debt securities of any corporation or other entity other than those corporations or other entities described in the Registration Statement, the General Disclosure Package and the Prospectus under the caption "Portfolio Companies" (each a "Portfolio Company" and collectively the "Portfolio Companies") as of the date hereof. Except as otherwise disclosed in the Registration Statement, the General Disclosure Package and the Prospectus, the Company does not control (as such term is defined in Section 2(a)(9) of the 1940 Act), any of the Portfolio Companies or any corporation or other entity in which it invested since the most recent quarter end.

(xii) Capitalization. The authorized, issued and outstanding shares of capital stock of the Company are as set forth in the Registration Statement, the General Disclosure Package and the Prospectus in the column entitled "Actual" under the caption "Capitalization." The outstanding shares of capital stock of the Company have been duly authorized and validly issued and are fully paid and non-assessable. None of the outstanding shares of capital stock of the Company were issued in violation of the preemptive or other similar rights of any securityholder of the Company.

(xiii) Authorization of Agreements. This Agreement, the Investment Management Agreement and the Administration Agreement have each been duly authorized, executed and delivered by the Company. This Agreement, the Investment Management Agreement and the Administration Agreement are each valid and binding obligations of the Company, enforceable against the Company in accordance with their terms, except as the enforcement thereof may be subject to (i) bankruptcy, insolvency, reorganization, moratorium or other similar laws now or thereafter in effect relating to creditors' rights generally and (ii) general principles of equity and the discretion of the court before which any proceeding therefor may be brought.

(xiv) Authorization and Description of Securities. The Securities to be purchased by the Underwriters from the Company have been duly authorized and, when issued and delivered by the Company pursuant to this Agreement against payment of the purchase price set forth herein, will be validly issued and fully paid and non-assessable; and the issuance of the Securities is not subject to the preemptive or other similar rights of any securityholder of the Company. The Common Stock conforms to all statements relating thereto contained in the Registration Statement, the General Disclosure Package and the Prospectus and such description conforms to the rights set forth in the instruments defining the same.

(xv) Registration Rights. No person has the right to require the Company to register any securities for sale under the Act by reason of the filing of the Registration Statement with the Commission or the issuance and sale of the Securities.

(xvi) Absence of Violations, Defaults and Conflicts. The Company is not (A) in violation of its charter, bylaws or similar organizational document, each as amended or supplemented as of the date of this Agreement, the Closing Time and any Date of Delivery, as applicable, (B) in default in the performance or observance of any obligation, agreement, covenant or condition contained in any contract, indenture, mortgage, deed of trust, loan or credit agreement, note, lease or other agreement or instrument to which the Company is a party or by which it may be bound or to which any of the properties or assets of the Company is subject (collectively, "Agreements and Instruments"), except for such defaults that would not reasonably be expected, singly or in the aggregate, to result in a Material Adverse Effect, or (C) in violation of any law, statute, rule, regulation, judgment, order, writ or decree of any arbitrator, court, governmental body, regulatory body, administrative agency or other authority, body or agency having jurisdiction over the Company or any of its respective properties, assets or operations (each, a "Governmental Entity"), except for such violations that would not reasonably be expected, singly or in the aggregate, to result in a Material Adverse Effect. The execution, delivery and performance of this Agreement, the Investment Management Agreement, the Administration Agreement and the consummation of the transactions contemplated herein and therein and in the Registration Statement, the General Disclosure Package and the Prospectus (including the issuance and sale of the Securities and the use of the proceeds from the sale of the Securities as described therein under the caption "Use of Proceeds") and compliance by the Company with its obligations hereunder and thereunder have been duly authorized by all necessary corporate action and do not and will not, whether with or without the giving of notice or passage of time or both, conflict with or constitute a breach of, or default or Repayment Event (as defined below) under, or result in the creation or imposition of any lien, charge or encumbrance upon any properties or assets of the Company pursuant to, the Agreements and Instruments (except for such conflicts, breaches, defaults or Repayment Events or liens, charges or encumbrances that would not reasonably be expected, singly or in the aggregate, to result in a Material Adverse Effect), nor will such action result in any violation of the provisions of (a) the charter, bylaws or similar organizational document of the Company or (b) any law, statute, rule, regulation, judgment, order, writ or decree of any Governmental Entity, except, in the case of (b) above, for any violation that would not reasonably be expected, singly or in the aggregate, to result in a Material Adverse Effect. As used herein, a "Repayment Event" means any event or condition which gives the holder of any note, debenture or other evidence of indebtedness (or any person acting on such holder's behalf) the right to require the repurchase, redemption or repayment of all or a portion of such indebtedness by the Company.

(xvii) Employees. As of the date hereof, the Company does not have, and as of the Closing Time the Company will not have, any employees.

(xviii) Absence of Proceedings. Except as disclosed in the Registration Statement, the General Disclosure Package and the Prospectus, there is no action, suit, proceeding or, to the knowledge of the Company, inquiry or investigation before or brought by any Governmental Entity now pending or, to the knowledge of the Company, threatened, against or affecting the Company, which would reasonably be expected to result in a Material Adverse Effect, or which would reasonably be expected to materially and adversely affect the properties or assets of the Company, or the consummation of the transactions contemplated in this Agreement, the Investment Management Agreement or the Administration Agreement or the performance by the Company of its obligations hereunder or thereunder; and the aggregate of all pending legal or governmental proceedings to which the Company is a party or of which any of their respective properties or assets is the subject which are not described in the Registration Statement, the General Disclosure Package and the Prospectus, including ordinary routine litigation incidental to the business, would not reasonably be expected to result in a Material Adverse Effect.

(xix) Exchange Act Compliance. The Company is subject to and in compliance in all material respects with the reporting requirements of Section 13 or Section 15(d) of the Exchange Act, and has timely filed all reports required to be filed pursuant to Sections 13(a) and 15(d) of the Exchange Act during the preceding twelve (12) months.

(xx) Accuracy of Exhibits. There are no contracts or documents that are required to be described in the Registration Statement, the General Disclosure Package or the Prospectus or to be filed as exhibits to the Registration Statement that have not been so described and filed as required.

(xxi) Absence of Further Requirements. No filing with, or authorization, approval, consent, license, order, registration, qualification or decree of, any Governmental Entity is necessary or required for the performance by the Company of its obligations hereunder, in connection with the offering, issuance or sale of the Securities hereunder or the consummation of the transactions contemplated by this Agreement or the Investment Management Agreement, except (A) such as have been already obtained or as may be required under the Act, the Act Regulations, the 1940 Act, the 1940 Act Regulations, the rules of the Nasdaq Global Select Market, state securities laws or the rules of the Financial Industry Regulatory Authority, Inc. ("FINRA") and (B) where the failure to obtain any such filing, authorization, approval, consent, license, order, registration, qualification or decree would not reasonably be expected, singly or in the aggregate, to have a Material Adverse Effect.

(xxii) Possession of Licenses and Permits. The Company possesses such permits, licenses, approvals, consents and other authorizations (collectively, "Governmental Licenses") issued by the appropriate Governmental Entities necessary to conduct the business now operated by the Company, except where the failure so to possess would not reasonably be expected, singly or in the aggregate, to result in a Material Adverse Effect. The Company is in compliance with the terms and conditions of all Governmental Licenses, except where the failure so to comply would not reasonably be expected, singly or in the aggregate, to result in a Material Adverse Effect. All of the Governmental Licenses are valid and in full force and effect, except when the invalidity of such Governmental Licenses or the failure of such Governmental Licenses to be in full force and effect would not reasonably be expected, singly or in the aggregate, to result in a Material Adverse Effect. The Company has not received any notice of proceedings relating to the revocation or modification of any Governmental Licenses which, singly or in the aggregate, if the subject of an unfavorable decision, ruling or finding, would reasonably be expected to result in a Material Adverse Effect.

(xxiii) Title to Property. The Company does not own any real property; and all of the leases and subleases material to the business of the Company, and under which the Company holds properties, are in full force and effect, and the Company has not received any notice of any material claim of any sort that has been asserted by anyone adverse to the rights of the Company under any of the foregoing leases or subleases, or affecting or questioning the rights of the Company to the continued possession of the leased or subleased premises under any such lease or sublease that, singly or in the aggregate, would reasonably be expected to result in a Material Adverse Effect.

(xxiv) Possession of Intellectual Property. Except as would not reasonably be expected, singly or in the aggregate, to have a Material Adverse Effect, the Company owns or possesses, or can acquire on reasonable terms, adequate patents, patent rights, licenses, inventions, copyrights, know-how (including trade secrets and other unpatented and/or unpatentable proprietary or confidential information, systems or procedures), trademarks, service marks, trade names or other intellectual property (collectively, "Intellectual Property") necessary to carry on the business now operated by the Company, and the Company has not received any notice or is otherwise aware of any infringement of or conflict with asserted rights of others with respect to any Intellectual Property or of any facts or circumstances which would render any Intellectual Property invalid or inadequate to protect the interest of the Company therein, and which infringement or conflict (if the subject of any unfavorable decision, ruling or finding) or invalidity or inadequacy, singly or in the aggregate, would reasonably be expected to result in a Material Adverse Effect.

(xxv) Accounting Controls. The Company maintains a system of internal control over financial reporting (as defined under Rule 13a-15(f) and 15d-15(f) under the rules and regulations of the Commission under the Exchange Act (the "Exchange Act Regulations")) and a system of internal accounting controls sufficient to provide reasonable assurances that (A) transactions are executed in accordance with management's general or specific authorization; (B) transactions are recorded as necessary to permit preparation of financial statements in conformity with GAAP and to maintain accountability for assets; (C) access to the Company's consolidated assets is permitted only in accordance with management's general or specific authorization; and (D) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences. Except as described in the Registration Statement, the General Disclosure Package and the Prospectus, since the end of the Company's most recent audited fiscal year, there has been (1) no material weakness in the Company's internal control over financial reporting (whether or not remediated) and (2) no change in the Company's internal control over financial reporting that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting (it being understood that the Company is not as of the date hereof required to comply with the auditor attestation requirements under Section 404 of the Sarbanes Oxley Act of 2002).

(xxvi) Payment of Taxes. All United States federal income tax returns of the Company required by law to have been filed by the Company (taking into account any applicable extensions) have been filed and all taxes shown by such returns or otherwise assessed, which are due and payable, have been paid, or insofar as the failure to do so would not reasonably be expected, singly or in the aggregate, to result in a Material Adverse Effect. The United States federal income tax returns of the Company through the fiscal year ended December 31, 2020 have been filed and no assessment in connection therewith has been made against the Company. The Company has filed all other tax returns that are required to have been filed by the Company (taking into account any applicable extensions) pursuant to applicable foreign, state, local or other law and has paid all taxes due pursuant to such returns or pursuant to any assessment received by the Company, insofar as the failure to pay such taxes or file such returns would not reasonably be expected to result in a Material Adverse Effect. The charges, accruals and reserves on the books of the Company in respect of any income and corporation tax liability for any years not finally determined are adequate to meet any current assessments or re-assessments for additional income tax for any fiscal year not finally determined, except to the extent of any inadequacy that would not reasonably be expected to result in a Material Adverse Effect.

(xxvii) Insurance. The Company carries or is entitled to the benefits of insurance, with financially sound and reputable insurers, in such amounts and covering such risks as the Company reasonably believes is prudent, and all such insurance is in full force and effect. The Company has no reason to believe that it will not be able (A) to renew its existing insurance coverage as and when such policies expire or (B) to obtain comparable coverage from similar institutions as may be necessary or appropriate to conduct its business as now conducted and at a cost that would not reasonably be expected to result in a Material Adverse Effect.

(xxviii) Investment Company Act. The Company is not required, and upon the issuance and sale of the Securities as herein contemplated and the application of the net proceeds therefrom as described in the Prospectus will not be required, to register as a "management investment company" under the 1940 Act.

(xxix) Stabilization and Manipulation. The Company has not taken, nor will take, directly or indirectly, without giving effect to any activities by the Underwriters, any action designed, or that would reasonably be expected, to cause or result in, or that constitutes, any stabilization or manipulation of the price of the Stock, other than activity permitted pursuant to Rule 10b-18 under the Exchange Act.

(xxx) No Unlawful Payments. The Company or any director, officer or employee of the Company or, to the knowledge of the Company, any agent, affiliate or other person associated with or acting on behalf of the Company has not (i) used any corporate funds for any unlawful contribution, gift, entertainment or other unlawful expense relating to political activity; (ii) made or taken an act in furtherance of an offer, payment, promise or authorization of any direct or indirect unlawful payment or benefit to any foreign or domestic government official or employee, including of any government-owned or controlled entity or of a public international organization, or any person acting in an official capacity for or on behalf of any of the foregoing, or any political party or party official or candidate for political office, or any person in violation of any applicable anti-corruption laws; (iii) violated or is in violation of any provision of the Foreign Corrupt Practices Act of 1977, as amended (the "FCPA"), or any applicable law or regulation implementing the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, or committed an offence under the Bribery Act 2010 of the United Kingdom or any other applicable anti-bribery or anti-corruption law; or (iv) made, offered, agreed, requested or taken an act in furtherance of any unlawful bribe or other unlawful benefit, including, without limitation, any rebate, payoff, influence payment, kickback or other unlawful or improper payment or benefit. The Company has conducted its business in compliance with applicable anti-corruption laws and has instituted, maintain and enforce, and will continue to maintain and enforce policies and procedures designed to promote and ensure compliance with all applicable anti-bribery and anti-corruption laws and with the representations and warranties contained herein; and the Company will not use, directly or indirectly, the proceeds of the offering in furtherance of any offer payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any person in violation of any applicable anti-corruption laws.

(xxxi) Compliance with Anti-Money Laundering Laws. The operations of the Company are and have been conducted at all times in compliance with applicable financial recordkeeping and reporting requirements, including those of the Currency and Foreign Transactions Reporting Act of 1970, as amended by the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) ("USA Patriot Act"), the applicable money laundering statutes of all jurisdictions where the Company conducts business, the rules and regulations thereunder and any related or similar rules, regulations or guidelines issued, administered or enforced by any Governmental Entity (collectively, the "Anti-Money Laundering Laws") and no action, suit or proceeding by or before any Governmental Entity involving the Company with respect to the Anti-Money Laundering Laws is pending or, to the knowledge of the Company, threatened.

(xxxii) No Conflicts with Sanctions Laws. None of the Company or any of its directors, officers, or employees, or, to the knowledge of the Company, any agent, affiliate or other person associated with or acting on behalf of the Company, is an individual or entity that is, or is owned or controlled by one or more individuals or entities that are currently the subject or the target of any sanctions administered or enforced by the U.S. government, (including, without limitation, the Office of Foreign Assets Control of the U.S. Department of the Treasury ("OFAC") or the U.S. Department of State and including, without limitation, the designation as a "specially designated national" or "blocked person"), the United Nations Security Council ("UNSC"), the European Union, Her Majesty's Treasury ("HMT") or other relevant sanctions authority (collectively, "Sanctions"), nor is the Company or any of its directors, officers, or employees, or, to the knowledge of the Company, any agent, affiliate or other person associated with or acting on behalf of the Company, an individual or entity that is, or is owned or controlled by one or more individuals or entities that are located, organized or resident in a country or territory that is the subject or target of Sanctions, including, without limitation, Crimea, Cuba, Iran, North Korea and Syria (each, a "Sanctioned Country"); and the Company will not directly or indirectly use the proceeds of the offering of the Securities hereunder, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity (i) to fund or facilitate any activities of or business with any person that, at the time of such funding or facilitation, is the subject or target of Sanctions, (ii) to fund or facilitate any activities of or business in any Sanctioned Country or (iii) in any other manner that will result in a violation by any person (including any person participating in the transaction, whether as underwriter, advisor, investor or otherwise) of Sanctions. Since its inception, the Company has not knowingly engaged in, is not now knowingly engaged in, and will not engage in, any dealings or transactions with any person that at the time of the dealing or transaction is or was the subject or the target of Sanctions or with any Sanctioned Country.

(xxxiii) Lending Relationship. Except as disclosed in the Registration Statement, the General Disclosure Package and the Prospectus, the Company (i) does not have any material lending or other relationship with any bank or lending affiliate of any Underwriter and (ii) does not intend to use any of the proceeds from the sale of the Securities to repay any outstanding debt owed to any affiliate of any Underwriter.

(xxxiv) Statistical and Market-Related Data. Any statistical and market-related data included in the Registration Statement, the General Disclosure Package or the Prospectus are based on or derived from sources that the Company believes to be reliable and accurate and, to the extent required, the Company has obtained the written consent to the use of such data from such sources.

(xxxv) Ratings. The Company does not have any debt securities or preferred stock that are rated by any "nationally recognized statistical rating agency" (as that term is defined by the Commission for purposes of Section 3(a)(62) under the Exchange Act).

(xxxvi) Related Party Transactions. There are no business relationships or related party transactions involving the Company or any other person required to be described in the Registration Statement, the General Disclosure Package or the Prospectus which have not been described as required.

(xxxvii) Notification of Election. When the Notification of Election was filed with the Commission, it (A) contained all statements required to be stated therein in accordance with, and complied in all material respects with the requirements of, the 1940 Act and (B) did not include any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(xxxviii) Investment Management and Administration Agreements. (A) The terms of the Investment Management Agreement and Administration Agreement, including compensation terms, comply in all material respects with all applicable provisions of the 1940 Act, the 1940 Act Regulations and the Advisers Act and (B) the approvals by the board of directors and the stockholders of the Company of the Investment Management Agreement and Administration Agreement have been made in accordance with the requirements of Section 15(a) and (c) of the 1940 Act and the 1940 Act Regulations applicable to companies that have elected to be regulated as business development companies under the 1940 Act.

(xxxix) Interested Persons. Except as disclosed in the Registration Statement and the Prospectus (A) no person is serving or acting as an officer, director or investment adviser of the Company, except in accordance with the provisions of the 1940 Act and the Advisers Act, and (B) to the knowledge of the Company, no director of the Company is an "interested person" (as defined in the 1940 Act) of the Company or an "affiliated person" (as defined in the 1940 Act) of any of the Underwriters.

(xl) Business Development Company. (A) The Company has duly elected to be regulated by the Commission under the 1940 Act as a business development company, such election is effective and all required action has been taken by the Company under the Act and the 1940 Act to make the public offering and consummate the sale of the Securities as provided in this Agreement; (B) the provisions of the charter and bylaws of the Company, and the investment objectives, policies and restrictions described in the Prospectus, assuming they are implemented as described, will comply in all material respects with the requirements of the 1940 Act; and (C) the operations of the Company are in compliance in all material respects with the provisions of the 1940 Act and the 1940 Act Regulations applicable to business development companies.

(xli) No Extension of Credit. The Company has not, directly or indirectly, extended credit, agreed to extend credit, arranged to extend credit or renewed any extension of credit, in the form of a personal loan, to or for any director or executive officer of the Company, or to or for any family member or affiliate of any director or executive officer of the Company.

(xlii) Regulated Investment Company. The Company has elected to be treated, and has operated, and intends to continue to operate, its business in such a manner as to enable the Company to continue to qualify as a regulated investment company under Subchapter M of the Internal Revenue Code of 1986, as amended (the "Code"). The Company intends to direct the investment of the proceeds of the offering of the Securities in a manner as to comply with the requirements of Subchapter M of the Code.

(xliii) Cybersecurity; Data Protection. The Company's information technology assets and equipment, computers, systems, networks, hardware, software, websites, applications, and databases (collectively, "IT Systems") are adequate for, and operate and perform in all material respects as required in connection with the operation of the business of the Company as currently conducted, free and clear of all material bugs, errors, defects, Trojan horses, time bombs, malware and other corruptants. The Company has implemented and maintained commercially reasonable controls, policies, procedures, and safeguards to maintain and protect its material confidential information and the integrity, continuous operation, redundancy and security of all IT Systems and data (including all personal, personally identifiable, sensitive, confidential or regulated data ("Personal Data")) used in connection with the Company's businesses, and there have been no breaches, violations, outages or unauthorized uses of or accesses to same, except for those that have been remedied without material cost or liability or the duty to notify any other person, nor any incidents under internal review or investigations relating to the same. The Company is presently in material compliance with all applicable laws or statutes and all judgments, orders, rules and regulations of any court or arbitrator or governmental or regulatory authority, internal policies and contractual obligations relating to the privacy and security of IT Systems and Personal Data and to the protection of such IT Systems and Personal Data from unauthorized use, access, misappropriation or modification.

(b) *Representations and Warranties by the Adviser.* The Adviser represents to each Underwriter as of the date hereof, the Applicable Time, the Closing Time (as defined below) and any Date of Delivery (as defined below), and agrees with each Underwriter, as follows:

(i) No Material Adverse Change in Business. Except as otherwise stated therein, since the respective dates as of which information is given in the Registration Statement, the General Disclosure Package or the Prospectus, there has been no material adverse change in the condition, financial or otherwise, or in the earnings, business affairs, business prospects or regulatory status of the Adviser, whether or not arising in the ordinary course of business, or on the ability of the Adviser to carry out its obligations under this Agreement, the Investment Management Agreement or the Administration Agreement (collectively, an "Adviser Material Adverse Effect").

(ii) Good Standing. The Adviser has been duly organized and is validly existing as a limited liability company, in good standing under the laws of its state of organization and has limited liability company power and authority to own, lease and operate its properties and to conduct its business as described in the Registration Statement, the General Disclosure Package and the Prospectus and to enter into and perform its obligations under this Agreement; the Adviser has limited liability company power and authority to enter into and perform its obligations under the Investment Management Agreement; and the Adviser is duly qualified as a foreign entity to transact business and is in good standing in each other jurisdiction in which such qualification is required, whether by reason of the ownership or leasing of property or the conduct of business, except where the failure so to qualify or to be in good standing would not otherwise reasonably be expected to result in an Adviser Material Adverse Effect.

(iii) Registration Under Advisers Act. The Adviser is duly registered with the Commission as an investment adviser under the Advisers Act and is not prohibited by the Advisers Act or the 1940 Act from acting under the Investment Management Agreement for the Company as contemplated by the Registration Statement, the General Disclosure Package and the Prospectus. There does not exist any proceeding or, to the Adviser's knowledge, any facts or circumstances the existence of which could lead to any proceeding which might adversely affect the registration of the Adviser with the Commission.

(iv) Absence of Proceedings. Except as disclosed in the Registration Statement, the General Disclosure Package and the Prospectus, there is no action, suit, proceeding or, to the knowledge of the Adviser, inquiry or investigation before or brought by any arbitrator, court, governmental body, regulatory body, administrative agency or other authority, body or agency having jurisdiction over the Adviser or any of its properties, assets or operations now pending or, to the knowledge of the Adviser, threatened, against or affecting the Adviser, which is required to be disclosed in the Registration Statement (other than disclosed therein) or which would reasonably be expected to result in an Adviser Material Adverse Effect, or which would reasonably be expected to materially and adversely affect its properties or assets or the consummation of the transactions contemplated in this Agreement, the Investment Management Agreement or the Administration Agreement or the performance by the Adviser of its obligations hereunder or thereunder; and the aggregate of all pending legal or governmental proceedings to which the Adviser is a party or of which any of its properties or assets is the subject which are not described in the Registration Statement, the General Disclosure Package and the Prospectus, including ordinary routine litigation incidental to their business, would not reasonably be expected to result in an Adviser Material Adverse Effect.

(v) Absence of Violations, Defaults and Conflicts. The Adviser is not (A) in violation of its limited liability company agreement, (B) in default in the performance or observance of any obligation, agreement, covenant or condition contained in any contract, indenture, mortgage, deed of trust, loan or credit agreement, note, lease or other agreement or instrument to which the Adviser is a party or by which it may be bound or to which any of its properties or assets is subject (collectively, the "Adviser Agreements and Instruments"), except for such defaults that would not reasonably be expected, singly or in the aggregate, to result in an Adviser Material Adverse Effect, or (C) in violation of any applicable law, statute, rule, regulation, judgment, order, writ or decree of any arbitrator, court, governmental body, regulatory body, administrative agency or other authority, body or agency having jurisdiction over the Adviser or any of its properties, assets or operations, except for such violations that would not reasonably be expected, singly or in the aggregate, to result in an Adviser Material Adverse Effect. The execution, delivery and performance of this Agreement, the Investment Management Agreement and the Administration Agreement and the consummation of the transactions contemplated herein and therein and in the Registration Statement, the General Disclosure Package and the Prospectus (including the issuance and sale of the Securities and the use of the proceeds from the sale of the Securities as described therein under the caption "Use of Proceeds") and compliance by the Adviser with its obligations hereunder and under the Investment Management Agreement and Administration Agreement do not and will not, whether with or without the giving of notice or passage of time or both, conflict with or constitute a breach of, or default under, or result in the creation or imposition of any lien, charge or encumbrance upon any properties or assets of the Adviser or pursuant to, the Adviser Agreements and Instruments (except for such conflicts, breaches, defaults, events or conditions giving the holder of any note, debenture or other evidence of indebtedness (or any person acting on such holder's behalf) the right to require the repurchase, redemption or repayment of all or a portion of such indebtedness by the Adviser, or liens, charges or encumbrances that would not reasonably be expected, singly or in the aggregate, to result in an Adviser Material Adverse Effect), nor will such action result in any violation of the provisions of (a) the limited liability company agreement of the Adviser, or (b) any applicable law, statute, rule, regulation, judgment, order, writ or decree of any arbitrator, court, governmental body, regulatory body, administrative agency or other authority, body or agency having jurisdiction over the Adviser or any of its properties, assets or operations except, in the case of (b) above, for any violations that would not reasonably be expected, singly or in the aggregate, to result in an Adviser Material Adverse Effect.

(vi) Authorization of Agreements. This Agreement, the Investment Management Agreement and the Administration Agreement have each been duly authorized, executed and delivered by the Adviser. This Agreement and the Investment Management Agreement are valid and binding obligations of the Adviser, enforceable against it in accordance with their terms, except as the enforcement thereof may be subject to (i) bankruptcy, insolvency, reorganization, moratorium or other similar laws now or thereafter in effect relating to creditors' rights generally and (ii) general principles of equity and the discretion of the court before which any proceeding therefor may be brought.

(vii) Absence of Further Requirements. No filing with, or authorization, approval, consent, license, order, registration, qualification or decree of, any court or governmental authority or agency is necessary or required for the performance by the Adviser of its obligations hereunder, in connection with the offering, issuance or sale of the Securities hereunder or the consummation of the transactions contemplated by this Agreement or the Investment Management Agreement, except (A) such as have been already obtained or as may be required under the Act, the Act Regulations, the 1940 Act, the 1940 Act Regulations, the rules of the Nasdaq Global Select Market, state securities laws or the rules of FINRA and (B) where the failure to obtain any such filing, authorization, approval, consent, license, order, registration, qualification or decree would not reasonably be expected, singly or in the aggregate, to result in an Adviser Material Adverse Effect.

(viii) Description of Adviser. The description of the Adviser contained in the Registration Statement, the General Disclosure Package and the Prospectus does not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(ix) Possession of Licenses and Permits. The Adviser and its subsidiaries each possess such Governmental Licenses issued by the appropriate federal, state, local or foreign regulatory agencies or bodies necessary to conduct the business now operated by them, except where the failure so to possess would not reasonably be expected, singly or in the aggregate, to result in an Adviser Material Adverse Effect. The Adviser and its subsidiaries are in compliance with the terms and conditions of all such Governmental Licenses, except where the failure so to comply would not reasonably be expected, singly or in the aggregate, to result in an Adviser Material Adverse Effect. All of the Governmental Licenses are valid and in full force and effect, except when the invalidity of such Governmental Licenses or the failure of such Governmental Licenses to be in full force and effect would not reasonably be expected, singly or in the aggregate, to result in an Adviser Material Adverse Effect. The Adviser and its subsidiaries have not received any notice of proceedings relating to the revocation or modification of any such Governmental Licenses which, singly or in the aggregate, if the subject of an unfavorable decision, ruling or finding, would reasonably be expected to result in an Adviser Material Adverse Effect.

(x) Stabilization and Manipulation. The Adviser has not taken, nor will take, directly or indirectly, without giving effect to any activities by the Underwriters, any action designed, or that would reasonably be expected, to cause or result in, or which constitutes, the stabilization or manipulation of the price of the Securities, other than activity permitted pursuant to Rule 10b-18 under the Exchange Act.

(xi) No Unlawful Payments. Neither the Adviser nor any of its subsidiaries nor any director, officer or employee of the Adviser or any of its subsidiaries nor, to the knowledge of the Adviser, any agent, affiliate or other person associated with or acting on behalf of the Adviser or any of its subsidiaries has (i) used any corporate funds for any unlawful contribution, gift, entertainment or other unlawful expense relating to political activity; (ii) made or taken an act in furtherance of an offer, payment, promise or authorization of any direct or indirect unlawful payment or benefit to any foreign or domestic government official or employee, including of any government-owned or controlled entity or of a public international organization, or any person acting in an official capacity for or on behalf of any of the foregoing, or any political party or party official or candidate for political office, or any person in violation of any applicable anti-corruption laws; (iii) violated or is in violation of any provision of the FCPA or any applicable law or regulation implementing the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, or committed an offence under the Bribery Act 2010 of the United Kingdom or any other applicable anti-bribery or anti-corruption law; or (iv) made, offered, agreed, requested or taken an act in furtherance of any unlawful bribe or other unlawful benefit, including, without limitation, any rebate, payoff, influence payment, kickback or other unlawful or improper payment or benefit. The Adviser and its subsidiaries have conducted their business in compliance with applicable anti-corruption laws and have instituted, maintain and enforce, and will continue to maintain and enforce policies and procedures designed to promote and ensure compliance with all applicable anti-bribery and anti-corruption laws and with the representations and warranties contained herein; and the Adviser and its subsidiaries will not use, directly or indirectly, the proceeds of the offering in furtherance of any offer payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any person in violation of any applicable anti-corruption laws.

(xii) Compliance with Anti-Money Laundering Laws. The operations of the Adviser and its subsidiaries are and have been conducted at all times in compliance with applicable financial recordkeeping and reporting requirements of the Anti-Money Laundering Laws; and no action, suit or proceeding by or before any Governmental Entity or other authority, body or agency having jurisdiction over the Adviser or its subsidiaries or any of their properties, assets or operations involving the Adviser or its subsidiaries with respect to the Anti-Money Laundering Laws is pending or, to the best knowledge of the Adviser, threatened.

(xiii) No Conflicts with Sanctions Laws. Neither the Adviser nor any of its subsidiaries or, to the knowledge of the Adviser, any agent, affiliate or other person associated with or acting on behalf of the Adviser or any of its subsidiaries is an individual or entity that is, or is owned or controlled by one or more individuals or entities that are currently the subject or the target of any Sanctions, nor is the Adviser or any its subsidiaries located, organized or resident in a Sanctioned Country. For the past five years, the Adviser has not knowingly engaged in, is not now knowingly engaged in, and will not engage in, any dealings or transactions with any person that at the time of the dealing or transaction is or was the subject or the target of Sanctions or with any Sanctioned Country.

(xiv) Key Employees. The Adviser is not aware that (i) any of the executive officers, key employees or significant group of employees that provide services to the Company pursuant to the Investment Management Agreement or Administration Agreement plans to terminate employment with the Adviser or (ii) any such executive officer or key employee is subject to any noncompete, nondisclosure, confidentiality, employment, consulting or similar agreement that would be violated by either the Adviser's present or proposed business activities, except, in each case, as would not reasonably be expected, singly or in the aggregate, to result in an Adviser Material Adverse Effect.

(xv) No Labor Disputes. No labor disturbance by or dispute with employees of the Adviser or any of its subsidiaries that provide services to the Company pursuant to the Investment Management Agreement or Administration Agreement exists or, to the knowledge of the Adviser, is contemplated or threatened, and the Adviser is not aware of any existing or imminent labor disturbance by, or dispute with, the employees, except in each case as would not reasonably be expected to result in an Adviser Material Adverse Effect.

(xvi) Accounting Controls. The Adviser maintains a system of internal accounting controls sufficient to provide reasonable assurance that (A) transactions effectuated by it under the Investment Management Agreement are executed in accordance with its management's general or specific authorization; (B) access to the Company's consolidated assets that are in its possession or control is permitted only in accordance with its management's general or specific authorization; (C) transactions for which it has bookkeeping and record-keeping responsibility under the Investment Management Agreement are recorded as necessary to permit preparation of the Company's financial statements in conformity with GAAP and to maintain financial statements in conformity with GAAP and to maintain accountability for the Company's assets and (D) the recorded accountability for such assets is compared with existing assets at reasonable intervals and appropriate action is taken with respect to any differences.

(xvii) Financial Resources. The Adviser has the financial resources available to it necessary for the performance of its services and obligations as contemplated by the Registration Statement, the General Disclosure Package, the Prospectus and the Investment Management Agreement.

(c) *Officer's Certificates.* Any certificate signed by any officer of the Company or the Adviser delivered to the Representatives or to counsel for the Underwriters shall be deemed a representation and warranty by the Company or the Adviser, as applicable, to each Underwriter as to the matters covered thereby.

SECTION 2. Sale and Delivery to Underwriters; Closing.

(a) *Initial Securities.* On the basis of the representations and warranties herein contained and subject to the terms and conditions herein set forth, the Company agrees to sell to each Underwriter, severally and not jointly, and each Underwriter, severally and not jointly, agrees to purchase from the Company, at the price per share set forth in Schedule A, that number of Initial Securities set forth in Schedule A opposite the name of such Underwriter, plus any additional number of Initial Securities which such Underwriter may become obligated to purchase pursuant to the provisions of Section 10 hereof, subject, in each case, to such adjustments among the Underwriters as the Representatives in their sole discretion shall make to eliminate any sales or purchases of fractional shares.

(b) *Option Securities.* In addition, on the basis of the representations and warranties herein contained and subject to the terms and conditions herein set forth, the Company hereby grants an option to the Underwriters, severally and not jointly, to purchase up to an additional [•] shares of Common Stock, as may be necessary to cover overallotments made in connection with the offering of the Initial Securities, at the price per share set forth in Schedule A, less an amount per share equal to any dividends or distributions declared by the Company and payable on the Initial Securities but not payable on the Option Securities. The option hereby granted may be exercised for 30 days after the date hereof and may be exercised in whole or in part at any time from time to time upon notice by the Representatives to the Company setting forth the number of Option Securities as to which the several Underwriters are then exercising the option and the time and date of payment and delivery for such Option Securities. Any such time and date of delivery (a "Date of Delivery") shall be determined by the Representatives, and may be the same date as the Closing Time, but shall not be later than seven full business days after the exercise of said option, nor in any event prior to the Closing Time (unless such time and date are postponed in accordance with Section 10 hereof). If the option is exercised as to all or any portion of the Option Securities, each of the Underwriters, acting severally and not jointly, will purchase that proportion of the total number of Option Securities then being purchased which the number of Initial Securities set forth in Schedule A opposite the name of such Underwriter bears to the total number of Initial Securities, subject, in each case, to such adjustments as the Representatives in their sole discretion shall make to eliminate any sales or purchases of fractional shares.

(c) *Payment.* Payment of the initial public offering price for the Initial Securities (less the underwriting discount) by the Underwriters to the Company (in the amount set forth in Schedule A), and delivery of the Initial Securities, shall be made at the offices of Ropes & Gray LLP, 1211 Avenue of the Americas, New York, NY 10036 or at such other place as shall be agreed upon by the Representatives and the Company, at 9:00 A.M. (New York City time) on the third (fourth, if the pricing occurs after 4:30 P.M. (New York City time) on any given day) business day after the date hereof (unless postponed in accordance with the provisions of Section 10), or such other time not later than ten business days after such date as shall be agreed upon by the Representatives and the Company (such time and date of payment and delivery being herein called "Closing Time").

In addition, in the event that any or all of the Option Securities are purchased by the Underwriters, payment of the initial public offering price for the Option Securities (less the underwriting discount) by the Underwriters to the Company (in the amount set forth in Schedule A), and delivery of the Option Securities, shall be made at the above-mentioned offices, or at such other place as shall be agreed upon by the Representatives and the Company, on each Date of Delivery as specified in the notice from the Representatives to the Company.

Payment of the initial public offering price (less the underwriting discount) shall be made to the Company by wire transfer of immediately available funds to a bank account designated by the Company against delivery to the Representatives through the facilities of the Depository Trust Company for the respective accounts of the Underwriters of the Securities to be purchased by them. It is understood that each Underwriter has authorized the Representatives, for its account, to accept delivery of, receipt for, and make payment of the purchase price for, the Initial Securities and the Option Securities, if any, which it has agreed to purchase. The Representatives may (but shall not be obligated to) make payment of the purchase price for the Initial Securities or the Option Securities, if any, to be purchased by any Underwriter whose funds have not been received by the Closing Time or the relevant Date of Delivery, as the case may be, but such payment shall not relieve such Underwriter from its obligations hereunder.

SECTION 3. Covenants of the Company. The Company covenants with each Underwriter as follows:

(a) *Compliance with Securities Regulations and Commission Requests.* The Company, subject to Section 3(b), will comply with the requirements of Rule 430A, will file any Issuer Free Writing Prospectus to the extent required by Rule 433 under the Act, and will notify the Representatives immediately, and confirm the notice in writing, (i) when any post-effective amendment to the Registration Statement shall become effective or any amendment or supplement to the Prospectus shall have been filed, (ii) of the receipt of any comments from the Commission, (iii) of any request by the Commission for any amendment to the Registration Statement or any amendment or supplement to the Rule 482 Material, Prospectus, or for additional information, (iv) of the issuance by the Commission of any stop order suspending the effectiveness of the Registration Statement or any post-effective amendment or of any order preventing or suspending the use of any preliminary prospectus, the Rule 482 Material or the Prospectus, or of the suspension of the qualification of the Securities for offering or sale in any jurisdiction, or of the initiation or threatening of any proceedings for any of such purposes or pursuant to Section 8A of the Act or of any examination pursuant to Section 8(d) or 8(e) of the Act concerning the Registration Statement and (v) if the Company becomes the subject of a proceeding under Section 8A of the Act in connection with the offering of the Securities. The Company will effect all filings required under Rule 424(b) within the time period required by Rule 424(b), and will take such steps as it deems necessary to ascertain promptly whether the form of prospectus transmitted for filing under Rule 424(b) was received for filing by the Commission and, in the event that it was not, it will promptly file such prospectus. The Company will use its commercially reasonable efforts to prevent the issuance of any stop order, prevention or suspension and, if any such order is issued, to obtain the lifting thereof at the earliest possible moment.

(b) *Continued Compliance with Securities Laws.* The Company will use its commercially reasonable efforts to comply with the Act and the Act Regulations so as to permit the completion of the distribution of the Securities as contemplated in this Agreement and in the Registration Statement, the General Disclosure Package and the Prospectus. If at any time when a prospectus relating to the Securities is required by the Act to be delivered in connection with sales of the Securities, any event shall occur or condition shall exist as a result of which it is necessary, in the opinion of counsel for the Underwriters or for the Company, to (i) amend the Registration Statement in order that the Registration Statement will not include an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading, (ii) amend or supplement the Rule 482 Material, General Disclosure Package or the Prospectus in order that the Rule 482 Material, General Disclosure Package or the Prospectus, as the case may be, will not include any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein not misleading in the light of the circumstances existing at the time it is delivered to a purchaser or (iii) amend the Registration Statement or amend or supplement the Rule 482 Material, General Disclosure Package or the Prospectus, as the case may be, in order to comply with the requirements of the Act or the Act Regulations, the Company will promptly (A) give the Representatives notice of such event, (B) prepare any amendment or supplement as may be necessary to correct such statement or omission or to make the Registration Statement, the Rule 482 Material, the General Disclosure Package or the Prospectus comply with such requirements and, a reasonable amount of time prior to any proposed filing or use, furnish the Representatives with copies of any such amendment or supplement and (C) file with the Commission any such amendment or supplement; provided that the Company shall not file or use any such amendment or supplement to which the Representatives or counsel for the Underwriters shall reasonably object. The Company will furnish to the Underwriters such number of copies of such amendment or supplement as the Underwriters may reasonably request. The Company has given the Representatives notice of any filings made pursuant to the Exchange Act or Exchange Act Regulations within 48 hours prior to the Applicable Time; the Company will give the Representatives notice of its intention to make any such filing from the Applicable Time to the Closing Time and will furnish the Representatives with copies of any such documents a reasonable amount of time prior to such proposed filing or use, as the case may be, and will not file or use any such document to which the Representatives or counsel for the Underwriters shall reasonably object.

(c) *Delivery of Commission Filings.* The Company has furnished or, upon written request of the Representatives, will deliver to the Representatives and counsel for the Underwriters, without charge, conformed copies of (i) the Notification of Election and (ii) the Registration Statement, each as originally filed, and of each amendment thereto (including exhibits filed therewith) and conformed copies of all consents and certificates of experts, and will also deliver to the Representatives, without charge, a conformed copy of the Notification of Election and the Registration Statement as originally filed and of each amendment thereto (without exhibits) for each of the Underwriters. The copies of the Notification of Election and Registration Statement and each amendment thereto furnished to the Underwriters will be identical to the electronically transmitted copies thereof filed with the Commission pursuant to EDGAR, except to the extent permitted by Regulation S-T.

(d) *Delivery of Prospectuses.* The Company has delivered to each Underwriter, without charge, as many copies of each preliminary prospectus as such Underwriter reasonably requested, and the Company hereby consents to the use of such copies for purposes permitted by the Act. The Company will furnish to each Underwriter, without charge, during the period when a prospectus relating to the Securities is required to be delivered under the Act, such number of copies of the Rule 482 Material, the Prospectus (as amended or supplemented) and each Issuer Free Writing Prospectus as such Underwriter may reasonably request. The Rule 482 Material, the Prospectus and any amendments or supplements thereto and each Issuer Free Writing Prospectus furnished to the Underwriters will be identical to the electronically transmitted copies thereof filed with the Commission pursuant to EDGAR, except to the extent permitted by Regulation S-T.

(e) *Blue Sky Qualifications.* The Company will use its commercially reasonable efforts, in cooperation with the Underwriters, to qualify the Securities for offering and sale under the applicable securities laws of such states and other jurisdictions (domestic or foreign) as the Representatives may designate and to maintain such qualifications in effect so long as reasonably required to complete the distribution of the Securities; provided, however, that the Company shall not be obligated to file any general consent to service of process or to qualify as a foreign corporation or as a dealer in securities in any jurisdiction in which it is not so qualified or to subject itself to taxation in respect of doing business in any jurisdiction in which it is not otherwise so subject.

(f) *Rule 158.* The Company will make generally available to its securityholders as soon as practicable an earnings statement that satisfies the provisions of Section 11(a) of the Act and Rule 158 of the Commission promulgated thereunder covering a period of at least twelve months beginning with the first fiscal quarter of the Company occurring after the "effective date" (as defined in Rule 158) of the Registration Statement; provided that the Company will be deemed to have complied with such request by filing such an earnings statement on EDGAR.

(g) *Use of Proceeds.* The Company will apply the net proceeds from the sale of the Securities as described in each of the Registration Statement, the General Disclosure Package and the Prospectus under the heading "Use of proceeds".

(h) *Listing.* The Company will use its commercially reasonable efforts to effect and maintain the listing of the Common Stock (including the Securities) on the Nasdaq Global Select Market.

(i) *Restriction on Sale of Securities.* For a period of 180 days after the date of the Prospectus, the Company will not, and will not publicly disclose the intention to, (i) offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend, or otherwise transfer or dispose of, directly or indirectly, or submit to, or file with, the Commission a registration statement under the Act relating to, any shares of Stock or any securities convertible into or exercisable or exchangeable for Stock or (ii) enter into any swap or other agreement that transfers, in whole or in part, any of the economic consequences of ownership of the Stock or any such other securities, whether any such transaction described in clause (i) or (ii) above is to be settled by delivery of Stock or such other securities, in cash or otherwise, without the prior written consent of the Representatives, other than the Securities to be sold hereunder.

The restrictions described above do not apply to (i) the issuance of shares of Stock or securities convertible into or exercisable for shares of Stock pursuant to the conversion or exchange of convertible or exchangeable securities or the exercise of warrants or options (including net exercise) or the settlement of restricted stock units (including net settlement) ("RSUs"), in each case outstanding on the date of this Agreement and described in the Prospectus; or (ii) grants of stock options, stock awards, restricted stock, RSUs, or other equity awards and the issuance of shares of Stock or securities convertible into or exercisable or exchangeable for shares of stock (whether upon the exercise of stock options or otherwise) to the Company's employees, officers, directors, advisors, or consultants pursuant to the terms of an equity compensation plan in effect as of the Closing Time and described in the Prospectus, provided that such recipients enter into a lock-up agreement with the Underwriters.

(j) *Reporting Requirements.* The Company, during the period when a Prospectus relating to the Securities is required to be delivered under the Act, has and will file all documents required to be filed with the Commission pursuant to the Exchange Act within the time periods required by the Exchange Act and Exchange Act Regulations.

(k) *Business Development Company Status.* The Company, during the period of at least two years from the effective date of the Company's Registration Statement, will use its commercially reasonably efforts to maintain its status as a business development company; provided, however, the Company may cease to be, or withdraw its election as, a business development company, with the approval of the board of directors and a vote of stockholders as required by Section 58 of the 1940 Act or any successor provision.

(l) *Regulated Investment Company Status.* The Company will use its commercially reasonable efforts to maintain its qualification as a regulated investment company under Subchapter M of the Code for each full fiscal year during which it is a business development company under the 1940 Act.

(m) *Annual Compliance Reviews.* The Company will retain qualified accountants and qualified tax experts to (i) test procedures and conduct annual compliance reviews designed to determine compliance with the regulated investment company provisions of the Code and (ii) otherwise assist the Company in monitoring appropriate accounting systems and procedures designed to determine compliance with the regulated investment company provisions of the Code.

(n) *Accounting Controls.* The Company will use commercially reasonable efforts to establish and maintain a system of internal accounting controls sufficient to provide reasonable assurances that (A) transactions are executed in accordance with management's authorization; (B) transactions are recorded as necessary to permit preparation of financial statements in conformity with GAAP and to maintain accountability for assets; (C) access to the Company's consolidated assets is permitted only in accordance with management's authorization; (D) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences; (E) material information relating to the Company and the assets managed by the Adviser is promptly made known to the officers responsible for establishing and maintaining the system of internal accounting controls; and (F) any significant deficiencies or weaknesses in the design or operation of internal accounting controls that could adversely affect the Company's ability to record, process, summarize and report financial data, and any fraud whether or not material that involves management or other employees who have a significant role in internal controls, are adequately and promptly disclosed to the Company's independent auditors and the audit committee of the Company's board of directors.

(o) *Disclosure Controls*. The Company will use commercially reasonable efforts to establish and employ disclosure controls and procedures that are designed to ensure that information required to be disclosed by the Company in the reports that it files or submits under the 1934 Act is recorded, processed, summarized and reported, within the time periods specified in the Commission's rules and forms, and is accumulated and communicated to the Company's management, including its principal executive officer or officers and principal financial officer or officers, as appropriate to allow timely decisions regarding disclosure.

(p) *Emerging Growth Company Status.* The Company will promptly notify the Representatives if the Company ceases to be an Emerging Growth Company at any time prior to the later of (i) completion of the distribution of the Securities within the meaning of the Act and (ii) completion of the 180-day restricted period referred to in Section 3(i).

SECTION 4. Payment of Expenses.

(a) *Expenses.* The Company will pay or cause to be paid all expenses incident to the performance of its obligations under this Agreement, including (i) the preparation, printing and filing of the Registration Statement (including financial statements and exhibits) as originally filed and each amendment thereto, (ii) the preparation, printing and delivery to the Underwriters of copies of each preliminary prospectus, the Rule 482 Material, the Prospectus, any Issuer Free Writing Prospectus and any amendments or supplements thereto and any costs associated with electronic delivery of any of the foregoing by the Underwriters to investors, (iii) the preparation, issuance and delivery of the certificates for the Securities to the Underwriters, including any stock or other transfer taxes and any stamp or other duties payable upon the sale, issuance or delivery of the Securities to the Underwriters, (iv) the fees and disbursements of the Company's and the Adviser's counsel, accountants and other advisors, (v) the qualification of the Securities under securities laws in accordance with the provisions of Section 3(e) hereof, (vi) the fees and expenses of any transfer agent or registrar for the Securities, (vii) the costs and expenses of the Company relating to investor presentations on any "road show" undertaken in connection with the marketing of the Securities, including without limitation, reasonable and documented expenses associated with travel, the production of road show slides and graphics, fees and expenses of any consultants engaged in connection with the road show presentations, provided, however, that the Underwriters shall be responsible for 50% of the cost of aircraft and other transportation chartered in connection with the road show (viii) the filing fees incident to, and the reasonable fees and disbursements of counsel to the Underwriters in connection with, the review by FINRA of the terms of the sale of the Securities, (ix) the fees and expenses incurred in connection with the listing of the Securities on the Nasdaq Global Select Market and (x) the costs and expenses (including, without limitation, any damages or other amounts payable in connection with legal or contractual liability) associated with the reforming of any contracts for sale of the Securities made by the Underwriters caused by a breach of the representation contained in the third sentence of Section 1(a)(ii).

(b) *Termination of Agreement.* If (i) this Agreement is terminated pursuant to Section 9, (ii) the Company for any reason fails to tender the Securities for delivery to the Underwriters or (iii) the Underwriters decline to purchase the Securities for any reason permitted under this Agreement, the Company agrees to reimburse the Underwriters for all out-of-pocket costs and expenses (including reasonably incurred and documented fees and expenses of their counsel) reasonably incurred by the Underwriters in connection with this Agreement and the offering contemplated hereby.

SECTION 5. Conditions of Underwriters' Obligations. The obligations of the several Underwriters hereunder are subject to the accuracy of the representations and warranties of the Company and the Adviser contained herein or in certificates of any officer of the Company or the Adviser delivered pursuant to the provisions hereof, to the performance by the Company and the Adviser of their respective covenants and other obligations hereunder, and to the following further conditions:

(a) *Effectiveness of Registration Statement; Rule 430A Information.* The Registration Statement, including any Rule 462(b) Registration Statement, has become effective and, at the Closing Time, no stop order suspending the effectiveness of the Registration Statement or any post-effective amendment thereto has been issued under the Act, no order preventing or suspending the use of any preliminary prospectus or the Prospectus has been issued and no proceedings for any of those purposes or pursuant to Section 8A under the Act have been instituted or are pending or, to the Company's knowledge, contemplated; and the Company has complied with each request (if any) from the Commission for additional information in connection with the Registration Statement. A prospectus containing the Rule 430A Information shall have been filed with the Commission in accordance with Rule 424(b) or a post-effective amendment providing such information shall have been filed with, and declared effective by, the Commission in accordance with the requirements of Rule 430A.

(b) *Opinions of Counsel for Company.* At the Closing Time, the Representatives shall have received the favorable opinions, dated the Closing Time, of Eversheds Sutherland (US) LLP, counsel for the Company, in each case, in form and substance reasonably satisfactory to counsel for the Underwriters, together with signed or reproduced copies of such letters for each of the other Underwriters to the effect set forth in Exhibit A-1 and Exhibit A-2 hereto and to such further effect as counsel to the Underwriters may reasonably request. Such counsels may state that insofar as such opinions involve factual matters, they have relied upon certificates of officers of the Company and certificates of public officials.

(c) *Opinion of Counsel for Underwriters.* At the Closing Time, the Representatives shall have received the favorable opinion, dated the Closing Time, of Ropes & Gray LLP, counsel for the Underwriters, together with signed or reproduced copies of such letter for each of the other Underwriters with respect to the sale of the Securities and other related matters as the Representatives may require. In giving such opinion such counsel may rely, as to all matters governed by the laws of jurisdictions other than the law of the State of New York and the federal securities laws of the United States, upon the opinions of counsel satisfactory to the Representatives. Such counsel may also state that, insofar as such opinion involves factual matters, they have relied, to the extent they deem proper, upon certificates of officers and other representatives of the Company and certificates of public officials.

(d) *Officers' Certificates.*

(i) At the Closing Time, there shall not have been, since the date hereof or since the respective dates as of which information is given in the Registration Statement, the General Disclosure Package or the Prospectus, any material adverse change in the condition, financial or otherwise, or in the earnings, business affairs or business prospects of the Company, whether or not arising in the ordinary course of business, and the Representatives shall have received a certificate of (i) the chief executive officer or the president of the Company and (ii) the chief financial or chief accounting officer of the Company, dated the Closing Time, to the effect that (A) there has been no such material adverse change, (B) the representations and warranties of the Company in Section 1(a) of this Agreement are true and correct with the same force and effect as though expressly made at and as of the Closing Time, (C) the Company has complied with all agreements and satisfied all conditions on its part to be performed or satisfied at or prior to the Closing Time, and (D) no stop order suspending the effectiveness of the Registration Statement under the Act has been issued, no order preventing or suspending the use of any preliminary prospectus or the Prospectus has been issued and no proceedings for any of those purposes have been instituted or are pending or, to their knowledge, contemplated by the Commission.

(ii) At the Closing Time, there shall not have been, since the date hereof or since the respective dates as of which information is given in the Prospectus, an Adviser Material Adverse Effect, and the Representatives shall have received a certificate of the chief executive officer or the president and the chief financial or chief accounting officer of the Adviser, dated the Closing Time, to the effect that (A) there has been no such Adviser Material Adverse Effect, (B) the representations and warranties of the Adviser in Section 1(b) of this Agreement are true and correct with the same force and effect as though expressly made at and as of the Closing Time and (C) the Adviser has complied with all agreements and satisfied all conditions on their part to be performed or satisfied at or prior to the Closing Time.

(e) *Accountant's Comfort Letter.* At the time of the execution of this Agreement, the Representatives shall have received from RSM US LLP ("RSM") a letter, dated such date, in form and substance satisfactory to the Representatives, together with signed or reproduced copies of such letter for each of the other Underwriters containing statements and information of the type ordinarily included in accountants' "comfort letters" to underwriters with respect to the financial statements and certain financial information contained in the Registration Statement, the General Disclosure Package and the Prospectus.

(f) *Bring-down Comfort Letter.* At the Closing Time, the Representatives shall have received from RSM a letter, dated as of the Closing Time, to the effect that they reaffirm the statements made in the letter furnished pursuant to subsection (e) of this Section, except that the specified date referred to shall be a date not more than three business days prior to the Closing Time.

(g) *Approval of Listing.* At the Closing Time, the Securities shall have been approved for listing on the Nasdaq Global Select Market, subject only to official notice of issuance.

(h) *No Objection.* FINRA has confirmed that it has not raised any objection with respect to the fairness and reasonableness of the underwriting terms and arrangements relating to the offering of the Securities.

(i) *Lock-up Agreements.* At the date of this Agreement, the Representatives shall have received an agreement substantially in the form of Exhibit B hereto signed by the persons listed on Schedule C hereto.

(j) *Conditions to Purchase of Option Securities.* In the event that the Underwriters exercise their option provided in Section 2(b) hereof to purchase all or any portion of the Option Securities, the representations and warranties of the Company and the Adviser contained herein and the statements in any certificates furnished by the Company and the Adviser hereunder shall be true and correct as of each Date of Delivery and, at the relevant Date of Delivery, the Representatives shall have received:

(i) Officers' Certificates.

(A) A certificate, dated such Date of Delivery, of the chief executive officer or the president or a vice president of the Company and of the chief financial or chief accounting officer of the Company confirming that the certificate delivered at the Closing Time pursuant to Section 5(d)(i) hereof remains true and correct as of such Date of Delivery.

(B) A certificate, dated such Date of Delivery, of the chief executive officer or the president or a vice president and the chief financial or chief accounting officer of the Adviser confirming that the certificates delivered at the Closing Time pursuant to Section 5(d)(ii) hereof remain true and correct as of such Date of Delivery.

(ii) Opinion of Counsel for Company. If requested by the Representatives, the favorable opinions of Eversheds Sutherland (US) LLP, counsel for the Company, in form and substance satisfactory to counsel for the Underwriters, dated such Date of Delivery, relating to the Option Securities to be purchased on such Date of Delivery and otherwise to the same effect as the opinions required by Section 5(b) hereof.

(iii) Opinion of Counsel for Underwriters. If requested by the Representatives, the favorable opinion of Ropes & Gray LLP, counsel for the Underwriters, dated such Date of Delivery, relating to the Option Securities to be purchased on such Date of Delivery and otherwise to the same effect as the opinion required by Section 5(c) hereof.

(iv) Bring-down Comfort Letter. If requested by the Representatives, a letter from RSM, in form and substance satisfactory to the Representatives and dated such Date of Delivery, substantially in the same form and substance as the letter furnished to the Representatives pursuant to Section 5(f) hereof, except that the "specified date" in the letter furnished pursuant to this paragraph shall be a date not more than three business days prior to such Date of Delivery.

(k) *Additional Documents.* At the Closing Time and at each Date of Delivery (if any) counsel for the Underwriters shall have been furnished with such documents and opinions as they may reasonably require for the purpose of enabling them to pass upon the issuance and sale of the Securities as herein contemplated, or in order to evidence the accuracy of any of the representations or warranties, or the fulfillment of any of the conditions, herein contained; and all proceedings taken by the Company and the Adviser in connection with the issuance and sale of the Securities as herein contemplated shall be satisfactory in form and substance to the Representatives and counsel for the Underwriters.

(l) *Termination of Agreement.* If any condition specified in this Section shall not have been fulfilled when and as required to be fulfilled, this Agreement, or, in the case of any condition to the purchase of Option Securities on a Date of Delivery which is after the Closing Time, the obligations of the several Underwriters to purchase the relevant Option Securities, may be terminated by the Representatives by notice to the Company at any time at or prior to Closing Time or such Date of Delivery, as the case may be, and such termination shall be without liability of any party to any other party except as provided in Section 4 and except that Sections 1, 6, 7, 8, 14, 15 and 16 survive any such termination and remain in full force and effect.

SECTION 6. Indemnification.

(a) *Indemnification of Underwriters by the Company and the Adviser.* The Company and the Adviser, severally and not jointly, agree to indemnify and hold harmless each Underwriter, its affiliates (as such term is defined in Rule 501(b) under the Act (each, an "Affiliate")), its selling agents and each person, if any, who controls any Underwriter within the meaning of Section 15 of the Act or Section 20 of the Exchange Act as follows:

(i) against any and all loss, liability, claim, damage and expense whatsoever, as incurred, arising out of or based upon any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement (or any amendment thereto), including any Rule 430A Information, or the omission or alleged omission therefrom of a material fact required to be stated therein or necessary to make the statements therein not misleading or arising out of or based upon any untrue statement or alleged untrue statement of a material fact included (A) in any preliminary prospectus, Rule 482 Material, the General Disclosure Package, any Issuer Free Writing Prospectus, any Testing-the-Waters Communication or the Prospectus (or any amendment or supplement thereto), or (B) in any road show as defined in Rule 433(h) under the Act (a "road show"), or the omission or alleged omission in any preliminary prospectus, the Prospectus, any Issuer Free Writing Prospectus, any Testing-the-Waters Communication, any road show or the General Disclosure Package of a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(ii) against any and all loss, liability, claim, damage and expense whatsoever, as incurred, to the extent of the aggregate amount paid in settlement of any litigation, or any investigation or proceeding by any governmental agency or body, commenced or threatened, or of any claim whatsoever arising out of or based upon any such untrue statement or omission, or any such alleged untrue statement or omission; provided that (subject to Section 6(d) below) any such settlement is effected with the written consent of the Company;

(iii) against any and all expense whatsoever, as incurred (including the reasonably incurred and documented legal fees and disbursements of counsel (chosen in accordance with the procedures described in Section 6(c) below)), reasonably incurred in investigating, preparing or defending against any litigation, or any investigation or proceeding by any governmental agency or body, commenced or threatened, or any claim whatsoever arising out of or based upon any such untrue statement or omission, or any such alleged untrue statement or omission, to the extent that any such expense is not paid under (i) or (ii) above;

provided, however, that this indemnity agreement shall not apply to any loss, liability, claim, damage or expense to the extent arising out of or based upon any untrue statement or omission or alleged untrue statement or omission made in the Registration Statement (or any amendment thereto), including any Rule 430A Information, any preliminary prospectus, the General Disclosure Package or the Prospectus (or any amendment or supplement thereto) in reliance upon and in conformity with the Underwriter Information, and provided, further, that the Adviser's indemnity agreement shall only apply to statements described in (i) above regarding the Adviser.

(b) *Indemnification of Company, Directors, Officers and Adviser.* Each Underwriter severally agrees to indemnify and hold harmless the Company, the Adviser, their directors, each of the Company's officers who signed the Registration Statement and each person, if any, who controls the Company or the Adviser within the meaning of Section 15 of the Act or Section 20 of the Exchange Act against any and all loss, liability, claim, damage and expense described in the indemnity contained in subsection (a) of this Section, as incurred, but only with respect to untrue statements or omissions, or alleged untrue statements or omissions, made in the Registration Statement (or any amendment thereto), including any Rule 430A Information, the General Disclosure Package, any Issuer Free Writing Prospectus any Testing-the-Waters Communication, Rule 482 Material or the Prospectus (or any amendment or supplement thereto) in reliance upon and in conformity with the Underwriter Information.

(c) *Actions against Parties; Notification.* Each indemnified party shall give notice as promptly as reasonably practicable to each indemnifying party of any action commenced against it in respect of which indemnity may be sought hereunder, but failure to so notify an indemnifying party shall not relieve such indemnifying party from any liability hereunder to the extent it is not materially prejudiced (through the forfeiture of substantive rights and defenses) as a result thereof and in any event shall not relieve it from any liability which it may have otherwise than on account of this indemnity agreement. In the case of parties indemnified pursuant to Section 6(a) above, the Company shall retain counsel reasonably satisfactory to the Representatives (who shall not, without the consent of the Representatives, be counsel to the Company) to represent the Representatives in such proceeding and shall pay the reasonably incurred and documented fees and expenses of such counsel related to such proceeding, as incurred. In the case of parties indemnified pursuant to Section 6(b) above, the Representatives shall retain counsel reasonably satisfactory to the Company (who shall not, without the consent of the Company, be counsel to the Representatives) to represent the Company in such proceeding and shall pay the reasonably incurred and documented fees and expenses of such counsel related to such proceeding, as incurred.. An indemnifying party may participate at its own expense in the defense of any such action; provided, however, that counsel to the indemnifying party shall not (except with the consent of the indemnified party) also be counsel to the indemnified party. In any such proceeding, any indemnified party shall have the right to retain its own counsel, but the fees and expenses of such counsel shall be at the expense of such indemnified party unless (i) the indemnifying party and the indemnified party shall have mutually agreed to the contrary; (ii) the indemnifying party has failed within a reasonable time to retain counsel reasonably satisfactory to the indemnified party; (iii) the indemnified party shall have reasonably concluded that there may be legal defenses available to it that are different from or in addition to those available to the indemnifying party; or (iv) the named parties in any such proceeding (including any impleaded parties) include both the indemnifying party and the indemnified party and representation of both parties by the same counsel would be inappropriate due to actual or potential differing interests between them. In no event shall the indemnifying parties be liable for fees and expenses of more than one counsel (in addition to any local counsel) separate from their own counsel for all indemnified parties in connection with any one action or separate but similar or related actions in the same jurisdiction arising out of or based upon the same general allegations or circumstances. No indemnifying party shall, without the prior written consent of the indemnified parties, settle or compromise or consent to the entry of any judgment with respect to any litigation, or any investigation or proceeding by any governmental agency or body, commenced or threatened, or any claim whatsoever in respect of which indemnification or contribution could be sought under this Section 6 or Section 7 hereof (whether or not the indemnified parties are actual or potential parties thereto), unless such settlement, compromise or consent (i) includes an unconditional release of each indemnified party from all liability arising out of or based upon such litigation, investigation, proceeding or claim and (ii) does not include a statement as to or an admission of fault, culpability or a failure to act by or on behalf of any indemnified party.

(d) *Settlement without Consent if Failure to Reimburse.* If at any time an indemnified party shall have requested an indemnifying party to reimburse the indemnified party for fees and expenses of counsel, such indemnifying party agrees that it shall be liable for any settlement of the nature contemplated by Section 6(a)(ii) effected without its written consent if (i) such settlement is entered into more than 45 days after receipt by such indemnifying party of the aforesaid request, (ii) such indemnifying party shall have received notice of the terms of such settlement at least 30 days prior to such settlement being entered into and (iii) such indemnifying party shall not have reimbursed such indemnified party in accordance with such request prior to the date of such settlement.

SECTION 7. Contribution. If the indemnification provided for in Section 6 hereof is for any reason unavailable to or insufficient to hold harmless an indemnified party in respect of any losses, liabilities, claims, damages or expenses referred to therein, then each indemnifying party shall contribute to the aggregate amount of such losses, liabilities, claims, damages and expenses incurred by such indemnified party, as incurred, (i) in such proportion as is appropriate to reflect the relative benefits received by the Company and the Adviser, on the one hand, and the Underwriters, on the other hand, from the offering of the Securities pursuant to this Agreement or (ii) if the allocation provided by clause (i) is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) above but also the relative fault of the Company and the Adviser, on the one hand, and of the Underwriters, on the other hand, in connection with the statements or omissions which resulted in such losses, liabilities, claims, damages or expenses, as well as any other relevant equitable considerations. For the avoidance of doubt, the Adviser's contribution agreement shall only apply to instances in which the Adviser has an indemnity obligation as described above in Section 6(a).

The relative benefits received by the Company and the Adviser, on the one hand, and the Underwriters, on the other hand, in connection with the offering of the Securities pursuant to this Agreement shall be deemed to be in the same respective proportions as the total net proceeds from the offering of the Securities pursuant to this Agreement (before deducting expenses) received by the Company (and net of the portion of the underwriting discount paid by the Adviser), on the one hand, and the total underwriting discount received by the Underwriters, on the other hand, in each case as set forth on the cover of the Prospectus, bear to the aggregate initial public offering price of the Securities as set forth on the cover of the Prospectus.

The relative fault of the Company and the Adviser, on the one hand, and the Underwriters, on the other hand, shall be determined by reference to, among other things, whether any such untrue or alleged untrue statement of a material fact or omission or alleged omission to state a material fact relates to information supplied by the Company and the Adviser or by the Underwriters and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission.

The Company, the Adviser and the Underwriters agree that it would not be just and equitable if contribution pursuant to this Section 7 were determined by pro rata allocation (even if the Underwriters were treated as one entity for such purpose) or by any other method of allocation which does not take account of the equitable considerations referred to above in this Section 7. The aggregate amount of losses, liabilities, claims, damages and expenses incurred by an indemnified party and referred to above in this Section 7 shall be deemed to include any legal or other expenses reasonably incurred by such indemnified party in investigating, preparing or defending against any litigation, or any investigation or proceeding by any governmental agency or body, commenced or threatened, or any claim whatsoever based upon any such untrue or alleged untrue statement or omission or alleged omission.

Notwithstanding the provisions of this Section 7, no Underwriter shall be required to contribute any amount in excess of the underwriting commissions received by such Underwriter in connection with the Securities underwritten by it and distributed to the public.

No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation.

Notwithstanding anything in this Agreement to the contrary, any indemnification and contribution by the Company shall be subject to the requirements and limitations of Section 17(i) of the 1940 Act and any applicable guidance from the Commission or its staff thereunder.

For purposes of this Section 7, each person, if any, who controls an Underwriter within the meaning of Section 15 of the Act or Section 20 of the Exchange Act and each Underwriter's Affiliates and selling agents shall have the same rights to contribution as such Underwriter, and each director of the Company, each officer of the Company who signed the Registration Statement, and each person, if any, who controls the Company or the Adviser within the meaning of Section 15 of the Act or Section 20 of the Exchange Act shall have the same rights to contribution as the Company or the Adviser, as the case may be. The Underwriters' respective obligations to contribute pursuant to this Section 7 are several in proportion to the number of Initial Securities set forth opposite their respective names in Schedule A hereto and not joint.

SECTION 8. Representations, Warranties and Agreements to Survive. All representations, warranties and agreements contained in this Agreement or in certificates of officers of the Company, the Adviser or any of the Adviser's subsidiaries submitted pursuant hereto, shall remain operative and in full force and effect regardless of (i) any investigation made by or on behalf of any Underwriter or its Affiliates or selling agents, any person controlling any Underwriter, its officers or directors or any person controlling the Company and (ii) delivery of and payment for the Securities.

SECTION 9. Termination of Agreement.

(a) *Termination.* The Representatives may terminate this Agreement, by notice to the Company, at any time at or prior to the Closing Time (i) if there has been, in the judgment of the Representatives, since the time of execution of this Agreement or since the respective dates as of which information is given in the Registration Statement, the General Disclosure Package or the Prospectus, any material adverse change in the condition, financial or otherwise, or in the earnings, business affairs or business prospects of the Company or the Adviser, whether or not arising in the ordinary course of business, or (ii) if there has occurred any material adverse change in the financial markets in the United States or the international financial markets, any outbreak of hostilities or escalation thereof or other calamity or crisis or any change or development involving a prospective change in national or international political, financial or economic conditions, in each case the effect of which is such as to make it, in the judgment of the Representatives, impracticable or inadvisable to proceed with the completion of the offering or to enforce contracts for the sale of the Securities, or (iii) if trading in any securities of the Company has been suspended or materially limited by the Commission or the Nasdaq Global Market, or (iv) if trading generally on the NYSE MKT or the New York Stock Exchange or in the Nasdaq Global Market has been suspended or materially limited, or minimum or maximum prices for trading have been fixed, or maximum ranges for prices have been required, by any of said exchanges or by order of the Commission, FINRA or any other governmental authority, or (v) a material disruption has occurred in commercial banking or securities settlement or clearance services in the United States or with respect to Clearstream or Euroclear systems in Europe, or (vi) if a banking moratorium has been declared by either Federal or New York authorities.

(b) *Liabilities.* If this Agreement is terminated pursuant to this Section, such termination shall be without liability of any party to any other party except as provided in Section 4 hereof, and provided further that Sections 1, 6, 7, 8, 14, 15 and 16 shall survive such termination and remain in full force and effect.

SECTION 10. Default by One or More of the Underwriters. If one or more of the Underwriters shall fail at the Closing Time or a Date of Delivery to purchase the Securities which it or they are obligated to purchase under this Agreement (the "Defaulted Securities"), the Representatives shall have the right, within 24 hours thereafter, to make arrangements for one or more of the non-defaulting Underwriters, or any other underwriters, to purchase all, but not less than all, of the Defaulted Securities in such amounts as may be agreed upon and upon the terms herein set forth; if, however, the Representatives shall not have completed such arrangements within such 24-hour period, then:

(i) if the number of Defaulted Securities does not exceed 10% of the number of Securities to be purchased on such date, each of the non-defaulting Underwriters shall be obligated, severally and not jointly, to purchase the full amount thereof in the proportions that their respective underwriting obligations hereunder bear to the underwriting obligations of all non-defaulting Underwriters, or

(ii) if the number of Defaulted Securities exceeds 10% of the number of Securities to be purchased on such date, this Agreement or, with respect to any Date of Delivery which occurs after the Closing Time, the obligation of the Underwriters to purchase, and the Company to sell, the Option Securities to be purchased and sold on such Date of Delivery shall terminate without liability on the part of any non-defaulting Underwriter.

No action taken pursuant to this Section shall relieve any defaulting Underwriter from liability in respect of its default.

In the event of any such default which does not result in a termination of this Agreement or, in the case of a Date of Delivery which is after the Closing Time, which does not result in a termination of the obligation of the Underwriters to purchase and the Company to sell the relevant Option Securities, as the case may be, either the (i) Representatives or (ii) the Company shall have the right to postpone Closing Time or the relevant Date of Delivery, as the case may be, for a period not exceeding seven days in order to effect any required changes in the Registration Statement, the General Disclosure Package or the Prospectus or in any other documents or arrangements. As used herein, the term "Underwriter" includes any person substituted for an Underwriter under this Section 10.

SECTION 11. Notices. All notices and other communications hereunder shall be in writing and shall be deemed to have been duly given if mailed or transmitted by any standard form of telecommunication. Notices to the Underwriters shall be directed to (i) J.P. Morgan Securities LLC, 383 Madison Avenue, New York, New York 10179 (facsimile: (212) 622-8358), Attention Equity Syndicate Desk); (ii) Morgan Stanley & Co. LLC at 1585 Broadway, New York, New York 10036, attention of Equity Syndicate Desk, with a copy to Legal Department; and (iii) Wells Fargo Securities, LLC, 500 West 33rd Street, 14th Floor, New York, New York 10001, Attention: Equity Syndicate Department, facsimile: (212) 214-5918; notices to the Company and the Adviser shall be directed to them at 205 N. Michigan Ave., Suite 4200, Chicago, Illinois 60601, Attention: Thomas Raterman, with a copy to Eversheds Sutherland (US) LLP, 700 Sixth Street, NW, Washington, DC 20001, Attention: Stephani Hildebrandt.

SECTION 12. No Advisory or Fiduciary Relationship. The Company acknowledges and agrees that (a) the purchase and sale of the Securities pursuant to this Agreement, including the determination of the initial public offering price of the Securities and any related discounts and commissions, is an arm's-length commercial transaction between the Company, on the one hand, and the several Underwriters, on the other hand, (b) in connection with the offering of the Securities and the process leading thereto, each Underwriter is and has been acting solely as a principal and is not the agent or fiduciary of the Company or its respective stockholders, creditors, employees or any other party, (c) no Underwriter has assumed or will assume an advisory or fiduciary responsibility in favor of the Company with respect to the offering of the Securities or the process leading thereto (irrespective of whether such Underwriter has advised or is currently advising the Company or any of its subsidiaries on other matters) and no Underwriter has any obligation to the Company with respect to the offering of the Securities except the obligations expressly set forth in this Agreement, (d) the Underwriters and their respective affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Company and (e) the Underwriters have not provided any legal, accounting, regulatory or tax advice with respect to the offering of the Securities and the Company has consulted its own respective legal, accounting, regulatory and tax advisors to the extent it deemed appropriate.

SECTION 13. Parties. This Agreement shall each inure to the benefit of and be binding upon the Underwriters and the Company and their respective successors. Nothing expressed or mentioned in this Agreement is intended or shall be construed to give any person, firm or corporation, other than the Underwriters, the Company and the Adviser and their respective successors and the controlling persons and officers and directors referred to in Sections 6 and 7 and their heirs and legal representatives, any legal or equitable right, remedy or claim under or in respect of this Agreement or any provision herein contained. This Agreement and all conditions and provisions hereof are intended to be for the sole and exclusive benefit of the Underwriters, the Company and the Adviser and their respective successors, and said controlling persons and officers and directors and their heirs and legal representatives, and for the benefit of no other person, firm or corporation. No purchaser of Securities from any Underwriter shall be deemed to be a successor by reason merely of such purchase.

SECTION 14. Compliance with USA Patriot Act. In accordance with the requirements of the USA Patriot Act, the Underwriters are required to obtain, verify and record information that identifies their respective clients, including the Company, which information may include the name and address of their respective clients, as well as other information that will allow the Underwriters to properly identify their respective clients.

SECTION 15. Trial by Jury. The Company (on its behalf and, to the extent permitted by applicable law, on behalf of its stockholders and affiliates) and each of the Underwriters hereby irrevocably waives, to the fullest extent permitted by applicable law, any and all right to trial by jury in any legal proceeding arising out of or relating to this Agreement or the transactions contemplated hereby.

SECTION 16. GOVERNING LAW. THIS AGREEMENT AND ANY CLAIM, CONTROVERSY OR DISPUTE ARISING UNDER OR RELATED TO THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF, THE STATE OF NEW YORK WITHOUT REGARD TO ITS CHOICE OF LAW PROVISIONS.

SECTION 17. Recognition of the U.S. Special Resolution Regimes.

(i) In the event that any Underwriter that is a Covered Entity becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer from such Underwriter of this Agreement, and any interest and obligation in or under this Agreement, will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if this Agreement, and any such interest and obligation, were governed by the laws of the United States or a state of the United States.

(ii) In the event that any Underwriter that is a Covered Entity or a BHC Act Affiliate of such Underwriter becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under this Agreement that may be exercised against such Underwriter are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if this Agreement were governed by the laws of the United States or a state of the United States.

As used in this Section 16(g):

"BHC Act Affiliate" has the meaning assigned to the term "affiliate" in, and shall be interpreted in accordance with, 12 U.S.C. § 1841(k).

"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.

"U.S. Special Resolution Regime" means each of (i) the Federal Deposit Insurance Act and the regulations promulgated thereunder and (ii) Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act and the regulations promulgated thereunder.

SECTION 18. Consent to Jurisdiction; Waiver of Immunity. Any legal suit, action or proceeding arising out of or based upon this Agreement or the transactions contemplated hereby shall be instituted in (i) the federal courts of the United States of America located in the City and County of New York, Borough of Manhattan or (ii) the courts of the State of New York located in the City and County of New York, Borough of Manhattan (collectively, the "Specified Courts"), and each party irrevocably submits to the exclusive jurisdiction (except for proceedings instituted in regard to the enforcement of a judgment of any such court, as to which such jurisdiction is non-exclusive) of such courts in any such suit, action or proceeding. Service of any process, summons, notice or document by mail to such party's address set forth above shall be effective service of process for any suit, action or other proceeding brought in any such court. The parties irrevocably and unconditionally waive any objection to the laying of venue of any suit, action or other proceeding in the Specified Courts and irrevocably and unconditionally waive and agree not to plead or claim in any such court that any such suit, action or other proceeding brought in any such court has been brought in an inconvenient forum.

SECTION 19. TIME. TIME SHALL BE OF THE ESSENCE OF THIS AGREEMENT. EXCEPT AS OTHERWISE SET FORTH HEREIN, SPECIFIED TIMES OF DAY REFER TO NEW YORK CITY TIME.

SECTION 20. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all such counterparts shall together constitute one and the same Agreement. Counterparts may be delivered via facsimile, electronic mail (including any electronic signature complying with the U.S. Federal ESIGN Act of 2000, Uniform Electronic Transactions Act or other applicable law, e.g., www.Docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

SECTION 21. Effect of Headings. The Section headings herein are for convenience only and shall not affect the construction hereof.

[SIGNATURE PAGE FOLLOWS]

If the foregoing is in accordance with your understanding of our agreement, please sign and return to the Company a counterpart hereof, whereupon this instrument, along with all counterparts, will become a binding agreement among the Underwriters, the Company and the Adviser in accordance with its terms.

Very truly yours,
RUNWAY GROWTH FINANCE CORP.

By: _____
Name: R. David Spreng
Title: Chief Executive Officer

RUNWAY GROWTH CAPITAL LLC

By: _____
Name: R. David Spreng
Title: Chief Executive Office

CONFIRMED AND ACCEPTED,
as of the date first above written:

By: J.P. MORGAN SECURITIES LLC

By: _____
Name:
Title:

By: MORGAN STANLEY & CO. LLC

By: _____
Name:
Title:

By: WELLS FARGO SECURITIES, LLC

By: _____
Name:
Title:

For themselves and as Representatives of the other Underwriters named in Schedule A hereto.

SCHEDULE A

Name of Underwriter	Number of Initial Securities	Number of Option Securities to be Purchased if Maximum Option Exercised
J.P. Morgan Securities LLC	[•]	[•]
Morgan Stanley & Co. LLC	[•]	[•]
Wells Fargo Securities, LLC	[•]	[•]

SCHEDULE B
PRICING INFORMATION:

Security being sold in the Offering		Common Stock
Offering price per share	$	[•]
Number of Shares being sold in the Offering		[•]
Gross proceeds from the Offering before deducting the underwriter's discount and offering expenses	$	[•]

ISSUER FREE WRITING PROSPECTUSES:

[To come]

SCHEDULE C[1]

1) R. David Spreng

2) Brian Laibow

3) Gary Kovacs

4) Julie Persily

5) Lewis W. Solimene, Jr.

6) Thomas B. Raterman

7) Joseph McDermott

8) OCM Growth Holdings, LLC

9) Carilion Clinic

10) Retirement Plan of Carilion Clinic

[1] To be updated

EXHIBIT A-1
FORM OF COMPANY COUNSEL LEGAL OPINION

EXHIBIT A-2
FORM OF COMPANY COUNSEL NEGATIVE ASSURANCE LETTER

EXHIBIT B
SHARE TRANSFER RESTRICTION AGREEMENT

October [•], 2021

J.P. Morgan Securities LLC
383 Madison Avenue
New York, New York 10079

Morgan Stanley & Co. LLC
1585 Broadway
New York, New York 10036

Wells Fargo Securities, LLC
500 West 33rd Street, 14th Floor
New York, New York 10001

as Representatives of the
several Underwriters named
in Schedule A to the Underwriting Agreement (as defined below)

Runway Growth Finance Corp.
205 N. Michigan Ave., Suite 4200
Chicago, Illinois 60601

Ladies and Gentlemen:

The undersigned understands that the Representatives of the several Underwriters propose to enter into an underwriting agreement (the "Underwriting Agreement") with Runway Growth Finance Corp., a Maryland corporation (the "Company"), providing for the public offering (the "Public Offering") by the several Underwriters named in Schedule A to the Underwriting Agreement (the "Underwriters"), of Common Stock, of the Company (the "Securities"). Capitalized terms used herein and not otherwise defined shall have the meanings set forth in the Underwriting Agreement.

In consideration of the Underwriters' agreement with the Company to purchase and make the Public Offering of the Securities, and for other good and valuable consideration receipt of which is hereby acknowledged, the undersigned hereby agrees that, from the date hereof through the date that is 180 days after the date of the Prospectus (as defined below) (the "Underwriter Consent Period"), without the prior written consent of the Representatives on behalf of the Underwriters and, on the date that is the first day after the Underwriter Consent Period through the end of the Restricted Period (as defined below), without the prior written consent of the Company, the undersigned will not, and will not cause any direct or indirect affiliate to, during the period beginning on the date of this letter agreement (this "Letter Agreement") and ending at the close of business [180][2] [365][3] [450][4] days after the date of the final prospectus relating to the Public Offering (the "Prospectus") (such period, the "Restricted Period"), (1) offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend, or otherwise transfer or dispose of, directly or indirectly, any shares of common stock, $0.01 per share par value, of the Company (the "Common Stock") or any securities convertible into or exercisable or exchangeable for Common Stock (including without limitation, Common Stock or such other securities which may be deemed to be beneficially owned by the undersigned in accordance with the rules and regulations of the Securities and Exchange Commission and securities which may be issued upon exercise of a stock option or warrant) (collectively with the Common Stock, "Restricted Securities"), (2) enter into any hedging, swap or other agreement or transaction that transfers, in whole or in part, any of the economic consequences of ownership of the Restricted Securities, whether any such transaction described in clause (1) or (2) above is to be settled by delivery of Restricted Securities, in cash or otherwise, (3) make any demand for or exercise any right with respect to the registration of any Restricted Securities, or (4) publicly disclose the intention to do any of the foregoing. The undersigned acknowledges and agrees that the foregoing precludes the undersigned from engaging in any hedging or other transactions or arrangements (including, without limitation, any short sale or the purchase or sale of, or entry into, any put or call option, or combination thereof, forward, swap or any other derivative transaction or instrument, however described or defined) designed or intended, or which could reasonably be expected to lead to or result in, a sale or disposition or transfer (whether by the undersigned or any other person) of any economic consequences of ownership, in whole or in part, directly or indirectly, of any Restricted Securities, whether any such transaction or arrangement (or instrument provided for thereunder) would be settled by delivery of Restricted Securities, in cash or otherwise.

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[2] Restricted Period for shareholders other than Oaktree or Select Institutional Shareholders (as defined below).

[3] Restricted Period for Directors and Officers and select institutional shareholders identified on Schedule C of the Underwriting Agreement (the "Select Institutional Shareholders").

[4] Restricted Period for Oaktree.

Notwithstanding the foregoing, the undersigned may:

(a) transfer the undersigned's Restricted Securities:

(i) as a bona fide gift or gifts, or for bona fide estate planning purposes,

(ii) by will or intestacy,

(iii) to any trust for the direct or indirect benefit of the undersigned or the immediate family of the undersigned, or if the undersigned is a trust, to a trustor or beneficiary of the trust or to the estate of a beneficiary of such trust (for purposes of this Letter Agreement, "immediate family" shall mean any relationship by blood, current or former marriage, domestic partnership or adoption, not more remote than first cousin),

(iv) to a partnership, limited liability company or other entity of which the undersigned and the immediate family of the undersigned are the legal and beneficial owner of all of the outstanding equity securities or similar interests,

(v) to a nominee or custodian of a person or entity to whom a disposition or transfer would be permissible under clauses (i) through (iv) above,

(vi) if the undersigned is a corporation, partnership, limited liability company, trust or other business entity, (A) to another corporation, partnership, limited liability company, trust or other business entity that is an affiliate (as defined in Rule 405 promulgated under the Act) of the undersigned, or to any investment fund or other entity controlling, controlled by, managing or managed by or under common control with the undersigned or affiliates of the undersigned (including, for the avoidance of doubt, where the undersigned is a partnership, to its general partner or a successor partnership or fund, or any other funds managed by such partnership), or (B) as part of a distribution to members or shareholders of the undersigned,

(vii) by operation of law, such as pursuant to a qualified domestic order, divorce settlement, divorce decree or separation agreement,

(viii) to the Company from an employee of the Company upon death, disability or termination of employment, in each case, of such employee,

(ix) as part of a sale of the undersigned's Restricted Securities acquired in open market transactions after the closing date for the Public Offering,

(x) to the Company in connection with the vesting, settlement, or exercise of restricted stock units, options, warrants or other rights to purchase shares of Common Stock (including, in each case, by way of "net" or "cashless" exercise), including for the payment of exercise price and tax and remittance payments due as a result of the vesting, settlement, or exercise of such restricted stock units, options, warrants or rights, provided that any such shares of Common Stock received upon such exercise, vesting or settlement shall be subject to the terms of this Letter Agreement, and provided further that any such restricted stock units, options, warrants or rights are held by the undersigned pursuant to an agreement or equity awards granted under a stock incentive plan or other equity award plan, each such agreement or plan which is described in the Registration Statement, the Pricing Disclosure Package and the Prospectus, or

(xi) pursuant to a bona fide third-party tender offer, merger, consolidation or other similar transaction that is approved by the Board of Directors of the Company and made to all holders of the Company's capital stock involving a Change of Control (as defined below) of the Company (for purposes hereof, "Change of Control" shall mean the transfer (whether by tender offer, merger, consolidation or other similar transaction), in one transaction or a series of related transactions, to a person or group of affiliated persons, of shares of capital stock if, after such transfer, such person or group of affiliated persons would hold more than 90% of the outstanding voting securities of the Company (or the surviving entity)); provided that in the event that such tender offer, merger, consolidation or other similar transaction is not completed, the undersigned's Restricted Securities shall remain subject to the provisions of this Letter Agreement;

provided that (A) in the case of any transfer or distribution pursuant to clause (a)(i), (ii), (iii), (iv), (v), (vi) and (vii), such transfer shall not involve a disposition for value and each donee, devisee, transferee or distributee shall execute and deliver to the Representative a letter in the form of this Letter Agreement, (B) in the case of any transfer or distribution pursuant to clause (a) (i), (ii), (iii), (iv), (v), (vi), (ix) and (x), no filing by any party (donor, donee, devisee, transferor, transferee, distributer or distributee) under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or other public announcement shall be required or shall be made voluntarily in connection with such transfer or distribution (other than a filing on a Form 5 made after the expiration of the Restricted Period referred to above) and (C) in the case of any transfer or distribution pursuant to clause (a)(vii) and (viii) it shall be a condition to such transfer that no public filing, report or announcement shall be voluntarily made and if any filing under Section 16(a) of the Exchange Act, or other public filing, report or announcement reporting a reduction in beneficial ownership of shares of Common Stock in connection with such transfer or distribution shall be legally required during the Restricted Period, such filing, report or announcement shall clearly indicate in the footnotes thereto the nature and conditions of such transfer;

(b) exercise outstanding options, settle restricted stock units or other equity awards or exercise warrants pursuant to plans described in the Registration Statement, the Pricing Disclosure Package and the Prospectus; provided that any Restricted Securities received upon such exercise, vesting or settlement shall be subject to the terms of this Letter Agreement;

(c) convert outstanding preferred stock, warrants to acquire preferred stock or convertible securities into shares of Common Stock or warrants to acquire shares of Common Stock; provided that any such shares of Common Stock or warrants received upon such conversion shall be subject to the terms of this Letter Agreement; [and]

(d) sell the Securities to be sold by the undersigned pursuant to the terms of the Underwriting Agreement].

[In addition, notwithstanding the foregoing, (i) at any time beginning 180 days after the Public Offering (the "First Early Expiration Date") 25% of the undersigned's Restricted Securities, which percentage shall be calculated based on the number of the undersigned's Restricted Securities as of the date of the Prospectus ("25% Calculation"), will be automatically released from the transfer restrictions set forth in this Letter Agreement; (ii) at any time beginning 270 days after the Public Offering (the "Second Early Expiration Date") 25% of the undersigned's Restricted Securities, based on the 25% Calculation will be automatically released from the transfer restrictions set forth in this Letter Agreement; (iii) at any time beginning 360 days after the Public Offering (the "Third Early Expiration Date") 25% of the undersigned's Restricted Securities, based on the 25% Calculation will be automatically released from the transfer restrictions set forth in this Letter Agreement; and (iv) at any time beginning 450 days after the Public Offering (the "Final Expiration Date" together with the First Early Expiration Date, the Second Early Expiration Date and Third Early Expiration Date, the "Applicable Expiration Date") the undersigned's remaining outstanding Restricted Securities, will be automatically released from the transfer restrictions set forth in this Letter Agreement; provided, however, that if, at the time of such Applicable Expiration Date, the Company is in a Blackout Period (as defined below) under its insider trading policy, the actual date of such Applicable Expiration Date shall be delayed until immediately prior to the opening of trading on the second Trading Day (as defined below) following the first date that the Company is no longer in a Blackout Period under its insider trading policy.][5]

[5] Provision to be included for Oaktree Agreement.

[In addition, notwithstanding the foregoing, (i) at any time beginning 180 days after the Public Offering (the "First Early Expiration Date") 33% of the undersigned's Restricted Securities, which percentage shall be calculated based on the number of the undersigned's Restricted Securities as of the date of the Prospectus ("33% Calculation"), will be automatically released from the transfer restrictions set forth in this Letter Agreement; (ii) at any time beginning 270 days after the Public Offering (the "Second Early Expiration Date") 33% of the undersigned's Restricted Securities, based on the 33% Calculation will be automatically released from the transfer restrictions set forth in this Letter Agreement; and (iii) at any time beginning 365 days after the Public Offering (the "Final Expiration Date" together with the First Early Expiration Date and the Second Early Expiration Date, the "Applicable Expiration Date") the undersigned's remaining outstanding Restricted Securities, will be automatically released from the transfer restrictions set forth in this Letter Agreement; provided, however, that if, at the time of such Applicable Expiration Date, the Company is in a Blackout Period (as defined below) under its insider trading policy, the actual date of such Applicable Expiration Date shall be delayed until immediately prior to the opening of trading on the second Trading Day (as defined below) following the first date that the Company is no longer in a Blackout Period under its insider trading policy.][6]

[For purposes of this Letter Agreement, a "Trading Day" is a day on which the New York Stock Exchange and the Nasdaq Stock Market are open for the buying and selling of securities. For purposes of this Letter Agreement, "Blackout Period" shall mean a broadly applicable and regularly scheduled period during which trading in the Company's securities would not be permitted under the Company's insider trading policy.]

If the undersigned is not a natural person, the undersigned represents and warrants that no single natural person, entity or "group" (within the meaning of Section 13(d)(3) of the Securities Exchange Act of 1934, as amended (the "Exchange Act")) beneficially owns, directly or indirectly, 50% or more of the common equity interests, or 50% or more of the voting power, in the undersigned.

If the undersigned is an officer or director of the Company, or a shareholder of the Company that has been designated by the Company to acquire shares in the Public Offering, the undersigned further agrees that the foregoing provisions shall be equally applicable to any Company-directed Securities the undersigned may purchase in the Public Offering.

In furtherance of the foregoing, the Company, and any duly appointed transfer agent for the registration or transfer of the securities described herein, are hereby authorized to decline to make any transfer of securities if such transfer would constitute a violation or breach of this Letter Agreement.

The undersigned hereby represents and warrants that the undersigned has full power and authority to enter into this Letter Agreement. All authority herein conferred or agreed to be conferred and any obligations of the undersigned shall be binding upon the successors, assigns, heirs or personal representatives of the undersigned.

The undersigned acknowledges and agrees that the Underwriters have not provided any recommendation or investment advice nor have the Underwriters solicited any action from the undersigned with respect to the Public Offering of the Securities and the undersigned has consulted their own legal, accounting, financial, regulatory and tax advisors to the extent deemed appropriate. The undersigned further acknowledges and agrees that, although the Representative may be required or choose to provide certain Regulation Best Interest and Form CRS disclosures to you in connection with the Public Offering, the Representative and the other Underwriters are not making a recommendation to you to enter into this Letter Agreement, and nothing set forth in such disclosures is intended to suggest that the Representative or any Underwriter is making such a recommendation.

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[6] Provision to be included for Select Institutional Shareholders Agreement.

The undersigned understands that, if the Underwriting Agreement does not become effective by [•], 2021, or if the Underwriting Agreement (other than the provisions thereof which survive termination) shall terminate or be terminated prior to payment for and delivery of the Common Stock to be sold thereunder, the undersigned shall be released from all obligations under this Letter Agreement. The undersigned understands that the Company and the Underwriters are entering into the Underwriting Agreement and proceeding with the Public Offering in reliance upon this Letter Agreement.

This Letter Agreement is the entire agreement between the parties and supersedes all earlier agreements regarding the subject matter, including, without limitation, any agreements contained in subscription agreements between the undersigned and the Company.

This Letter Agreement and any claim, controversy or dispute arising under or related to this Letter Agreement shall be governed by and construed in accordance with the laws of the State of New York.

Very truly yours,

[*NAME OF STOCKHOLDER*]

By: _____
Name:
Title:

Acknowledged by:

RUNWAY GROWTH FINANCE CORP.

By: _____
Name:
Title:

EXHIBIT C-1
WRITTEN TESTING-THE-WATERS COMMUNICATIONS

[To come]

Exhibit (k)(11)

THIRD AMENDMENT TO CREDIT AGREEMENT

THIS THIRD AMENDMENT TO CREDIT AGREEMENT, dated as of June 1, 2021 (the *"Amendment"*), is made pursuant to that certain Credit Agreement dated as of May 31, 2019 (as amended, restated, modified or supplemented from time to time, the *"Credit Agreement"*), among RUNWAY GROWTH CREDIT FUND INC., a Maryland corporation, as borrower (the *"Borrower"*); each Guarantor party thereto; the financial institutions currently party thereto as lenders (the *"Lenders"*); KEYBANK NATIONAL ASSOCIATION, as administrative agent for the Lenders (in such capacity, together with its successors and assigns, the *"Administrative Agent"*); CIBC Bank USA, as documentation agent (together with its successors and assigns, the *"Documentation Agent"*); MUFG Union Bank, N.A., as co-documentation agent (together with its successors and assigns, the *"Co-Documentation Agent"*); and U.S. Bank National Association, not in its individual capacity but as the paying agent (together with its successors and assigns, the *"Paying Agent"*).

W I T N E S S E T H :

WHEREAS, the Borrower, the Lenders, the Guarantors, the Documentation Agent, the Co- Documentation Agent, the Paying Agent and the Administrative Agent have previously entered into and are currently party to the Credit Agreement; and

WHEREAS, the Borrower has requested that the Lenders make certain amendments to the Credit Agreement, and the Administrative Agent and the Lenders are willing to do so under the terms and conditions set forth in this Amendment.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, agree as follows:

Section 1. Defined Terms. Unless otherwise amended by the terms of this Amendment, terms used in this Amendment shall have the meanings assigned in the Credit Agreement.

Section 2. Amendments to Credit Agreement. Upon satisfaction of the conditions precedent set forth in Section 3 below, as of the Effective Date (as defined below), the parties hereto agree that the Credit Agreement shall be amended as set forth in Exhibit A to this Amendment with text marked in underline indicating additions to the Credit Agreement and with text marked in ~~strikethrough~~ indicating deletions to the Credit Agreement.

Section 3. Conditions Precedent. This Amendment shall become effective as of the date (the *"Effective Date"*) of the satisfaction of all of the following conditions precedent:

3.1. The Administrative Agent, the Borrower, and the Lenders shall have executed and delivered this Amendment.

3.2. The Administrative Agent shall have received a certificate of a Responsible Officer of the Borrower certifying as to (i) its articles of incorporation, (ii) its operating agreement, (iii) the resolutions or other action of the board of directors of the Company, and (iii) the incumbency and specimen signature of each of its Responsible Officers authorized to execute the Amendment and the other Transaction Documents to which it is a party.

3.3. The Administrative Agent shall have received legal opinions from counsel to the Borrower covering such matters as the Administrative Agent and its counsel shall reasonably request including corporate and enforceability.

3.4. Legal matters incident to the execution and delivery of this Amendment shall be satisfactory to the Administrative Agent and its counsel.

Section 4. Representations of the Borrower. The Borrower hereby represents and warrants to the parties hereto that as of the date hereof its representations and warranties contained in Article IV of the Credit Agreement and any other Transaction Documents to which it is a party are true and correct in all material respects as of the date hereof and after giving effect to this Amendment (except to the extent that such representations and warranties relate solely to an earlier date, and then are true and correct as of such earlier date).

Section 5. Credit Agreement in Full Force and Effect. Except as specifically amended herein, the Credit Agreement shall continue in full force and effect in accordance with its original terms. Reference to this specific Amendment need not be made in the Credit Agreement or any other instrument or document executed in connection therewith, or in any certificate, letter or communication issued or made pursuant to or with respect to the Credit Agreement, any reference in any of such items to the Credit Agreement being sufficient to refer to the Credit Agreement as amended hereby.

Section 6. Execution in Counterparts. This Amendment may be executed in any number of counterparts, and by the different parties on different counterpart signature pages, all of which taken together shall constitute one and the same agreement. Any of the parties hereto may execute this Amendment by signing any such counterpart and each of such counterparts shall for all purposes be deemed to be an original. Delivery of a counterpart hereof by facsimile transmission or by e-mail transmission of an Adobe Portable Document Format File (also known as an *"PDF"* file) shall be effective as delivery of a manually executed counterpart hereof.

Section 7. Governing Law. THIS AMENDMENT SHALL BE CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS OF THE STATE OF NEW YORK, WITHOUT REFERENCE TO CONFLICT OF LAW PRINCIPLES, AND THE OBLIGATIONS, RIGHTS AND REMEDIES OF THE PARTIES HEREUNDER SHALL BE DETERMINED IN ACCORDANCE WITH THE INTERNAL LAWS OF THE STATE OF NEW YORK.

[SIGNATURE PAGES TO FOLLOW]

IN WITNESS WHEREOF, the parties hereto have caused this Third Amendment to Credit Agreement to be executed and delivered by their duly authorized officers as of the date hereof.

BORROWER:

RUNWAY GROWTH CREDIT FUND INC.

By: /s/ Thomas B. Raterman
Name: Thomas B. Raterman
Title: Chief Financial Officer

[Signature Page to Third Amendment to Credit Agreement]

MANAGING AGENT FOR THE KEYBANK LENDER GROUP:

KEYBANK NATIONAL ASSOCIATION

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

LENDER FOR THE KEYBANK LENDER GROUP:

KEYBANK NATIONAL ASSOCIATION

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

ADMINISTRATIVE AGENT:

KEYBANK NATIONAL ASSOCIATION

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

[Signature Page to Third Amendment to Credit Agreement]

MANAGING AGENT for the CIBC Bank USA Lender Group:

CIBC BANK USA

By: /s/ Rob Dmowski
Name: Rob Dmowski
Title: Managing Director

LENDER for the CIBC BANK USA Lender Group:

CIBC BANK USA

By: /s/ Rob Dmowski
Name: Rob Dmowski
Title: Managing Director

MANAGING AGENT for the MUFG Union Bank, N.A. Lender Group:

MUFG UNION BANK, N.A.

By: J. William Bloore
Name: J. William Bloore
Title: Managing Director

LENDER for the MUFG Union Bank, N.A. Lender Group:

MUFG UNION BANK, N.A.

By: J. William Bloore
Name: J. William Bloore
Title: Managing Director

MANAGING AGENT for the Bank of Hope Lender Group:

BANK OF HOPE

By: /s/ Peter Hennessy
Name: Peter Hennessy
Title: Senior Vice President

LENDER for the Bank of Hope Lender Group:

BANK OF HOPE

By: /s/ Peter Hennessy
Name: Peter Hennessy
Title: Senior Vice President

MANAGING AGENT for the First Foundation Bank Lender Group:

FIRST FOUNDATION BANK

By: /s/ Michael Berry
Name: Michael Berry
Title: Senior Vice President

LENDER for the First Foundation Bank Lender Group:

FIRST FOUNDATION BANK

By: /s/ Michael Berry
Name: Michael Berry
Title: Senior Vice President

EXHIBIT A TO
THIRD AMENDMENT TO CREDIT AGREEMENT

Attached.

CONFORMED TO ~~SECOND~~THIRD AMENDMENT TO CREDIT AGREEMENT

CREDIT AGREEMENT

Dated as of May 31, 2019

among

RUNWAY GROWTH CREDIT FUND INC.,
as the Borrower

THE FINANCIAL INSTITUTIONS FROM TIME TO TIME PARTY HERETO,
as Lenders

KEYBANK NATIONAL ASSOCIATION,
as the Administrative Agent and Syndication Agent

EACH GUARANTOR PARTY HERETO,
as Guarantors

CIBC BANK USA,
as Documentation Agent

MUFG UNION BANK, N.A.
as Co-Documentation Agent

AND

U.S. BANK NATIONAL ASSOCIATION,
as the Collateral Custodian and as Paying Agent

TABLE OF CONTENTS

SECTION	HEADING	PAGE
ARTICLE I	DEFINITIONS	1
Section 1.1.	Certain Defined Terms	1
Section 1.2.	Other Terms	35
Section 1.3.	Computation of Time Periods	36
Section 1.4.	Interpretation	36
ARTICLE II	ADVANCES	37
Section 2.1.	Advances	37
Section 2.2.	Procedures for Advances	38
Section 2.3.	Optional Changes in Facility Amount; Prepayments	39
Section 2.4.	Principal Repayments	40
Section 2.5.	Evidence of Indebtedness	40
Section 2.6.	Interest Payments	40
Section 2.7.	Fees	41
Section 2.8.	Settlement Procedures	41
Section 2.9.	Collections and Allocations	43
Section 2.10.	Payments, Computations, Etc	43
Section 2.11.	Successor LIBO Rate	44
Section 2.12.	Increased Costs; Capital Adequacy; Illegality	52
Section 2.13.	Taxes	54
Section 2.14.	Discretionary Sales of Collateral	57
Section 2.15.	Reserved	59
Section 2.16.	Defaulting Lenders and Potential Defaulting Lenders	59
Section 2.17.	Replacement of Defaulting Lenders	59
ARTICLE III	CONDITIONS OF EFFECTIVENESS AND ADVANCES	60
Section 3.1.	Conditions Precedent to Initial Advances	60
Section 3.2.	Additional Conditions Precedent to All Advances	61
ARTICLE IV	REPRESENTATIONS AND WARRANTIES	62
Section 4.1.	Representations and Warranties of the Borrower	62
ARTICLE V	GENERAL COVENANTS OF THE BORROWER	69
Section 5.1.	Covenants of the Borrower	69
Section 5.2.	Key Persons	78
Section 5.3.	Financial Covenants	78
ARTICLE VI	SECURITY INTEREST	79
Section 6.1.	Security Interest	79

Section 6.2.	Remedies	80
Section 6.3.	Release of Liens	80
ARTICLE VII	ADMINISTRATION AND SERVICING OF LOANS	81
Section 7.1.	Delegation to the Investment Adviser	81
Section 7.2.	Reserved	81
Section 7.3.	Reserved	81
Section 7.4.	Collection of Payments	81
Section 7.5.	Reserved	83
Section 7.6.	Realization Upon Defaulted Loans	83
Section 7.7.	Reserved	83
Section 7.8.	Reserved	83
Section 7.9.	Reserved	83
Section 7.10.	Payment of Certain Expenses by Borrower	83
Section 7.11.	Reports	83
Section 7.12.	Reserved	85
Section 7.13.	Reserved	85
Section 7.14.	Reserved	85
Section 7.15.	Access to Certain Documentation and Information Regarding the Loans	85
Section 7.16.	Reserved	86
Section 7.17.	Identification of Records	86
Section 7.18.	Fair Value Determination	86
ARTICLE VIII	EVENTS OF DEFAULT	87
Section 8.1.	Events of Default	87
Section 8.2.	Remedies	90
ARTICLE IX	INDEMNIFICATION	92
Section 9.1.	Indemnities by the Borrower	92
ARTICLE X	THE ADMINISTRATIVE AGENT AND THE MANAGING AGENTS	95
Section 10.1.	Authorization and Action	95
Section 10.2.	Delegation of Duties	95
Section 10.3.	Exculpatory Provisions	96
Section 10.4.	Reliance	97
Section 10.5.	Non-Reliance on Administrative Agent, Managing Agents and Other Lenders	97
Section 10.6.	Reimbursement and Indemnification	97
Section 10.7.	Administrative Agent and Managing Agents in their Individual Capacities	98
Section 10.8.	Successor Administrative Agent or Managing Agent	98
Section 10.9.	Certain ERISA Matters	99

ARTICLE XI	ASSIGNMENTS; PARTICIPATIONS	100
Section 11.1.	Assignments and Participations	100
ARTICLE XII	MISCELLANEOUS	103
Section 12.1	Amendments and Waivers	103
Section 12.2.	Notices, Etc	104
Section 12.3.	No Waiver, Rights and Remedies	104
Section 12.4.	Binding Effect	104
Section 12.5.	Term of this Agreement	104
Section 12.6.	Governing Law; Consent to Jurisdiction; Waiver of Objection to Venue	104
Section 12.7.	Waiver of Jury Trial	104
Section 12.8.	Costs, Expenses and Taxes	105
Section 12.9.	Reserved	106
Section 12.10.	Recourse Against Certain Parties	106
Section 12.11.	Protection of Security Interest; Appointment of Administrative Agent as Attorney-in-Fact	106
Section 12.12.	Confidentiality; Conflicts of Interest	107
Section 12.13.	Execution in Counterparts; Severability; Integration	108
Section 12.14.	Patriot Act	108
Section 12.15	Legal Holidays	108
Section 12.16	No Fiduciary Duty	108
Section 12.17	Sharing of Payments by Lenders	109
ARTICLE XIII	RESERVED	110
ARTICLE XIV	THE PAYING AGENT	110
Section 14.1.	Authorization and Action	110
Section 14.2.	Successor Paying Agent	110
Section 14.3.	Fees and Expenses	111
Section 14.4.	Representations and Warranties of the Paying Agent	111
Section 14.5.	Indemnity; Liability of the Paying Agent	112
ARTICLE XV	THE GUARANTEES	114
Section 15.1.	The Guarantees	114
Section 15.2.	Guarantee Unconditional	114
Section 15.3.	Discharge Only upon Payment in Full; Reinstatement in Certain Circumstances	115
Section 15.4.	Subrogation	115
Section 15.5.	Subordination	115
Section 15.6.	Waivers	116
Section 15.7.	Limit on Recovery	116
Section 15.8.	Stay of Acceleration	116
Section 15.9.	Benefit to Guarantors	116

EXHIBIT A	—	Form of Borrower Notice
EXHIBIT B	—	Form of Assignment and Acceptance
EXHIBIT C	—	Form of Joinder Agreement
EXHIBIT D	—	Form of Monthly Report
EXHIBIT E	—	Form of Borrower's Certificate
EXHIBIT F	—	Reserved
EXHIBIT G	—	Reserved
EXHIBIT H	—	Form of Borrowing Base Certificate
EXHIBIT I	—	Form of Additional Guarantor Supplement
SCHEDULE I	—	Schedule of Documents
SCHEDULE II	—	Loan List
SCHEDULE III	—	Reserved
SCHEDULE IV	—	Places of Business; Locations of Records
SCHEDULE V	—	Proprietary Risk Rating
SCHEDULE VI	—	Investment Policy
SCHEDULE VII	—	Forms of Borrower's Standard Documents
SCHEDULE VIII	—	Collection Account Details

CREDIT AGREEMENT

THIS CREDIT AGREEMENT is made as of May 31, 2019, by and among:

(1) RUNWAY GROWTH CREDIT FUND INC., a Maryland corporation, as borrower (the *"Borrower"*);

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

(3) Each Guarantor party hereto;

(4) KEYBANK NATIONAL ASSOCIATION, as administrative agent for the Lenders (together with its successors and assigns in such capacity, the *"Administrative Agent"*);

(5) CIBC BANK USA, as documentation agent (together with its successors and assigns in such capacity, the *"Documentation Agent"*);

(6) MUFG UNION BANK, N.A., as co-documentation agent (together with its successors and assigns in such capacity, the *"Co-Documentation Agent"*); and

(7) U.S. BANK NATIONAL ASSOCIATION, not in its individual capacity but as the paying agent (together with its successors and assigns in such capacity, the "*Paying Agent*").

RECITALS

The Borrower desires that the Lenders make advances on a revolving basis to the Borrower on the terms and subject to the conditions set forth in this Agreement; and

Each Lender is willing to make such advances to the Borrower on the terms and subject to the conditions set forth in this Agreement.

In consideration of the premises and of the mutual covenants herein contained, the parties hereto agree as follows:

ARTICLE I

DEFINITIONS

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

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

"*1940 Act*" means the Investment Company Act of 1940, as amended from time to time.

"*Account Control Agreement*" means each of (i) that certain Account Control Agreement, dated as of May 31, 2019, among the Borrower, the Administrative Agent and the Bank, as securities intermediary, with respect to the Collection Account as the same may be amended, restated, modified or supplemented from time to time, (ii) that certain Account Control Agreement, among the Borrower, the Administrative Agent and CIBC Bank USA, as account bank, with respect to the CIBC Account as the same may be amended, restated, modified or supplemented from time to time, and (iii) any other account control agreement entered into from time to time, in each case (x) in form and substance satisfactory to the Administrative Agent and (y) providing for "control" by the Administrative Agent of the applicable account within the meaning of the UCC.

"*Additional Amount*" is defined in Section 2.13.

"*Additional Guarantor Supplement*" means a certificate prepared and signed by a Responsible Officer of the Borrower with respect to each Subsidiary of the Borrower (other than any Subsidiary that signed this Agreement as Guarantor on the Effective Date) in the form of Exhibit I hereto.

"*Adjusted Eurodollar Rate*" means, for any Settlement Period, an interest rate per annum equal to the quotient, expressed as a percentage and rounded upwards (if necessary), to the nearest 1/100 of 1%, (i) the numerator of which is equal to the LIBO Rate for such Settlement Period and (ii) the denominator of which is equal to 100% minus the Eurodollar Reserve Percentage for such Settlement Period.

"*Administration Agreement*" means the Administration Agreement dated as of December 15, 2016 between Borrower and Runway Administrator Services LLC, a Delaware limited liability company, as amended, supplemented or otherwise modified from time to time.

"*Administrative Agent*" is defined in the preamble hereto.

"*Administrative Agent Fee*" has the meaning set forth in the Administrative Agent Fee Letter.

"*Administrative Agent Fee Letter*" means that certain Administrative Agent Fee Letter by and among the Borrower, the Administrative Agent and the Syndication Agent dated as of May 31, 2019, as the same may be amended, amended, restated or modified from time to time.

"*Administrative Expense Cap*" means, for any rolling 12-month period, an amount equal to $100,000 per annum.

"*Administrative Expenses*" means all amounts (including indemnification payments) due or accrued and payable by the Borrower to the Administrative Agent and the Bank Parties pursuant to any Transaction Document including any Bank Fees and Expenses. For the avoidance of doubt, Administrative Expenses shall not include any amount payable to any Lender or any other Person pursuant to any Transaction Document.

"*Advance*" means an advance made by a Lender to the Borrower under and in accordance with the terms hereof.

"*Advance Rate*" means:

(i) at any time that there are nine (9) or fewer unaffiliated Obligors with respect to the Eligible Loans included in the Collateral, (a) with respect to First Lien Loans, 55% and (b) with respect to Second Lien Loans, 30%;

(ii) at any time that there are ten (10) or more unaffiliated Obligors but no more than thirty (30) Obligors with respect to the Eligible Loans included in the Collateral, (a) with respect to First Lien Loans, 60% and (b) with respect to Second Lien Loans, 35%; and

(iii) at any time that there are more than thirty (30) unaffiliated Obligors with respect to the Eligible Loans included in the Collateral, (a) with respect to First Lien Loans, 65% and (b) with respect to Second Lien Loans, 40%.

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

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

"*Affiliate*" with respect to a Person, means any other Person controlling, controlled by or under common control with such Person; *provided, however,* that notwithstanding anything herein to the contrary, the term "Affiliate" of the Borrower shall not include any Person that is a Portfolio Investment. For purposes of this definition, "control" when used with respect to any specified Person means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms "controlling" or "controlled" have meanings correlative to the foregoing.

"*Agent's Account*" means ABA: 021300077, Acct: 329953020917, Account Name: KeyBank NA, REF: Runway Growth Credit Fund Inc.

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

"*Agreement*" or "*Credit Agreement*" means this Credit Agreement, dated as of May 31, 2019, as hereafter amended, restated, supplemented or otherwise modified from time to time.

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

"*Applicable Law*" means, for any Person, all existing and future applicable laws, rules, regulations (including proposed, temporary and final income tax regulations), statutes, treaties, codes, ordinances, permits, certificates, orders and licenses of and interpretations by any Governmental Authority (including, without limitation, Credit Protection Laws, Regulation W, Regulation U and Regulation B of the Federal Reserve Board, the Foreign Corrupt Practices Act and the USA PATRIOT Act), and applicable judgments, decrees, injunctions, writs, orders or determination of any court, arbitrator or other administrative, judicial, or quasi-judicial tribunal or agency of competent jurisdiction, in each case which relates to such Person or its business in any material respect.

"*Applicable Margin*" is defined in the Lender Fee Letter.

"*Applicable Reduction Premium Percentage*" means, as of any date of determination, an amount equal to (i) during the period from and after the Effective Date to, but not including, the date that is the second anniversary of the Effective Date, one percent (1.00%) and (ii) thereafter, zero percent (0.00%).

"*Approval Period" is defined in Section 5.2(c).*

"*Approved Replacement" is defined in Section 5.2(c).*

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

"*Availability*" means, for any day, the amount by which (i) the Maximum Availability as of such day exceeds (ii) the Advances Outstanding on such day; *provided*, *however*, that following the Termination Date, the Availability shall be zero.

"*Available Collections*" is defined in Section 2.8(a).

"*Bank*" means U.S. Bank National Association, a national banking association, in its individual capacity and not as agent, and any successor thereto.

"*Bank Parties*" means the Bank in its respective capacities as Collateral Custodian, Document Custodian and Paying Agent under the Transaction Documents.

"*Bank Fees and Expenses*" means those fees and expenses including the reasonable and documented out-of-pocket accrued and unpaid fees, expenses (including reasonable attorneys' fees, costs and expenses) and indemnity amounts payable by the Borrower to the Paying Agent, the Document Custodian and the Collateral Custodian payable pursuant to (i) that certain U.S. Bank National Association Fee Proposal dated as of November 12, 2015, from U.S. Bank National Association, as Paying Agent, Document Custodian and Collateral Custodian and acknowledged by the Borrower and (ii) the Transaction Documents (including Indemnified Amounts under Sections 9.1 and 9.2 under this Agreement), provided that such fees shall not be increased without the consent of the Administrative Agent.

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

"*Base Rate*" means, on any date, a fluctuating rate of interest per annum equal to the higher of (a) the Prime Rate, or (b) the Federal Funds Rate plus 0.50%.

"*Benchmark*" is defined in Section 2.11(f).

"*Beneficial Owner*" means, with respect to the Borrower, (a) each individual, if any, who, directly or indirectly, owns 25% or more of the equity interests in the Borrower and (b) a single individual with significant responsibility to control, manage, or direct the Borrower.

"*Benefit Plan*" means any of (a) an "employee benefit plan" (as defined in ERISA) that is subject to Title I of ERISA, (b) a "plan" as defined in and subject to Section 4975 of the Code or (c) any Person whose assets include (for purposes of ERISA Section 3(42) or otherwise for purposes of Title I of ERISA or Section 4975 of the Code) the assets of any such "employee benefit plan" or "plan".

"*Borrower*" is defined in the preamble hereto.

"*Borrower Notice*" means a written notice (including a duly completed Borrowing Base Certificate, and in the case of any Funding Request, a duly completed Borrowing Base Certificate as of such proposed Funding Date and giving pro forma effect to the Advance requested and the use of proceeds thereof) in the form of Exhibit A, to be used for each borrowing or termination or reduction of the Facility Amount or prepayments of Advances.

"*Borrower's Certificate*" is defined in Section 7.11(b).

"*Borrower's Standard Documents*" means the *Borrower's* standard form loan and security agreement and other required agreements, as attached hereto as Schedule VII, as such Schedule may be updated from time to time with the consent of the Administrative Agent, or as otherwise reviewed and approved (such approval not to be unreasonably withheld) by Administrative Agent from time to time.

"*Borrowing Base*" means, at any time, (a)(i) the Net Loan Balance, *multiplied by* (ii) the Weighted Average Advance Rate *plus* (b) the amount of cash and cash equivalents constituting Principal Collections held in the Collection Account.

"*Borrowing Base Certificate*" means a certificate prepared and signed by a Responsible Officer of the Borrower in the form of Exhibit H hereto, including a calculation of the Borrowing Base as of the relevant Funding Date, Reporting Date or such other date as may be specified under Section 7.11(e).

"*Borrowing Base Test*" means as of any date, a determination that (a) the Maximum Availability shall be equal to or greater than (b) the Advances Outstanding.

"*Business Day*" means any day of the year, other than a Saturday or a Sunday, on which (a) banks are not required or authorized to be closed in New York, New York, and (b) if the term "Business Day" is used in connection with the Adjusted Eurodollar Rate or the Interest Reset Date, means the foregoing only if such day is also a day of year on which dealings in United States dollar deposits are carried on in the London interbank market.

"*Carrying Costs"* means, for any Settlement Period, the sum of the aggregate amount of Interest accrued during such Settlement Period with respect to all Advances Outstanding during such Settlement Period.

"*Certificate of Beneficial Ownership"* means, with respect to the Borrower, a certificate certifying, among other things, the Beneficial Owner of the Borrower, delivered on the Effective Date, as the same may be updated or amended from time to time in accordance with this Agreement.

"*CIBC Account*" means that certain deposit account number 0002637324 in the name of the Borrower maintained with an office or branch of CIBC Bank USA which is account which shall at all times after the initial Advance hereunder be subject to an Account Control Agreement in favor of the Administrative Agent.

"*Change of Control"* shall mean that (a) OCM Growth Holdings, LLC and any of its Affiliates (individually or in the aggregate) shall cease to own and control 50% of the Voting Stock of the Borrower or (b) David Spreng, the executive management of the Investment Adviser, OCM Growth Holdings, LLC, and any of their Affiliates (individually or in the aggregate) shall cease to own and control 50% of the Voting Stock of the Investment Adviser.

"*Code"* means the Internal Revenue Code of 1986, as amended.

"*Co-Documentation Agent"* is defined in the preamble hereto.

"*Collateral"* means all right, title and interest, whether now owned or hereafter acquired or arising, and wherever located, of the Borrower (whether directly or in its capacity as a lender with respect to the Loans or otherwise) and each Guarantor (as applicable) in, to and under any and all of the following:

(i) the Loans;

(ii) any Related Property securing the Loans including all Proceeds from any sale or other disposition of such Related Property;

(iii) the Loan Documents relating to the Loans;

(iv) the Collection Account (including the Interest Collection Subaccount and Principal Collection Subaccount therein), all funds held in each such account, and all certificates and instruments, if any, from time to time representing or evidencing the Collection Account or such funds;

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

(vi) at all times from and after the date of the initial Advance hereunder, the CIBC Account, all funds held in each such account, and all certificates and instruments, if any, from time to time representing or evidencing the CIBC Account or such funds;

(vii) the Borrower's rights as a lender with respect to any deposit or banking accounts in which Collections are deposited from time to time;

(viii) all other accounts, general intangibles, instruments, investment property, documents, chattel paper, goods, moneys, letters of credit, letter of credit rights, certificates of deposit, deposit accounts, commercial tort claims, oil, gas and minerals, and all other property and interests in property of the Borrower and each Guarantor, whether tangible or intangible;

(ix) any Portfolio Investments;

(x) the Borrower's ownership interest in and rights in all assets owned by any Subsidiary and the Borrower's rights under any agreement with any Subsidiary; and

(xi) all income and Proceeds of the foregoing;

provided that "Collateral" shall exclude all Excluded Property.

"*Collateral Custodian*" means U.S. Bank National Association, a national banking association, in its capacity as custodian under the Custody Agreement, together with its successors and assigns.

"*Collateral Default Ratio*" means, with respect to any Settlement Period, the annualized percentage (rounded up to the next one-hundredth (1/100th) of one percent (1%)) equivalent of a fraction, calculated as of the end of such Settlement Period on the Reporting Date occurring in the calendar month following the end of such Settlement Period, (i) the numerator of which is equal to the aggregate Outstanding Loan Balance of all Loans that were or became Defaulted Loans during such Settlement Period and (ii) the denominator of which is equal to the Aggregate Outstanding Loan Balance as of the final day of immediately preceding Settlement Period.

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

"*Collection Date*" means the date following the Termination Date on which all Advances Outstanding have been reduced to zero, the Lenders have received all accrued Interest, fees, and all other amounts owing to them under this Agreement and each of the Bank Parties, the Administrative Agent and the Managing Agents have received all amounts due to them in connection with the Transaction Documents.

"*Collections*" means (a) all cash collections and other cash proceeds of a Loan from or on behalf of any Obligor in payment of any amounts owed in respect of such Loan, including, without limitation, Interest Collections, Principal Collections, Insurance Proceeds, all related fees, penalties, guarantee payments and all cash Recoveries and (b) interest earnings in the Collection Account and any other transaction accounts.

"*Commitment*" means (a) as to each Lender, the obligation of such Lender to make, on and subject to the terms and conditions hereof, Advances to the Borrower pursuant to this Agreement in an aggregate principal amount at any one time outstanding for such Lender up to but not exceeding the amount set forth opposite the name of such Lender on its signature page hereto; and (b) with respect to any Person who becomes a Lender pursuant to an Assignment and Acceptance or a Joinder Agreement, the commitment of such Person to fund Advances to the Borrower in an amount not to exceed the amount set forth in such Assignment and Acceptance or Joinder Agreement, as such amount may be modified in accordance with the terms hereof; *provided*, *however*, that on or after the Termination Date, the Commitment of each Lender shall be equal to the product of (i) a fraction equal to (x) such Lender's Commitment immediately prior to the Termination Date *divided by* (y) the Commitments of all Lenders immediately prior to the Termination Date *multiplied by* (ii) the Advances Outstanding.

"*Commitment Fee*" is defined in the Lender Fee Letter.

"*Commitment Termination Date*" means May 31, 2022, or such later date to which the Commitment Termination Date may be extended (if extended) in the sole discretion of the Lenders in accordance with the terms of Section 2.1(b).

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

"*Control*" means the direct or indirect possession of the power to direct or cause the direction of the management or policies of a Person, whether through ownership, by contract, arrangement or understanding, or otherwise. "*Controlled*" and "*Controlling*" have meanings correlative thereto.

"*Control Position Loan*" means any Loan with respect to which the Borrower holds either (i) 100% of the voting interests with regard to such Loan and the related loan documents or (ii) a blocking interest such that decisions with regard to such Loan under the related Loan Documents regarding material consents, amendments, waivers or approvals require the Borrower's consent.

"*Credit Protection Laws*" means all federal, state and local laws in respect of the business of extending credit to borrowers, including without limitation, the Truth in Lending Act (and Regulation Z promulgated thereunder), Equal Credit Opportunity Act, Fair Credit Reporting Act, Fair Debt Collection Practices Act, Gramm-Leach-Bliley Financial Privacy Act, Real Estate Settlement Procedures Act, Home Mortgage Disclosure Act, Fair Housing Act, anti-discrimination and fair lending laws, laws relating to servicing procedures or maximum charges and rates of interest, privacy laws and other similar laws, each to the extent applicable, and all applicable rules and regulations in respect of any of the foregoing.

"*Custody Agreement*" means the Custody Agreement dated as of January 6, 2017 among the Borrower and the Bank, as custodian and document custodian, as the same may from time to time be amended, restated, supplemented, waived or modified.

"*Default Rate*" means a rate per annum equal to the sum of (i) the Interest Rate plus (ii) 2.0%.

"*Defaulted Loan*" means a Loan as to which any of the following occurs:

(a) a default as to all or any portion of one or more payments of principal, interest, and/or commitment fees has occurred with respect to such Loan and such default has not been cured by ninety (90) days past the applicable due date;

(b) a default other than a payment default described in clause (a) above and for which the Borrower (or the administrative agent or required lenders pursuant to the related Loan Documents, as applicable) has elected to exercise any of its rights and remedies under such related Loan Documents (including, without limitation, acceleration or foreclosing on collateral);

(c) the related Obligor of such Loan is subject of an Insolvency Event;

(d) any or all of the principal balance due under such Loan is waived or forgiven; or

(e) the Borrower has reasonably determined in accordance with the Investment Policy that such Loan is not collectible or should be placed on "non-accrual" status.

"*Defaulting Lender*" shall mean, at any time, subject to Section 2.16, (i) any Lender that has failed for two (2) or more Business Days to comply with its obligations under this Agreement to make an Advance or to make any other payment due hereunder (each a "funding obligation"), unless such Lender has notified the Administrative Agent and the Borrower in writing that such failure is the result of such Lender's determination that one or more conditions precedent to funding has not been satisfied (which conditions precedent, together with any applicable Event of Default or Unmatured Event of Default, will be specifically identified in such writing), (ii) any Lender that has notified the Administrative Agent in writing, or has stated publicly, that it does not intend to comply with any such funding obligation hereunder, unless such writing or public statement states that such position is based on such Lender's determination that one or more conditions precedent to funding cannot be satisfied (which conditions precedent, together with any applicable Event of Default or Unmatured Event of Default, will be specifically identified in such writing or public statement), (iii) any Lender that has defaulted on its obligation to fund generally under any other loan agreement, credit agreement or other financing agreement, (iv) any Lender that has, for three (3) or more Business Days after written request of the Administrative Agent or the Borrower, failed 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 will cease to be a Defaulting Lender pursuant to this clause (iv) upon the Administrative Agent's and the Borrower's receipt of such written confirmation), or (v) any Lender with respect to which a Lender Insolvency Event has occurred and is continuing. Any determination by the Administrative Agent that a Lender is a Defaulting Lender will be conclusive and binding, absent manifest error, and such Lender shall be deemed to be a Defaulting Lender **(**subject to Section 2.16) upon notification of such determination by the Administrative Agent to the Borrower and the Lenders.

"*DIP Loan*" means an obligation:

(a) obtained or incurred after the entry of an order of relief in a case pending under Chapter 11 of the Bankruptcy Code,

(b) to a debtor in possession as described in Chapter 11 of the Bankruptcy Code or a trustee (if appointment of such trustee has been ordered pursuant to Section 1104 of the Bankruptcy Code),

(c) on which the related Obligor is required to pay interest and/or principal on a current basis, and

(d) approved by a Final Order or Interim Order of the bankruptcy court so long as such obligation is (A) fully secured by a lien on the debtor's otherwise unencumbered assets pursuant to Section 364(c)(2) of the Bankruptcy Code, (B) fully secured by a lien of equal or senior priority on property of the debtor estate that is otherwise subject to a lien pursuant to Section 364(d) of the Bankruptcy Code or (C) is secured by a junior lien on the debtor's encumbered assets (so long as such loan is fully secured based on the most recent current valuation or appraisal report, if any, of the debtor).

"*Discretionary Sale*" is defined in Section 2.14.

"*Discretionary Sale Notice*" is defined in Section 2.14.

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

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

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

"*Document Custodian*" means the Bank, in its capacity as Document Custodian under the Custody Agreement, together with its successors and assigns.

"*Document Custody Agreement*" means the Document Custody Agreement dated as of May 31, 2019 among the Borrower, the Administrative Agent and the Bank, as Document Custodian, as the same may from time to time be amended, restated, supplemented, waived or modified

"Documentation Agent" is defined in the preamble hereto.

"Dollar" means the United States dollar.

"EBITDA" means, the consolidated net investment income (excluding extraordinary gains and extraordinary losses) for the relevant period plus, without duplication, the following to the extent deducted in calculating such consolidated net investment income: (i) consolidated interest charges for such period; (ii) the provision for Federal, state, local and foreign income taxes payable for such period; (iii) depreciation and amortization expense for such period; and (iv) such other adjustments that are usual and customary for transactions of this nature.

"Effective Date" means May 31, 2019.

"Eligible Assignee" means a Person that is either (i) a Lender or an Affiliate of a Lender or (ii) a Person that (x) has a short-term rating of at least A-1 from S&P and P-1 from Moody's, or whose obligations under this Agreement are guaranteed by a Person whose short-term rating is at least A-1 from S&P and P-1 from Moody's and (y) is approved by the Administrative Agent (such approval not to be unreasonably withheld); *provided* that, notwithstanding any of the foregoing, "Eligible Assignee" shall not include (A) the Borrower or any of Affiliates or subsidiaries thereof, (B) any business development company or a wholly owned subsidiary of a business development company, or (C) any Person designated by the Borrower to the Administrative Agent as a "direct competitor" of the Borrower that is specified on a list, which shall not include more than twenty (20) Persons, on file with the Administrative Agent on the Effective Date, which such list may be updated (but in no event will include more than twenty (20) Persons) from time to time when no Event of Default is in existence by the Borrower with the consent of the Administrative Agent.

"Eligible Loan" means, on any date of determination, each Loan which satisfies each of the following requirements unless waived by the Required Lenders in their sole discretion:

(i) the Loan was originated or purchased in the ordinary course of the business of the Borrower and was underwritten, conducted due diligence, approved, documented, managed and otherwise in conformance with the Investment Policy;

(ii) the Loan, together with the Loan Documents related thereto, does not contravene in any material respect any Applicable Laws (including, without limitation, laws, rules and regulations relating to usury, Credit Protection Laws and privacy laws) and with respect to which no party to the Loan Documents related thereto is in material violation of any such Applicable Laws;

(iii) the proceeds thereof will not be used to finance activities with the marijuana industry, nor any other industry which is illegal under Federal law at the time of acquisition of such Loan;

(iv) the Loan, and any agreement pursuant to which Related Property is pledged to secure such Loan and each related Loan Document is the legal, valid and binding obligation of the related Obligor including any related guarantor and is enforceable in accordance with its terms, except as such enforcement may be limited by Insolvency Laws and except as such enforceability may be limited by general principles of equity (whether considered in a suit at law or in equity);

(v) the Loan, together with the related Loan Documents, is fully assignable by the Borrower and may be collaterally assigned by the Borrower to the Administrative Agent without restriction (or subject only to restrictions which have been complied with); there is only one originally signed note evidencing the Loan and it has been delivered to the Document Custodian or the Loan is a "noteless" loan;

(vi) the Loan is documented pursuant to the Borrower's Standard Documents or such other negotiated documents as are substantially in conformance with the substance and content of such Borrower's Standard Documents and was documented and closed in accordance with the Investment Policy, including the relevant opinions and assignments;

(vii) the Loan is not subject to any right of rescission, set-off, counterclaim or defense, including the defense of usury, or any assertion thereof by the related Obligor, nor will the operation of any of the terms of such Loan or any related Loan Document, or the exercise of any right thereunder, including, without limitation, remedies after default, render either the Loan or any related Loan Document unenforceable in whole or in part; nor is the Loan subject to any prepayment in an aggregate amount less than the outstanding principal balance of such Loan plus all accrued and unpaid interest;

(viii) all parties to the related Loan Documents and any related mortgage or other document pursuant to which Related Property was pledged in respect of the Loan had legal capacity to borrow the Loan and to execute such Loan Documents and any such mortgage or other document and each related Loan Document and mortgage or other document has been duly and properly executed by such parties;

(ix) all of the Required Loan Documents shall be delivered to the Document Custodian and the Administrative Agent no later than five (5) Business Days after the applicable origination or purchase and in conformity with the requirements of the Transaction Documents;

(x) the Borrower has good and indefeasible title to, and is the sole owner of the Loan subject to no Liens, other than Permitted Liens, and has (either directly or through the applicable collateral agent or administrative agent designated in the Loan Documents) a first priority (or in the case of a Second Lien Loan, second priority) perfected security interest in the Related Property of such Loan (subject to customary exclusions and Permitted Obligor Liens);

(xi) there is no obligation on the part of the Borrower or any other party (except for any guarantor of such Loan) to make payments with respect to the Loan in addition to those made by the Obligor;

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

(xiii) the Borrower has instructed the Obligor or related administrative and paying agents under the Loan Documents to remit all Collections directly to the CIBC Account or the Collection Account;

(xiv) the Loan is a First Lien Loan or a Second Lien Loan;

(xv) the Loan is not on non-accrual status or a Defaulted Loan;

(xvi) the Loan contains financial covenants, including but not limited to, liquidity and other standard financial covenants which may include, but not limited to, material adverse change, investor abandonment, transfer of assets and/or equity distribution restrictions;

(xvii) if the Loan is made to an Obligor which holds any other loans originated by the Borrower or an Affiliate thereof, whether such other loan is funded hereunder or through another lender, such Loan contains standard cross-collateralization and cross-default provisions with respect to such other loan;

(xviii) the Loan has an original term to maturity of no more than sixty (60) months, *provided* that with respect to any Loan that is a Revolving Loan, the related maturity date is within the earlier of thirty-six (36) months or the maturity date of any other obligation for borrowed money of such Obligor provided by the Borrower or an Affiliate thereof;

(xix) the Loan requires (i) interest to be paid thereon in cash on no less frequently than a quarterly basis that is greater than 67% of the total interest earned on the Loan and (ii) if such Loan is a Term Loan the principal amortization schedule requires amortization payments to be made (after any applicable interest only period) no less frequently than quarterly such that at the stated maturity of such Term Loan, the remaining principal balance is zero;

(xx) such Loan has remaining scheduled principal payments beginning no later than twenty-four (24) months after the date such Loan was initially closed and funded unless such Loan is a Revolving Loan;

(xxi) the Loan is a Floating Rate Loan;

(xxii) the Loan is denominated and payable only in Dollars in the United States, and is not convertible by the Obligor into debt denominated in any other currency or into stock, warrants or interests of the Obligor which are treated as equity for United States federal income tax purposes;

(xxiii) the Loan is not (a) primarily secured by real property, (b) a Participation Interest, (c) a DIP Loan, (d) a Structured Finance Obligation, (e) a derivative instrument, (f) a joint venture that is in the principal business of making debt or equity investments primarily in other unaffiliated entities or (g) a consumer obligation.

(xxiv) the Loan has been assigned a Proprietary Risk Rating in accordance with the Investment Policy of (i) at the time of origination or acquisition by the Borrower of "1" or "2" and (ii) thereafter, of "1", "2" or "3";

(xxv) the related Loan Documents require the Obligor thereunder to maintain the Related Property in good repair, to maintain adequate insurance with respect thereto and to pay all related maintenance, repair and insurance costs and taxes;

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

(xxvii) the Loan does not by its terms permit the payment obligation of the Obligor thereunder to be converted into stock, warrants or interests of the Obligor which are treated as equity for United States federal income tax purposes;

(xxviii) the Loan does not provide for payments that are subject to withholding tax, unless the Obligor is required to make "gross-up" payments in an amount covering the full amount of such withholding tax on an after-tax basis;

(xxix) the Administrative Agent, for the benefit of the Secured Parties, holds a first priority perfected security interest in the Loan;

(xxx) the information with respect to the Loan set forth in the Loan List and in the electronic loan file and Loan Checklist provided to the Administrative Agent at the time of the initial Advance with respect to such Loan, and in each Loan List, electronic loan file and Loan Checklist provided thereafter which includes such Loan, is true, complete and correct in all material respects;

(xxxi) no statement, report or other document signed by the Borrower constituting a part of the Loan File with respect to the Loan contains any untrue statement of a material fact by the Borrower or, to the Borrower's knowledge, by any other party thereto, or omits to state a material fact with respect to the Borrower or, to the Borrower's knowledge, with respect to any other party thereto, as of the date such facts were stated;

(xxxii) [reserved];

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

(xxxvi) [reserved];

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

(xxviii) the Loan will not cause the Borrower to be required to be registered as an investment company under the 1940 Act;

(xxxix) [reserved];

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

(xli) does not constitute Margin Stock and no part of the proceeds of such loan or debt security or any other extension of credit made thereunder 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; and

(xlii) if the Loan is part of a syndicated or other co-lending arrangement with one or more third party lenders, such syndicated or co-lending arrangement is subject to intercreditor or other agreements consistent with the Investment Policy procedures related to any such co-lending arrangements.

"Eligible Obligor" means, on any day, any Obligor that satisfies each of the following requirements (unless specifically determined to be an Eligible Obligor by Required Lenders following a review thereof on a case-by-case basis):

(i) the location of such Obligor's principal office and any Related Property material to the underwriting of the applicable Loan is in the United States or any territory of the United States, Canada, or the United Kingdom;

(ii) such Obligor is not (i) the United States or any department, agency or instrumentality of the United States, (ii) any state of the United States or (iii) any other Governmental Authority;

(iii) based on the Borrower's most recent quarterly credit analysis pursuant to the Investment Policy and taking into account the anticipated positive or negative cash flow of such Obligor, such Obligor has sufficient unrestricted cash on hand or committed availability under revolving lines of credit to allow such Obligor to service at least three (3) months of operations;

(iv) the business that such Obligor is engaged in is classified as a Target Industry in accordance with the Investment Policy;

(v) such Obligor is in material compliance with all material terms and conditions of its Loan Documents, is generally able to meet its financial obligations and is actively in its business operations and is not subject of any Insolvency Event or Insolvency Proceedings;

(vi) such Obligor is not an Affiliate of any of Oaktree Capital Management, L.P., the Borrower, the Investment Adviser or any Affiliate thereof;

(vii) as of the initial Funding Date of any Advance with respect to the Loan of such Obligor, (x) the LTV of such Obligor is less than or equal to 20% or (y) the related Loan has a Proprietary Risk Rating of "1" in accordance with the Investment Policy and the LTV of such Obligor is less than or equal to 30%;

(viii) the LTV of such Obligor (as of its most recent reporting period) is less than 50%;

(ix) such Obligor has generated at least $5,000,000 in revenue during the most recent trailing twelve-month period; and

(x) such Obligor has paid-in capital of at least $10,000,000.

"*Energy Company*" means and includes Obligors that operate a business within the Target Industry set forth in clause (c) of the definition thereof as determined in accordance with the Investment Policy.

"*Enterprise Loan*" means any First Lien Loan that is a Term Loan, of which, all or a portion of such Term Loan has converted into an accounts receivable or monthly recurring revenue ("*MRR*") formula-driven borrowing base Loan. The terms of such Enterprise Loan specify (i) the maximum aggregate amount that can be borrowed by the related Obligor, (ii) that the maximum advance rate against accounts receivables or multiple of MRR shall not exceed 85% and 6.0x, respectively, (iii) that is not subordinate in right of payment to any other obligation for borrowed money of the Obligor, (iv) that the maturity date is within the earlier of thirty-six (36) months or the maturity date of any other obligation for borrowed money of the Obligor provided by the Borrower or any of its Affiliates, (v) that any over-advance relative to the current accounts receivable or MRR is converted back into a Term Loan and (vi) that is classified as a "ROSE Loan" on the books of the Borrower in accordance with the Investment Policy. For avoidance of doubt, any Enterprise Loan shall be covered by the terms and conditions of the related Term Loan.

"*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 governmental restrictions, including all common law, relating to pollution or the protection of health, safety or the environment or the release of any materials into the environment, including those related to Hazardous Materials, air emissions, discharges to waste or public systems and health and safety matters.

"*Environmental Liability*" means any liability or obligation, contingent or otherwise (including any liability for damages, costs of environmental remediation, fines, penalties or indemnities), directly or indirectly, resulting from or based upon (a) violation of any Environmental Law, (b) the generation, use, handling, transportation, storage, treatment, disposal or permitting or arranging for the disposal of any Hazardous Materials, (c) exposure to any Hazardous Materials, (d) the release or threatened release of any Hazardous Materials or (e) any contract, agreement or other consensual arrangement pursuant to which liability is assumed or imposed with respect to any of the foregoing.

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

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

"*Eurodollar Disruption Event*" means, with respect to any Advance as to which Interest accrues or is to accrue at a rate based upon the Adjusted Eurodollar Rate, any of the following: (a) a determination by a Lender that it would be contrary to law or to the directive of any central bank or other governmental authority (whether or not having the force of law) to obtain Dollars in the London interbank market to make, fund or maintain any Advance; (b) the inability of any Lender to obtain timely information for purposes of determining the Adjusted Eurodollar Rate; (c) a determination by a Lender that the rate at which deposits of Dollars are being offered to such Lender in the London interbank market does not accurately reflect the cost to such Lender of making, funding or maintaining any Advance; or (d) the inability of a Lender to obtain Dollars in the London interbank market to make, fund or maintain any Advance.

"*Eurodollar Reserve Percentage*" means, on any day, the then applicable percentage (expressed as a decimal) prescribed by the Federal Reserve Board (or any successor) for determining maximum reserve requirements applicable to "Eurocurrency Liabilities" pursuant to Regulation D or any other then applicable regulation of the Federal Reserve Board (or any successor) that prescribes reserve requirements applicable to "Eurocurrency Liabilities" as presently defined in Regulation D. The Adjusted Eurodollar Rate shall be adjusted automatically on and as of the effective date of any change in the Eurodollar Reserve Percentage.

"*Event of Default*" is defined in Section 8.1.

"*Excess Concentration Amount*" means, on any date of determination during the Revolving Period, the sum of, without duplication,

(a) the amount by which (i) the aggregate Outstanding Loan Balances of all Eligible Loans included as part of the Collateral that are Second Lien Loans exceeds (ii) 10.0% of the Aggregate Outstanding Loan Balance;

(b) the amount by which (i) the aggregate Outstanding Loan Balances of all Eligible Loans included as part of the Collateral that are Revolving Loans exceeds (ii) 15.0% of the Aggregate Outstanding Loan Balance;

(c) the amount by which (i) the aggregate Outstanding Loan Balances of all Eligible Loans included as part of the Collateral the related Obligors of which are in businesses that are classified in any single Target Industry in accordance with the Investment Policy exceeds (ii) 40.0% of the Aggregate Outstanding Loan Balance;

(d) the amount by which (i) the aggregate Outstanding Loan Balances of all Eligible Loans included as part of the Collateral the related Obligors of which are classified as Technology Companies in accordance with the Investment Policy exceeds (ii) 75.0% of the Aggregate Outstanding Loan Balance;

(e) the amount by which (i) the aggregate Outstanding Loan Balances of all Eligible Loans included as part of the Collateral the related Obligors of which are classified as Health Care & Life Sciences Companies in accordance with the Investment Policy exceeds (ii) 50.0% of the Aggregate Outstanding Loan Balance;

(f) the amount by which (i) the aggregate Outstanding Loan Balances of all Eligible Loans included as part of the Collateral the related Obligors of which are classified as Energy Companies in accordance with the Investment Policy exceeds (ii) 10.0% of the Aggregate Outstanding Loan Balance;

(g) the amount by which (i) the aggregate Outstanding Loan Balances of all Eligible Loans included as part of the Collateral that are owed by the Obligor that is the Obligor with respect to the largest percentage of the Aggregate Outstanding Loan Balance exceeds (ii) the lesser of (A) $35,000,000 and (B) 15.0% of the Aggregate Outstanding Loan Balance;

(h) the amount by which (i) the aggregate Outstanding Loan Balances of all Eligible Loans included as part of the Collateral that are owed by any single Obligor (other than the Obligor described in clause (g) above) exceeds (ii) the lesser of (A) $28,000,000 and (B) 12.0% of the Aggregate Outstanding Loan Balance;

(i) the amount by which (i) the aggregate combined Outstanding Loan Balances of all Eligible Loans included as part of the Collateral that are owed by the Obligors that are the Obligors with respect to the five largest percentages of the Aggregate Outstanding Loan Balance exceeds (ii) 50.0% of the Aggregate Outstanding Loan Balance;

(j) the amount by which (i) the aggregate Outstanding Loan Balances of all Eligible Loans included as part of the Collateral the related Obligors of which have corporate headquarters in the state of California exceeds (ii) 65.0% of the Aggregate Outstanding Loan Balance;

(k) the amount by which (i) the aggregate Outstanding Loan Balances of all Eligible Loans included as part of the Collateral the related Obligors of which have corporate headquarters in any single state other than California exceeds (ii) 25.0% of the Aggregate Outstanding Loan Balance;

(l) the amount by which (i) the aggregate Outstanding Loan Balances of all Eligible Loans included as part of the Collateral the related Obligors of which are not domiciled in the United States or any territory of the United States exceeds (ii) 10.0% of the Aggregate Outstanding Loan Balance;

(m) the amount by which (i) the aggregate Outstanding Loan Balances of all Eligible Loans included as part of the Collateral that are PIK Loans that require cash interest payments during any year at a rate of less than ~~8~~6% per annum exceeds (ii) ~~10.0~~15.0% of the Aggregate Outstanding Loan Balance;

(n) the amount by which (i) the aggregate Outstanding Loan Balances of all Eligible Loans included as part of the Collateral that require interest and principal to be paid less frequently than monthly exceeds (ii) 10.0% of the Aggregate Outstanding Loan Balance;

(o) the amount by which (i) the aggregate Outstanding Loan Balances of all Eligible Loans included as part of the Collateral the related Obligor of which does not have a Financial Sponsor exceeds (ii) 20.0% of the Aggregate Outstanding Loan Balance;

(p) the amount by which (i) the aggregate Outstanding Loan Balances of all Eligible Loans included as part of the Collateral that are not Control Position Loans exceeds (ii) 15.0% of the Aggregate Outstanding Loan Balance;

(q) the amount by which (i) the aggregate Outstanding Loan Balances of all Eligible Loans included as part of the Collateral the related Obligor of which is assigned a Proprietary Risk Rating of "3" exceeds (ii) 25% of the Aggregate Outstanding Loan Balance;

(r) the amount by which (i) the aggregate Outstanding Loan Balances of all Eligible Loans included as part of the Collateral for which the required documentation has not been delivered to the Document Custodian and the Administrative Agent in conformity with the requirements of the Transaction Documents exceeds (ii) 10% of the Aggregate Outstanding Loan Balance;

(s) the amount by which (i) the aggregate Outstanding Loan Balances of all Eligible Loans included as part of the Collateral that have been the subject of a Material Modification exceeds (ii) 10% of the Aggregate Outstanding Loan Balance;

(t) to the extent the Weighted Average Remaining Maturity exceeds 42 months, the portion of the Aggregate Outstanding Loan Balance attributable to all such Eligible Loans to the extent of such excess;

(u) to the extent the Weighted Average Remaining Interest Only Period exceeds 18 months, the portion of the Aggregate Outstanding Loan Balance attributable to all such Eligible Loans to the extent of such excess;

(v) to the extent the Weighted Average Spread is less than ~~7.50~~7.25%, the portion of the Aggregate Outstanding Loan Balance attributable to all such Eligible Loans to the extent of such shortfall;

(w) to the extent the Weighted Average Proprietary Risk Rating exceeds 2.50, the portion of the Aggregate Outstanding Loan Balance attributable to all such Eligible Loans to the extent of such excess;

(x) to the extent the Weighted Average LTV exceeds 30.0%, the portion of the Aggregate Outstanding Loan Balance attributable to all such Eligible Loans to the extent of such excess; and

(y) the amount by which (i) the aggregate Outstanding Loan Balances of all Eligible Loans included as part of the Collateral that are Enterprise Loans exceeds (ii) 20.0% of the Aggregate Outstanding Loan Balance;

provided that the determination of the Loans, or portions thereof, that constitute Excess Concentration Amounts will be determined in the way that produces the highest Borrowing Base at the time of determination, it being understood that a Loan (or portion thereof) that falls into more than one such category of Loans will be deemed, solely for purposes of such determinations, to fall only into the category that produces the highest such Borrowing Base at such time (without duplication).

"Excluded Property" means (i) so long as the Existing Indebtedness under the CIBC Demand Loan Agreement, the CIBC Pledge Agreement, or the CIBC Loan Agreement shall remain outstanding, any assets of the Borrower pledged as collateral under the CIBC Pledge Agreement as of the Effective Date, (ii) any equity interests in, and any assets held by, a small business investment company licensed and regulated by the United States Small Business Administration, (iii) any United States Treasury securities pledged under any reverse repurchase agreement to which the Borrower is a party on or after the Effective Date, (iv) any contracts, property rights, equity interests, obligations, instruments, or agreements to which the Borrower is a party (or to any of its rights or interests thereunder) if the grant of a security interest in such contracts, property rights, equity interests, obligations, instruments, or agreements would constitute or result in either (A) the abandonment, invalidation or unenforceability of any right, title or interest of the Borrower therein or (B) a breach or termination pursuant to the terms of, or a default under, any such contract, property rights, equity interests, obligation, instrument or agreement (other than to the extent that any such terms would be rendered ineffective by Section 9-406, 9-407, 9-408 or 9-409 of the Uniform Commercial Code as in effect in the relevant jurisdiction) (any such contracts, property rights, equity interests, obligations, instruments, or agreements (or to rights or interests thereunder) under clause (iv)(A) or (B), a *"Restrictive Agreement"*) and (v) Permitted Subscription Line Collateral.

"Existing Indebtedness" means the obligations of the Borrower pursuant to (i) that certain Demand Loan Agreement dated as of June 22, 2018, by and among the Borrower, any other entity which becomes a party thereto pursuant to the terms thereof, and the CIBC Bank USA (as amended, restated, modified or supplemented from time to time, the "*CIBC Demand Loan Agreement*"), (ii) that certain Revolving Loan Agreement dated as of June 22, 2018, by and among the Pledgor, any other entity which becomes a party thereto pursuant to the terms thereof, and CIBC Bank USA (as amended, restated, modified or supplemented from time to time, the "*CIBC Revolving Loan Agreement*", and together with the Demand Loan Agreement, individually and collectively, the "*CIBC Loan Agreement*"), (iii) that certain Pledge Agreement dated as of June 22, 2018, by the Borrower in favor of the CIBC Bank USA, as amended, restated or supplemented from time to time (the "*CIBC Pledge Agreement*"), and (iv) any reverse repurchase agreement relating to United States Treasury securities of which the Borrower is a party thereto on or after the Effective Date.

"*Facility Amount*" means, at any time and as reduced or increased from time to time, pursuant to the terms of this Agreement the aggregate dollar amount of Commitments of all the Lenders. As of the Effective Date, the Facility Amount is $100,000,000.

"*Fair Value*" means, with respect to any Loan, on any date of determination, the fair market value of such Loan as required by, and determined in accordance with, the 1940 Act, as amended, and any orders by the SEC issued to the Borrower, as such fair market value is updated in accordance with Section 7.18.

"*FASB*" is defined in Section 2.12(a).

"*FATCA*" means Sections 1471 through 1474 of the Code, as of the date of this Agreement (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 agreements 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 and implementing such Sections of the Code.

"*Federal Funds Rate*" means, for any period, a fluctuating interest rate per annum equal for each day during such period equal to (a) the weighted average of the federal funds rates as quoted by KeyBank and confirmed in Federal Reserve Board Statistical Release H. 15 (519) or any successor or substitute publication selected by KeyBank (or, if such day is not a business day, for the next preceding business day); or (b) if, for any reason, such rate is not available on any day, the rate determined, in the sole opinion of KeyBank, to be the rate at which federal funds are being offered for sale in the national federal funds market at 9:00 a.m. (New York City time).

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

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

"*Final Order*" means an order, judgment, decree or ruling the operation or effect of which has not been stayed, reversed or amended and as to which order, judgment, decree or ruling (or any revision, modification or amendment thereof) the time to appeal or to seek review or rehearing has expired and as to which no appeal or petition for review or rehearing was filed or, if filed, remains pending.

"*Financial Sponsor*" means any venture capital firm, private equity group or other institutional investor.

"*First Lien Loan*" means any Loan (a) (i) that is secured by a valid and perfected first priority security interest or Lien on substantially all of the Obligor's assets constituting Related Property (including to the extent that the related Obligor's Related Property includes intellectual property, a negative pledge with respect to the Obligor's intellectual property prohibiting the Obligor from pledging or otherwise encumbering its intellectual property securing the obligations of the Obligor) for the Loan as determined in accordance with the Borrower's Investment Policies and (ii) that provides that the payment obligation of the Obligor on such Loan is either senior to, or pari passu with, and is not (and cannot by its terms become) subordinate in right of payment to, all other Indebtedness of such Obligor, including in any proceeding related to an Insolvency Event (other than a formula-based revolving credit facility secured by a valid-first priority security interest in accounts receivable or inventory), or (b) (i) is issued pursuant to a receivables-based or formula-based revolving credit facility secured by a valid-first priority security interest in accounts receivable or inventory and (ii) that provides that the payment obligation of the Obligor on such Loan is senior to and is not (and cannot by its terms become) subordinate in right of payment to, all other Indebtedness of such Obligor, including in any proceeding related to an Insolvency Event.

"*Floating Rate Loan*" means a Loan that bears interest at a floating rate that is reset on a monthly or quarterly basis.

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

"*Funding Request*" means a Borrower Notice (including a duly completed Borrowing Base Certificate as of such proposed Funding Date and giving pro forma effect to the Advance requested and the use of proceeds thereof) requesting an Advance, in the form of Exhibit A hereto and including each item required by Section 2.2.

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

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

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

"*Guarantors*" is defined in Section 5.1(rr).

"*Guaranty*" is defined in Section 5.1(rr).

"*Hazardous Materials*" means all explosive or radioactive substances or wastes and all hazardous or toxic substances, wastes or other pollutants, including petroleum or petroleum distillates, asbestos or asbestos-containing materials, polychlorinated biphenyls, radon gas, infectious or medical wastes, and other substances or wastes of any nature regulated under or with respect to which liability or standards of conduct are imposed pursuant to any Environmental Law.

"*Health Care & Life Sciences Company*" means and includes Obligors that operate a business within any Target Industry set forth in clause (a) of the definition thereof as determined in accordance with the Investment Policy.

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

"*Indebtedness*" means, with respect to any Person as of any date, (i) indebtedness of such Person for borrowed money, (ii) obligations of such Person evidenced by bonds, debentures, notes or other similar instruments related to transactions that are classified as financings under GAAP, (iii) obligations of such Person to pay the deferred purchase price of property or services (other than trade payables incurred in the ordinary course of business and repayable in accordance with customary trade practices), (iv) obligations of such Person as lessee under leases which shall have been or should be, in accordance with GAAP, recorded as capital leases, (v) obligations secured by a Lien upon property or assets owned (under GAAP) by such Person, even though such Person has not assumed or become liable for the payment of such obligations and (vi) obligations of such Person under direct or indirect guaranties in respect of, and obligations (contingent or otherwise) to purchase or otherwise acquire, or otherwise to assure a creditor, against loss in respect of, indebtedness or obligations of others of the kinds referred to in clauses (i) through (v) above.

"*Indemnified Amounts*" is defined in Section 9.1.

"*Indemnified Party*" is defined in Section 9.1.

"*Indemnified Taxes*" is defined in Section 2.13.

"*Indorsement*" has the meaning specified in Section 8-102(a)(11) of the UCC.

"*Industry*" means the industry of an Obligor as determined by reference to the industry classifications set forth in the definition of Target Industry. The classification under which an Eligible Loan is categorized shall be determined on the date of origination in the reasonable discretion of the Borrower.

"*Ineligible Loan*" means, at any time, a Loan or any portion thereof that fails to satisfy any criteria of the definition of "Eligible Loan".

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

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

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

"*Instrument*" has the meaning specified in Section 9-102(a)(47) of the UCC.

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

"*Insurance Proceeds*" means any amounts payable or any payments made to the Borrower under any Insurance Policy.

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

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

where

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

P = the principal amount of such Advance on such day;

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

"*Interest Collection Subaccount*" is defined in Section 7.4(e).

"*Interest Collections*" means any and all Collections representing (a) payments of interest, end-of-term payments, late payment charges and any other fees and charges related to any Loan; and (b) recoveries of charged off interest on any Loan.

"*Interest Coverage Ratio*" means, on any date of determination calculated with respect to any Settlement Period, the ratio of (a) the Borrower's EBITDA for the related Settlement Period to (b) the sum for such Settlement Period of Carrying Costs.

"*Interest Period*" means each Settlement Period.

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

(a) a rate per annum equal to the Benchmark plus the Applicable Margin; *provided, however*, so long as the Adjusted Eurodollar Rate is the Benchmark, the Interest Rate shall be the Base Rate plus the Applicable Margin if a Eurodollar Disruption Event occurs; or

(b) notwithstanding anything in clause (a) to the contrary, following the occurrence and during the continuation of an Event of Default, the Interest Rate for all Advances shall be a rate equal to the Default Rate.

"*Interest Reset Date*" means the Business Day which is two (2) Business Days prior to the first day of each Interest Period.

"*Interim Order*" means an order, judgment, decree or ruling entered after notice and a hearing conducted in accordance with Bankruptcy Rule 4001(c) granting interim authorization, the operation or effect of which has not been stayed, reversed or amended.

"*Investment"* means, for any Person: (a) equity interests, bonds, notes, debentures or other securities of any other Person (including convertible securities) or any agreement to acquire any equity interests, bonds, notes, debentures or other securities of any other Person; or (b) deposits, advances, loans or other extensions of credit made to any other Person (including purchases of property from another Person subject to an understanding or agreement, contingent or otherwise, to resell such property to such Person).

"*Investment Adviser"* means RGC, as investment adviser under the Investment Advisory Agreement.

"*Investment Advisory Agreement"* means that certain Amended and Restated Investment Advisory Agreement dated as of September 12, 2017 by and between the Investment Adviser and the Borrower as the same may from time to time be amended, restated, supplemented, waived or otherwise modified.

"*Investment Policy"* means the written policies, procedures and guidelines of the Borrower utilized in the origination (and portfolio management) of Loans, specifically including, but not limited to, underwriting, valuation and documentation guidelines, portfolio management and financial policies, procedures and guidelines over collateral and financial analysis, business and asset valuation (including appraisal), audit and appraisal policies, collection activities, renewal, extension, modification, recognition, non-accrual and charge-off policies, and the use of the Approved Forms with respect to the origination, funding and servicing of the Loans, such policies, procedures and guidelines as delivered to, and approved by, the Administrative Agent and the Required Lenders prior to the Effective Date and attached hereto as Schedule VI, as the same may be amended or modified from time to time in accordance with Sections 5.1(q) and 7.9(g).

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

"*Key Person"* is defined in Section 5.2(a).

"*Key Person Event*" is defined in Section 5.2(a).

"*Key Person Trigger*" is defined in Section 5.2(a).

"*Key Person Trigger Cure"* is defined in Section 5.2(a).

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

"*Lender Fee Letter*" means that certain Lender Fee Letter dated as of May 31, 2019, among the Borrower, the Administrative Agent and the Lenders, as the same may be amended, restated or modified from time to time.

"*Lender Group"* means any group consisting of a Lender or Lenders and a related Managing Agent.

"*Lender Insolvency Event*" shall mean that (i) a Lender or its Parent Company is insolvent, or is generally unable to pay its debts as they become due, or admits in writing its inability to pay its debts as they become due, or makes a general assignment for the benefit of its creditors, (ii) a Lender or its Parent Company is the subject of a bankruptcy, insolvency, reorganization, liquidation or similar proceeding, or a receiver, trustee, conservator, custodian or similar Person charged with reorganization or liquidation of its business or assets, including the Federal Deposit Insurance Corporation or any other state or federal regulatory authority acting in such capacity, has been appointed for such Lender or its Parent Company, or such Lender or its Parent Company has taken any action in furtherance of or indicating its consent to or acquiescence in any such proceeding or appointment, or (iii) a Lender or its Parent Company has been adjudicated as, or determined by any Governmental Authority having regulatory authority over such Person or its assets to be, insolvent; *provided* that, for the avoidance of doubt, a Lender Insolvency Event shall not be deemed to have occurred solely by virtue of the ownership or acquisition of any equity interest in or control of a Lender or a Parent Company thereof by a Governmental Authority or an instrumentality thereof so long as such ownership or acquisition does not result in or provide such Lender with immunity from the jurisdiction of courts within the United States or from the enforcement of judgments or writs of attachment on its assets or permit such Lender (or such Governmental Authority) to reject, repudiate, disavow or disaffirm any contracts or agreements made with such Lender.

"Lenders" is defined in the preamble hereto.

"LIBO Rate" means, for any Settlement Period and any Advance, an interest rate per annum (rounded upward, if necessary, to the next higher 1/100th of 1%) equal to the greater of (a) 0.50% and (b)

(i) the posted rate for three-month deposits in Dollars appearing on page BBAM on the Bloomberg Terminal (successor to Telerate page 3750) (*"Page BBAM"*) (or any other page that may replace such page from time to time for the purpose of displaying offered rates of leading banks for London interbank deposits for a three-month period in United States dollars) at approximately 11:00 a.m. (London time) on the applicable Interest Reset Date; or

(ii) if such rate is not published at such time and day for any reason, then the LIBO Rate shall be the rate per annum (rounded upwards, if necessary, to the nearest 1/100th of one percent) based on the rates at which Dollar deposits for a three month period are displayed on page "LIBOR" of the Reuters Screen as of 11:00 a.m. (London time) on the Rate Setting Day (it being understood that if at least two such rates appear on such page, the rate will be the arithmetic mean of such displayed rates); *provided further*, that in the event fewer than two such rates are displayed, or if no such rate is relevant, the LIBO Rate shall be the rate per annum equal to the average of the rates at which deposits in Dollars are offered by KeyBank National Association at approximately 11:00 a.m. (London time) on the Interest Reset Date to prime banks in the London interbank market for a three month period.

"License Agreement" means the Trademark License Agreement dated as of November 8, 2017, between Borrower and Investment Adviser, as amended, supplemented or otherwise modified from time to time.

"Lien" means, with respect to any asset or property, (a) any mortgage, lien, pledge, hypothecation, charge, security interest (statutory or other) or encumbrance of any kind or nature whatsoever in respect of such asset or property, or (b) the interest of a vendor or lessor under any conditional sale agreement, financing loan or other title retention agreement relating to such asset or property (including any financing lease having substantially the same economic effect as any of the foregoing, and the filing authorized by a Person of any financing statement under the UCC or comparable law of any jurisdiction).

"Liquidation Expenses" means, with respect to any Defaulted Loan, the aggregate amount of out-of-pocket expenses reasonably incurred by the Borrower in connection with the repossession, refurbishing and disposition of any related assets securing such Loan including the attempted collection of any amount owing pursuant to such Loan.

"Loan" means each loan or portion of a loan that is acquired or originated or purported to be originated by or acquired by the Borrower. Any Loan that is released from the Lien of this Agreement pursuant to Section 6.3 shall not be treated as a Loan for purposes of this Agreement (*provided*, that the purchase of any Defaulted Loan shall not alter such Loan's status as a Defaulted Loan for purposes of calculating ratios for periods occurring prior to the purchase of such Loan).

"*Loan Checklist*" means an electronic or hard copy, as applicable, of a checklist delivered by or on behalf of the Borrower to the Document Custodian and the Administrative Agent, for each Loan, of all Loan Documents to be included within the respective Loan File, which shall specify whether such document is an original or a copy.

"*Loan Documents*" means, with respect to any Loan, the related promissory note and any related loan agreement, lease agreement, security agreement, intercreditor agreement, mortgage, assignment of mortgage, intellectual property security agreements, deposit account control agreement, assignment of loan or allonge, participation agreement, all guarantees related thereto, and all UCC financing statements and continuation statements (including amendments or modifications thereof) executed (as applicable) by the Obligor thereof or by another Person on the Obligor's behalf in respect of such Loan, including, without limitation, general or limited guaranties.

"*Loan File*" means, with respect to any Loan, a file containing (a) each of the documents and items as set forth on the Loan Checklist with respect to such Loan and (b) duly executed originals or copies of any other relevant records relating to such Loans and the Related Property pertaining thereto.

"*Loan List*" means the Loan List most recently provided by the Borrower to the Administrative Agent and the Document Custodian in connection with a Funding Request or a Monthly Report, which Loan List shall replace the prior Loan List, if any, and be incorporated as Schedule II hereto.

"*Loan Party*" means the Borrower and each of the Guarantors.

"*LTV*" means, as of any date of measurement with respect to any Loan, the number, expressed as a percentage, of (a) the aggregate principal balance of all the Loans included as part of the Collateral with the same Obligor, *plus* all other outstanding balances of secured and unsecured loans of such Obligor that are pari passu to the Loans *plus* the aggregate Unfunded Amount, *divided by* (b) the "Obligor enterprise value," as determined in accordance with the Investment Policy which percentage shall be updated no less frequently than quarterly; *provided that* with respect to any Eligible Loan the Obligor of which is publicly traded, the "Obligor enterprise value" as of any measurement date shall be the average Obligor enterprise value for the three months then ended.

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

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

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

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

"*Material Adverse Effect*" means an event or circumstance which would have or would be reasonably expected to have a material adverse effect on (a) the business, condition (financial or otherwise), operations, performance or properties of the Borrower, (b) the validity, enforceability or collectability of this Agreement or any other Transaction Document or the validity, enforceability or collectability of the Loans, (c) the rights and remedies of the Administrative Agent or any Secured Party under this Agreement or any Transaction Document or (d) the ability of the Borrower to perform its payment or other material obligations under this Agreement or any other Transaction Document, or (e) the status, existence, perfection, priority, or enforceability of the Administrative Agent's or Secured Parties' interest in the Collateral.

"*Material Modification*" means, with respect to any Loan, any amendment, waiver, consent or modification of a related Loan Document with respect thereto executed or effected after the date on which such Loan is acquired by the Borrower as a result of credit deterioration or financial underperformance of the related Obligor, that:

(a) waives, extends or postpones any payment date of one or more interest payments, reduces the interest rate applicable to such Loan, or reduces or waives one or more interest payments or permits any interest due with respect to such Loan in cash to be deferred or capitalized and added to the principal amount of such Loan (other than any deferral or capitalization already expressly permitted by the terms of its underlying instruments or pursuant to the application of a pricing grid, in each case as of the date such Loan was acquired by the Borrower);

(b) contractually or structurally subordinates such Loan by operation of a priority of payments, turnover provisions or the transfer of assets in order to limit recourse to the related Obligor or releases any material guarantor or co-Obligor from its obligations with respect thereto and such release materially and adversely affects the value of such Loan (as determined by the Administrative Agent in a commercially reasonable manner);

(c) substitutes or releases the underlying assets securing such Loan (other than as expressly permitted by the Related Documents as of the date such Loan was acquired by the Borrower) or subordinates the Lien in the underlying assets securing such Loan, and such subordination, substitution or release materially and adversely affects the value of such Loan (as determined by the Administrative Agent in a commercially reasonable manner);

(d) waives, extends or postpones any date fixed for any scheduled payment or mandatory prepayment of principal on such Loan;

(e) reduces or forgives any principal amount of such Loan;

(f) extends the maturity date of such Loan; or

(g) impairs, alters or modifies in any material respect the related note, security agreement or any other agreement pursuant to which collateral is pledged to secure such Loan; or

(h) extends any interest-only period; *provided, however,* that the Borrower may consent to one extension of an interest-only period for a period of not more than 180 days so long as (x) such extension was not a result of Obligor financial under-performance or Obligor credit related reasons and the Obligor is otherwise in compliance with the terms of such Loan and the Related Documents, and (y) such accommodation was done in accordance with the Investment Policy.

provided that any Loan subject to a Material Modification which subsequently becomes a Restructured Loan shall no longer be considered to have been subject to a Material Modification hereunder unless such Loan is subject to a subsequent Material Modification.

"*Maturity Date*" means the earlier of (a) the date that is two (2) years after the Termination Date and (b) the date declared by the Administrative Agent or occurring automatically in respect of the occurrence of an Event of Default pursuant to Section 8.1. The Advances Outstanding and all other Obligations will be due and payable in full on the Maturity Date.

"*Maximum Availability*" means the lesser of (i) the Facility Amount and (ii) the Borrowing Base.

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

"*Minimum Earnings Fee*" is defined in the Lender Fee Letter.

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

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

"*Mortgage*" means the mortgage, deed of trust or other instrument creating a Lien on an interest in real property securing a Loan, including the assignment of leases and rents related thereto.

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

"*Net Loan Balance"* means, as of the date it is to be determined, the difference of (a) the Aggregate Outstanding Loan Balance as of such date *less* (b) the Excess Concentration Amount as of such date.

"*Non-Defaulting Lender*" shall mean, at any time, a Lender that is not a Defaulting Lender or a Potential Defaulting Lender.

"*Non-Renewing Lender"* is defined in Section 2.1(b).

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

"*Obligor"* means, with respect to any Loan, the Person or Persons obligated to make payments pursuant to such Loan, including any guarantor thereof. For purposes of calculating the Advance Rate, Excess Concentration Amount and LTV, all Loans included in the Collateral or to become part of the Collateral the Obligor of which is an Affiliate of another Obligor shall be aggregated with all Loans of such other Obligor.

"*OFAC"* means the U.S. Office of Foreign Asset Controls.

"*Officer's Certificate"* means a certificate signed by a Responsible Officer of the Borrower and delivered to the Administrative Agent.

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

"*Outstanding Loan Balance"* means with respect to any Loan, the lower of (a) the Fair Value of such Loan not to exceed the Borrower's cost basis with respect to such Loan (including any original issue discount, if any) and (b) the then outstanding principal balance thereof. For the avoidance of doubt, the "Outstanding Loan Balance" shall exclude any accrued PIK Interest and end of term optional payments.

"*Parent Company*" shall mean, with respect to a Lender, the "bank holding company" as defined in Regulation Y, if any, of such Lender, and/or any Person owning, beneficially or of record, directly or indirectly, a majority of the shares of such Lender.

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

"*Participation Interest"* means a risk participation interest in a Loan or other obligation.

"*Paying Agent"* means U.S. Bank National Association, a national banking association, in its capacity as paying agent.

"*Paying Agent Termination Notice"* has the meaning specified in Section 14.2.

"*Payment Date"* means (x) the fifteenth (15th) day following the end of each calendar quarter commencing with the Payment Date occurring in July 15, 2019 and (y) the Maturity Date.

"Permitted Indebtedness" means senior unsecured notes issued by the Borrower in an aggregate amount of up to (i) prior to the issuance by the Borrower of equity interests resulting in gross proceeds of $100,000,000 (measured cumulatively from the Third Amendment Date), $125,000,000 or (ii) on and after the issuance by the Borrower of equity interests resulting in gross proceeds of $100,000,000 (measured cumulatively from the Third Amendment Date) or more, $200,000,000.

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

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

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

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

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

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

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

"Permitted Liens" means (i) Liens created pursuant to the Transaction Documents in favor of the Administrative Agent, as agent for the Secured Parties, (ii) warehousemen's and other Liens arising by operation of law in the ordinary course of business for sums not due or sums that are being contested in good faith, (iii) Liens for Taxes that if such Taxes shall not at the time be due and payable or if a Person shall currently be contesting the validity thereof in good faith by appropriate proceedings and with respect to which reserves in accordance with GAAP have been provided on the books of such Person and (iv) with respect to Loans for which a Person other than Borrower serves as the administrative or other agent for the lenders thereunder, Liens in favor of the lead agent, the collateral agent or the paying agent for the benefit of holders of indebtedness of such Obligor.

"Permitted Obligor Liens" means the Liens described in the applicable Loan Documents as "permitted liens" or otherwise permitted thereunder and any other liens approved by the Administrative Agent.

"*Permitted Subscription Line*" means a subscription line of credit in an amount of up to $50,000,000.

"*Permitted Subscription Line Indebtedness*" means the obligations of the Borrower under a Permitted Subscription Line.

"*Permitted Subscription Line Collateral*" means (a) all right, title and interest of the Borrower (i) in and to the capital commitments and unfunded capital commitments of the Borrower's investors, (ii) under the operative documents, the subscription agreements and the side letters in respect of the capital commitments and unfunded capital commitments of the Borrower's investors, and all of the rights, powers and privileges it may have thereunder; (b) all of the Borrower's rights, remedies, powers and authorities under such operative documents and subscription agreements to issue and deliver capital call notices, and all collection and enforcement rights with respect to the capital call notices; (c) all of the Borrower's claims and causes of action arising under or otherwise relating to such operative documents or subscription agreements in respect of the capital commitments and unfunded capital commitments; (d) the bank account into which the Borrower's investors are required to deposit their capital contributions or other amounts paid in respect of any capital call notice (including the money, funds and other property deposited therein) (such account, the "*Permitted Subscription Line Account*"); (e) all books and records pertaining to any of the foregoing; and (f) all proceeds of the foregoing.

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

"*PIK Interest*" means, with respect to any Loan, accrued interest on such Loan that has been deferred or capitalized by the Obligor of such Loan.

"*PIK Loan*" means a Loan that permits the Obligor thereon to defer or capitalize any portion of the accrued interest thereon.

"*Portfolio Investment*" means any Investment held by the Borrower and its Subsidiaries in their asset portfolio that is included (or will, at the end of the then current fiscal quarter, be included) on the schedule of investments on the financial statements of the Borrower delivered pursuant to Section 7.11(k) (and, for the avoidance of doubt, shall not include any Subsidiary of the Borrower).

"*Potential Defaulting Lender*" shall mean, at any time, subject to Section 2.16, any Lender as to which the Administrative Agent has notified the Borrower that (i) an event of the kind referred to in the definition of "Lender Insolvency Event" has occurred and is continuing in respect of any financial institution affiliate of such Lender, (ii) such Lender has (or its Parent Company or a financial institution affiliate thereof has) notified the Administrative Agent in writing, or has stated publicly, that it does not intend to comply with its funding obligations under any other loan agreement, credit agreement or other financing agreement, unless such writing or public statement states that such position is based on such Lender's determination that one or more conditions precedent to funding cannot be satisfied (which conditions precedent, together with any applicable default, will be specifically identified in such writing or public statement), or (iii) such Lender has, or whose Parent Company has, a non-investment grade rating from Moody's or S&P or another nationally recognized rating agency. Any determination by the Administrative Agent that a Lender is a Potential Defaulting Lender will be conclusive and binding, absent manifest error, and such Lender shall be deemed to be a Potential Defaulting Lender (subject to Section 2.16) upon notification of such determination by the Administrative Agent to the Borrower and the Lenders.

"*Prime Rate*" means the rate publicly announced by KeyBank at its principal office in Ohio from time to time as its prime rate in the United States, such rate to change as and when such designated rate changes and is evidenced by the recording thereof after its announcement in such internal publications as KeyBank may designate. The Prime Rate is not intended to be the lowest rate of interest charged by KeyBank in connection with extensions of credit to debtors.

"*Principal Collection Subaccount*" is defined in Section 7.4(e).

"*Principal Collections*" means any and all Collections other than Interest Collections.

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

"*Prohibited Transaction*" means a transaction described in Section 406(a) of ERISA, that is not exempted by a statutory or administrative or individual exemption pursuant to Section 408 of ERISA.

"*Proposal Period*" is defined in Section 5.2(b).

"*Proposed Replacement*" is defined in Section 5.2(b).

"*Proprietary Risk Rating*" means, for any Loan, the rating assigned thereto by the Borrower under the five-level numeric rating system used by the Borrower to rate the credit profile on Loans, as described in the Investment Policy, applied consistently and in good faith.

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

"*PTE*" means a prohibited transaction class exemption issued by the U.S. Department of Labor, as any such exemption may be amended from time to time.

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

"*Qualified Institution*" means a depository institution or trust company (i) which is organized under the laws of the United States or any one of the States thereof or the District of Columbia (or any domestic branch of a foreign bank) and (ii) whose deposits are insured by the Federal Deposit Insurance Corporation.

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

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

"*Register*" is defined in Section 11.1(d).

"*Regulatory Change*" is defined in Section 2.12(a).

"*Related Property*" means, with respect to a Loan, the Borrower's interest (in its capacity as a lender with respect to such Loan) in any property or other assets of the Obligor thereunder pledged as collateral to secure the repayment of such Loan, including, without limitation, accounts receivable, inventory, equipment, real estate, customer lists, networks and databases, patents and other intellectual property and all other collateral therefor described in the revolving loan and security agreement or term loan agreement, as applicable, and any second lien collateral (subject to the applicable priority of interests described in such documents and in the applicable intercreditor agreement, if any) therefor.

"*Replacement Lender*" is defined in Section 2.17.

"*Reporting Date*" means the date that is two Business Days prior to each Payment Date and the twelfth (12th) Business Day of each calendar month that does not include a Payment Date commencing June 2019.

"*Required Lenders*" means at a particular time, Lenders with Commitments (including, for this purpose, Non-Renewing Lenders, who shall be deemed to have Commitments equal to their Lender Group's Advances Outstanding at such time) in excess of 50% of the Facility Amount; *provided* that at any time at which there are two or more Lenders that are not Affiliates, the Required Lenders must consist of at least two Lenders that are not Affiliates of each other and collectively hold Commitments in excess of 50% of the Facility Amount.

"*Required Loan Documents*" means for each Loan, originals (except as otherwise indicated) of the following documents or instruments, all as specified on the related Loan Checklist:

(a) if evidenced by a note, the original or, if accompanied by an original "lost note" affidavit and indemnity, a copy of, the underlying promissory note, endorsed by the Borrower (that may be in the form of an allonge or note power attached thereto) either in blank or to the Administrative Agent as required under the related Loan Documents (and evidencing an unbroken chain of endorsements from each prior holder thereof evidenced in the chain of endorsements either in blank or to the Administrative Agent), with any endorsement to the Administrative Agent to be in the following form: "KeyBank National Association, as Administrative Agent for the Secured Parties" and (i) an undated transfer or assignment document or instrument relating to such Loan, signed by the Borrower, as assignor, and the administrative agent but not dated and not specifying an assignee, and delivered to the Document Custodian, or (ii) a copy of each transfer document or instrument relating to such Loan evidencing the assignment of such Loan to the Borrower and an undated transfer or assignment document or instrument relating to such Loan, signed by the Borrower, as assignor, and the administrative agent (only in the event such administrative agent is an Affiliate of the Borrower) but not dated and not specifying an assignee, and delivered to the Document Custodian;

(b) originals or copies of each of the following, to the extent applicable to the related Loan: any related loan agreement, credit agreement, note purchase agreement, security agreement or other documents evidencing a Lien or grant of collateral security (if separate from any Mortgage) including copies of any UCC financing statements to be filed, sale and servicing agreement, acquisition agreement, subordination agreement, intercreditor agreement or similar instruments, guarantee, Insurance Policy, participation agreement, assignment agreement, assumption agreement or substitution agreement or similar material operative document, in each case together with any amendment or modification thereto, as set forth on the Loan Checklist;

(c) if any Loan is secured by a Mortgage as underwritten collateral, in each case as set forth in the Loan Checklist:

(i) either (i) the original Mortgage, the original assignment of leases and rents, if any, and the originals of all intervening assignments, if any, of the Mortgage and assignments of leases and rents with evidence of recording thereon, (ii) copies thereof certified by the Borrower, by closing counsel or by a title company or escrow company to be true and complete copies thereof where the originals have been transmitted for recording until such time as the originals are returned by the pubic recording office; *provided* that, solely for purposes of the Review Criteria, the Document Custodian shall have no duty to ascertain whether any certification set forth in this subsection (c)(i) has been received, other than a certification which has been clearly delineated as being provided by the Borrower or (iii) copies certified by the public recording offices where such documents were recorded to be true and complete copies thereof in those instances where the public recording offices retain the original or where the original recorded documents are lost; and

(ii) any applicable assignment of mortgage and of any other material recorded security documents (including any assignment of leases and rents) in recordable form, executed by the Borrower, the applicable collateral agent, or the prior holder of record, in blank or to the Document Custodian (and evidencing an unbroken chain of assignments from the prior holder of record to the Document Custodian), with any assignment to the Document Custodian to be in the following form: "U.S. Bank National Association, as Document Custodian for the Secured Parties."

"*Required Reports*" means collectively, the Monthly Report, the Borrower's Certificate and the annual and quarterly financial statements of the Borrower required to be delivered to the Borrower, the Managing Agents and the Administrative Agent pursuant to Section 7.11.

"*Responsible Officer*" means, as to the Borrower, an officer of the Borrower or the Investment Adviser or its general partner or a person duly appointed as attorney-in-fact for the Investment Adviser, and as to any other Person (including Investment Adviser), any officer of such Person with direct responsibility for the administration of this Agreement and also, with respect to a particular matter, any other officer to whom such matter is referred because of such officer's knowledge of and familiarity with the particular subject. The Borrower may designate other and additional Responsible Officers from time to time by notice to the Administrative Agent.

"*Restructured Loan*" means any Loan (a) that was previously the subject of a Material Modification, (b) for which the Obligor (i) is current on all required payments for three consecutive payment periods and (ii) is no longer experiencing a material financial underperformance, distress or material default, in each case in accordance with the Investment Policy, and (c) that has been valued by an independent third-party appraiser since the date of such Material Modification or other default or financial distress.

"*Review Criteria*" has the definition specified in the Document Custody Agreement.

"*Revolving Loan*" means any Loan (i) the terms of which specify a maximum aggregate amount that can be borrowed by the related Obligor and permits such Obligor to re-borrow any amount previously borrowed and subsequently repaid during the term of such Loan, (ii) that is a receivables-based or formula-based revolving credit facility secured by a valid first priority security interest or Lien on working capital (i.e., accounts receivable and inventory), (iii) that is not subordinate in right of payment to any other obligation for borrowed money of the Obligor, (iv) that terminates within the earlier of thirty-six (36) months or the maturity date of any other obligation for borrowed money of the Obligor provided by the Borrower or any of its Affiliates, and (v) that is classified as a "revolving loan" on the books of the Borrower in accordance with the Investment Policy. For the avoidance of doubt, no Enterprise Loan shall constitute a Revolving Loan.

"*Revolving Period*" means the period commencing on the Effective Date and ending on the day immediately preceding the Termination Date.

"*RGC*" means Runway Growth Capital LLC, a Delaware limited liability company.

"*RIC*" means a regulated investment company qualified as such under Sections 851 through 855 of the Code and the Treasury regulations promulgated thereunder.

"*S&P*" means Standard & Poor's Ratings Services, a Standard & Poor's Financial Services LLC business, and any successor thereto.

"*Scheduled Payment*" means, on any date, with respect to any Loan, each monthly or other periodic payment (whether principal, interest or principal and interest) scheduled to be made by the Obligor thereof after such date under the terms of such Loan.

"*SEC*" means the United States Securities and Exchange Commission.

"*Second Lien Loan*" means any Loan that (i) is secured by a valid and perfected security interest or Lien on substantially all of the Obligor's assets constituting Related Property for such Loan, subject only to the prior Lien provided to secure the obligations under a "first lien" loan pursuant to customary commercial terms, and any other "permitted liens" as defined in the applicable Loan Documents for such Loan or such comparable definition if "permitted liens" is not defined therein (including, without limitation, priority Liens on certain current assets, including accounts receivable, to secure working capital facilities), (ii) provides that the payment obligation of the Obligor on such Loan is "senior debt" and, except for the express priority provisions under the documentation of the "first lien" lenders, is either senior to, or pari passu with, all other Indebtedness of such Obligor, (iii) for which the principal Related Property is not comprised of equity interests in the Obligor's subsidiaries and Affiliates, and (iv) the Borrower has determined in good faith that the value of the Related Property securing the Loan on or about the time of origination equals or exceeds the Outstanding Loan Balance of the Loan plus the aggregate outstanding balances of all other loans of equal or higher seniority secured by the same collateral.

"*Secured Party*" means (i) each Lender, (ii) each Managing Agent, and (iii) the Administrative Agent.

"*Securities Intermediary*" has the meaning assigned to it in Section 8-102(a)(14) of the UCC.

"*Settlement Period*" means the three-month period commencing on the first day of a calendar quarter and ending on the last day of the calendar month occurring three months thereafter; *provided, however* that the initial Settlement Period shall be the period from and including the Effective Date to and including the last day of the calendar quarter in which the Effective Date occurs, and *provided, further,* that the final Settlement Period preceding the Maturity Date or the final Settlement Period preceding an optional prepayment in whole of the Advances, shall end on the Maturity Date or the date of such prepayment, respectively.

"*Solvent*" means, as to any Person at any time, having a state of affairs such that all of the following conditions are met: (a) the fair value of the property owned by such Person is greater than the amount of such Person's liabilities (including disputed, contingent and unliquidated liabilities) as such value is established and liabilities evaluated for purposes of Section 101(32) of the Bankruptcy Code; (b) the present fair salable value of the property owned by such Person in an orderly liquidation of such Person is not less than the amount that will be required to pay the probable liability of such Person on its debts as they become absolute and matured; (c) such Person is able to realize upon its property and pay its debts and other liabilities (including disputed, contingent and unliquidated liabilities) as they mature in the normal course of business; (d) such Person does not intend to, and does not believe that it will, incur debts or liabilities beyond such Person's ability to pay as such debts and liabilities mature; and (e) such Person is not engaged in business or a transaction, and is not about to engage in a business or a transaction, for which such Person's property would constitute unreasonably small capital.

"*Spread*" means, with respect to Floating Rate Loans, the cash interest spread of such Floating Rate Loan over the LIBO Rate.

"*Structured Finance Obligation*" means any debt obligation owing by a finance vehicle that is secured directly and primarily by, primarily referenced to, and/or primarily representing ownership of, a pool of receivables or a pool of other assets, including collateralized debt obligations, residential mortgage-backed securities, commercial mortgage-backed securities, other asset-backed securities, "future flow" receivable transactions and other similar obligations, but excluding debt obligations that are secured by royalty payments relating to intellectual property.

"*Subject Laws*" is defined in Section 4.1(cc).

"*Subsidiary*" means, with respect to any Person, any corporation, limited liability company, trust, or other Person (a) of which securities or other ownership interests having ordinary voting power to elect a majority of the board of directors or other Persons performing similar functions are at the time directly or indirectly owned by such Person or (b) that is directly or indirectly controlled by such Person within the meaning of control under Section 15 of the Securities Act of 1933, as amended. Anything herein to the contrary notwithstanding, the term "Subsidiary" shall not include any Person that constitutes an investment held by the Borrower in the ordinary course of business and that is not, under GAAP, consolidated on the financial statements of the Borrower.

"*Syndication Agent*" means KeyBank National Association, and its successors or assigns.

"*Tangible Net Worth*" means, as of any date of determination, determined on a consolidated basis in accordance with GAAP, the result of (a) a Person's total members' equity or total beneficial owners' equity, as applicable, *minus*, (b) all intangible assets of such Person.

"*Target Industry*" means each of the following business areas as classified in accordance with the Investment Policy (a) (i) biotechnology, (ii) pharmaceuticals, (iii) medical tools and devices, (iv) medical diagnostics, (v) healthcare information technology and (vi) medical non-diagnostic and lab services, (b) (i) advertising, (ii) consumer goods (ex. electronics), (iii) consumer hardware and electronics, (iv) consumer technologies (ex. electronics), (v) digital content and media, (vi) ecommerce, (vii) education technology, (viii) enterprise software – data analysis, (ix) enterprise software – IT services and other, (x) enterprise software – marketing enablement, (xi) enterprise software – security, (xii) financial technology – lending, (xiii) financial technology – payments and other, (xiv) information technology, (xv) manufacturing, (xvi) mobile/telecom infrastructure, (xvii) professional, scientific and technical services, (xviii) research tools, (xix) retail health goods, (xx) semiconductors, (xxi) specialized business services, (xxii) specialized consumer services and (xxiii) technology hardware, storage & peripherals, (c) energy (other than oil and gas) and (d) any other business area approved by the Administrative Agent in writing in its sole discretion.

"*Taxes*" means any present or future taxes, levies, imposts, duties, charges, assessments or fees of any nature (including interest, penalties, and additions thereto) that are imposed by any Government Authority.

"*Technology Company*" means and includes Obligors that operate a business within any Target Industry set forth in clause (b) of the definition thereof as determined in accordance with the Investment Policy.

"*Termination Date*" means the earliest to occur of (a) the date declared by the Administrative Agent or occurring automatically in respect of the occurrence of an Event of Default pursuant to Section 8.1, (b) a date selected by the Borrower upon at least 30 days' prior written notice to the Administrative Agent and each Managing Agent and (c) the Commitment Termination Date.

"*Term Loan*" means each Loan with required scheduled monthly amortization payments, no portion of which may be re-borrowed once repaid, and designated as a "term loan" on the books of the Borrower in accordance with the Investment Policy; *provided* that notwithstanding the foregoing, a Loan with an interest only period that otherwise satisfies the foregoing definition shall be a Term Loan.

"Third Amendment Date" means June 1, 2021.

"*Transaction Documents*" means this Agreement, the Account Control Agreements, the Document Custody Agreement, the Custody Agreement, the Lender Fee Letter and any additional document, letter, Fee Letter, certificate, opinion, agreement or writing the execution of which is necessary or incidental to carrying out the terms of the foregoing documents.

"*Treaty*" means the Convention Between the Government of the United States of America and the Government of Ireland for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income and Capital Gains, signed July 28, 1997, and any protocol or successor convention thereto.

"*UCC*" means the Uniform Commercial Code as from time to time in effect in the specified jurisdiction or, if no jurisdiction is specified, the State of New York.

"*Unfunded Amount*" means, with respect to any Revolving Loan or Enterprise Loan, as of any date of determination, the unfunded notional commitment of the Borrower with respect to such Revolving Loan or Enterprise Loan, as applicable.

"*United States*" means the United States of America.

"*Unmatured Event of Default*" means an event that, with the giving of notice or lapse of time, or both, would become an Event of Default.

"*Unused Fee*" is defined in the Lender Fee Letter.

"*Voting Stock*" of any Person means capital stock or other equity interests of any class or classes (however designated) or beneficial interests of owners having ordinary power for the election of directors or other similar governing body of such Person, other than stock, other equity interests or other beneficial interests having such power only by reason of the happening of a contingency.

"*Weighted Average Advance Rate*" means, as of any date of determination with respect to all Eligible Loans, the number expressed as a percentage (rounded to the nearest one hundredth (1/100th) of one percent (1%)) obtained by summing the products obtained by multiplying:

the Advance Rate at such time applicable to such Eligible Loan	**X**	the Outstanding Loan Balance of such Eligible Loan

and dividing such sum by:

the Aggregate Outstanding Loan Balance at such time.

"*Weighted Average LTV*" means, as of any date of determination with respect to all Eligible Loans, the percentage (rounded to the nearest one tenth (1/10th) of one percent (1%)) obtained by summing the products obtained by multiplying:

the LTV at such time applicable to such Eligible Loan	**X**	the Outstanding Loan Balance of such Eligible Loan

and dividing such sum by:

the Aggregate Outstanding Loan Balance at such time.

"*Weighted Average Proprietary Risk Rating*" means, as of any date of determination with respect to all Eligible Loans, the number (rounded to the nearest one-tenth (1/10th) of one percent (1%)) obtained by summing the products obtained by multiplying:

the Proprietary Risk Rating at such time of such Eligible Loan	**X**	the Outstanding Loan Balance of such Eligible Loan

and dividing such sum by:

the Aggregate Outstanding Loan Balance at such time.

"*Weighted Average Remaining Maturity*" means, as of any date of measurement, with respect to all of the Eligible Loans included in the Collateral at such time, the number (rounded to the nearest one-tenth (1/10th)) equal to (i) the sum of the products for each such Eligible Loan of (A) the remaining term to maturity (in years, rounded to the nearest month and based upon the initial maturity date of such Eligible Loan) of such Eligible Loan times (B) the Outstanding Loan Balance of such Eligible Loan, divided by (ii) Aggregate Outstanding Loan Balance at such time.

"*Weighted Average Remaining Interest Only Period*" means, as of any date of measurement, with respect to all of the Eligible Loans included in the Collateral at such time, the number equal to (i) the sum of the products for each such Eligible Loan of (A) the remaining interest only period of such Eligible Loan times (B) the Outstanding Loan Balance of such Eligible Loan, divided by (ii) Aggregate Outstanding Loan Balance at such time.

"*Weighted Average Spread*" means, as of any date of determination, an amount (rounded to the nearest one-tenth (1/10th) of one percent (1%)) equal to (i) the sum of the products for each such Eligible Loan of (A) the Spread (as defined below), on an annualized basis, applicable to such Eligible Loan *times* (B) the Outstanding Loan Balance of such Eligible Loan, *divided by* (ii) the Aggregate Outstanding Loan Balance at such time. As used in this definition, the "*Spread*" means, with respect to each Eligible Loan, the cash interest spread (after giving effect to any LIBOR floor) of such Eligible Loan over the LIBO Rate.

Section 1.2. Other Terms. All accounting terms not specifically defined herein shall be construed in accordance with GAAP. To the extent any change in GAAP after the Effective Date resulting from the adoption of international accounting standards in the United States affects any computation or determination required to be made under or pursuant to this Agreement, including any computation or determination made with respect to the Borrower's compliance with any covenant or condition hereunder, such computation or determination shall be made as if such change in GAAP had not occurred. All terms used in Article 9 of the UCC in the State of New York, and not specifically defined herein, are used herein as defined in such Article 9.

Section 1.3. Computation of Time Periods. Unless otherwise stated in this Agreement, in the computation of a period of time from a specified date to a later specified date, the word "from" means "from and including" and the words "to" and "until" each mean "to but excluding."

Section 1.4. Interpretation. In each Transaction Document, unless a contrary intention appears:

(i) the singular number includes the plural number and vice versa;

(ii) reference to any Person includes such Person's successors and assigns but, if applicable, only if such successors and assigns are permitted by the Transaction Document;

(iii) reference to any gender includes each other gender;

(iv) reference to any agreement (including any Transaction Document), document or instrument means such agreement, document or instrument as amended, supplemented or modified and in effect from time to time in accordance with the terms thereof and, if applicable, the terms of the other Transaction Documents and reference to any promissory note includes any promissory note that is an extension or renewal thereof or a substitute or replacement therefor;

(v) reference to any Applicable Law means such Applicable Law as amended, modified, codified, replaced or reenacted, in whole or in part, and in effect from time to time, including rules and regulations promulgated thereunder and reference to any section or other provision of any Applicable Law means that provision of such Applicable Law from time to time in effect and constituting the substantive amendment, modification, codification, replacement or reenactment of such section or other provision; and

(vi) any references to any action to be taken, permitted to be taken or prohibited to be taken by the Borrower under this Agreement shall be deemed to include any actions on behalf of the Borrower by the Investment Adviser pursuant to the terms of the Investment Advisory Agreement.

ARTICLE II
ADVANCES

Section 2.1. Advances. (a) On the terms and conditions hereinafter set forth, the Borrower may, by delivery of a Funding Request to the Administrative Agent and each Managing Agent, from time to time on any Business Day during the Revolving Period, at its option, request that the Lenders make Advances to it in an amount which, at any time, shall not exceed the Availability in effect on the related Funding Date. Such Funding Request shall be delivered not later than 11:00 a.m. (New York City time) on the requested Funding Date; *provided*, *however* that notwithstanding anything contained herein to the contrary, no more than one Advance may be made in a calendar week. Upon receipt of such Funding Request, the Administrative Agent (or, if applicable, each Managing Agent) shall promptly forward such Funding Request to the Lenders (or if applicable, each Managing Agent shall promptly forward such Funding Request to the Lenders in its Lender Group), and the applicable portion of the Advance will be made by the Lenders in accordance with their Pro-Rata Shares. Notwithstanding anything contained in this Section 2.1 or elsewhere in this Agreement to the contrary, no Lender shall be obligated to make any Advance in an amount that would result in the aggregate Advances then funded by such Lender exceeding its Commitment then in effect. The obligation of each Lender to remit its Pro-Rata Share of any such Advance shall be several from that of each other Lender, and the failure of any Lender to so make such amount available to the Borrower shall not relieve any other Lender of its obligation hereunder. Each Advance to be made hereunder shall be made ratably among the Lender Groups in accordance with their Group Advance Limits.

(b) The Borrower may, no later than ninety (90) days prior to the date which is two years after the Effective Date and each anniversary thereafter, by written notice to the Administrative Agent, make written requests for the Lenders to extend the Commitment Termination Date. The Administrative Agent will give prompt notice to each Managing Agent of its receipt of such request, and each Managing Agent shall give prompt notice to each of the Lenders in its related Lender Group of its receipt of such request for extension of the Commitment Termination Date. Each Lender shall make a determination, in its sole discretion and after a full credit review, not less than sixty (60) days prior to the applicable anniversary of the Effective Date as to whether or not it will agree to extend the Commitment Termination Date; *provided*, *however*, that the failure of any Lender to make a timely response to the Borrower's request for extension of the Commitment Termination Date shall be deemed to constitute a refusal by such Lender to extend the Commitment Termination Date. In the event that at least one Lender agrees to extend the Commitment Termination Date, the Borrower, the Administrative Agent and the extending Lenders shall enter into such documents as the Administrative Agent and such extending Lenders and may deem necessary or appropriate to reflect such extension, and all reasonable costs and expenses incurred by such Lenders and the Administrative Agent (including reasonable attorneys' fees) shall be paid by the Borrower. In the event that any Lender declines the request to extend the Commitment Termination Date (each such Lender being referred to herein, from and after their then current Commitment Termination Date as a *"Non-Renewing Lender"*), and the Commitment of such Non-Renewing Lender is not assigned to another Person in accordance with the terms of Article XI prior to the then current Commitment Termination Date, (i) the Facility Amount shall be reduced by an amount equal to each such Non-Renewing Lender's Commitment on the then current Commitment Termination Date, and (ii) the Group Advance Limits of the applicable Lender Groups shall be reduced by an amount equal to the applicable Non-Renewing Lender's Commitment on the then current Commitment Termination Date. Notwithstanding the foregoing, the Borrower may elect to withdraw its request to extend the Commitment Termination Date in the event that the effective Facility Amount following any Commitment Termination Date extension would be less than the Facility Amount in effect on the Commitment Termination Date prior to such extension.

Section 2.2. Procedures for Advances. (a) In the case of the making of any Advance or any termination, increase or reduction of the Facility Amount, the Borrower shall give the Administrative Agent a Borrower Notice. Each Borrower Notice shall specify the amount (subject to Section 2.1 hereof) of Advances to be borrowed and the Funding Date (which shall be a Business Day).

(b) Subject to the conditions described in Section 2.1, the Borrower may request an Advance from the Lenders by delivering to the Administrative Agent at certain times the information and documents set forth in this Section 2.2.

(c) No later than 11:00 a.m. (New York City time) on the proposed Funding Date (or, other than in the case of clause (i) below, such shorter period of time or later date as may be agreed to by the Required Lenders), the Administrative Agent, each Managing Agent, the Document Custodian and the Collateral Custodian, as applicable, shall receive or shall have previously received the following:

(i) a Funding Request in the form of Exhibit A (including a duly completed Borrowing Base Certificate as of the proposed Funding Date and giving pro forma effect to the Advance requested and the use of proceeds thereof); and

(ii) a wire disbursement and authorization form shall be delivered to the Administrative Agent and each Managing Agent.

(d) Each Funding Request shall specify the aggregate amount of the requested Advance, which shall be in an amount equal to more than $500,000. Each Funding Request shall be accompanied by (i) a Borrower Notice, depicting the outstanding amount of Advances under this Agreement and representing that all conditions precedent for a funding have been met, including a representation by the Borrower that the requested Advance shall not, on the Funding Date thereof, exceed the Availability on such day, (ii) a Borrowing Base Certificate as of the applicable Funding Date (giving pro forma effect to the Advance requested and the use of proceeds thereof), (iii) an updated Loan List including each Loan that is subject to the requested Advance (if any), (iv) the proposed Funding Date, and (v) wire transfer instructions for the Advance.

(e) On the Funding Date following the satisfaction of the applicable conditions set forth in this Section 2.2 and Article III, the Lenders shall deposit to the Collection Account in same day funds, in accordance with the wire transfer instructions specified in the Funding Request, an amount equal to such Lender's ratable share of the Advance then being made. Each wire transfer of an Advance to the Borrower shall be initiated by the applicable Lender no later than 4:00 p.m. (New York City time) on the applicable Funding Date.

Section 2.3. Optional Changes in Facility Amount; Prepayments. (a) The Borrower shall be entitled at its option, on any Payment Date prior to the occurrence of an Event of Default, to reduce the Facility Amount in whole or in part; *provided* that the Borrower shall give prior written notice of such reduction to the Administrative Agent and each Managing Agent as provided in paragraph (b) of this Section 2.3 and that any partial reduction of the Facility Amount shall be in an amount equal to $5,000,000 with integral multiples of $1,000,000 above such amount; *provided*, *further* that the Borrower shall have paid to the applicable Managing Agents for the account of their related Lenders, an amount equal to the product of (x) the Applicable Reduction Premium Percentage times (y) the amount by which the Commitment of each Lender is to be reduced under this clause (a) in connection with such reduction of the Facility Amount. Unless otherwise agreed by the Lenders, the Commitment of each Lender shall be reduced ratably in proportion to any such reduction in the Facility Amount. Any request for a reduction or termination pursuant to this Section 2.3 shall be irrevocable.

(b) From time to time during the Revolving Period, the Borrower may prepay any portion or all of the Advances Outstanding by delivering a Borrower Notice to the Administrative Agent at least one (1) Business Day prior to the date of such prepayment specifying the date and amount of such prepayment. Any partial prepayment by the Borrower of Advances hereunder, other than with respect to Mandatory Prepayments, shall be in a minimum amount of $500,000 with integral multiples of $100,000 above such amount. Any amount so prepaid may, subject to the terms and conditions hereof, be reborrowed during the Revolving Period. A Borrower Notice relating to any such prepayment shall be irrevocable when delivered.

(c) Subject to the terms and conditions set forth herein, the Borrower shall have the right, at any time from the Effective Date until the Commitment Termination Date with the consent of the Administrative Agent, to increase the Facility Amount up to a total maximum Facility Amount of ~~$[300,000,000]~~[1] 350,000,000. The following terms and conditions shall apply to any such increase: (i) any such increase shall be obtained from existing Lenders or from other Eligible Assignees, in each case in accordance with the terms set forth below; (ii) the Commitment of any Lender may not be increased without the prior written consent of such Lender; (iii) any increase in the Facility Amount shall be in a minimum principal amount of (x) if such increase shall be obtained from existing Lenders, $5,000,000 and (y) if such increase shall be obtained from Eligible Assignees who are not Lenders hereunder, $15,000,000; (iv) the Borrower and Lenders shall execute an acknowledgement (or in the case of the addition of a bank or other financial institution not then a party to this Agreement, a Joinder Agreement) in form and content satisfactory to the Administrative Agent to reflect the revised Commitments and Facility Amount (the Lenders do hereby agree to execute such acknowledgement (or Joinder Agreement) without delay unless the acknowledgement purports to (i) increase the Commitment of a Lender without such Lender's consent or (ii) amend this Agreement or the other Transaction Documents other than as provided for in this Section 2.3); (v) the Borrower shall execute such promissory notes as are necessary to reflect the increase in or creation of the Commitments; (vi) if any Advances are outstanding at the time of any such increase, the Borrower shall make such payments and adjustments on the Advances as necessary to give effect to the revised commitment percentages and outstandings of the Lenders; (vii) the Borrower may solicit commitments from Eligible Assignees that are not then a party to this Agreement so long as such Eligible Assignees are reasonably acceptable to the Administrative Agent and execute a Joinder Agreement in form and content satisfactory to the Administrative Agent; (viii) the conditions set forth in Section 3.2 shall be satisfied in all material respects; (ix) after giving effect to any such increase in the Facility Amount, no Unmatured Event of Default or Event of Default shall have occurred; (x) the Borrower shall have provided to the Administrative Agent, at least thirty (30) days prior to such proposed increase in the Facility Amount, written evidence demonstrating pro forma compliance with the Borrowing Base Test after giving effect to such proposed increase, such evidence to be satisfactory in the sole discretion of the Administrative Agent. The amount of any increase in the Facility Amount hereunder shall be offered first to the existing Lenders, and the failure of any existing Lender to respond within five (5) Business Days of such offer shall be deemed to constitute a refusal by such Lender to increase its Commitment with no further right of first offer. In the event the additional commitments which existing Lenders are willing to take shall exceed the amount requested by the Borrower, such excess shall be allocated in proportion to the commitments of such existing Lenders willing to take additional commitments. If the amount of the additional commitments requested by the Borrower shall exceed the additional commitments which the existing Lenders are willing to take, then the Borrower may invite other Eligible Assignees reasonably acceptable to the Administrative Agent to join this Agreement as Lenders hereunder for the portion of commitments not taken by existing Lenders, *provided* that such Eligible Assignees shall enter into such joinder agreements to give effect thereto as the Administrative Agent and the Borrower may reasonably request. Unless otherwise agreed by the Administrative Agent and the Lenders, the terms of any increase in the Facility Amount shall be the same as those in effect prior to any increase; *provided*, *however*, that should the terms of the increase agreed to be other than those in effect prior to the increase, then the Transaction Documents shall, with the consent of the Administrative Agent and the Lenders, be amended to the extent necessary to incorporate any such different terms.

~~1~~ Subject to the review and consent of Runway.

(d) With the written approval of the Administrative Agent, the Borrower may terminate (on a non-ratable basis) the unused amount of the Commitment of a Defaulting Lender, and in such event the provisions of Section 2.16 will apply to all amounts thereafter paid by the Borrower for the account of any such Defaulting Lender under this Agreement (whether on account of principal, interest, fees, indemnity or other amounts); *provided* that such termination will not be deemed to be a waiver or release of any claim that the Borrower, the Administrative Agent or any other Lender may have against such Defaulting Lender.

Section 2.4. Principal Repayments. The Advances Outstanding and all other Obligations shall be repaid in accordance with Section 2.8, and shall be due and payable in full on the Maturity Date. The Borrower hereby promises to pay all Advances Outstanding and all other Obligations in full on the Maturity Date. In addition, Advances Outstanding shall be repaid as and when necessary to cause the Borrowing Base Test to be met, and in any case within two (2) Business Days of any failure of the Borrowing Base Test to be satisfied (each such payment, a *"Mandatory Prepayment"*), and any amount so repaid may, subject to the terms and conditions hereof, be reborrowed hereunder during the Revolving Period (including reborrowed on or before the next applicable Payment Date not to exceed the Availability as of such date).

Section 2.5. Evidence of Indebtedness. Each Lender shall maintain in accordance with its usual practice an account or accounts evidencing the indebtedness of the Borrower to it and resulting from the Advances made by such Lender to the Borrower, from time to time, including the amounts of principal and interest thereon and paid to it, from time to time hereunder, *provided* that the failure of any Lender to maintain such accounts or any error therein shall not in any manner affect the obligation of the Borrower to repay the Advances in accordance with the terms of this Agreement.

Section 2.6. Interest Payments. (a) Interest shall accrue on each Advance outstanding during each Interest Period at the applicable Interest Rate. The Borrower shall pay Interest on the unpaid principal amount of each Advance for the period commencing on and including the Funding Date of such Advance until but excluding the date that such Advance shall be paid in full. Interest shall accrue during each Interest Period and be payable on the Advances Outstanding on each Payment Date, unless earlier paid pursuant this Agreement.

(b) Interest Rates shall be determined by the Administrative Agent in accordance with the definitions thereof, and the Administrative Agent shall advise the Borrower of each calculation thereof.

(c) If any Managing Agent, on behalf of the applicable Lenders, shall notify the Administrative Agent that a Eurodollar Disruption Event has occurred, the Administrative Agent shall in turn so notify the Borrower, whereupon all Advances in respect of which Interest accrues at the LIBO Rate plus the Applicable Margin shall immediately be converted into Advances in respect of which Interest accrues at the Base Rate plus the Applicable Margin; *provided*, that if at any time after the occurrence and during the continuance of a Eurodollar Disruption Event, the Base Rate shall, for a period of ten (10) consecutive days, be greater than a Lender's actual cost of funds in respect of its Advances hereunder, then all Advances of such Lender in respect of which Interest would accrue at the Base Rate in accordance with this clause (c) shall accrue Interest at an effective rate of interest equal to such Lender's actual cost of funds in respect of such Advances.

(d) Anything in this Agreement or the other Transaction Documents to the contrary notwithstanding, if at any time the rate of interest payable by any Person under this Agreement and the Transaction Documents exceeds the highest rate of interest permissible under Applicable Law (the *"Maximum Lawful Rate"*), then, so long as the Maximum Lawful Rate would be exceeded, the rate of interest under this Agreement and the Transaction Documents shall be equal to the Maximum Lawful Rate. If at any time thereafter the rate of interest payable under this Agreement and the Transaction Documents is less than the Maximum Lawful Rate, such Person shall continue to pay interest under this Agreement and the Transaction Documents at the Maximum Lawful Rate until such time as the total interest received from such Person is equal to the total interest that would have been received had Applicable Law not limited the interest rate payable under this Agreement and the Transaction Documents. In no event shall the total interest received by a Lender under this Agreement and the Transaction Documents exceed the amount that such Lender could lawfully have received, had the interest due under this Agreement and the Transaction Documents been calculated since the Effective Date at the Maximum Lawful Rate.

Section 2.7. Fees. (a) The Borrower (or the Administrative Agent on behalf of the Borrower as directed by the Borrower pursuant to a Monthly Report (or otherwise)) shall pay to the Administrative Agent from the Collection Account on each Payment Date the Unused Fee for the related Interest Period in accordance with Section 2.8.

(b) The Borrower (or the Administrative Agent on behalf of the Borrower as directed by the Borrower pursuant to a Monthly Report (or otherwise)) shall pay to the Bank Parties from the Collection Account on each Payment Date the Bank Fees and Expenses for the related Settlement Period in accordance with Section 2.8.

(c) The Borrower (or the Administrative Agent on behalf of the Borrower as directed by the Borrower pursuant to a Monthly Report (or otherwise)) shall pay to the Administrative Agent from the Collection Account on each Payment Date the Minimum Earnings Fee for the related Interest Period in accordance with Section 2.8.

(d) The Borrower (or the Administrative Agent on behalf of the Borrower as directed by the Borrower pursuant to instructions delivered on the Effective Date) shall pay to the Administrative Agent, the Syndication Agent and the Lenders from the Collection Account on the Effective Date all amounts payable on the Effective Date in accordance with Section 3.1.

Section 2.8. Settlement Procedures. On each Payment Date, no later than 11:00 a.m. (New York City time) the Paying Agent shall, from the Collection Account, to the extent of available funds (such amounts being the "*Available Collections*") disburse the following amounts in the following order of priority:

(a) During the Revolving Period, and in each case unless otherwise specified below, applying Available Collections:

(i) FIRST, ratably, (A) to the Bank Parties in an amount equal to any accrued and unpaid Bank Fees and Expenses, if any, for the payment thereof in an aggregate amount not to exceed the Bank Fees and Expenses and the Administrative Expense Cap, and (B) to the Administrative Agent, in an amount equal to any accrued and unpaid Administrative Agent Fee and Administrative Expenses;

(ii) SECOND, to the Administrative Agent for payment to each Managing Agent, on behalf of the related Lenders, in an amount equal to any accrued and unpaid Interest, Unused Fee and Minimum Earnings Fee for such Payment Date;

(iii) THIRD, first, to the Administrative Agent for payment to each Managing Agent, on behalf of the related Lenders, an amount equal to the excess, if any, of Advances Outstanding over the Maximum Availability, pro rata; *provided*, *however*, that to the extent that (i) the Termination Date has not occurred and (ii) Advances Outstanding exceed the Facility Amount due to one or more Lenders becoming Non-Renewing Lenders, to each Managing Agent on behalf of such Non-Renewing Lenders only, pro rata in accordance with their Advances Outstanding;

(iv) FOURTH, to the Administrative Agent for payment to each Managing Agent, on behalf of the related Lenders, in the amount of Increased Costs, and/or Taxes (if any);

(v) FIFTH, to the Administrative Agent, all other amounts or Obligations then due under this Agreement or the other Transaction Documents to the Administrative Agent, the Lenders, the Affected Parties or Indemnified Parties, each for the payment thereof;

(vi) SIXTH, to the Bank Parties, all other amounts then due under this Agreement or the other Transaction Documents to the Bank Parties, for the payment thereof; and

(vii) SEVENTH, all remaining amounts to the Borrower.

(b) During the Amortization Period, to the extent of Available Collections:

(i) FIRST, ratably, (A) to the Bank Parties in an amount equal to any accrued and unpaid Bank Fees and Expenses, if any, for the payment thereof in an aggregate amount not to exceed the Bank Fees and Expenses and the Administrative Expense Cap, provided, that if the Advances have been accelerated following the occurrence and during the continuance of an Event of Default, and the sale of the Collateral has commenced in connection therewith, such limitations specified therein shall not be given any effect, and (B) to the Administrative Agent, in an amount equal to any accrued and unpaid Administrative Agent Fee and Administrative Expenses;

(ii) SECOND, to the Administrative Agent for payment to each Managing Agent, on behalf of the related Lenders, in an amount equal to any accrued and unpaid Interest for such Payment Date;

(iii) THIRD, to the Administrative Agent for ratable payment to each Managing Agent, on behalf of the related Lenders, in an amount to reduce Advances Outstanding to zero and to pay any other Obligations in full;

(iv) FOURTH, to the Administrative Agent for payment to each Managing Agent, on behalf of the related Lenders, in the amount of Increased Costs and/or Taxes (if any);

(v) FIFTH, to the Administrative Agent, all other amounts or Obligations then due under this Agreement or the other Transaction Documents to the Administrative Agent, the Lenders, the Affected Parties or Indemnified Parties, each for the payment thereof;

(vi) SIXTH, to the Bank Parties, all other amounts then due under this Agreement or the other Transaction Documents to the Bank Parties, for the payment thereof; and

(vii) SEVENTH, all remaining amounts to the Borrower.

Section 2.9. Collections and Allocations. (a) The Borrower shall promptly (but in no event later than two (2) Business Days after the receipt thereof) identify any Collections received into the CIBC Account or by it or any Affiliate of the Borrower on its behalf and deposit all such Collections received into the CIBC Account or directly by it or any Affiliate of the Borrower on its behalf into the Collection Account and the applicable subaccounts therein. The Borrower shall make such deposits or payments on the date indicated by wire transfer, in immediately available funds.

(b) Until the occurrence of an Event of Default, to the extent there are uninvested amounts deposited in the Collection Account, all amounts shall be invested in Permitted Investments selected by the Borrower and communicated to the Administrative Agent by the Borrower that mature no later than the Business Day immediately preceding the next Payment Date; from and after the occurrence of an Event of Default, to the extent there are uninvested amounts deposited in the Collection Account, all amounts may be invested in Permitted Investments selected by the Administrative Agent that mature no later than the next Business Day. Any earnings (and losses) thereon shall be for the account of the Borrower.

Section 2.10. Payments, Computations, Etc. (a) Unless otherwise expressly provided herein, all amounts to be paid or deposited by the Borrower hereunder shall be paid or deposited in accordance with the terms hereof no later than 2:00 p.m. (New York City time) on the day when due in lawful money of the United States in immediately available funds to the Agent's Account. The Borrower shall, to the extent permitted by law, pay to the Secured Parties, without duplication, interest on all amounts not paid or deposited when due hereunder at a rate of interest equal to the then applicable Interest Rate and, if not paid within three (3) Business Days, at the Default Rate, payable on demand; *provided, however*, that such interest rate shall not at any time exceed the Maximum Lawful Rate. All computations of interest and all computations of the Interest Rate and other fees hereunder shall be made on the basis of a year of 360 days for the actual number of days (including the first but excluding the last day) elapsed.

(b) Whenever any payment hereunder shall be stated to be due on a day other than a Business Day, such payment shall be made on the next succeeding Business Day, and such extension of time shall in such case be included in the computation of payment of Interest, other interest or any fee payable hereunder, as the case may be, without duplication.

(c) All payments hereunder shall be made without set-off or counterclaim and in such amounts as may be necessary in order that all such payments shall not be less than the amounts otherwise specified to be paid under this Agreement (after withholding for or on account of any Taxes).

(d) *Administrative Agent's Reliance*. In making the deposits, distributions and calculations required to be made by it hereunder, the Administrative Agent shall be entitled to rely, in good faith, on information supplied to the Administrative Agent by the Collateral Custodian or the Borrower. The Administrative Agent shall be fully protected in making disbursements hereunder in accordance with the written instructions of the Collateral Custodian or the Borrower delivered in accordance with this Agreement. For the avoidance of doubt, any Monthly Report that has been delivered to the Administrative Agent by the Borrower shall constitute the written instructions of the Borrower with respect to the deposits and distributions described therein.

(e) *Defaulting Lenders*. Notwithstanding anything herein to the contrary, any amount paid by the Borrower for the account of a Defaulting Lender under this Agreement (whether on account of principal, interest, fees, indemnity payments or other amounts) will be retained by the Administrative Agent in a segregated non-interest bearing account until the Termination Date, at which time the funds in such account will be applied by the Administrative Agent, to the fullest extent permitted by law, in the following order of priority: *first*, to the payment of any amounts owing by such Defaulting Lender to the Administrative Agent under this Agreement; *second*, to the payment of interest due and payable to the Lenders hereunder that are not Defaulting Lenders, ratably among them in accordance with the amounts of such interest then due and payable to them; *third*, to the payment of fees then due and payable to the Lenders hereunder that are not Defaulting Lenders, ratably among them in accordance with the amounts of such fees then due and payable to them; *fourth*, to the payment of principal then due and payable to the Lenders hereunder that are not Defaulting Lenders, ratably in accordance with the amounts thereof then due and payable to them; *fifth*, to the ratable payment of other amounts then due and payable to the Lenders hereunder that are not Defaulting Lenders; and *sixth*, to pay amounts owing under this Agreement to such Defaulting Lender or as a court of competent jurisdiction may otherwise direct.

Section 2.11. Successor LIBO Rate. (a) *Benchmark Replacement*. Notwithstanding anything to the contrary herein or in any other Transaction Document, if a Benchmark 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 Transaction Document 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 Transaction Document and (y) if a Benchmark Replacement is determined in accordance with clause (3) of the definition of "Benchmark Replacement" for such Benchmark Replacement Date, in each instance notwithstanding the requirements of Section 12.1 or anything else contained herein or in any other Transaction Document, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Transaction Document in respect of any Benchmark setting at or after 5:00 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 Transaction 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.

(b) *Benchmark Replacement Conforming Changes*. In connection with the 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 Transaction Document, any amendments implementing such Benchmark Replacement Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Transaction Document.

(c) *Notices; Standards for Decisions and Determinations*. The Administrative Agent will promptly notify the Borrower and the Lenders in writing of (i) any occurrence of a Benchmark Transition Event or an Early Opt-in Election, as applicable, and its related Benchmark Replacement Date, (ii) the implementation of any Benchmark Replacement, (iii) the effectiveness of any Benchmark Replacement Conforming Changes, (iv) the removal or reinstatement of any tenor of a Benchmark pursuant to clause (d) below and (v) 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 Section 2.11, including, without limitation, any determination with respect to a tenor, rate or adjustment, or implementation of any Benchmark Replacement Conforming Changes, or of the occurrence or 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 on all parties hereto 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 Transaction Document, except, in each case, as expressly required pursuant to this Section 2.11 and shall not be a basis of any claim of liability of any kind or nature by any party hereto, all such claims being hereby waived individually be each party hereto.

(d) *Unavailability of Tenor of Benchmark*. Notwithstanding anything to the contrary herein or in any other Transaction Document, at any time (including in connection with the implementation of a Benchmark Replacement), (i) if the then-current Benchmark is a term rate (including Term SOFR or the Adjusted Eurodollar 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 or a Relevant Governmental Body has provided a public statement or publication of information announcing that any tenor for such Benchmark is or will be no longer representative, then the Administrative Agent may modify the definition of "Interest Period" for any Benchmark settings at or after such time to remove such unavailable or 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 or will no longer be representative for a Benchmark (including a Benchmark Replacement), then the Administrative Agent may modify the definition of "Interest Period" for all Benchmark settings at or after such time to reinstate such previously removed tenor.

(e) *Benchmark Unavailability Period*. Upon the Borrower's receipt of notice of the commencement of a Benchmark Unavailability Period, the Borrower may revoke any request for an Advance as to which Interest accrues or is to accrue at a rate based upon the Adjusted Eurodollar Rate, conversion to or continuation of Advances as to which Interest accrues or is to accrue at a rate based upon the Adjusted Eurodollar Rate 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 an Advance of or conversion to an Advance in respect of which Interest accrues at the Base Rate. 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 the Base Rate based upon the then-current Benchmark or such tenor for such Benchmark, as applicable, will not be used in any determination of Base Rate.

(f) *Certain Defined Terms*. As used in this Section 2.11:

"*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 (d) of this Section 2.11.

"*Benchmark*" means, initially, the Adjusted Eurodollar Rate; provided that if a Benchmark Transition Event or an Early Opt-in Election, as applicable, and its related Benchmark Replacement Date have occurred with respect to the Adjusted Eurodollar 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 (a) of this Section 2.11.

"*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. If the Benchmark Replacement as determined pursuant to clause (1), (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 Transaction 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:

(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;

(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 syndicated credit facilities;

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 changes (including changes to the definition of "Base Rate," 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 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 is reasonably necessary in connection with the administration of this Agreement and the other Transaction Documents).

"*Benchmark Replacement Date*" means 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 (a) the date of the public statement or publication of information referenced therein and (b) the date on which the administrator of such Benchmark (or the published component used in the calculation thereof) permanently or indefinitely ceases to provide all Available Tenors of such Benchmark (or such component thereof);

(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; or

(3) in the case of an Early Opt-in Election, the sixth (6th) 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 fifth (5th) Business Day after the date 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.

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

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

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

(3) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof) or a Relevant Governmental Body announcing that all Available Tenors of such Benchmark (or such component thereof) are no longer representative.

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

"*Benchmark 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 Transaction Document in accordance with this Section 2.11 and (y) ending at the time that a Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Transaction Document in accordance with this Section 2.11.

"*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.

"*Daily Simple SOFR*" means, for any day, SOFR, with the conventions for this rate (which will 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 syndicated business loans; provided, that if the Administrative Agent decides that any such convention is not administratively feasible for the Administrative Agent, then the Administrative Agent may establish another convention in its reasonable discretion.

"*Early Opt-in Election*" means, if the then-current Benchmark is the Adjusted Eurodollar Rate, the occurrence of:

(1) a notification by the Administrative Agent to (or the request by the Borrower to the Administrative Agent to notify) each of the other parties hereto that at least five currently outstanding U.S. dollar-denominated syndicated credit facilities at such time contain (as a result of amendment or as originally executed) a SOFR-based rate (including SOFR, a term SOFR or any other rate based upon SOFR) as a benchmark rate (and such syndicated credit facilities are identified in such notice and are publicly available for review), and

(2) the joint election by the Administrative Agent and the Borrower to trigger a fallback from the Adjusted Eurodollar Rate and the provision by the Administrative Agent of written notice of such election to the Lenders.

"*Floor*" means 0.50%.

"*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.

"*Reference Time*" with respect to any setting of the then-current Benchmark means (1) if such Benchmark is the Adjusted Eurodollar Rate, the time set forth in (b)(i) or (b)(ii) of the definition of LIBO Rate (as applicable), and (2) if such Benchmark is not the Adjusted Eurodollar Rate, the time determined by the Administrative Agent in its reasonable discretion.

"*Relevant Governmental Body*" means the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York, or any successor thereto including without limitation the Alternative Reference Rates Committee.

"*SOFR*" means, with respect to any Business Day, a rate per annum equal to the secured overnight financing rate for such Business Day published by the SOFR Administrator on the SOFR Administrator's Website on the immediately succeeding Business Day.

"*SOFR Administrator*" means the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate).

"*SOFR Administrator's Website*" means the website of the Federal Reserve Bank of New York, 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.

"*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.

"*Unadjusted Benchmark Replacement*" means the applicable Benchmark Replacement excluding the related Benchmark Replacement Adjustment.

Section 2.12. Increased Costs; Capital Adequacy; Illegality. (a) If any Managing Agent, Lender or any Affiliate thereof (each of which, an "*Affected Party"*) shall be charged any fee, expense or increased cost on account of a Regulatory Change (including, without limitation, any change by way of imposition or increase of reserve requirements or any internal capital or liquidity charge or other imputed cost assessed upon such Affected Party, which in the reasonable good faith discretion of such Affected Party is allocable to the Borrower or to the transactions contemplated by this Agreement**)** (i) that subjects any Lender to any Taxes (other than (1) Indemnified Taxes, (2) Taxes described in clauses (ii) through (v) of Section 2.13(a), (3) Taxes for which a Lender is not entitled to indemnification under Section 2.13(a) and Section 2.13(b) by virtue of Section 2.13(e) or Section 2.13(m) and (4) Taxes imposed as a result of a present or former connection between any Lender and the jurisdiction imposing such Tax (other than connections arising from such Lender having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected security interest under, engaged in any other transaction pursuant to or enforced any Transaction Document, or sold or assigned an interest in any Advance or Transaction Document) that are (x) imposed on or measured by net income (however denominated), (y) franchise Taxes or (z) branch profits Taxes) on its loans, loan principal, letters of credit, commitments, or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto or (ii) that imposes, modifies or deems applicable any reserve, assessment, insurance charge, special deposit or similar requirement against assets of, deposits with or for the account of an Affected Party, or credit extended by an Affected Party pursuant to a Transaction Document (including, without limitation, any internal capital or liquidity charge or other imputed cost assessed upon such Affected Party, which in the sole discretion of such Affected Party is allocable to the Borrower or to the transactions contemplated by this Agreement**)** or (iii) that imposes any other condition (other than Taxes) the result of which is to increase the cost to an Affected Party of performing its obligations under a Transaction Document, or to reduce the rate of return on an Affected Party's capital as a consequence of its obligations under a Transaction Document, or to reduce the amount of any sum received or receivable by an Affected Party under a Transaction Document or to require any payment calculated by reference to the amount of interests or loans held or interest received by it, then, not later than thirty (30) days following demand by the applicable Managing Agent, the Borrower shall pay to the Administrative Agent, for payment to the applicable Managing Agent for the benefit of the relevant Affected Party, such amounts charged to such Affected Party or such amounts to otherwise compensate such Affected Party for such increased cost or such reduction; *provided* that the Borrower shall not be required to compensate an Affected Party pursuant to this clause (a) for any increased costs or reductions incurred more than one hundred eighty (180) days prior to the date that such Affected Party notifies the Borrower of the event or circumstance giving rise to such increased costs or reductions and of such Affected Party's intention to claim compensation therefor; *provided*, *further*, that if the request or compliance giving rise to such increased costs or reductions has a retroactive effect, then the 180-day period referred to above shall be extended to include the period of retroactive effect thereof. For purposes hereof "*Regulatory Change*" shall mean, with respect to any Affected Party, (A) the adoption, change, implementation, change in the phase-in or commencement of effectiveness of after the date hereof of: (i) any United States Federal or state or foreign law, regulation, treaty or official directive applicable to such Affected Party, (ii) regulation (including any applicable law, rule or regulation regarding capital adequacy or liquidity coverage), interpretation, rule, directive, requirement or request (whether or not having the force of law) applicable to such Affected Party of (1) any court or government authority charged with the interpretation or administration of any law referred to in clause (A)(i), or (2) any fiscal, monetary or other authority having jurisdiction over such Affected Party, or (iii) GAAP or regulatory accounting principles applicable to such Affected Party and affecting the application to such Affected Party of any law, regulation, interpretation, directive, requirement or request referred to in clause (A)(i) or (A)(ii) above; (B) any change in the application to such Affected Party of any existing law, regulation, interpretation, directive, requirement, request or accounting principles referred to in clause (A)(i), (A)(ii) or (A)(iii) above or any change in the interpretation, application or administration thereof by any governmental authority, central bank or comparable agency charged with the interpretation or administration thereof, or compliance with any request or directive (whether or not having the force of law) of any such authority, central bank or comparable agency; or (C) the compliance, whether commenced prior to or after the date hereof, by any Affected Party with the requirements of (i) the final rule titled Risk-Based Capital Guidelines; Capital Adequacy Guidelines; Capital Maintenance: Regulatory Capital; Impact of Modifications to Generally Accepted Accounting Principles; Consolidation of Asset-Backed Commercial Paper Programs; and Other Related Issues, adopted by the United States bank regulatory agencies on December 15, 2009, or any rules, regulations, guidance, interpretations or directives promulgated or issued in connection therewith by such agency (whether or not having force of law), (ii) the Dodd-Frank Wall Street Reform and Consumer Protection Act adopted by Congress on July 21, 2010, or any existing or future rules, regulations, guidance, interpretations or directives from the United States bank regulatory agencies relating thereto (whether or not having the force of law), (iii) the July 1988 paper or the June 2006 paper prepared by the Basel Committee on Banking Supervision as set out in the publication entitled: "International Convergence of Capital Measurements and Capital Standards: a Revised Framework", as updated from time to time, or any rules, regulations, guidance, interpretations or directives promulgated or issued in connection therewith by the United States bank regulatory agencies (whether or not having force of law) or any other request, rule, guideline or directive promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case pursuant to Basel II or Basel III, or (iv) any guideline or request from any central bank or other governmental agency or authority (whether or not having the force of law).

(b) If as a result of any event or circumstance described in clause (a) of this Section 2.12, an Affected Party is required to compensate a bank or other financial institution providing liquidity support, credit enhancement or other similar support or financing to such Affected Party in connection with this Agreement or the funding or maintenance of Advances hereunder, then within thirty (30) days after demand by such Affected Party, the Borrower shall pay to such Affected Party such additional amount or amounts as may be necessary to reimburse such Affected Party for any such amounts paid by it; *provided* that the Borrower shall not be required to compensate an Affected Party pursuant to this Section for any increased costs or reductions incurred more than 180 days prior to the date that such Affected Party notifies the Borrower of the event or circumstance similar to those described in clause (a) of this Section 2.12 giving rise to such increased costs or reductions and of such Affected Party's intention to claim compensation therefor; provided, further, that if the Regulatory Change giving rise to such increased costs or reductions has a retroactive effect, then the 180-day period referred to above shall be extended to include the period of retroactive effect thereof.

(c) In determining any amount provided for in this section, the Affected Party shall use any reasonable averaging and attribution methods substantially consistent with methods used for other customers of the Affected Party, if any. Any Affected Party making a claim under this section shall submit to the Borrower a certificate as to such additional or increased cost or reduction, which certificate shall calculate in reasonable detail any such charges and shall be conclusive absent demonstrable error.

(d) If any Affected Party shall demand compensation under this Section 2.12, Borrower shall have the right to prepay all Obligations under this Agreement within ninety (90) days of such demand and without the payment of any early termination, breakage or other fees or costs arising solely by reason of such prepayment.

Section 2.13. Taxes. (a) All payments made by the Borrower in respect of any Advance and all payments made by the Borrower under this Agreement will be made free and clear of and without deduction or withholding for or on account of any Taxes, unless such withholding or deduction is required by law (as determined in the good faith discretion of the Borrower). In such event, the Borrower shall pay to the appropriate taxing authority any such Taxes required to be deducted or withheld and the amount payable to each Lender or the Administrative Agent (as the case may be) will be increased (such increase, the *"Additional Amount"*) such that every net payment made under this Agreement after deduction or withholding for or on account of any Taxes (including, without limitation, any Taxes on such increase) is not less than the amount that would have been paid had no such deduction or withholding been deducted or withheld. The foregoing obligation to pay Additional Amounts, however, will not apply with respect to, and the term "Additional Amount" shall not include, any (i) net income, branch profit or franchise taxes imposed on a Lender, any Managing Agent or the Administrative Agent with respect to payments required to be made by the Borrower under this Agreement, by a taxing jurisdiction in which such Lender, Managing Agent or the Administrative Agent, as the case may be, is organized, conducts business, is otherwise subject to tax without regard to the transactions contemplated by this Agreement, or is paying taxes as of the Effective Date; (ii) withholding taxes imposed with respect to any payments to any Lender, Managing Agent or the Administrative Agent that are applicable and imposed as of the Effective Date; (iii) withholding taxes imposed with respect to any payments to any Lender, Managing Agent, or the Administrative Agent that are applicable and imposed as of the date that such party becomes a Lender, Managing Agent, or the Administrative Agent under this Agreement; (iv) any withholding taxes imposed under FATCA (including any successor provisions thereof); or (v) any U.S. federal backup withholding tax imposed pursuant to Section 3406 of the Code as in effect on the date of this Agreement. For purposes hereof "*Indemnified Taxes*" shall mean Taxes imposed on or with respect to any payment made by or on account of any obligation of the Borrower under any Transaction document other than Taxes described in clauses (i) through (v) immediately above.

(b) The Borrower will indemnify each Lender, each Managing Agent and the Administrative Agent for the full amount of Taxes in respect of which the Borrower is required to pay Additional Amounts (including, without limitation, any Taxes imposed by any jurisdiction on such Additional Amounts) paid by such Lender, Managing Agent or the Administrative Agent (as the case may be) and any liability (including penalties, interest and expenses) arising therefrom or with respect thereto; *provided*, *however*, that such Lender, Managing Agent or the Administrative Agent, as appropriate, making a demand for indemnity payment, shall provide the Borrower, at its address set forth under its name on the signature pages hereof, with a certificate from the relevant taxing authority or from a Responsible Officer of such Lender, Managing Agent or the Administrative Agent stating or otherwise evidencing that such Lender, Managing Agent or the Administrative Agent has made payment of such Taxes and will provide a copy of or extract from documentation, if available, furnished by such taxing authority evidencing assertion or payment of such Taxes. This indemnification shall be made within thirty (30) days from the date such Lender, Managing Agent or the Administrative Agent (as the case may be) makes written demand therefor.

(c) As soon as reasonably practicable after the date of any payment by the Borrower of any Taxes, the Borrower will furnish to the Administrative Agent, the Managing Agent or the Lender, as applicable, at its address set forth under its name on the signature pages hereof, appropriate evidence of payment thereof.

(d) Any Lender that is a "United States person" (as defined in Section 7701(a)(30) of the Code) shall deliver to the Borrower with a copy to the Administrative Agent within 15 days after the date hereof, or, if later, the date on which such Lender becomes a Lender hereof (and from time to time thereafter upon the reasonable request of the Borrower or the Administrative Agent), two duly completed copies of IRS Form W-9 (or any successor forms) certifying that such Lender is exempt from U.S. federal backup withholding tax. If a Lender is not created or organized under the laws of the United States or a political subdivision thereof, such Lender shall, to the extent that it may then do so under Applicable Laws, deliver to the Borrower with a copy to the Administrative Agent (i) within 15 days after the date hereof, or, if later, the date on which such Lender becomes a Lender hereof two (or such other number as may from time to time be prescribed by Applicable Laws) duly completed copies of IRS Form W-8ECI or Form W-8BEN-E or any successor forms or other certificates or statements that may be required from time to time by the relevant United States taxing authorities or Applicable Laws, as appropriate, to permit the Borrower to make payments hereunder for the account of such Lender, as the case may be, without deduction or withholding of United States federal income or similar Taxes and (ii) upon the obsolescence of or after the occurrence of any event requiring a change in, any form or certificate previously delivered pursuant to this Section 2.13(d), two copies (or such other number as may from time to time be prescribed by Applicable Laws) of such additional, amended or successor forms, certificates or statements as may be required under Applicable Laws to permit the Borrower to make payments hereunder for the account of such Lender, without deduction or withholding of United States federal income or similar Taxes.

(e) For any period with respect to which a Lender has failed to provide the Borrower with the appropriate form, certificate or statement described in clause (d) of this section (other than if such failure is due to a change in law occurring after the date of this Agreement), such Lender, as the case may be, shall not be entitled to indemnification under clauses (a) or (b) of this section with respect to any Taxes.

(f) In addition, the Administrative Agent shall deliver to the Borrower, and each Lender shall deliver to the Administrative Agent and the Borrower, such other tax forms or other documents as shall be prescribed by applicable law to demonstrate, where applicable, that payments under this Agreement and the other Loan Documents to such Lender or the Administrative Agent are exempt from application of the United States federal withholding taxes imposed pursuant to FATCA (including any successor provisions thereto) and any regulations promulgated thereunder or official interpretations thereof or to determine the amount to deduct and withhold from such payment.

(g) Within 30 days of the written request of the Borrower therefor, the Administrative Agent, the Managing Agent or the Lender, as appropriate, shall execute and deliver to the Borrower such certificates, forms or other documents that can be furnished consistent with the facts and that are reasonably necessary to assist the Borrower in applying for refunds of Taxes remitted hereunder; *provided, however*, that the Administrative Agent, the Managing Agent and the Lender shall not be required to deliver such certificates forms or other documents if in their respective sole discretion it is determined that the delivery of such certificate, form or other document would have a material adverse effect on the Administrative Agent, the Managing Agent or the Lender and *provided further, however*, that the Borrower shall reimburse the Administrative Agent, the Managing Agent or the Lender for any reasonable expenses incurred in the delivery of such certificate, form or other document.

(h) If, in connection with an agreement or other document providing liquidity support, credit enhancement or other similar support or financing to the Lenders in connection with this Agreement or the funding or maintenance of Advances hereunder, the Lenders are required to compensate a bank or other financial institution in respect of Taxes under circumstances similar to those described in this section then within ten days after demand by the Lenders, the Borrower shall pay to the Lenders such additional amount or amounts as may be necessary to reimburse the Lenders for any amounts paid by them.

(i) *Indemnification by the Lenders*. Each Lender shall severally indemnify the Administrative Agent, within 10 days after demand therefor, for (i) any Taxes attributable to such Lender (but only to the extent that the Borrower has not already indemnified the Administrative Agent for such Taxes and without limiting the obligation of the Borrower to do so), (ii) any Taxes attributable to such Lender's failure to comply with the provisions of Section 11.1(f) relating to the maintenance of a Participant Register and (iii) any Taxes attributable to such Lender, in each case, that are payable or paid by the Administrative Agent in connection with any Loan Document, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Lender by the Administrative Agent shall be conclusive absent manifest error. Each Lender hereby authorizes the Administrative Agent to set off and apply any and all amounts at any time owing to such Lender under any Loan Document or otherwise payable by the Administrative Agent to the Lender from any other source against any amount due to the Administrative Agent under this paragraph (i).

(j) *Survival*. Each party's obligations under this Section 2.13 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 and the repayment, satisfaction or discharge of all obligations under any Loan Document.

(k) [Reserved].

(l) Each Lender (and any person that becomes a Lender, participant or otherwise acquires an interest in any Transaction Document after the date hereof) that is entitled to an exemption from or reduction of withholding Tax with respect to payments made under any Transaction Document shall deliver to the Borrower and the Administrative Agent, at the time or times prescribed by law and at the time or times reasonably requested by the Borrower or the Administrative Agent or on the date such person becomes a Lender, participant or otherwise acquires an interest in any Transaction Document, such properly completed and executed 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 will permit such payments to be made without withholding or at a reduced rate of withholding permitted by law. In addition, any Lender (and any person that becomes a Lender, participant or otherwise acquires an interest in any Transaction Document after the date hereof), if reasonably 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 withholding under FATCA, backup withholding or information reporting requirements, and to comply with any information reporting requirements, including under FATCA.

(m) Notwithstanding anything to the contrary herein or in any Transaction Document, the Borrower shall not be required to indemnify, pay additional amounts, gross-up or otherwise compensate any Lender, participant, Administrative Agent, Managing Agent or any other person with an interest in the Transaction Documents as a result of any Tax imposed (i) under FATCA or (ii) as a result of such Person's failure to provide any form or certification described in clause (l) such Person is legally able to provide.

(n) If any party determines, in its sole discretion exercised in good faith, that it has received a refund of any Taxes (including any Tax credit in lieu of refund) as to which it has been indemnified pursuant to Section 2.13(b) (including by the payment of additional amounts pursuant to this Section 2.13), as soon as practicable after it is determined that such refund pertains to Taxes giving rise to such refund, it shall pay to the indemnifying party an amount equal to such refund (but only to the extent of indemnity payments made under this Section with respect to the Taxes giving rise to such refund), net of all out-of-pocket expenses (including Taxes) of such indemnified party and without interest (other than any interest paid by the relevant taxing authority with respect to such refund). Such indemnifying party, upon the request of such indemnified party, shall repay to such indemnified party the amount paid over pursuant to this Section 2.13(n) (plus any penalties, interest or other charges imposed by the relevant taxing authority) in the event that such indemnified party is required to repay such refund to such taxing authority. Notwithstanding anything to the contrary in this paragraph (n), in no event will the indemnified party be required to pay any amount to an indemnifying party pursuant to this paragraph (n) the payment of which would place the indemnified party in a less favorable net after-Tax position than the indemnified party would have been in if the Tax subject to indemnification and giving rise to such refund had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts with respect to such Tax had never been paid. This paragraph shall not be construed to require any indemnified party to make available its Tax returns (or any other information relating to its Taxes that it deems confidential) to the indemnifying party or any other person.

Section 2.14. Discretionary Sales of Collateral. On any Discretionary Sale Settlement Date, the Borrower shall have the right to sell or assign and the Administrative Agent shall release the Lien granted hereunder over, one or more Loans, in whole or in part (a "*Discretionary Sale*"), subject to the following terms and conditions and subject to the other restrictions contained herein:

(a) any Discretionary Sale shall be made by the Borrower in a transaction (A) reflecting arm's-length market terms if to a third party or reflecting carrying value of the Loans subject to such Discretionary Sale if to an Affiliate of the Borrower, (B) in which the Borrower makes no representations, warranties or covenants and provides no indemnification for the benefit of any other party to the Discretionary Sale, (C) of which the Administrative Agent and the Lenders shall have received written notice (such notice, a *"Discretionary Sale Notice"*) which notice shall provide a description of the terms of the Discretionary Sale and (D) if occurring after the Termination Date or upon the occurrence and during the continuance of an Event of Default, which the Required Lenders shall have approved in writing (in their sole discretion);

(b) after giving effect to the Discretionary Sale on the related Discretionary Sale Trade Date and the payment of funds from the sale into the Collection Account required under Section 2.14(d), (A) all representations and warranties of the Borrower contained in Section 4.1 shall be true and correct as of the Discretionary Sale Trade Date,
(B) no Event of Default or Unmatured Event of Default shall have occurred and be continuing or result from such Discretionary Sale and (C) the Borrowing Base Test shall have been satisfied, which shall be demonstrated by delivery of an updated Borrowing Base Certificate;

(c) on the Discretionary Sale Trade Date, the Borrower shall be deemed to have represented and warranted that the requirements of Section 2.14(b) shall have been satisfied as of the related Discretionary Sale Trade Date after giving effect to the contemplated Discretionary Sale; and

(d) on the related Discretionary Sale Settlement Date, the Administrative Agent shall have received into the Collection Account, in immediately available funds, an amount (i) other than as described in clause (ii) below, equal to the portion of the Advances Outstanding to be prepaid, if any, so that the requirements of Section 2.14(b) shall have been satisfied as of such Discretionary Sale Settlement Date and (ii) in the case of a sale of any Loans following the end of the Revolving Period, equal to the proceeds of such Discretionary Sale.

In connection with any Discretionary Sale, following receipt by the Administrative Agent of the amounts referred to in Section 2.14(d) above (receipt of which shall be confirmed to the Administrative Agent), there shall be released to the Borrower (for further sale to a purchaser) without recourse, representation or warranty of any kind all of the right, title and interest of the Administrative Agent and the Secured Parties in, to and under the portion of the Collateral subject to such Discretionary Sale and such portion of the Collateral so released shall be released from any Lien under the Transaction Documents (subject to the requirements set forth above in this Section 2.14).

In connection with any Discretionary Sale, on the related Discretionary Sale Settlement Date, the Administrative Agent on behalf of the Secured Parties shall, at the Borrower's cost and expense, (i) execute such instruments of release with respect to the portion of the Collateral to be released to the Borrower, in recordable form if necessary, in favor of the Borrower as the Borrower may reasonably request, (ii) deliver any portion of the Collateral to be released to the Borrower in its possession to the Borrower and (iii) otherwise take such actions, as are determined by the Borrower to be reasonably necessary and appropriate to release the Lien on the portion of the Collateral to be released to the Borrower and release and deliver to the Borrower such portion of the Collateral to be released to the Borrower.

So long as no Event of Default or Unmatured Event of Default has occurred and is continuing, items of Collateral that are not Loans and are not included in the Borrowing Base shall be automatically released from the lien of this Agreement and the other Transaction Documents, without any action of the Administrative Agent or any other Secured Party, in connection with any disposition of such Collateral that (x) occurs in the ordinary course of the Borrower's business and (y) is not prohibited hereunder.

Section 2.15. Reserved.

Section 2.16. Defaulting Lenders and Potential Defaulting Lenders. If the Borrower and the Administrative Agent agree in writing in their discretion that any Defaulting Lender has ceased to be a Defaulting Lender or any Potential Defaulting Lender has ceased to be a Potential Defaulting Lender, the Administrative Agent will so notify the parties hereto, whereupon as of the effective date specified in such notice, and subject to any conditions set forth therein, such Lender will purchase at par such portion of outstanding Advances of the other Lenders and/or make such other adjustments as the Administrative Agent may determine to be necessary to cause the Advances Outstanding of the Lenders to be on a pro rata basis in accordance with their respective Commitments, whereupon such Lender will cease to be a Defaulting Lender or Potential Defaulting Lender, as the case may be, and will be a Non-Defaulting Lender (and such Advances Outstanding of each Lender will automatically be adjusted on a prospective basis to reflect the foregoing); *provided* that no adjustments will be made retroactively with respect to fees accrued or payments made by or on behalf of the Borrower while such Lender was a Defaulting Lender; *provided, further*, that except to the extent otherwise expressly agreed by the affected parties, no change hereunder from Defaulting Lender to Non-Defaulting Lender will constitute a waiver or release of any claim of any party hereunder arising from such Lender's having been a Defaulting Lender.

Section 2.17. Replacement of Defaulting Lenders. If any Lender is a Defaulting Lender, then the Borrower may, at its sole expense and effort, upon notice to such Lender and the Administrative Agent, require such Lender to assign and delegate, without recourse (in accordance with and subject to the restrictions set forth in Section 11.1), all of its interests, rights (other than its existing rights to payments pursuant to Section 2.12) and obligations under this Agreement to an assignee that shall assume such obligations (which assignee may be another Lender) (a "*Replacement Lender*"); *provided* that (i) the Borrower shall have received the prior written consent of the Administrative Agent, which consent shall not be unreasonably withheld, and (ii) such Lender shall have received payment of an amount equal to the outstanding principal amount of all Advances owed to it, accrued interest thereon, accrued fees and all other amounts payable to it hereunder from the assignee (in the case of such outstanding principal and accrued interest) and from the Borrower (in the case of all other amounts). A Lender shall not be required to make any such assignment and delegation 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 cease to apply.

ARTICLE III

CONDITIONS OF EFFECTIVENESS AND ADVANCES

Section 3.1. Conditions Precedent to Initial Advances. No Lender shall be obligated to make any Advance hereunder from and after the Effective Date, nor shall any Lender, the Administrative Agent or the Managing Agents be obligated to take, fulfill or perform any other action hereunder, until the following conditions have been satisfied, in the sole discretion of, or waived in writing by, the Managing Agents:

(a) This Agreement and all other Transaction Documents or counterparts hereof or thereof shall have been duly executed by, and delivered to, the parties hereto and thereto and the Administrative Agent shall have received such other documents, instruments, agreements and legal opinions (including, but not limited to opinions regarding corporate matters, enforceability and perfection) as any Managing Agent shall reasonably request in connection with the transactions contemplated by this Agreement, on or prior to the Effective Date, each in form and substance satisfactory to the Administrative Agent.

(b) Each Managing Agent shall have received such documentation and other information requested in connection with applicable "know your customer" and anti-money-laundering rules and regulations, including the Patriot Act and shall be satisfied with the results of the due diligence review performed by it and each Lender shall have received all necessary internal approvals.

(c) The Borrower shall have paid all fees required to be paid by it on the Effective Date, including all fees required hereunder and under the Fee Letters to be paid as of such date, and shall have reimbursed each Lender and the Administrative Agent and Syndication Agent for all fees, costs and expenses related to the transactions contemplated hereunder and under the other Transaction Documents, including the legal and other document preparation costs incurred by any Lender, the Administrative Agent and/or the Syndication Agent.

(d) The Administrative Agent shall have received for ratable payment to each Managing Agent, all Commitment Fees due and payable under the Fee Letters.

(e) The Administrative Agent shall have received the initial Administrative Agent Fee due and payable hereunder.

(f) The Administrative Agent shall have received a copy of the updated Investment Advisory Agreement in effect as of the date hereof.

(g) The Administrative Agent shall have received complete electronic copies of all Loan Documents for each Loan as of the Effective Date.

(h) The Document Custodian shall have confirmed that it shall have received the Required Loan Documents for each Loan as of the Effective Date and confirmed that Required Loan Documents satisfy the Review Criteria.

(i) The Administrative Agent shall have received the documents listed in Schedule I to the Agreement on or before the Effective Date.

(j) The Administrative Agent shall have received true and complete copies certified by a Responsible Officer of the Borrower of all filings, authorizations and approvals by any Governmental Authority or other third party, if any, required in connection with the transactions contemplated by this Agreement.

(k) The Administrative Agent shall have received the audited consolidated financial statements of the Borrower for the fiscal year ended December 31, 2018, and the unaudited interim consolidated financial statements of the Borrower as of March 31, 2019, for the most recent fiscal quarter then ended.

(l) No Material Adverse Effect with respect to the Borrower shall have occurred since December 31, 2018.

(m) The Administrative Agent shall have received (i) evidence that the CIBC Demand Loan Agreement, the CIBC Pledge Agreement, and the CIBC Loan Agreement have been paid off in full and released and the commitments thereunder have terminated, (ii) any account control agreement covering the CIBC Account has been terminated and released and any and all liens of CIBC Bank USA on the CIBC Account have been terminated and released in full, and (iii) a fully executed Account Control Agreement in favor of the Administrative Agent covering the CIBC Account among the Borrower, CIBC Bank USA and the Administrative Agent, in each case, in form and substance satisfactory to the Administrative Agent.

The Administrative Agent shall promptly notify each Lender of the satisfaction or waiver of the conditions set forth above.

Section 3.2. Additional Conditions Precedent to All Advances. Each Advance shall be subject to the further conditions precedent that:

(a) The Borrower shall have delivered a Funding Request in accordance with the procedures set forth in Section 2.2 and certified in the related Borrower Notice that:

(i) The representations and warranties set forth in Section 4.1 are true and correct in all material respects on and as of such date and the related Funding Date, before and after giving effect to such borrowing and to the application of the proceeds therefrom, as though made on and as of such date (except for representations and warranties that are qualified by materiality, a Material Adverse Effect or any similar qualifier, which representations shall be true and correct in all respects as of such date and the related Funding Date); and

(ii) No event has occurred, or would result from such Advance or from the application of the proceeds therefrom, that constitutes an Event of Default or an Unmatured Event of Default;

(b) The Termination Date shall not have occurred;

(c) Before and after giving effect to such Advance and to the application of proceeds therefrom the Borrowing Base Test shall be satisfied, as calculated on such date;

(d) No claim has been asserted or proceeding commenced challenging the enforceability or validity of any of the Transaction Documents or the Loan Documents, excluding any instruments, certificates or other documents relating to Loans that are no longer outstanding or which are no longer included in the Collateral; and

(e) There shall have been no Material Adverse Change with respect to the Borrower since the preceding Advance and the acquisition of the Loan, if applicable, will not have a Material Adverse Effect on such Loan.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES

Section 4.1. Representations and Warranties of the Borrower. The Borrower represents and warrants as follows:

(a) *Organization and Good Standing*. The Borrower is a Maryland corporation duly organized, validly existing, and in good standing under the laws of the jurisdiction of its formation, and has full power, authority and legal right to own or lease its properties and conduct its business as such business is presently conducted and had at all relevant times, and now has all necessary power, authority and legal right to acquire, own and pledge the Collateral.

(b) *Due Qualification*. The Borrower is qualified to do business as a Maryland corporation, is in good standing, and has obtained all licenses and approvals as required under the laws of all jurisdictions in which the ownership or lease of its property and or the conduct of its business (other than the performance of its obligations hereunder) requires such qualification, standing, license or approval, except to the extent that the failure to so qualify, maintain such standing or be so licensed or approved would not have a Material Adverse Effect. The Borrower is qualified to do business as a corporation, is in good standing, and has obtained all licenses and approvals as are required under the laws of all states in which the performance of its obligations pursuant to this Agreement requires such qualification, standing, license or approval and where the failure to qualify or obtain such license or approval would have a material adverse effect on its ability to perform hereunder or a Material Adverse Effect.

(c) *Due Authorization*. The Borrower (i) has all necessary power and authority and legal right to (A) execute and deliver this Agreement and the other Transaction Documents to which it is a party, (B) carry out the terms of the Transaction Documents to which it is a party, (C) grant Liens in the Collateral, and (D) receive Advances on the terms and conditions provided herein, and (ii) has duly authorized by all necessary corporate action the execution, delivery and performance of this Agreement and the other Transaction Documents to which it is a party and the Lien in the Collateral on the terms and conditions herein provided. This Agreement and each other Transaction Document to which the Borrower is a party have been duly executed and delivered by the Borrower.

(d) *No Conflict*. The execution and delivery of this Agreement and each Transaction Document to which the Borrower is a party, the performance by the Borrower of the transactions contemplated hereby and thereby and the fulfillment of the terms hereof and thereof will not violate or result in any breach of any of the terms and provisions of, and will not constitute (with or without notice or lapse of time or both) a default under, the Borrower's bylaws or any material Contractual Obligation of the Borrower. The Borrower is not party to any agreement or instrument or subject to any corporate restriction that has resulted or could reasonably be expected to result in a Material Adverse Effect.

(e) *No Violation*. The execution and delivery of this Agreement and each Transaction Document to which the Borrower is a party, the performance of the transactions contemplated hereby and thereby and the fulfillment of the terms hereof and thereof will not violate, in any material respect, any Applicable Law.

(f) *No Proceedings*. There are no proceedings or investigations pending against the Borrower or, to the best knowledge of the Borrower, pending against any of its Subsidiaries or threatened in writing against the Borrower or any such Subsidiary before any Governmental Authority (i) asserting the invalidity of this Agreement or any Transaction Document to which the Borrower is a party, (ii) seeking to prevent the consummation of any of the transactions contemplated by this Agreement or any Transaction Document to which the Borrower is a party or (iii) seeking any determination or ruling that could reasonably be expected to have a Material Adverse Effect.

(g) *All Consents Required*. All material approvals, authorizations, consents, licenses, orders or other actions of any Person or of any Governmental Authority (if any) required in connection with the due execution, delivery and performance by the Borrower of this Agreement and any Transaction Document to which the Borrower is a party, have been obtained. The Borrower has received all consents and approvals required by the terms of the Loan Documents in respect of such Collateral to the pledge hereunder to the Administrative Agent of its interest and rights in such Collateral.

(h) *Reports Accurate*. All Monthly Reports, Borrowing Base Certificates, information, exhibits, financial statements, documents, books, records, reports or other document furnished or to be furnished by the Borrower (but excluding information identified as provided by a third party) to the Administrative Agent, the Bank Parties, any Managing Agent or any Lender in connection with this Agreement or any other Transaction Document or in connection with the negotiation thereof are true, complete and accurate in all material respects to the best knowledge of the Person so delivering such items; provided that all financial projections, pro forma financial information, and other forward-looking information which has been delivered to the Administrative Agent, the Bank Parties, any Managing Agent or any Lender in connection with this Agreement or any other Transaction Document are based upon good faith assumptions and, in the case of financial projections and pro forma financial information, good faith estimates and assumptions, in each case, believed to be reasonable at the time made, it being recognized that (i) such financial information as it relates to future events is subject to significant uncertainty and contingencies (many of which are beyond the control of the Borrower) and are therefore not to be viewed as fact, and (ii) actual results during the period or periods covered by such financial information may differ materially and adversely from the results set forth therein.

(i) *Solvency*. The Borrower is not the subject of any Insolvency Proceeding or Insolvency Event. The transactions contemplated under this Agreement and each Transaction Document to which the Borrower is a party do not and will not render the Borrower not Solvent.

(j) *No Default.* The Borrower is not in default under or with respect to any Existing Indebtedness or other obligation that, either individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect. No Default has occurred and is continuing or would result from the consummation of the transactions contemplated by this Agreement or any other Loan Document.

(k) *Taxes*. The Borrower has filed or caused to be filed all federal and material state Tax returns required to be filed by it. The Borrower has paid all federal and state Taxes and all assessments made against it or any of its property (other than any amount of Tax the validity of which is currently being contested in good faith by appropriate proceedings and with respect to which reserves in accordance with GAAP have been provided on the books of the Borrower and to the extent that the failure to do so could not reasonably be expected to have a Material Adverse Effect), and no Tax lien has been filed and, to the Borrower's knowledge, no claim is being asserted, with respect to any such federal or material state Tax, fee or other charge.

(l) *Agreements Enforceable*. This Agreement and each Transaction Document to which the Borrower is a party constitute the legal, valid and binding obligation of the Borrower enforceable against the Borrower in accordance with their respective terms, except as such enforceability may be limited by Insolvency Laws and except as such enforceability may be limited by general principles of equity (whether considered in a suit at law or in equity).

(m) *No Liens*. The Collateral is owned by the Borrower free and clear of any Lien (except for Permitted Liens as provided herein), claim or encumbrance of any Person, and the Administrative Agent, as agent for the Secured Parties, has a valid and perfected first priority security interest in the Collateral then existing or thereafter arising, free and clear of any Liens except for Permitted Liens. No effective financing statement or other instrument similar in effect covering any Collateral is on file in any recording office except such as may be filed in favor of the Administrative Agent relating to this Agreement. The Borrower is not aware of the filing of any judgment, ERISA or tax lien filings against the Borrower.

(n) *Security Interest*. This Agreement creates a valid and continuing security interest (as defined in the applicable UCC) in favor of the Administrative Agent, on behalf of the Secured Parties, in the Collateral, which is enforceable in accordance with Applicable Law, is prior to all other Liens and is enforceable as such against creditors of and purchasers from the Borrower. All filings (including, without limitation, such UCC filings) as are necessary in any jurisdiction to perfect the interest of the Administrative Agent on behalf of the Secured Parties, in the Collateral have been made and are effective or will be made on the Effective Date.

(i) This Agreement constitutes a security agreement within the meaning of Section 9-102(a)(73) of the UCC as in effect from time to time in the State of New York.

(ii) the Collateral is comprised of "instruments", "general intangibles", "deposit accounts", "investment property" and "proceeds" (each as defined in the applicable UCC) and such other categories of collateral under the applicable UCC as to which the Borrower has complied with its obligations under Section 4.1(n).

(iii) with respect to Collateral that constitutes "deposit accounts" or "securities accounts" as defined in Sections 9-102 and 8-501(a), respectively, of the UCC as in effect from time-to-time in the State of New York:

(1) the Borrower has taken all steps necessary to enable the Administrative Agent to obtain "control" (within the meaning of the UCC as in effect from time-to-time in the State of New York) with respect to the CIBC Account (from and after the date of the initial Advance hereunder) and each such Collection Account; and

(2) the CIBC Account and such Collection Accounts are not in the name of any Person other than the Borrower, and are subject to the Lien of the Administrative Agent (it being understood that the CIBC Account shall be subject to the Lien of the Administrative Agent at all times on and after the date of the initial Advance hereunder). The Borrower has not instructed the securities intermediary of any Collection Account to comply with the instructions of any Person other than the Administrative Agent; *provided* that, until the Administrative Agent delivers a notice of exclusive control, the Borrower may cause cash in such Collection Accounts to be invested in Permitted Investments, and the proceeds thereof to be distributed in accordance with this Agreement. At all times on and after the date of the initial Advance hereunder, the Borrower has not instructed the depository bank of the CIBC Account to comply with the instructions of any Person other than the Administrative Agent; *provided* that, until the Administrative Agent delivers a notice of exclusive control, the Borrower may cause cash in the CIBC Account to be invested in Permitted Investments, and the proceeds thereof to be distributed in accordance with this Agreement.

(iv) The Collection Account constitutes a "securities account" as defined in Section 8-501(a) of the UCC as in effect from time-to-time in the State of New York and the CIBC Account constitutes a "deposit account" as defined in Section 9-102 of the UCC as in effect from time-to-time in the State of New York.

(v) The Borrower has received all consents and approvals required by the terms of any Loan to the granting of a security interest in the Collateral hereunder to the Administrative Agent, on behalf of the Secured Parties.

(vi) Upon the delivery to the Collateral Custodian of all Collateral constituting "instruments" and "certificated securities" (as defined in the UCC as in effect from time to time in the jurisdiction where the Collateral Custodian's corporate trust office is located), the crediting of all Collateral that constitutes "financial assets" (as defined in the UCC as in effect from time to time in the State of New York) to an account and the filing of the financing statements in the jurisdiction in which the Borrower is located, such security interest shall be a valid and first priority perfected security interest in all of the Collateral in that portion of the Collateral in which a security interest may be created under Article 9 of the UCC as in effect from time to time in the State of New York.

(vii) All original executed copies of each underlying promissory note that constitute or evidence each Loan has been or, subject to the delivery requirements contained herein, will be delivered to the Document Custodian.

(viii) None of the underlying promissory notes that constitute or evidence the Loans has any marks or notations indicating that they have been pledged, assigned or otherwise conveyed to any Person other than the Administrative Agent on behalf of the Secured Parties.

(ix) With respect to Collateral that constitutes a "certificated security," such certificated security has been delivered to the Collateral Custodian on behalf of the Administrative Agent and, if in registered form, has been specially Indorsed to the Collateral Custodian or in blank by an effective Indorsement or has been registered in the name of the Administrative Agent upon original issue or registration of transfer by the Borrower of such certificated security.

(o) *Location of Offices*. The Borrower's location (within the meaning of Article 9 of the UCC) is Maryland. The Borrower's principal place of business and chief executive office and the office where the Borrower keeps all the Records not held by the Document Custodian is located at the address of the Borrower referred to in Schedule IV hereof (or at such other locations as to which the notice and other requirements specified in Section 5.1(m) shall have been satisfied). Other than the change in the Borrower's name from GSV Growth Credit Fund Inc. to Runway Growth Credit Fund Inc., the Borrower has not changed its name, whether by amendment of its certificate of formation, by reorganization or otherwise, or its jurisdiction of organization and has not changed its location within the period commencing on the date of formation of the Borrower and ending on the Effective Date.

(p) *Tradenames*. The Borrower has no trade names, fictitious names, assumed names or "doing business as" names or other names under which it has done or is doing business.

(q) Reserved.

(r) *Business.* The Borrower is in compliance in all material respects with the Investment Policies. Since the date of the audited financial statements delivered in accordance with Section 3.1, there has been no event or circumstance that, either individually or in the aggregate, has had or could reasonably be expected to have a Material Adverse Effect.

(s) *ERISA*. The Borrower is in compliance in all material respects with ERISA and has not incurred and does not expect to incur any liabilities (except for premium payments arising in the ordinary course of business) payable to the Pension Benefit Guaranty Corporation under ERISA.

(t) *Investment Company Act*. The Borrower represents and warrants that (A) Advances do not constitute ownership interests in the Borrower and (B) the Borrower is not, and after giving effect to the transactions contemplated hereby, will not be, required to register as an "investment company" within the meaning of the 1940 Act. For purposes of this subclause (x), *"ownership interest"* has the meaning set forth in § .10(d)(6) of the common rule entitled "Proprietary Trading and Certain Interests and Relationships with Covered Funds" (commonly known as the *"Volcker Rule"*) published at 79 Fed. Reg. 5779 et seq.

(u) *Government Regulations*. The Borrower is not engaged in the business of extending credit for the purpose of "purchasing" or "carrying" any "margin security," as such terms are defined in Regulation U of the Federal Reserve Board as now and from time to time hereafter in effect (such securities being referred to herein as *"Margin Stock"*). The Borrower owns no Margin Stock, and no portion of the proceeds of any Advance hereunder will be used, directly or indirectly, for the purpose of purchasing or carrying any Margin Stock, for the purpose of reducing or retiring any Indebtedness that was originally incurred to purchase or carry any Margin Stock or for any other purpose that might cause any portion of such proceeds to be considered a "purpose credit" within the meaning of Regulation T, U or X of the Federal Reserve Board. The Borrower will not take or permit to be taken any action that might cause any Loan Document or any Transaction Document to violate any regulation of the Federal Reserve Board.

(v) *Eligibility of Loans*. As of the Effective Date and each Funding Date thereafter, (i) each Loan referenced on the related Borrower Notice and included in the Borrowing Base is an Eligible Loan on such date, (ii) each Loan included in the Collateral is free and clear of any Lien of any Person (other than Permitted Liens) and in compliance with Applicable Laws and (iii) with respect to each such Loan included in the Collateral, all consents, licenses, approvals or authorizations of or registrations or declarations of any Governmental Authority required to be obtained, effected or given by the Borrower in connection with the transfer of a Lien in such Loans and the Borrower's interests in the Related Property to the Administrative Agent for the benefit of the Secured Parties have been duly obtained, effected or given and are in full force and effect. As of the most recent Reporting Date, the Loan List delivered with the most recent Monthly Report, and as of each Funding Date, the Loan List and the information contained in the Borrower Notice delivered pursuant to Sections 2.1 and 2.2, is a true, complete and correct listing in all material respects of all the Loans that are part of the Collateral as of the such date, and the information contained therein with respect to the identity of such Loans and the amounts owing thereunder is true, complete and correct in all material respects as of such date.

(w) *USA PATRIOT Act*. None of the Borrower or the Investment Adviser or any of their respective Affiliates is (1) a country, territory, organization, person or entity named on an OFAC list; (2) a Person that resides or has a place of business in a country or territory named on such lists or which is designated as a Non-Cooperative Jurisdiction by the Financial Action Task Force on Money Laundering, or whose subscription funds are transferred from or through such a jurisdiction; (3) a "Foreign Shell Bank" within the meaning of the USA PATRIOT Act, *i.e.*, a foreign bank that does not have a physical presence in any country and that is not affiliated with a bank that has a physical presence and an acceptable level of regulation and supervision; or (4) a person or entity that resides in or is organized under the laws of a jurisdiction designated by the United States Secretary of the Treasury under Section 311 or 312 of the USA PATRIOT Act as warranting special measures due to money laundering concerns.

(x) *No Fraud*. Each Loan was originated without any fraud or material misrepresentation, to the Borrower's knowledge, on the part of the Obligor.

(y) *Compliance with Law*. The Borrower has complied in all respects with all Applicable Laws to which it may be subject, except where the failure to do so, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect and no item of Collateral contravenes any Applicable Law (including, without limitation, all applicable Credit Protection Laws), except where the failure to do so, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect. Without limiting the foregoing, (x) to the extent applicable, the Borrower is in compliance in all material respects with the regulations and rules promulgated by OFAC including U.S. Executive Order No. 13224 and other related statutes, laws, and regulations (collectively, the *"Subject Laws"*), and (y) the Borrower has adopted internal controls and procedures designed to ensure its continued compliance in all material respects with the applicable provisions of the Subject Laws and to the extent applicable, will adopt procedures consistent in all material respects with the USA PATRIOT Act and implementing regulations.

(z) *Tax Status*. For U.S. federal income tax purposes the Borrower is a RIC.

(aa) *Plan Assets*. The assets of the Borrower are not treated as "plan assets" for purposes of Section 3(42) of ERISA and the Collateral is not deemed to be "plan assets" for purposes of Section 3(42) of ERISA. The Borrower has not taken, or omitted to take, any action which would result in any of the Collateral being treated as "plan assets" for purposes of Section 3(42) of ERISA or the occurrence of any Prohibited Transaction in connection with the transactions contemplated hereunder.

(bb) *Amendments*. No Loan has been amended, modified or waived, except for amendments, modification or waivers, if any, to such Loan otherwise permitted under Section 7.4(a) and in accordance with the Investment Policy.

(cc) *Full Payment*. As of the date of the Borrower's origination or acquisition thereof, the Borrower has no knowledge of any fact which should lead it to expect that any Loan will not be repaid by the relevant Obligor in full.

(dd) Reserved.

(ee) *Reserved.*

(ff) *Environmental Matters*. Except with respect to any matters that, either individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect, the Borrower (a) has not failed to comply with any Environmental Law or to obtain, maintain or comply with any permit, license or other approval required under any Environmental Law, (b) does not know of any basis for any permit, license or other approval required under any Environmental Law to be revoked, canceled, limited, terminated, modified, appealed or otherwise challenged, (c) has not or could not reasonably be expected to become subject to any Environmental Liability, (d) has received notice of any claim, complaint, proceeding, investigation or inquiry with respect to any Environmental Liability (and no such claim, complaint, proceeding, investigation or inquiry is pending or, to the knowledge of the Borrower, is threatened or contemplated) or (e) does not know of any facts, events or circumstances that could give rise to any basis for any Environmental Liability of the Borrower.

(gg) *Intellectual Property*. The Borrower owns, licenses or possesses the right to use all of the trademarks, tradenames, service marks, trade names, copyrights, patents, franchises, licenses and other intellectual property rights that are necessary for the operation of their respective businesses, as currently conducted, business, and the use thereof by the Borrower does not conflict with the rights of any other Person, except to the extent that such failure to own, license or possess or such conflicts, either individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect. The conduct of the business of the Borrower as currently conducted or as contemplated to be conducted does not infringe upon or violate any rights held by any other Person, except to the extent that such infringements and violations, either individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect. No claim or litigation regarding any of the foregoing is pending or, to the knowledge of the Borrower, threatened that could reasonably be expected to be adversely determined, and, if so determined, could reasonably be expected to have a Material Adverse Effect.

(hh) *Certificate of Beneficial Ownership.* The Certificate of Beneficial Ownership executed and delivered to the Administrative Agent and Lenders on or prior to the Effective Date, as updated from time to time in accordance with this Agreement, is accurate, complete and correct as of the Effective Date and as of the date any such update is delivered.

ARTICLE V

GENERAL COVENANTS OF THE BORROWER

Section 5.1. *Covenants of the Borrower*. The Borrower hereby covenants that:

(a) *Compliance with Laws and Transaction Documents*. The Borrower will comply with all Applicable Laws, including those with respect to the Loans in the Collateral and any Related Property, and all material Contractual Obligations, except where the failure to do so, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect. The Borrower shall comply with the terms and conditions of each Transaction Document to which it is a party.

(b) *Preservation of Existence*. The Borrower will preserve and maintain its existence, rights, franchises and privileges in the jurisdiction of its formation, and qualify and remain qualified in good standing in each jurisdiction where the failure to maintain such existence, rights, franchises, privileges and qualification has had, or could reasonably be expected to have, a Material Adverse Effect.

(c) *Security Interests*. Except as contemplated in this Agreement, including in connection with any Discretionary Sale, the Borrower will not sell, pledge, assign or transfer to any other Person, or grant, create, incur, assume or suffer to exist any Lien on any Loan, Collections, Related Property, Portfolio Investment or other asset that is part of the Collateral, whether now existing or hereafter transferred hereunder, or any interest therein other than Permitted Liens; provided that so long as no Event of Default or Unmatured Event of Default has occurred and is continuing, items of Collateral that are not Loans and are not included in the Borrowing Base shall be automatically released from the lien of this Agreement and the other Transaction Documents, without any action of the Administrative Agent or any other Secured Party, in connection with any disposition of such Collateral that occurs in the ordinary course of the Borrower's business. The Borrower will promptly notify the Administrative Agent of the existence of any Lien on any Loan, Collections, Related Property, Portfolio Investment or other asset that is part of the Collateral and the Borrower shall defend the right, title and interest of the Administrative Agent as agent for the Secured Parties in, to and under any Loan, Collections and the Related Property or other asset that is part of the Collateral, against all claims of third parties; *provided, however*, that nothing in this Section 5.1(c) shall prevent or be deemed to prohibit the Borrower from suffering to exist Permitted Liens upon any Loan or any Related Property, any Portfolio Investment or other asset that is part of the Collateral. The Borrower will not create, or participate in the creation of, or permit to exist, any Lien on the Collection Account other than the Lien of the Administrative Agent on behalf of the Secured Parties and any Lien expressly permitted by the Account Control Agreement. On or after the date of the initial Advance hereunder, the Borrower will not create, or participate in the creation of, or permit to exist, any Lien on the the CIBC Account other than the Lien of the Administrative Agent on behalf of the Secured Parties and any Lien expressly permitted by the Account Control Agreement.

(d) *Delivery of Collections*. The Borrower agrees to cause the delivery to the Collection Account promptly (but in no event later than two (2) Business Days after receipt) all Collections deposited into the CIBC Account or received by the Borrower in respect of the Loans that are part of the Collateral.

(e) *Activities of Borrower*. The Borrower shall not engage in any business or activity of any kind, other than the businesses engaged in on the date hereof, including originating or acquiring Loans the Obligors of which are fast-growing companies, and businesses reasonably related, complementary or incidental thereto in accordance with the Investment Policy.

(f) *Indebtedness*. Without the prior written consent of the Administrative Agent, the Borrower shall not create, incur, assume or suffer to exist any Indebtedness or other liability whatsoever, except (i) obligations incurred under this Agreement, (ii) liabilities incident to the maintenance of its existence in good standing, (iii) indebtedness in respect of endorsement of instruments or other payment items for deposit or collection in the ordinary course of business, (iv) the Existing Indebtedness so long as no Loan or any other Collateral shall secure any Existing Indebtedness, (v) obligations payable to clearing agencies, brokers or dealers in connection with the purchase or sale of securities in the ordinary course of business, (vi) Indebtedness in respect of judgments or awards that have been in force for less than the applicable period for taking an appeal, so long as such judgments or awards do not constitute an Event of Default, ~~and~~ (vii) the Permitted Subscription Line Indebtedness, so long as no Loan or any other Collateral shall secure the Permitted Subscription Line Indebtedness and (viii) the Permitted Indebtedness.

(g) *Guarantees*. Except as set forth in Section 5.1(f), the Borrower shall not become or remain liable, directly or indirectly, in connection with any Indebtedness or other liability of any other Person, whether by guarantee, endorsement (other than endorsements of negotiable instruments or other payment items for deposit or collection in the ordinary course of business), agreement to purchase or repurchase, agreement to supply or advance funds, or otherwise.

(h) *Investments*. The Borrower shall not make or suffer to exist any loans or advances to, or extend any credit to, or make any investments (by way of transfer of property, contributions to capital, purchase of stock or securities or evidences of indebtedness, acquisition of the business or assets, or otherwise) in, any Person except for(i) purchases of Loans pursuant to this Agreement, (ii) investments in Permitted Investments in accordance with the terms of this Agreement, (iii) Portfolio Investments by the Borrower to the extent such Portfolio Investments are permitted under the 1940 Act and the Investment Policies, and (iv) Investments by the Borrower in any Subsidiaries.

(i) *Merger; Sales*. The Borrower shall not enter into any transaction of merger, reorganization, recapitalization or consolidation, or liquidate, wind-up or dissolve itself (or suffer any liquidation, winding up or dissolution), or acquire or be acquired by any Person, or convey, sell, lease, license, assign, transfer, loan or otherwise dispose of all or substantially all of its property or business, without in each case first obtaining the consent of the Administrative Agent.

(j) *Distributions*. The Borrower may not declare or pay or make, directly or indirectly, any distribution (whether in cash or other property) with respect to any Person's equity interest in the Borrower (collectively, a "*Distribution*"); *provided*, *however*, that (i) if no Event of Default or Unmatured Event of Default has occurred and is continuing, or will occur as a result thereof, the Borrower may make a Distribution from funds that are made available to the Borrower pursuant to Section 2.8 hereof, (ii) the Borrower shall be permitted to make Distributions payable solely in additional shares of common stock in the Borrower, and (iii) the Borrower shall be permitted to make Distributions in or with respect to any taxable year of the Borrower (or any calendar year, as relevant) in amounts not to exceed the higher of (x) the net investment income of the Borrower for the applicable fiscal year determined in accordance with GAAP and as specified in the annual financial statements most recently delivered pursuant to Section 7.11 and (y) 110% of the amount that is required by the Borrower to be distributed to: (i) allow the Borrower to satisfy the minimum distribution requirements imposed by Section 852(a) of the Code (or any successor thereto) to maintain its eligibility to be taxed as a RIC for any such taxable year, (ii) reduce to zero for any such taxable year its liability for federal income taxes imposed on (A) its investment company taxable income pursuant to Section 852(b)(1) of the Code (or any successor thereto), or (B) its net capital gain pursuant to Section 852(b)(3) of the Code (or any successor thereto), and (iii) reduce to zero its liability for federal excise taxes for any such calendar year imposed pursuant to Section 4982 of the Code (or any successor thereto).

(k) *Agreements*. The Borrower shall not amend or modify the provisions of its certificate of formation or organizational documents in each case that could reasonably be expected to have a Material Adverse Effect.

(l) *Restrictive Agreements*. The Borrower shall use commercially reasonable efforts to avoid entering into any Restrictive Agreement.

(m) *Change of Name or Jurisdiction of Borrower; Records*. The Borrower (x) shall not change its name or jurisdiction of organization, without 30 days' prior written notice to the Administrative Agent and (y) shall not move, or consent to the Investment Adviser or Document Custodian moving, any original Loan Documents without thirty (30) days' prior written notice to the Administrative Agent and (z) will promptly take all actions required of each relevant jurisdiction in order to continue the first priority perfected security interest of the Administrative Agent as agent for the Secured Parties (except for Permitted Liens) in all Collateral, and such other actions as the Administrative Agent may reasonably request, including but not limited to delivery of an Opinion of Counsel.

(n) *ERISA Matters*. The Borrower will not (a) engage any prohibited transaction for which an exemption is not available or has not previously been obtained from the United States Department of Labor; (b) permit to exist any accumulated funding deficiency, as defined in Section 302(a) of ERISA and Section 412(a) of the Code, or funding deficiency with respect to any Benefit Plan other than a Multiemployer Plan; (c) fail or permit any ERISA Affiliate to fail to make any payments to a Multiemployer Plan that the Borrower or any ERISA Affiliate may be required to make under the agreement relating to such Multiemployer Plan or any law pertaining thereto; (d) terminate any Benefit Plan so as to result in any liability that is not paid in full in connection with such termination; or (e) permit to exist any occurrence of any reportable event described in Title IV of ERISA.

(o) *Transactions with Affiliates*. The Borrower will not enter into, or be a party to, any transaction with any of its Affiliates, without the written consent of the Administrative Agent, except (i) the transactions permitted or contemplated by this Agreement and its organizational documents, (ii) the transactions included within or contemplated by, and the relationships created under, the Investment Advisory Agreement, the Administration Agreement, and the License Agreement, (iii) transactions in respect of any subscription agreements or side letters entered into between the Borrower and any Affiliate in connection with such Affiliate's investment in the Borrower on terms that are fair and reasonable to the Borrower, (iv) transactions between any Borrower Party and any small business investment company Subsidiary or any "downstream affiliate" (as such term is used under the rules promulgated under the 1940 Act) upon fair and reasonable terms that are no less favorable to such Borrower Party than would be obtained in a comparable arm's length transaction with a Person that is not an affiliate of such Borrower Party, (v) transactions in compliance with the conditions or other requirements of any exemptive order granted by the SEC to the Borrower, and (vi) other transactions (including, without limitation, transactions related to the use of office space or computer equipment or software by the Borrower to or from an Affiliate) (A) in the ordinary course of business, (B) pursuant to the reasonable requirements of the Borrower's business, (C) upon fair and reasonable terms that are no less favorable to the Borrower than could be obtained in a comparable arm's-length transaction with a Person not an Affiliate of the Borrower (except that Loans may be purchased and sold at carrying value), and (D) not inconsistent with the Borrower's representations, warranties and covenants under Sections 4.1(t) and 5.1(l). It is understood that any compensation arrangement for any officer or employee shall be permitted under clauses (ii)(A) through (C) above if such arrangement has been expressly approved by the board of directors of the Borrower in accordance with the Borrower's organizational documents.

(p) *Reserved*.

(q) *Investment Policy*. The Borrower (a) will comply in all material respects with the Investment Policy in regard to each Loan and the Related Property included in the Collateral, and in regard to compliance with Loan Documents, including determinations with respect to the enforcement of its rights thereunder, (b) will not agree to or otherwise permit to occur any material change in the Investment Policy without the prior written consent of the Administrative Agent (in its sole discretion), and (c) will furnish to the Administrative Agent and each Managing Agent, at least ten (10) Business Days prior to its proposed effective date, prompt notice of any proposed material changes in the Investment Policy.

(r) *Extension or Amendment of Loans*. The Borrower will not extend, amend or otherwise modify the material terms of any Loan, except as may be in accordance with the provisions of the Investment Policy.

(s) *Reporting*. The Borrower will furnish to the Administrative Agent and each Managing Agent:

(i) *Significant Events.* As soon as possible and in any event within two (2) Business Days after a Responsible Officer becomes aware, or should have become aware of, the occurrence of each Event of Default and each Unmatured Event of Default, a written statement, signed by a Responsible Officer, setting forth the details of such event and the action that the Borrower proposes to take with respect thereto;

(ii) *Breaches of Representations and Warranties.* Upon a Responsible Officer obtaining knowledge thereof, the Borrower shall notify the Administrative Agent and each Managing Agent if any representation or warranty set forth in Section 4.1 was incorrect at the time it was given or deemed to have been given and at the same time deliver to the Administrative Agent and each Managing Agent a written notice setting forth in reasonable detail the nature of such facts and circumstances. In particular, but without limiting the foregoing, the Borrower shall notify the Administrative Agent and each Managing Agent in the manner set forth in the preceding sentence before any Funding Date of any facts or circumstances within the knowledge of the Borrower which would render any of the said representations and warranties untrue at the date when such representations and warranties were made or deemed to have been made;

(iii) *Certificate of Beneficial Ownership; Other Information.* As soon as practical: (i) upon the request of the Administrative Agent, confirmation of the accuracy of the information set forth in the most recent Certificate of Beneficial Ownership provided to the Administrative Agent and Lenders; (ii) a new Certificate of Beneficial Ownership, in form and substance acceptable to the Administrative Agent and each Lender, when the individual(s) to be identified as a Beneficial Owner have changed; and (iii) such other information, documents, records or reports respecting the Loans or the condition or operations, financial or otherwise, of the Borrower or the Investment Adviser as the Administrative Agent may from time to time reasonably request in order to protect the interests of the Administrative Agent or the Secured Parties under or as contemplated by this Agreement including, without limitation, any underwriting or credit memorandums prepared with respect to any Loan (including all attachments and calculations related thereto) and any modifications, amendments or waivers granted with respect to any Loan;

(iv) *Material Adverse Effect.* Promptly upon a Responsible Officer obtaining knowledge thereof, notice of any development that results in, or could reasonably be expected to result in, a Material Adverse Effect, including, without limitation, the filing or commencement of any action, suit or proceeding by or before any arbitrator or Governmental Authority against or affecting the Borrower or any Loan or any portion of the Collateral that, if adversely determined, could reasonably be expected to result in a Material Adverse Effect;

(v) *Underwriting Memos.* Upon the request of the Administrative Agent, the Borrower shall deliver to the Administrative Agent a complete copy of the underwriting credit memo prepared with respect to each Loan, including all attachments and exhibits thereto, promptly and in any event within five (5) Business Days following the date of such request. The Administrative Agent shall have the right to request a complete copy of each subsequent approval and, upon receipt of such request, the Borrower shall promptly provide the Administrative Agent with a complete copy of such subsequent approval.

(vi) *Proceedings*. The Borrower will furnish to the Administrative Agent, as soon as possible and in any event within five (5) Business Days after the Borrower receives notice or obtains knowledge thereof or the request of the Administrative Agent, notice of any settlement of, material judgment (including a material judgment with respect to the liability phase of a bifurcated trial) in or commencement of any material labor controversy, material litigation, material action, material suit or material proceeding before any court or governmental department, commission, board, bureau, agency or instrumentality, domestic or foreign, affecting the Collateral, the Transaction Documents, the Secured Parties' interest in the Collateral, or the Borrower, the Investment Adviser, or any of their Affiliates, in each case that could reasonably be expected to have a Material Adverse Effect;

(vii) *ERISA.* Promptly after receiving notice of any reportable event (as defined in ERISA) with respect to the Borrower (or any ERISA Affiliate thereof), a copy of such notice;

(viii) *Corporate Changes*. As soon as practical and in any event within five (5) Business Days after the effective date thereof, notice of any change in the name, jurisdiction of organization, corporate structure, tax characterization or location of records of the Borrower; *provided* that, the Borrower agrees not to effect or permit any change referred to in the preceding sentence unless all filing have been made under the UCC or otherwise that are required in order for the Administrative Agent to continue at all times following such change to have a valid, legal and perfected security interest in all the Collateral; and

(ix) *Accounting Changes*. As soon as practical and in any event within five (5) Business Days after the effective date thereof, notice of any material change in the accounting policies of the Borrower relating to the loan accounting or revenue recognition.

(x) *Other*. The Borrower will furnish to any Managing Agent and the Administrative Agent such other information, documents records or reports respecting the Loans or the condition or operations, financial or otherwise of the Borrower, as such Managing Agent or the Administrative Agent may from time to time reasonably request in order to protect the respective interests of the Borrower, such Managing Agent, the Administrative Agent or the Secured Parties under or as contemplated by this Agreement.

(t) *Taxes.* The Borrower will (i) file or cause to be filed all federal and material state Tax returns required to be filed by it, (ii) pay all federal and material state Taxes that become due and payable and all assessments made against it or any of its property (other than any amount of Tax or assessment the validity of which is currently being contested in good faith by appropriate proceedings and with respect to which reserves in accordance with GAAP have been provided on the books of the Borrower and to the extent that the failure to do so could not reasonably be expected to have a Material Adverse Effect) and (iii) satisfy or contest any Tax lien that is filed or any claim asserted against its property due to any Tax, fee or other charge, except where the failure to do so would not, individually or in the aggregate, have a Material Adverse Effect.

(u) *Use of Proceeds; Margin Stock.* The Borrower will use the proceeds of each Advance made hereunder solely (i) to fund or pay the purchase price of Loans (other than Ineligible Loans) acquired by the Borrower in accordance with the terms and conditions set forth herein, (ii) for the Borrower's general corporate purposes, or (iii) as otherwise permitted under this Agreement. The Borrower shall not (x) extend credit to others for the purpose of buying or carrying any Margin Stock in such a manner as to violate Regulation T or Regulation U or (y) use all or any part of the proceeds of any Advance, whether directly or indirectly, and whether immediately, incidentally or ultimately, for any purpose that violates the provisions of the Regulations of the Board of Governors, including, to the extent applicable, Regulation U and Regulation X.

(v) *Keeping of Records and Books of Account.* The Borrower will keep proper books of record and account in which full, true and correct entries in conformity with GAAP and all requirements of law are made of all dealings and transactions in relation to its business and activities. The Borrower will permit any representatives designated by the Administrative Agent to visit and inspect the financial records and the properties as provided in Section 7.15.

(w) *Changes in Payment Instructions to Obligors*. The Borrower will not make any change in its instructions to any relevant administrative agent or Obligor, as applicable, regarding payments to be made with respect to the Collateral to the CIBC Account or the Collection Account unless the Administrative Agent has consented to such change.

(x) *Performance and Compliance with Collateral*. The Borrower will, at its expense, timely and fully perform and comply with all provisions, covenants and other promises (if any) required to be observed by it under the Collateral, the Loan Documents and all other agreements related to such Collateral except where the failure to do so would not, individually or in the aggregate, have a Material Adverse Effect.

(y) *Maintenance of Properties*. The Borrower shall maintain and preserve all of its properties which are necessary or material in the proper conduct of its business in good working order and condition, ordinary wear and tear excepted, and comply in all material respects at all times with the provisions of all material leases to which it is a party as lessee, so as to prevent any loss or forfeiture thereof or thereunder. The Borrower shall maintain and preserve all insurance relating to the operation of its business as is customarily maintained and preserved by externally managed business development companies.

(z) *Maximum Availability*. The Borrower shall not permit the Advances Outstanding to exceed the Maximum Availability.

(aa) *Further Assurances*. The Borrower will and will cause each Guarantor to execute any and all further documents, financing statements, agreements and instruments, and take all further action (including filing UCC and other financing statements, agreements or instruments) that may be required under applicable law, or that the Administrative Agent may reasonably request, in order to effectuate the transactions contemplated by the Transaction Documents and in order to grant, preserve, protect and perfect the validity and first priority (subject to Permitted Liens) of the security interests and Liens created or intended to be created hereby. Such security interests and Liens will be created hereunder and the Borrower shall deliver or cause to be delivered to the Administrative Agent all such instruments and documents (including legal opinions and lien searches) as it shall reasonably request to evidence compliance with this Section 5.1(bb). The Borrower agrees to provide such evidence as the Administrative Agent shall reasonably request as to the perfection and priority status of each such security interest and Lien.

(bb) *Enforcement*. (i) The Borrower shall not take any action, and will use commercially reasonable efforts not to permit any action to be taken by others, that would release any Person from any of such Person's material covenants or obligations under any instrument included in the Collateral, except in the case of (A) repayment of Loans, (B) subject to the terms of this Agreement, (i) amendments to Loan Documents that govern Ineligible Loans, (ii) amendments to Loans in accordance with the Investment Policy, and (iii) actions taken in connection with the work-out or restructuring of any Loan in accordance with the provisions hereof, and (C) other actions by the Borrower to the extent not prohibited by this Agreement or as otherwise required hereby.

(cc) *Investment Company Restrictions*. The Borrower shall not become required to register as an "investment company" under the 1940 Act.

(dd) *Reserved*.

(ee) *Obligor Notification Forms*. The Administrative Agent may, in its discretion after the occurrence and during the continuance of an Event of Default, send notification forms giving each relevant administrative agent or Obligor, as applicable, notice of the Secured Parties' interest in the Collateral and the obligation to make payments as directed by the Administrative Agent.

(ff) *Collateral Not to be Evidenced by Instruments*. The Borrower will take no action to cause any Loan that is not, as of the Effective Date or the related Funding Date, as the case may be, evidenced by an Instrument, to be so evidenced except in connection with the enforcement or collection of such Loan or unless such Instrument is immediately delivered to the Collateral Custodian, together with an Indorsement in blank, as collateral security for such Loan.

(gg) *Reserved*.

(hh) *Subsidiaries*. Without the written consent of the Administrative Agent, the Borrower shall not have or permit the formation of any Subsidiaries (other than Subsidiaries established in the ordinary course of business to hold equity interests in Obligors).

(ii) *Name*. Without the written consent of the Administrative Agent, the Borrower shall not conduct business under any name other than its own.

(jj) *Business*. The Borrower shall not suspend or go out of a substantial portion of its business.

(kk) *Subject Laws*. The Borrower shall not utilize directly or indirectly the proceeds of any Advance for the benefit of any Person controlling, controlled by, or under common control with any other Person, whose name appears on the "List of Specially Designated Nationals and Blocked Persons" maintained by OFAC or otherwise in violation of any regulations and rules promulgated by the U.S. Department of Treasury and/or administered by OFAC including U.S. Executive Order No. 13224, and other related statutes, laws and regulations.

(ll) *RIC Status*. The Borrower shall take all actions necessary to maintain its qualification as a RIC.

(mm) *BDC Status*. The Borrower shall at all times maintain its status as a "business development company" within the meaning of the 1940 Act.

(nn) *Required Notices*. The Borrower will furnish to the Administrative Agent and the Bank Parties, (1) promptly upon becoming aware thereof (and in any event within two (2) Business Days), notice of (x) any Change of Control or (y) any other event or circumstance that could reasonably be expected to have a Material Adverse Effect or (2) promptly upon becoming aware thereof, (i) any failure of the Borrowing Base Test to be satisfied or (ii) any decrease of 15% or more in the calculation of the Borrowing Base since the latest Borrowing Base Certificate due to a sale, ineligibility of certain Loans or otherwise. The Administrative Agent will furnish copies of any such notice to the Lenders within two (2) Business Days of receipt thereof.

(oo) *Other Agreements*. The Borrower shall not enter into or suffer to exist or become effective any agreement that prohibits, limits or imposes any material condition upon its ability to perform its obligations under the Transaction Documents.

(pp) *Obligations with Respect to Loans*. The Borrower will do nothing to impair the rights of the Administrative Agent as agent for the Secured Parties or of the Secured Parties in, to and under the Collateral.

(qq) *Fiscal Year*. The Borrower shall not change its fiscal year or method of accounting without providing the Administrative Agent with prior written notice (i) providing a detailed explanation of such changes and (ii) including pro forma financial statements demonstrating the impact of such change.

(rr) *Guaranties*. The payment and performance of the Obligations of the Borrower shall at all times be guaranteed by each direct and indirect Subsidiary of the Borrower other than a Subsidiary that is a small business investment company licensed and regulated by the United States Small Business Administration (each such Person in such a capacity being referred to herein as a "*Guarantor*" and collectively the "*Guarantors*") pursuant to Article XV hereof or pursuant to one or more guaranty agreements in form and substance acceptable to the Administrative Agent, as the same may be amended, modified or supplemented from time to time (individually a "*Guaranty*" and collectively the "*Guaranties*").

(ss) *CIBC Account*. On or prior to the date of the initial Advance, the Borrower will direct CIBC Bank USA (or the appropriate affiliate or branch of CIBC Bank USA) to sweep any amounts on deposit in the CIBC Account to the Collection Account on a daily basis.

(tt) Permitted Subscription Line Account. The Borrower agrees to cause the delivery to the Collection Account promptly (but in no event later than two (2) Business Days after receipt) all amounts deposited into the Permitted Subscription Line Account, other than any amounts designated to repay Permitted Subscription Line Indebtedness.

Section 5.2. Key Persons.

(a) If either of David Spreng or Tom Raterman (or, in each case, any Approved Replacement therefor) (each, a "*Key Person*") is not actively involved in the material business of the Borrower or the Investment Adviser (as applicable) unless an Approved Replacement therefor is appointed in accordance with the procedures set forth below, such event shall constitute a "*Key Person Trigger*". If no Approved Replacement (as defined below) is appointed within 120 days following a Key Person Trigger, such event shall constitute a "*Key Person Event*". Within the 120-day period following a Key Person Trigger, a "*Key Person Trigger Cure*" shall occur upon the appointment of an Approved Replacement.

(b) The Borrower shall give prompt written notice to the Administrative Agent and the Managing Agents if a Key Person Trigger or a Key Person Event occurs or if any Key Person is not actively involved in the material business of the Borrower or the Investment Adviser (as applicable). Within 60 days of any such Key Person Trigger described above (the "*Proposal Period*"), the Borrower will have the right to provide written notice to the Administrative Agent and the Managing Agents of its proposal for a "*Proposed Replacement*" of any such Key Person(s), background information satisfactory to the Administrative Agent regarding the Proposed Replacement(s) (including, without limitation, relevant employment history and management experience) and a schedule for implementation of such Proposed Replacement(s). The Borrower shall make each such Proposed Replacement reasonably available for meetings and/or telephonic conferences with and to respond to questions from the Administrative Agent and the Managing Agents. If the Administrative Agent does not provide affirmative written consent, the Borrower may continue to seek an acceptable replacement and may propose one or more further Proposed Replacements on or before the last day of the Proposal Period.

(c) If no Approved Replacement is appointed on or prior to the last day of the Approval Period (which, for the avoidance of doubt, shall not be later than 120 days after the Key Person Trigger or after any Key Person is no longer actively involved in the material business of the Investment Adviser or the Borrower, as applicable) related to the final Proposed Replacement proposed by the Borrower during the Proposal Period, then the Borrower shall promptly provide notice of such failure to the Administrative Agent and the Managing Agents and a Key Person Event shall have occurred.

Section 5.3. Financial Covenants. The Borrower hereby covenants that as of the last day of each fiscal quarter of the Borrower:

(a) The Borrower shall have a Tangible Net Worth in excess of the greater of (i) the sum of (1) $125,000,000 *plus* (2) 75% of the net proceeds of sales of equity interests in the Borrower following the Effective Date and (ii) the sum of the Outstanding Loan Balances of all Loans owing by the four (4) Obligors that hold the four largest percentages of the aggregate Outstanding Loan Balances of all Loans owned by the Borrower.

(b) The "Asset Coverage Ratio", as determined pursuant to the 1940 Act and any orders of the SEC issued to the Borrower thereunder, shall equal or exceed the greater of (i) 150% and (ii) the ratio permitted by the SEC under business development company regulatory requirements.

(c) The sum of (i) the aggregate amount of unencumbered cash and cash equivalents of the Borrower *plus* (ii) the Availability hereunder (determined on a pro forma basis, including newly originated or acquired Eligible Loans) *plus* (iii) the aggregate amounts available to be drawn under any other committed capital facilities of the Borrower shall at all times exceed the greater of: (x) $15,000,000 and (y) the product of (1) the aggregate Unfunded Amount as of such date *times* (2) (A) during the Revolving Period, one *minus* the Weighted Average Advance Rate for all Revolving Loans and Enterprise Loans or (B) following the Revolving Period, one.

(d) The Interest Coverage Ratio shall exceed 2.00 to 1.00 for such fiscal quarter.

(e) The net income of the Borrower calculated in accordance with GAAP shall not be negative for any two consecutive fiscal quarters or any trailing twelve-month period.

ARTICLE VI

SECURITY INTEREST

Section 6.1. Security Interest. As collateral security for the prompt, complete and indefeasible payment and performance in full when due, whether by lapse of time, acceleration or otherwise, of the Obligations, each Loan Party hereby assigns, pledges and grants to the Administrative Agent, as agent for the Secured Parties, a first-priority lien on and security interest in all of such Loan Party's right, title and interest in, to and under (but none of its obligations under) the Collateral, whether now existing or owned or hereafter arising or acquired by such Loan Party, and wherever located. The Loan Parties hereby authorize the Administrative Agent, as agent for the Secured Parties, to file an "all assets" (other than, in the case of the Borrower, the Excluded Property) financing statement to evidence the security interest granted in the Collateral hereunder. The assignment under this Section 6.1 does not constitute and is not intended to result in a creation or an assumption by the Administrative Agent, the Managing Agents or any of the Secured Parties of any obligation of the Borrower or any other Person in connection with any or all of the Collateral or under any agreement or instrument relating thereto. Anything herein to the contrary notwithstanding, (a) the Borrower shall remain liable under the Loans to the extent set forth therein to perform all of its duties and obligations thereunder to the same extent as if this Agreement had not been executed, (b) the exercise by the Administrative Agent, as agent for the Secured Parties, of any of its rights in the Collateral shall not release any Loan Party from any of its duties or obligations under the Collateral, and (c) none of the Administrative Agent, the Managing Agents or any Secured Party shall have any obligations or liability under the Collateral by reason of this Agreement, nor shall the Administrative Agent, the Managing Agents or any Secured Party be obligated to perform any of the obligations or duties of the Loan Parties thereunder or to take any action to collect or enforce any claim for payment assigned hereunder.

Section 6.2. Remedies. The Administrative Agent (for itself and on behalf of the other Secured Parties) shall have all of the rights and remedies of a secured party under the UCC and other Applicable Law. Upon the occurrence and during the continuance of an Event of Default, the Administrative Agent or its designees may (i) deliver a notice of exclusive control to the Collateral Custodian and the Document Custodian; (ii) instruct the Collateral Custodian and the Document Custodian to deliver any or all of the Collateral to the Administrative Agent or its designees and otherwise give all instructions and entitlement orders to the Collateral Custodian and the Document Custodian regarding the Collateral; (iii) require that the Loan Parties or the Collateral Custodian and the Document Custodian immediately take action to liquidate the Collateral to pay amounts due and payable in respect of the Obligations; (iv) sell or otherwise dispose of the Collateral in a commercially reasonable manner, all without judicial process or proceedings; (v) take control of the Proceeds of any such Collateral; (vi) exercise any consensual or voting rights in respect of the Collateral; (vii) release, make extensions, discharges, exchanges or substitutions for, or surrender all or any part of the Collateral; (viii) enforce the Borrower's rights and remedies against the Collateral Custodian and the Document Custodian with respect to the Collateral; (ix) institute and prosecute legal and equitable proceedings to enforce collection of, or realize upon, any of the Collateral; (x) remove from the Borrower's, each Guarantor's, the Investment Adviser's, the Collateral Custodian's and the Document Custodian's and their respective agents' place of business all books, records and documents relating to the Collateral, or to make any necessary copies thereof; (xi) request the Borrower to or, if the Borrower fails to so act, directly send notification forms giving each relevant administrative agent or Obligor, as applicable, notice of the Secured Parties' interest in the Collateral and the obligation to make payments as directed by the Administrative Agent and/or (xii) endorse the name of the Loan Parties upon any items of payment relating to the Collateral or upon any proof of claim in bankruptcy against an account debtor. For purposes of taking the actions described in subsections (i) through (xii) of this Section 6.2 each of the Loan Parties hereby irrevocably appoints the Administrative Agent as its attorney-in-fact (which appointment being coupled with an interest is irrevocable while any of the Obligations remain unpaid), with power of substitution, in the name of the Administrative Agent or in the name of the Loan Parties or otherwise, for the use and benefit of the Administrative Agent, but at the cost and expense of the Borrower and without notice to the Borrower; *provided* that the Administrative Agent hereby agrees to exercise such power only so long as an Event of Default shall be continuing. The Administrative Agent and the other Secured Parties agree that the sale of the Collateral shall be conducted in good faith and in accordance with commercially reasonable practices.

Section 6.3. Release of Liens. (a) At the same time as any Loan that is part of the Collateral expires by its terms and all amounts in respect thereof have been paid by the related Obligor and deposited in the Collection Account, the Administrative Agent as agent for the Secured Parties will, to the extent requested by the Borrower release its interest in such Loan and the Related Property with respect thereto.

(b) Upon satisfaction of the requirements of Section 2.14, the Lien on such item of Collateral subject to the related Discretionary Sale shall be released in accordance with the terms of Section 2.14.

(c) Reserved.

(d) Upon any request for a release of certain Loans in connection with a proposed Distribution of any Loan, if the requirements of Section 5.1(j), shall have been met, the Administrative Agent as agent for the Secured Parties will, to the extent requested by the Borrower, release its interest in such Loan and the Related Property with respect thereto.

(e) In connection with any release of lien pursuant to any of the foregoing clauses (a) through (d), subject to the satisfaction of any conditions precedent for such release, the Administrative Agent, as agent for the Secured Parties, will, at the Borrower's cost and expense, execute and deliver to the Borrower any termination statements and any other releases and instruments as the Borrower may reasonably request in order to effect the release of the applicable Loans and Related Property; *provided*, that, the Administrative Agent as agent for the Secured Parties will make no representation or warranty, express or implied, with respect to any such Loan or Related Property or Portfolio Investment in connection with such release.

ARTICLE VII

ADMINISTRATION AND SERVICING OF LOANS

Section 7.1. Delegation to the Investment Adviser. The Borrower may delegate certain duties to the Investment Adviser as provided pursuant to the terms of the Investment Advisory Agreement; *provided* that (i) the Borrower shall be solely responsible for the fees and expenses payable to the Investment Adviser, (ii) the Borrower shall not be relieved of, and shall remain liable for, the performance of the duties and obligations of the Borrower pursuant to the terms hereof without regard to any subcontracting arrangement and shall remain liable for any actions or inactions of the Investment Adviser with respect to the obligations of the Borrower hereunder, and (iii) any such subcontract shall be subject to the provisions hereof. Subject to the foregoing sentence, the Investment Adviser may take any actions required of the Borrower hereunder on its behalf.

Section 7.2. Reserved.

Section 7.3. Reserved ..

Section 7.4. Collection of Payments.

(a) *Collection Efforts, Modification of Loans*. The Borrower will make reasonable efforts to collect all payments called for under the terms and provisions of the Loans as and when the same become due, and will follow collection procedures which are consistent with the Investment Policies. The Borrower may not waive, modify or otherwise vary any provision of a Loan, except as may be in accordance with the provisions of the Investment Policy, including the waiver of any late payment charge or any other fees that may be collected in the ordinary course of servicing any Loan included in the Collateral.

(b) *Acceleration*. The Borrower shall accelerate the maturity of all or any Scheduled Payments under any Loan under which a default under the terms thereof has occurred and is continuing (after the lapse of any applicable grace period) promptly after such Loan becomes a Defaulted Loan or such earlier or later time as is consistent with the Investment Policy.

(c) *Taxes and other Amounts*. To the extent provided for in any Loan, the Borrower will use its commercially reasonable efforts to collect all payments with respect to amounts due for taxes, assessments and insurance premiums relating to such Loans or the Related Property and remit such amounts to the appropriate Governmental Authority or insurer on or prior to the date such payments are due.

(d) *Payments to Collection Account*. On or before the Effective Date and thereafter on or before the related settlement date for each Loan, the Borrower shall have instructed all Obligors to make all payments in respect of Loans included in the Collateral to the CIBC Account or the Collection Account.

(e) *Establishment of the Collection Account*. The Borrower established before the Effective Date an account in the name of the Borrower for the purpose of receiving Collections from the Collateral (the *"Collection Account"*), which shall be maintained with an office or branch of U.S. Bank National Association in accordance with the Account Control Agreement and which shall be subject to the lien of the Administrative Agent. The account number with respect to the Collection Account shall be set forth on Schedule VIII, as updated from time to time with the prior written consent of the Administrative Agent. In addition, the Borrower shall establish two segregated subaccounts within the Collection Account, one of which will be designated the "Interest Collection Subaccount" and one of which will be designated the "Principal Collection Subaccount". The Borrower shall from time to time deposit into the Interest Collection Subaccount, promptly upon receipt thereof, all Interest Collections received by the Borrower. The Borrower shall deposit promptly upon receipt thereof all other amounts remitted to the Collection Account into the Principal Collection Subaccount including all Principal Collections received by the Borrower. All amounts deposited from time to time in the Collection Account pursuant to this Agreement shall be held as part of the Collateral and shall be applied to the purposes herein provided. The Administrative Agent shall at all times have "control" within the meaning of the applicable UCC over the Collection Account. On or after the date of the initial Advance hereunder, (i) all amounts deposited from time to time in the CIBC Account pursuant to this Agreement shall be held as part of the Collateral and shall be applied to the purposes herein provided and (ii) the Administrative Agent shall at all times have "control" within the meaning of the applicable UCC over the CIBC Account.

(f) *Adjustments*. If (i) the Borrower makes a deposit into the Collection Account in respect of a Collection of a Loan in the Collateral and such Collection was received by the Borrower in the form of a check that is not honored for any reason or (ii) the Borrower makes a mistake with respect to the amount of any Collection and deposits an amount that is less than or more than the actual amount of such Collection, the Borrower shall appropriately adjust the amount subsequently deposited into the Collection Account to reflect such dishonored check or mistake. Any Scheduled Payment in respect of which a dishonored check is received shall be deemed not to have been paid.

(g) *Delivery of Collections*. The Borrower agrees to cause the delivery to the Collection Account promptly (but in no event later than two (2) Business Days after receipt) all Collections received by Borrower in respect of the Loans that are part of the Collateral (including any amounts deposited into the CIBC Account).

Section 7.5. Reserved.

Section 7.6. Realization Upon Defaulted Loans. The Borrower will use reasonable efforts to repossess or otherwise comparably convert the ownership of any Related Property with respect to a Defaulted Loan. The Borrower will follow the practices and procedures set forth in the Investment Policy in order to realize upon such Related Property. The Borrower will not expend funds in connection with any repair or toward the repossession of such Related Property unless it reasonably determines that such repair and/or repossession will increase the Recoveries by an amount greater than the amount of such expenses. The Borrower will remit to the Collection Account the Recoveries received in connection with the sale or disposition of Related Property with respect to a Defaulted Loan.

Section 7.7. Reserved.

Section 7.8. Reserved.

Section 7.9. Reserved.

Section 7.10. Payment of Certain Expenses by Borrower. The Borrower will be required to pay, in accordance with Section 2.8 or out of funds otherwise available for general corporate purposes, the Bank Fees and Expenses and all fees and expenses incurred by the Administrative Agent, any Managing Agent or any Lender in connection with the transactions and activities contemplated by this Agreement, including reasonable fees and disbursements of legal counsel and independent accountants.

Section 7.11. Reports.

(a) *Monthly Report*. With respect to each Reporting Date and the related Settlement Period, the Borrower will provide to each Managing Agent and the Administrative Agent, on the related Reporting Date, a monthly statement (a *"Monthly Report"*) signed by a Responsible Officer of the Borrower and substantially in the form of Exhibit D, including (i) an electronic file containing an updated Loan List, supporting calculations and the portfolio report required under Section 7.11(f) and (ii) with respect to each Monthly Report delivered on the Reporting Date immediately preceding a Payment Date, the amounts for disbursements pursuant to Section 2.8.

(b) *Borrower's Certificate*. Together with each Monthly Report, the Borrower shall submit to each Managing Agent and the Administrative Agent a certificate (a *"Borrower's Certificate"*), signed by a Responsible Officer of the Borrower and substantially in the form of Exhibit E, which may be incorporated in the Monthly Report.

(c) *Annual Reporting*. The Borrower shall deliver to the Administrative Agent for distribution to each Lender:

(i) as soon as available, but in any event within ninety (90) days after the end of each fiscal year of the Borrower, consolidated financial statements as at the end of such fiscal year, in each case audited by independent certified public accountants of nationally recognized standing or reasonably acceptable to Administrative Agent and certified, without any qualifications (including any (x) "going concern" or like qualification or exception, (y) qualification or exception as to the scope of such audit or (z) qualification which relates to the treatment or classification of any item and which, as a condition to the removal of such qualification, would require an adjustment to such item), by such accountants to have been prepared in accordance with GAAP (such audited financial statements to include a balance sheet, income statement, and statement of cash flow and, if prepared, such accountants' letter to management, in each case, as at the end of such year and the related statements of income and retained earnings for such year, setting forth in each case in comparative form the figures for the previous year or predecessor period, as applicable); provided that the requirements set forth in this clause (c)(i) may be fulfilled by providing to the Administrative Agent for distribution to each Lender the report filed by the Borrower with the SEC on Form 10-K for the applicable fiscal year

(ii) as soon as available, but in any event not later than forty five (45) days after the end of each of the first three fiscal quarters of each fiscal year of the Borrower, (x) the unaudited balance sheets the Borrower as at the end of such quarter and the related unaudited statements of income and retained earnings of the Borrower for such quarter and the portion of the fiscal year through the end of such quarter, setting forth in each case in comparative form the figures for the previous year (or predecessor period, as applicable) and (y) a covenant compliance certificate, summarizing compliance with each of the covenants of Section 5.3 and underlying calculations, in each case, certified by a Responsible Officer as being fairly stated in all material respects (subject to normal year-end audit adjustments); provided that the requirements set forth in this clause (b) may be fulfilled by providing to the Administrative Agent for distribution to each Lender the report filed by the Borrower with the SEC on Form 10-Q for the applicable quarterly period; and

(iii) all such financial statements shall be complete and correct in all material respects and shall be prepared in reasonable detail and in accordance with GAAP applied consistently throughout the periods reflected therein and with prior periods (except as approved by such accountants or officer, as the case may be, and disclosed therein).

(d) *Amendments to Loan Documents.* Within five (5) Business Days following its effective date, a copy of any material amendment, restatement, supplement, waiver or other modification to any Loan Document of any Loan, together with any documentation prepared by the Borrower in connection with such document.

(e) *Borrowing Base Certificate*. On each Reporting Date, Funding Date, on the date of each Discretionary Sale under Section 2.14 and on any other date requested by the Administrative Agent in its sole discretion (upon no less than three (3) Business Days' notice), the Borrower shall deliver to each Managing Agent and the Administrative Agent a Borrowing Base Certificate in the form of Exhibit H setting forth the calculation of the Borrowing Base as of such date and including an electronic file supporting such calculations as well as any investment committee memos (or any updates to investment committee memos) that have not been previously provided to the Administrative Agent.

(f) *Portfolio Reports*. On each Reporting Date and on any other date requested by the Administrative Agent in its sole discretion (upon no less than three (3) Business Days' notice), the Borrower shall deliver to each Managing Agent and the Administrative Agent, a report (including an electronic file) describing the status of non-performing Loans, Loans that have been subject of a Material Modification, watch-listed Loans and Restructured Loans, in form and substance reasonably satisfactory to the Administrative Agent.

(g) *Electronic Loan File.* On each Reporting Date and on any other date requested by the Administrative Agent in its sole discretion (upon no less than three (3) Business Days' notice), the Borrower shall deliver to each Managing Agent and the Administrative Agent, an electronic file containing information on individual Loans and Obligors in form and content reasonably acceptable to the Administrative Agent.

(h) *Fair Value Reports.* On each Reporting Date following the end of a fiscal quarter, any Fair Value reports in respect of Eligible Loans prepared by the Borrower's board of directors or any independent valuation firm for such fiscal quarter.

(i) *Other Information.* Promptly upon request, such other information, documents, records or reports respecting the Loans or the condition or operations, financial or otherwise, of the Borrower as the Administrative Agent may from time to time reasonably request in order to protect the interests of the Administrative Agent or the Secured Parties under or as contemplated by this Agreement.

(j) *Scope of Reports.* All reports and financial statements provided by the Borrower hereunder shall be in form and scope reasonably acceptable to the Administrative Agent, including a comparison to the operating budget and prior comparable period.

(k) *Portfolio Investments*. On each Reporting Date immediately following the filing by the Borrower of a Form 10-K or Form 10-Q with the SEC, a schedule of investments on the financial statements of the Borrower.

Section 7.12. Reserved.

Section 7.13. Reserved.

Section 7.14. Reserved.

Section 7.15. Access to Certain Documentation and Information Regarding the Loans.

The Borrower shall provide to the Administrative Agent access to the Loan Documents and all other documentation regarding the Loans included as part of the Collateral and the Related Property, such access being afforded without charge but only (i) upon reasonable prior notice, (ii) during normal business hours and (iii) subject to the Borrower's normal security and confidentiality procedures. From and after (x) the Effective Date and periodically thereafter at the discretion of the Administrative Agent (but in no event, except as provided under the following clause (y), more than once per calendar year), the Administrative Agent, on behalf of and with the input of each Managing Agent, and their representatives, examiners, auditors or consultants may review the Borrower's collection and administration of the Loans in order to assess compliance by the Borrower with the Borrower's written policies and procedures, as well as with this Agreement and may conduct (or commission) an audit of the Loans, Loan Documents and Records in conjunction with such a review, which audit shall be reasonable in scope and shall be completed in a reasonable period of time and (y) the occurrence, and during the continuation of an Event of Default, the Administrative Agent may review the Borrower's collection and administration of the Loans in order to assess compliance by the Borrower with the Borrower's written policies and procedures, as well as with this Agreement, which review shall not be limited in scope or frequency, nor restricted in period. The Administrative Agent may also conduct an audit (as such term is used in clause (x) of this Section 7.15) of the Loans, Loan Documents and Records in conjunction with such a review. The Borrower shall bear the cost of such reviews and audits; *provided* that, other than in the case of the occurrence and continuation of an Event of Default, the Borrower shall not be required to bear such costs in excess of $40,000 in any twelve-month period.

Section 7.16. Reserved.

Section 7.17. Identification of Records. The Borrower shall clearly and unambiguously identify each Loan that is part of the Collateral and the Related Property in its computer or other records to reflect that the interest in such Loans and Related Property have been transferred to and are owned by the Borrower and that the Administrative Agent has the interest therein granted by the Borrower pursuant to this Agreement.

Section 7.18. Fair Value Determination. The Fair Value of each Loan shall be determined in good faith by the Borrower's board of directors on a quarterly basis or any other time when the Fair Value is required in accordance with the Investment Policy. At least once annually, the Fair Value for each Loan owned by the Borrower shall be reviewed by an independent valuation provider. The Fair Value for any Loan reviewed by an independent valuation provider shall be the lesser of the valuation estimated by such provider and the Borrower's board of directors. Notwithstanding the foregoing, the Administrative Agent, individually or at the request of the Required Lenders, shall at any time have the right to request any Loan included in the Borrowing Base to be independently tested by an independent valuation provider.

ARTICLE VIII

EVENTS OF DEFAULT

*Section 8.1. Events of Default.*If any of the following events (each, an *"Event of Default"*) shall occur:

(a) the Borrower shall fail to shall fail to (i) make payment of any principal when due hereunder or under any Transaction Document or (ii) make payment of any other Obligation, including Interest and fees, required to be made under this Agreement or any other Transaction Document and such failure shall continue for more than three (3)
Business Days; or

(b) except as otherwise provided in this Section 8.1, the Borrower shall fail to perform or observe in any material respect any other covenant or other agreement of the Borrower set forth in this Agreement and any other Transaction Document to which it is a party and, in each case, such failure continues unremedied for more than fifteen (15) days (to the extent such failure is capable of being remedied) after the first to occur of (i) the date on which written notice (which may be by email) of such failure requiring the same to be remedied shall have been given to such Person by the Borrower, the Administrative Agent or any Lender and (ii) the date on which such Person becomes or should have become aware thereof, *provided, however,* that breaches of Sections 5.1(e) through (k), 5.1(q), 5.1(s), 5.1(u), 5.1(mm), 5.3, 7.11 and 7.18 shall not have any cure period and shall constitute Events of Default upon the breach of any such covenant; or

(c) any representation or warranty made or deemed made by Borrower in this Agreement or any other Transaction Document or any amendment or modification hereof or thereof, or in any report, certificate, financial statement or other document furnished pursuant to or in connection with this Agreement or any other Transaction Document or any amendment or modification hereof or thereof, shall prove to be incorrect in any material respect as of the time when the same shall have been made or deemed to have been made; or

(d) an Insolvency Event shall occur with respect to the Borrower or the Investment Adviser or any Affiliate of either Person; or

(e) RGC is no longer serving as the investment adviser to the Borrower under the Investment Advisory Agreement; or

(f) the Borrower ceases to have a valid ownership interest in all of the Collateral (subject to Permitted Liens) or the Administrative Agent shall fail to have a first priority perfected security interest in any part of the Collateral (other than in respect of a de minimis amount of Collateral and subject to Permitted Liens), free and clear of any adverse claims; or

(g) the Borrowing Base Test shall not be met, and such failure shall continue for more than three (3) Business Days; or

(h) any director, general partner, managing member, manager or senior officer of the Borrower or the Investment Adviser is indicted for any felonious criminal offense related to the performance of its activities in any securities, financial advisory or other investment businesses; or

(i) without the prior written consent of the Administrative Agent, the Borrower(i) agrees or consents to, or otherwise permits to occur, any amendment or modification or rescission to the Investment Policy in whole or in part, in any manner that would have a material adverse effect on the Loans or a Material Adverse Effect or (ii) cancels or terminates the Investment Advisory Agreement; or

(j) one or more acts (including any failure(s) to act) by the Borrower or the Investment Adviser or any Affiliate thereof occurs that constitutes fraud, willful misconduct or a material violation of Applicable Laws (including securities laws) (as determined in a final, non-appealable adjudication by a court of competent jurisdiction); or

(k) any Change of Control occurs and the Administrative Agent (at the direction of the Required Lenders) has not provided prior written consent to such Change of Control; or

(l) the Borrower or any wholly-owned Subsidiary thereof (i) defaults in making any payment required to be made under any agreement for borrowed money in excess of $2,500,000 or any other material agreement and such default is not cured within the relevant cure period or (ii) fails to perform or observe any other condition or covenant, or any other event shall occur or condition exist, under any agreement or instrument relating to any such Indebtedness or any other material agreement, if the effect of such failure, event or condition is to cause, or to permit the holder or holders of such Indebtedness or beneficiary or beneficiaries of such Indebtedness (or a trustee or agent on behalf of such holder or holders or beneficiary or beneficiaries) to cause such Indebtedness to be declared to be due and payable prior to its stated maturity (without regard to any subordination terms with respect thereto); or

(m) the Borrower is required to register or shall become an “investment company” subject to registration under the 1940 Act; or

(n) the Internal Revenue Service shall file notice of a lien pursuant to Section 6323 of the Code with regard to any assets of the Borrower and such lien shall not have been released within five (5) Business Days, or the Pension Benefit Guaranty Corporation shall file notice of a lien pursuant to Section 4068 of ERISA with regard to any of the assets of the Borrower and such lien shall not have been released within five (5) Business Days; or

(o) (i) the Borrower, directly or indirectly, disaffirms or contests the validity or enforceability of any Transaction Document or any material provision of any Transaction Document, (ii) the Borrower takes any action for the purpose of terminating, repudiating or rescinding any Transaction Document executed by it or any of its obligations thereunder or (iii) any Transaction Document, or any Lien granted thereunder, shall (except in accordance with its terms), in whole or in part, terminate, cease to be effective or cease to be the legally valid, binding and enforceable obligation of the Borrower; or

(p) the Collection Date shall not have occurred on or prior to the Maturity Date; or

(q) the Borrower shall assign any of its rights, obligations, or duties under the Transaction Documents without the prior written consent of each Lender; or

(r) the occurrence of a Key Person Event; or

(s) the occurrence of a Material Adverse Effect; or

(t) as of any date, the Collateral Default Ratio shall exceed 7.50%; or

(u) the Borrower or Investment Adviser's business activities are suspended or terminated by a Governmental Authority; or

(v) the rendering of one or more final judgments, decrees or orders by a court or arbitrator of competent jurisdiction for the payment of money in excess individually or in the aggregate of $2,500,000 against the Borrower or Investment Adviser (exclusive of judgment amounts fully covered by insurance), and the aforementioned parties shall not have either (x) discharged or provided for the discharge of any such judgment, decree or order in accordance with its terms or (y) perfected a timely appeal of such judgment, decree or order and caused the execution of same to be stayed during the pendency of the appeal, in each case, within thirty (30) days from the date of entry thereof or enforcement proceedings are commenced upon such judgment, decree or order; or

(w) any failure by the Borrower to make any payment, transfer or deposit as required by this Agreement and such failure shall continue for three (3) Business Days; or

(y) any failure by the Borrower to give instructions or notice to the Borrower, any Managing Agent and/or the Administrative Agent as required by this Agreement or to deliver any Required Reports hereunder on or before the date occurring two (2) Business Days after the date such instructions or notice or report is required to be made or given, as the case may be, under the terms of this Agreement; or

(z) except as otherwise provided in this Section 8.1, the Borrower shall become unable to or shall fail to deliver any reporting, certification, notification or other documentation required under this Agreement or any other Transaction Document or any financial or asset information reasonably requested by the Administrative Agent or any Managing Agent as provided herein is not provided as required or requested within fifteen (15) days of the due date therefor or the receipt by the Borrower of any such request, as applicable;

then, and in any such event, the Administrative Agent shall, at the request, or may with the consent, of the Required Lenders, by notice to the Borrower declare the Termination Date to have occurred, without demand, protest or future notice of any kind, all of which are hereby expressly waived by the Borrower, and all Advances Outstanding and all other amounts owing by the Borrower under this Agreement shall be accelerated and become immediately due and payable, *provided*, that in the event that the Event of Default described in subsection (d) herein has occurred, the Termination Date shall automatically occur, without demand, protest or any notice of any kind, all of which are hereby expressly waived by the Borrower. Upon its receipt of written notice thereof, the Administrative Agent shall promptly notify each Lender of the occurrence of any Event of Default.

Section 8.2. Remedies. (a) Upon any such declaration or automatic occurrence of the Termination Date as specified under Section 8.1, no further Advances will be made, and the Administrative Agent and the other Secured Parties shall have, in addition to all other rights and remedies under this Agreement or otherwise, all rights and remedies provided under the UCC of each applicable jurisdiction and other Applicable Laws, including the Administrative Agent's right, in its own name and as agent for the Secured Parties, to immediately, without notice except as specified below, conduct (at the Borrower's expense) the sale of all or any portion of the Collateral in one or more parcels, in good faith and in accordance with commercially reasonable practices, it being hereby agreed and acknowledged by the Borrower that (i) some or all of the Collateral is or may be of the type that threatens to decline speedily in value and (ii) neither the Administrative Agent nor any other Secured Party shall incur any liability as a result of the sale of all or any portion of the Collateral in good faith and in a commercially reasonable manner. If there is no recognizable public market for sale of any portion of Collateral, then a private sale of that Collateral may be conducted only on an arm's length basis and in good faith and in accordance with commercially reasonable practices. The Administrative Agent shall not be obligated to make any sale of Collateral regardless of notice of sale having been given. The Administrative Agent, may adjourn any public or private sale from time to time by announcement at the time and place fixed therefor, and such sale may, without further notice, be made at the time and place to which it was so adjourned.

(b) Upon any such declaration or automatic occurrence of the Termination Date as specified under Section 8.1, the Borrower hereby agree that they will, at the expense of Borrower, assemble all or any part of the Collateral as directed by the Administrative Agent, and make the same available to the Administrative Agent, at a place to be designated by the Administrative Agent.

(c) The Borrower agrees that the Administrative Agent shall have no general duty or obligation to make any effort to obtain or pay any particular price for any portion of the Collateral sold by the Administrative Agent pursuant to this Agreement. The Administrative Agent may, in its sole discretion, but subject to the requirement to adhere to commercially reasonable practices, among other things, accept the first offer received, or decide to approach or not to approach any potential purchasers. The Borrower hereby waive any claims against the Administrative Agent and the other Secured Parties arising by reason of the fact that the price at which any of the Collateral may have been sold at a private sale was less than the price that might have been obtained at a public sale or was less than the aggregate amount of the Borrower's obligations under this Agreement, even if the Administrative Agent accepts the first offer received and does not offer any portion of the Collateral to more than one offeree; *provided* that the Administrative Agent has acted in a commercially reasonable manner in conducting such private sale. Without in any way limiting the Administrative Agent's right to conduct a foreclosure sale in any manner which is considered commercially reasonable, the Borrower hereby agrees that any foreclosure sale conducted in accordance with the following provisions shall be considered a commercially reasonable sale, and the Borrower hereby irrevocably waives any right to contest any such sale conducted in accordance with the following provisions:

(1) the Administrative Agent conducts such foreclosure sale in the State of New York;

(2) such foreclosure sale is conducted in accordance with the laws of the State of New York; and

(3) not more than thirty (30) days before, and not less than ten (10) days in advance of such foreclosure sale, the Administrative Agent notifies the Borrower at the address set forth herein of the time and place of such foreclosure sale.

(d) If the Administrative Agent proposes to sell all or any part of the Collateral in one or more parcels at a public or private sale, at the request of the Administrative Agent, the Borrower shall make available to (i) the Administrative Agent, on a timely basis, all information (including any information that the Borrower is required by law or contract to be kept confidential) relating to the Collateral subject to sale, including, without limitation, copies of any disclosure documents, contracts, financial statements of the applicable Obligors, covenant certificates and any other materials requested by the Administrative Agent, and (ii) each prospective bidder, on a timely basis, all reasonable information relating to the Collateral subject to sale, including, without limitation, copies of any disclosure documents, contracts, financial statements of the applicable Obligors, covenant certificates and any other materials reasonably requested by each such bidder.

(e) The Borrower agrees, to the full extent that it may lawfully so agree, that neither it nor anyone claiming through or under it will set up, claim or seek to take advantage of any appraisement, valuation, stay, extension or redemption law now or hereafter in force in any locality where any portion of the Collateral may be situated in order to prevent, hinder or delay the enforcement or foreclosure of this Agreement, or the absolute sale of any portion of the Collateral, or the final and absolute putting into possession thereof, immediately after such sale, of the purchasers thereof, and the Borrower, for itself and all who may at any time claim through or under it, hereby waives, to the full extent that it may be lawful so to do, the benefit of all such laws, and any and all right to have any of the properties or assets constituting the Collateral marshaled upon any such sale, and agrees that the Administrative Agent on its behalf, or any court having jurisdiction to foreclose the security interests granted in this Agreement may sell the Collateral as an entirety or in such parcels as the Administrative Agent or such court may determine. The Borrower hereby acknowledges and agrees that (i) any and all claims, damages and demands against the Administrative Agent or the other Secured Parties arising out of, or in connection with, the exercise by the Administrative Agent of any of the rights or remedies pursuant to this Section 8.2 can be sufficiently and adequately remedied by monetary damages, (ii) no irreparable injury will be caused to the Borrower as a result of, or in connection with, any such claims, damages or demands, and (iii) no equitable or injunctive relief shall be sought by the Borrower as a result of, or in connection with, any such claims, damages or demands.

(f) The Administrative Agent is authorized to set off any and all amounts due to the Administrative Agent and/or the other Secured Parties hereunder against any amounts payable to the Borrower by the Administrative Agent and/or the other Secured Parties, in each case, as applicable and whether or not such amounts have matured.

(g) The aforementioned rights and remedies shall be without limitation, and shall be in addition to all other rights and remedies of the Administrative Agent and the other Secured Parties otherwise available under any provision of this Agreement by operation of law, at equity or otherwise, each of which are expressly preserved.

ARTICLE IX

INDEMNIFICATION

Section 9.1. Indemnities by the Borrower. (a) Without limiting any other rights that any such Person may have hereunder or under Applicable Law, the Borrower hereby agrees to indemnify the Administrative Agent, the Managing Agents, the Bank Parties, any Secured Party or its assignee and each of their respective Affiliates and officers, directors, employees, members and agents thereof (collectively, the *"Indemnified Parties"*), forthwith on demand, from and against any and all damages, losses, claims, liabilities, penalties, actions, suits, and judgments and related costs and expenses of any kind or nature whatsoever, including reasonable attorneys' fees and disbursements that may be incurred by or asserted or awarded against any Indemnified Party or other non-monetary damages of any such Indemnified Party (all of the foregoing being collectively referred to as *"Indemnified Amounts"*) in each case arising out of or in connection with or by reason of the execution, delivery, enforcement, performance, administration of or otherwise arising out of or incurred in connection with this Agreement, any other Transaction Document, any Loan Document or any transaction contemplated hereby or thereby, excluding, however, (x) Indemnified Amounts arising due to the deterioration in the credit quality or market value of the Loans or other Collateral hereunder to the extent that such credit quality or market value was not misrepresented in any material respect by the Borrower or any of its Affiliates, (y) Indemnified Amounts to the extent resulting from fraud, gross negligence or willful misconduct on the part of any Indemnified Party and (z) Indemnified Amounts constituting Indemnified Taxes. Without limiting the foregoing, the Borrower shall indemnify the Indemnified Parties for Indemnified Amounts relating to or resulting from:

(i) any Loan treated as or represented by the Borrower to be an Eligible Loan that is not at the applicable time an Eligible Loan;

(ii) any representation or warranty made or deemed made by the Borrower or any of its officers under or in connection with this Agreement, any other Transaction Document or any other information or report delivered by any such Person pursuant hereto or thereto, which shall have been false or incorrect when made or deemed made or delivered;

(iii) the failure by the Borrower to comply with any term, provision or covenant contained in this Agreement or any agreement executed in connection with this Agreement, or with any Applicable Law with respect to any Loan comprising a portion of the Collateral, or the nonconformity of any Loan, the Related Property with any such Applicable Law or any failure by the Borrower or any Affiliate thereof to perform its respective duties under the Loans included as a part of the Collateral;

(iv) the failure to vest and maintain vested in the Administrative Agent a first priority perfected security interest in the Collateral;

(v) the failure to file, or any delay in filing, financing statements or other similar instruments or documents under the UCC of any applicable jurisdiction or other Applicable Laws with respect to any Collateral whether at the time of any Advance or at any subsequent time and as required by the Transaction Documents;

(vi) any dispute, claim, offset or defense (other than the discharge in bankruptcy of the Obligor) of the Obligor to the payment of any Loan included as part of the Collateral that is, or is purported to be, an Eligible Loan (including, without limitation, (A) a defense based on the Loan not being a legal, valid and binding obligation of such Obligor enforceable against it in accordance with its terms or (B) the equitable subordination of such Loan);

(vii) any failure of the Borrower to perform its duties or obligations in accordance with the provisions of this Agreement or any failure by the Borrower or any Affiliate thereof to perform its respective duties under the Loans included as a part of the Collateral;

(viii) any products liability claim or personal injury or property damage suit or other similar or related claim or action of whatever sort arising out of or in connection with merchandise or services that are the subject of any Loan included as part of the Collateral or the Related Property included as part of the Collateral;

(ix) the failure by the Borrower to pay when due any Taxes for which the Borrower is liable, including without limitation, sales, excise or personal property taxes payable in connection with the Collateral;

(x) the commingling of Collections at any time with other funds;

(xi) any repayment by the Administrative Agent, any Managing Agent or a Secured Party of any amount previously distributed in reduction of Advances Outstanding or payment of Interest or any other amount due hereunder, in each case which amount the Administrative Agent, such Managing Agent or a Secured Party believes in good faith is required to be repaid;

(xii) any investigation, litigation or proceeding related to or arising from this Agreement or any other Transaction Document, the transactions contemplated hereby, the use of proceeds of Advances or in respect of any Loan included as part of the Collateral or the Related Property included as part of the Collateral of the ownership of any Loan or any Related Property relating to any Loan or any other investigation, litigation or proceeding relating to the Borrower in which any Indemnified Party becomes involved as a result of any of the transactions contemplated hereby;

(xiii) any action or omission by the Borrower which reduces or impairs the rights of the Borrower or the Administrative Agent, any Managing Agent or any Secured Party with respect to any Loan included as part of the Collateral or the value of any such Loan (other than any such action which is expressly permitted under Article VII hereof); or

(xiv) the failure of the Borrower or any of its agents or representatives to remit to the Administrative Agent, Collections on the Collateral remitted to the Borrower or any such agent or representative in accordance with the terms hereof or of any other Transaction Document.

(xv) any inability to litigate any claim against any Obligor in respect of any Collateral as a result of such Obligor being immune from civil and commercial law and suit on the grounds of sovereignty or otherwise from any legal action, suit or proceeding;

(xvi) any inability to obtain any judgment in, or utilize the court or other adjudication system of, any state in which an Obligor may be located as a result of the failure of the Borrower or to qualify to do business or file any notice or business activity report or any similar report;

(xvii) any action taken by the Borrower or its respective agents or representatives in the enforcement or collection of any Collateral or with respect to any Related Property; or

(xviii) any fraud or material misrepresentation by the Borrower or on the part of the Obligor with respect to any Loan.

(b) Any amounts subject to the indemnification provisions of this Section 9.1 shall be paid by the Borrower to the applicable Indemnified Party within five (5) Business Days following the Administrative Agent's (or such Indemnified Party's) demand therefor.

(c) If for any reason the indemnification provided above in this Section 9.1 is unavailable to the Indemnified Party or is insufficient to hold an Indemnified Party harmless, then the Borrower, shall contribute to the amount paid or payable by such Indemnified Party as a result of such loss, claim, damage or liability in such proportion as is appropriate to reflect not only the relative benefits received by such Indemnified Party on the one hand and the Borrower, on the other hand but also the relative fault of such Indemnified Party as well as any other relevant equitable considerations.

(d) The obligations of the Borrower under this Section 9.1 shall survive the removal of the Administrative Agent, the Paying Agent or any Managing Agent and the termination of this Agreement.

(e) The parties hereto agree that the provisions of Section 9.1 shall not be interpreted to provide recourse to the Borrower against loss by reason of the bankruptcy or insolvency (or other credit condition) of, or default by, an Obligor on, any Loan.

ARTICLE X

THE ADMINISTRATIVE AGENT AND THE MANAGING AGENTS

Section 10.1. Authorization and Action. (a) Each Secured Party hereby designates and appoints KeyBank as Administrative Agent hereunder, and authorizes KeyBank to take such actions as agent on its behalf and to exercise such powers as are delegated to the Administrative Agent by the terms of this Agreement together with such powers as are reasonably incidental thereto. The Administrative Agent shall not have any duties or responsibilities, except those expressly set forth herein, or any fiduciary relationship with any Secured Party, and no implied covenants, functions, responsibilities, duties, obligations or liabilities on the part of the Administrative Agent shall be read into this Agreement or otherwise exist for the Administrative Agent. In performing its functions and duties hereunder, the Administrative Agent shall act solely as agent for the Secured Parties and does not assume nor shall be deemed to have assumed any obligation or relationship of trust or agency with or for the Borrower or any of its successors or assigns. The Administrative Agent shall not be required to take any action that exposes the Administrative Agent to personal liability or that is contrary to this Agreement or Applicable Law. The appointment and authority of the Administrative Agent hereunder shall terminate at the indefeasible payment in full of the Obligations.

(b) Each Lender hereby designates and appoints the Managing Agent for such Lender's Lender Group as its Managing Agent hereunder, and authorizes such Managing Agent to take such actions as agent on its behalf and to exercise such powers as are delegated to the Managing Agents by the terms of this Agreement together with such powers as are reasonably incidental thereto. No Managing Agent shall have any duties or responsibilities, except those expressly set forth herein, or any fiduciary relationship with any Lender, and no implied covenants, functions, responsibilities, duties, obligations or liabilities on the part of the applicable Managing Agent shall be read into this Agreement or otherwise exist for the applicable Managing Agent. In performing its functions and duties hereunder, each Managing Agent shall act solely as agent for the Lenders in the related Lender Group and does not assume nor shall be deemed to have assumed any obligation or relationship of trust or agency with or for the Borrower or any of its successors or assigns. No Managing Agent shall be required to take any action that exposes it to personal liability or that is contrary to this Agreement or Applicable Law. The appointment and authority of each Managing Agent hereunder shall terminate at the indefeasible payment in full of the Obligations.

Section 10.2. Delegation of Duties. (a) The Administrative Agent may execute any of its duties under this Agreement by or through agents or attorneys-in-fact and shall be entitled to advice of counsel concerning all matters pertaining to such duties. The Administrative Agent shall not be responsible for the negligence or misconduct of any agents or attorneys-in-fact selected by it with reasonable care.

(b) Each Managing Agent may execute any of its duties under this Agreement by or through agents or attorneys-in-fact and shall be entitled to advice of counsel concerning all matters pertaining to such duties. No Managing Agent shall be responsible for the negligence or misconduct of any agents or attorneys-in-fact selected by it with reasonable care.

Section 10.3. Exculpatory Provisions. (a) Neither the Administrative Agent nor any of its directors, officers, agents or employees shall be (i) liable for any action lawfully taken or omitted to be taken by it or them under or in connection with this Agreement (except for its, their or such Person's own gross negligence or willful misconduct or, in the case of the Administrative Agent, the breach of its obligations expressly set forth in this Agreement), or (ii) responsible in any manner to any of the Secured Parties for any recitals, statements, representations or warranties made by the Borrower contained in this Agreement or in any certificate, report, statement or other document referred to or provided for in, or received under or in connection with, this Agreement for the value, validity, effectiveness, genuineness, enforceability or sufficiency of this Agreement or any other document furnished in connection herewith, or for any failure of the Borrower to perform its obligations hereunder, or for the satisfaction of any condition specified in Article III. The Administrative Agent shall not be under any obligation to any Secured Party to ascertain or to inquire as to the observance or performance of any of the agreements or covenants contained in, or conditions of, this Agreement, or to inspect the properties, books or records of the Borrower. The Administrative Agent shall not be deemed to have knowledge of any Event of Default unless the Administrative Agent has received notice of such Event of Default, in a document or other written communication titled "Notice of Event of Default" from the Borrower or a Secured Party.

(b) Neither any Managing Agent nor any of its respective directors, officers, agents or employees shall be (i) liable for any action lawfully taken or omitted to be taken by it or them under or in connection with this Agreement (except for its, their or such Person's own gross negligence or willful misconduct or, in the case of a Managing Agent, the breach of its obligations expressly set forth in this Agreement), or (ii) responsible in any manner to the Administrative Agent or any of the Secured Parties for any recitals, statements, representations or warranties made by the Borrower contained in this Agreement or in any certificate, report, statement or other document referred to or provided for in, or received under or in connection with, this Agreement or for the value, validity, effectiveness, genuineness, enforceability or sufficiency of this Agreement or any other document furnished in connection herewith, or for any failure of the Borrower to perform its obligations hereunder, or for the satisfaction of any condition specified in Article III. No Managing Agent shall be under any obligation to the Administrative Agent or any Secured Party to ascertain or to inquire as to the observance or performance of any of the agreements or covenants contained in, or conditions of, this Agreement, or to inspect the properties, books or records of the Borrower. No Managing Agent shall be deemed to have knowledge of any Event of Default unless such Managing Agent has received notice of such Event of Default, in a document or other written communication titled "Notice of Event of Default" from the Borrower, the Administrative Agent or a Secured Party.

(c) None of the Administrative Agent, any Managing Agent or any Lender shall be deemed to have any fiduciary relationship with the Borrower under this Agreement, and no implied covenants, functions, responsibilities, duties, obligations or liabilities creating any such fiduciary relationship shall be inferred from or in connection with this Agreement except as otherwise provided herein or under Applicable Law.

Section 10.4. Reliance. (a) The Administrative Agent shall in all cases be entitled to rely, and shall be fully protected in relying, upon any document or conversation believed by it to be genuine and correct and to have been signed, sent or made by the proper Person or Persons and upon advice and statements of legal counsel (including, without limitation, counsel to the Borrower), independent accountants and other experts selected by the Administrative Agent. The Administrative Agent shall in all cases be fully justified in failing or refusing to take any action under this Agreement or any other document furnished in connection herewith unless it shall first receive such advice or concurrence of the Required Lenders or all of the Secured Parties, as applicable, as it deems appropriate or it shall first be indemnified to its satisfaction by the Lenders, *provided*, that, unless and until the Administrative Agent shall have received such advice, the Administrative Agent may take or refrain from taking any action, as the Administrative Agent shall deem advisable and in the best interests of the Secured Parties, The Administrative Agent shall in all cases be fully protected in acting, or in refraining from acting, in accordance with a request of the Required Lenders or all of the Secured Parties, as applicable, and such request and any action taken or failure to act pursuant thereto shall be binding upon all the Secured Parties.

(b) Each Managing Agent shall in all cases be entitled to rely, and shall be fully protected in relying, upon any document or conversation believed by it to be genuine and correct and to have been signed, sent or made by the proper Person or Persons and upon advice and statements of legal counsel (including, without limitation, counsel to the Borrower), independent accountants and other experts selected by such Managing Agent. Each Managing Agent shall in all cases be fully justified in failing or refusing to take any action under this Agreement or any other document furnished in connection herewith unless it shall first receive such advice or concurrence of the Lenders in its related Lender Group as it deems appropriate or it shall first be indemnified to its satisfaction by the Lenders in its related Lender Group, *provided* that unless and until such Managing Agent shall have received such advice, the Managing Agent may take or refrain from taking any action, as the Managing Agent shall deem advisable and in the best interests of the Lenders in its Lender Group. Each Managing Agent shall in all cases be fully protected in acting, or in refraining from acting, in accordance with a request of the Lenders in such Managing Agent's Lender Group and such request and any action taken or failure to act pursuant thereto shall be binding upon all the Lenders in such Managing Agent's Lender Group.

Section 10.5. Non-Reliance on Administrative Agent, Managing Agents and Other Lenders. Each Secured Party expressly acknowledges that neither the Administrative Agent, any other Secured Party nor any of their respective officers, directors, employees, agents, attorneys-in-fact or affiliates has made any representations or warranties to it and that no act by the Administrative Agent or any other Secured Party hereafter taken, including, without limitation, any review of the affairs of the Borrower, shall be deemed to constitute any representation or warranty by the Administrative Agent or any other Secured Party. Each Secured Party represents and warrants to the Administrative Agent and to each other Secured Party that it has and will, independently and without reliance upon the Administrative Agent or any other Secured Party and based on such documents and information as it has deemed appropriate, made its own appraisal of and investigation into the business, operations, property, prospects, financial and other conditions and creditworthiness of the Borrower and made its own decision to enter into this Agreement.

Section 10.6. Reimbursement and Indemnification. The Lenders agree to reimburse and indemnify the Administrative Agent, and the Lenders in each Lender Group agree to reimburse the Managing Agent for such Lender Group, and their respective officers, directors, employees, representatives and agents ratably according to their Commitments, as applicable, to the extent not paid or reimbursed by the Borrower (i) for any amounts for which the Administrative Agent, acting in its capacity as Administrative Agent, or any Managing Agent, acting in its capacity as a Managing Agent, is entitled to reimbursement by the Borrower hereunder and (ii) for any other expenses incurred by the Administrative Agent, in its capacity as Administrative Agent, or any Managing Agent, acting in its capacity as a Managing Agent, and acting on behalf of the related Lenders, in connection with the administration and enforcement of this Agreement and the other Transaction Documents.

Section 10.7. Administrative Agent and Managing Agents in their Individual Capacities. The Administrative Agent, each Managing Agent and each of their respective Affiliates may make loans to, accept deposits from and generally engage in any kind of business with the Borrower or any Affiliate of the Borrower as though the Administrative Agent or such Managing Agent, as the case may be, were not the Administrative Agent or a Managing Agent, as the case may be, hereunder. With respect to the acquisition of Advances pursuant to this Agreement, the Administrative Agent, each Managing Agent and each of their respective Affiliates shall have the same rights and powers under this Agreement as any Lender and may exercise the same as though it were not the Administrative Agent or a Managing Agent, as the case may be, and the terms "Lender" "Lender" "Lenders" and "Lenders" shall include the Administrative Agent or a Managing Agent, as the case may be, in its individual capacity.

Section 10.8. Successor Administrative Agent or Managing Agent. (a) The Administrative Agent may, upon five (5) days' notice to the Borrower and the Secured Parties, and the Administrative Agent will, upon the direction of all of the Lenders resign as Administrative Agent. If the Administrative Agent shall resign, then the Required Lenders during such 5-day period shall appoint from among the Secured Parties a successor agent. If for any reason no successor Administrative Agent is appointed by the Required Lenders during such 5-day period, then effective upon the expiration of such 5-day period, the Secured Parties shall perform all of the duties of the Administrative Agent hereunder and the Borrower shall make all payments in respect of the Obligations or under any Fee Letter delivered by the Borrower to the Administrative Agent and the Secured Parties directly to the applicable Managing Agents, on behalf of the Lenders in the applicable Lender Group and for all purposes shall deal directly with the Secured Parties. After any retiring Administrative Agent's resignation hereunder as Administrative Agent, the provisions of Article IX and Article X shall inure to its benefit as to any actions taken or omitted to be taken by it while it was Administrative Agent under this Agreement.

(b) Any Managing Agent may, upon five (5) days' notice to the Borrower, the Administrative Agent and the related Lenders, and any Managing Agent will, upon the direction of all of the related Lenders resign as a Managing Agent. If a Managing Agent shall resign, then the related Lenders during such 5-day period shall appoint from among the related Lenders a successor Managing Agent. If for any reason no successor Managing Agent is appointed by such Lenders during such 5-day period, then effective upon the expiration of such 5-day period, such Lenders shall perform all of the duties of the related Managing Agent hereunder. After any retiring Managing Agent's resignation hereunder as a Managing Agent, the provisions of Article IX and Article X shall inure to its benefit as to any actions taken or omitted to be taken by it while it was a Managing Agent under this Agreement.

Section 10.9. Certain ERISA Matters. (a) Each Lender (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Administrative Agent and not, for the avoidance of doubt, to or for the benefit of the Borrower, that at least one of the following is and will be true:

(i) such Lender is not using "plan assets" (within the meaning of Section 3(42) of ERISA or otherwise) of one or more Benefit Plans with respect to such Lender's entrance into, participation in, administration of and performance of the Advances, the Commitments or this Agreement;

(ii) the transaction exemption set forth in one or more PTEs, such as PTE 84-14 (a class exemption for certain transactions determined by independent qualified professional asset managers), PTE 95-60 (a class exemption for certain transactions involving insurance company general accounts), PTE 90-1 (a class exemption for certain transactions involving insurance company pooled separate accounts), PTE 91-38 (a class exemption for certain transactions involving bank collective investment funds) or PTE 96-23 (a class exemption for certain transactions determined by in-house asset managers), is applicable with respect to such Lender's entrance into, participation in, administration of and performance of the Advances, the Commitments and this Agreement;

(iii) (A) such Lender is an investment fund managed by a "Qualified Professional Asset Manager" (within the meaning of Part VI of PTE 84-14), (B) such Qualified Professional Asset Manager made the investment decision on behalf of such Lender to enter into, participate in, administer and perform the Advances, the Commitments and this Agreement, (C) the entrance into, participation in, administration of and performance of the Advances, the Commitments and this Agreement satisfies the requirements of sub-sections (b) through (g) of Part I of PTE 84-14 and (D) to the best knowledge of such Lender, the requirements of subsection (a) of Part I of PTE 84-14 are satisfied with respect to such Lender's entrance into, participation in, administration of and performance of the Advances, the Commitments and this Agreement; or

(iv) such other representation, warranty and covenant as may be agreed in writing between the Administrative Agent, in its sole discretion, and such Lender.

(b) In addition, unless either (1) sub-clause (i) in the immediately preceding clause (a) is true with respect to a Lender or (2) a Lender has provided another representation, warranty and covenant in accordance with sub-clause (iv) in the immediately preceding clause (a), such Lender further (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Administrative Agent and not, for the avoidance of doubt, to or for the benefit of the Borrower, that the Administrative Agent is not a fiduciary with respect to the assets of such Lender involved in such Lender's entrance into, participation in, administration of and performance of the Advances, the Commitments and this Agreement (including in connection with the reservation or exercise of any rights by the Administrative Agent under this Agreement, any Transaction Document or any documents related hereto or thereto).

ARTICLE XI

ASSIGNMENTS; PARTICIPATIONS

Section 11.1. Assignments and Participations. (a) The Borrower shall not have the right to assign its rights or obligations under this Agreement.

(b) Any Lender may at any time and from time to time assign to one or more Persons ("*Purchasing Lenders*") that are Eligible Assignees all or any part of its rights and obligations under this Agreement pursuant to an assignment agreement, substantially in the form set forth in Exhibit B hereto (the "*Assignment and Acceptance*") executed by such Purchasing Lender and such selling Lender. In addition, except with respect to an assignment to an Affiliate of such Lender, so long as no Event of Default or Unmatured Event of Default has occurred and is continuing at such time, the consent of the Borrower (such consent not to be unreasonably withheld or delayed) shall be required prior to the effectiveness of any such assignment; *provided*, that the Borrower shall be deemed to have consented to any such assignment unless it shall object thereto by written notice to the Administrative Agent and the assigning Lender within five (5) Business Days after having received written notice thereof. Each assignee of a Lender must be an Eligible Assignee and must agree to deliver to the Administrative Agent, promptly following any request therefor by the Managing Agent for its Lender Group, an enforceability opinion in form and substance satisfactory to such Managing Agent. Upon delivery of the executed Assignment and Acceptance to the Administrative Agent, such selling Lender shall be released from its obligations hereunder to the extent of such assignment. Thereafter the Purchasing Lender shall for all purposes be a Lender party to this Agreement and shall have all the rights and obligations of a Lender under this Agreement to the same extent as if it were an original party hereto and no further consent or action by the Borrower, the Lenders or the Administrative Agent shall be required. The Lenders agree that any assignments arranged by the Borrower or any of its Affiliates shall be offered to the Lenders ratably, and if accepted by each Lender in its sole discretion, shall be made by the Lenders ratably.

(c) By executing and delivering an Assignment and Acceptance, the Purchasing Lender thereunder and the selling Lender thereunder confirm to and agree with each other and the other parties hereto as follows: (i) other than as provided in such Assignment and Acceptance, such selling Lender makes no representation or warranty and assumes no responsibility with respect to any statements, warranties or representations made in or in connection with this Agreement or the execution, legality, validity, enforceability, genuineness, sufficiency or value of this Agreement or any other instrument or document furnished pursuant hereto; (ii) such Purchasing Lender confirms that it has received a copy of this Agreement, together with copies of such financial statements and other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into such Assignment and Acceptance; (iii) such Purchasing Lender will, independently and without reliance upon the Administrative Agent or any Managing Agent, the selling Lender or any other Lender and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under this Agreement; (iv) such Purchasing Lender and such selling Lender confirm that such Purchasing Lender is an Eligible Assignee; (v) such Purchasing Lender appoints and authorizes each of the Administrative Agent and the applicable Managing Agent to take such action as agent on its behalf and to exercise such powers under this Agreement as are delegated to such agent by the terms hereof, together with such powers as are reasonably incidental thereto; and (vi) such Purchasing Lender agrees that it will perform in accordance with their terms all of the obligations which by the terms of this Agreement are required to be performed by it as a Lender.

(d) The Administrative Agent, acting solely for this purpose as a non-fiduciary agent of the Borrower, shall maintain at its address referred to herein a copy of each Assignment and Acceptance delivered to and accepted by it and a register for the recordation of the names and addresses of the Lenders and the Commitment of, and principal amount of, each Advance owned by each Lender from time to time (the *"Register"*). The entries in the Register shall be conclusive and binding for all purposes, absent manifest error, and the Lenders, the Borrower and the Managing Agents may treat each Person whose name is recorded in the Register as a Lender hereunder for all purposes of this Agreement. The Register shall be available for inspection by the Lenders, any Managing Agent, or the Borrower at any reasonable time and from time to time upon reasonable prior notice.

(e) Subject to the provisions of this Section 11.1, upon their receipt of an Assignment and Acceptance executed by a selling Lender and a Purchasing Lender, the Administrative Agent shall, if such Assignment and Acceptance has been completed and is in substantially the form of Exhibit B hereto, accept such Assignment and Acceptance, and the Administrative Agent shall then (i) record the information contained therein in the Register and (ii) give prompt notice thereof to each Managing Agent.

(f) Any Lender may, in the ordinary course of its business at any time sell to one or more Persons (each a *"Participant"*) participating interests in the Advances made by such Lender or any other interest of such Lender hereunder. Notwithstanding any such sale by a Lender of a participating interest to a Participant, such Lender's rights and obligations under this Agreement shall remain unchanged, such Lender shall remain solely responsible for the performance of its obligations hereunder, and the Borrower, the other Lenders, the Managing Agents and the Administrative Agent shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement. Each Lender agrees that any agreement between such Lender and any such Participant in respect of such participating interest shall not restrict such Lender's right to agree to any amendment, supplement, waiver or modification to this Agreement, except for any amendment, supplement, waiver or modification set forth in Section 12.1(iii) of this Agreement. The Borrower agrees that each Participant shall be entitled to the benefits of Section 2.13 (subject to the requirements and limitations therein, including the requirements under Section 2.13(d) and (l) (it being understood that the documentation required under Section 2.13(d) and (l) 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 this Section 11.1; *provided* that such Participant shall not be entitled to receive any greater payment under Section 2.13, 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 Regulatory Change that occurs after the Participant acquired the applicable participation. Each Lender that sells a participation shall, acting solely for this purpose as an 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 Transaction 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 Advances or other obligations under any Transaction Documents) 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.

(g) Each Lender may, in connection with any assignment or participation or proposed assignment or participation pursuant to this Section 11.1, disclose to the assignee or participant or proposed assignee or participant any information relating to the Borrower furnished to such Lender by or on behalf of the Borrower.

(h) Nothing herein shall prohibit any Lender from pledging or assigning as collateral any of its rights under this Agreement to any Federal Reserve Bank or other central bank having jurisdiction over such Lender in accordance with Applicable Law and any such pledge or collateral assignment may be made without compliance with Section 11.1(b) or Section 11.1(c).

(i) In the event any Lender causes increased costs, expenses or taxes to be incurred by the Administrative Agent or Managing Agents in connection with the assignment or participation of such Lender's rights and obligations under this Agreement to an Eligible Assignee then such Lender agrees that it will make reasonable efforts to assign such increased costs, expenses or taxes to such Eligible Assignee in accordance with the provisions of this Agreement.

(j) Except to the extent otherwise expressly agreed by the affected parties, no assignment by a Defaulting Lender will constitute a waiver or release of any claim of any party hereunder arising from such Lender's having been a Defaulting Lender.

(k) Any Eligible Assignee or Participant on the date it becomes a Lender or Participant hereunder shall certify in the applicable Assignment and Acceptance, participation agreement or other similar document that it is an Eligible Assignee (in the case of an Assignee) or in accordance with the terms of Section 11.1(f) (in the case of a Participant). Any failure to include such a certification in an Assignment and Acceptance, participation agreement or other applicable document shall render such Assignment and Acceptance, participation agreement or other similar document void ab initio and of no force or effect for any purpose.

ARTICLE XII

MISCELLANEOUS

Section 12.1. Amendments and Waivers. Except as provided in this Section 12.1, no amendment, waiver or other modification of any provision of this Agreement shall be effective without the written agreement of the Borrower, the Administrative Agent, the Managing Agents and the Required Lenders; *provided*, *however*, that (i) without the consent of the Lenders in any Lender Group (other than the Lender Group to which such Lenders are being added), the Administrative Agent and the applicable Managing Agent may, with the consent of Borrower, amend this Agreement solely to add additional Persons as Lenders hereunder, (ii) any amendment of this Agreement that is solely for the purpose of increasing the Commitment of a specific Lender or increase the Group Advance Limit of the related Lender Group may be effected with the written consent of the Borrower, the Administrative Agent and the affected Lender, and (iii) the consent of each Lender shall be required to: (A) extend the Commitment Termination Date or the date of any payment or deposit of Collections by the Borrower, (B) reduce the amount (other than by reason of the repayment thereof) or extend the time of payment of Advances Outstanding or reduce the rate or extend the time of payment of Interest (or any component thereof) (other than the waiver of Default Rate), (C) reduce any fee payable to the Administrative Agent or any Managing Agent for the benefit of the Lenders, (D) amend, modify or waive any provision of the definition of "Required Lenders" or Sections 11.1(b), 12.1, 12.9, or 12.10, (E) consent to or permit the assignment or transfer by the Borrower of any of its rights and obligations under this Agreement, (F) amend or waive any Event of Default, (G) change the definition of "Borrowing Base," "Collateral Default Ratio," "Eligible Loan" or "Payment Date," or (H) amend or modify any defined term (or any defined term used directly or indirectly in such defined term) used in clauses (A) through (G) above in a manner that would circumvent the intention of the restrictions set forth in such clauses. Any waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

No amendment, waiver or other modification having a material effect on the rights or obligations of the Bank Parties shall be effective against the applicable Bank Party without the written agreement of the applicable Bank Party. The Borrower will deliver a copy of all waivers and amendments to the Bank Parties.

Notwithstanding anything to the contrary herein, no Defaulting Lender shall have any right to approve or disapprove any amendment, waiver or consent hereunder, except that the Commitment of such Lender may not be increased or extended, and amounts payable to such Lender hereunder may not be permanently reduced, without the consent of such Lender (other than reductions in fees and interest in which such reduction does not disproportionately affect such Lender). Notwithstanding anything contained herein to the contrary, this Agreement may be amended and restated without the consent of any Lender (but with the consent of the Borrower and the Administrative Agent) if, upon giving effect to such amendment and restatement, such Lender shall no longer be a party to this Agreement (as so amended and restated), the Commitments of such Lender shall have terminated (but such Lender shall continue to be entitled to the benefits of Sections 2.12, 2.13, 9.1, 9.2 and 12.8), such Lender shall have no other commitment or other obligation hereunder and such Lender shall have been paid in full all principal, interest and other amounts owing to it or accrued for its account under this Agreement.

Section 12.2. Notices, Etc. All notices and other communications provided for hereunder shall, unless otherwise stated herein, be in writing (including communication by facsimile copy) and mailed, sent by overnight courier, transmitted or hand delivered, as to each party hereto, at its address set forth under its name on the signature pages hereof or specified in such party's Assignment and Acceptance or Joinder Agreement or at such other address as shall be designated by such party in a written notice to the other parties hereto. All such notices and communications shall be effective, upon receipt, or in the case of (a) notice by mail, five (5) days after being deposited in the United States mail, first class postage prepaid, (b) notice by courier mail, when it is officially recorded as being delivered to the intended recipient by return receipt, proof of delivery or equivalent, or (c) notice by facsimile copy or e-mail, on the date the delivering party delivers such documents or notices via facsimile copy or e-mail.

Section 12.3. No Waiver, Rights and Remedies. No failure on the part of the Administrative Agent or any Secured Party or any assignee of any Secured Party to exercise, and no delay in exercising, any right or remedy hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right or remedy hereunder preclude any other or further exercise thereof or the exercise of any other right. The rights and remedies herein provided are cumulative and not exclusive of any rights and remedies provided by law.

Section 12.4. Binding Effect. This Agreement shall be binding upon and inure to the benefit of the Borrower, the Administrative Agent, the Secured Parties and their respective successors and permitted assigns and, in addition.

Section 12.5. Term of this Agreement. This Agreement, including, without limitation, the Borrower's obligation to observe its covenants set forth in Article V and Article VII, shall remain in full force and effect until the Collection Date; *provided*, *however*, that the rights and remedies with respect to any breach of any representation and warranty made or deemed made by the Borrower pursuant to Articles III and IV and the indemnification and payment provisions of Article IX and Article X and the provisions of Section 12.9 and Section 12.10 shall be continuing and shall survive any termination of this Agreement.

Section 12.6. GOVERNING LAW; CONSENT TO JURISDICTION; WAIVER OF OBJECTION TO VENUE. THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK (INCLUDING SECTIONS 5-1401 AND 5-1402 OF THE GENERAL OBLIGATIONS LAW OF THE STATE OF NEW YORK BUT OTHERWISE WITHOUT REGARD TO CONFLICTS OF LAW PRINCIPLES). EACH OF THE SECURED PARTIES, THE BORROWER AND THE ADMINISTRATIVE AGENT HEREBY AGREES TO THE NON-EXCLUSIVE JURISDICTION OF ANY FEDERAL COURT LOCATED WITHIN THE STATE OF NEW YORK. EACH OF THE PARTIES HERETO AND EACH SECURED PARTY HEREBY WAIVES ANY OBJECTION BASED ON FORUM NON CONVENIENS, AND ANY OBJECTION TO VENUE OF ANY ACTION INSTITUTED HEREUNDER IN ANY OF THE AFOREMENTIONED COURTS AND CONSENTS TO THE GRANTING OF SUCH LEGAL OR EQUITABLE RELIEF AS IS DEEMED APPROPRIATE BY SUCH COURT.

Section 12.7. WAIVER OF JURY TRIAL. TO THE EXTENT PERMITTED BY APPLICABLE LAW, EACH OF THE SECURED PARTIES, THE BORROWER AND THE ADMINISTRATIVE AGENT WAIVES ANY RIGHT TO HAVE A JURY PARTICIPATE IN RESOLVING ANY DISPUTE, WHETHER SOUNDING IN CONTRACT, TORT, OR OTHERWISE BETWEEN THE PARTIES HERETO ARISING OUT OF, CONNECTED WITH, RELATED TO, OR INCIDENTAL TO THE RELATIONSHIP BETWEEN ANY OF THEM IN CONNECTION WITH THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY. INSTEAD, ANY SUCH DISPUTE RESOLVED IN COURT WILL BE RESOLVED IN A BENCH TRIAL WITHOUT A JURY.

Section 12.8. Costs, Expenses and Taxes. (a) In addition to the rights of indemnification granted to the Administrative Agent, the Managing Agents, the other Secured Parties and its or their Affiliates and officers, directors, employees and agents thereof under Article IX hereof, the Borrower agrees to pay on demand all reasonable out-of-pocket costs and expenses of the Administrative Agent, the Managing Agents and the other Secured Parties incurred in connection with the on-site due diligence (including travel related expenses) or with the preparation, negotiation, execution, delivery, administration (including periodic auditing), amendment or modification of, or any waiver or consent issued in connection with, this Agreement and the other documents to be delivered hereunder or in connection herewith, including, without limitation, the costs, fees and expenses of any third-party auditor engaged under the terms of this Agreement and the reasonable fees and out-of-pocket expenses of counsel for the Administrative Agent, the Managing Agents and the other Secured Parties with respect thereto and with respect to advising the Administrative Agent, the Managing Agents and the other Secured Parties as to their respective rights and remedies under this Agreement and the other documents to be delivered hereunder or in connection herewith, and all costs and expenses, if any (including reasonable counsel fees and expenses), incurred by the Administrative Agent, the Managing Agents or the other Secured Parties in connection with the enforcement of this Agreement and the other documents to be delivered hereunder or in connection herewith.

(b) The Borrower shall pay on demand any and all stamp, sales, excise and other taxes and fees payable or determined to be payable in connection with the execution, delivery, filing and recording of this Agreement, the other documents to be delivered hereunder or any agreement or other document providing liquidity support, credit enhancement or other similar support to the Lender in connection with this Agreement or the funding or maintenance of Advances hereunder.

(c) The Borrower shall pay on demand all other costs, expenses and taxes (excluding income taxes), including, without limitation, all reasonable costs and expenses incurred by the Administrative Agent or any Managing Agent in connection with periodic audits of the Borrower's books and records, which are incurred as a result of the execution of this Agreement.

Section 12.9. Reserved.

Section 12.10. Recourse Against Certain Parties. (a) No recourse under or with respect to any obligation, covenant or agreement (including, without limitation, the payment of any fees or any other obligations) of the Administrative Agent or any Secured Party as contained in this Agreement or any other agreement, instrument or document entered into by it pursuant hereto or in connection herewith shall be had against any Person or any manager or administrator of such Person or any incorporator, affiliate, stockholder, officer, employee or director of such Person or of the Borrower or of any such manager or administrator, as such, by the enforcement of any assessment or by any legal or equitable proceeding, by virtue of any statute or otherwise.

(b) The provisions of this Section 12.10 shall survive the termination of this Agreement.

Section 12.11. Protection of Security Interest; Appointment of Administrative Agent as Attorney-in-Fact. (a) The Borrower shall cause all financing statements and continuation statements and any other necessary documents covering the right, title and interest of the Administrative Agent as agent for the Secured Parties and of the Secured Parties to the Collateral to be promptly recorded, registered and filed, and at all times to be kept recorded, registered and filed, all in such manner and in such places as may be required by law fully to preserve and protect the right, title and interest of the Administrative Agent as agent for the Secured Parties hereunder to all property comprising the Collateral. The Borrower shall deliver to the Administrative Agent file-stamped copies of, or filing receipts for, any document recorded, registered or filed as provided above, as soon as available following such recording, registration or filing. The Borrower shall cooperate fully in connection with the obligations set forth above and will execute any and all documents reasonably required to fulfill the intent of this Section 12.11.

(b) The Borrower agrees that from time to time, at its expense, it will promptly authorize, execute and deliver all instruments and documents, and take all actions, that may reasonably be necessary or desirable, or that the Administrative Agent may reasonably request, to perfect, protect or more fully evidence the security interest granted in the Collateral, or to enable the Administrative Agent or the Secured Parties to exercise and enforce their rights and remedies hereunder or under any Transaction Document.

(c) If the Borrower fails to perform any of its obligations hereunder after five Business Days' notice from the Administrative Agent, the Administrative Agent or any Lender may (but shall not be required to) perform, or cause performance of, such obligation; and the Administrative Agent's or such Lender's reasonable costs and expenses incurred in connection therewith shall be payable by the Borrower as provided in Article IX, as applicable. The Borrower irrevocably authorizes the Administrative Agent and appoints the Administrative Agent as its attorney-in-fact to act on behalf of the Borrower, (i) to file financing statements necessary or desirable in the Administrative Agent's sole discretion to perfect and to maintain the perfection and priority of the interest of the Secured Parties in the Collateral, including, without limitation, one or more financing statements describing the collateral covered thereby as "all assets of the Debtor whether now owned or hereafter acquired and wheresoever located, including all accessions thereto and proceeds thereof" or words of similar effect, and (ii) to file a carbon, photographic or other reproduction of this Agreement or any financing statement with respect to the Collateral as a financing statement in such offices as the Administrative Agent in its sole discretion deems necessary or desirable to perfect and to maintain the perfection and priority of the interests of the Secured Parties in the Collateral. This appointment is coupled with an interest and is irrevocable.

(d) Without limiting the generality of the foregoing, Borrower will, not earlier than six (6) months and not later than three (3) months prior to the fifth anniversary of the date of filing of the financing statement referred to in Section 3.1 or any other financing statement filed pursuant to this Agreement or in connection with any Advance hereunder, unless the Collection Date shall have occurred:

(i) authorize, deliver and file or cause to be filed an appropriate continuation statement with respect to such financing statement; and

(ii) deliver or cause to be delivered to the Administrative Agent an opinion of the counsel for Borrower, in form and substance reasonably satisfactory to the Administrative Agent, confirming and updating the opinion delivered pursuant to Section 3.1 with respect to perfection and otherwise to the effect that the Collateral hereunder continues to be subject to a perfected security interest in favor of the Administrative Agent, as agent for the Secured Parties, subject to no other Liens of record except as provided herein or otherwise permitted hereunder, which opinion may contain usual and customary assumptions, limitations and exceptions.

Section 12.12. Confidentiality; Conflicts of Interest. (a) Each of the Administrative Agent, the Managing Agents, the other Secured Parties and the Borrower shall maintain and shall cause each of its employees and officers to maintain the confidentiality of the Agreement and the other confidential proprietary information with respect to the other parties hereto and their respective businesses obtained by it or them in connection with the structuring, negotiating and execution of the transactions contemplated herein, except that each such party and its officers and employees may (i) disclose such information to its external accountants and attorneys and as required by an Applicable Law, as required to be publicly filed with SEC, or as required by an order of any judicial or administrative proceeding, (ii) disclose the existence of this Agreement, but not the financial terms thereof, (iii) disclose the Agreement and such information in any suit, action, proceeding or investigation (whether in law or in equity or pursuant to arbitration) involving any of the Transaction Documents or Loan Documents for the purpose of defending itself, reducing its liability, or protecting or exercising any of its claims, rights, remedies, or interests under or in connection with any of the Transaction Documents or Loan Documents and (iv) disclose such information to its Affiliates to the extent necessary in connection with the administration or enforcement of this Agreement or the other Transaction Documents.

(b) Anything herein to the contrary notwithstanding, the Borrower hereby consents to the disclosure of any nonpublic information with respect to it for use in connection with the transactions contemplated herein and in the Transaction Documents (i) to the Administrative Agent or the Secured Parties by each other, (ii) by the Administrative Agent or the Secured Parties to any prospective or actual Eligible Assignee or participant of any of them or in connection with a pledge or assignment to be made pursuant to Section 11.1(h) or (iii) by the Administrative Agent or the Secured Parties to any provider of a surety, guaranty or credit or liquidity enhancement to a Secured Party and to any officers, directors, members, employees, outside accountants and attorneys of any of the foregoing, provided each such Person is informed of the confidential nature of such information and agrees to be bound hereby. In addition, the Secured Parties and the Administrative Agent may disclose any such nonpublic information pursuant to any law, rule, regulation, direction, request or order of any judicial, administrative or regulatory authority or proceedings, including, without limitation, at the request of any self-regulatory authority having jurisdiction over a Lender.

(c) The Borrower agrees that it shall not (and shall not permit any of its Affiliates to) issue any news release or make any public announcement pertaining to the transactions contemplated by this Agreement and the Transaction Documents without the prior written consent of the Administrative Agent (which consent shall not be unreasonably withheld) unless such news release or public announcement is required by law, in which case the Borrower shall consult with the Administrative Agent and each Managing Agent prior to the issuance of such news release or public announcement. The Borrower may, however, disclose the general terms of the transactions contemplated by this Agreement and the Transaction Documents to trade creditors, suppliers and other similarly-situated Persons so long as such disclosure is not in the form of a news release or public announcement.

(d) The Borrower acknowledges that the Lenders and the Managing Agents (and their Affiliates) may be providing financing or other services to other companies in respect of which Borrower or its Affiliates may have conflicting interests. The Borrower acknowledges that no Lender, Managing Agent, or any Affiliate thereof shall have any obligation to use in connection with the transactions contemplated by the Transaction Documents, or to furnish to the Borrower or its Affiliates, any confidential information obtained from such other companies.

Section 12.13. Execution in Counterparts; Severability; Integration. This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which when taken together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this Agreement by facsimile or electronic mail in .pdf format shall be effective as delivery of a manually executed counterpart of this Agreement. In case any provision in or obligation under this Agreement shall be invalid, illegal or unenforceable in any jurisdiction, the validity, legality and enforceability of the remaining provisions or obligations, or of such provision or obligation in any other jurisdiction, shall not in any way be affected or impaired thereby. This Agreement contains the final and complete integration of all prior expressions by the parties hereto with respect to the subject matter hereof and shall constitute the entire agreement among the parties hereto with respect to the subject matter hereof, superseding all prior oral or written understandings other than any Fee Letter.

Section 12.14. Patriot Act. Each Lender that is subject to the USA PATRIOT Act and the Administrative Agent (for itself and not on behalf of any Lender) hereby notifies the Borrower that pursuant to the requirements of the USA PATRIOT Act, it is required to obtain, verify and record information that identifies the Borrower, which information includes the name and address of the Borrower and other information that will allow such Lender or the Administrative Agent, as applicable, to identify the Borrower in accordance with the USA PATRIOT Act.

Section 12.15. Legal Holidays. In the event that the date of any Payment Date, date of prepayment or Maturity Date shall not be a Business Day, then notwithstanding any other provision of this Agreement or any Transaction Document, payment need not be made on such date, but may be made on the next succeeding Business Day with the same force and effect as if made on the nominal date of any such Payment Date, date of prepayment or Maturity Date, as the case may be, and interest shall accrue on such payment for the period from and after any such nominal date to but excluding such next succeeding Business Day.

Section 12.16 No Fiduciary Duty. The Administrative Agent, each Lender and their Affiliates (collectively, solely for purposes of this paragraph, the *"Lenders"*), may have economic interests that conflict with those of the Borrower, its stockholders and/or their affiliates. The Borrower (collectively, solely for purposes of this paragraph, the "*Credit Parties"*) each agree that nothing in the Transaction Documents or otherwise will be deemed to create an advisory, fiduciary or agency relationship or fiduciary or other implied duty between any Lender, on the one hand, and the Borrower, its stockholders or its affiliates, on the other. The Borrower acknowledge and agree that (i) the transactions contemplated by the Transaction Documents (including the exercise of rights and remedies hereunder and thereunder) are arm's-length commercial transactions between the Lenders, on the one hand, and the Borrower, on the other, and (ii) in connection therewith and with the process leading thereto, (x) no Lender has assumed an advisory or fiduciary responsibility in favor of the Borrower, its stockholders or its affiliates with respect to the transactions contemplated hereby (or the exercise of rights or remedies with respect thereto) or the process leading thereto (irrespective of whether any Lender has advised, is currently advising or will advise the Borrower, its stockholders or its Affiliates on other matters) or any other obligation to the Borrower except the obligations expressly set forth in the Transaction Documents and (y) each Lender is acting solely as principal and not as the agent or fiduciary of the Borrower, or its management, stockholders, creditors or any other Person. The Borrower acknowledges and agrees that it has consulted its own legal and financial advisors to the extent it deemed appropriate and that it is responsible for making its own independent judgment with respect to such transactions and the process leading thereto. The Borrower agrees that it will not claim that any Lender has rendered advisory services of any nature or respect, or owes a fiduciary or similar duty to such Person, in connection with such transaction or the process leading thereto.

Section 12.17 Sharing of Payments by Lenders. 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 hereunder resulting in such Lender receiving payment of a proportion of the aggregate amount of its Advances and accrued interest thereon or other such obligations 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 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:

(a) 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

(b) the provisions of this Section shall not be construed to apply to (x) any payment made by the Borrower pursuant to and in accordance with the express terms of this Agreement (including the application of funds arising from the existence of a defaulting Lender), 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.

The Borrower 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 the Borrower rights of setoff and counterclaim with respect to such participation as fully as if such Lender were a direct creditor of the Borrower in the amount of such participation.

ARTICLE XIII

RESERVED

ARTICLE XIV

THE PAYING AGENT

Section 14.1. Authorization and Action. (a) Each Lender and the Administrative Agent hereby designates and appoints U.S. Bank National Association (and U.S. Bank National Association accepts such designation and appointment) as the Paying Agent hereunder, and authorizes the Paying Agent to maintain the Collection Account and to take such actions as representative on its behalf and as directed by the Lenders or the Administrative Agent and to exercise such powers as are delegated to the Paying Agent by the terms of this Agreement together with such powers as are reasonably incidental thereto. In performing its functions and duties hereunder, the Paying Agent shall act solely as agent for the Lenders and the Administrative Agent and does not assume nor shall be deemed to have assumed any obligation or relationship of trust or agency with or for the Borrower or any of its successors or assigns. The Paying Agent shall not be required to risk or expend its own funds in performing its duties hereunder or otherwise take any action which exposes it to personal liability or which is contrary to this Agreement or Applicable Law. The appointment and authority of the Paying Agent hereunder shall terminate at the indefeasible payment in full of the Advance.

(b) Notwithstanding any provision to the contrary elsewhere in this Agreement, the Paying Agent shall not have any duties or responsibilities, except those expressly set forth herein, or any agency or fiduciary relationship with any Lender or the Administrative Agent, and no implied covenants, functions, responsibilities, duties, obligations or liabilities shall be read into this Agreement or otherwise exist against the Paying Agent.

Section 14.2. Successor Paying Agent. (a) The Paying Agent may resign as Paying Agent upon thirty (30) days' notice to the Lenders with such resignation becoming effective upon a successor representative succeeding to the rights, powers and duties of Paying Agent pursuant to this Section 14.2(a). If the Paying Agent shall resign as Paying Agent under this Agreement, then the Lenders shall appoint a successor Paying Agent. Any successor Paying Agent shall succeed to the rights, powers and duties of resigning Paying Agent, and the term "Paying Agent" shall mean such successor Paying Agent effective upon its appointment, and the former Paying Agent's rights, powers and duties as Paying Agent shall be terminated, without any other or further act or deed on the part of the former Paying Agent or any of the parties to this Agreement. After the retiring Paying Agent's resignation as Paying Agent, the provisions of this Article XIV shall inure to its benefit as to any actions taken or omitted to be taken by it while it was Paying Agent under this Agreement. Any successor Paying Agent appointed hereunder shall be a state or national bank or trust company that is not an Affiliate of the Borrower, that has a deposit rating of at least "A2" or a short-term debt rating of at least "P-1" by Moody's and capital and surplus of at least U.S.$200,000,000 and that is a Securities Intermediary.

(b) The Paying Agent may be removed in connection with a breach by the Paying Agent of any agreement of the Paying Agent under this Agreement upon 30 days' notice given in writing and delivered to the Paying Agent from the Administrative Agent with the consent of the Required Lenders (the "*Paying Agent Termination Notice*"). On and after the receipt by the Paying Agent of the Paying Agent Termination Notice, the Paying Agent shall continue to perform all functions of Paying Agent under this Agreement until the date specified in the Paying Agent Termination Notice or otherwise specified by the Administrative Agent in writing or, if no such date is specified in the Paying Agent Termination Notice, until a date mutually agreed upon by the Paying Agent and the Administrative Agent, in each case subject to the Paying Agent's right to resign prior to such date pursuant to Section 14.2(a).

Section 14.3. Fees and Expenses. As compensation for the performance of the Paying Agent's obligations under this Agreement, the Borrower agrees to pay to the Paying Agent the applicable Bank Fees and Expenses, which shall be solely the obligation of the Borrower. The Borrower agrees to reimburse the Paying Agent for all reasonable expenses, disbursements and advances incurred or made by the Paying Agent in accordance with any provision of this Agreement or the other Transaction Documents or in the enforcement of any provision hereof or in the other Transaction Documents, and all such amounts and the Bank Fees and Expenses shall be payable in accordance with the provisions of Section 2.8 hereof, *provided, however,* that to the extent such amounts are not promptly paid pursuant to Section 2.8 hereof such amounts shall remain recourse obligations of the Borrower due and owing to the Paying Agent.

Section 14.4. Representations and Warranties of the Paying Agent. (a) *Organization*. The Paying Agent has been duly organized and is validly existing as a national association under the laws of the United States.

(b) *Power and Authority; Due Authorization*. The Paying Agent (i) has all necessary power, authority and legal right to (A) execute and deliver this Agreement and the other Transaction Documents to which it is a party and (B) carry out the terms of the Transaction Documents to which it is a party and (ii) has duly authorized by all necessary corporate action the execution, delivery and performance of this Agreement and the other Transaction Documents to which it is a party.

(c) *Binding Obligation*. This Agreement and each other Transaction Document to which the Paying Agent is a party constitutes a legal, valid and binding obligation of the Paying Agent enforceable against Paying Agent in accordance with its respective terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, or other laws of general application effecting enforcements of creditors' rights or general principles of equity.

Section 14.5. Indemnity; Liability of the Paying Agent. (a) The Borrower shall indemnify and hold the Paying Agent harmless from all Indemnified Amounts to the extent set forth in Section 9.1 and subject to all of the exclusions and other terms of such Section. The Paying Agent shall not be required to expend or risk its own funds or otherwise incur financial liability in the performance of its duties under this Agreement if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity is not reasonably assured to it. All amounts payable to Paying Agent pursuant to this Section 14.5 shall be subject to the priorities of payment in Section 2.8 hereof, *provided, however,* that to the extent such amounts are not promptly paid pursuant to Section 2.8 hereof such amounts shall remain recourse obligations of the Borrower due and owing to the Paying Agent. The indemnification provided to the Paying Agent hereunder shall survive the resignation or removal of the Paying Agent and the termination of this Agreement. For the avoidance of doubt, any amounts payable by the Borrower under this Section 14.5 shall constitute Administrative Expenses.

(b) The Paying Agent may conclusively rely and shall be protected in acting or refraining from acting upon any written notice, order, judgment, certification or demand (including, but not limited to, electronically confirmed facsimiles of such notice) believed by it to be genuine and to have been signed or presented by the proper party or parties in accordance with this Agreement, and the Paying Agent shall have no obligation to review or confirm that actions taken pursuant to such notice in accordance with this Agreement comply with any other agreement or document. The Paying Agent shall not be responsible for the content or accuracy of any document provided to the Paying Agent, and shall not be required to recalculate, certify, or verify any numerical information. The Paying Agent shall not be liable with respect to any action taken or omitted to be taken in accordance with the written direction, instruction, acknowledgment, consent or any other communication from any party pursuant to the Transaction Documents.

(c) In no event will the Paying Agent be liable for any lost profits or for any incidental, indirect, special, consequential or punitive damages whether or not the Paying Agent knew of the possibility or likelihood of such damages.

(d) The Paying Agent may consult with legal counsel of its own choosing, at the expense of the Borrower, as to any matter relating to this Agreement, and the Paying Agent shall not incur any liability in acting in good faith in accordance with any advice from such counsel.

(e) In no event shall the Paying Agent be liable for any failure or delay in performance of its obligations hereunder because of circumstances beyond the Paying Agent's control, including, but not limited to, acts of God, flood, war (whether declared or undeclared), terrorism, fire, riot, strikes or work stoppages for any reason, embargo, government action, including any laws, ordinances, regulations.

(f) Neither the Paying Agent nor any of its directors, officers or employees, shall be liable for any action taken or omitted to be taken by it or them hereunder except for its or their own gross negligence or willful misconduct as determined by a court of competent jurisdiction in a final, non-appealable order or as otherwise agreed to by the parties.

(g) In order to comply with laws, rules, regulations and executive orders in effect from time to time applicable to banking institutions, including those relating to the funding of terrorist activities and money laundering, the Paying Agent is required to obtain, verify and record certain information relating to individuals and entities which maintain a business relationship with the Paying Agent. Accordingly, each of the parties agrees to promptly provide to the Paying Agent upon its request from time to time such identifying information and documentation as may be available for such party in order to enable the Paying Agent to comply with Applicable Law.

(h) The Paying Agent shall not be liable for any action or inaction of the Borrower, the Administrative Agent, the Lenders, or any other party (or agent thereof) to this Agreement or any related document and may assume compliance by such parties with their obligations under this Agreement or any related agreements, unless a Responsible Officer of the Paying Agent shall have received written notice to the contrary at the address of the Paying Agent set forth on its signature page hereto. For purposes hereof, "Responsible Officer" shall mean any president, vice president, executive vice president, assistant vice president, treasurer, secretary, assistant secretary, corporate trust officer or any other officer thereof customarily performing functions similar to those performed by the individuals who at the time shall be such officers, respectively, or to whom any matter is referred because of such officer's knowledge of or familiarity with the particular subject, and, in each case, having direct responsibility for the administration of this Agreement and the other Transaction Documents to which such person is a party.

(j) The Paying Agent is authorized to supply any information regarding the Collection Account which is required by any law or governmental regulation now or hereafter in effect.

(k) If at any time the Paying Agent is served with any judicial or administrative order, judgment, decree, writ or other form of judicial or administrative process which in any way affects any property held by it hereunder or the Collection Account (including, but not limited to, orders of attachment or garnishment or other forms of levies or injunctions or stays relating to the transfer of any property), the Paying Agent is authorized to comply therewith in any manner as it or its legal counsel of its own choosing deems appropriate; and if the Paying Agent complies with any such judicial or administrative order, judgment, decree, writ or other form of judicial or administrative process, the Paying Agent shall not be liable to any of the parties hereto or to any other person or entity even though such order, judgment, decree, writ or process may be subsequently modified or vacated or otherwise determined to have been without legal force or effect.

(l) The Paying Agent shall not be liable for failing to comply with its obligations under this Agreement in so far as the performance of such obligations is dependent upon the timely receipt of instructions and/or other information from any other person which are not received or not received by the time required.

ARTICLE XV

THE GUARANTEES

Section 15.1. The Guarantees. To induce the Lenders to provide the credits described herein and in consideration of benefits expected to accrue to the Borrower by reason of the Commitments and for other good and valuable consideration, receipt of which is hereby acknowledged, each Guarantor party hereto (including any Guarantor executing an Additional Guarantor Supplement in the form attached hereto as Exhibit I or such other form acceptable to the Administrative Agent) hereby unconditionally and irrevocably guarantees jointly and severally to the Secured Parties, the due and punctual payment of all present and future Obligations, including, but not limited to, the due and punctual payment of principal of and interest on the Advances Outstanding, and the due and punctual payment of all other Obligations now or hereafter owed by the Borrower under the Transaction Documents as and when the same shall become due and payable, whether at stated maturity, by acceleration, or otherwise, according to the terms hereof and thereof (including all interest, costs, fees, and charges after the entry of an order for relief against the Borrower or such other obligor in a case under the Bankruptcy Code or any similar proceeding, whether or not such interest, costs, fees and charges would be an allowed claim against the Borrower or any such obligor in any such proceeding). In case of failure by the Borrower or other obligor punctually to pay any Obligations guaranteed hereby, each Guarantor hereby unconditionally agrees to make such payment or to cause such payment to be made punctually as and when the same shall become due and payable, whether at stated maturity, by acceleration, or otherwise, and as if such payment were made by the Borrower or such obligor.

Section 15.2. Guarantee Unconditional. The obligations of each Guarantor under this Article XV shall be unconditional and absolute and, without limiting the generality of the foregoing, shall not be released, discharged, or otherwise affected by:

(a) any extension, renewal, settlement, compromise, waiver, or release in respect of any obligation of any Loan Party or other obligor or of any other guarantor under this Agreement or any other Transaction Document or by operation of law or otherwise;

(b) any modification or amendment of or supplement to this Agreement or any other Transaction Document;

(c) any change in the corporate existence, structure, or ownership of, or any insolvency, bankruptcy, reorganization, or other similar proceeding affecting, any Loan Party or other obligor, any other guarantor, or any of their respective assets, or any resulting release or discharge of any obligation of any Loan Party or other obligor or of any other guarantor contained in any Transaction Document;

(d) the existence of any claim, set-off, or other rights which any Loan Party or other obligor or any other guarantor may have at any time against the Administrative Agent, any Lender or any other Person, whether or not arising in connection herewith;

(e) any failure to assert, or any assertion of, any claim or demand or any exercise of, or failure to exercise, any rights or remedies against any Loan Party or other obligor, any other guarantor, or any other Person or Property;

(f) any application of any sums by whomsoever paid or howsoever realized to any obligation of any Loan Party or other obligor, regardless of what obligations of any Loan Party or other obligor remain unpaid;

(g) any invalidity or unenforceability relating to or against any Loan Party or other obligor or any other guarantor for any reason of this Agreement or of any other Transaction Document or any provision of applicable law or regulation purporting to prohibit the payment by any Loan Party or other obligor or any other guarantor of the principal of or interest on any Loan or any other amount payable under the Transaction Documents; or

(h) any other act or omission to act or delay of any kind by the Administrative Agent, any Lender or any other Person or any other circumstance whatsoever that might, but for the provisions of this subsection, constitute a legal or equitable discharge of the obligations of any Guarantor under this Article XV.

Section 15.3. Discharge Only upon Payment in Full; Reinstatement in Certain Circumstances. Each Guarantor's obligations under this Article XV shall remain in full force and effect until the Commitments are terminated and the principal of and interest on the Advances Outstanding and all other amounts payable by the Borrower and the other Loan Parties under this Agreement and all other Transaction Documents shall have been paid in full. If at any time any payment of the principal of or interest on any Advance Outstanding or any other amount payable by any Loan Party or other obligor or any guarantor under the Transaction Documents is rescinded or must be otherwise restored or returned upon the insolvency, bankruptcy, or reorganization of such Loan Party or other obligor or of any guarantor, or otherwise, each Guarantor's obligations under this Article XV with respect to such payment shall be reinstated at such time as though such payment had become due but had not been made at such time.

Section 15.4. Subrogation. Each Guarantor agrees it will not exercise any rights which it may acquire by way of subrogation by any payment made hereunder, or otherwise, until all the Obligations shall have been paid in full subsequent to the termination of all the Commitments. If any amount shall be paid to a Guarantor on account of such subrogation rights at any time prior to the later of (x) the payment in full of the Obligations and all other amounts payable by the Loan Parties hereunder and the other Transaction Documents and (y) the termination of the Commitments, such amount shall be held in trust for the benefit of the Administrative Agent, the Lenders (and their Affiliates) and shall forthwith be paid to the Administrative Agent for the benefit of the Lenders (and their Affiliates) or be credited and applied upon the Obligations, whether matured or unmatured, in accordance with the terms of this Agreement.

Section 15.5. Subordination. Each Guarantor (each referred to herein as a "*Subordinated Creditor*") hereby subordinates the payment of all indebtedness, obligations, and liabilities of the Borrower or other Loan Party owing to such Subordinated Creditor, whether now existing or hereafter arising, to the indefeasible payment in full in cash of all Obligations. During the existence of any Event of Default, subject to Section 15.4, any such indebtedness, obligation, or liability of the Borrower or other Loan Party owing to such Subordinated Creditor shall be enforced and performance received by such Subordinated Creditor as trustee for the benefit of the holders of the Obligations and the proceeds thereof shall be paid over to the Administrative Agent for application to the Obligations (whether or not then due), but without reducing or affecting in any manner the liability of such Guarantor under this Article XV.

Section 15.6. Waivers. Each Guarantor irrevocably waives acceptance hereof, presentment, demand, protest, and any notice not provided for herein, as well as any requirement that at any time any action be taken by the Administrative Agent, any Lender, or any other Person against the Borrower or any other Loan Party or other obligor, another guarantor, or any other Person.

Section 15.7. Limit on Recovery. Notwithstanding any other provision hereof, the right of recovery against each Guarantor under this Article XV shall not exceed $1.00 less than the lowest amount which would render such Guarantor's obligations under this Article XV void or voidable under applicable law, including, without limitation, fraudulent conveyance law.

Section 15.8. Stay of Acceleration. If acceleration of the time for payment of any amount payable by the Borrower or other Loan Party or other obligor under this Agreement or any other Transaction Document is stayed upon the insolvency, bankruptcy or reorganization of the Borrower or such other Loan Party or obligor, all such amounts otherwise subject to acceleration under the terms of this Agreement or the other Transaction Documents, shall nonetheless be payable by the Guarantors hereunder forthwith on demand by the Administrative Agent made at the request or otherwise with the consent of the Required Lenders.

Section 15.9. Benefit to Guarantors. The Loan Parties are engaged in related businesses and integrated to such an extent that the financial strength and flexibility of the Borrower and the other Loan Parties has a direct impact on the success of each other Loan Party. Each Guarantor will derive substantial direct and indirect benefit from the extensions of credit hereunder, and each Guarantor acknowledges that this guarantee is necessary or convenient to the conduct, promotion and attainment of its business. Each Guarantor represents that it (i) has all necessary power and authority and legal right to (A) execute and deliver this Agreement, (B) carry out the terms of the Agreement applicable to it and (C) grant Liens in the Collateral and (ii) has duly authorized by all necessary corporate action the execution, delivery and performance of this Agreement to which it is a party and the Lien in the Collateral on the terms and conditions herein provided.

[SIGNATURE PAGES TO FOLLOW]

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

BORROWER:

RUNWAY GROWTH CREDIT FUND INC.

By: _____
Name: _____
Title: _____

205 N. Michigan Ave., Suite 4200
Chicago, Illinois 60601
Attention:
Facsimile No.: _____
Telephone No.: _____

PAYING AGENT:

U.S. BANK NATIONAL ASSOCIATION

By: _____
Name: _____
Title: _____

Global Corporate Trust
One Federal Street, 3rd Floor
Boston, Massachusetts 02110
Reference: Runway Growth Credit Fund Inc.
Attention: _____
E-Mail: _____

MANAGING AGENT for the KeyBank Lender Group:

KEYBANK NATIONAL ASSOCIATION

By: _____
Name: _____
Title: _____

KEYBANK NATIONAL ASSOCIATION
1000 McCaslin Boulevard
Superior, Colorado 80027
Attn: Richard Andersen
Phone: (720) 304-1247
Fax: (216) 370-9166

LENDER for the KeyBank Lender Group:

KEYBANK NATIONAL ASSOCIATION

By: _____
Name: _____
Title: _____

Commitment: $75,000,000

KEYBANK NATIONAL ASSOCIATION
1000 McCaslin Boulevard
Superior, Colorado 80027
Attn: Richard Andersen
Phone: (720) 304-1247
Fax: (216) 370-9166

ADMINISTRATIVE AGENT:

KEYBANK NATIONAL ASSOCIATION

By: _____
Name: _____
Title: _____

KEYBANK NATIONAL ASSOCIATION
1000 McCaslin Boulevard
Superior, Colorado 80027
Attn: Richard Andersen
Phone: (720) 304-1247
Fax: (216) 370-9166

MANAGING AGENT for the CIBC Bank USA Lender Group:

CIBC BANK USA

By: _____
Name: _____
Title: _____

Address: _____

Attn: _____
Phone: _____
Fax: _____

LENDER for the CIBC BANK USA Lender Group:

CIBC BANK USA

By: _____
Name: _____
Title: _____

Commitment: $50,000,000

Address: _____

Attn: _____
Phone: _____
Fax: _____

MANAGING AGENT for the MUFG Union Bank, N.A. Lender Group:

MUFG UNION BANK, N.A.

By: _____
Name: _____
Title: _____

Address: 99 Almaden Boulevard, Suite 200
San Jose, CA 95113
Attn: J. William Bloore
Phone: (408) 279-7719

LENDER for the MUFG Union Bank, N.A. Lender Group:

MUFG UNION BANK, N.A.

By: _____
Name: _____
Title: _____

Commitment: 50,000,000

Address: 99 Almaden Boulevard, Suite 200
San Jose, CA 95113
Attn: J. William Bloore
Phone: (408) 279-7719

MANAGING AGENT for the Bank of Hope Lender Group:

BANK OF HOPE

By: _____
Name: _____
Title: _____

Address: 3731 Wilshire Blvd., Suite 460
Los Angeles, CA 90010
Attn: Peter Hennessy
Phone: (213) 427-6374 | Ext. 56374

LENDER for the Bank of Hope Lender Group:

BANK OF HOPE

By: _____
Name: _____
Title: _____

Commitment: 25,000,000

Address: 3731 Wilshire Blvd., Suite 460
Los Angeles, CA 90010
Attn: Peter Hennessy
Phone: (213) 427-6374 | Ext. 56374

MANAGING AGENT for the First Foundation Bank Lender Group:

FIRST FOUNDATION BANK

By: _____
Name: _____
Title: _____

Address: 2233 Douglas Blvd., Suite 300,
Roseville, CA 95661
Attn: Michael Berry
Phone: (916) 580-2131

LENDER for the First Foundation Bank Lender Group:

FIRST FOUNDATION BANK

By: _____
Name: _____
Title: _____

Commitment: 15,000,000

Address: 2233 Douglas Blvd., Suite 300,
Roseville, CA 95661
Attn: Michael Berry
Phone: (916) 580-2131

DOCUMENTATION AGENT:

CIBC BANK USA

By: _____
Name: _____
Title: _____

Address: _____

Attn: _____
Phone: _____
Fax: _____

CO-DOCUMENTATION AGENT:

MUFG UNION BANK, N.A.

By: _____
Name: _____
Title: _____

Address: 99 Almaden Boulevard, Suite 200
San Jose, CA 95113
Attn: J. William Bloore
Phone: (408) 279-7719

Exhibit (n)(2)

Consent of Independent Registered Public Accounting Firm

We consent to the use in this Registration Statement on Form N-2 of Runway Growth Finance Corp. (formerly known as Runway Growth Credit Fund Inc.) of our report dated March 11, 2021, relating to the financial statements of Runway Growth Finance Corp. (formerly known as Runway Growth Credit Fund Inc.), appearing in the Annual Report on Form 10-K of Runway Growth Finance Corp. (formerly known as Runway Growth Credit Fund Inc.) for the year ended December 31, 2020.

We also consent to the reference to our firm under the headings "Selected Financial Information and Other Data" and "Independent Registered Public Accounting Firm" in such Registration Statement on Form N-2.

/s/ RSM US LLP

Chicago, IL
September 27, 2021