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

FORM 10-Q

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

For the quarterly period ended March 31, 2020
OR

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

For the transition period __________ to __________
Commission File No. 814-00995

TCG BDC, INC.
(Exact name of Registrant as specified in its charter)

Maryland	**80-0789789**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification Number)**
520 Madison Avenue, 40th Floor, New York, NY 10022	**(212) 813-4900**
(Address of principal executive office) (Zip Code)	**(Registrant’s telephone number, including area code)**

N/A
(Former name, former address and former fiscal year, if changed since last report)

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

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Common stock, $0.01 par value	CGBD	The Nasdaq Global Select Market

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

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

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

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

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

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

The number of shares of the registrant’s common stock, $0.01 par value per share, outstanding at May 5, 2020 was 56,308,616.

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TCG BDC, INC.
CONSOLIDATED STATEMENTS OF ASSETS AND LIABILITIES
(dollar amounts in thousands, except per share data)

	March 31, 2020	December 31, 2019
ASSETS	(unaudited)	
Investments, at fair value		
Investments—non-controlled/non-affiliated, at fair value (amortized cost of $2,007,160 and $1,960,755, respectively)	$ 1,826,422	$ 1,897,057
Investments—controlled/affiliated, at fair value (amortized cost of $240,167 and $240,696, respectively)	197,855	226,907
Total investments, at fair value (amortized cost of $2,247,327 and $2,201,451, respectively)	2,024,277	2,123,964
Cash and cash equivalents	65,525	36,751
Receivable for investment sold	15,655	6,162
Deferred financing costs	4,026	4,032
Interest receivable from non-controlled/non-affiliated investments	10,406	9,462
Interest and dividend receivable from controlled/affiliated investments	6,350	6,845
Prepaid expenses and other assets	587	317
Total assets	$ 2,126,826	$ 2,187,533
LIABILITIES		
Secured borrowings (Note 6)	$ 701,609	$ 616,543
2015-1 Notes payable, net of unamortized debt issuance costs of $2,849 and $2,911, respectively (Note 7)	446,351	446,289
Senior Notes (Note 7)	115,000	115,000
Payable for investments purchased	24,345	—
Interest and credit facility fees payable (Notes 6 and 7)	6,100	6,764
Dividend payable (Note 9)	20,824	31,760
Base management and incentive fees payable (Note 4)	12,333	13,236
Administrative service fees payable (Note 4)	98	77
Other accrued expenses and liabilities	1,632	1,393
Total liabilities	1,328,292	1,231,062
Commitments and contingencies (Notes 8 and 11)		
EQUITY		
NET ASSETS		
Common stock, $0.01 par value; 200,000,000 shares authorized; 56,308,616 and 57,763,811 shares issued and outstanding at March 31, 2020 and December 31, 2019, respectively)	563	578
Paid-in capital in excess of par value	1,093,250	1,109,238
Offering costs	(1,633)	(1,633)
Total distributable earnings (loss)	(293,646)	(151,712)
Total net assets	$ 798,534	$ 956,471
NET ASSETS PER SHARE	$ 14.18	$ 16.56

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

TCG BDC, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(dollar amounts in thousands, except per share data)
(unaudited)

	For the three month periods ended	
	March 31, 2020	**March 31, 2019**
Investment income:		
From non-controlled/non-affiliated investments:		
Interest income	$ 41,465	$ 45,242
Other income	2,344	2,028
Total investment income from non-controlled/non-affiliated investments	43,809	47,270
From non-controlled/affiliated investments:		
Interest income	—	379
Total investment income from non-controlled/affiliated investments	—	379
From controlled/affiliated investments:		
Interest income	3,236	3,538
Dividend income	3,500	4,000
Total investment income from controlled/affiliated investments	6,736	7,538
Total investment income	50,545	55,187
Expenses:		
Base management fees (Note 4)	7,386	7,685
Incentive fees (Note 4)	5,086	5,846
Professional fees	667	745
Administrative service fees (Note 4)	106	216
Interest expense (Notes 6 and 7)	12,179	11,991
Credit facility fees (Note 6)	590	568
Directors' fees and expenses	96	93
Other general and administrative	411	421
Total expenses	26,521	27,565
Net investment income (loss) before taxes	24,024	27,622
Excise tax expense	52	60
Net investment income (loss)	23,972	27,562
Net realized gain (loss) and net change in unrealized appreciation (depreciation):		
Net realized gain (loss) on investments:		
Non-controlled/non-affiliated investments	(1,697)	899
Controlled/affiliated investments	—	—
Currency gains (losses) on non-investment assets and liabilities	(150)	—
Net change in unrealized appreciation (depreciation) on investments:		
Non-controlled/non-affiliated investments	(117,042)	2,473
Non-controlled/affiliated investments	—	2,296
Controlled/affiliated investments	(28,521)	496
Net change in unrealized currency gains (losses) on non-investment assets and liabilities	2,338	—
Net realized gain (loss) and net change in unrealized appreciation (depreciation) on investments and non-investment assets and liabilities	(145,072)	6,164
Net increase (decrease) in net assets resulting from operations	$ (121,100)	$ 33,726
Basic and diluted earnings per common share (Note 9)	$ (2.12)	$ 0.55
Weighted-average shares of common stock outstanding—Basic and Diluted (Note 9)	57,112,193	61,772,774

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

TCG BDC, INC.
CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS
(dollar amounts in thousands)
(unaudited)

	For the three month periods ended	
	March 31, 2020	March 31, 2019
Net increase (decrease) in net assets resulting from operations:		
Net investment income (loss)	$ 23,972	$ 27,562
Net realized gain (loss)	(1,847)	899
Net change in unrealized appreciation (depreciation) on investments	(145,563)	5,265
Net change in unrealized currency gains (losses) on non-investment assets and liabilities	2,338	—
Net increase (decrease) in net assets resulting from operations	(121,100)	33,726
Capital transactions:		
Repurchase of common stock	(16,003)	(14,085)
Dividends declared (Note 12)	(20,834)	(22,672)
Net increase (decrease) in net assets resulting from capital share transactions	(36,837)	(36,757)
Net increase (decrease) in net assets	(157,937)	(3,031)
Net Assets at beginning of period	956,471	1,063,218
Net Assets at end of period	$ 798,534	$ 1,060,187

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

TCG BDC, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(dollar amounts in thousands)
(unaudited)

	For the three month periods ended	
	March 31, 2020	**March 31, 2019**
Cash flows from operating activities:		
Net increase (decrease) in net assets resulting from operations	$ (121,100)	$ 33,726
Adjustments to reconcile net increase (decrease) in net assets resulting from operations to net cash provided by (used in) operating activities:		
Amortization of deferred financing costs	305	298
Net accretion of discount on investments	(2,586)	(2,161)
Paid-in-kind interest	(179)	(1,052)
Net realized (gain) loss on investments	1,697	(899)
Net realized currency (gain) loss on non-investment assets and liabilities	150	—
Net change in unrealized (appreciation) depreciation on investments	145,563	(5,265)
Net change in unrealized currency (gains) losses on non-investment assets and liabilities	(2,338)	—
Cost of investments purchased and change in payable for investments purchased	(307,148)	(247,039)
Proceeds from sales and repayments of investments and change in receivable for investments sold	277,451	79,554
Changes in operating assets:		
Interest receivable	(949)	(1,361)
Dividend receivable	500	(300)
Prepaid expenses and other assets	(270)	121
Changes in operating liabilities:		
Due to Investment Adviser	—	(67)
Interest and credit facility fees payable	(664)	494
Base management and incentive fees payable	(903)	(303)
Administrative service fees payable	21	45
Other accrued expenses and liabilities	239	698
Net cash provided by (used in) operating activities	(10,211)	(143,511)
Cash flows from financing activities:		
Repurchase of common stock	(16,003)	(14,085)
Borrowings on SPV Credit Facility and Credit Facility	226,500	253,950
Repayments of SPV Credit Facility and Credit Facility	(139,443)	(107,626)
Debt issuance costs paid	(299)	(355)
Dividends paid in cash	(31,770)	(35,488)
Net cash provided by (used in) financing activities	38,985	96,396
Net increase (decrease) in cash and cash equivalents	28,774	(47,115)
Cash and cash equivalents, beginning of period	36,751	87,186
Cash and cash equivalents, end of period	$ 65,525	$ 40,071
Supplemental disclosures:		
Interest paid during the period	$ 12,647	$ 11,515
Taxes, including excise tax, paid during the period	$ 387	$ 225
Dividends declared during the period	$ 20,834	$ 22,672

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

TCG BDC, INC.
CONSOLIDATED SCHEDULE OF INVESTMENTS
As of March 31, 2020
(dollar amounts in thousands)
(unaudited)

Investments—non-controlled/non-affiliated (1)		Footnotes	Industry	Reference Rate & Spread (2)	Interest Rate (2)	Acquisition Date	Maturity Date	Par/ Principal Amount **	Amortized Cost (4)	Fair Value (5)	% of Net Assets
First Lien Debt (75.19% of fair value)											
Airnov, Inc. (Clariant)	^*	(2) (3) (12)	Containers, Packaging & Glass	L + 5.25%	6.37%	12/20/2019	12/19/2025	$ 12,813	$ 12,610	$ 12,396	1.55%
Alpha Packaging Holdings, Inc.	+*	(2) (3)	Containers, Packaging & Glass	L + 6.00%	7.13%	6/26/2015	11/12/2021	2,829	2,828	2,770	0.35
Alpine SG, LLC	^*	(2) (3)	High Tech Industries	L + 5.75%	7.20%	2/2/2018	11/16/2022	15,301	15,196	14,996	1.88
American Physician Partners, LLC	^+*	(2) (3) (12)	Healthcare & Pharmaceuticals	L + 6.50%	7.95%	1/7/2019	12/21/2021	38,753	38,435	37,555	4.70
AMS Group HoldCo, LLC	^+*	(2) (3) (12)	Transportation: Cargo	L + 6.00%	7.77%	9/29/2017	9/29/2023	32,603	32,183	31,998	4.01
Analogic Corporation	^+*	(2) (3) (12)	Capital Equipment	L + 5.25%	6.25%	6/22/2018	6/22/2024	2,393	2,358	2,269	0.28
Anchor Hocking, LLC	^	(2) (3)	Durable Consumer Goods	L + 8.75%	10.51%	1/25/2019	1/25/2024	10,418	10,143	9,872	1.24
Apptio, Inc.	^	(2) (3) (12)	Software	L + 7.25%	8.25%	1/10/2019	1/10/2025	35,541	34,901	33,468	4.19
Aurora Lux FinCo S.Á.R.L. (Accelya) (Luxembourg)	^	(2) (3) (7)	Software	L + 6.00%	7.00%	12/24/2019	12/24/2026	37,500	36,589	35,104	4.40
Avenu Holdings, LLC	+*	(2) (3)	Sovereign & Public Finance	L + 5.25%	6.70%	9/28/2018	9/28/2024	38,567	38,060	35,293	4.42
Barnes & Noble, Inc.	^	(2) (3) (11)	Retail	L + 5.50%	9.18%	8/7/2019	8/7/2024	17,414	17,025	15,634	1.96
BMS Holdings III Corp.	^*	(2) (3) (12)	Construction & Building	L + 5.25%	6.70%	9/30/2019	9/30/2026	11,608	11,256	10,919	1.37
Brooks Equipment Company, LLC	+*	(2) (3)	Construction & Building	L + 5.00%	6.60%	6/26/2015	8/29/2020	2,406	2,403	2,383	0.30
Captive Resources Midco, LLC	^*	(2) (3)	Banking, Finance, Insurance & Real Estate	L + 6.00%	7.00%	6/30/2015	5/31/2025	32,368	32,046	30,733	3.85
Central Security Group, Inc.	^*	(2) (3) (8)	Consumer Services	L + 5.63%	6.63%	6/26/2015	10/6/2021	18,449	18,012	8,117	1.02
Chartis Holding, LLC	^*	(2) (3) (12)	Business Services	L + 5.25%	6.63%	5/1/2019	5/1/2025	18,287	17,916	17,541	2.20
Chemical Computing Group ULC (Canada)	^*	(2) (3) (7) (12)	Software	L + 5.00%	6.00%	8/30/2018	8/30/2023	14,637	14,537	14,157	1.77
CircusTrix Holdings, LLC	^+*	(2) (3)	Hotel, Gaming & Leisure	L + 5.50% (100% PIK)	6.50%	2/2/2018	12/6/2021	9,397	9,346	7,800	0.98
Cobblestone Intermediate Holdco LLC	^	(2) (3) (12)	Consumer Services	L + 5.00%	6.77%	1/29/2020	1/29/2026	463	455	452	0.06
Comar Holding Company, LLC	^+*	(2) (3) (12)	Containers, Packaging & Glass	L + 5.75%	6.75%	6/18/2018	6/18/2024	31,807	31,304	31,157	3.90
Cority Software Inc. (Canada)	^	(2) (3) (7) (12)	Software	L + 5.75%	7.64%	7/2/2019	7/2/2026	31,970	31,325	31,271	3.92
Derm Growth Partners III, LLC (Dermatology Associates)	^	(2) (3) (8)	Healthcare & Pharmaceuticals	L + 6.25% (100% PIK)	7.70%	5/31/2016	5/31/2022	56,310	56,055	31,266	3.92
DermaRite Industries, LLC	^*	(2) (3) (12)	Healthcare & Pharmaceuticals	L + 7.00%	8.07%	3/3/2017	3/3/2022	21,788	21,648	19,769	2.48
Digicel Limited (Jamaica)	^	(7)	Telecommunications	6.00%	6.00%	7/23/2019	4/15/2021	250	210	134	0.02
Dimensional Dental Management, LLC	^	(2) (3) (8)	Healthcare & Pharmaceuticals	L + 5.75%	10.00%	2/12/2016	2/12/2021	1,272	1,247	1,272	0.16
Dimensional Dental Management, LLC	^	(2) (3) (8) (11)	Healthcare & Pharmaceuticals	L + 5.75%	8.20%	2/12/2016	7/22/2020	33,674	33,301	—	—
Direct Travel, Inc.	^+*	(2) (3)	Hotel, Gaming & Leisure	L + 6.50%	7.54%	10/14/2016	12/1/2021	36,711	36,458	33,653	4.21

(dollar amounts in thousands)

Investments—non-controlled/non-affiliated (1)		Footnotes	Industry	Reference Rate & Spread (2)	Interest Rate (2)	Acquisition Date	Maturity Date	Par/ Principal Amount **	Amortized Cost (4)	Fair Value (5)	% of Net Assets
DTI Holdco, Inc.	*	(2) (3)	High Tech Industries	L + 4.75%	6.53%	12/18/2018	9/30/2023	$ 1,969	$ 1,872	$ 1,383	0.17%
Emergency Communications Network, LLC	^+*	(2) (3)	Telecommunications	L + 6.25%	7.25%	6/1/2017	6/1/2023	24,313	24,180	20,418	2.56
Ensono, LP	*	(2) (3)	Telecommunications	L + 5.25%	6.24%	4/30/2018	6/27/2025	8,515	8,434	7,215	0.90
Ethos Veterinary Health LLC	^+	(2) (3) (12)	Consumer Services	L + 4.75%	5.74%	5/17/2019	5/15/2026	10,850	10,730	10,298	1.29
EvolveIP, LLC	^+*	(2) (3) (12)	Telecommunications	L + 5.75%	6.75%	11/26/2019	6/7/2023	34,922	34,836	34,035	4.26
Frontline Technologies Holdings, LLC	^+*	(2) (3)	Software	L + 5.75%	6.85%	9/18/2017	9/18/2023	48,125	47,851	47,378	5.93
FWR Holding Corporation	^+*	(2) (3) (12)	Beverage, Food & Tobacco	L + 5.50%	6.76%	8/21/2017	8/21/2023	47,823	47,185	43,878	5.49
Green Energy Partners/Stonewall, LLC	+*	(2) (3)	Energy: Electricity	L + 5.50%	6.95%	6/26/2015	11/10/2021	19,500	19,347	14,066	1.76
Hydrofarm, LLC	^	(2) (3)	Wholesale	L + 8.50%	9.50%	5/15/2017	5/12/2022	19,446	19,164	11,749	1.47
iCIMS, Inc.	^	(2) (3) (12)	Software	L + 6.50%	7.50%	9/12/2018	9/12/2024	23,930	23,525	22,762	2.85
Individual FoodService Holdings, LLC	^	(2) (3) (12)	Wholesale	L + 5.75%	6.75%	2/21/2020	11/22/2025	3,847	3,748	3,682	0.46
Innovative Business Services, LLC	^*	(2) (3)	High Tech Industries	L + 5.50%	7.25%	4/5/2018	4/5/2023	18,334	17,989	17,791	2.23
Integrity Marketing Acquisition, LLC	^	(2) (3) (12)	Banking, Finance, Insurance & Real Estate	L + 5.75%	7.26%	1/15/2020	8/27/2025	710	635	428	0.05
K2 Insurance Services, LLC	^+*	(2) (3) (12)	Banking, Finance, Insurance & Real Estate	L + 5.00%	6.42%	7/3/2019	7/1/2024	23,116	22,605	22,492	2.82
Kaseya Inc.	^	(2) (3) (12)	High Tech Industries	L + 5.50%, 1.00% PIK	7.95%	5/3/2019	5/2/2025	21,561	21,139	20,261	2.54
Legacy.com, Inc.	^	(2) (3) (11)	High Tech Industries	L + 6.00%	11.43%	3/20/2017	3/20/2023	17,066	16,834	15,357	1.92
Lifelong Learner Holdings, LLC	^*	(2) (3) (12)	Business Services	L + 5.75%	6.76%	10/18/2019	10/18/2026	24,943	24,409	23,073	2.89
Liqui-Box Holdings, Inc.	^	(2) (3) (12)	Containers, Packaging & Glass	L + 4.50%	5.69%	6/3/2019	6/3/2024	2,279	2,254	2,147	0.27
Mailgun Technologies, Inc.	^	(2) (3) (12)	High Tech Industries	L + 6.00%	7.19%	3/26/2019	3/26/2025	11,824	11,588	11,367	1.42
National Carwash Solutions, Inc.	^+	(2) (3) (12)	Automotive	L + 6.00%	7.54%	8/7/2018	4/28/2023	9,792	9,642	9,523	1.19
National Technical Systems, Inc.	^+*	(2) (3) (12)	Aerospace & Defense	L + 6.25%	7.78%	6/26/2015	6/12/2021	30,359	30,237	29,927	3.75
NES Global Talent Finance US, LLC (United Kingdom)	+*	(2) (3) (7)	Energy: Oil & Gas	L + 5.50%	7.28%	5/9/2018	5/11/2023	9,865	9,746	9,253	1.16
Nexus Technologies, LLC	*	(2) (3)	High Tech Industries	L + 5.50%, 1.50% PIK	8.45%	12/11/2018	12/5/2023	6,188	6,139	5,053	0.63
NMI AcquisitionCo, Inc.	^+*	(2) (3)	High Tech Industries	L + 5.50%	6.50%	9/6/2017	9/6/2022	51,219	50,676	50,718	6.35
Northland Telecommunications Corporation	^*	(2) (3) (12)	Media: Broadcasting & Subscription	L + 5.75%	6.96%	10/1/2018	10/1/2025	47,262	46,601	45,510	5.70
Paramit Corporation	+*	(2) (3)	Capital Equipment	L + 4.50%	5.50%	5/3/2019	5/3/2025	6,298	6,243	6,040	0.76
PF Growth Partners, LLC	^+*	(2) (3) (12)	Hotel, Gaming & Leisure	L + 5.00%	6.00%	7/1/2019	7/11/2025	7,349	7,238	6,865	0.86

TCG BDC, INC.
CONSOLIDATED SCHEDULE OF INVESTMENTS (Continued)
As of March 31, 2020
(dollar amounts in thousands)
(unaudited)

Investments—non-controlled/non-affiliated [1]		Footnotes	Industry	Reference Rate & Spread [2]	Interest Rate [2]	Acquisition Date	Maturity Date	Par/ Principal Amount **	Amortized Cost [4]	Fair Value [5]	% of Net Assets
Plano Molding Company, LLC	^	(2) (3)	Hotel, Gaming & Leisure	L + 7.50%	8.50%	5/1/2015	5/12/2021	$ 14,715	$ 14,626	$ 12,881	1.61%
PPC Flexible Packaging, LLC	^+*	(2) (3) (12)	Containers, Packaging & Glass	L + 5.25%	6.25%	11/23/2018	11/23/2024	15,025	14,878	14,640	1.83
PPT Management Holdings, LLC	^	(2) (3)	Healthcare & Pharmaceuticals	L + 1.00%, 5.75% PIK	8.20%	12/15/2016	12/16/2022	27,735	27,627	20,523	2.57
PricewaterhouseCoopers Public Sector LLP	^	(2) (3) (12)	Aerospace & Defense	L + 3.25%	4.70%	5/1/2018	5/1/2023	2,000	1,903	1,734	0.22
Product Quest Manufacturing, LLC	^	(2) (3) (8)	Containers, Packaging & Glass	L + 6.75%	9.00%	9/21/2017	3/31/2020	840	840	334	0.04
Propel Insurance Agency, LLC	^	(2) (3)	Banking, Finance, Insurance & Real Estate	L + 4.25%	5.70%	6/1/2018	6/1/2024	2,357	2,342	2,298	0.29
QW Holding Corporation (Quala)	^+*	(2) (3) (12)	Environmental Industries	L + 6.25%	7.70%	8/31/2016	8/31/2022	43,467	42,969	42,423	5.31
Redwood Services Group, LLC	^*	(2) (3)	High Tech Industries	L + 6.00%	7.00%	11/13/2018	6/6/2023	8,406	8,347	8,217	1.03
Riveron Acquisition Holdings, Inc.	^+*	(2) (3)	Banking, Finance, Insurance & Real Estate	L + 6.00%	7.45%	5/22/2019	5/22/2025	19,918	19,571	19,379	2.43
RSC Acquisition, Inc.	^	(2) (3) (12)	Banking, Finance, Insurance & Real Estate	L + 5.50%	7.26%	11/1/2019	11/1/2026	12,729	12,369	11,707	1.47
Sapphire Convention, Inc. (Smart City)	^+*	(2) (3) (12)	Telecommunications	L + 5.25%	6.92%	11/20/2018	11/20/2025	30,769	30,224	29,612	3.71
Smile Doctors, LLC	^+*	(2) (3) (12)	Healthcare & Pharmaceuticals	L + 6.25%	7.69%	10/6/2017	10/6/2022	23,541	23,457	22,645	2.84
Sovos Brands Intermediate, Inc.	+*	(2) (3)	Beverage, Food & Tobacco	L + 5.00%	6.59%	11/16/2018	11/20/2025	19,849	19,671	18,916	2.37
SPay, Inc.	^+*	(2) (3) (12)	Hotel, Gaming & Leisure	L + 5.75%	6.84%	6/15/2018	6/17/2024	20,512	20,194	15,558	1.95
Superior Health Linens, LLC	^+*	(2) (3) (12)	Business Services	L + 7.50%	8.95%	9/30/2016	9/30/2021	21,700	21,580	20,746	2.60
Surgical Information Systems, LLC	^+*	(2) (3) (11)	High Tech Industries	L + 4.50%	7.21%	4/24/2017	4/24/2023	26,168	26,018	25,417	3.18
T2 Systems, Inc.	^+*	(2) (3) (12)	Transportation: Consumer	L + 6.75%	8.34%	9/28/2016	9/28/2022	35,265	34,818	34,926	4.37
Tank Holding Corp.	^	(2) (3) (12)	Capital Equipment	L + 4.00%	5.45%	3/26/2019	3/26/2024	45	45	43	0.01
TCFI Aevex LLC	^	(2) (3) (12)	Aerospace & Defense	L + 6.00%	7.00%	3/18/2020	3/18/2026	8,325	8,126	8,125	1.02
The Leaders Romans Bidco Limited (United Kingdom) Term Loan B	^	(2) (3) (7)	Banking, Finance, Insurance & Real Estate	L + 6.75%, 3.50% PIK	11.02%	7/23/2019	6/30/2024	£ 20,074	24,420	23,465	2.94
The Leaders Romans Bidco Limited (United Kingdom) Term Loan C	^	(2) (3) (7)	Banking, Finance, Insurance & Real Estate	L + 6.75%, 3.50% PIK	11.02%	7/23/2019	6/30/2024	£ 3,922	4,809	4,617	0.58
Trump Card, LLC	^+*	(2) (3)	Transportation: Cargo	L + 5.50%	6.92%	6/26/2018	4/21/2022	8,287	8,254	8,064	1.01
TSB Purchaser, Inc. (Teaching Strategies, LLC)	^+*	(2) (3) (12)	Media: Advertising, Printing & Publishing	L + 6.00%	7.45%	5/14/2018	5/14/2024	28,224	27,685	27,465	3.44
Turbo Buyer, Inc. (Portfolio Holdings, Inc.)	^	(2) (3) (12)	Automotive	L + 6.00%	7.48%	12/2/2019	12/2/2025	29,978	29,146	29,105	3.64
Tweddle Group, Inc.	^	(2) (3)	Media: Advertising, Printing & Publishing	L + 4.50%	5.50%	9/17/2018	9/17/2023	1,825	1,804	1,730	0.22

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Investments—non-controlled/non-affiliated (1)		Footnotes	Industry	Reference Rate & Spread (2)	Interest Rate (2)	Acquisition Date	Maturity Date	Par/ Principal Amount **	Amortized Cost (4)	Fair Value (5)	% of Net Assets
U.S. Acute Care Solutions, LLC	*	(2) (3)	Healthcare & Pharmaceuticals	L + 5.00%	6.45%	2/21/2019	5/15/2021	$ 4,258	$ 4,232	$ 3,755	0.47%
USLS Acquisition, Inc.	^*	(2) (3) (12)	Business Services	L + 5.75%	6.82%	11/30/2018	11/30/2024	22,954	22,575	22,166	2.78
Unifrutti Financing PLC (Cyprus)	^	(7)	Beverage, Food & Tobacco	7.50%, 1.00% PIK	8.50%	9/15/2019	9/15/2026	€ 4,553	4,778	4,571	0.57
VRC Companies, LLC	^+*	(2) (3) (12)	Business Services	L + 6.50%	7.99%	3/31/2017	3/31/2023	58,916	58,440	57,624	7.22
Westfall Technik, Inc.	^*	(2) (3) (12)	Chemicals, Plastics & Rubber	L + 5.75%	7.20%	9/13/2018	9/13/2024	28,341	27,824	25,520	3.20
WP CPP Holdings, LLC (CPP)	^	(2) (3)	Aerospace & Defense	L + 3.75%	5.53%	7/18/2019	4/30/2025	14,952	14,826	11,214	1.40
Zemax Software Holdings, LLC	^*	(2) (3) (12)	Software	L + 5.75%	7.20%	6/25/2018	6/25/2024	10,762	10,636	10,492	1.31
Zenith Merger Sub, Inc.	^+*	(2) (3) (12)	Business Services	L + 5.25%	6.70%	12/13/2017	12/13/2023	18,076	17,879	17,484	2.19
First Lien Debt Total									$1,669,607	$1,522,044	190.60%
Second Lien Debt (13.59% of fair value)											
Access CIG, LLC	*	(2) (3)	Business Services	L + 7.75%	9.53%	2/14/2018	2/27/2026	$ 2,700	$ 2,687	$ 2,196	0.28%
AI Convoy S.A.R.L (Cobham) (United Kingdom)	^	(2) (3) (7)	Aerospace & Defense	L + 8.25%	10.09%	1/17/2020	1/17/2028	30,327	29,659	27,470	3.44
Aimbridge Acquisition Co., Inc.	^*	(2) (3)	Hotel, Gaming & Leisure	L + 7.50%	9.08%	2/1/2019	2/1/2027	9,241	9,092	7,907	0.99
AQA Acquisition Holding, Inc.	^	(2) (3)	High Tech Industries	L + 8.00%	9.91%	10/1/2018	5/24/2024	40,000	39,685	37,440	4.69
Brave Parent Holdings, Inc.	^*	(2) (3)	Software	L + 7.50%	9.28%	10/3/2018	4/19/2026	19,062	18,672	17,323	2.17
Drilling Info Holdings, Inc.	^	(2) (3)	Energy: Oil & Gas	L + 8.25%	9.24%	2/11/2020	7/30/2026	18,600	18,098	17,307	2.17
Higginbotham Insurance Agency, Inc.	^	(2) (3)	Banking, Finance, Insurance & Real Estate	L + 7.50%	8.50%	12/3/2019	12/19/2025	2,500	2,476	2,344	0.29
Jazz Acquisition, Inc.	^	(2) (3)	Aerospace & Defense	L + 8.00%	8.99%	6/13/2019	6/18/2027	23,450	23,124	18,760	2.35
Le Tote, Inc.	^	(2) (3)	Retail	L + 6.75%	8.33%	11/8/2019	11/8/2024	7,143	6,977	6,456	0.81
Outcomes Group Holdings, Inc.	^*	(2) (3)	Business Services	L + 7.50%	9.11%	10/23/2018	10/26/2026	4,500	4,490	4,184	0.52
Pharmalogic Holdings Corp.	^	(2) (3)	Healthcare & Pharmaceuticals	L + 8.00%	9.00%	6/7/2018	12/11/2023	800	797	777	0.10
Quartz Holding Company (QuickBase, Inc.)	^	(2) (3)	Software	L + 8.00%	8.86%	4/2/2019	4/2/2027	11,900	11,683	10,900	1.37
Reladyne, Inc.	^+*	(2) (3)	Wholesale	L + 9.50%	10.95%	4/19/2018	1/21/2023	12,242	12,092	11,643	1.46
Stonegate Pub Company Limited (United Kingdom)	^	(2) (3) (7)	Beverage, Food & Tobacco	L + 8.50%	9.23%	3/12/2020	3/12/2028	£ 20,000	24,692	22,467	2.81
Tank Holding Corp.	^*	(2) (3)	Capital Equipment	L + 8.25%	9.17%	3/26/2019	3/26/2027	37,380	36,799	34,420	4.31
Ultimate Baked Goods MIDCO, LLC (Rise Baking)	^	(2) (3)	Beverage, Food & Tobacco	L + 8.00%	9.00%	8/9/2018	8/9/2026	8,333	8,191	7,913	0.99
Watchfire Enterprises, Inc.	^	(2) (3)	Media: Advertising, Printing & Publishing	L + 8.00%	9.06%	10/2/2013	10/2/2021	7,000	6,970	6,929	0.87
World 50, Inc.	^	(9)	Business Services	11.50%	11.50%	1/10/2020	1/9/2027	10,000	9,807	9,335	1.17

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Investments—non-controlled/non-affiliated (1)		Footnotes	Industry	Reference Rate & Spread (2)	Interest Rate (2)	Acquisition Date	Maturity Date	Par/ Principal Amount **	Amortized Cost (4)	Fair Value (5)	% of Net Assets
WP CPP Holdings, LLC (CPP)	^*	(2) (3)	Aerospace & Defense	L + 7.75%	9.53%	7/18/2019	4/30/2026	$ 39,500	$ 39,137	$ 25,940	3.25%
Zywave, Inc.	^	(2) (3)	High Tech Industries	L + 9.00%	10.80%	11/18/2016	11/17/2023	3,468	3,435	3,344	0.42
Second Lien Debt Total									$308,563	$275,055	34.44%

Investments—non-controlled/non-affiliated (1)		Footnotes	Industry	Acquisition Date	Shares/ Units	Cost	Fair Value (5)	% of Net Assets
Equity Investments (1.45% of fair value)								
ANLG Holdings, LLC	^	(6)	Healthcare & Pharmaceuticals	6/22/2018	880	$ 880	$ 757	0.09%
Avenu Holdings, LLC	^	(6)	Sovereign & Public Finance	9/28/2018	172	172	74	0.01
Chartis Holding, LLC	^	(6)	Business Services	5/1/2019	433	433	599	0.08
CIP Revolution Holdings, LLC	^	(6)	Media: Advertising, Printing & Publishing	8/19/2016	318	318	344	0.04
Cority Software Inc. (Canada)	^	(6)	Software	7/2/2019	250	250	306	0.04
DecoPac, Inc.	^	(6)	Non-durable Consumer Goods	9/29/2017	1,500	1,500	2,800	0.35
Derm Growth Partners III, LLC (Dermatology Associates)	^	(6)	Healthcare & Pharmaceuticals	5/31/2016	1,000	1,000	0	—
GRO Sub Holdco, LLC (Grand Rapids)	^	(6)	Healthcare & Pharmaceuticals	3/29/2018	500	500	108	0.01
K2 Insurance Services, LLC	^	(6)	Banking, Finance, Insurance & Real Estate	7/3/2019	433	433	465	0.06
Legacy.com, Inc.	^	(6)	High Tech Industries	3/20/2017	1,500	1,500	615	0.08
Mailgun Technologies, Inc.	^	(6)	High Tech Industries	3/26/2019	424	424	447	0.06
North Haven Goldfinch Topco, LLC	^	(6)	Containers, Packaging & Glass	6/18/2018	2,315	2,315	2,359	0.30
Paramit Corporation	^	(6)	Capital Equipment	6/17/2019	150	500	202	0.03
PPC Flexible Packaging, LLC	^	(6)	Containers, Packaging & Glass	2/1/2019	965	965	1,112	0.14
Rough Country, LLC	^	(6)	Durable Consumer Goods	5/25/2017	755	755	1,278	0.16
SiteLock Group Holdings, LLC	^	(6)	High Tech Industries	4/5/2018	446	446	506	0.06
T2 Systems Parent Corporation	^	(6)	Transportation: Consumer	9/28/2016	556	555	706	0.09
Tailwind HMT Holdings Corp.	^	(6)	Energy: Oil & Gas	11/17/2017	20	1,334	2,173	0.27
Tank Holding Corp.	^	(6)	Capital Equipment	3/26/2019	850	850	944	0.12
Titan DI Preferred Holdings, Inc. (Drilling Info)	^	(6)	Energy: Oil & Gas	2/11/2020	10,000	9,700	9,100	1.14
Turbo Buyer, Inc. (Portfolio Holdings, Inc.)	^	(6)	Automotive	12/2/2019	1,925	1,925	1,925	0.24
Tweddle Holdings, Inc.	^	(6)	Media: Advertising, Printing & Publishing	9/17/2018	17	0	0	—

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Investments—non-controlled/non-affiliated [1]		Footnotes	Industry	Acquisition Date	Shares/ Units	Cost	Fair Value [5]	% of Net Assets
USLS Acquisition, Inc.	^	(6)	Business Services	11/30/2018	641	$ 641	$ 588	0.07%
W50 Parent LLC	^	(6)	Business Services	1/10/2020	500	500	500	0.06
Zenith American Holding, Inc.	^	(6)	Business Services	12/13/2017	1,564	782	1,170	0.15
Zillow Topco LP	^	(6)	Software	6/25/2018	313	312	245	0.03
Equity Investments Total						$ 28,990	$ 29,323	3.67%
Total investments—non-controlled/non-affiliated						$2,007,160	$1,826,422	228.7%

Investments—controlled/affiliated		Footnotes	Industry	Reference Rate & Spread[2]	Interest Rate [2]	Acquisition Date	Maturity Date	Par/ Principal Amount	Amortized Cost [6]	Fair Value [5]	% of Net Assets
First Lien Debt (0.63% of fair value)											
SolAero Technologies Corp. (A1 Term Loan)	^	(2) (3) (8) (10)	Telecommunications	L + 8.00% (100% PIK)	9.45%	4/12/2019	44,846	$ 3,166	$ 3,166	$ 834	0.10%
SolAero Technologies Corp. (A2 Term Loan)	^	(2) (3) (8) (10)	Telecommunications	L + 8.00% (100% PIK)	9.45%	4/12/2019	44,846	8,707	8,707	2,293	0.29
SolAero Technologies Corp. (Priority Term Loan)	^	(2) (3) (10) (12)	Telecommunications	L + 6.00%	7.45%	4/12/2019	44,846	9,594	9,478	9,594	1.20
First Lien Debt Total									$ 21,351	$ 12,721	1.59%

Investments—controlled/affiliated		Footnotes	Industry	Acquisition Date	Shares/ Units	Cost	Fair Value [5]	% of Net Assets
Equity Investments (0.00% of fair value)								
SolAero Technologies Corp.	^	(6) (10)	Telecommunications	4/12/2019	3	$ 2,815	$ —	—%
Equity Investments Total						$ 2,815	$ —	—%

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Investments—controlled/affiliated		Footnotes	Industry	Reference Rate & Spread (2)	Interest Rate (2)	Acquisition Date	Maturity Date	Par Amount/ LLC Interest	Cost	Fair Value (7)	% of Net Assets
Investment Fund (9.15% of fair value)											
Middle Market Credit Fund, Mezzanine Loan	^	(2) (7) (9) (10)	Investment Fund	L + 9.00%	10.97%	6/30/2016	3/22/2021	$ —	$ —	$ —	—%
Middle Market Credit Fund, LLC, Subordinated Loan and Member's Interest	^	(7) (10)	Investment Fund	N/A		2/29/2016	3/1/2021	216,001	216,001	185,134	23.18
Investment Fund Total									$ 216,001	$ 185,134	23.18%
Total investments—controlled/affiliated									$ 240,167	$ 197,855	24.78%
Total Investments									$2,247,327	$2,024,277	253.50%

^ Denotes that all or a portion of the assets are owned by TCG BDC, Inc. (together with its consolidated subsidiaries, "we," "us," "our," "TCG BDC" or the "Company"). The Company has entered into a senior secured revolving credit facility (as amended, the "Credit Facility"). The lenders of the Credit Facility have a first lien security interest in substantially all of the portfolio investments held by the Company (see Note 6, Borrowings). Accordingly, such assets are not available to creditors of TCG BDC SPV LLC (the "SPV") or Carlyle Direct Lending CLO 2015-1R LLC (formerly known as Carlyle GMS Finance MM CLO 2015-1 LLC) (the "2015-1 Issuer").
+ Denotes that all or a portion of the assets are owned by the Company's wholly owned subsidiary, the SPV. The SPV has entered into a senior secured revolving credit facility (as amended, the "SPV Credit Facility" and, together with the Credit Facility, the "Facilities"). The lenders of the SPV Credit Facility have a first lien security interest in substantially all of the assets of the SPV (see Note 6, Borrowings). Accordingly, such assets are not available to creditors of the Company or the 2015-1 Issuer.
* Denotes that all or a portion of the assets are owned by the Company's wholly owned subsidiary, the 2015-1 Issuer, and secure the notes issued in connection with a term debt securitization completed by the Company on June 26, 2015 (see Note 7, Notes Payable). Accordingly, such assets are not available to the creditors of the Company or the SPV.
** Par amount is denominated in USD ("$") unless otherwise noted, as denominated in Euro ("€") or British Pound ("£")

(1) Unless otherwise indicated, issuers of debt and equity investments held by the Company are domiciled in the United States. Under the Investment Company Act of 1940, as amended (together with the rules and regulations promulgated thereunder, the "Investment Company Act"), the Company would be deemed to "control" a portfolio company if the Company owned more than 25% of its outstanding voting securities and/or held the power to exercise control over the management or policies of the portfolio company. As of March 31, 2020, the Company does not "control" any of these portfolio companies. Under the Investment Company Act, the Company would be deemed an "affiliated person" of a portfolio company if the Company owns 5% or more of the portfolio company's outstanding voting securities. As of March 31, 2020, the Company is not an "affiliated person" of any of these portfolio companies. Certain portfolio company investments are subject to contractual restrictions on sales.
(2) Variable rate loans to the portfolio companies bear interest at a rate that is determined by reference to either LIBOR ("L") or an alternate base rate (commonly based on the Federal Funds Rate or the U.S. Prime Rate), which generally resets quarterly. For each such loan, the Company has indicated the reference rate used and provided the spread and the interest rate in effect as of March 31, 2020. As of March 31, 2020, the reference rates for our variable rate loans were the 30-day LIBOR at 0.99%, the 90-day LIBOR at 1.45% and the 180-day LIBOR at 1.18%.
(3) Loan includes interest rate floor feature, which is generally 1.00%.
(4) Amortized cost represents original cost, including origination fees and upfront fees received that are deemed to be an adjustment to yield, adjusted for the accretion/amortization of discounts/premiums, as applicable, on debt investments using the effective interest method.
(5) Fair value is determined in good faith by or under the direction of the Board of Directors of the Company (see Note 2, Significant Accounting Policies, and Note 3, Fair Value Measurements), pursuant to the Company's valuation policy. The fair value of all first lien and second lien debt investments, equity investments and the investment fund was determined using significant unobservable inputs.
(6) Security acquired in transaction exempt from registration under the Securities Act of 1933, as amended (the "Securities Act"), and may be deemed to be "restricted securities" under the Securities Act, unless otherwise noted. As of March 31, 2020, the aggregate fair value of these securities is $29,323, or 1.45% of the Company's net assets .
(7) The Company has determined the indicated investments are non-qualifying assets under Section 55(a) of the Investment Company Act. Under the Investment Company Act, the Company may not acquire any non-qualifying assets unless, at the time such acquisition is made, qualifying assets represent at least 70% of the Company's total assets.
(8) Loan was on non-accrual status as of March 31, 2020.
(9) Represents a corporate mezzanine loan, which is subordinated to senior secured term loans of the portfolio company.

(dollar amounts in thousands)

(10) Under the Investment Company Act, the Company is deemed to be an "affiliated person" of and "control" this investment fund because the Company owns more than 25% of the investment fund's outstanding voting securities and/or has the power to exercise control over management or policies of such investment fund. See Note 5, Middle Market Credit Fund, LLC, for more details. Transactions related to investments in controlled affiliates for the three month period ended March 31, 2020, were as follows:

Investments—controlled/affiliated	Fair Value as of December 31, 2019	Additions/Purchases	Reductions/Sales/ Paydowns	Net Realized Gain (Loss)	Net Change in Unrealized Appreciation (Depreciation)	Fair Value as of March 31, 2020	Dividend and Interest Income
Middle Market Credit Fund, LLC, Mezzanine Loan	$ 93,000	$ 63,500	$ (156,500)	$ —	$ —	$ —	$ 3,049
Middle Market Credit Fund, LLC, Subordinated Loan and Member's Interest	111,596	92,500	—	—	(18,962)	185,134	3,500
Total investments—controlled/affiliated	$ 204,596	$ 156,000	$ (156,500)	$ —	$ (18,962)	$ 185,134	$ 6,549

Investments—controlled/affiliated	Fair Value as of December 31, 2019	Additions/Purchases	Reductions/Sales/ Paydowns	Net Realized Gain (Loss)	Net Change in Unrealized Appreciation (Depreciation)	Fair Value as of March 31, 2020	Dividend and Interest Income
SolAero Technologies Corp. (Priority Term Loan)	$ 9,612	$ —	$ (18)	$ —	$ —	$ 9,594	$ 202
SolAero Technologies Corp. (A1 Term Loan)	3,166	—	—	—	(2,332)	834	—
SolAero Technologies Corp. (A2 Term Loan)	8,707	—	—	—	(6,414)	2,293	—
Solaero Technology Corp. (Equity)	826	—	—	—	(826)	—	—
Total investments—controlled/affiliated	$ 22,311	$ —	$ (18)	$ —	$ (9,572)	$ 12,721	$ 202

(11) In addition to the interest earned based on the stated interest rate of this loan, which is the amount reflected in this schedule, the Company is entitled to receive additional interest as a result of an agreement among lenders as follows: Barnes & Noble, Inc. (1.83%), Dimensional Dental Management, LLC (4.87%), Legacy.com Inc. (3.93%), and Surgical Information Systems, LLC (1.13%). Pursuant to the agreement among lenders in respect of this loan, this investment represents a first lien/last out loan, which has a secondary priority behind the first lien/first out loan with respect to principal, interest and other payments.

(12) As of March 31, 2020, the Company had the following unfunded commitments to fund delayed draw and revolving senior secured loans:

Investments—non-controlled/non-affiliated	Type	Unused Fee	Par/ Principal Amount	Fair Value
First and Second Lien Debt—unfunded delayed draw and revolving term loans commitments				
Airnov, Inc.	Revolver	0.50%	$ 1,250	$ (37)
American Physician Partners, LLC	Revolver	0.50	550	(17)
AMS Group HoldCo, LLC	Revolver	0.50	475	(9)
Analogic Corporation	Revolver	0.50	154	(8)
Apptio, Inc.	Revolver	0.50	2,367	(129)
BMS Holdings III Corp.	Delayed Draw	2.63	3,333	(154)
Chartis Holdings, LLC	Delayed Draw	0.50	6,402	(193)
Chemical Computing Group ULC (Canada)	Revolver	0.50	903	(28)

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Investments—non-controlled/non-affiliated	Type	Unused Fee	Par/ Principal Amount	Fair Value
Cobblestone Intermediate Holdco LLC	Delayed Draw	1.00%	$ 271	$ (4)
Comar Holding Company, LLC	Revolver	0.50	2,201	(42)
Cority Software Inc. (Canada)	Revolver	0.50	3,000	(60)
DermaRite Industries, LLC	Revolver	0.50	393	(36)
Ethos Veterinary Health LLC	Delayed Draw	1.00	2,696	(110)
EvolveIP, LLC	Delayed Draw	1.00	3,922	(93)
EvolveIP, LLC	Revolver	0.50	2,353	(56)
FWR Holding Corporation	Revolver	0.50	1,444	(116)
iCIMS, Inc.	Revolver	0.50	1,252	(58)
Individual FoodService Holdings, LLC	Delayed Draw	1.00	745	(24)
Individual FoodService Holdings, LLC	Revolver	0.50	400	(13)
Integrity Marketing Acquisition, LLC	Delayed Draw	1.00	4,289	(242)
K2 Insurance Services, LLC	Delayed Draw	1.00	5,344	(113)
K2 Insurance Services, LLC	Revolver	0.50	1,145	(24)
Kaseya Inc.	Delayed Draw	0.75	2,800	(149)
Kaseya Inc.	Revolver	0.50	15	(1)
Lifelong Learner Holdings, LLC	Delayed Draw	—	2,878	(191)
Lifelong Learner Holdings, LLC	Revolver	0.50	422	(28)
Liqui-Box Holdings, Inc.	Revolver	0.50	351	(18)
Mailgun Technologies, Inc.	Revolver	0.50	1,342	(47)
National Carwash Solutions, Inc.	Delayed Draw	1.00	1,111	(28)
National Carwash Solutions, Inc.	Revolver	0.50	5	—
National Technical Systems, Inc.	Revolver	0.50	19	—
Northland Telecommunications Corporation	Revolver	0.50	2,199	(78)
PF Growth Partners, LLC	Delayed Draw	1.00	823	(49)
PPC Flexible Packaging, LLC	Revolver	0.50	489	(12)
PricewaterhouseCoopers Public Sector LLP	Revolver	0.50	4,250	(181)
QW Holding Corporation (Quala)	Delayed Draw	1.00	600	(14)
RSC Acquisition, Inc.	Delayed Draw	1.00	6,593	(338)
RSC Acquisition, Inc.	Revolver	0.50	608	(31)
Sapphire Convention, Inc. (Smart City)	Revolver	0.50	2,264	(79)
Smile Doctors, LLC	Delayed Draw	1.00	813	(30)
Smile Doctors, LLC	Revolver	0.50	1	—
SolAero Technologies Corp. (Priority Term Loan)	Revolver	0.50	1,526	—
SPay, Inc.	Revolver	0.50	682	(159)
Superior Health Linens, LLC	Revolver	0.50	693	(30)
T2 Systems, Inc.	Revolver	0.50	2,346	(21)
Tank Holding Corp.	Revolver	0.50	2	—

(dollar amounts in thousands)

Investments—non-controlled/non-affiliated	Type	Unused Fee	Par/ Principal Amount	Fair Value
TCFI Aevex LLC	Delayed Draw	1.00%	$ 1,722	$ (34)
TSB Purchaser, Inc. (Teaching Strategies, LLC)	Revolver	0.50	1,342	(34)
Turbo Buyer, Inc. (Portfolio Holdings, Inc.)	Delayed Draw	1.00	4,904	(123)
USLS Acquisition, Inc.	Revolver	0.50	76	(3)
VRC Companies, LLC	Delayed Draw	0.75	612	(13)
Westfall Technik, Inc.	Delayed Draw	1.00	12,190	(848)
Zemax Software Holdings, LLC	Revolver	0.50	642	(15)
Zenith American Holding, Inc.	Delayed Draw	1.00	3,189	(83)
Zenith American Holding, Inc.	Revolver	0.50	1,590	(41)
Total unfunded commitments			$ 103,988	$ (4,244)

As of March 31, 2020, investments at fair value consisted of the following:

Type	Amortized Cost	Fair Value	% of Fair Value
First Lien Debt (excluding First Lien/Last Out)	$ 1,597,780	$ 1,478,357	73.02%
First Lien/Last Out Unitranche	93,178	56,408	2.79
Second Lien Debt	308,563	275,055	13.59
Equity Investments	31,805	29,323	1.45
Investment Fund	216,001	185,134	9.15
Total	$ 2,247,327	$ 2,024,277	100.00%

TCG BDC, INC.
CONSOLIDATED SCHEDULE OF INVESTMENTS (Continued)
As of March 31, 2020
(dollar amounts in thousands)
(unaudited)

The rate type of debt investments at fair value as of March 31, 2020 was as follows:

Rate Type	Amortized Cost	Fair Value	% of Fair Value of First and Second Lien Debt
Floating Rate	$ 1,984,726	$ 1,795,780	99.22%
Fixed Rate	14,795	14,040	0.78
Total	$ 1,999,521	$ 1,809,820	100.00%

The industry composition of investments at fair value as of March 31, 2020 was as follows:

Industry	Amortized Cost	Fair Value	% of Fair Value
Aerospace & Defense	$ 147,012	$ 123,170	6.08%
Automotive	40,713	40,553	2.00
Banking, Finance, Insurance & Real Estate	121,706	117,928	5.83
Beverage, Food & Tobacco	104,517	97,745	4.83
Business Services	182,139	177,206	8.75
Capital Equipment	46,795	43,918	2.17
Chemicals, Plastics & Rubber	27,824	25,520	1.26
Construction & Building	13,659	13,302	0.66
Consumer Services	29,197	18,867	0.93
Containers, Packaging & Glass	67,994	66,915	3.31
Durable Consumer Goods	10,898	11,150	0.55
Energy: Electricity	19,347	14,066	0.69
Energy: Oil & Gas	38,878	37,833	1.87
Environmental Industries	42,969	42,423	2.10
Healthcare & Pharmaceuticals	209,179	138,427	6.84
High Tech Industries	221,288	212,912	10.52
Hotel, Gaming & Leisure	96,954	84,664	4.18
Investment Fund	216,001	185,134	9.15
Media: Advertising, Printing & Publishing	36,777	36,468	1.80
Media: Broadcasting & Subscription	46,601	45,510	2.25
Non-durable Consumer Goods	1,500	2,800	0.14
Retail	24,002	22,090	1.09
Software	230,281	223,406	11.03
Sovereign & Public Finance	38,232	35,367	1.75
Telecommunications	122,050	104,135	5.14
Transportation: Cargo	40,437	40,062	1.98
Transportation: Consumer	35,373	35,632	1.76
Wholesale	35,004	27,074	1.34
Total	$ 2,247,327	$ 2,024,277	100.00%

(dollar amounts in thousands)

The geographical composition of investments at fair value as of March 31, 2020 was as follows:

Geography	Amortized Cost	Fair Value	% of Fair Value
Canada	$ 46,112	$ 45,734	2.26%
Cyprus	4,778	4,571	0.23
Jamaica	210	134	0.01
Luxembourg	36,589	35,104	1.73
United Kingdom	93,326	87,272	4.31
United States	2,066,312	1,851,462	91.46
Total	$ 2,247,327	$ 2,024,277	100.00%

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

TCG BDC, INC.
CONSOLIDATED SCHEDULE OF INVESTMENTS
As of December 31, 2019
(dollar amounts in thousands)

Investments—non-controlled/non-affiliated (1)		Footnotes	Industry	Reference Rate & Spread (2)	Interest Rate (2)	Acquisition Date	Maturity Date	Par/ Principal Amount **	Amortized Cost (4)	Fair Value(5)	% of Net Assets
First Lien Debt (77.29%)											
Aero Operating, LLC (Dejana Industries, Inc.)	^+*	(2) (3) (13)	Business Services	L + 7.25%	9.16%	1/5/2018	12/29/2022	$ 3,517	$ 3,491	$ 3,449	0.36%
Airnov, Inc.	^	(2) (3) (13)	Containers, Packaging & Glass	L + 5.25%	7.16%	12/20/2019	12/19/2025	12,813	12,602	12,601	1.32
Alpha Packaging Holdings, Inc.	+*	(2) (3)	Containers, Packaging & Glass	L + 4.25%	6.35%	6/26/2015	5/12/2020	2,836	2,836	2,822	0.30
Alpine SG, LLC	^*	(2) (3)	High Tech Industries	L + 6.50%	8.43%	2/2/2018	11/16/2022	15,301	15,187	15,244	1.59
American Physician Partners, LLC	^+*	(2) (3) (13)	Healthcare & Pharmaceuticals	L + 6.50%	8.58%	1/7/2019	12/21/2021	38,235	37,868	38,110	3.98
AMS Group HoldCo, LLC	^+*	(2) (3) (13)	Transportation: Cargo	L + 6.00%	8.07%	9/29/2017	9/29/2023	30,808	30,361	30,457	3.18
Analogic Corporation	^+*	(2) (3) (13)	Healthcare & Pharmaceuticals	L + 6.00%	7.70%	6/22/2018	6/22/2024	34,784	34,190	34,784	3.64
Anchor Hocking, LLC	^	(2) (3)	Durable Consumer Goods	L + 8.75%	10.66%	1/25/2019	1/25/2024	10,707	10,410	10,359	1.08
Apptio, Inc.	^	(2) (3) (13)	Software	L + 7.25%	8.96%	1/10/2019	1/10/2025	35,541	34,874	35,237	3.68
Aurora Lux FinCo S.Á.R.L. (Luxembourg)	^	(2) (3) (7)	Software	L + 6.00%	7.93%	12/24/2019	12/24/2026	37,500	36,563	36,563	3.82
Avenu Holdings, LLC	+*	(2) (3)	Sovereign & Public Finance	L + 5.25%	7.35%	9/28/2018	9/28/2024	38,665	38,125	37,227	3.89
Barnes & Noble, Inc.	^	(2) (3) (11)	Retail	L + 5.50%	9.07%	8/7/2019	8/7/2024	17,637	17,225	17,196	1.80
BMS Holdings III Corp.	^*	(2) (3) (13)	Construction & Building	L + 5.25%	7.35%	9/30/2019	9/30/2026	11,638	11,274	11,591	1.21
Brooks Equipment Company, LLC	+*	(2) (3)	Construction & Building	L + 5.00%	6.91%	6/26/2015	8/29/2020	2,443	2,439	2,441	0.26
Capstone Logistics Acquisition, Inc.	+*	(2) (3)	Transportation: Cargo	L + 4.50%	6.20%	6/26/2015	10/7/2021	3,976	3,962	3,894	0.41
Captive Resources Midco, LLC	^*	(2) (3) (13)	Banking, Finance, Insurance & Real Estate	L + 6.00%	8.18%	6/30/2015	5/31/2025	30,301	29,814	30,158	3.15
Central Security Group, Inc.	+*	(2) (3)	Consumer Services	L + 5.63%	7.33%	6/26/2015	10/6/2021	22,634	22,531	19,466	2.04
Chartis Holding, LLC	^	(2) (3) (13)	Business Services	L + 5.25%	7.28%	5/1/2019	5/1/2025	15,926	15,538	15,723	1.64
Chemical Computing Group ULC (Canada)	^*	(2) (3) (7) (13)	Software	L + 5.25%	6.95%	8/30/2018	8/30/2023	14,674	14,567	14,539	1.52
CircusTrix Holdings, LLC	^+*	(2) (3)	Hotel, Gaming & Leisure	L + 5.50%	7.20%	2/2/2018	12/6/2021	9,397	9,342	9,242	0.97
Comar Holding Company, LLC	^+*	(2) (3) (13)	Containers, Packaging & Glass	L + 5.25%	6.96%	6/18/2018	6/18/2024	27,783	27,254	27,101	2.83
Cority Software Inc. (Canada)	^	(2) (3) (7) (13)	Software	L + 5.50%	7.57%	7/2/2019	7/2/2026	27,000	26,435	26,400	2.76
Dent Wizard International Corporation	+	(2) (3)	Automotive	L + 4.00%	5.70%	4/28/2015	4/7/2022	877	877	873	0.09
Derm Growth Partners III, LLC (Dermatology Associates)	^	(2) (3) (9)	Healthcare & Pharmaceuticals	L + 6.25% (100% PIK)	8.16%	5/31/2016	5/31/2022	56,310	56,026	39,716	4.15
DermaRite Industries, LLC	^*	(2) (3) (13)	Healthcare & Pharmaceuticals	L + 7.00%	8.70%	3/3/2017	3/3/2022	22,647	22,481	21,690	2.27
Digicel Limited (Jamaica)	^	(7)	Telecommunications	6.00%	6.00%	7/23/2019	4/15/2021	250	202	195	0.02
Dimensional Dental Management, LLC	^	(2) (3) (11) (13)	Healthcare & Pharmaceuticals	L + 5.75%	10.00%	2/12/2016	2/12/2021	1,224	1,199	1,224	0.13

TCG BDC, INC.
CONSOLIDATED SCHEDULE OF INVESTMENTS (Continued)
As of December 31, 2019
(dollar amounts in thousands)

Investments—non-controlled/non-affiliated (1)		Footnotes	Industry	Reference Rate & Spread (2)	Interest Rate (2)	Acquisition Date	Maturity Date	Par/ Principal Amount **	Amortized Cost (4)	Fair Value(5)	% of Net Assets
Dimensional Dental Management, LLC	^	(2) (3) (9) (11)	Healthcare & Pharmaceuticals	L + 5.75%	8.66%	2/12/2016	7/22/2020	$ 33,674	$ 33,301	$ —	—%
Direct Travel, Inc.	^+*	(2) (3)	Hotel, Gaming & Leisure	L + 6.50%	8.41%	10/14/2016	12/1/2021	36,805	36,515	36,757	3.84
DTI Holdco, Inc.	*	(2) (3)	High Tech Industries	L + 4.75%	6.68%	12/18/2018	9/30/2023	1,974	1,871	1,841	0.19
Emergency Communications Network, LLC	^+*	(2) (3)	Telecommunications	L + 6.25%	8.14%	6/1/2017	6/1/2023	24,375	24,233	22,323	2.33
Ensono, LP	*	(2) (3)	Telecommunications	L + 5.25%	6.95%	4/30/2018	6/27/2025	8,537	8,452	8,537	0.89
Ethos Veterinary Health LLC	^+	(2) (3) (13)	Consumer Services	L + 4.75%	6.45%	5/17/2019	5/15/2026	10,869	10,744	10,807	1.13
EvolveIP, LLC	^+*	(2) (3)	Telecommunications	L + 5.75%	7.45%	11/26/2019	6/7/2023	34,420	33,923	34,420	3.60
Frontline Technologies Holdings, LLC	^*	(2) (3)	Software	L + 5.75%	7.85%	9/18/2017	9/18/2023	48,242	47,949	48,705	5.09
FWR Holding Corporation	^+*	(2) (3) (13)	Beverage, Food & Tobacco	L + 5.50%	7.29%	8/21/2017	8/21/2023	48,630	47,950	48,393	5.06
Green Energy Partners/Stonewall, LLC	+*	(2) (3)	Energy: Electricity	L + 5.50%	7.60%	6/26/2015	11/10/2021	19,550	19,374	18,034	1.89
GRO Sub Holdco, LLC (Grand Rapids)	^+*	(2) (3) (13)	Healthcare & Pharmaceuticals	L + 6.00%	8.10%	2/28/2018	2/22/2023	6,465	6,380	6,085	0.64
Hummel Station, LLC	+*	(2) (3)	Energy: Electricity	L + 6.00%	7.70%	2/3/2016	10/27/2022	14,641	14,169	12,896	1.35
Hydrofarm, LLC	^	(2) (3)	Wholesale	L+10.00% (30% Cash / 70% PIK)	11.91%	5/15/2017	5/12/2022	21,556	21,254	13,647	1.43
iCIMS, Inc.	^	(2) (3) (13)	Software	L + 6.50%	8.29%	9/12/2018	9/12/2024	23,930	23,507	23,927	2.50
Innovative Business Services, LLC	^*	(2) (3) (13)	High Tech Industries	L + 5.50%	7.53%	4/5/2018	4/5/2023	16,143	15,782	15,880	1.66
K2 Insurance Services, LLC	^+*	(2) (3) (13)	Banking, Finance, Insurance & Real Estate	L + 5.00%	7.19%	7/3/2019	7/1/2024	22,027	21,487	22,062	2.31
Kaseya Inc.	^	(2) (3) (13)	High Tech Industries	L + 5.50%, 1.00% PIK	8.41%	5/3/2019	5/2/2025	19,545	19,145	19,590	2.05
Legacy.com, Inc.	^	(2) (3) (11)	High Tech Industries	L + 9.98%	11.77%	3/20/2017	3/20/2023	17,080	16,832	16,325	1.71
Lifelong Learner Holdings, LLC	^*	(2) (3) (13)	Business Services	L + 5.75%	7.51%	10/18/2019	10/18/2026	23,523	22,971	23,240	2.43
Liqui-Box Holdings, Inc.	^	(2) (3) (13)	Containers, Packaging & Glass	L + 4.50%	6.41%	6/3/2019	6/3/2024	—	(26)	(37)	—
Mailgun Technologies, Inc.	^	(2) (3) (13)	High Tech Industries	L + 5.00%	7.10%	3/26/2019	3/26/2025	11,853	11,607	11,655	1.22
National Carwash Solutions, Inc.	^+	(2) (3) (13)	Automotive	L + 6.00%	7.69%	8/7/2018	4/28/2023	9,511	9,342	9,428	0.99
National Technical Systems, Inc.	^+*	(2) (3) (13)	Aerospace & Defense	L + 6.25%	7.94%	6/26/2015	6/12/2021	27,950	27,801	27,920	2.92
NES Global Talent Finance US, LLC (United Kingdom)	+*	(2) (3) (7)	Energy: Oil & Gas	L + 5.50%	7.43%	5/9/2018	5/11/2023	9,890	9,762	9,763	1.02
Nexus Technologies, LLC	*	(2) (3)	High Tech Industries	L + 5.50%, 1.50% PIK	8.91%	12/11/2018	12/5/2023	6,172	6,119	5,621	0.59
NMI AcquisitionCo, Inc.	^+*	(2) (3) (13)	High Tech Industries	L + 5.75%	7.45%	9/6/2017	9/6/2022	50,067	49,471	49,888	5.22

TCG BDC, INC.
CONSOLIDATED SCHEDULE OF INVESTMENTS (Continued)
As of December 31, 2019
(dollar amounts in thousands)

Investments—non-controlled/non-affiliated (1)		Footnotes	Industry	Reference Rate & Spread (2)	Interest Rate (2)	Acquisition Date	Maturity Date	Par/ Principal Amount **	Amortized Cost (4)	Fair Value(5)	% of Net Assets
Northland Telecommunications Corporation	^*	(2) (3) (13)	Media: Broadcast & Subscription	L + 5.75%	7.46%	10/1/2018	10/1/2025	$ 46,603	$ 45,916	$ 46,529	4.86%
Paramit Corporation	+*	(2) (3)	Capital Equipment	L + 4.50%	6.22%	5/3/2019	5/3/2025	6,298	6,241	6,268	0.66
PF Growth Partners, LLC	^+*	(2) (3) (13)	Hotel, Gaming & Leisure	L + 5.00%	6.70%	7/1/2019	7/11/2025	7,161	7,045	7,135	0.75
Plano Molding Company, LLC	^	(2) (3)	Hotel, Gaming & Leisure	L + 7.50%	9.20%	5/1/2015	5/12/2021	14,752	14,645	14,085	1.47
PPC Flexible Packaging, LLC	+*	(2) (3) (13)	Containers, Packaging & Glass	L + 5.50%	7.19%	11/23/2018	11/23/2024	13,591	13,404	13,464	1.41
PPT Management Holdings, LLC	^	(2) (3)	Healthcare & Pharmaceuticals	L + 6.00%, 0.75% PIK	8.66%	12/15/2016	12/16/2022	27,744	27,627	23,155	2.42
Pretium Packaging, LLC	^	(2) (3)	Containers, Packaging & Glass	L + 5.00%	6.91%	8/15/2019	11/14/2023	7,700	7,631	7,700	0.81
PricewaterhouseCoopers Public Sector LLP	^	(2) (3) (13)	Aerospace & Defense	L + 3.25%	5.16%	5/1/2018	5/1/2023	—	(105)	(46)	—
Product Quest Manufacturing, LLC	^	(2) (3) (9)	Containers, Packaging & Glass	L + 6.75%	5.75%	9/21/2017	3/31/2020	840	840	840	0.09
Propel Insurance Agency, LLC	^	(2) (3)	Banking, Finance, Insurance & Real Estate	L + 4.25%	6.35%	6/1/2018	6/1/2024	2,363	2,347	2,353	0.25
QW Holding Corporation (Quala)	^+*	(2) (3) (13)	Environmental Industries	L + 5.75%	7.73%	8/31/2016	8/31/2022	43,358	42,802	43,106	4.51
Redwood Services Group, LLC	^	(2) (3)	High Tech Industries	L + 6.00%	7.91%	11/13/2018	6/6/2023	8,427	8,363	8,342	0.87
Riveron Acquisition Holdings, Inc.	^+*	(2) (3)	Banking, Finance, Insurance & Real Estate	L + 6.00%	7.91%	5/22/2019	5/22/2025	19,968	19,605	19,587	2.05
RSC Acquisition, Inc.	^	(2) (3) (13)	Banking, Finance, Insurance & Real Estate	L + 5.50%	7.41%	11/1/2019	11/1/2026	11,594	11,222	11,449	1.20
Sapphire Convention, Inc. (Smart City)	*+^	(2) (3) (13)	Telecommunications	L + 5.25%	7.27%	11/20/2018	11/20/2025	28,577	28,009	28,329	2.96
Smile Doctors, LLC	^*+	(2) (3) (13)	Healthcare & Pharmaceuticals	L + 6.00%	8.07%	10/6/2017	10/6/2022	22,227	22,136	21,996	2.30
Sovos Brands Intermediate, Inc.	+*	(2) (3)	Beverage, Food & Tobacco	L + 5.00%	7.20%	11/16/2018	11/20/2025	19,899	19,714	19,750	2.06
SPay, Inc.	^+*	(2) (3) (13)	Hotel, Gaming & Leisure	L + 5.75%	7.46%	6/15/2018	6/17/2024	20,512	20,179	18,694	1.95
Superior Health Linens, LLC	^+*	(2) (3) (13)	Business Services	L + 7.50%, 0.50% PIK	9.91%	9/30/2016	9/30/2021	21,805	21,666	19,933	2.08
Surgical Information Systems, LLC	^+*	(2) (3) (11)	High Tech Industries	L + 4.50%	7.47%	4/24/2017	4/24/2023	26,168	26,007	25,715	2.69
T2 Systems, Inc.	^+*	(2) (3) (13)	Transportation: Consumer	L + 6.75%	8.85%	9/28/2016	9/28/2022	35,648	35,159	35,648	3.73
Tank Holding Corp.	^	(2) (3) (13)	Capital Equipment	L + 4.00%	5.76%	3/26/2019	3/26/2024	—	—	—	—
The Leaders Romans Bidco Limited (United Kingdom)	^	(2) (3) (7) (13)	Banking, Finance, Insurance & Real Estate	L + 6.75%, 3.50% PIK	11.01%	7/23/2019	6/30/2024	£ 19,577	24,865	26,531	2.77
Transform SR Holdings, LLC	^	(2) (3)	Retail	L + 7.25%	9.18%	2/11/2019	2/12/2024	19,050	18,887	18,860	1.97
Trump Card, LLC	^+*	(2) (3) (13)	Transportation: Cargo	L + 5.50%	7.63%	6/26/2018	4/21/2022	7,918	7,881	7,869	0.82
TSB Purchaser, Inc. (Teaching Strategies, LLC)	^+*	(2) (3) (13)	Media: Advertising, Printing & Publishing	L + 6.00%	8.10%	5/14/2018	5/14/2024	28,294	27,726	28,105	2.94

TCG BDC, INC.
CONSOLIDATED SCHEDULE OF INVESTMENTS (Continued)
As of December 31, 2019
(dollar amounts in thousands)

Investments—non-controlled/non-affiliated [1]		Footnotes	Industry	Reference Rate & Spread [2]	Interest Rate [2]	Acquisition Date	Maturity Date	Par/ Principal Amount **	Amortized Cost [4]	Fair Value[5]	% of Net Assets
Turbo Buyer, Inc.	^	(2) (3) (13)	Automotive	L + 6.00%	7.69%	12/2/2019	12/2/2025	$ 27,897	$ 27,033	$ 27,439	2.87%
Tweddle Group, Inc.	^	(2) (3)	Media: Advertising, Printing & Publishing	L + 4.50%	6.20%	9/17/2018	9/17/2023	1,908	1,885	1,859	0.19
U.S. Acute Care Solutions, LLC	+*	(2) (3)	Healthcare & Pharmaceuticals	L + 5.00%	6.91%	2/21/2019	5/15/2021	4,265	4,230	4,053	0.42
Unifrutti Financing PLC (Cyprus)	^	(2) (3) (7)	Beverage, Food & Tobacco	7.50%, 1.00% PIK	8.50%	9/15/2019	9/15/2026	€ 4,530	4,746	4,836	0.51
USLS Acquisition, Inc.	^*	(2) (3) (13)	Business Services	L + 5.75%	7.85%	11/30/2018	11/30/2024	22,139	21,741	21,674	2.27
VRC Companies, LLC	^+*	(2) (3) (13)	Business Services	L + 6.50%	8.21%	3/31/2017	3/31/2023	57,164	56,674	57,106	5.97
Westfall Technik, Inc.	^	(2) (3) (13)	Chemicals, Plastics & Rubber	L + 5.75%	7.66%	9/13/2018	9/13/2024	27,973	27,432	26,962	2.82
WP CPP Holdings, LLC (CPP)	^	(2) (3)	Aerospace & Defense	L + 3.75%	5.66%	7/18/2019	4/30/2025	20,000	19,817	19,826	2.07
Zemax Software Holdings, LLC	^*	(2) (3) (13)	Software	L + 5.75%	7.85%	6/25/2018	6/25/2024	10,146	10,013	10,087	1.05
Zenith Merger Sub, Inc.	^	(2) (3) (13)	Business Services	L + 5.25%	7.35%	12/13/2017	12/13/2023	16,530	16,321	16,405	1.72
First Lien Debt Total								$1,725,479	$1,707,292	$1,641,653	171.66%
Second Lien Debt (11.04%)											
Access CIG, LLC	*	(2) (3)	Business Services	L + 7.75%	9.44%	2/14/2018	2/27/2026	$ 2,700	$ 2,687	$ 2,681	0.28%
Aimbridge Acquisition Co., Inc.	^*	(2) (3)	Hotel, Gaming & Leisure	L + 7.50%	9.19%	2/1/2019	2/1/2027	9,241	9,089	9,160	0.96
AQA Acquisition Holding, Inc.	^	(2) (3)	High Tech Industries	L + 8.00%	10.09%	10/1/2018	5/24/2024	40,000	39,670	39,740	4.15
Brave Parent Holdings, Inc.	^*	(2) (3)	Software	L + 7.50%	9.43%	10/3/2018	4/19/2026	19,062	18,660	18,261	1.91
Higginbotham Insurance Agency, Inc.	^	(2) (3)	Banking, Finance, Insurance & Real Estate	L + 7.50%	9.20%	12/3/2019	12/19/2025	2,500	2,475	2,493	0.26
Jazz Acquisition, Inc.	^	(2) (3)	Aerospace & Defense	L + 8.00%	10.10%	6/13/2019	6/18/2027	23,450	23,117	23,225	2.43
Le Tote, Inc.	^	(2) (3)	Retail	L + 6.75%	8.66%	11/8/2019	11/8/2024	7,143	6,969	6,964	0.73
Outcomes Group Holdings, Inc.	^*	(2) (3)	Business Services	L + 7.50%	9.41%	10/23/2018	10/26/2026	4,500	4,490	4,487	0.47
Pathway Vet Alliance, LLC	^	(2) (3) (13)	Consumer Services	L + 8.50%	10.22%	11/14/2019	12/23/2025	8,050	7,814	8,074	0.84
Pharmalogic Holdings Corp.	^	(2) (3)	Healthcare & Pharmaceuticals	L + 8.00%	9.70%	6/7/2018	12/11/2023	800	797	796	0.08
Quartz Holding Company (QuickBase, Inc.)	^	(2) (3)	Software	L + 8.00%	9.71%	4/2/2019	4/2/2027	11,900	11,677	11,662	1.22
Reladyne, Inc.	^+*	(2) (3) (13)	Wholesale	L + 9.50%	11.60%	4/19/2018	1/21/2023	12,242	12,080	12,234	1.28
Tank Holding Corp.	^*	(2) (3)	Capital Equipment	L + 8.25%	11.04%	3/26/2019	3/26/2027	37,380	36,771	37,223	3.89
Ultimate Baked Goods MIDCO, LLC (Rise Baking)	^	(2) (3)	Beverage, Food & Tobacco	L + 8.00%	9.70%	8/9/2018	8/9/2026	8,333	8,187	8,243	0.86
Watchfire Enterprises, Inc.	^	(2) (3)	Media: Advertising, Printing & Publishing	L + 8.00%	9.95%	10/2/2013	10/2/2021	7,000	6,966	6,998	0.73
WP CPP Holdings, LLC (CPP)	^*	(2) (3)	Aerospace & Defense	L + 7.75%	9.68%	7/18/2019	4/30/2026	39,500	39,125	38,833	4.06
Zywave, Inc.	^	(2) (3)	High Tech Industries	L + 9.00%	10.94%	11/18/2016	11/17/2023	3,468	3,432	3,458	0.36
Second Lien Debt Total								$ 237,269	$ 234,006	$ 234,532	24.51%

TCG BDC, INC.
CONSOLIDATED SCHEDULE OF INVESTMENTS (Continued)
As of December 31, 2019
(dollar amounts in thousands)

Investments—non-controlled/non-affiliated [1]		Footnotes	Industry	Acquisition Date	Shares/ Units	Cost	Fair Value [5]	% of Net Assets
Equity Investments (0.98%)								
ANLG Holdings, LLC	^	(6)	Healthcare & Pharmaceuticals	6/22/2018	880	$ 880	$ 973	0.10%
Avenu Holdings, LLC	^	(6)	Sovereign & Public Finance	9/28/2018	172	172	154	0.02
Chartis Holding, LLC	^	(6)	Business Services	5/1/2019	433	433	589	0.06
CIP Revolution Holdings, LLC	^	(6)	Media: Advertising, Printing & Publishing	8/19/2016	318	318	444	0.05
Cority Software Inc. (Canada)	^	(6)	Software	7/2/2019	250	250	306	0.03
DecoPac, Inc.	^	(6)	Non-durable Consumer Goods	9/29/2017	1,500	1,500	1,999	0.21
Derm Growth Partners III, LLC (Dermatology Associates)	^	(6)	Healthcare & Pharmaceuticals	5/31/2016	1,000	1,000	—	—
GRO Sub Holdco, LLC (Grand Rapids)	^	(6)	Healthcare & Pharmaceuticals	3/29/2018	500	500	137	0.01
K2 Insurance Services, LLC	^	(6)	Banking, Finance, Insurance & Real Estate	7/3/2019	433	433	486	0.05
Legacy.com, Inc.	^	(6)	High Tech Industries	3/20/2017	1,500	1,500	783	0.08
Mailgun Technologies, Inc.	^	(6)	High Tech Industries	3/26/2019	424	424	605	0.06
North Haven Goldfinch Topco, LLC	^	(6)	Containers, Packaging & Glass	6/18/2018	2,315	2,315	2,542	0.27
Paramit Corporation	^	(6)	Capital Equipment	6/17/2019	150	500	501	0.05
PPC Flexible Packaging, LLC	^	(6)	Containers, Packaging & Glass	2/1/2019	965	965	1,174	0.12
Rough Country, LLC	^	(6)	Durable Consumer Goods	5/25/2017	755	755	1,225	0.13
SiteLock Group Holdings, LLC	^	(6)	High Tech Industries	4/5/2018	446	446	587	0.06
T2 Systems Parent Corporation	^	(6)	Transportation: Consumer	9/28/2016	556	556	628	0.07
Tailwind HMT Holdings Corp.	^	(6)	Energy: Oil & Gas	11/17/2017	20	2,000	2,211	0.23
Tank Holding Corp.	^	(6)	Capital Equipment	3/26/2019	850	850	1,035	0.11
Turbo Buyer, Inc.	^	(6)	Automotive	12/2/2019	1,925	1,925	1,925	0.20
Tweddle Holdings, Inc.	^*	(6)	Media: Advertising, Printing & Publishing	9/17/2018	17	—	—	—
USLS Acquisition, Inc.	^	(6)	Business Services	11/30/2018	641	641	720	0.08
Zenith American Holding, Inc.	^	(6)	Business Services	12/13/2017	1,564	782	1,490	0.16
Zillow Topco LP	^	(6)	Software	6/25/2018	313	312	358	0.04
Equity Investments Total						$ 19,457	$ 20,872	2.19%
Total investments—non-controlled/non-affiliated						$ 1,960,755	$ 1,897,057	198.36%

TCG BDC, INC.
CONSOLIDATED SCHEDULE OF INVESTMENTS (Continued)
As of December 31, 2019
(dollar amounts in thousands)

Investments—controlled/affiliated		Footnotes	Industry	Reference Rate & Spread (2)	Interest Rate (2)	Acquisition Date	Maturity Date	Par/ Principal Amount **	Amortized Cost (4)	Fair Value (5)	% of Net Assets
First Lien Debt (1.01%)											
SolAero Technologies Corp. (A1 Term Loan)	^	(2) (3) (9) (10)	Telecommunications	L + 8.00% (100% PIK)	9.91%	4/12/2019	10/12/2022	$ 3,166	$ 3,166	$ 3,166	0.33%
SolAero Technologies Corp. (A2 Term Loan)	^	(2) (3) (9) (10)	Telecommunications	L + 8.00% (100% PIK)	9.91%	4/12/2019	10/12/2022	8,707	8,707	8,707	0.91
SolAero Technologies Corp. (Priority Term Loan)	^	(2) (3) (10) (13)	Telecommunications	L + 6.00%	7.91%	4/12/2019	10/12/2022	9,612	9,507	9,612	1.00
First Lien Debt Total								$ 21,485	$ 21,380	$ 21,485	2.24%

Investments—controlled/affiliated		Footnotes	Industry	Acquisition Date	Shares/ Units	Cost	Fair Value (5)	% of Net Assets
Equity Investments (—%)								
SolAero Technologies Corp.	^	(6) (10)	Telecommunications	4/12/2019	3	$ 2,815	$ 826	0.09%
Equity Investments Total						$ 2,815	$ 826	0.41%

Investments—controlled/affiliated			Industry	Reference Rate & Spread(2)	Interest Rate(2)	Acquisition Date	Maturity Date	Par Amount/ LLC Interest	Cost	Fair Value(7)	% of Net Assets
Investment Fund (9.63%)											
Middle Market Credit Fund, Mezzanine Loan	^	(2) (7) (8) (10)	Investment Fund	L + 9.00%	10.97%	6/30/2016	5/18/2021	$ 93,000	$ 93,000	$ 93,000	9.72%
Middle Market Credit Fund, LLC, Subordinated Loan and Member's Interest	^	(7) (10)	Investment Fund	N/A	0.001%	2/29/2016	3/1/2021	123,500	123,501	111,596	11.67%
Investment Fund Total								$ 216,500	$ 216,501	$ 204,596	21.39%
Total investments—controlled/affiliated								$ 237,988	$ 240,696	$ 226,907	24.04%
Total investments								$2,201,002	$2,201,451	$2,123,964	222.4%

^ Denotes that all or a portion of the assets are owned by TCG BDC, Inc. (together with its consolidated subsidiaries, "we," "us," "our," "TCG BDC" or the "Company"). The Company has entered into a senior secured revolving credit facility (as amended, the "Credit Facility"). The lenders of the Credit Facility have a first lien security interest in substantially all of the portfolio investments held by the Company (see Note 6, Borrowings). Accordingly, such assets are not available to creditors of TCG BDC SPV LLC (the "SPV") or Carlyle Direct Lending CLO 2015-1R LLC (formerly known as Carlyle GMS Finance MM CLO 2015-1 LLC) (the "2015-1 Issuer").
+ Denotes that all or a portion of the assets are owned by the Company's wholly owned subsidiary, the SPV. The SPV has entered into a senior secured revolving credit facility (as amended, the "SPV Credit Facility" and, together with the Credit Facility, the "Facilities"). The lenders of the SPV Credit Facility have a first lien security interest in substantially all of the assets of the SPV (see Note 6, Borrowings). Accordingly, such assets are not available to creditors of the Company or the 2015-1 Issuer.
* Denotes that all or a portion of the assets are owned by the Company's wholly owned subsidiary, the 2015-1 Issuer, and secure the notes issued in connection with a term debt securitization completed by the Company on June 26, 2015 (see Note 7, Notes Payable). Accordingly, such assets are not available to the creditors of the Company or the SPV.
** Par amount is denominated in USD ("$") unless otherwise noted, as denominated in Euro ("€") or British Pound ("£")

(1) Unless otherwise indicated, issuers of debt and equity investments held by the Company are domiciled in the United States. Under the Investment Company Act of 1940, as amended (together with the rules and regulations promulgated thereunder, the "Investment Company Act"), the Company would be deemed to "control" a portfolio company if the Company owned more than 25% of its outstanding voting securities and/or held the power to exercise control over the management or policies of the portfolio company. As of December 31, 2019, the Company does not "control" any of these portfolio companies.

(dollar amounts in thousands)

Under the Investment Company Act, the Company would be deemed an "affiliated person" of a portfolio company if the Company owns 5% or more of the portfolio company's outstanding voting securities. As of December 31, 2019, the Company is not an "affiliated person" of any of these portfolio companies. Certain portfolio company investments are subject to contractual restrictions on sales.

(2) Variable rate loans to the portfolio companies bear interest at a rate that is determined by reference to either LIBOR ("L") or an alternate base rate (commonly based on the Federal Funds Rate or the U.S. Prime Rate), which generally resets quarterly. For each such loan, the Company has indicated the reference rate used and provided the spread and the interest rate in effect as of December 31, 2019. As of December 31, 2019, the reference rates for our variable rate loans were the 30-day LIBOR at 1.75%, the 90-day LIBOR at 1.91% and the 180-day LIBOR at 1.91%.

(3) Loan includes interest rate floor feature, which is generally 1.00%.

(4) Amortized cost represents original cost, including origination fees and upfront fees received that are deemed to be an adjustment to yield, adjusted for the accretion/amortization of discounts/premiums, as applicable, on debt investments using the effective interest method.

(5) Fair value is determined in good faith by or under the direction of the Board of Directors of the Company (see Note 2, Significant Accounting Policies, and Note 3, Fair Value Measurements), pursuant to the Company's valuation policy. The fair value of all first lien and second lien debt investments, equity investments and the investment fund was determined using significant unobservable inputs.

(6) Security acquired in transaction exempt from registration under the Securities Act of 1933, as amended (the "Securities Act"), and may be deemed to be "restricted securities" under the Securities Act, unless otherwise noted. As of December 31, 2019, the aggregate fair value of these securities is $21,698, or 2.60% of the Company's net assets .

(7) The Company has determined the indicated investments are non-qualifying assets under Section 55(a) of the Investment Company Act. Under the Investment Company Act, the Company may not acquire any non-qualifying assets unless, at the time such acquisition is made, qualifying assets represent at least 70% of the Company's total assets.

(8) Represents a corporate mezzanine loan, which is subordinated to senior secured term loans of the portfolio company/investment fund.

(9) Loan was on non-accrual status as of December 31, 2019.

(10) Under the Investment Company Act, the Company is deemed to be an "affiliated person" of and "control" this investment fund because the Company owns more than 25% of the investment fund's outstanding voting securities and/or has the power to exercise control over management or policies of such investment fund. See Note 5, Middle Market Credit Fund, LLC, for more details. Transactions related to investments in controlled affiliates for the year ended December 31, 2019, were as follows:

Investments—controlled/affiliated	Fair Value as of December 31, 2018	Additions/Purchases	Reductions/Sales/ Paydowns	Net Realized Gain (Loss)	Net Change in Unrealized Appreciation (Depreciation)	Fair Value as of December 31, 2019	Dividend and Interest Income
Middle Market Credit Fund, LLC, Mezzanine Loan	$ 112,000	$ 126,200	$ (145,200)	$ —	$ —	$ 93,000	$ 12,181
Middle Market Credit Fund, LLC, Subordinated Loan and Member's Interest	110,295	5,500	—	—	(4,199)	111,596	15,750
Total investments—controlled/affiliated	$ 222,295	$ 131,700	$ (145,200)	$ —	$ (4,199)	$ 204,596	$ 27,931

Investments—controlled/affiliated	Fair Value as of December 31, 2018	Additions/Purchases	Reductions/Sales/ Paydowns	Net Realized Gain (Loss)	Net Change in Unrealized Appreciation (Depreciation)	Fair Value as of December 31, 2019	Dividend and Interest Income
SolAero Technologies Corp.	$ 17,968	$ —	$ (18,319)	$ (9,091)	$ 9,442	$ —	$ —
SolAero Technologies Corp. (Priority Term Loan)	—	9,630	—	—	—	9,630	226
SolAero Technologies Corp. (A1 Term Loan)	—	3,166	—	—	—	3,166	—
SolAero Technologies Corp. (A2 Term Loan)	—	8,707	—	—	—	8,707	—
Solaero Technology Corp. (Equity)	—	2,815	—	—	(554)	2,261	—
Total investments—controlled/affiliated	$ 17,968	$ 24,318	$ (18,319)	$ (9,091)	$ 8,888	$ 23,764	$ 226

(11) In addition to the interest earned based on the stated interest rate of this loan, which is the amount reflected in this schedule, the Company is entitled to receive additional interest as a result of an agreement among lenders as follows: Barnes & Noble, Inc. (1.83%), Dimensional Dental Management, LLC (4.87%), Legacy.com Inc. (3.73%) and Surgical Information Systems, LLC (1.13%). Pursuant to the agreement among lenders in respect of this loan, this investment represents a first lien/last out loan, which has a secondary priority behind the first lien/first out loan with respect to principal, interest and other payments.

(dollar amounts in thousands)

(12) Under the Investment Company Act, the Company is deemed an "affiliated person" of this portfolio company because the Company owns 5% or more of the portfolio company's outstanding voting securities. Transactions related to investments in non-controlled affiliates for the year ended December 31, 2019, were as follows:

Investments—non-controlled/affiliated	Fair Value as of December 31, 2018	Purchases/ Paid-in-kind interest	Sales/ Paydowns	Net Accretion of Discount	Net Realized Gain (Loss)	Net Change in Unrealized Appreciation (Depreciation)	Fair Value as of December 31, 2019	Interest Income
TwentyEighty, Inc. - Revolver	$ —	$ —	$ —	$ 1	$ —	$ (1)	$ —	$ —
TwentyEighty, Inc. - (Term A Loans)	316	—	(415)	1	101	(1)	—	19
TwentyEighty, Inc. - (Term B Loans)	6,855	230	(7,102)	76	—	(59)	—	498
TwentyEighty, Inc. - (Term C Loans)	6,981	489	(7,397)	179	—	(252)	—	692
TwentyEighty Investors LLC (Equity)	4,391	—	—	—	7,990	(4,391)	—	—
Total investments—non-controlled/affiliated	$ 18,543	$ 719	$ (14,914)	$ 257	$ 8,091	$ (4,704)	$ —	$ 1,209

(13) As of December 31, 2019, the Company had the following unfunded commitments to fund delayed draw and revolving senior secured loans:

Investments—non-controlled/non-affiliated	Type	Unused Fee	Par/ Principal Amount	Fair Value
First and Second Lien Debt—unfunded delayed draw and revolving term loans commitments				
Aero Operating, LLC (Dejana Industries, Inc.)	Revolver	1.00%	$ 159	$ (3)
Airnov, Inc.	Revolver	0.50	1,250	(19)
American Physician Partners, LLC	Revolver	0.50	1,500	(5)
AMS Group HoldCo, LLC	Revolver	0.50	2,315	(25)
Analogic Corporation	Revolver	0.50	3,029	—
Apptio, Inc.	Revolver	0.50	2,367	(19)
BMS Holdings III Corp.	Delayed Draw	1.00	3,333	(10)
Captive Resources Midco, LLC	Revolver	0.50	2,143	(9)
Chartis Group, LLC	Revolver	0.50	2,401	(20)
Chartis Group, LLC	Delayed Draw	0.50	6,402	(52)
Chemical Computing Group ULC (Canada)	Revolver	0.50	903	(8)
Comar Holding Company, LLC	Delayed Draw	1.00	5,136	(103)
Comar Holding Company, LLC	Revolver	0.50	1,168	(23)
Cority Software, Inc. (Canada)	Revolver	0.50	3,000	(60)
DermaRite Industries, LLC	Revolver	0.50	807	(33)
Dimensional Dental Management, LLC	Revolver	0.50	48	—
Ethos Veterinary Health, LLC	Delayed Draw	1.00	2,696	(12)
Evolve IP	Revolver	0.50	2,941	—
Evolve IP	Delayed Draw	1.00	3,922	—
FWR Holding Corporation	Delayed Draw	1.00	87	—
FWR Holding Corporation	Revolver	0.50	667	(3)
GRO Sub Holdco, LLC (Grand Rapids)	Revolver	0.50	$ 1,071	$ (54)

(dollar amounts in thousands)

Investments—non-controlled/non-affiliated	Type	Unused Fee	Par/ Principal Amount	Fair Value
iCIMS, Inc.	Revolver	0.50%	$ 1,252	—
Innovative Business Services, LLC	Revolver	0.50	2,232	(32)
K2 Insurance Services, LLC	Revolver	0.50	2,290	3
K2 Insurance Services, LLC	Delayed Draw	1.00	5,344	6
Kaseya Inc.	Revolver	0.50	661	1
Kaseya Inc.	Delayed Draw	0.50	1,918	4
Lifelong Learner Holdings, LLC	Revolver	0.50	1,901	(19)
Lifelong Learner Holdings, LLC	Delayed Draw	—	2,878	(29)
Liqui-Box Holdings, Inc.	Revolver	0.50	2,630	(37)
Mailgun Technologies, Inc.	Revolver	0.50	1,342	(20)
National Car Wash Solutions, LP	Revolver	0.50	310	(2)
National Car Wash Solutions, LP	Delayed Draw	1.00	1,111	(8)
National Technical Systems, Inc.	Revolver	0.50	2,500	(2)
NMI AcquisitionCo, Inc.	Revolver	0.50	1,280	(4)
Northland Telecommunications Corporation	Revolver	0.50	2,960	(4)
Pathway Vet Alliance, LLC	Delayed Draw	1.00	7,950	12
PF Growth Partners, LLC	Delayed Draw	1.00	1,028	(3)
PPC Flexible Packaging, LLC	Revolver	0.50	1,957	(16)
PricewaterhouseCoopers Public Sector LLP	Revolver	0.50	6,250	(46)
QW Holding Corporation (Quala)	Delayed Draw	1.00	809	(5)
RSC Acquisition, Inc.	Revolver	0.50	608	(4)
RSC Acquisition, Inc.	Delayed Draw	1.00	7,757	(57)
Sapphire Convention, Inc. (Smart City	Revolver	0.50	4,528	(34)
Smile Doctors, LLC	Revolver	0.50	707	(7)
Smile Doctors, LLC	Delayed Draw	1.00	1,477	(14)
SolAero Technologies Corp. (Priority Term Loan)	Revolver	1.00	542	—
SPay, Inc.	Revolver	0.50	682	(58)
Superior Health Linens, LLC	Revolver	0.50	693	(58)
T2 Systems, Inc.	Revolver	0.50	2,053	—
Tank Holding Corp.	Revolver	0.50	47	—
TSB Purchaser, Inc. (Teaching Strategies, LLC)	Revolver	0.50	1,342	(9)
The Leaders Romans Bidco Limited (United Kingdom)	Delayed Draw	1.69	£ 3,533	(94)
Trump Card, LLC	Revolver	0.50	369	(2)
Turbo Buyer, Inc.	Revolver	0.50	2,151	(28)
Turbo Buyer, Inc.	Delayed Draw	1.00	4,904	(64)
USLS Acquisition, Inc.	Revolver	0.50	946	(19)
VRC Companies, LLC	Delayed Draw	0.75	210	—
VRC Companies, LLC	Revolver	0.50	1,119	(1)
Westfall Technik, Inc.	Revolver	0.50	431	(11)

(dollar amounts in thousands)

Investments—non-controlled/non-affiliated	Type	Unused Fee	Par/ Principal Amount	Fair Value
Westfall Technik, Inc.	Delayed Draw	1.00%	$ 12,190	$ (304)
Zemax Software Holdings, LLC	Revolver	0.50	1,284	(7)
Zenith American Holding, Inc.	Delayed Draw	1.00	3,189	(18)
Zenith American Holding, Inc.	Revolver	0.50	3,180	(17)
Total unfunded commitments			$ 149,890	$ (1,465)

As of December 31, 2019, investments at fair value consisted of the following:

Type	Amortized Cost	Fair Value	% of Fair Value
First Lien Debt (excluding First Lien/Last Out)	$ 1,649,721	$ 1,585,042	74.63%
First Lien/Last Out Unitranche	78,951	78,096	3.68
Second Lien Debt	234,006	234,532	11.04
Equity Investments	22,272	21,698	1.02
Investment Fund	216,501	204,596	9.63
Total	$ 2,201,451	$ 2,123,964	100.00%

(dollar amounts in thousands)

The rate type of debt investments at fair value as of December 31, 2019 was as follows:

Rate Type	Amortized Cost	Fair Value	% of Fair Value of First and Second Lien Debt
Floating Rate	$ 1,957,730	$ 1,892,639	99.73%
Fixed Rate	4,948	5,031	0.27
Total	$ 1,962,678	$ 1,897,670	100.00%

The industry composition of investments at fair value as of December 31, 2019 was as follows:

Industry	Amortized Cost	Fair Value	% of Fair Value
Aerospace & Defense	$ 109,755	$ 109,758	5.17%
Automotive	39,177	39,665	1.87
Banking, Finance, Insurance & Real Estate	112,248	115,119	5.42
Beverage, Food & Tobacco	80,597	81,222	3.82
Business Services	167,435	167,497	7.89
Capital Equipment	44,362	45,027	2.12
Chemicals, Plastics & Rubber	27,432	26,962	1.27
Construction & Building	13,713	14,032	0.66
Consumer Services	41,089	38,347	1.81
Containers, Packaging & Glass	67,821	68,207	3.21
Durable Consumer Goods	11,165	11,584	0.55
Energy: Electricity	33,543	30,930	1.46
Energy: Oil & Gas	11,762	11,974	0.56
Environmental Industries	42,802	43,106	2.03
Healthcare & Pharmaceuticals	248,615	192,719	9.07
High Tech Industries	215,856	215,274	10.13
Hotel, Gaming & Leisure	96,815	95,073	4.48
Investment Fund	216,501	204,596	9.63
Media: Broadcast & Subscription	45,916	46,529	2.19
Media: Advertising, Printing & Publishing	36,895	37,406	1.76
Non-durable Consumer Goods	1,500	1,999	0.09
Retail	43,081	43,020	2.03
Software	224,807	226,045	10.63
Sovereign & Public Finance	38,297	37,381	1.76
Telecommunications	119,014	116,115	5.47
Transportation: Cargo	42,204	42,220	1.99
Transportation: Consumer	35,715	36,276	1.71
Wholesale	33,334	25,881	1.22
Total	$ 2,201,451	$ 2,123,964	100.00%

(dollar amounts in thousands)

The geographical composition of investments at fair value as of December 31, 2019 was as follows:

Geography	Amortized Cost	Fair Value	% of Fair Value
Canada	$ 41,002	$ 40,939	1.93%
Cyprus	4,746	4,836	0.23
Jamaica	202	195	0.01
Luxembourg	36,563	36,563	1.72
United Kingdom	24,865	26,531	1.25
United States	2,094,073	2,014,900	94.86
Total	$ 2,201,451	$ 2,123,964	100.00%

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

TCG BDC, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (unaudited)
As of March 31, 2020
(dollar amounts in thousands, except per share data)

1. ORGANIZATION

TCG BDC, Inc. (together with its consolidated subsidiaries, “we,” “us,” “our,” “TCG BDC” or the “Company”) is a Maryland corporation formed on February 8, 2012, and structured as an externally managed, non-diversified closed-end investment company. The Company is managed by its investment adviser, Carlyle Global Credit Investment Management L.L.C. (“CGCIM” or “Investment Adviser”), a wholly owned subsidiary of The Carlyle Group Inc. (formerly, The Carlyle Group L.P.). The Company has elected to be regulated as a business development company (“BDC”) under the Investment Company Act of 1940, as amended (together with the rules and regulations promulgated thereunder, the “Investment Company Act”). In addition, the Company has elected to be treated, and intends to continue to comply with the requirements to qualify annually, as a regulated investment company (“RIC”) under Subchapter M of the Internal Revenue Code of 1986, as amended (together with the rules and regulations promulgated thereunder, the “Code”).

The Company’s investment objective is to generate current income and capital appreciation primarily through debt investments. The Company's core investment strategy focuses on lending to U.S. middle market companies, which the Company defines as companies with approximately $25 million to $100 million of earnings before interest, taxes, depreciation and amortization (“EBITDA”), which the Company believes is a useful proxy for cash flow. The Company complements this core strategy with additive, diversifying assets including, but not limited to, specialty lending investments. The Company seeks to achieve its investment objective primarily through direct origination of secured debt instruments, including first lien senior secured loans (which may include stand-alone first lien loans, first lien/last out loans and “unitranche” loans) and second lien senior secured loans (collectively, “Middle Market Senior Loans”), with the balance of its assets invested in higher yielding investments (which may include unsecured debt, mezzanine debt and investments in equities). The Middle Market Senior Loans are generally made to private U.S. middle market companies that are, in many cases, controlled by private equity firms. Depending on market conditions, the Company expects that between 70% and 80% of the value of its assets will be invested in Middle Market Senior Loans. The Company expects that the composition of its portfolio will change over time given the Investment Adviser’s view on, among other things, the economic and credit environment (including with respect to interest rates) in which the Company is operating.

The Company invests primarily in loans to middle market companies whose debt, if rated, is rated below investment grade, and, if not rated, would likely be rated below investment grade if it were rated (that is, below BBB- or Baa3, which is often referred to as “junk”). Exposure to below investment grade instruments involves certain risks, including speculation with respect to the borrower’s capacity to pay interest and repay principal.

On May 2, 2013, the Company completed its initial closing of capital commitments (the “Initial Closing”) and subsequently commenced substantial investment operations. Effective March 15, 2017, the Company changed its name from “Carlyle GMS Finance, Inc.” to “TCG BDC, Inc.” On June 19, 2017, the Company closed its initial public offering (“IPO”), issuing 9,454,200 shares of its common stock (including shares issued pursuant to the exercise of the underwriters’ over-allotment option on July 5, 2017) at a public offering price of $18.50 per share. Net of underwriting costs, the Company received cash proceeds of $169,488. Shares of common stock of TCG BDC began trading on the Nasdaq Global Select Market under the symbol “CGBD” on June 14, 2017.

Until December 31, 2017, the Company was an “emerging growth company,” as that term is used in the Jumpstart Our Business Startups Act of 2012. As of June 30, 2017, the market value of the common stock held by non-affiliates exceeded $700,000. Accordingly, the Company ceased to be an emerging growth company as of December 31, 2017.

The Company is externally managed by the Investment Adviser, an investment adviser registered under the Investment Advisers Act of 1940, as amended. Carlyle Global Credit Administration L.L.C. (the “Administrator”) provides the administrative services necessary for the Company to operate. Both the Investment Adviser and the Administrator are wholly owned subsidiaries of Carlyle Investment Management L.L.C. (“CIM”), a subsidiary of The Carlyle Group Inc. “Carlyle” refers to The Carlyle Group Inc. and its affiliates and its consolidated subsidiaries (other than portfolio companies of its affiliated funds), a global investment firm publicly traded on the Nasdaq Global Select Market under the symbol “CG”. Refer to the sec.gov website for further information on Carlyle.

TCG BDC SPV LLC (the “SPV”) is a Delaware limited liability company that was formed on January 3, 2013. The SPV invests in first and second lien senior secured loans. The SPV is a wholly owned subsidiary of the Company and is consolidated in these consolidated financial statements commencing from the date of its formation, January 3, 2013. Effective March 15, 2017, the SPV changed its name from "Carlyle GMS Finance SPV LLC" to "TCG BDC SPV LLC".

On June 9, 2017, pursuant to the Agreement and Plan of Merger, dated May 3, 2017 (the "Agreement"), by and between the Company and NF Investment Corp. ("NFIC"), NFIC merged with and into the Company (the "NFIC Acquisition"), with the Company as the surviving entity. The NFIC Acquisition was accounted for as an asset acquisition. NFIC SPV LLC (the "NFIC SPV" and, together with the SPV, the "SPVs") is a Delaware limited liability company that was formed on June 18, 2013. Upon the consummation of the NFIC Acquisition, the NFIC SPV became a wholly owned subsidiary of the Company and is consolidated in these consolidated financial statements commencing from the closing date of the NFIC Acquisition, June 9, 2017.

On June 26, 2015, the Company completed a $400,000 term debt securitization (the "2015-1 Debt Securitization"). The notes offered in the 2015-1 Debt Securitization (the "2015-1 Notes") were issued by Carlyle Direct Lending CLO 2015-1R LLC (formerly known as Carlyle GMS Finance MM CLO 2015-1 LLC) (the "2015-1 Issuer"), a wholly owned and consolidated subsidiary of the Company. On August 30, 2018, the 2015-1 Issuer refinanced the 2015-1 Debt Securitization (the "2015-1 Debt Securitization Refinancing") by redeeming in full the 2015-1 Notes and issuing new notes (the "2015-1R Notes"). The 2015-1R Notes are secured by a diversified portfolio of the 2015-1 Issuer consisting primarily of first and second lien senior secured loans. Refer to Note 7 for details. The 2015-1 Issuer is consolidated in these consolidated financial statements commencing from the date of its formation, May 8, 2015.

On February 29, 2016, the Company and Credit Partners USA LLC ("Credit Partners") entered into an amended and restated limited liability company agreement, which was subsequently amended on June 24, 2016 (as amended, the "Limited Liability Company Agreement") to co-manage Middle Market Credit Fund, LLC ("Credit Fund"). Credit Fund primarily invests in first lien loans of middle market companies. Credit Fund is managed by a six-member board of managers, on which the Company and Credit Partners each have equal representation. The Company and Credit Partners each have 50% economic ownership of Credit Fund and have commitments to fund, from time to time, capital of up to $400,000 each. Refer to Note 5, Middle Market Credit Fund, LLC, for details.

As a BDC, the Company is required to comply with certain regulatory requirements. As part of these requirements, the Company must not acquire any assets other than "qualifying assets" specified in the Investment Company Act unless, at the time the acquisition is made, at least 70% of its total assets are qualifying assets (with certain limited exceptions).

To qualify as a RIC, the Company must, among other things, meet certain source-of-income and asset diversification requirements and timely distribute to its stockholders generally at least 90% of its investment company taxable income, as defined by the Code, for each year. Pursuant to this election, the Company generally does not have to pay corporate level taxes on any income that it distributes to stockholders, provided that the Company satisfies those requirements.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The consolidated financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States ("U.S. GAAP"). The Company is an investment company for the purposes of accounting and financial reporting in accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 946, *Financial Services—Investment Companies* ("ASC 946"). The consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries, the SPVs and the 2015-1 Issuer. All significant intercompany balances and transactions have been eliminated. U.S. GAAP for an investment company requires investments to be recorded at fair value. The carrying value for all other assets and liabilities approximates their fair value.

The interim financial statements have been prepared in accordance with U.S. GAAP for interim financial information and pursuant to the requirements for reporting on Form 10-Q and Articles 6 and 10 of Regulation S-X. Accordingly, certain disclosures accompanying the annual consolidated financial statements prepared in accordance with U.S. GAAP are omitted. In the opinion of management, all adjustments considered necessary for the fair presentation of consolidated financial statements for the interim periods presented have been included. These adjustments are of a normal, recurring nature. This Form 10-Q should be read in conjunction with the Company's annual report on Form 10-K for the year ended December 31, 2019. The results of operations for the three month period ended March 31, 2020 are not necessarily indicative of the operating results to be expected for the full year.

Use of Estimates

The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make assumptions and estimates that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Management's estimates are based on historical experiences and other factors, including expectations of future events that management believes to be reasonable under the circumstances. It also requires management to exercise judgment in the process of applying the Company's accounting policies. Assumptions and estimates regarding the valuation of investments and their resulting impact on base management and incentive fees involve a higher degree of judgment and complexity and these assumptions and estimates may be significant to the consolidated financial statements. Actual results could differ from these estimates and such differences could be material.

Investments

Investment transactions are recorded on the trade date. Realized gains or losses are measured by the difference between the net proceeds from the repayment or sale and the amortized cost basis of the investment using the specific identification method without regard to unrealized appreciation or depreciation previously recognized, and includes investments charged off during the period, net of recoveries. Net change in unrealized appreciation or depreciation on investments as presented in the accompanying Consolidated Statements of Operations reflects the net change in the fair value of investments, including the reversal of previously recorded unrealized appreciation or depreciation when gains or losses are realized. See Note 3 for further information about fair value measurements.

Cash and Cash Equivalents

Cash and cash equivalents consist of demand deposits and highly liquid investments (e.g., money market funds, U.S. treasury notes) with original maturities of three months or less. Cash equivalents are carried at amortized cost, which approximates fair value. The Company's cash and cash equivalents are held with two large financial institutions and cash held in such financial institutions may, at times, exceed the Federal Deposit Insurance Corporation insured limit.

Revenue Recognition

Interest from Investments and Realized Gain/Loss on Investments

Interest income is recorded on an accrual basis and includes the accretion of discounts and amortization of premiums. Discounts from and premiums to par value on debt investments purchased are accreted/amortized into interest income over the life of the respective security using the effective interest method. The amortized cost of debt investments represents the original cost, including origination fees and upfront fees received that are deemed to be an adjustment to yield, adjusted for the accretion of discounts and amortization of premiums, if any. At time of exit, the realized gain or loss on an investment is the difference between the amortized cost at time of exit and the cash received at exit using the specific identification method.

The Company has loans in its portfolio that contain payment-in-kind ("PIK") provisions. PIK represents interest that is accrued and recorded as interest income at the contractual rates, increases the loan principal on the respective capitalization dates, and is generally due at maturity. Such income is included in interest income in the Consolidated Statements of Operations. As of March 31, 2020 and December 31, 2019, the fair value of the loans in the portfolio with PIK provisions was $120,683 and $164,902, respectively, which represents approximately 6.0% and 7.8% of total investments at fair value, respectively. For the three month period ended March 31, 2020, the Company earned $643 in PIK income. For the three month period ended March 31, 2019, the Company earned $1,150 in PIK income.

Dividend Income

Dividend income from the investment fund is recorded on the record date for the investment fund to the extent that such amounts are payable by the investment fund and are expected to be collected.

Other Income

Other income may include income such as consent, waiver, amendment, unused, underwriting, arranger and prepayment fees associated with the Company's investment activities as well as any fees for managerial assistance services rendered by the Company to the portfolio companies. Such fees are recognized as income when earned or the services are rendered. The Company may receive fees for guaranteeing the outstanding debt of a portfolio company. Such fees are amortized into other income over the life of the guarantee. The unamortized amount, if any, is included in other assets in the accompanying Consolidated Statements of Assets and Liabilities.For the three month period ended March 31, 2020, the Company earned $2,344 in other income, primarily from underwriting and prepayment fees. For the three month period ended March 31, 2019, the Company earned $2,028 in other income, primarily from amendment and arranger fees.

Non-Accrual Income

Loans are generally placed on non-accrual status when principal or interest payments are past due 30 days or more or when there is reasonable doubt that principal or interest will be collected in full. Accrued and unpaid interest is generally reversed when a loan is placed on non-accrual status. Interest payments received on non-accrual loans may be recognized as income or applied to principal depending upon management's judgment regarding collectability. Non-accrual loans are restored to accrual status when past due principal and interest are paid current and, in management's judgment, are likely to remain current. Management may determine not to place a loan on non-accrual status if the loan has sufficient collateral value and is in the process of collection. As of March 31, 2020 and December 31, 2019, the fair value of the loans in the portfolio on non-accrual status was $44,116 and $52,429, respectively. The remaining first and second lien debt investments were performing and current on their interest payments as of March 31, 2020 and December 31, 2019.

The Facilities, Senior Notes, and 2015-1R Notes – Related Costs, Expenses and Deferred Financing Costs

Interest expense and unused commitment fees on the Facilities are recorded on an accrual basis. Unused commitment fees are included in credit facility fees in the accompanying Consolidated Statements of Operations.

The Facilities and the Senior Notes are recorded at carrying value, which approximates fair value.

Deferred financing costs include capitalized expenses related to the closing or amendments of the Facilities. Amortization of deferred financing costs for each credit facility is computed on the straight-line basis over the respective term of each credit facility. The unamortized balance of such costs is included in deferred financing costs in the accompanying Consolidated Statements of Assets and Liabilities. The amortization of such costs is included in credit facility fees in the accompanying Consolidated Statements of Operations.

Debt issuance costs include capitalized expenses including structuring and arrangement fees related to the offering of the 2015-1R Notes and Senior Notes. Amortization of debt issuance costs for the notes is computed on the effective yield method over the term of the notes. The unamortized balance of such costs is presented as a direct deduction to the carrying amount of the notes in the accompanying Consolidated Statements of Assets and Liabilities. The amortization of such costs is included in interest expense in the accompanying Consolidated Statements of Operations.

The notes are recorded at carrying value, which approximates fair value.

Income Taxes

For federal income tax purposes, the Company has elected to be treated as a RIC under the Code, and intends to make the required distributions to its stockholders as specified therein. In order to qualify as a RIC, the Company must meet certain minimum distribution, source-of-income and asset diversification requirements. If such requirements are met, then the Company is generally required to pay income taxes only on the portion of its taxable income and gains it does not distribute.

The minimum distribution requirements applicable to RICs require the Company to distribute to its stockholders at least 90% of its investment company taxable income ("ICTI"), as defined by the Code, each year, although depending on the level of ICTI earned in a tax year, the Company may choose to carry forward ICTI in excess of current year distributions into the next tax year. Any such carryover ICTI must be distributed before the end of that next tax year through a dividend declared prior to filing the final tax return related to the year which generated such ICTI.

In addition, based on the excise distribution requirements, the Company is subject to a 4% nondeductible federal excise tax on undistributed income unless the Company distributes in a timely manner an amount at least equal to the sum of (1) 98% of its ordinary income for each calendar year, (2) 98.2% of capital gain net income (both long-term and short-term) for the one-year period ending October 31 in that calendar year and (3) any income realized, but not distributed, in the preceding year. For this purpose, however, any ordinary income or capital gain net income retained by the Company that is subject to corporate income tax is considered to have been distributed. The Company intends to make sufficient distributions each taxable year to satisfy the excise distribution requirements.

The Company evaluates tax positions taken or expected to be taken in the course of preparing its consolidated financial statements to determine whether the tax positions are “more likely than not” to be sustained by the applicable tax authority. The SPVs and the 2015-1 Issuer are disregarded entities for tax purposes and are consolidated with the tax return of the Company. All penalties and interest associated with income taxes, if any, are included in income tax expense. For the three month period ended March 31, 2020, the Company incurred $52 in excise tax expense. For the three month period ended March 31, 2019, the Company incurred $60 in excise tax expense.

Dividends and Distributions to Common Stockholders

To the extent that the Company has taxable income available, the Company intends to make quarterly distributions to its common stockholders. Dividends and distributions to common stockholders are recorded on the record date. The amount to be distributed is determined by the Board of Directors each quarter and is generally based upon the taxable earnings estimated by management and available cash. Net realized capital gains, if any, are generally distributed at least annually, although the Company may decide to retain such capital gains for investment.

Prior to July 5, 2017, the Company had an “opt in” dividend reinvestment plan. Effective on July 5, 2017, the Company converted the “opt in” dividend reinvestment plan to an “opt out” dividend reinvestment plan that provides for reinvestment of dividends and other distributions on behalf of the stockholders, other than those stockholders who have “opted out” of the plan. As a result of adopting the plan, if the Board of Directors authorizes, and the Company declares, a cash dividend or distribution, the stockholders who have not elected to “opt out” of the dividend reinvestment plan will have their cash dividends or distributions automatically reinvested in additional shares of the Company’s common stock, rather than receiving cash. Each registered stockholder may elect to have such stockholder’s dividends and distributions distributed in cash rather than participate in the plan. For any registered stockholder that does not so elect, distributions on such stockholder’s shares will be reinvested by State Street Bank and Trust Company, the Company’s plan administrator, in additional shares. The number of shares to be issued to the stockholder will be determined based on the total dollar amount of the cash distribution payable, net of applicable withholding taxes. The Company intends to use primarily newly issued shares to implement the plan so long as the market value per share is equal to or greater than the net asset value per share on the relevant valuation date. If the market value per share is less than the net asset value per share on the relevant valuation date, the plan administrator would implement the plan through the purchase of common stock on behalf of participants in the open market, unless the Company instructs the plan administrator otherwise.

Functional Translations

The functional currency of the Company is the U.S. Dollar. Investments are generally made in the local currency of the country in which the investments are domiciled and are translated into U.S. Dollars with foreign currency translation gains or losses recorded within net change in unrealized appreciation (depreciation) on investments in the accompanying Consolidated Statements of Operations. Foreign currency translation gains and losses on non-investment assets and liabilities are separately reflected in the accompanying Consolidated Statements of Operations.

Recent Accounting Standards Updates

On June 16, 2016, the FASB issued ASU 2016-13, *Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments.* This ASU is intended to introduce new guidance for the accounting for credit losses on instruments within scope based on an estimate of current expected credit losses. The guidance was effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2019. The Company adopted the new requirement within Form 10-Q filings starting with the quarter that began January 1, 2020, which did not have a material impact on the Company's consolidated financial statements.

3. FAIR VALUE MEASUREMENTS

The Company applies fair value accounting in accordance with the terms of FASB ASC Topic 820, *Fair Value Measurement* (“ASC 820”). ASC 820 defines fair value as the amount that would be exchanged to sell an asset or transfer a liability in an orderly transfer between market participants at the measurement date. The Company values securities/instruments traded in active markets on the measurement date by multiplying the closing price of such traded securities/instruments by the quantity of shares or amount of the instrument held. The Company may also obtain quotes with respect to certain of its investments, such as its securities/instruments traded in active markets and its liquid securities/instruments that are not traded in active markets, from pricing services, brokers, or counterparties (i.e., “consensus pricing”). When doing so, the Company determines whether the quote obtained is sufficient according to U.S. GAAP to determine the fair value of the security. The

Company may use the quote obtained or alternative pricing sources may be utilized including valuation techniques typically utilized for illiquid securities/instruments.

Securities/instruments that are illiquid or for which the pricing source does not provide a valuation or methodology or provides a valuation or methodology that, in the judgment of the Investment Adviser or the Company's Board of Directors, does not represent fair value shall each be valued as of the measurement date using all techniques appropriate under the circumstances and for which sufficient data is available. These valuation techniques may vary by investment and include comparable public market valuations, comparable precedent transaction valuations and/or discounted cash flow analyses. The process generally used to determine the applicable value is as follows: (i) the value of each portfolio company or investment is initially reviewed by the investment professionals responsible for such portfolio company or investment and, for non-traded investments, a standardized template designed to approximate fair market value based on observable market inputs, updated credit statistics and unobservable inputs is used to determine a preliminary value, which is also reviewed alongside consensus pricing, where available; (ii) preliminary valuation conclusions are documented and reviewed by a valuation committee comprised of members of senior management; (iii) the Board of Directors engages a third-party valuation firm to provide positive assurance on portions of the Middle Market Senior Loans and equity investments portfolio each quarter (such that each non-traded investment other than Credit Fund is reviewed by a third-party valuation firm at least once on a rolling twelve month basis) including a review of management's preliminary valuation and conclusion on fair value; (iv) the Audit Committee of the Board of Directors (the "Audit Committee") reviews the assessments of the Investment Adviser and the third-party valuation firm and provides the Board of Directors with any recommendations with respect to changes to the fair value of each investment in the portfolio; and (v) the Board of Directors discusses the valuation recommendations of the Audit Committee and determines the fair value of each investment in the portfolio in good faith based on the input of the Investment Adviser and, where applicable, the third-party valuation firm.

All factors that might materially impact the value of an investment are considered, including, but not limited to the assessment of the following factors, as relevant:

- the nature and realizable value of any collateral;
- call features, put features and other relevant terms of debt;
- the portfolio company's leverage and ability to make payments;
- the portfolio company's public or private credit rating;
- the portfolio company's actual and expected earnings and discounted cash flow;
- prevailing interest rates and spreads for similar securities and expected volatility in future interest rates;
- the markets in which the portfolio company does business and recent economic and/or market events; and
- comparisons to comparable transactions and publicly traded securities.

Investment performance data utilized are the most recently available financial statements and compliance certificate received from the portfolio companies as of the measurement date which in many cases may reflect a lag in information.

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 the Company's 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 reported had a ready market for the investments existed, and it is reasonably possible that the difference could be material.

In addition, changes in the market environment and other events that may occur over the life of the investments may cause the realized gains or losses on investments to be different from the net change in unrealized appreciation or depreciation currently reflected in the consolidated financial statements as of March 31, 2020 and December 31, 2019.

U.S. GAAP establishes a hierarchical disclosure framework which ranks the level of observability of market price inputs used in measuring investments at fair value. The observability of inputs is impacted by a number of factors, including the type of investment and the characteristics specific to the investment and state of the marketplace, including the existence and transparency of transactions between market participants. Investments with readily available quoted prices or for which fair value can be measured from quoted prices in active markets generally have a higher degree of market price observability and a lesser degree of judgment applied in determining fair value.

Investments measured and reported at fair value are classified and disclosed based on the observability of inputs used in determination of fair values, as follows:

- Level 1—inputs to the valuation methodology are quoted prices available in active markets for identical investments as of the reporting date. Financial instruments in in this category generally include unrestricted securities, including equities and derivatives, listed in active markets. The Company does not adjust the quoted price for these investments, even in situations where the Company holds a large position and a sale could reasonably impact the quoted price.
- Level 2—inputs to the valuation methodology are either directly or indirectly observable as of the reporting date and are those other than quoted prices in active markets. Financial instruments in this category generally include less liquid and restricted securities listed in active markets, securities traded in other than active markets, government and agency securities, and certain over-the-counter derivatives where the fair value is based on observable inputs.
- Level 3—inputs to the valuation methodology are unobservable and significant to overall fair value measurement. The inputs into the determination of fair value require significant management judgment or estimation. Financial instruments in this category generally include investments in privately-held entities, collateralized loan obligations, and certain over-the-counter derivatives where the fair value is based on unobservable inputs.

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 input that is significant to the overall fair value measurement. The Investment Adviser’s 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.

Transfers between levels, if any, are recognized at the beginning of the quarter in which the transfers occur. For the three month periods ended March 31, 2020 and 2019, there were no transfers between levels.

The following tables summarize the Company’s investments measured at fair value on a recurring basis by the above fair value hierarchy levels as of March 31, 2020 and December 31, 2019:

	March 31, 2020			
	Level 1	**Level 2**	**Level 3**	**Total**
Assets				
First Lien Debt	$ —	$ —	$ 1,534,765	$ 1,534,765
Second Lien Debt	—	—	275,055	275,055
Equity Investments	—	—	29,323	29,323
Investment Fund				
Mezzanine Loan	—	—	—	—
Subordinated Loan and Member's Interest	—	—	185,134	185,134
Total	$ —	$ —	$ 2,024,277	$ 2,024,277

	December 31, 2019			
	Level 1	**Level 2**	**Level 3**	**Total**
Assets				
First Lien Debt	$ —	$ —	$ 1,663,138	$ 1,663,138
Second Lien Debt	—	—	234,532	234,532
Equity Investments	—	—	21,698	21,698
Investment Fund				
Mezzanine Loan	—	—	93,000	93,000
Subordinated Loan and Member's Interest	—	—	111,596	111,596
Total	$ —	$ —	$ 2,123,964	$ 2,123,964

The changes in the Company’s investments at fair value for which the Company has used Level 3 inputs to determine fair value and net change in unrealized appreciation (depreciation) included in earnings for Level 3 investments still held are as follows:

	Financial Assets For the three month period ended March 31, 2020					
	First Lien Debt	Second Lien Debt	Equity Investments	Investment Fund - Mezzanine Loan	Investment Fund - Subordinated Loan and Member's Interest	Total
Balance, beginning of period	$ 1,663,138	$ 234,532	$ 21,698	$ 93,000	$ 111,596	$ 2,123,964
Purchases	76,323	89,409	10,200	63,500	92,500	331,932
Sales	(44,060)	—	—	(156,500)	—	(200,560)
Paydowns	(70,129)	(15,232)	(1,024)	—	—	(86,385)
Accretion of discount	2,206	380	—	—	—	2,586
Net realized gains (losses)	(2,054)	—	357	—	—	(1,697)
Net change in unrealized appreciation (depreciation)	(90,659)	(34,034)	(1,908)	—	(18,962)	(145,563)
Balance, end of period	$ 1,534,765	$ 275,055	$ 29,323	$ —	$ 185,134	$ 2,024,277
Net change in unrealized appreciation (depreciation) included in earnings related to investments still held at the reporting date included in net change in unrealized appreciation (depreciation) on investments on the Consolidated Statements of Operations	$ (92,299)	$ (33,774)	$ (1,908)	$ —	$ (18,962)	$ (146,943)

	Financial Assets For the three month period ended March 31, 2019					
	First Lien Debt	Second Lien Debt	Equity Investments	Investment Fund - Mezzanine Loan	Investment Fund - Subordinated Loan and Member's Interest	Total
Balance, beginning of period	$ 1,546,271	$ 178,958	$ 24,633	$ 112,000	$ 110,295	$ 1,972,157
Purchases	165,076	48,405	2,240	30,500	—	246,221
Sales	(6,815)	—	(1,738)	—	—	(8,553)
Paydowns	(44,241)	—	—	(18,700)	—	(62,941)
Accretion of discount	2,092	69	—	—	—	2,161
Net realized gains (losses)	(60)	—	959	—	—	899
Net change in unrealized appreciation (depreciation)	978	1,419	2,372	—	496	5,265
Balance, end of period	$ 1,663,301	$ 228,851	$ 28,466	$ 123,800	$ 110,791	$ 2,155,209
Net change in unrealized appreciation (depreciation) included in earnings related to investments still held at the reporting date included in net change in unrealized appreciation (depreciation) on investments on the Consolidated Statements of Operations	$ 1,242	$ 1,419	$ 2,648	$ —	$ 496	$ 5,805

The Company generally uses the following framework when determining the fair value of investments that are categorized as Level 3:

Investments in debt securities are initially evaluated to determine whether the enterprise value of the portfolio company is greater than the applicable debt. The enterprise value of the portfolio company is estimated using a market approach and an income approach. The market approach utilizes market value (EBITDA) multiples of publicly traded comparable companies and available precedent sales transactions of comparable companies. The Company carefully considers numerous factors when selecting the appropriate companies whose multiples are used to value its portfolio companies. These factors include, but are not limited to, the type of organization, similarity to the business being valued, relevant risk factors, as well as size, profitability and growth expectations. The income approach typically uses a discounted cash flow analysis of the portfolio company.

Investments in debt securities that do not have sufficient coverage through the enterprise value analysis are valued based on an expected probability of default and discount recovery analysis.

Investments in debt securities with sufficient coverage through the enterprise value analysis are generally valued using a discounted cash flow analysis of the underlying security. Projected cash flows in the discounted cash flow typically represent the relevant security's contractual interest, fees and principal payments plus the assumption of full principal recovery at the security's expected maturity date. The discount rate to be used is determined using an average of two market-based methodologies. Investments in debt securities may also be valued using consensus pricing.

Investments in equities are generally valued using a market approach and/or an income approach. The market approach utilizes market value (EBITDA) multiples of publicly traded comparable companies and available precedent sales transactions of comparable companies. The income approach typically uses a discounted cash flow analysis of the portfolio company.

Investments in Credit Fund's mezzanine loan are valued using collateral analysis with the expected recovery rate of principal and interest. Investments in Credit Fund's subordinated loan and member's interest are valued using discounted cash flow analysis with the expected discount rate, default rate and recovery rate of principal and interest.

The following tables summarize the quantitative information related to the significant unobservable inputs for Level 3 instruments which are carried at fair value as of March 31, 2020 and December 31, 2019:

	Fair Value as of March 31, 2020	Valuation Techniques	Significant Unobservable Inputs	Range		Weighted Average
				Low	High	
Investments in First Lien Debt	$ 1,384,548	Discounted Cash Flow	Discount Rate	6.24%	25.03%	9.77%
	115,824	Consensus Pricing	Indicative Quotes	44.00	100.00	86.37
	34,393	Income Approach	Discount Rate	12.22%	19.32%	16.06%
		Market Approach	Comparable Multiple	7.89x	8.55x	8.49x
Total First Lien Debt	1,534,765					
Investments in Second Lien Debt	221,704	Discounted Cash Flow	Discount Rate	9.52%	13.87%	11.64%
	53,351	Consensus Pricing	Indicative Quotes	65.67	90.38	74.34
Total Second Lien Debt	275,055					
Investments in Equity	29,323	Income Approach	Discount Rate	7.93%	16.28%	9.71%
		Market Approach	Comparable Multiple	6.05x	16.40x	9.49x
Total Equity Investments	29,323					
Investments in Investment Fund						
Mezzanine Loan	—	Collateral Analysis	Recovery Rate	100.00%	100.00%	100.00%
Subordinated Loan and Member's Interest	185,134	Discounted Cash Flow	Discount Rate	11.00%	11.00%	11.00%
		Discounted Cash Flow	Default Rate	3.00%	3.00%	3.00%
		Discounted Cash Flow	Recovery Rate	65.00%	65.00%	65.00%
Total Investments in Investment Fund	185,134					
Total Level 3 Investments	$ 2,024,277					

	Fair Value as of December 31, 2019	Valuation Techniques	Significant Unobservable Inputs	Range Low	Range High	Weighted Average
Investments in First Lien Debt	$ 1,332,584	Discounted Cash Flow	Discount Rate	3.64%	24.45%	8.13%
	318,681	Consensus Pricing	Indicative Quotes	77.94	100.00	96.96
	11,873	Income Approach	Discount Rate	12.22%	19.32%	13.16%
		Market Approach	Comparable Multiple	7.89x	8.38x	8.49x
Total First Lien Debt	1,663,138					
Investments in Second Lien Debt	188,736	Discounted Cash Flow	Discount Rate	7.40%	10.66%	8.85%
	45,796	Consensus Pricing	Indicative Quotes	97.50	98.31	98.19
Total Second Lien Debt	234,532					
Investments in Equity	21,698	Income Approach	Discount Rate	7.76%	15.31%	8.84%
		Market Approach	Comparable Multiple	6.37x	16.65x	9.24x
Total Equity Investments	21,698					
Investment in Investment Fund						
Mezzanine Loan	93,000	Collateral Analysis	Recovery Rate	100.00%	100.00%	100.00%
Subordinated Loan and Member's Interest	111,596	Discounted Cash Flow	Discount Rate	10.00%	10.00%	10.00%
		Discounted Cash Flow	Default Rate	2.00%	2.00%	2.00%
		Discounted Cash Flow	Recovery Rate	75.00%	75.00%	75.00%
Total Investments in Investment Fund	204,596					
Total Level 3 Investments	$ 2,123,964					

The significant unobservable inputs used in the fair value measurement of the Company’s investments in first and second lien debt securities are discount rates, indicative quotes and comparable EBITDA multiples. Significant increases in discount rates in isolation would result in a significantly lower fair value measurement. Significant decreases in indicative quotes or comparable EBITDA multiples in isolation may result in a significantly lower fair value measurement.

The significant unobservable inputs used in the fair value measurement of the Company’s investments in equities are discount rates and comparable EBITDA multiples. Significant increases in discount rates in isolation would result in a significantly lower fair value measurement. Significant decreases in comparable EBITDA multiples in isolation would result in a significantly lower fair value measurement.

The significant unobservable input used in the fair value measurement of the Company’s investment in the mezzanine loan of Credit Fund is the recovery rate of principal and interest. A significant decrease in the recovery rate would result in a significantly lower fair value measurement.

The significant unobservable inputs used in the fair value measurement of the Company’s investments in the subordinated loan and member’s interest of Credit Fund are the discount rate, default rate and recovery rate. Significant increases in the discount rate or default rate in isolation would result in a significantly lower fair value measurement. A significant decrease in the recovery rate in isolation would result in a significantly lower fair value measurement.

Financial instruments disclosed but not carried at fair value

The following table presents the carrying value and fair value of the Company’s secured borrowings and senior unsecured notes disclosed but not carried at fair value as of March 31, 2020 and December 31, 2019:

	March 31, 2020		December 31, 2019	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Secured borrowings	$ 701,609	$ 701,609	$ 616,543	$ 616,543
Senior unsecured notes	$ 115,000	$ 115,000	$ 115,000	$ 115,000
Total	$ 816,609	$ 816,609	$ 731,543	$ 731,543

The carrying values of the secured borrowings and senior unsecured notes approximate their respective fair values and are categorized as Level 3 within the hierarchy. Secured borrowings are valued generally using discounted cash flow analysis. The significant unobservable inputs used in the fair value measurement of the Company’s secured borrowings and senior unsecured notes are discount rates. Significant increases in discount rates would result in a significantly lower fair value measurement.

The following table represents the carrying values (before debt issuance costs) and fair values of the Company’s 2015-1R Notes disclosed but not carried at fair value as of March 31, 2020 and December 31, 2019:

	March 31, 2020		December 31, 2019	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Aaa/AAA Class A-1-1-R Notes	$ 234,800	$ 212,996	$ 234,800	$ 233,053
Aaa/AAA Class A-1-2-R Notes	50,000	45,773	50,000	49,908
Aaa/AAA Class A-1-3-R Notes	25,000	24,045	25,000	25,163
AA Class A-2-R Notes	66,000	66,000	66,000	66,000
A Class B Notes	46,400	37,370	46,400	46,400
BBB- Class C Notes	27,000	27,000	27,000	27,000
Total	$ 449,200	$ 413,184	$ 449,200	$ 447,524

The fair value determination of the Company’s notes payable was based on the market quotation(s) received from broker/dealer(s). These fair value measurements were based on significant inputs not observable and thus represent Level 3 measurements as defined in the accounting guidance for fair value measurement.

The carrying value of other financial assets and liabilities approximates their fair value based on the short term nature of these items.

4. RELATED PARTY TRANSACTIONS

Investment Advisory Agreement

On April 3, 2013, the Company’s Board of Directors, including a majority of the directors who are not “interested persons” as defined in Section 2(a)(19) of the Investment Company Act (the “Independent Directors”), approved an investment advisory agreement (the “Original Investment Advisory Agreement”) between the Company and the Investment Adviser in accordance with, and on the basis of an evaluation satisfactory to such directors as required by, Section 15(c) of the Investment Company Act.

The Original Investment Advisory Agreement was amended on September 15, 2017 (as amended, the “First Amended and Restated Investment Advisory Agreement”) after the approval of the Company’s Board of Directors, including a majority of the Independent Directors, at an in-person meeting of the Board of Directors held on May 30, 2017 and the approval of the Company’s stockholders at a special meeting of stockholders held on September 15, 2017. On August 6, 2018, the First Amended and Restated Investment Advisory Agreement was further amended (as amended, the “Investment Advisory Agreement”) after the approval of the Company’s Board of Directors, including a majority of the Independent Directors, at an in-person meeting of the Board of Directors held on August 6, 2018. On May 6, 2019, the Company’s Board of Directors, including a majority of the Independent Directors, approved at an in-person meeting the continuance of the Company’s Investment Advisory Agreement with the Adviser for an additional one year term.

Effective September 15, 2017, the base management fee has been calculated and payable quarterly in arrears at an annual rate of 1.50% of the average value of the gross assets at the end of the two most recently completed fiscal quarters; provided, however, effective July 1, 2018, the base management fee has been calculated at an annual rate of 1.00% of the average value of the gross assets as of the end of the two most recently completed calendar quarters that exceeds the product of (A) 200% and (B) the average value of the Company’s net asset value at the end of the two most recently completed calendar quarters. The base management fee will be appropriately adjusted for any share issuances or repurchases during such fiscal quarter and the base management fees for any partial month or quarter will be pro-rated. The Company’s gross assets exclude any cash and cash equivalents and include assets acquired through the incurrence of debt from the use of leverage.

The incentive fee has two parts. The first part is calculated and payable quarterly in arrears based on the pre-incentive fee net investment income for the immediately preceding calendar quarter. The second part is determined and payable in arrears based on capital gains as of the end of each calendar year.

Effective September 15, 2017, pre-incentive fee net investment income, expressed as a rate of return on the value of the Company's net assets at the end of the immediately preceding calendar quarter, has been compared to a "hurdle rate" of 1.50% per quarter (6% annualized) or a "catch-up rate" of 1.82% per quarter (7.28% annualized), as applicable.

Pursuant to the Investment Advisory Agreement, the Company pays its Investment Adviser an incentive fee with respect to its pre-incentive fee net investment income in each calendar quarter as follows:

- no incentive fee based on pre-incentive fee net investment income in any calendar quarter in which its pre-incentive fee net investment income does not exceed the hurdle rate of 1.50%;
- 100% of 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 1.82% in any calendar quarter (7.28% annualized). The Company refers to this portion of the pre-incentive fee net investment income (which exceeds the hurdle rate but is less than 1.82%) as the "catch-up." The "catch-up" is meant to provide the Investment Adviser with approximately 17.5% of the Company's pre-incentive fee net investment income as if a hurdle rate did not apply if this net investment income exceeds 1.82% in any calendar quarter; and
- 17.5% of the amount of pre-incentive fee net investment income, if any, that exceeds 1.82% in any calendar quarter (7.28% annualized) will be payable to the Investment Adviser. This reflects that once the hurdle rate is reached and the catch-up is achieved, 17.5% of all pre-incentive fee net investment income thereafter is allocated to the Investment Adviser.

The second part of the incentive fee is determined and payable in arrears as of the end of each calendar year (or upon termination of the Investment Advisory Agreement, as of the termination date), and equals 17.5% of realized capital gains, if any, on a cumulative basis from inception through the date of determination, computed net of all realized capital losses on a cumulative basis and unrealized capital depreciation, less the aggregate amount of any previously paid capital gain incentive fees, provided that, the incentive fee determined at the end of the first calendar year of operations may be calculated for a period of shorter than twelve calendar months to take into account any realized capital gains computed net of all realized capital losses on a cumulative basis and unrealized capital depreciation.

Below is a summary of the base management fees and incentive fees incurred during the three month periods ended March 31, 2020 and 2019.

	For the three month periods ended	
	March 31, 2020	**March 31, 2019**
Base management fees	$ 7,386	$ 7,685
Incentive fees on pre-incentive fee net investment income	5,086	5,846
Realized capital gains incentive fees	—	—
Accrued capital gains incentive fees	—	—
Total capital gains incentive fees	—	—
Total incentive fees	5,086	5,846
Total base management fees and incentive fees	$ 12,472	$ 13,531

Accrued capital gains incentive fees are based upon the cumulative net realized and unrealized appreciation (depreciation) from inception. Accordingly, the accrual for any capital gains incentive fee under U.S. GAAP in a given period may result in an additional expense if such cumulative amount is greater than in the prior period or a reduction of previously recorded expense if such cumulative amount is less than in the prior period. If such cumulative amount is negative, then there is no accrual.

As of March 31, 2020 and December 31, 2019, $12,333 and $13,236, respectively, was included in base management and incentive fees payable in the accompanying Consolidated Statements of Assets and Liabilities.

On April 3, 2013, the Investment Adviser entered into a personnel agreement with The Carlyle Group Employee Co., L.L.C. ("Carlyle Employee Co."), an affiliate of the Investment Adviser, pursuant to which Carlyle Employee Co. provides the Investment Adviser with access to investment professionals.

Administration Agreement

Pursuant to the Administration Agreement, the Administrator provides services and receives reimbursements equal to an amount that reimburses the Administrator for its costs and expenses and the Company's allocable portion of overhead incurred by the Administrator in performing its obligations under the Administration Agreement, including the Company's allocable portion of the compensation paid to or compensatory distributions received by the Company's officers (including the Chief Compliance Officer and Treasurer) and respective staff who provide services to the Company, operations staff who provide services to the Company, and any internal audit staff, to the extent internal audit performs a role in the Company's Sarbanes-Oxley Act of 2002, as amended (the "Sarbanes-Oxley Act"), internal control assessment. Reimbursement under the Administration Agreement occurs quarterly in arrears.

Unless terminated earlier, the Administration Agreement will renew automatically for successive annual periods, provided that such continuance is specifically approved at least annually by (i) the vote of the Board of Directors or by a majority vote of the outstanding voting securities of the Company and (ii) the vote of a majority of the Company's Independent Directors. On May 6, 2019, the Company's Board of Directors, including a majority of the Independent Directors, approved the continuance of the Administration Agreement for a one-year period. The Administration Agreement may not be assigned by a party without the consent of the other party and may be terminated by either party without penalty upon at least 60 days' written notice to the other party.

For the three month period ended March 31, 2020, the Company incurred $106 in fees under the Administration Agreement. For the three month period ended March 31, 2019, the Company incurred $216 in fees under the Administration Agreement. These fees are included in administrative service fees in the accompanying Consolidated Statements of Operations. As of March 31, 2020 and December 31, 2019, $98 and $77, respectively, was unpaid and included in administrative service fees payable in the accompanying Consolidated Statements of Assets and Liabilities.

Sub-Administration Agreements

On April 3, 2013, the Administrator entered into a sub-administration agreement with Carlyle Employee Co. (the "Carlyle Sub-Administration Agreement"). Pursuant to the Carlyle Sub-Administration Agreement, Carlyle Employee Co. provides the Administrator with access to personnel.

On April 3, 2013, the Administrator entered into a sub-administration agreement with State Street Bank and Trust Company ("State Street" and, such agreement, the "State Street Sub-Administration Agreement" and, together with the Carlyle Sub-Administration Agreement, the "Sub-Administration Agreements"). On March 11, 2015, the Company's Board of Directors, including a majority of the Independent Directors, approved an amendment to the State Street Sub-Administration Agreement. The initial term of the State Street Sub-Administration Agreement ends on April 1, 2017, and unless terminated earlier, the State Street Sub-Administration Agreement will renew automatically for successive annual periods, provided that such continuance is specifically approved at least annually by (i) the vote of the Board of Directors or by the vote of a majority of the outstanding voting securities of the Company and (ii) the vote of a majority of the Company's Independent Directors. On May 6, 2019, the Company's Board of Directors, including a majority of the Independent Directors, approved the continuance of the State Street Sub-Administration Agreement for a one-year period. The State Street Sub-Administration Agreement may be terminated upon at least 60 days' written notice and without penalty by the vote of a majority of the outstanding securities of the Company, or by the vote of the Board of Directors or by either party to the State Street Sub-Administration Agreement.

For the three month period ended March 31, 2020, fees incurred in connection with the State Street Sub-Administration Agreement, which amounted to $193 were included in other general and administrative in the accompanying Consolidated Statements of Operations. For the three month period ended March 31, 2019, fees incurred in connection with the State Street Sub-Administration Agreement, which amounted to $189 were included in other general and administrative in the accompanying Consolidated Statements of Operations. As of March 31, 2020 and December 31, 2019, $572 and $380, respectively, was unpaid and included in other accrued expenses and liabilities in the accompanying Consolidated Statements of Assets and Liabilities.

License Agreement

The Company has entered into a royalty free license agreement with CIM, which wholly owns our Adviser and is a wholly owned subsidiary of Carlyle, pursuant to which CIM has granted the Company a non-exclusive, revocable and non-transferable license to use the name and mark "Carlyle."

Board of Directors

The Company’s Board of Directors currently consists of five members, three of whom are Independent Directors. The Board of Directors has established an Audit Committee, a Pricing Committee, a Nominating and Governance Committee and a Compensation Committee, the members of each of which consist entirely of the Company’s Independent Directors. The Board of Directors may establish additional committees in the future. For the three month period ended March 31, 2020, the Company incurred $96, and for the three month period ended March 31, 2019, the Company incurred $93 in fees and expenses associated with its Independent Directors' services on the Company's Board of Directors and its committees. As of March 31, 2020 and December 31, 2019, $10 and $0, respectively, in fees or expenses associated with its Independent Directors were payable.

Transactions with Credit Fund

For the three month period ended March 31, 2020, the Company sold 1 investment to Credit Fund for proceeds of $19,119 and realized gains (losses) of $264. For the three month period ended March 31, 2019, the Company sold no investments to Credit Fund. See Note 5, Middle Market Credit Fund, LLC, for further information about Credit Fund.

5. MIDDLE MARKET CREDIT FUND, LLC

Overview

On February 29, 2016, the Company and Credit Partners entered into the Limited Liability Company Agreement to co-manage Credit Fund, a Delaware limited liability company that is not consolidated in the Company’s consolidated financial statements. Credit Fund commenced operations in May 2016 and primarily invests in first lien loans of middle market companies. Credit Fund is managed by a six-member board of managers, on which the Company and Credit Partners each have equal representation. Establishing a quorum for Credit Fund’s board of managers requires at least four members to be present at a meeting, including at least two of the Company’s representatives and two of Credit Partners’ representatives. The Company and Credit Partners each have 50% economic ownership of Credit Fund and have commitments to fund, from time to time, capital of up to $400,000 each. Funding of such commitments generally requires the approval of the board of Credit Fund, including the board members appointed by the Company. By virtue of its membership interest, the Company and Credit Partners each indirectly bear an allocable share of all expenses and other obligations of Credit Fund.

Together with Credit Partners, the Company co-invests through Credit Fund. Investment opportunities for Credit Fund are sourced primarily by the Company and its affiliates. Portfolio and investment decisions with respect to Credit Fund must be unanimously approved by a quorum of Credit Fund’s investment committee consisting of an equal number of representatives of the Company and Credit Partners. Therefore, although the Company owns more than 25% of the voting securities of Credit Fund, the Company does not believe that it has control over Credit Fund (other than for purposes of the Investment Company Act). Middle Market Credit Fund SPV, LLC (the “Credit Fund Sub”), MMCF CLO 2017-1 LLC (the “2017-1 Issuer”), MMCF CLO 2019-2, LLC (the "2019-2 Issuer", formerly known as MMCF Warehouse, LLC (the "Credit Fund Warehouse")) and MMCF Warehouse II, LLC (the "Credit Fund Warehouse II"), each a Delaware limited liability company, were formed on April 5, 2016, October 6, 2017, November 26, 2018 and August 16, 2019, respectively. Credit Fund Sub, the 2017-1 Issuer, the 2019-2 Issuer and Credit Fund Warehouse II are wholly owned subsidiaries of Credit Fund and are consolidated in Credit Fund’s consolidated financial statements commencing from the date of their respective formations. Credit Fund Sub, the 2017-1 Issuer, the 2019-2 Issuer and Credit Fund Warehouse II primarily invest in first lien loans of middle market companies. Credit Fund and its wholly owned subsidiaries follow the same Internal Risk Rating System as the Company. Refer to "Debt" below for discussions regarding the credit facilities entered into and then notes issued by such wholly-owned subsidiaries.

Credit Fund, the Company and Credit Partners entered into an administration agreement with Carlyle Global Credit Administration L.L.C., the administrative agent of Credit Fund (in such capacity, the “Administrative Agent”), pursuant to which the Administrative Agent is delegated certain administrative and non-discretionary functions, is authorized to enter into sub-administration agreements at the expense of Credit Fund with the approval of the board of managers of Credit Fund, and is reimbursed by Credit Fund for its costs and expenses and Credit Fund’s allocable portion of overhead incurred by the Administrative Agent in performing its obligations thereunder.

Selected Financial Data

Since inception of Credit Fund and through March 31, 2020 and December 31, 2019, the Company and Credit Partners each made capital contributions of $1 and $1 in members' equity, respectively, and $216,000 and $123,500 in subordinated loans, respectively, to Credit Fund. Below is certain summarized consolidated financial information for Credit Fund as of March 31, 2020 and December 31, 2019.

	As of	
	March 31, 2020	December 31, 2019
	(unaudited)	
Selected Consolidated Balance Sheet Information		
ASSETS		
Investments, at fair value (amortized cost of $1,296,794 and $1,258,157, respectively)	$ 1,199,183	$ 1,246,839
Cash and cash equivalents	79,802	64,787
Other assets	47,437	9,369
Total assets	$ 1,326,422	$ 1,320,995
LIABILITIES AND MEMBERS' EQUITY		
Secured borrowings	$ 462,421	$ 441,077
Notes payable, net of unamortized debt issuance costs of $3,320 and $3,441, respectively	487,066	528,407
Mezzanine loans [(1)]	—	93,000
Other Short-Term Borrowings	8,802	—
Other liabilities	43,135	32,383
Subordinated loans and members' equity (1)	324,998	226,128
Liabilities and members' equity	$ 1,326,422	$ 1,320,995

[(1)] As of March 31, 2020 and December 31, 2019, the Company's ownership interest in the subordinated loans and members' equity was $185,134 and $111,596, respectively, and $0 and $93,000, respectively, in the mezzanine loans.

	For the three month periods ended	
	March 31, 2020	March 31, 2019
	(unaudited)	
Selected Consolidated Statement of Operations Information:		
Total investment income	$ 21,592	$ 22,606
Expenses		
Interest and credit facility expenses	13,927	14,730
Other expenses	503	441
Total expenses	14,430	15,171
Net investment income (loss)	7,162	7,435
Net realized gain (loss) on investments	—	(8,285)
Net change in unrealized appreciation (depreciation) on investments	(86,293)	17,778
Net increase (decrease) resulting from operations	$ (79,131)	$ 16,928

Below is a summary of Credit Fund’s portfolio, followed by a listing of the loans in Credit Fund’s portfolio as of March 31, 2020 and December 31, 2019:

	As of	
	March 31, 2020	December 31, 2019
Senior secured loans [(1)]	$ 1,299,438	$ 1,260,582
Weighted average yields of senior secured loans based on amortized cost [(2)]	6.01%	6.51%
Weighted average yields of senior secured loans based on fair value [(2)]	6.48%	6.55%
Number of portfolio companies in Credit Fund	63	61
Average amount per portfolio company [(1)]	$ 20,626	$ 20,665
Number of loans on non-accrual status	1	1
Fair value of loans on non-accrual status	$ 21,150	$ 21,150
Percentage of portfolio at floating interest rates [(3)(4)]	98.2%	98.3%
Percentage of portfolio at fixed interest rates [(4)]	1.8%	1.7%
Fair value of loans with PIK provisions	$ 21,150	$ 21,150
Percentage of portfolio with PIK provisions [(4)]	1.8%	1.7%

(1) At par/principal amount.
(2) Weighted average yields include the effect of accretion of discounts and amortization of premiums and are based on interest rates as of March 31, 2020 and December 31, 2019. Weighted average yield on debt and income producing securities at fair value is computed as (a) the annual stated interest rate or yield earned plus the net annual amortization of original issue discount ("OID") and market discount earned on accruing debt included in such securities, divided by (b) total first lien and second lien debt at fair value included in such securities. Weighted average yield on debt and income producing securities at amortized cost is computed as (a) the annual stated interest rate or yield earned plus the net annual amortization of OID and market discount earned on accruing debt included in such securities, divided by (b) total first lien and second lien debt at amortized cost included in such securities. Actual yields earned over the life of each investment could differ materially from the yields presented above.
(3) Floating rate debt investments are generally subject to interest rate floors.
(4) Percentages based on fair value.

Consolidated Schedule of Investments as of March 31, 2020

Investments [1]		Footnotes	Industry	Reference Rate & Spread [2]	Interest Rate [2]	Maturity Date	Par/ Principal Amount	Amortized Cost [4]	Fair Value [5]
First Lien Debt (98.17% of fair value)									
Achilles Acquisition, LLC	+\#	(2) (3)	Banking, Finance, Insurance & Real Estate	L + 4.00%	5.00%	10/13/2025	$ 29,805	$ 29,690	$ 25,931
Acrisure, LLC	+\	(2) (3)	Banking, Finance, Insurance & Real Estate	L + 3.50%	5.21%	2/15/2027	25,828	25,796	22,486
Advanced Instruments, LLC	+*\	(2) (3)	Healthcare & Pharmaceuticals	L + 5.25%	6.26%	10/31/2022	36,087	36,019	35,405
Alku, LLC	+#	(2) (3)	Business Services	L + 5.50%	7.31%	7/29/2026	25,000	24,758	23,900
Alpha Packaging Holdings, Inc.	+*\	(2) (3)	Containers, Packaging & Glass	L + 6.00%	7.13%	11/12/2021	16,639	16,637	16,296
AmeriLife Holdings LLC	#	(2) (3) (7)	Banking, Finance, Insurance & Real Estate	L + 4.00%	5.45%	3/18/2027	8,864	8,839	8,286
Analogic Corporation	^+	(2) (3) (7)	Capital Equipment	L + 5.25%	6.25%	6/22/2024	19,169	19,144	18,143
Anchor Packaging, Inc.	^+#	(2) (3) (7)	Containers, Packaging & Glass	L + 4.00%	4.99%	7/18/2026	20,410	20,315	19,056
API Technologies Corp.	+\	(2) (3)	Aerospace & Defense	L + 4.25%	5.24%	5/9/2026	14,888	14,818	12,887
Aptean, Inc.	+ \	(2) (3)	Software	L + 4.25%	5.24%	4/23/2026	12,375	12,313	10,271
AQA Acquisition Holding, Inc.	^*\	(2) (3) (7)	High Tech Industries	L + 4.25%	5.65%	5/24/2023	21,323	21,299	20,741
Astra Acquisition Corp.	+#	(2) (3)	Software	L + 5.50%	6.50%	3/1/2027	29,000	28,567	26,822
Avalign Technologies, Inc.	+\	(2) (3)	Healthcare & Pharmaceuticals	L + 4.50%	5.57%	12/22/2025	14,704	14,578	13,893
Big Ass Fans, LLC	+*\	(2) (3)	Capital Equipment	L + 3.75%	5.20%	5/21/2024	13,873	13,809	13,515
BK Medical Holding Company, Inc.	^+	(2) (3) (7)	Healthcare & Pharmaceuticals	L + 5.25%	6.25%	6/22/2024	24,348	24,089	23,456
Brooks Equipment Company, LLC	+*	(2) (3)	Construction & Building	L + 5.00%	6.60%	8/29/2020	5,066	5,064	5,019
Clarity Telecom LLC.	+	(2) (3)	Media: Broadcasting & Subscription	L + 4.25%	5.24%	8/30/2026	14,925	14,880	14,058
Clearent Newco, LLC	^+\	(2) (3) (7)	High Tech Industries	L + 5.50%	6.87%	3/20/2025	29,675	29,386	27,402
Datto, Inc.	+\	(2) (3)	High Tech Industries	L + 4.25%	5.24%	4/2/2026	12,406	12,345	11,720
DecoPac, Inc.	^+ *\	(2) (3) (7)	Non-durable Consumer Goods	L + 4.25%	5.27%	9/29/2024	13,622	13,524	13,622
DTI Holdco, Inc.	+*\	(2) (3)	High Tech Industries	L + 4.75%	6.53%	9/30/2023	18,836	18,729	13,233
Eliassen Group, LLC	+\	(2) (3)	Business Services	L + 4.50%	5.49%	11/5/2024	7,571	7,540	7,376
EvolveIP, LLC	^+	(2) (3) (7)	Telecommunications	L + 5.75%	6.75%	6/7/2023	19,948	19,895	19,388
Exactech, Inc.	+\#	(2) (3)	Healthcare & Pharmaceuticals	L + 3.75%	4.75%	2/14/2025	21,694	21,563	17,084
Excel Fitness Holdings, Inc.	+#	(2) (3)	Hotel, Gaming & Leisure	L + 5.25%	6.25%	10/7/2025	24,938	24,705	22,539
Golden West Packaging Group LLC	+*\	(2) (3)	Containers, Packaging & Glass	L + 5.75%	6.75%	6/20/2023	29,252	29,103	28,333
HMT Holding Inc.	^ +*\	(2) (3) (7)	Energy: Oil & Gas	L + 5.00%	6.02%	11/17/2023	37,305	36,855	36,630
Jensen Hughes, Inc.	^+*\	(2) (3) (7)	Utilities: Electric	L + 4.50%	5.57%	3/22/2024	34,871	34,726	33,326
KAMC Holdings, Inc.	+#	(2) (3)	Energy: Electricity	L + 4.00%	5.61%	8/14/2026	13,930	13,866	13,083
Lionbridge Technologies, Inc.	+	(2) (3)	Business Services	L + 6.25%	7.32%	12/29/2025	24,938	24,938	23,583
MAG DS Corp.	+\	(2) (3) (7)	Aerospace & Defense	L + 4.75%	6.20%	6/6/2025	27,632	27,413	27,632
Maravai Intermediate Holdings, LLC	+\#	(2) (3)	Healthcare & Pharmaceuticals	L + 4.25%	5.75%	8/2/2025	29,550	29,313	28,040
Marco Technologies, LLC	^+\	(2) (3) (7)	Media: Advertising, Printing & Publishing	L + 4.25%	5.78%	10/30/2023	7,444	7,394	6,979

Consolidated Schedule of Investments as of March 31, 2020

Investments (1)		Footnotes	Industry	Reference Rate & Spread (2)	Interest Rate (2)	Maturity Date	Par/ Principal Amount	Amortized Cost (4)	Fair Value (5)
Mold-Rite Plastics, LLC	+\	(2) (3)	Chemicals, Plastics & Rubber	L + 4.25%	5.32%	12/14/2021	$ 14,557	$ 14,524	$ 14,288
MSHC, Inc.	^+*\	(2) (3) (7)	Construction & Building	L + 4.25%	5.25%	12/31/2024	42,477	42,340	40,467
Newport Group Holdings II, Inc.	+\#	(2) (3)	Banking, Finance, Insurance & Real Estate	L + 3.75%	5.20%	9/13/2025	23,655	23,436	22,626
Odyssey Logistics & Technology Corp.	+*\#	(2) (3)	Transportation: Cargo	L + 4.00%	5.07%	10/12/2024	39,013	38,866	27,309
Output Services Group	^+\	(2) (3)	Media: Advertising, Printing & Publishing	L + 4.50%	6.11%	3/27/2024	19,571	19,523	18,432
PAI Holdco, Inc.	+*\	(2) (3)	Automotive	L + 4.25%	5.39%	1/5/2025	19,486	19,415	18,956
Park Place Technologies, Inc.	+\#	(2) (3)	High Tech Industries	L + 4.00%	5.00%	3/28/2025	22,502	22,429	21,827
Pasternack Enterprises, Inc.	+\	(2) (3)	Capital Equipment	L + 4.00%	5.00%	7/2/2025	22,697	22,684	21,955
Pharmalogic Holdings Corp.	+\	(2) (3)	Healthcare & Pharmaceuticals	L + 4.00%	5.00%	6/11/2023	11,292	11,269	11,091
Premise Health Holding Corp.	^+\#	(2) (3) (7)	Healthcare & Pharmaceuticals	L + 3.50%	4.95%	7/10/2025	13,689	13,632	13,081
Propel Insurance Agency, LLC	^+\	(2) (3) (7)	Banking, Finance, Insurance & Real Estate	L + 4.25%	5.70%	6/1/2024	22,475	22,024	21,678
Q Holding Company	+*\#	(2) (3)	Automotive	L + 5.00%	6.45%	12/31/2023	21,900	21,732	20,560
QW Holding Corporation (Quala)	^+*	(2) (3) (7)	Environmental Industries	L + 6.25%	7.70%	8/31/2022	16,305	16,144	15,895
Radiology Partners, Inc.	+\#	(2) (3)	Healthcare & Pharmaceuticals	L + 4.25%	5.98%	7/9/2025	27,686	27,566	22,149
RevSpring Inc.	*\#	(2) (3)	Media: Advertising, Printing & Publishing	L + 4.00%	5.45%	10/11/2025	29,688	29,476	25,012
Situs Group Holdings Corporation	^+\	(2) (3)	Banking, Finance, Insurance & Real Estate	L + 4.75%	5.81%	6/28/2025	14,897	14,790	13,954
Surgical Information Systems, LLC	+*\	(2) (3) (6)	High Tech Industries	L + 4.75%	7.21%	4/24/2023	26,168	26,016	25,417
Systems Maintenance Services Holding, Inc.	^*	(2) (3) (9)	High Tech Industries	L + 5.00%	6.45%	10/30/2023	23,735	23,647	16,837
T2 Systems, Inc.	^+*	(2) (3) (7)	Transportation: Consumer	L + 6.75%	8.34%	9/28/2022	17,804	17,570	17,630
The Original Cakerie, Ltd. (Canada)	^+*\	(2) (3)	Beverage, Food & Tobacco	L + 5.00%	6.62%	7/20/2022	8,906	8,879	8,723
The Original Cakerie, Ltd. (Canada)	^+*\	(2) (3)	Beverage, Food & Tobacco	L + 4.50%	5.95%	7/20/2022	8,009	7,988	7,858
Thoughtworks, Inc.	*\#	(2) (3)	Business Services	L + 3.75%	5.20%	10/11/2024	11,794	11,769	10,202
U.S. Acute Care Solutions, LLC	+*\	(2) (3)	Healthcare & Pharmaceuticals	L + 5.00%	6.45%	5/15/2021	31,299	31,217	27,624
U.S. TelePacific Holdings Corp.	+*\	(2) (3)	Telecommunications	L + 5.00%	6.07%	5/2/2023	26,660	26,510	20,195
Valet Waste Holdings, Inc.	+\#	(2) (3)	Construction & Building	L + 3.75%	4.74%	9/28/2025	18,058	17,967	17,383
VRC Companies, LLC	^+	(2) (3) (7)	Business Services	L + 6.50%	7.99%	3/31/2023	5,548	5,321	5,295
Welocalize, Inc.	^+	(2) (3) (7)	Business Services	L + 4.50%	5.50%	12/2/2024	23,804	23,563	23,113
WRE Holding Corp.	^+*	(2) (3) (7)	Environmental Industries	L + 5.00%	6.45%	1/3/2023	7,854	7,800	7,718
Zywave, Inc.	^+*\	(2) (3)	High Tech Industries	L + 5.00%	6.72%	11/17/2022	20,177	20,066	19,870
First Lien Debt Total								$ 1,270,073	$ 1,177,280
Second Lien Debt (1.82% of fair value)									
DBI Holding, LLC	^*	(8)	Transportation: Cargo	8.00% PIK	8.00%	2/1/2026	$ 21,150	$ 20,697	$ 21,150
Zywave, Inc.	*	(2) (3)	High Tech Industries	L + 9.00%	10.8%	11/17/2023	666	660	642
Second Lien Debt Total								$ 21,357	$ 21,792

Investments [1]	Footnotes	Industry	Type	Shares/Units	Cost	Fair Value [6]
Equity Investments (0.01% of fair value)						
DBI Holding, LLC	^*	Transportation: Cargo	Common stock	16,957	$ 5,364	$ 111
Equity Investments Total					$ 5,364	$ 111
Total Investments					$ 1,296,794	$ 1,199,183

^ Denotes that all or a portion of the assets are owned by Credit Fund. Credit Fund has entered into a revolving credit facility with the Company (the "Credit Fund Facility"). Accordingly, such assets are not available to creditors of Credit Fund Sub, the 2017-1 Issuer, the 2019-2 Issuer or Credit Fund Warehouse II.
+ Denotes that all or a portion of the assets are owned by Credit Fund Sub. Credit Fund Sub has entered into a revolving credit facility (the "Credit Fund Sub Facility"). The lenders of the Credit Fund Sub Facility have a first lien security interest in substantially all of the assets of Credit Fund Sub. Accordingly, such assets are not available to creditors of Credit Fund, the 2017-1 Issuer, the 2019-2 Issuer or Credit Fund Warehouse II.
* Denotes that all or a portion of the assets are owned by the 2017-1 Issuer and secure the notes issued in connection with a $399,900 term debt securitization completed by Credit Fund on December 19, 2017 (the "2017-1 Debt Securitization"). Accordingly, such assets are not available to creditors of Credit Fund, Credit Fund Sub, the 2019-2 Issuer or Credit Fund Warehouse II.
\ Denotes that all or a portion of the assets are owned by the 2019-2 Issuer and secure the notes issued in connection with a $399,900 term debt securitization completed by Credit Fund on May 21, 2019 (the "2019-2 Debt Securitization"). Accordingly, such assets are not available to creditors of Credit Fund, Credit Fund Sub, the 2017-1 Issuer or Credit Fund Warehouse II.
# Denotes that all or a portion of the assets are owned by the Credit Fund Warehouse II. Credit Fund Warehouse II has entered into a revolving credit facility (the "Credit Fund Warehouse II Facility"). The lenders of the Credit Fund Warehouse II Facility have a first lien security interest in substantially all of the assets of the Credit Fund Warehouse II. Accordingly, such assets are not available to creditors of Credit Fund, Credit Fund Sub, the 2017-1 Issuer or the 2019-2 Issuer.

(1) Unless otherwise indicated, issuers of investments held by Credit Fund are domiciled in the United States. As of March 31, 2020, the geographical composition of investments as a percentage of fair value was 1.40% in Canada and 98.60% in the United States. Certain portfolio company investments are subject to contractual restrictions on sales.
(2) Variable rate loans to the portfolio companies bear interest at a rate that is determined by reference to either LIBOR or an alternate base rate (commonly based on the Federal Funds Rate or the U.S. Prime Rate), which generally resets quarterly. For each such loan, Credit Fund has indicated the reference rate used and provided the spread and the interest rate in effect as of March 31, 2020. As of March 31, 2020, the reference rates for Credit Fund's variable rate loans were the 30-day LIBOR at 0.99%, the 90-day LIBOR at 1.45% and the 180-day LIBOR at 1.18%.
(3) Loan includes interest rate floor feature, which is generally 1.00%.
(4) Amortized cost represents original cost, including origination fees and upfront fees received that are deemed to be an adjustment to yield, adjusted for the accretion/amortization of discounts/premiums, as applicable, on debt investments using the effective interest method.
(5) Fair value is determined in good faith by or under the direction of the board of managers of Credit Fund, pursuant to Credit Fund's valuation policy, with the fair value of all investments determined using significant unobservable inputs, which is substantially similar to the valuation policy of the Company provided in Note 3, Fair Value Measurements.
(6) In addition to the interest earned based on the stated interest rate of this loan, which is the amount reflected in this schedule, Credit Fund Sub and the 2017-1 Issuer is entitled to receive additional interest as a result of an agreement among lenders as follows: Surgical Information Systems, LLC (1.13%). Pursuant to the agreement among lenders in respect of these loans, these investments represent a first lien/last out loan, which has a secondary priority behind the first lien/first out loan with respect to principal, interest and other payments.

(7) As of March 31, 2020, Credit Fund and Credit Fund Sub had the following unfunded commitments to fund delayed draw and revolving senior secured loans:

First Lien Debt – unfunded delayed draw and revolving term loans commitments	Type	Unused Fee	Par/ Principal Amount	Fair Value
AmeriLife Holdings LLC	Delayed Draw	1.00%	$ 1,136	$ (66)
Analogic Corporation	Revolver	0.50	1,806	(88)
Anchor Packaging, Inc.	Delayed Draw	1.00	4,487	(244)
AQA Acquisition Holding, Inc.	Revolver	0.50	42	(1)
BK Medical Holding Company, Inc.	Revolver	0.50	2,609	(86)
Clearent Newco, LLC	Delayed Draw	1.00	6,636	(415)
DecoPac, Inc.	Revolver	0.50	857	—
EvolveIP, LLC	Delayed Draw	1.00	2,240	(53)
EvolveIP, LLC	Revolver	0.50	1,344	(32)
HMT Holding Inc.	Revolver	0.50	1,940	(33)
Jensen Hughes, Inc.	Revolver	0.50	91	(4)
Jensen Hughes, Inc.	Delayed Draw	1.00	2,365	(98)
MAG DS Corp.	Revolver	0.50	2,965	—
Marco Technologies, LLC	Delayed Draw	1.00	7,500	(233)
MSHC, Inc.	Delayed Draw	1.00	747	(35)
Premise Health Holding Corp.	Delayed Draw	1.00	1,103	(45)
Propel Insurance Agency, LLC	Revolver	0.50	2,381	(59)
Propel Insurance Agency, LLC	Delayed Draw	0.50	7,143	(178)
QW Holding Corporation (Quala)	Revolver	0.50	852	(20)
QW Holding Corporation (Quala)	Delayed Draw	1.00	161	(4)
T2 Systems, Inc.	Revolver	0.50	1,564	(14)
VRC Companies, LLC	Delayed Draw	0.75	6,091	(132)
Welocalize, Inc.	Revolver	0.50	1,238	(34)
WRE Holding Corp.	Delayed Draw	1.00	1,981	(27)
Total unfunded commitments			$ 59,279	$ (1,901)

(8) Loan was on non-accrual status as of March 31, 2020.

(9) The sale of a portion of this loan does not qualify for sale accounting under ASC Topic 860 - Transfers and Servicing ("ASC Topic 860"), and therefore, the asset remains in the Consolidated Schedule of Investments

Consolidated Schedule of Investments as of December 31, 2019

Investments [1]		Footnotes	Industry	Reference Rate & Spread [2]	Interest Rate [2]	Maturity Date	Par/ Principal Amount	Amortized Cost [5]	Fair Value [6]
First Lien Debt (98.11% of fair value)									
Achilles Acquisition, LLC	+\#	(2) (3)	Banking, Finance, Insurance & Real Estate	L + 4.00%	5.75%	10/13/2025	$ 17,865	$ 17,776	$ 17,763
Acrisure, LLC	+\	(2) (3)	Banking, Finance, Insurance & Real Estate	L + 3.75%	5.85%	11/22/2023	11,820	11,810	11,805
Acrisure, LLC	+\#	(2) (3)	Banking, Finance, Insurance & Real Estate	L + 4.25%	6.35%	11/22/2023	20,674	20,639	20,674
Advanced Instruments, LLC	^+*\	(2) (3) (7)	Healthcare & Pharmaceuticals	L + 5.25%	6.99%	10/31/2022	35,610	35,536	35,466
Alku, LLC	+#	(2) (3)	Business Services	L + 5.50%	7.44%	7/29/2026	25,000	24,754	24,624
Alpha Packaging Holdings, Inc.	+*\	(2) (3)	Containers, Packaging & Glass	L + 4.25%	6.35%	5/12/2020	16,684	16,676	16,601
AmeriLife Group, LLC	^#	(2) (3) (7)	Banking, Finance, Insurance & Real Estate	L + 4.50%	6.20%	6/5/2026	16,627	16,557	16,558
Anchor Packaging, Inc.	^#	(2) (3) (7)	Containers, Packaging & Glass	L + 4.00%	5.70%	7/18/2026	20,462	20,363	20,457
API Technologies Corp.	+\	(2) (3)	Aerospace & Defense	L + 4.25%	5.95%	5/9/2026	14,925	14,853	14,807
Aptean, Inc.	+\	(2) (3)	Software	L + 4.25%	6.34%	4/23/2026	12,406	12,344	12,385
AQA Acquisition Holding, Inc.	^*\	(2) (3) (7)	High Tech Industries	L + 4.25%	6.16%	5/24/2023	18,954	18,922	18,860
Avalign Technologies, Inc.	+\	(2) (3)	Healthcare & Pharmaceuticals	L + 4.50%	6.70%	12/22/2025	14,741	14,610	14,626
Big Ass Fans, LLC	+*\	(2) (3)	Capital Equipment	L + 3.75%	5.85%	5/21/2024	13,909	13,841	13,903
Borchers, Inc.	+*\	(2) (3) (7)	Chemicals, Plastics & Rubber	L + 4.50%	6.60%	11/1/2024	15,116	15,072	15,085
Brooks Equipment Company, LLC	*		Construction & Building	L + 5.00%	6.91%	8/29/2020	5,144	5,141	5,141
Clarity Telecom LLC.	+	(2) (3)	Media: Broadcasting & Subscription	L + 4.50%	6.20%	8/30/2026	14,963	14,915	14,902
Clearent Newco, LLC	^+\	(2) (3) (7)	High Tech Industries	L + 5.50%	7.44%	3/20/2025	29,738	29,436	29,134
Datto, Inc.	+\	(2) (3)	High Tech Industries	L + 4.25%	5.95%	4/2/2026	12,438	12,375	12,420
DecoPac, Inc.	+*\	(2) (3) (7)	Non-durable Consumer Goods	L + 4.25%	6.01%	9/29/2024	12,336	12,233	12,292
Dent Wizard International Corporation	+\	(2) (3)	Automotive	L + 4.00%	5.70%	4/7/2020	36,880	36,843	36,717
DTI Holdco, Inc.	+*\	(2) (3)	High Tech Industries	L + 4.75%	6.68%	9/30/2023	18,885	18,771	17,611
Eliassen Group, LLC	+\	(2) (3)	Business Services	L + 4.50%	6.20%	11/5/2024	7,581	7,548	7,579
EIP Merger Sub, LLC (Evolve IP)	^+	(2) (3) (7)	Telecommunications	L + 5.75%	7.45%	6/7/2023	19,661	19,605	19,661
Exactech, Inc.	+\#	(2) (3)	Healthcare & Pharmaceuticals	L + 3.75%	5.45%	2/14/2025	21,772	21,634	21,751
Excel Fitness Holdings, Inc.	+#	(2) (3)	Hotel, Gaming & Leisure	L + 5.25%	6.95%	10/7/2025	25,000	24,758	24,875
Golden West Packaging Group LLC	+*\	(2) (3)	Containers, Packaging & Glass	L + 5.75%	7.45%	6/20/2023	29,464	29,303	29,072
HMT Holding Inc.	^+*\	(2) (3) (7)	Energy: Oil & Gas	L + 5.00%	6.74%	11/17/2023	33,157	32,678	32,972
Jensen Hughes, Inc.	^+*\	(2) (3) (7)	Utilities: Electric	L + 4.50%	6.24%	3/22/2024	33,909	33,757	33,550
KAMC Holdings, Inc.	+#	(2) (3)	Energy: Electricity	L + 4.00%	5.91%	8/14/2026	13,965	13,899	13,881
MAG DS Corp.	^+\	(2) (3) (7)	Aerospace & Defense	L + 4.75%	6.46%	6/6/2025	28,471	28,242	28,286
Maravai Intermediate Holdings, LLC	+\#	(2) (3)	Healthcare & Pharmaceuticals	L + 4.25%	6.00%	8/2/2025	29,625	29,378	29,400
Marco Technologies, LLC	^+\	(2) (3) (7)	Media: Advertising, Printing & Publishing	L + 4.25%	6.16%	10/30/2023	7,463	7,410	7,463

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Investments [1]		Footnotes	Industry	Reference Rate & Spread [2]	Interest Rate [2]	Maturity Date	Par/ Principal Amount	Amortized Cost [5]	Fair Value [6]
Mold-Rite Plastics, LLC	+\	(2) (3)	Chemicals, Plastics & Rubber	L + 4.25%	5.95%	12/14/2021	$ 14,557	$ 14,519	$ 14,524
MSHC, Inc.	^+*\	(2) (3) (7)	Construction & Building	L + 4.25%	5.95%	12/31/2024	38,251	38,138	38,166
Newport Group Holdings II, Inc.	+\#	(2) (3)	Banking, Finance, Insurance & Real Estate	L + 3.75%	5.65%	9/13/2025	23,715	23,487	23,663
Odyssey Logistics & Technology Corp.	+*\#	(2) (3)	Transportation: Cargo	L + 4.00%	5.70%	10/12/2024	39,013	38,859	38,763
Output Services Group	^+\	(2) (3) (7)	Media: Advertising, Printing & Publishing	L + 4.50%	6.20%	3/27/2024	19,621	19,570	19,469
PAI Holdco, Inc.	+*\	(2) (3)	Automotive	L + 4.25%	6.35%	1/5/2025	19,532	19,458	19,532
Park Place Technologies, Inc.	+\#	(2) (3)	High Tech Industries	L + 4.00%	5.70%	3/28/2025	22,566	22,489	22,566
Pasternack Enterprises, Inc.	+\	(2) (3)	Capital Equipment	L + 4.00%	5.70%	7/2/2025	22,755	22,742	22,653
Pathway Vet Alliance LLC	+\	(2) (3) (7)	Consumer Services	L + 4.50%	6.21%	12/20/2024	19,085	18,708	19,217
Pharmalogic Holdings Corp.	+\	(2) (3)	Healthcare & Pharmaceuticals	L + 4.00%	5.70%	6/11/2023	11,320	11,296	11,302
Premise Health Holding Corp.	^+\#	(2) (3) (7)	Healthcare & Pharmaceuticals	L + 3.50%	5.60%	7/10/2025	13,723	13,665	13,501
Propel Insurance Agency, LLC	^+\	(2) (3) (7)	Banking, Finance, Insurance & Real Estate	L + 4.25%	6.35%	6/1/2024	22,532	22,056	22,395
Q Holding Company	+*\#	(2) (3)	Automotive	L + 5.00%	6.70%	12/31/2023	21,955	21,777	21,922
QW Holding Corporation (Quala)	^+*	(2) (3) (7)	Environmental Industries	L + 5.75%	7.73%	8/31/2022	11,630	11,449	11,531
Radiology Partners, Inc.	+\#	(2) (3)	Healthcare & Pharmaceuticals	L + 4.75%	6.66%	7/9/2025	28,719	28,590	28,768
RevSpring Inc.	+*\#	(2) (3)	Media: Advertising, Printing & Publishing	L + 4.00%	5.95%	10/11/2025	24,750	24,631	24,608
Situs Group Holdings Corporation	^+\	(2) (3) (7)	Banking, Finance, Insurance & Real Estate	L + 4.75%	6.45%	6/28/2025	13,715	13,621	13,697
Systems Maintenance Services Holding, Inc.	+*	(2) (3)	High Tech Industries	L + 5.00%	6.70%	10/30/2023	23,765	23,672	18,180
Surgical Information Systems, LLC	+*\	(2) (3) (6)	High Tech Industries	L + 4.75%	7.47%	4/24/2023	26,168	26,005	25,715
T2 Systems, Inc.	^+*	(2) (3) (7)	Transportation: Consumer	L + 6.75%	8.85%	9/28/2022	18,045	17,789	18,045
The Original Cakerie, Ltd. (Canada)	+*	(2) (3) (7)	Beverage, Food & Tobacco	L + 5.00%	6.84%	7/20/2022	8,928	8,897	8,887
The Original Cakerie, Ltd. (Canada)	^*	(2) (3) (7)	Beverage, Food & Tobacco	L + 4.50%	6.34%	7/20/2022	6,826	6,801	6,790
ThoughtWorks, Inc.	+*\	(2) (3)	Business Services	L + 4.00%	5.70%	10/11/2024	11,824	11,794	11,824
U.S. Acute Care Solutions, LLC	+*\	(2) (3)	Healthcare & Pharmaceuticals	L + 5.00%	6.91%	5/15/2021	31,431	31,331	29,869
U.S. TelePacific Holdings Corp.	+*\	(2) (3)	Telecommunications	L + 5.00%	7.10%	5/2/2023	26,660	26,499	25,430
Valet Waste Holdings, Inc.	+\	(2) (3)	Construction & Building	L + 3.75%	5.70%	9/28/2025	11,850	11,825	11,688
Welocalize, Inc.	+^	(2) (3) (7)	Business Services	L + 4.50%	6.21%	12/2/2024	23,038	22,788	22,787
WIRB - Copernicus Group, Inc.	+*\	(2) (3) (7)	Healthcare & Pharmaceuticals	L + 4.25%	5.95%	8/15/2022	20,888	20,822	20,887
WRE Holding Corp.	^+*	(2) (3) (7)	Environmental Industries	L + 5.00%	6.91%	1/3/2023	7,431	7,372	7,304
Zywave, Inc.	+*\	(2) (3) (7)	High Tech Industries	L + 5.00%	6.93%	11/17/2022	19,228	19,107	19,211
First Lien Debt Total								$ 1,231,436	$ 1,223,215
Second Lien Debt (1.75% of fair value)									
DBI Holding, LLC	^*	(2) (3) (8)	Transportation: Cargo	8.00% PIK	8.00%	2/1/2026	$ 21,150	$ 20,697	$ 21,150

Consolidated Schedule of Investments as of December 31, 2019

Investments [1]		Footnotes	Industry	Reference Rate & Spread [2]	Interest Rate [2]	Maturity Date	Par/ Principal Amount	Amortized Cost [5]	Fair Value [6]
Zywave, Inc.	*	(2) (3)	High Tech Industries	L + 9.00%	10.94%	11/17/2023	$ 666	660	664
Second Lien Debt Total								$ 21,357	$ 21,814
Equity Investments (0.15%of fair value)									
DBI Holding, LLC	^		Transportation: Cargo				$ 16,957	$ 5,364	$ 1,810
Equity Investments Total								$ 5,364	$ 1,810
Total Investments								$ 1,258,157	$ 1,246,839

^ Denotes that all or a portion of the assets are owned by Credit Fund. Credit Fund has entered into the Credit Fund Facility. Accordingly, such assets are not available to creditors of Credit Fund Sub, the 2017-1 Issuer, the 2019-2 Issuer or Credit Fund Warehouse II.
+ Denotes that all or a portion of the assets are owned by Credit Fund Sub. Credit Fund Sub has entered into the Credit Fund Sub Facility. The lenders of the Credit Fund Sub Facility have a first lien security interest in substantially all of the assets of Credit Fund Sub. Accordingly, such assets are not available to creditors of Credit Fund, the 2017-1 Issuer, the 2019-2 Issuer or Credit Fund Warehouse II.
* Denotes that all or a portion of the assets are owned by the 2017-1 Issuer and secure the notes issued in connection with the 2017-1 Debt Securitization. Accordingly, such assets are not available to creditors of Credit Fund, Credit Fund Sub, the 2019-2 Issuer or Credit Fund Warehouse II.
\ Denotes that all or a portion of the assets are owned by the 2019-2 Issuer and secure the notes issued in connection with the 2019-2 Debt Securitization. Accordingly, such assets are not available to creditors of Credit Fund, Credit Fund Sub, the 2017-1 Issuer or Credit Fund Warehouse II.
# Denotes that all or a portion of the assets are owned by the Credit Fund Warehouse II. Credit Fund Warehouse II has entered into the Credit Fund Warehouse II Facility. The lenders of the Credit Fund Warehouse II Facility have a first lien security interest in substantially all of the assets of the Credit Fund Warehouse II. Accordingly, such assets are not available to creditors of Credit Fund, Credit Fund Sub, the 2017-1 Issuer or the 2019-2 Issuer.

(1) Unless otherwise indicated, issuers of investments held by Credit Fund are domiciled in the United States. As of December 31, 2019, the geographical composition of investments as a percentage of fair value was 1.26% in Canada and 98.74% in the United States. Certain portfolio company investments are subject to contractual restrictions on sales.
(2) Variable rate loans to the portfolio companies bear interest at a rate that is determined by reference to either LIBOR or an alternate base rate (commonly based on the Federal Funds Rate or the U.S. Prime Rate), which generally resets quarterly. For each such loan, Credit Fund has indicated the reference rate used and provided the spread and the interest rate in effect as of December 31, 2019. As of December 31, 2019, the reference rates for Credit Fund's variable rate loans were the 30-day LIBOR at 1.75%, the 90-day LIBOR at 1.91% and the 180-day LIBOR at 1.91%.
(3) Loan includes interest rate floor feature, which is generally 1.00%.
(4) Amortized cost represents original cost, including origination fees and upfront fees received that are deemed to be an adjustment to yield, adjusted for the accretion/amortization of discounts/premiums, as applicable, on debt investments using the effective interest method.
(5) Fair value is determined in good faith by or under the direction of the board of managers of Credit Fund, pursuant to Credit Fund’s valuation policy, with the fair value of all investments determined using significant unobservable inputs, which is substantially similar to the valuation policy of the Company provided in Note 3, Fair Value Measurements, to these consolidated financial statements.
(6) In addition to the interest earned based on the stated interest rate of this loan, which is the amount reflected in this schedule, Credit Fund is entitled to receive additional interest as a result of an agreement among lenders as follows: Surgical Information Systems, LLC (0.89%). Pursuant to the agreement among lenders in respect of these loans, these investments represent a first lien/last out loan, which has a secondary priority behind the first lien/first out loan with respect to principal, interest and other payments.

(7) As of December 31, 2019, Credit Fund and Credit Fund Sub had the following unfunded commitments to fund delayed draw and revolving senior secured loans:

First Lien Debt—unfunded delayed draw and revolving term loans commitments	Type	Unused Fee	Par/ Principal Amount	Fair Value
Advanced Instruments, LLC	Revolver	0.50%	$ 563	$ (2)
AmeriLife Group, LLC	Delayed Draw	1.00	298	(1)
Anchor Packaging, Inc.	Delayed Draw	1.00	4,487	(1)
AQA Acquisition Holding, Inc.	Revolver	0.50	2,459	(11)
Borchers, Inc.	Revolver	0.50	1,935	(3)
Clearent Newco, LLC	Delayed Draw	1.00	6,636	(110)
DecoPac, Inc.	Revolver	0.50	2,143	(7)
EIP Merger Sub, LLC (Evolve IP)	Revolver	0.50	1,680	—
EIP Merger Sub, LLC (Evolve IP)	Delayed Draw	1.00	2,240	—
HMT Holding Inc.	Revolver	0.50	6,173	(29)
Jensen Hughes, Inc.	Revolver	0.50	1,136	(11)
Jensen Hughes, Inc.	Delayed Draw	1.00	2,365	(23)
MAG DS Corp.	Revolver	0.50	2,188	(13)
Marco Technologies, LLC	Delayed Draw	1.00	7,500	—
MSHC, Inc.	Delayed Draw	1.00	1,913	(4)
Output Services Group	Delayed Draw	4.25	116	(1)
Pathway Vet Alliance LLC	Delayed Draw	1.00	19,867	68
Premise Health Holding Corp.	Delayed Draw	1.00	1,103	(17)
Propel Insurance Agency, LLC	Revolver	0.50	2,381	(10)
Propel Insurance Agency, LLC	Delayed Draw	0.50	7,143	(31)
QW Holding Corporation (Quala)	Revolver	0.50	5,498	(31)
QW Holding Corporation (Quala)	Delayed Draw	1.00	217	(1)
Situs Group Holdings Corporation	Delayed Draw	1.00	1,216	(1)
T2 Systems, Inc.	Revolver	0.50	1,369	—
The Original Cakerie, Ltd. (Canada)	Revolver	0.50	1,199	(5)
Welocalize, Inc.	Revolver	0.50	2,057	(21)
WIRB - Copernicus Group, Inc.	Revolver	0.50	1,000	—
WIRB - Copernicus Group, Inc.	Delayed Draw	1.00	2,592	—
WRE Holding Corp.	Revolver	0.50	441	(6)
WRE Holding Corp.	Delayed Draw	1.00	1,981	(25)
Zywave, Inc.	Revolver	0.50	998	(1)
Total unfunded commitments			$ 92,894	$ (297)

(8) Loan was on non-accrual status as of December 31, 2019.

Debt

Credit Fund Facilities

The Credit Fund, Credit Fund Sub and Credit Fund Warehouse II are party to separate credit facilities as described below. In addition, until May 15, 2019, the 2019-2 Issuer (formerly known as the Credit Fund Warehouse) was party to the Credit Fund Warehouse Facility. As of March 31, 2020 and December 31, 2019, Credit Fund, Credit Fund Sub and Credit Fund Warehouse II were in compliance with all covenants and other requirements of their respective credit facility agreements. Below is a summary of the borrowings and repayments under the credit facilities for the three month periods ended 2020 and 2019, and the outstanding balances under the credit facilities for the respective periods.

	Credit Fund Facility		Credit Fund Sub Facility		Credit Fund Warehouse Facility		Credit Fund Warehouse II Facility	
	2020	2019	2020	2019	2020	2019	2020	2019
Three Month Periods Ended March 31,								
Outstanding balance, beginning of period	$ 93,000	$ 112,000	$ 343,506	$ 471,134	N/A	$ 101,044	$ 97,571	N/A
Borrowings	63,500	30,500	57,000	60,020	N/A	12,873	19,794	N/A
Repayments	(156,500)	(18,700)	(33,500)	(20,404)	N/A	—	(21,950)	N/A
Outstanding balance, end of period	$ —	$ 123,800	$ 367,006	$ 510,750	N/A	$ 113,917	$ 95,415	N/A

Credit Fund Facility. On June 24, 2016, Credit Fund entered into the Credit Fund Facility with the Company, which was subsequently amended on June 5, 2017, October 2, 2017, November 3, 2017, June 22, 2018, June 29, 2018, February 21, 2019 and March 20, 2020, pursuant to which Credit Fund may from time to time request mezzanine loans from the Company. The maximum principal amount of the Credit Fund Facility is $175,000. The maturity date of the Credit Fund Facility is March 22, 2021. Amounts borrowed under the Credit Fund Facility bear interest at a rate of LIBOR plus 9.00%.

Credit Fund Sub Facility. On June 24, 2016, Credit Fund Sub closed on the Credit Fund Sub Facility with lenders, which was subsequently amended on May 31, 2017, October 27, 2017, August 24, 2018, December 12, 2019 and March 11, 2020. The Credit Fund Sub Facility provides for secured borrowings during the applicable revolving period up to an amount equal to $640,000. The facility is secured by a first lien security interest in substantially all of the portfolio investments held by Credit Fund Sub. The maturity date of the Credit Fund Sub Facility is May 22, 2024. Amounts borrowed under the Credit Fund Sub Facility bear interest at a rate of LIBOR plus 2.25%.

Credit Fund Warehouse Facility. On November 26, 2018, Credit Fund Warehouse closed on the Credit Fund Warehouse Facility with lenders. The Credit Fund Warehouse Facility provided for secured borrowings during the applicable revolving period up to an amount equal to $150,000. The Credit Fund Warehouse Facility was secured by a first lien security interest in substantially all of the portfolio investments held by the Credit Fund Warehouse. The maturity date of the Credit Fund Warehouse Facility was November 26, 2019. Amounts borrowed under the Credit Fund Warehouse Facility bore interest at a rate of LIBOR plus 1.05%. Effective May 15, 2019, the Warehouse Facility changed its name from “MMCF Warehouse, LLC” to “MMCF CLO 2019-2, LLC” and secured borrowings outstanding were repaid in connection with the 2019-2 Debt Securitization.

Credit Fund Warehouse II Facility. On August 16, 2019, Credit Fund Warehouse II closed on a revolving credit facility (the "Credit Fund Warehouse II Facility") with lenders. The Credit Fund Warehouse II Facility provides for secured borrowings during the applicable revolving period up to an amount equal to $150,000. The Credit Fund Warehouse II Facility is secured by a first lien security interest in substantially all of the portfolio investments held by the Credit Fund Warehouse II Facility. The maturity date of the Credit Fund Warehouse II Facility is August 16, 2022. Amounts borrowed under the Credit Fund Warehouse II Facility bear interest at a rate of LIBOR plus 1.05% for the first 12 months, LIBOR plus 1.15% for the next 12 months, and LIBOR plus 1.50% in the final 12 months.

2017-1 Notes

On December 19, 2017, Credit Fund completed the 2017-1 Debt Securitization. The notes offered in the 2017-1 Debt Securitization (the “2017-1 Notes”) were issued by the 2017-1 Issuer, a wholly owned and consolidated subsidiary of Credit Fund, and are secured by a diversified portfolio of the 2017-1 Issuer consisting primarily of first and second lien senior secured loans. The 2017-1 Debt Securitization was executed through a private placement of the 2017-1 Notes, consisting of:

- $231,700 of Aaa/AAA Class A-1 Notes, which bear interest at the three-month LIBOR plus 1.17%;
- $48,300 of Aa2/AA Class A-2 Notes, which bear interest at the three-month LIBOR plus 1.50%;
- $15,000 of A2/A Class B-1 Notes, which bear interest at the three-month LIBOR plus 2.25%;
- $9,000 of A2/A Class B-2 Notes which bear interest at 4.30%;
- $22,900 of Baa2/BBB Class C Notes which bear interest at the three-month LIBOR plus 3.20%; and
- $25,100 of Ba2/BB Class D Notes which bear interest at the three-month LIBOR plus 6.38%.

The 2017-1 Notes are scheduled to mature on January 15, 2028. Credit Fund received 100% of the preferred interests issued by the 2017-1 Issuer (the “2017-1 Issuer Preferred Interests”) on the closing date of the 2017-1 Debt Securitization in exchange for Credit Fund's contribution to the 2017-1 Issuer of the initial closing date loan portfolio. The 2017-1 Issuer Preferred Interests do not bear interest and had a nominal value of $47,900 at closing.

As of March 31, 2020 and December 31, 2019, the 2017-1 Issuer was in compliance with all covenants and other requirements of the indenture.

2019-2 Notes

On May 21, 2019, Credit Fund completed the 2019-2 Debt Securitization. The notes offered in the 2019-2 Debt Securitization (the "2019-2 Notes") were issued by the 2019-2 Issuer, a wholly owned and consolidated subsidiary of Credit Fund, and are secured by a diversified portfolio of the 2019-2 Issuer consisting primarily of first and second lien senior secured loans. The 2019-2 Debt Securitization was executed through a private placement of the 2019-2 Notes, consisting of:

- $233,000 of Aaa/AAA Class A-1 Notes, which bear interest at the three-month LIBOR plus 1.50%;
- $48,000 of Aa2/AA Class A-2 Notes, which bear interest at the three-month LIBOR plus 2.40%;
- $23,000 of A2/A Class B Notes, which bear interest at the three-month LIBOR plus 3.45%;
- $27,000 of Baa2/BBB- Class C Notes which bear interest at the three-month LIBOR plus 4.55%; and
- $21,000 of Ba2/BB- Class D Notes which bear interest at the three-month LIBOR plus 8.03%.

The 2019-2 Notes are scheduled to mature on April 15, 2029. Credit Fund received 100% of the preferred interests issued by the 2019-2 Issuer (the "2019-2 Issuer Preferred Interests") on the closing date of the 2019-2 Debt Securitization in exchange for Credit Fund's contribution to the 2019-2 Issuer of the initial closing date loan portfolio. The 2019-2 Issuer Preferred Interests do not bear interest and had a nominal value of $48,300 at closing.

As of March 31, 2020 and December 31, 2019, the 2019-2 Issuer was in compliance with all covenants and other requirements of the indenture.

Other Short-Term Borrowings

Borrowings with original maturities of less than one year are classified as short-term. Credit Fund's short-term borrowings are the result of investments that were sold under repurchase agreements. Investments sold under repurchase agreements are accounted for as collateralized borrowings as the sale of the investment does not qualify for sale accounting under ASC Topic 860 and remains as an investment on the Consolidated Statements of Financial Condition.

6. BORROWINGS

The Company and the SPV are party to facilities as described below. In accordance with the Investment Company Act, the Company is currently only allowed to borrow amounts such that its asset coverage, as defined in the Investment Company Act, is at least 150% after such borrowing. As of March 31, 2020 and December 31, 2019, asset coverage was 163.08% and 181.01%, respectively. As of March 31, 2020 and December 31, 2019, the Company and the SPV were in compliance with all covenants and other requirements of their respective credit facility agreements. Below is a summary of the borrowings and repayments under the credit facilities for the three month periods ended 2020 and 2019, and the outstanding balances under the Facilities for the respective periods.

	For the three month periods ended	
	March 31, 2020	**March 31, 2019**
Outstanding Borrowing, beginning of period	$ 616,543	$ 514,635
Borrowings	226,500	253,950
Repayments	(139,443)	(107,626)
Foreign currency translation	(1,991)	—
Outstanding balance, end of period	$ 701,609	$ 660,959

SPV Credit Facility

The SPV closed on the SPV Credit Facility on May 24, 2013, which was subsequently amended on June 30, 2014, June 19, 2015, June 9, 2016, May 26, 2017 and August 9, 2018. The SPV Credit Facility provides for secured borrowings during the applicable revolving period up to an amount equal to the lesser of $275,000 (the borrowing base as calculated pursuant to the terms of the SPV Credit Facility) and the amount of net cash proceeds and unpledged capital commitments the Company has received, with an accordion feature that can, subject to certain conditions, increase the aggregate maximum credit commitment up to an amount not to exceed $750,000, subject to restrictions imposed on borrowings under the Investment Company Act and certain restrictions and conditions set forth in the SPV Credit Facility, including adequate collateral to support such borrowings. The SPV Credit Facility has a revolving period through May 21, 2021 and a maturity date of May 23, 2023. Borrowings under the SPV Credit Facility bear interest initially at the applicable commercial paper rate (if the lender is a conduit lender) or LIBOR (or, if applicable, a rate based on the prime rate or federal funds rate) plus 2.00% per year through May 21, 2021, with pre-determined future interest rate increases of 0.875%-1.75% following the end of the revolving period. The SPV is also required to pay an undrawn commitment fee of between 0.50% and 0.75% per year depending on the drawings under the SPV Credit Facility. Payments under the SPV Credit Facility are made quarterly. The lenders have a first lien security interest on substantially all of the assets of the SPV.

As part of the SPV Credit Facility, the SPV is subject to limitations as to how borrowed funds may be used and the types of loans that are eligible to be acquired by the SPV including, but not limited to, restrictions on sector and geographic concentrations, loan size, payment frequency, tenor and minimum investment ratings (or estimated ratings). In addition, borrowed funds are intended to be used primarily to purchase first lien loan assets, and the SPV is limited in its ability to purchase certain other assets (including, but not limited to, second lien loans, covenant-lite loans, revolving and delayed draw loans and discount loans) and other assets are not permitted to be purchased (including, but not limited to paid-in-kind loans). The SPV Credit Facility has certain requirements relating to asset coverage, interest coverage, collateral quality and portfolio performance, including limitations on delinquencies and charge offs, certain violations of which could result in the immediate acceleration of the amounts due under the SPV Credit Facility. The SPV Credit Facility is also subject to a borrowing base that applies different advance rates to assets held by the SPV based generally on the fair market value of such assets. Under certain circumstances as set forth in the SPV Credit Facility, the Company could be obliged to repurchase loans from the SPV.

Credit Facility

The Company closed on the Credit Facility on March 21, 2014, which was subsequently amended on January 8, 2015, May 25, 2016, March 22, 2017, September 25, 2018 and June 14, 2019. The maximum principal amount of the Credit Facility is $688,000, subject to availability under the Credit Facility, which is based on certain advance rates multiplied by the value of the Company’s portfolio investments (subject to certain concentration limitations) net of certain other indebtedness that the Company may incur in accordance with the terms of the Credit Facility. Proceeds of the Credit Facility may be used for general corporate purposes, including the funding of portfolio investments. Maximum capacity under the Credit Facility may be increased to $900,000 through the exercise by the Company of an uncommitted accordion feature through which existing and new lenders may, at their option, agree to provide additional financing. The Credit Facility includes a $50,000 limit for swingline loans and a $20,000 limit for letters of credit. The Company may borrow amounts in U.S. dollars or certain other permitted currencies. Amounts drawn under the Credit Facility, including amounts drawn in respect of letters of credit, bear interest at either LIBOR plus an applicable spread of 2.25%, or an “alternative base rate” (which is the highest of a prime rate, the federal funds effective rate plus 0.50%, or one month LIBOR plus 1.00%) plus an applicable spread of 1.25%. The Company may elect either the LIBOR or the “alternative base rate” at the time of drawdown, and loans may be converted from one rate to another at any time, subject to certain conditions. The Company also pays a fee of 0.375% on undrawn amounts under the Credit Facility and, in respect of each undrawn letter of credit, a fee and interest rate equal to the then-applicable margin under the Credit Facility while the letter of credit is outstanding. The availability period under the Credit Facility will terminate on June 14, 2023 and the Credit Facility will mature on June 14, 2024. During the period from June 14, 2023 to June 14, 2024, the Company will be obligated to make mandatory prepayments under the Credit Facility out of the proceeds of certain asset sales, other recovery events and equity and debt issuances.

Subject to certain exceptions, the Credit Facility is secured by a first lien security interest in substantially all of the portfolio investments held by the Company. The Credit Facility includes customary covenants, including certain financial covenants related to asset coverage, shareholders’ equity and liquidity, certain limitations on the incurrence of additional indebtedness and liens, and other maintenance covenants, as well as usual and customary events of default for senior secured revolving credit facilities of this nature.

Summary of Facilities

The Facilities consisted of the following as of March 31, 2020 and December 31, 2019:

	March 31, 2020			
	Total Facility	Borrowings Outstanding	Unused Portion (1)	Amount Available (2)
SPV Credit Facility	$ 275,000	$ 201,026	$ 73,974	$ 4,497
Credit Facility	688,000	500,583	187,417	122,832
Total	$ 963,000	$ 701,609	$ 261,391	$ 127,329

	December 31, 2019			
	Total Facility	Borrowings Outstanding	Unused Portion (1)	Amount Available (2)
SPV Credit Facility	$ 275,000	$ 232,469	$ 42,531	$ 4,225
Credit Facility	688,000	384,074	303,926	264,198
Total	$ 963,000	$ 616,543	$ 346,457	$ 268,423

(1) The unused portion is the amount upon which commitment fees are based.
(2) Available for borrowing based on the computation of collateral to support the borrowings and subject to compliance with applicable covenants and financial ratios.

For the three month periods ended March 31, 2020 and 2019, the components of interest expense and credit facility fees were as follows:

	For the three month periods ended	
	March 31, 2020	March 31, 2019
Interest expense	$ 6,373	$ 6,653
Facility unused commitment fee	318	303
Amortization of deferred financing costs	244	236
Other fees	29	29
Total interest expense and credit facility fees	$ 6,964	$ 7,221
Cash paid for interest expense	$ 6,688	$ 6,449
Average principal debt outstanding	$ 672,263	$ 568,519
Weighted average interest rate	3.75%	4.68%

As of March 31, 2020 and December 31, 2019, the components of interest and credit facilities payable were as follows:

	As of	
	March 31, 2020	December 31, 2019
Interest expense payable	$ 2,093	$ 2,201
Unused commitment fees payable	295	187
Other credit facility fees payable	22	30
Interest and credit facilities payable	$ 2,410	$ 2,418
Weighted average interest rate (based on floating LIBOR rates)	3.11%	3.88%

7. NOTES PAYABLE

4.750% Senior Unsecured Notes

On December 30, 2019, the Company closed a private offering of $115.0 million in aggregate principal amount of 4.750% Senior Unsecured Notes due December 31, 2024 (the "Senior Notes"). Interest is payable quarterly, beginning March

31, 2020. This interest rate is subject to increase (up to 5.75%) in the event that, subject to certain exceptions, the Senior Notes cease to have an investment grade rating. The Company is obligated to offer to repay the notes at par if certain change in control events occur. The Senior Notes are general unsecured obligations of the Company that rank pari passu with all outstanding and future unsecured unsubordinated indebtedness issued by the Company. Interest expense incurred and paid on the Senior Notes was $1.4 million for the three months ended March 31, 2020.

The note purchase agreement for the Senior Notes contains customary terms and conditions for senior unsecured notes issued in a private placement, including, without limitation, affirmative and negative covenants such as information reporting, maintenance of the Company's status as a business development company within the meaning of the Investment Company Act and a regulated investment company under the Code, minimum asset coverage ratio and interest coverage ratio, and prohibitions on certain fundamental changes at the Company or any subsidiary guarantor, as well as customary events of default with customary cure and notice, including, without limitation, nonpayment, breach of covenant, material breach of representation or warranty under the note purchase agreement, cross-acceleration under other indebtedness of the Company or certain significant subsidiaries, certain judgments and orders, and certain events of bankruptcy. As of March 31, 2020, the Company was in compliance with these terms and conditions.

2015-1R Notes

On June 26, 2015, the Company completed the 2015-1 Debt Securitization. The 2015-1 Notes were issued by the 2015-1 Issuer, a wholly-owned and consolidated subsidiary of the Company. The 2015-1 Debt Securitization was executed through a private placement of the 2015-1 Notes, consisting of:

- $160,000 of Aaa/AAA Class A-1A Notes;
- $40,000 of Aaa/AAA Class A-1B Notes;
- $27,000 of Aaa/AAA Class A-1C Notes; and
- $46,000 of Aa2 Class A-2 Notes.

The 2015-1 Notes were issued at par and were scheduled to mature on July 15, 2027. The Company received 100% of the preferred interests issued by the 2015-1 Issuer (the "2015-1 Issuer Preferred Interests") on the closing date of the 2015-1 Debt Securitization in exchange for the Company's contribution to the 2015-1 Issuer of the initial closing date loan portfolio. The 2015-1 Issuer Preferred Interests do not bear interest and had a nominal value of $125,900 at closing. In connection with the contribution, the Company made customary representations, warranties and covenants to the 2015-1 Issuer in the purchase agreement. The Class A-1A, Class A-1B and Class A-1C and Class A-2 Notes are included in these consolidated financial statements. The 2015-1 Issuer Preferred Interests were eliminated in consolidation.

On the closing date of the 2015-1 Debt Securitization, the 2015-1 Issuer effected a one-time distribution to the Company of a substantial portion of the proceeds of the private placement of the 2015-1 Notes, net of expenses, which distribution was used to repay a portion of certain amounts outstanding under the SPV Credit Facility and the Credit Facility. As part of the 2015-1 Debt Securitization, certain first and second lien senior secured loans were distributed by the SPV to the Company pursuant to a distribution and contribution agreement.

On August 30, 2018, the Company and the 2015-1 Issuer closed the 2015-1 Debt Securitization Refinancing. On the closing date of the 2015-1 Debt Securitization Refinancing, the 2015-1 Issuer, among other things:

(a) refinanced the issued Class A-1A Notes by redeeming in full the Class A-1A Notes and issuing new AAA Class A-1-1-R Notes in an aggregate principal amount of $234,800 which bear interest at the three-month LIBOR plus 1.55%;

(b) refinanced the issued Class A-1B Notes by redeeming in full the Class A-1B Notes and issuing new AAA Class A-1-2-R Notes in an aggregate principal amount of $50,000 which bear interest at the three-month LIBOR plus 1.48% for the first 24 months and the three-month LIBOR plus 1.78% thereafter;

(c) refinanced the issued Class A-1C Notes by redeeming in full the Class A-1C Notes and issuing new AAA Class A-1-3-R Notes in an aggregate principal amount of $25,000 which bear interest at 4.56%;

(d) refinanced the issued Class A-2 Notes by redeeming in full the Class A-2 Notes and issuing new Class A-2-R Notes in an aggregate principal amount of $66,000 which bear interest at the three-month LIBOR plus 2.20%;

(e) issued new single-A Class B Notes and BBB- Class C Notes in aggregate principal amounts of $46,400 and $27,000, respectively, which bear interest at the three-month LIBOR plus 3.15% and the three-month LIBOR plus 4.00%, respectively;

(f) reduced the 2015-1 Issuer Preferred Interests by approximately $21,375 from a nominal value of $125,900 to approximately $104,525 at close; and

(g) extended the reinvestment period end date and maturity date applicable to the 2015-1 Issuer to October 15, 2023 and October 15, 2031, respectively.

Following the 2015-1 Debt Securitization Refinancing, the Company retained the 2015-1 Issuer Preferred Interests. The 2015-1R Notes in the 2015-1 Debt Securitization Refinancing were issued by the 2015-1 Issuer and are secured by a diversified portfolio of the 2015-1 Issuer consisting primarily of first and second lien senior secured loans.

On the closing date of the 2015-1 Debt Securitization Refinancing, the 2015-1 Issuer effected a one-time distribution to the Company of a substantial portion of the proceeds of the private placement of the 2015-1R Notes, net of expenses, which distribution was used to repay a portion of certain amounts outstanding under the SPV Credit Facility and the Credit Facility. As part of the 2015-1 Debt Securitization Refinancing, certain first and second lien senior secured loans were distributed by the SPV to the Company pursuant to a distribution and contribution agreement. The Company contributed the loans that comprised the initial closing date loan portfolio (including the loans distributed to the Company from the SPV) to the 2015-1 Issuer pursuant to a contribution agreement. Future loan transfers from the Company to the 2015-1 Issuer will be made pursuant to a sale agreement and are subject to the approval of the Company's Board of Directors. Assets of the 2015-1 Issuer are not available to the creditors of the SPV or the Company. In connection with the issuance and sale of the 2015-1R Notes, the Company made customary representations, warranties and covenants in the purchase agreement.

During the reinvestment period, pursuant to the indenture governing the 2015-1R Notes, all principal collections received on the underlying collateral may be used by the 2015-1 Issuer to purchase new collateral under the direction of Investment Adviser in its capacity as collateral manager of the 2015-1 Issuer and in accordance with the Company's investment strategy.

The Investment Adviser serves as collateral manager to the 2015-1 Issuer under a collateral management agreement (the "Collateral Management Agreement"). Pursuant to the Collateral Management Agreement, the 2015-1 Issuer pays management fees (comprised of base management fees, subordinated management fees and incentive management fees) to the Investment Adviser for rendering collateral management services. As per the Collateral Management Agreement, for the period the Company retains all of the 2015-1 Issuer Preferred Interests, the Investment Adviser does not earn management fees for providing such collateral management services. The Company currently retains all of the 2015-1 Issuer Preferred Interests, thus the Investment Adviser did not earn any management fees from the 2015-1 Issuer for the three month periods ended March 31, 2020 and 2019. Any such waived fees may not be recaptured by the Investment Adviser.

Pursuant to an undertaking by the Company in connection with the 2015-1 Debt Securitization Refinancing, the Company has agreed to hold on an ongoing basis the 2015-1 Issuer Preferred Interests with an aggregate dollar purchase price at least equal to 5% of the aggregate outstanding amount of all collateral obligations by the 2015-1 Issuer for so long as any securities of the 2015-1 Issuer remain outstanding. As of March 31, 2020, the Company was in compliance with its undertaking.

The 2015-1 Issuer pays ongoing administrative expenses to the trustee, independent accountants, legal counsel, rating agencies and independent managers in connection with developing and maintaining reports, and providing required services in connection with the administration of the 2015-1 Issuer.

As of March 31, 2020, the 2015-1R Notes were secured by 60 first lien and second lien senior secured loans with a total fair value of approximately $513,314 and cash of $5,724. The pool of loans in the securitization must meet certain requirements, including asset mix and concentration, term, agency rating, collateral coverage, minimum coupon, minimum spread and sector diversity requirements in the indenture governing the 2015-1R Notes.

For the three month periods ended March 31, 2020 and 2019, the weighted average interest rate, the effective annualized weighted average interest rates, which include amortization of debt issuance costs on the 2015-1R Notes, were 3.92% and 4.75%, respectively, based on floating LIBOR rates. As of March 31, 2020 and December 31, 2019 the weighted average interest rates were 3.85% and 4.75% respectively, based on floating LIBOR rates.

For the for the three month periods ended March 31, 2020 and 2019, the components of interest expense on the 2015-1R Notes were as follows:

	For the three month periods ended	
	March 31, 2020	March 31, 2019
Interest expense	$ 4,393	$ 5,276
Amortization of deferred financing costs	62	62
Total interest expense and credit facility fees	$ 4,455	$ 5,338
Cash paid for interest expense	$ 4,594	$ 5,066

As of March 31, 2020 and December 31, 2019, $3,690 and $3,891, respectively, of interest expense was included in interest and credit facility fees payable.

8. COMMITMENTS AND CONTINGENCIES

A summary of significant contractual payment obligations was as follows as of March 31, 2020 and December 31, 2019:

Payment Due by Period	March 31, 2020	December 31, 2019
Less than 1 Year	$ —	$ —
1-3 Years	—	—
3-5 Years	816,609	731,543
More than 5 Years	449,200	449,200
Total	$ 1,265,809	$ 1,180,743

In the ordinary course of its business, the Company enters into contracts or agreements that contain indemnification or warranties. Future events could occur that lead to the execution of these provisions against the Company. The Company believes that the likelihood of such an event is remote; however, the maximum potential exposure is unknown. No accrual has been made in the consolidated financial statements as of March 31, 2020 and December 31, 2019 for any such exposure.

We have in the past, currently are and may in the future become obligated to fund commitments such as revolving credit facilities, bridge financing commitments, or delayed draw commitments.

The Company had the following unfunded commitments to fund delayed draw and revolving senior secured loans as of the indicated dates:

	Par Value as of	
	March 31, 2020	December 31, 2019
Unfunded delayed draw commitments	$ 65,237	$ 75,874
Unfunded revolving term loan commitments	38,751	74,016
Total unfunded commitments	$ 103,988	$ 149,890

9. NET ASSETS

The Company has the authority to issue 200,000,000 shares of common stock, $0.01 per share par value.

On November 5, 2018, the Company's Board of Directors approved a $100,000 stock repurchase program (the "Company Stock Repurchase Program"). The Company Stock Repurchase Program was to be in effect until November 5, 2019, or until the approved dollar amount had been used to repurchase shares. On November 4, 2019, the Company's Board of Directors approved the continuation of the Company Stock Repurchase Program until November 5, 2020, or until the approved dollar amount has been used to repurchase shares. This program, which is temporarily suspended, may be resumed, extended, modified or discontinued by the Company at any time, subject to applicable law. Since the inception of the Company Stock Repurchase Program through March 31, 2020, the Company has repurchased 6,260,043 shares of the Company's common stock at an average cost of $13.67 per share, or $85,597 in the aggregate, resulting in accretion to net assets per share of $0.34.

For the three month period ended March 31, 2020, the Company repurchased and extinguished 1,455,195 shares for $16,003. The following table summarizes capital activity during the for the three month period ended March 31, 2020:

	Common Stock		Capital in Excess of Par Value	Offering Costs	Accumulated Net Investment Income (Loss)	Accumulated Net Realized Gain (Loss)	Accumulated Net Unrealized Appreciation (Depreciation)	Total Net Assets
	Shares	Amount						
Balance, beginning of period	57,763,811	$ 578	$ 1,109,238	$ (1,633)	$ 10,368	$ (82,654)	$ (79,426)	$ 956,471
Repurchase of common stock	(1,455,195)	(15)	(15,988)	—	—	—	—	(16,003)
Net investment income (loss)	—	—	—	—	23,972	—	—	23,972
Net realized gain (loss)	—	—	—	—	—	(1,847)	—	(1,847)
Net change in unrealized appreciation (depreciation)	—	—	—	—	—	—	(143,225)	(143,225)
Dividends declared	—	—	—	—	(20,834)	—	—	(20,834)
Balance, end of period	56,308,616	$ 563	$ 1,093,250	$ (1,633)	$ 13,506	$ (84,501)	$ (222,651)	$ 798,534

For the three month period ended March 31, 2019, the Company repurchased and extinguished 958,182 shares for $14,085. The following table summarizes capital activity for the three month period ended March 31, 2019:

	Common Stock		Capital in Excess of Par Value	Offering Costs	Accumulated Net Investment Income (Loss)	Accumulated Net Realized Gain (Loss)	Accumulated Net Unrealized Appreciation (Depreciation)	Total Net Assets
	Shares	Amount						
Balance, beginning of period	62,230,251	$ 622	$ 1,174,334	$ (1,633)	$ 5,901	$ (44,572)	$ (71,434)	$ 1,063,218
Repurchase of common stock	(958,182)	(9)	(14,076)	—	—	—	—	(14,085)
Net investment income (loss)	—	—	—	—	27,562	—	—	27,562
Net realized gain (loss)	—	—	—	—	—	899	—	899
Net change in unrealized appreciation (depreciation)	—	—	—	—	—	—	5,265	5,265
Dividends declared	—	—	—	—	(22,672)	—	—	(22,672)
Balance, end of period	61,272,069	$ 613	$ 1,160,258	$ (1,633)	$ 10,791	$ (43,673)	$ (66,169)	$ 1,060,187

The Company computes earnings per common share in accordance with ASC 260, *Earnings Per Share*. Basic earnings per common share were calculated by dividing net increase (decrease) in net assets resulting from operations attributable to the Company by the weighted-average number of common shares outstanding for the period.

Basic and diluted earnings per common share were as follows:

	For the three month periods ended	
	March 31, 2020	March 31, 2019
Net increase (decrease) in net assets resulting from operations	$ (121,100)	$ 33,726
Weighted-average common shares outstanding	57,112,193	61,772,774
Basic and diluted earnings per common share	$ (2.12)	$ 0.55

The following table summarizes the Company's dividends declared during the two most recent fiscal years and the current fiscal year to-date:

Date Declared	Record Date	Payment Date	Per Share Amount
February 26, 2018	March 29, 2018	April 17, 2018	$ 0.37
May 2, 2018	June 29, 2018	July 17, 2018	$ 0.37
August 6, 2018	September 28, 2018	October 17, 2018	$ 0.37
November 5, 2018	December 28, 2018	January 17, 2019	$ 0.37
December 12, 2018	December 28, 2018	January 17, 2019	$ 0.20 (1)
February 22, 2019	March 29, 2019	April 17, 2019	$ 0.37
May 6, 2019	June 28, 2019	July 17, 2019	$ 0.37
June 17, 2019	June 28, 2019	July 17, 2019	$ 0.08 (1)
August 5, 2019	September 30, 2019	October 17, 2019	$ 0.37
November 4, 2019	December 31, 2019	January 17, 2020	$ 0.37
December 12, 2019	December 31, 2019	January 17, 2020	$ 0.18 (1)
February 24, 2020	March 31, 2020	April 17, 2020	$ 0.37

(1) Represents a special dividend.

10. CONSOLIDATED FINANCIAL HIGHLIGHTS

The following is a schedule of consolidated financial highlights for the three month periods ended March 31, 2020 and 2019:

	For the three month periods ended	
	March 31, 2020	March 31, 2019
Per Share Data:		
Net asset value per share, beginning of period	$ 16.56	$ 17.09
Net investment income (loss) [1]	0.42	0.45
Net realized gain (loss) and net change in unrealized appreciation (depreciation) on investments and non-investment assets and liabilities	(2.57)	0.09
Net increase (decrease) in net assets resulting from operations	(2.15)	0.54
Dividends declared [2]	(0.37)	(0.37)
Accretion due to share repurchases	0.14	0.04
Net asset value per share, end of period	$ 14.18	$ 17.30
Market price per share, end of period	$ 5.22	$ 14.48
Number of shares outstanding, end of period	56,308,616	61,272,069
Total return based on net asset value [3]	(12.14)%	3.39%
Total return based on market price [4]	(58.22)%	19.76%
Net assets, end of period	$ 798,534	$ 1,060,187
Ratio to average net assets (5):		
Expenses before incentive fees	2.38 %	2.03%
Expenses after incentive fees	2.94 %	2.58%
Net investment income (loss)	2.66 %	2.58%
Interest expense and credit facility fees	1.41 %	1.18%
Ratios/Supplemental Data:		
Asset coverage, end of period	163.08 %	195.50%
Portfolio turnover	3.11 %	3.45%
Weighted-average shares outstanding	57,112,193	61,772,774

(1) Net investment income (loss) per share was calculated as net investment income (loss) for the period divided by the weighted average number of shares outstanding for the period.
(2) Dividends declared per share was calculated as the sum of dividends declared during the period divided by the number of shares outstanding at each respective quarter-end date (refer to Note 9, Net Assets).
(3) Total return based on net asset value (not annualized) is based on the change in net asset value per share during the period plus the declared dividends, assuming reinvestment of dividends in accordance with the dividend reinvestment plan, divided by the beginning net asset value for the period.
(4) Total return based on market value (not annualized) is calculated as the change in market value per share during the period plus the declared dividends, assuming reinvestment of dividends in accordance with the dividend reinvestment plan, divided by the beginning market price for the period.
(5) These ratios to average net assets have not been annualized.

11. LITIGATION

The Company may become party to certain lawsuits in the ordinary course of business. The Company does not believe that the outcome of current matters, if any, will materially impact the Company or its consolidated financial statements. As of March 31, 2020 and December 31, 2019, the Company was not subject to any material legal proceedings, nor, to the Company’s knowledge, is any material legal proceeding threatened against the Company.

In addition, portfolio investments of the Company could be the subject of litigation or regulatory investigations in the ordinary course of business. The Company does not believe that the outcome of any current contingent liabilities of its portfolio investments, if any, will materially affect the Company or these consolidated financial statements.

12. TAX

The Company has not recorded a liability for any uncertain tax positions pursuant to the provisions of ASC 740, *Income Taxes*, as of March 31, 2020 and December 31, 2019.

In the normal course of business, the Company is subject to examination by federal and certain state, local and foreign tax regulators. As of March 31, 2020 and December 31, 2019, the Company had filed tax returns and therefore is subject to examination.

The Company's taxable income for each period is an estimate and will not be finally determined until the Company files its tax return for each year. Therefore, the final taxable income, and the taxable income earned in each period and carried forward for distribution in the following period, may be different than this estimate. The estimated tax character of dividends declared for three month periods ended March 31, 2020 and 2019 was as follows:

	For the three month periods ended	
	March 31, 2020	**March 31, 2019**
Ordinary income	$ 20,834	$ 22,672
Tax return of capital	$ —	$ —

13. SUBSEQUENT EVENTS

Subsequent events have been evaluated through the date the consolidated financial statements were issued. There have been no subsequent events that require recognition or disclosure through the date the consolidated financial statements were issued, except as disclosed below.

Subsequent to March 31, 2020, the Company borrowed $24,792 under the Credit Facility and the SPV Credit Facility. The Company also voluntarily repaid $86,000 under the Credit Facility and SPV Credit Facility.

On May 4, 2020, the Board of Directors declared a quarterly dividend of $0.37, which is payable on July 17, 2020 to stockholders of record on June 30, 2020.

On May 5, 2020, the Company issued and sold 2,000,000 shares of cumulative convertible preferred stock, par value $0.01, to Carlyle in a private placement at a price of $25 per share (the "Preferred Stock"). The Company intends to use the total proceeds to the Company of $50.0 million from the offering to repay certain indebtedness under the Facilities and for general corporate purposes, which includes investing in portfolio companies in accordance with its investment objective.

The Preferred Stock ranks senior to the Company's common stock with respect to the payment of dividends and distribution of assets upon liquidation. The Preferred Stock has a liquidation preference equal to $25 per share (the "Liquidation Preference") plus any accumulated but unpaid dividends up to but excluding the date of distribution. Additional information regarding the terms of the Preferred Stock is included under "Other" in Part II, Item 5 of this Form 10-Q.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.
(dollar amounts in thousands, except per share data, unless otherwise indicated)

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

We have included or incorporated by reference in this Form 10-Q, and from time to time our management may make, "forward-looking statements". These forward-looking statements are not historical facts, but instead relate to future events or the future performance or financial condition of TCG BDC, Inc. (together with its consolidated subsidiaries, "we," "us," "our," "TCG BDC" or the "Company"). These statements are based on current expectations, estimates and projections about us, our current or prospective portfolio investments, our industry, our beliefs, and our assumptions. The forward-looking statements contained in this Form 10-Q involve a number of risks and uncertainties, including statements concerning:

- our, or our portfolio companies', future business, operations, operating results or prospects, including our and their ability to achieve our respective objectives as a result of the current COVID-19 pandemic;
- the return or impact of current and future investments;
- the general economy and its impact on the industries in which we invest and the impact of the COVID-19 pandemic thereon;
- the impact of any protracted decline in the liquidity of credit markets on our business and the impact of the COVID-19 pandemic thereon;
- the impact of fluctuations in interest rates on our business;
- our future operating results and the impact of the COVID-19 pandemic thereon;
- the impact of changes in laws, policies or regulations (including the interpretation thereof) affecting our operations or the operations of our portfolio companies;
- the valuation of our investments in portfolio companies, particularly those having no liquid trading market, and the impact of the COVID-19 pandemic thereon;
- our ability to recover unrealized losses;
- market conditions and our ability to access alternative debt markets and additional debt and equity capital, and the impact of the COVID-19 pandemic thereon;
- our contractual arrangements and relationships with third parties;
- uncertainty surrounding the financial stability of the United States, Europe and China;
- the social, geopolitical, financial, trade and legal implications of Brexit;
- the financial condition of and ability of our current and prospective portfolio companies to achieve their objectives and the impact of the COVID-19 pandemic thereon;
- competition with other entities and our affiliates for investment opportunities;
- the speculative and illiquid nature of our investments;
- the use of borrowed money to finance a portion of our investments;
- our expected financings and investments;
- the adequacy of our cash resources and working capital;
- the timing, form and amount of any dividend distributions;
- 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 to consummate acquisitions;
- the ability of our investment adviser to locate suitable investments for us and to monitor and administer our investments;
- currency fluctuations could adversely affect the results of our investments in foreign companies, particularly to the extent that we receive payments denominated in foreign currency rather than U.S. dollars;
- the ability of The Carlyle Group Employee Co., L.L.C. to attract and retain highly talented professionals that can provide services to our investment adviser and administrator;
- our ability to maintain our status as a business development company; and

- our intent to satisfy the requirements of a regulated investment company under Subchapter M of the Internal Revenue Code of 1986, as amended.

We use words such as “anticipates,” “believes,” “expects,” “intends,” “will,” “should,” “may,” “plans,” “continue,” “believes,” “seeks,” “estimates,” “would,” “could,” “targets,” “projects,” “outlook,” “potential,” “predicts” and variations of these words and similar expressions to identify forward-looking statements, although not all forward-looking statements include these words. Our actual results and condition could differ materially from those implied or expressed in the forward-looking statements for any reason, including the factors set forth in “Risk Factors” in Part II, Item 1A of and elsewhere in this Form 10-Q.

We have based the forward-looking statements included in this Form 10-Q on information available to us on the date of this Form 10-Q, and we assume no obligation to update any such forward-looking statements. Although we undertake no obligation to revise or update any forward-looking statements, whether as a result of new information, future events or otherwise, you are advised to consult any additional disclosures that we may make directly to you or through reports that we have filed or in the future may file with the Securities and Exchange Commission (the “SEC”), including our annual reports on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K.

OVERVIEW

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with Part I, Item 1 of this Form 10-Q “Financial Statements.” This discussion contains forward-looking statements and involves numerous risks and uncertainties, including, but not limited to those described in “Risk Factors” in Part I, Item 1A of our annual report on Form 10-K for the year ended December 31, 2019 and Part II, Item 1A of this Form 10-Q. Our actual results could differ materially from those anticipated by such forward-looking statements due to factors discussed under “Risk Factors” and “Cautionary Statements Regarding Forward-Looking Statements” appearing elsewhere in this Form 10-Q.

We are a Maryland corporation formed on February 8, 2012, and structured as an externally managed, non-diversified closed-end investment company. We have elected to be regulated as a BDC under the Investment Company Act. We have elected to be treated, and intend to continue to comply with the requirements to qualify annually, as a RIC under Subchapter M of the Code.

Our investment objective is to generate current income and capital appreciation primarily through debt investments in U.S. middle market companies. Our core investment strategy focuses on lending to U.S. middle market companies, which we define as companies with approximately $25 million to $100 million of EBITDA, which we believe is a useful proxy for cash flow. We complement this core strategy with additive, diversifying assets including, but not limited to, specialty lending investments. We seek to achieve our investment objective primarily through direct origination of Middle Market Senior Loans, with the balance of our assets invested in higher yielding investments (which may include unsecured debt, mezzanine debt and investments in equities). We generally make Middle Market Senior Loans to private U.S. middle market companies that are, in many cases, controlled by private equity firms. Depending on market conditions, we expect that between 70% and 80% of the value of our assets will be invested in Middle Market Senior Loans. We expect that the composition of our portfolio will change over time given our Investment Adviser’s view on, among other things, the economic and credit environment (including with respect to interest rates) in which we are operating.

On June 19, 2017, we closed our IPO, issuing 9,454,200 shares of our common stock (including shares issued pursuant to the exercise of the underwriters’ over-allotment option on July 5, 2017) at a public offering price of $18.50 per share. Net of underwriting costs, we received cash proceeds of $169,488. Shares of common stock of TCG BDC began trading on the Nasdaq Global Select Market under the symbol “CGBD” on June 14, 2017.

On June 9, 2017, we acquired NF Investment Corp. (“NFIC”), a BDC managed by our Investment Advisor (the “NFIC Acquisition”). As a result, we issued 434,233 shares of common stock to the NFIC stockholders and approximately $145,602 in cash, and acquired approximately $153,648 in net assets.

We are externally managed by our Investment Adviser, an investment adviser registered under the Advisers Act. Our Administrator provides the administrative services necessary for us to operate. Both our Investment Adviser and our Administrator are wholly owned subsidiaries of Carlyle Investment Management L.L.C., a subsidiary of Carlyle. Our Investment Adviser’s five-person investment committee is responsible for reviewing and approving our investment opportunities. The members of the investment committee have experience investing through different credit cycles. As of March 31, 2020, our Investment Adviser’s investment team included a team of more than 150 investment professionals across the Carlyle Global Credit segment. The five members of our Investment Adviser's investment committee have an average of over 25 years of industry experience. In addition, our Investment Adviser and its investment team are supported by a team of finance, operations and administrative professionals currently employed by Carlyle Employee Co., a wholly owned subsidiary of Carlyle.

In conducting our investment activities, we believe that we benefit from the significant scale, relationships and resources of Carlyle, including our Investment Adviser and its affiliates. We have operated our business as a BDC since we began our investment activities in May 2013.

KEY COMPONENTS OF OUR RESULTS OF OPERATIONS

Investments

Our level of investment activity can and does vary substantially from period to period depending on many factors, including the amount of debt available to middle market companies, the general economic environment and the competitive environment for the type of investments we make.

Revenue

We generate revenue primarily in the form of interest income on debt investments we hold. In addition, we generate income from dividends on direct equity investments, capital gains on the sales of loans and debt and equity securities and various loan origination and other fees. Our debt investments generally have a stated term of five to eight years and generally bear interest at a floating rate usually determined on the basis of a benchmark such as LIBOR. Interest on these debt investments is generally paid quarterly. In some instances, we receive payments on our debt investments based on scheduled amortization of the outstanding balances. In addition, we receive repayments of some of our debt investments prior to their scheduled maturity date. The frequency or volume of these repayments fluctuates significantly from period to period. Our portfolio activity also reflects the proceeds of sales of securities. We may also generate revenue in the form of commitment, origination, amendment, structuring or due diligence fees, fees for providing managerial assistance and consulting fees.

Expenses

Our primary operating expenses include the payment of: (i) investment advisory fees, including base management fees and incentive fees, to our Investment Adviser pursuant to the Investment Advisory Agreement between us and our Investment Adviser; (ii) costs and other expenses and our allocable portion of overhead incurred by our Administrator in performing its administrative obligations under the Administration Agreement between us and our Administrator; and (iii) other operating expenses as detailed below:

- administration fees payable under our Administration Agreement and Sub-Administration Agreements, including related expenses;
- the costs of any offerings of our common stock and other securities, if any;
- calculating individual asset values and our net asset value (including the cost and expenses of any independent valuation firms);
- expenses, including travel expenses, incurred by our Investment Adviser, or members of our Investment Adviser team managing our investments, or payable to third parties, performing due diligence on prospective portfolio companies and, if necessary, expenses of enforcing our rights;
- certain costs and expenses relating to distributions paid on our shares;
- debt service and other costs of borrowings or other financing arrangements;
- the allocated costs incurred by our Investment Adviser in providing managerial assistance to those portfolio companies that request it;
- amounts payable to third parties relating to, or associated with, making or holding investments;
- the costs associated with subscriptions to data service, research-related subscriptions and expenses and quotation equipment and services used in making or holding investments;
- transfer agent and custodial fees;

- costs of hedging;
- commissions and other compensation payable to brokers or dealers;
- federal and state registration fees;
- any U.S. federal, state and local taxes, including any excise taxes;
- independent director fees and expenses;
- costs of preparing financial statements and maintaining books and records, costs of preparing tax returns, costs of Sarbanes-Oxley Act compliance and attestation and costs of filing reports or other documents with the SEC (or other regulatory bodies), and other reporting and compliance costs, including registration and listing fees, and the compensation of professionals responsible for the preparation or review of the foregoing;
- the costs of any reports, proxy statements or other notices to our stockholders (including printing and mailing costs), the costs of any stockholders' meetings and the compensation of investor relations personnel responsible for the preparation of the foregoing and related matters;
- the costs of specialty and custom software for monitoring risk, compliance and overall portfolio, including any development costs incurred prior to the filing of our election to be regulated as a BDC;
- our fidelity bond;
- directors and officers/errors and omissions liability insurance, and any other insurance premiums;
- indemnification payments;
- direct fees and expenses associated with independent audits, agency, consulting and legal costs; and
- all other expenses incurred by us or our Administrator in connection with administering our business, including our allocable share of certain officers and their staff compensation.

We expect our general and administrative expenses to be relatively stable or to decline as a percentage of total assets during periods of asset growth and to increase during periods of asset declines.

PORTFOLIO AND INVESTMENT ACTIVITY

Below is a summary of certain characteristics of our investment portfolio as of March 31, 2020 and December 31, 2019.

	As of	
	March 31, 2020	**December 31, 2019**
Fair value of investments	$ 2,024,277	$ 2,123,964
Count of investments	138	136
Count of portfolio companies / investment fund	110	112
Count of industries	28	28
Count of sponsors	63	63
Percentage of total investment fair value:		
First lien debt	73.0%	74.6%
First lien/last out loans	2.8%	3.7%
Second lien debt	13.6%	11.0%
Total secured debt	89.4%	89.3%
Credit Fund	9.2%	9.6%
Equity investments	1.5%	1.0%
Percentage of debt investment fair value:		
Floating rate (1)	99.2%	99.7%
Fixed interest rate	0.8%	0.3%

(1) Primarily subject to interest rate floors.

Our investment activity for the three month periods ended March 31, 2020 and 2019 is presented below (information presented herein is at amortized cost unless otherwise indicated):

	For the three month periods ended	
	March 31, 2020	**March 31, 2019**
Investments:		
Total investments, beginning of period	$ 2,201,451	$ 2,043,591
New investments purchased	331,932	246,221
Net accretion of discount on investments	2,586	2,161
Net realized gain (loss) on investments	(1,697)	899
Investments sold or repaid	(286,945)	(71,494)
Total Investments, end of period	$ 2,247,327	$ 2,221,378
Principal amount of investments funded:		
First Lien Debt (excluding First Lien/Last Out)	$ 75,510	$ 143,749
First Lien/Last Out Unitranche	—	23,879
Second Lien Debt	86,109	49,344
Equity Investments	10,500	2,241
Investment Fund	156,000	30,500
Total	$ 328,119	$ 249,713
Principal amount of investments sold or repaid:		
First Lien Debt (excluding First Lien/Last Out)	$ (97,185)	$ (25,902)
First Lien/Last Out Unitranche	(19,273)	(25,264)
Second Lien Debt	(15,232)	—
Equity Investments	—	—
Investment Fund	(156,500)	(18,700)
Total	$ (288,190)	$ (69,866)
Number of new funded investments	10	12
Average amount of new funded investments	$ 10,277	$ 20,518
Percentage of new funded debt investments at floating interest rates	90%	100%
Percentage of new funded debt investments at fixed interest rates	10%	—%

As of March 31, 2020 and December 31, 2019, investments consisted of the following:

	March 31, 2020		December 31, 2019	
	Amortized Cost	**Fair Value**	**Amortized Cost**	**Fair Value**
First Lien Debt (excluding First Lien/Last Out)	$ 1,597,780	$ 1,478,357	$ 1,649,721	$ 1,585,042
First Lien/Last Out Unitranche	93,178	56,408	78,951	78,096
Second Lien Debt	308,563	275,055	234,006	234,532
Equity Investments	31,805	29,323	22,272	21,698
Investment Fund	216,001	185,134	216,501	204,596
Total	$ 2,247,327	$ 2,024,277	$ 2,201,451	$ 2,123,964

The weighted average yields [1] for our first and second lien debt, based on the amortized cost and fair value as of March 31, 2020 and December 31, 2019, were as follows:

	March 31, 2020		December 31, 2019	
	Amortized Cost	Fair Value	Amortized Cost	Fair Value
First Lien Debt (excluding First Lien/Last Out)	7.42%	8.02%	8.00%	8.17%
First Lien/Last Out Unitranche	6.06%	10.02%	6.63%	9.53%
First Lien Debt Total	7.35%	8.10%	7.91%	8.23%
Second Lien Debt	9.92%	11.13%	10.44%	10.42%
First and Second Lien Debt Total	7.74%	8.56%	8.22%	8.50%

(1) Weighted average yields include the effect of accretion of discounts and amortization of premiums and are based on interest rates as of March 31, 2020 and December 31, 2019. Weighted average yield on debt and income producing securities at fair value is computed as (a) the annual stated interest rate or yield earned plus the net annual amortization of OID and market discount earned on accruing debt included in such securities, divided by (b) total first lien and second lien debt at fair value included in such securities. Weighted average yield on debt and income producing securities at amortized cost is computed as (a) the annual stated interest rate or yield earned plus the net annual amortization of OID and market discount earned on accruing debt included in such securities, divided by (b) total first lien and second lien debt at amortized cost included in such securities. Actual yields earned over the life of each investment could differ materially from the yields presented above.

Total weighted average yields (which includes the effect of accretion of discount and amortization of premiums) of our first and second lien debt investments as measured on an amortized cost basis decreased from 8.22% to 7.74% from December 31, 2019 to March 31, 2020. The decrease in weighted average yields was primarily due to a decrease in the effective LIBOR rate applicable to loans in the portfolio.

The following table summarizes the fair value of our performing and non-accrual/non-performing investments as of March 31, 2020 and December 31, 2019:

	March 31, 2020		December 31, 2019	
	Fair Value	Percentage	Fair Value	Percentage
Performing	$ 1,980,161	97.82%	$ 2,071,535	97.53%
Non-accrual [1]	44,116	2.18	52,429	2.47
Total	$ 2,024,277	100.00%	$ 2,123,964	100.00%

[1] For information regarding our non-accrual policy, see Note 2 to the consolidated financial statements included in Part I, Item 1 of this Form 10-Q.

See the Consolidated Schedules of Investments as of March 31, 2020 and December 31, 2019 in our consolidated financial statements in Part I, Item 1 of this Form 10-Q for more information on these investments, including a list of companies and type and amount of investments.

As part of the monitoring process, our Investment Adviser has developed risk policies pursuant to which it regularly assesses the risk profile of each of our debt investments and rates each of them based on the following categories, which we refer to as “Internal Risk Ratings”:

Internal Risk Ratings Definitions

Rating	Definition
1	**Performing—Low Risk:** Borrower is operating more than 10% ahead of the base case.
2	**Performing—Stable Risk:** Borrower is operating within 10% of the base case (above or below). This is the initial rating assigned to all new borrowers.
3	**Performing—Management Notice:** Borrower is operating more than 10% below the base case. A financial covenant default may have occurred, but there is a low risk of payment default.
4	**Watch List:** Borrower is operating more than 20% below the base case and there is a high risk of covenant default, or it may have already occurred. Payments are current although subject to greater uncertainty, and there is moderate to high risk of payment default.
5	**Watch List—Possible Loss:** Borrower is operating more than 30% below the base case. At the current level of operations and financial condition, the borrower does not have the ability to service and ultimately repay or refinance all outstanding debt on current terms. Payment default is very likely or may have occurred. Loss of principal is possible.
6	**Watch List—Probable Loss:** Borrower is operating more than 40% below the base case, and at the current level of operations and financial condition, the borrower does not have the ability to service and ultimately repay or refinance all outstanding debt on current terms. Payment default is very likely or may have already occurred. Additionally, the prospects for improvement in the borrower’s situation are sufficiently negative that impairment of some or all principal is probable.

Our Investment Adviser’s risk rating model is based on evaluating portfolio company performance in comparison to the base case when considering certain credit metrics including, but not limited to, adjusted EBITDA and net senior leverage as well as specific events including, but not limited to, default and impairment.

Our Investment Adviser monitors and, when appropriate, changes the investment ratings assigned to each debt investment in our portfolio. In connection with our quarterly valuation process, our Investment Adviser reviews our investment ratings on a regular basis. The following table summarizes the Internal Risk Ratings as of March 31, 2020 and December 31, 2019:

	March 31, 2020		December 31, 2019	
	Fair Value	% of Fair Value	Fair Value	% of Fair Value
(dollar amounts in millions)				
Internal Risk Rating 1	$ 38.6	2.13%	$ 39.2	2.06%
Internal Risk Rating 2	1,392.5	76.94	1,501.4	79.12
Internal Risk Rating 3	205.8	11.37	132.9	7.00
Internal Risk Rating 4	96.6	5.34	159.0	8.38
Internal Risk Rating 5	32.6	1.80	65.2	3.44
Internal Risk Rating 6	43.8	2.42	—	—
Total	$ 1,809.8	100.00%	$ 1,897.7	100.00%

As of March 31, 2020 and December 31, 2019, the weighted average Internal Risk Rating of our debt investment portfolio was 2.3 and 2.3, respectively. As of March 31, 2020 and December 31, 2019, 18 and 18 of our debt investments, with an aggregate fair value of $172.9 million and $224.3 million, respectively, were assigned an Internal Risk Rating of 4-6 (“Watch List”). As of March 31, 2020 and December 31, 2019, seven and five first lien debt investments, respectively, were on non-accrual status. The fair values of debt investments in the portfolio on non-accrual status were $44.1 million and $52.4 million, respectively, which represented approximately 2.18% and 2.47%, respectively, of total investments at fair value. The remaining first and second lien debt investments were performing and current on their interest payments as of March 31, 2020 and December 31, 2019.

During the three month period ended March 31, 2020, two investments with fair value of $17.4 million were downgraded to the Watch List due to changes in financial condition and performance of the respective portfolio companies, one investment with fair value of $20.7 million was upgraded and removed from the Watch List due to improved performance of the portfolio company and one investment on the Watch List with fair value of $6.1 million was repaid in full.

CONSOLIDATED RESULTS OF OPERATIONS

For the three month periods ended March 31, 2020 and 2019

The net increase or decrease in net assets from operations may vary substantially from period to period as a result of various factors, including the recognition of realized gains and losses and net change in unrealized appreciation and depreciation. As a result, quarterly comparisons may not be meaningful.

Investment Income

Investment income for the three month periods ended March 31, 2020 and 2019 was as follows:

	For the three month periods ended	
	March 31, 2020	March 31, 2019
Investment income		
First Lien Debt	$ 35,650	$ 41,574
Second Lien Debt	8,126	5,746
Equity Investments	185	247
Investment Fund	6,549	7,538
Cash	35	82
Total investment income	$ 50,545	$ 55,187

The decrease in investment income for the three month period ended March 31, 2020 from the comparable period in 2019 was primarily driven by the decrease in LIBOR, loans placed on non-accrual, and lower interest and dividend income from Credit Fund. As of March 31, 2020, the size of our portfolio increased to $2,247,327 from $2,221,378 as of March 31, 2019, at amortized cost, and total principal amount of investments outstanding increased to 2,259,466 from $2,253,682 as of March 31, 2019. As of March 31, 2020, the weighted average yield of our first and second lien debt investments decreased to 7.74% from 9.51% as of March 31, 2019 on amortized cost, primarily due to the decrease in LIBOR and loans placed on non-accrual status.

Interest income on our first and second lien debt investments is dependent on the composition and credit quality of the portfolio. Generally, we expect the portfolio to generate predictable quarterly interest income based on the terms stated in each loan’s credit agreement. As of March 31, 2020 and 2019, seven and three first lien debt investments, respectively, were on non-accrual status. Non-accrual investments had a fair value of $44,116 and $17,482 respectively, which represented approximately 2.18% and 0.81% of total investments at fair value, respectively. The remaining first and second lien debt investments were performing and current on their interest payments as of March 31, 2020 and 2019.

For the three month periods ended March 31, 2020 and 2019, the Company earned $2,344 and $2,028, respectively, in other income.

Our total dividend and interest income from investments in Credit Fund totaled $6,736 and $7,538 for the three month periods ended March 31, 2020 and 2019, respectively. The decrease for the three month period ended March 31, 2020 from the comparable period in 2019, was primarily driven by the lower dividend from Credit Fund and the decrease in LIBOR on the Mezzanine Loan.

Net investment income (loss) for the three month periods ended March 31, 2020 and 2019 was as follows:

	For the three month periods ended	
	March 31, 2020	March 31, 2019
Total investment income	$ 50,545	$ 55,187
Net expenses (including excise tax expense)	(26,573)	(27,625)
Net investment income (loss)	$ 23,972	$ 27,562

Expenses

	For the three month periods ended	
	March 31, 2020	March 31, 2019
Base management fees	$ 7,386	$ 7,685
Incentive fees	5,086	5,846
Professional fees	667	745
Administrative service fees	106	216
Interest expense	12,179	11,991
Credit facility fees	590	568
Directors’ fees and expenses	96	93
Other general and administrative	411	421
Excise tax expense	52	60
Net expenses	$ 26,573	$ 27,625

Interest expense and credit facility fees for the three month periods ended March 31, 2020 and 2019 were comprised of the following:

	For the three month periods ended	
	March 31, 2020	March 31, 2019
Interest expense	$ 12,179	$ 11,991
Facility unused commitment fee	318	303
Amortization of deferred financing costs	243	236
Other fees	29	29
Total interest expense and credit facility fees	$ 12,769	$ 12,559
Cash paid for interest expense	$ 12,647	$ 11,515
Average principal debt outstanding	$ 1,236,463	$ 1,017,719
Weighted average interest rate	3.91%	4.71%

The increase in interest expense for the three month periods ended March 31, 2020 compared to the comparable period in 2019 was primarily driven by higher borrowings outstanding, partially offset by lower LIBOR.

Below is a summary of the base management fees and incentive fees incurred during the three month periods ended March 31, 2020 and 2019.

	For the three month periods ended	
	March 31, 2020	March 31, 2019
Base management fees	$ 7,386	$ 7,685
Incentive fees on pre-incentive fee net investment income	5,086	5,846
Realized capital gains incentive fees	—	—
Accrued capital gains incentive fees	—	—
Total capital gains incentive fees	—	—
Total incentive fees	5,086	5,846
Total base management fees and incentive fees	$ 12,472	$ 13,531

The decrease in base management fees and incentive fees related to pre-incentive fee net investment income for the three month period ended March 31, 2020 from the comparable period in 2019 was driven by lower investment fair value and lower pre-incentive fee net investment income, respectively.

For the three month periods ended March 31, 2020 and 2019, there were no accrued capital gains incentive fees based upon the cumulative net realized and unrealized appreciation (depreciation) as of March 31, 2020 and 2019. The accrual for any capital gains incentive fee under accounting principles generally accepted in the United States ("U.S. GAAP") in a given period may result in an additional expense if such cumulative amount is greater than in the prior period or a reduction of previously recorded expense if such cumulative amount is less than in the prior period. If such cumulative amount is negative, then there is no accrual. See Note 4 to the consolidated financial statements included in Part I, Item 1 of this Form 10-Q for more information on the incentive and base management fees.

Professional fees include legal, rating agencies, audit, tax, valuation, technology and other professional fees incurred related to the management of the Company. Administrative service fees represent fees paid to the Administrator for our allocable portion of overhead and other expenses incurred by the Administrator in performing its obligations under the administration agreement, including our allocable portion of the cost of certain of our executive officers and their respective staff. Other general and administrative expenses include insurance, filing, research, subscriptions and other costs.

Net Realized Gain (Loss) and Net Change in Unrealized Appreciation (Depreciation) on Investments

During the three month periods ended March 31, 2020 and 2019, we had realized gains on 4 and 2 investments, respectively, totaling approximately $627 and $959, respectively, which was offset by realized losses on 3 and 1 investments, respectively, totaling approximately $2,324 and $60, respectively. During the three month periods ended March 31, 2020 and 2019, we had unrealized appreciation on 15 and 70 investments, respectively, totaling approximately $4,389 and $16,195, respectively, which was offset by unrealized depreciation on 122 and 37 investments, respectively, totaling approximately $149,952 and $10,930, respectively.

Net realized gain (loss) and net change in unrealized appreciation (depreciation) by the type of investments for the three month periods ended March 31, 2020 and 2019 were as follows:

	For the three month periods ended	
	March 31, 2020	March 31, 2019
Net realized gain (loss) on investments	$ (1,697)	$ 899
Net change in unrealized appreciation (depreciation) on investments	(145,563)	5,265
Net realized gain (loss) and net change in unrealized appreciation (depreciation) on investments	$ (147,260)	$ 6,164

Net realized gain (loss) and net change in unrealized appreciation (depreciation) by the type of investments for the three month periods ended March 31, 2020 and 2019 were as follows:

	For the three month periods ended			
	March 31, 2020		March 31, 2019	
Type	Net realized gain (loss)	Net change in unrealized appreciation (depreciation)	Net realized gain (loss)	Net change in unrealized appreciation (depreciation)
First Lien Debt	$ (2,054)	$ (90,659)	$ (60)	$ 978
Second Lien Debt	—	(34,034)	—	1,419
Equity Investments	357	(1,908)	959	2,372
Investment Fund	—	(18,962)	—	496
Total	$ (1,697)	$ (145,563)	$ 899	$ 5,265

Net change in unrealized appreciation in our investments for the three month periods ended March 31, 2020 compared to the comparable period in 2019 was primarily due to higher market spreads related to the COVID-19 pandemic, as well as to changes in other inputs utilized under our valuation methodology, including, but not limited to, enterprise value multiples, leverage multiples and borrower ratings, and the impact of exits.

MIDDLE MARKET CREDIT FUND, LLC

Overview

On February 29, 2016, the Company and Credit Partners entered into the Limited Liability Company Agreement to co-manage Credit Fund, a Delaware limited liability company that is not consolidated in the Company's consolidated financial statements. Credit Fund primarily invests in first lien loans of middle market companies. Credit Fund is managed by a six-member board of managers, on which the Company and Credit Partners each have equal representation. Establishing a quorum for Credit Fund's board of managers requires at least four members to be present at a meeting, including at least two of the Company's representatives and two of Credit Partners' representatives. The Company and Credit Partners each have 50% economic ownership of Credit Fund and have commitments to fund, from time to time, capital of up to $400,000 each. Funding of such commitments generally requires the approval of the board of Credit Fund, including the board members appointed by the Company. By virtue of its membership interest, the Company and Credit Partners each indirectly bear an allocable share of all expenses and other obligations of Credit Fund.

Together with Credit Partners, the Company co-invests through Credit Fund. Investment opportunities for Credit Fund are sourced primarily by the Company and its affiliates. Portfolio and investment decisions with respect to Credit Fund must be unanimously approved by a quorum of Credit Fund's investment committee consisting of an equal number of representatives of the Company and Credit Partners. Therefore, although the Company owns more than 25% of the voting securities of Credit Fund, the Company does not believe that it has control over Credit Fund (other than for purposes of the Investment Company Act). Middle Market Credit Fund SPV, LLC (the "Credit Fund Sub"), MMCF CLO 2017-1 LLC (the "2017-1 Issuer"), MMCF CLO 2019-2, LLC (the "2019-2 Issuer", formerly known as MMCF Credit Warehouse, LLC (the "Credit Fund Warehouse")) and MMCF Warehouse II, LLC (the "Credit Fund Warehouse II"), each a Delaware limited liability company, were formed on April 5, 2016, October 6, 2017 November 26, 2018 and August 16, 2019, respectively. Credit Fund Sub, the 2017-1 Issuer, the 2019-2 Issuer, and Credit Fund Warehouse II are wholly owned subsidiaries of Credit Fund and are consolidated in Credit Fund's consolidated financial statements commencing from the date of their respective formations. Credit Fund Sub, the 2017-1 Issuer, the 2019-2 Issuer and Credit Fund Warehouse II primarily invest in first lien loans of middle market companies. Credit Fund and its wholly owned subsidiaries follow the same Internal Risk Rating System as the Company. Refer to "Debt" below for discussions regarding the credit facilities entered into and the notes issued by such wholly-owned subsidiaries.

Credit Fund, the Company and Credit Partners entered into an administration agreement with Carlyle Global Credit Administration L.L.C., the administrative agent of Credit Fund (in such capacity, the "Administrative Agent"), pursuant to which the Administrative Agent is delegated certain administrative and non-discretionary functions, is authorized to enter into sub-administration agreements at the expense of Credit Fund with the approval of the board of managers of Credit Fund, and is reimbursed by Credit Fund for its costs and expenses and Credit Fund's allocable portion of overhead incurred by the Administrative Agent in performing its obligations thereunder.

Selected Financial Data

Since inception of Credit Fund and through March 31, 2020 and December 31, 2019, the Company and Credit Partners each made capital contributions of $1 and $1 in members' equity, respectively, and $216,000 and $123,500 in subordinated loans, respectively, to Credit Fund. Below is certain summarized consolidated financial information for Credit Fund as of March 31, 2020 and December 31, 2019.

	March 31, 2020	December 31, 2019
	(unaudited)	
Selected Consolidated Balance Sheet Information		
ASSETS		
Investments, at fair value (amortized cost of $1,296,794 and $1,258,157, respectively)	$ 1,199,183	$ 1,246,839
Cash and cash equivalents	79,802	64,787
Other assets	47,437	9,369
Total assets	$ 1,326,422	$ 1,320,995
LIABILITIES AND MEMBERS' EQUITY		
Secured borrowings	$ 462,421	$ 441,077
Notes payable, net of unamortized debt issuance costs of $3,320 and $3,441, respectively	487,066	528,407
Mezzanine loans [(1)]	—	93,000
Other Short-Term Borrowings	8,802	—
Other liabilities	43,135	32,383
Subordinated loans and members' equity [(1)]	324,998	226,128
Liabilities and members' equity	$ 1,326,422	$ 1,320,995

[(1)] As of March 31, 2020 and December 31, 2019, the Company's ownership interest in the subordinated loans and members' equity was $185,134 and $111,596, respectively, and $0 and $93,000, respectively, in the mezzanine loans.

	For the three month periods ended	
	March 31, 2020	March 31, 2019
	(unaudited)	
Selected Consolidated Statement of Operations Information:		
Total investment income	$ 21,592	$ 22,606
Expenses		
Interest and credit facility expenses	13,927	14,730
Other expenses	503	441
Total expenses	14,430	15,171
Net investment income (loss)	7,162	7,435
Net realized gain (loss) on investments	—	(8,285)
Net change in unrealized appreciation (depreciation) on investments	(86,293)	17,778
Net increase (decrease) resulting from operations	$ (79,131)	$ 16,928

Below is a summary of Credit Fund’s portfolio, followed by a listing of the loans in Credit Fund's portfolio, as of March 31, 2020 and December 31, 2019:

	As of	
	March 31, 2020	December 31, 2019
Senior secured loans (1)	$ 1,299,438	$ 1,260,582
Weighted average yields of senior secured loans based on amortized cost (2)	6.01%	6.51%
Weighted average yields of senior secured loans based on fair value (2)	6.48%	6.55%
Number of portfolio companies in Credit Fund	63	61
Average amount per portfolio company (1)	$ 20,626	$ 20,665
Number of loans on non-accrual status	1	1
Fair value of loans on non-accrual status	$ 21,150	$ 21,150
Percentage of portfolio at floating interest rates (3)(4)	98.2%	98.3%
Percentage of portfolio at fixed interest rates (4)	1.8%	1.7%
Fair value of loans with PIK provisions	$ 21,150	$ 21,150
Percentage of portfolio with PIK provisions (4)	1.8%	1.7%

(1) At par/principal amount.
(2) Weighted average yields include the effect of accretion of discounts and amortization of premiums and are based on interest rates as of March 31, 2020 and December 31, 2019. Weighted average yield on debt and income producing securities at fair value is computed as (a) the annual stated interest rate or yield earned plus the net annual amortization of OID and market discount earned on accruing debt included in such securities, divided by (b) total first lien and second lien debt at fair value included in such securities. Weighted average yield on debt and income producing securities at amortized cost is computed as (a) the annual stated interest rate or yield earned plus the net annual amortization of OID and market discount earned on accruing debt included in such securities, divided by (b) total first lien and second lien debt at amortized cost included in such securities. Actual yields earned over the life of each investment could differ materially from the yields presented above.
(3) Floating rate debt investments are primarily subject to interest rate floors.
(4) Percentages based on fair value.

Consolidated Schedule of Investments as of March 31, 2020

Investments (1)		Footnotes	Industry	Reference Rate & Spread (2)	Interest Rate (2)	Maturity Date	Par/ Principal Amount	Amortized Cost (5)	Fair Value (6)
First Lien Debt (98.17% of fair value)									
Achilles Acquisition, LLC	+\#	(2) (3)	Banking, Finance, Insurance & Real Estate	L + 4.00%	5.00%	10/13/2025	$ 29,805	$ 29,690	$ 25,931
Acrisure, LLC	+\	(2) (3)	Banking, Finance, Insurance & Real Estate	L + 3.50%	5.21%	2/15/2027	25,828	25,796	22,486
Advanced Instruments, LLC	+*\	(2) (3)	Healthcare & Pharmaceuticals	L + 5.25%	6.26%	10/31/2022	36,087	36,019	35,405
Alku, LLC	+#	(2) (3)	Business Services	L + 5.50%	7.31%	7/29/2026	25,000	24,758	23,900
Alpha Packaging Holdings, Inc.	+*\	(2) (3)	Containers, Packaging & Glass	L + 6.00%	7.13%	11/12/2021	16,639	16,637	16,296
AmeriLife Holdings LLC	#	(2) (3) (7)	Banking, Finance, Insurance & Real Estate	L + 4.00%	5.45%	3/18/2027	8,864	8,839	8,286
Analogic Corporation	^+	(2) (3) (7)	Capital Equipment	L + 5.25%	6.25%	6/22/2024	19,169	19,144	18,143
Anchor Packaging, Inc.		(2) (3) (7)	Containers, Packaging & Glass	L + 4.00%	4.99%	7/18/2026	20,410	20,315	19,056
API Technologies Corp.	+\	(2) (3)	Aerospace & Defense	L + 4.25%	5.24%	5/9/2026	14,888	14,818	12,887
Aptean, Inc.	+ \	(2) (3)	Software	L + 4.25%	5.24%	4/23/2026	12,375	12,313	10,271
AQA Acquisition Holding, Inc.	^*\	(2) (3) (7)	High Tech Industries	L + 4.25%	5.65%	5/24/2023	21,323	21,299	20,741
Astra Acquisition Corp.	+#	(2) (3)	Software	L + 5.50%	6.50%	3/1/2027	29,000	28,567	26,822
Avalign Technologies, Inc.	+\	(2) (3)	Healthcare & Pharmaceuticals	L + 4.50%	5.57%	12/22/2025	14,704	14,578	13,893
Big Ass Fans, LLC	+*\	(2) (3)	Capital Equipment	L + 3.75%	5.20%	5/21/2024	13,873	13,809	13,515
BK Medical Holding Company, Inc.	^+	(2) (3) (7)	Healthcare & Pharmaceuticals	L + 5.25%	6.25%	6/22/2024	24,348	24,089	23,456
Brooks Equipment Company, LLC	+*	(2) (3)	Construction & Building	L + 5.00%	6.60%	8/29/2020	5,066	5,064	5,019
Clarity Telecom LLC.	+	(2) (3)	Media: Broadcasting & Subscription	L + 4.25%	5.24%	8/30/2026	14,925	14,880	14,058
Clearent Newco, LLC	^+\	(2) (3) (7)	High Tech Industries	L + 5.50%	6.87%	3/20/2025	29,675	29,386	27,402
Datto, Inc.	+\	(2) (3)	High Tech Industries	L + 4.25%	5.24%	4/2/2026	12,406	12,345	11,720
DecoPac, Inc.	^+ *\	(2) (3) (7)	Non-durable Consumer Goods	L + 4.25%	5.27%	9/29/2024	13,622	13,524	13,622
DTI Holdco, Inc.	+*\	(2) (3)	High Tech Industries	L + 4.75%	6.53%	9/30/2023	18,836	18,729	13,233
Eliassen Group, LLC	+\	(2) (3)	Business Services	L + 4.50%	5.49%	11/5/2024	7,571	7,540	7,376
EvolveIP, LLC	^+	(2) (3) (7)	Telecommunications	L + 5.75%	6.75%	6/7/2023	19,948	19,895	19,388
Exactech, Inc.	+\#	(2) (3)	Healthcare & Pharmaceuticals	L + 3.75%	4.75%	2/14/2025	21,694	21,563	17,084
Excel Fitness Holdings, Inc.	+#	(2) (3)	Hotel, Gaming & Leisure	L + 5.25%	6.25%	10/7/2025	24,938	24,705	22,539
Golden West Packaging Group LLC	+*\	(2) (3)	Containers, Packaging & Glass	L + 5.75%	6.75%	6/20/2023	29,252	29,103	28,333
HMT Holding Inc.	^ +*\	(2) (3) (7)	Energy: Oil & Gas	L + 5.00%	6.02%	11/17/2023	37,305	36,855	36,630
Jensen Hughes, Inc.	^+*\	(2) (3) (7)	Utilities: Electric	L + 4.50%	5.57%	3/22/2024	34,871	34,726	33,326
KAMC Holdings, Inc.	+#	(2) (3)	Energy: Electricity	L + 4.00%	5.61%	8/14/2026	13,930	13,866	13,083
Lionbridge Technologies, Inc.		(2) (3)	Business Services	L + 6.25%	7.32%	12/29/2025	24,938	24,938	23,583
MAG DS Corp.	+\	(2) (3) (7)	Aerospace & Defense	L + 4.75%	6.20%	6/6/2025	27,632	27,413	27,632
Maravai Intermediate Holdings, LLC	+\#	(2) (3)	Healthcare & Pharmaceuticals	L + 4.25%	5.75%	8/2/2025	29,550	29,313	28,040
Marco Technologies, LLC	^+\	(2) (3) (7)	Media: Advertising, Printing & Publishing	L + 4.25%	5.78%	10/30/2023	7,444	7,394	6,979

Consolidated Schedule of Investments as of March 31, 2020

Investments [1]		Footnotes	Industry	Reference Rate & Spread [2]	Interest Rate [2]	Maturity Date	Par/ Principal Amount	Amortized Cost [5]	Fair Value [6]
Mold-Rite Plastics, LLC	+\	(2) (3)	Chemicals, Plastics & Rubber	L + 4.25%	5.32%	12/14/2021	$ 14,557	$ 14,524	$ 14,288
MSHC, Inc.	^+*\	(2) (3) (7)	Construction & Building	L + 4.25%	5.25%	12/31/2024	42,477	42,340	40,467
Newport Group Holdings II, Inc.	+\#	(2) (3)	Banking, Finance, Insurance & Real Estate	L + 3.75%	5.20%	9/13/2025	23,655	23,436	22,626
Odyssey Logistics & Technology Corp.	+*\#	(2) (3)	Transportation: Cargo	L + 4.00%	5.07%	10/12/2024	39,013	38,866	27,309
Output Services Group	^+\	(2) (3)	Media: Advertising, Printing & Publishing	L + 4.50%	6.11%	3/27/2024	19,571	19,523	18,432
PAI Holdco, Inc.	+*\	(2) (3)	Automotive	L + 4.25%	5.39%	1/5/2025	19,486	19,415	18,956
Park Place Technologies, Inc.	+\#	(2) (3)	High Tech Industries	L + 4.00%	5.00%	3/28/2025	22,502	22,429	21,827
Pasternack Enterprises, Inc.	+\	(2) (3)	Capital Equipment	L + 4.00%	5.00%	7/2/2025	22,697	22,684	21,955
Pharmalogic Holdings Corp.	+\	(2) (3)	Healthcare & Pharmaceuticals	L + 4.00%	5.00%	6/11/2023	11,292	11,269	11,091
Premise Health Holding Corp.	^+\#	(2) (3) (7)	Healthcare & Pharmaceuticals	L + 3.50%	4.95%	7/10/2025	13,689	13,632	13,081
Propel Insurance Agency, LLC	^+\	(2) (3) (7)	Banking, Finance, Insurance & Real Estate	L + 4.25%	5.70%	6/1/2024	22,475	22,024	21,678
Q Holding Company	+*\#	(2) (3)	Automotive	L + 5.00%	6.45%	12/31/2023	21,900	21,732	20,560
QW Holding Corporation (Quala)	^+*	(2) (3) (7)	Environmental Industries	L + 6.25%	7.70%	8/31/2022	16,305	16,144	15,895
Radiology Partners, Inc.	+\#	(2) (3)	Healthcare & Pharmaceuticals	L + 4.25%	5.98%	7/9/2025	27,686	27,566	22,149
RevSpring Inc.	*\#	(2) (3)	Media: Advertising, Printing & Publishing	L + 4.00%	5.45%	10/11/2025	29,688	29,476	25,012
Situs Group Holdings Corporation	^+\	(2) (3)	Banking, Finance, Insurance & Real Estate	L + 4.75%	5.81%	6/28/2025	14,897	14,790	13,954
Surgical Information Systems, LLC	+*\	(2) (3) (6)	High Tech Industries	L + 4.75%	7.21%	4/24/2023	26,168	26,016	25,417
Systems Maintenance Services Holding, Inc.	^*	(2) (3) (9)	High Tech Industries	L + 5.00%	6.45%	10/30/2023	23,735	23,647	16,837
T2 Systems, Inc.	^+*	(2) (3) (7)	Transportation: Consumer	L + 6.75%	8.34%	9/28/2022	17,804	17,570	17,630
The Original Cakerie, Ltd. (Canada)	^+*\	(2) (3)	Beverage, Food & Tobacco	L + 5.00%	6.62%	7/20/2022	8,906	8,879	8,723
The Original Cakerie, Ltd. (Canada)	^+*\	(2) (3)	Beverage, Food & Tobacco	L + 4.50%	5.95%	7/20/2022	8,009	7,988	7,858
Thoughtworks, Inc.	*\#	(2) (3)	Business Services	L + 3.75%	5.20%	10/11/2024	11,794	11,769	10,202
U.S. Acute Care Solutions, LLC	+*\	(2) (3)	Healthcare & Pharmaceuticals	L + 5.00%	6.45%	5/15/2021	31,299	31,217	27,624
U.S. TelePacific Holdings Corp.	+*\	(2) (3)	Telecommunications	L + 5.00%	6.07%	5/2/2023	26,660	26,510	20,195
Valet Waste Holdings, Inc.	+\#	(2) (3)	Construction & Building	L + 3.75%	4.74%	9/28/2025	18,058	17,967	17,383
VRC Companies, LLC	^+	(2) (3) (7)	Business Services	L + 6.50%	7.99%	3/31/2023	5,548	5,321	5,295
Welocalize, Inc.	^+	(2) (3) (7)	Business Services	L + 4.50%	5.50%	12/2/2024	23,804	23,563	23,113
WRE Holding Corp.	^+*	(2) (3) (7)	Environmental Industries	L + 5.00%	6.45%	1/3/2023	7,854	7,800	7,718
Zywave, Inc.	^+*\	(2) (3)	High Tech Industries	L + 5.00%	6.72%	11/17/2022	20,177	20,066	19,870
First Lien Debt Total								$ 1,270,073	$ 1,177,280
Second Lien Debt (1.82% of fair value)									
DBI Holding, LLC	^*	(8)	Transportation: Cargo	8.00% PIK	8.00%	2/1/2026	$ 21,150	$ 20,697	$ 21,150
Zywave, Inc.	*	(2) (3)	High Tech Industries	L + 9.00%	10.8%	11/17/2023	666	660	642
Second Lien Debt Total								$ 21,364	$ 21,764

Investments (1)	Footnotes	Industry	Type	Shares/Units	Cost	Fair Value (6)
Equity Investments (0.01% of fair value)						
DBI Holding, LLC	^*	Transportation: Cargo	Common stock	16,957	$ 5,364	$ 111
Equity Investments Total					$ 5,364	$ 111
Total Investments					$ 1,296,794	$ 1,199,183

^ Denotes that all or a portion of the assets are owned by Credit Fund. Credit Fund has entered into a revolving credit facility with the Company (the "Credit Fund Facility"). Accordingly, such assets are not available to creditors of Credit Fund Sub, the 2017-1 Issuer, the 2019-2 Issuer or Credit Fund Warehouse II.
+ Denotes that all or a portion of the assets are owned by Credit Fund Sub. Credit Fund Sub has entered into a revolving credit facility (the “Credit Fund Sub Facility”). The lenders of the Credit Fund Sub Facility have a first lien security interest in substantially all of the assets of Credit Fund Sub. Accordingly, such assets are not available to creditors of Credit Fund, the 2017-1 Issuer, the 2019-2 Issuer or Credit Fund Warehouse II.
* Denotes that all or a portion of the assets are owned by the 2017-1 Issuer and secure the notes issued in connection with a $399,900 term debt securitization completed by Credit Fund on December 19, 2017 (the “2017-1 Debt Securitization”). Accordingly, such assets are not available to creditors of Credit Fund, Credit Fund Sub, the 2019-2 Issuer or Credit Fund Warehouse II.
\ Denotes that all or a portion of the assets are owned by the 2019-2 Issuer and secure the notes issued in connection with a $399,900 term debt securitization completed by Credit Fund on May 21, 2019 (the “2019-2 Debt Securitization”). Accordingly, such assets are not available to creditors of Credit Fund, Credit Fund Sub, the 2017-1 Issuer or Credit Fund Warehouse II.
# Denotes that all or a portion of the assets are owned by the Credit Fund Warehouse II. Credit Fund Warehouse II has entered into a revolving credit facility (the "Credit Fund Warehouse II Facility"). The lenders of the Credit Fund Warehouse II Facility have a first lien security interest in substantially all of the assets of the Credit Fund Warehouse II. Accordingly, such assets are not available to creditors of Credit Fund, Credit Fund Sub, the 2017-1 Issuer or the 2019-2 Issuer.

(1) Unless otherwise indicated, issuers of investments held by Credit Fund are domiciled in the United States. As of March 31, 2020, the geographical composition of investments as a percentage of fair value was 1.40% in Canada and 98.60% in the United States. Certain portfolio company investments are subject to contractual restrictions on sales.
(2) Variable rate loans to the portfolio companies bear interest at a rate that is determined by reference to either LIBOR or an alternate base rate (commonly based on the Federal Funds Rate or the U.S. Prime Rate), which generally resets quarterly. For each such loan, Credit Fund has indicated the reference rate used and provided the spread and the interest rate in effect as of March 31, 2020. As of March 31, 2020, the reference rates for Credit Fund’s variable rate loans were the 30-day LIBOR at 0.99%, the 90-day LIBOR at 1.45% and the 180-day LIBOR at 1.18%.
(3) Loan includes interest rate floor feature, which is generally 1.00%.
(4) Amortized cost represents original cost, including origination fees and upfront fees received that are deemed to be an adjustment to yield, adjusted for the accretion/amortization of discounts/premiums, as applicable, on debt investments using the effective interest method.
(5) Fair value is determined in good faith by or under the direction of the board of managers of Credit Fund, pursuant to Credit Fund’s valuation policy, with the fair value of all investments determined using significant unobservable inputs, which is substantially similar to the valuation policy of the Company provided in Note 3, Fair Value Measurements to the Consolidated Financial Statements in Part I, Item 1 of this Form 10-Q.
(6) In addition to the interest earned based on the stated interest rate of this loan, which is the amount reflected in this schedule, Credit Fund Sub and the 2017-1 Issuer is entitled to receive additional interest as a result of an agreement among lenders as follows: Surgical Information Systems, LLC (1.13%). Pursuant to the agreement among lenders in respect of these loans, these investments represent a first lien/last out loan, which has a secondary priority behind the first lien/first out loan with respect to principal, interest and other payments.
(7) As of March 31, 2020, Credit Fund and Credit Fund Sub had the following unfunded commitments to fund delayed draw and revolving senior secured loans:

First Lien Debt – unfunded delayed draw and revolving term loans commitments	Type	Unused Fee	Par/ Principal Amount	Fair Value
AmeriLife Holdings LLC	Delayed Draw	1.00%	$ 1,136	$ (66)
Analogic Corporation	Revolver	0.50	1,806	(88)
Anchor Packaging, Inc.	Delayed Draw	1.00	4,487	(244)
AQA Acquisition Holding, Inc.	Revolver	0.50	42	(1)
BK Medical Holding Company, Inc.	Revolver	0.50	2,609	(86)
Clearent Newco, LLC	Delayed Draw	1.00	6,636	(415)
DecoPac, Inc.	Revolver	0.50	857	—
EvolveIP, LLC	Delayed Draw	1.00	2,240	(53)
EvolveIP, LLC	Revolver	0.50	1,344	(32)
HMT Holding Inc.	Revolver	0.50	1,940	(33)
Jensen Hughes, Inc.	Revolver	0.50	91	(4)
Jensen Hughes, Inc.	Delayed Draw	1.00	2,365	(98)
MAG DS Corp.	Revolver	0.50	2,965	—
Marco Technologies, LLC	Delayed Draw	1.00	7,500	(233)
MSHC, Inc.	Delayed Draw	1.00	747	(35)
Premise Health Holding Corp.	Delayed Draw	1.00	1,103	(45)
Propel Insurance Agency, LLC	Revolver	0.50	2,381	(59)
Propel Insurance Agency, LLC	Delayed Draw	0.50	7,143	(178)
QW Holding Corporation (Quala)	Revolver	0.50	852	(20)
QW Holding Corporation (Quala)	Delayed Draw	1.00	161	(4)
T2 Systems, Inc.	Revolver	0.50	1,564	(14)
VRC Companies, LLC	Delayed Draw	0.75	6,091	(132)
Welocalize, Inc.	Revolver	0.50	1,238	(34)
WRE Holding Corp.	Delayed Draw	1.00	1,981	(27)
Total unfunded commitments			$ 59,279	$ (1,901)

(8) Loan was on non-accrual status as of March 31, 2020.

(9) The sale of a portion of this loan does not qualify for sale accounting under ASC Topic 860 - Transfers and Servicing ("ASC Topic 860"), and therefore, the asset remains in the Consolidated Schedule of Investments.

Consolidated Schedule of Investments as of December 31, 2019

Investments [1]		Footnotes	Industry	Reference Rate & Spread [2]	Interest Rate [2]	Maturity Date	Par/ Principal Amount	Amortized Cost [5]	Fair Value [6]
First Lien Debt (98.11% of fair value)									
Achilles Acquisition, LLC	+\#	(2) (3)	Banking, Finance, Insurance & Real Estate	L + 4.00%	5.75%	10/13/2025	$ 17,865	$ 17,776	$ 17,763
Acrisure, LLC	+\	(2) (3)	Banking, Finance, Insurance & Real Estate	L + 3.75%	5.85%	11/22/2023	11,820	11,810	11,805
Acrisure, LLC	+\#	(2) (3)	Banking, Finance, Insurance & Real Estate	L + 4.25%	6.35%	11/22/2023	20,674	20,639	20,674
Advanced Instruments, LLC	^+*\	(2) (3) (7)	Healthcare & Pharmaceuticals	L + 5.25%	6.99%	10/31/2022	35,610	35,536	35,466
Alku, LLC	+#	(2) (3)	Business Services	L + 5.50%	7.44%	7/29/2026	25,000	24,754	24,624
Alpha Packaging Holdings, Inc.	+*\	(2) (3)	Containers, Packaging & Glass	L + 4.25%	6.35%	5/12/2020	16,684	16,676	16,601
AmeriLife Group, LLC	^#	(2) (3) (7)	Banking, Finance, Insurance & Real Estate	L + 4.50%	6.20%	6/5/2026	16,627	16,557	16,558
Anchor Packaging, Inc.	^#	(2) (3) (7)	Containers, Packaging & Glass	L + 4.00%	5.70%	7/18/2026	20,462	20,363	20,457
API Technologies Corp.	+\	(2) (3)	Aerospace & Defense	L + 4.25%	5.95%	5/9/2026	14,925	14,853	14,807
Aptean, Inc.	+\	(2) (3)	Software	L + 4.25%	6.34%	4/23/2026	12,406	12,344	12,385
AQA Acquisition Holding, Inc.	^*\	(2) (3) (7)	High Tech Industries	L + 4.25%	6.16%	5/24/2023	18,954	18,922	18,860
Avalign Technologies, Inc.	+\	(2) (3)	Healthcare & Pharmaceuticals	L + 4.50%	6.70%	12/22/2025	14,741	14,610	14,626
Big Ass Fans, LLC	+*\	(2) (3)	Capital Equipment	L + 3.75%	5.85%	5/21/2024	13,909	13,841	13,903
Borchers, Inc.	+*\	(2) (3) (7)	Chemicals, Plastics & Rubber	L + 4.50%	6.60%	11/1/2024	15,116	15,072	15,085
Brooks Equipment Company, LLC	*		Construction & Building	L + 5.00%	6.91%	8/29/2020	5,144	5,141	5,141
Clarity Telecom LLC.	+	(2) (3)	Media: Broadcasting & Subscription	L + 4.50%	6.20%	8/30/2026	14,963	14,915	14,902
Clearent Newco, LLC	^+\	(2) (3) (7)	High Tech Industries	L + 5.50%	7.44%	3/20/2025	29,738	29,436	29,134
Datto, Inc.	+\	(2) (3)	High Tech Industries	L + 4.25%	5.95%	4/2/2026	12,438	12,375	12,420
DecoPac, Inc.	+*\	(2) (3) (7)	Non-durable Consumer Goods	L + 4.25%	6.01%	9/29/2024	12,336	12,233	12,292
Dent Wizard International Corporation	+\	(2) (3)	Automotive	L + 4.00%	5.70%	4/7/2020	36,880	36,843	36,717
DTI Holdco, Inc.	+*\	(2) (3)	High Tech Industries	L + 4.75%	6.68%	9/30/2023	18,885	18,771	17,611
Eliassen Group, LLC	+\	(2) (3)	Business Services	L + 4.50%	6.20%	11/5/2024	7,581	7,548	7,579
EIP Merger Sub, LLC (Evolve IP)	^+	(2) (3) (7)	Telecommunications	L + 5.75%	7.45%	6/7/2023	19,661	19,605	19,661
Exactech, Inc.	+\#	(2) (3)	Healthcare & Pharmaceuticals	L + 3.75%	5.45%	2/14/2025	21,772	21,634	21,751
Excel Fitness Holdings, Inc.	+#	(2) (3)	Hotel, Gaming & Leisure	L + 5.25%	6.95%	10/7/2025	25,000	24,758	24,875
Golden West Packaging Group LLC	+*\	(2) (3)	Containers, Packaging & Glass	L + 5.75%	7.45%	6/20/2023	29,464	29,303	29,072
HMT Holding Inc.	^+*\	(2) (3) (7)	Energy: Oil & Gas	L + 5.00%	6.74%	11/17/2023	33,157	32,678	32,972
Jensen Hughes, Inc.	^+*\	(2) (3) (7)	Utilities: Electric	L + 4.50%	6.24%	3/22/2024	33,909	33,757	33,550
KAMC Holdings, Inc.	+#	(2) (3)	Energy: Electricity	L + 4.00%	5.91%	8/14/2026	13,965	13,899	13,881
MAG DS Corp.	^+\	(2) (3) (7)	Aerospace & Defense	L + 4.75%	6.46%	6/6/2025	28,471	28,242	28,286
Maravai Intermediate Holdings, LLC	+\#	(2) (3)	Healthcare & Pharmaceuticals	L + 4.25%	6.00%	8/2/2025	29,625	29,378	29,400
Marco Technologies, LLC	^+\	(2) (3) (7)	Media: Advertising, Printing & Publishing	L + 4.25%	6.16%	10/30/2023	7,463	7,410	7,463

Consolidated Schedule of Investments as of December 31, 2019

Investments [1]		Footnotes	Industry	Reference Rate & Spread [2]	Interest Rate [2]	Maturity Date	Par/ Principal Amount	Amortized Cost [5]	Fair Value [6]
Mold-Rite Plastics, LLC	+\	(2) (3)	Chemicals, Plastics & Rubber	L + 4.25%	5.95%	12/14/2021	$ 14,557	$ 14,519	$ 14,524
MSHC, Inc.	^+*\	(2) (3) (7)	Construction & Building	L + 4.25%	5.95%	12/31/2024	38,251	38,138	38,166
Newport Group Holdings II, Inc.	+\#	(2) (3)	Banking, Finance, Insurance & Real Estate	L + 3.75%	5.65%	9/13/2025	23,715	23,487	23,663
Odyssey Logistics & Technology Corp.	+*\#	(2) (3)	Transportation: Cargo	L + 4.00%	5.70%	10/12/2024	39,013	38,859	38,763
Output Services Group	^+\	(2) (3) (7)	Media: Advertising, Printing & Publishing	L + 4.50%	6.20%	3/27/2024	19,621	19,570	19,469
PAI Holdco, Inc.	+*\	(2) (3)	Automotive	L + 4.25%	6.35%	1/5/2025	19,532	19,458	19,532
Park Place Technologies, Inc.	+\#	(2) (3)	High Tech Industries	L + 4.00%	5.70%	3/28/2025	22,566	22,489	22,566
Pasternack Enterprises, Inc.	+\	(2) (3)	Capital Equipment	L + 4.00%	5.70%	7/2/2025	22,755	22,742	22,653
Pathway Vet Alliance LLC	+\	(2) (3) (7)	Consumer Services	L + 4.50%	6.21%	12/20/2024	19,085	18,708	19,217
Pharmalogic Holdings Corp.	+\	(2) (3)	Healthcare & Pharmaceuticals	L + 4.00%	5.70%	6/11/2023	11,320	11,296	11,302
Premise Health Holding Corp.	^+\#	(2) (3) (7)	Healthcare & Pharmaceuticals	L + 3.50%	5.60%	7/10/2025	13,723	13,665	13,501
Propel Insurance Agency, LLC	^+\	(2) (3) (7)	Banking, Finance, Insurance & Real Estate	L + 4.25%	6.35%	6/1/2024	22,532	22,056	22,395
Q Holding Company	+*\#	(2) (3)	Automotive	L + 5.00%	6.70%	12/31/2023	21,955	21,777	21,922
QW Holding Corporation (Quala)	^+*	(2) (3) (7)	Environmental Industries	L + 5.75%	7.73%	8/31/2022	11,630	11,449	11,531
Radiology Partners, Inc.	+\#	(2) (3)	Healthcare & Pharmaceuticals	L + 4.75%	6.66%	7/9/2025	28,719	28,590	28,768
RevSpring Inc.	+*\#	(2) (3)	Media: Advertising, Printing & Publishing	L + 4.00%	5.95%	10/11/2025	24,750	24,631	24,608
Situs Group Holdings Corporation	^+\	(2) (3) (7)	Banking, Finance, Insurance & Real Estate	L + 4.75%	6.45%	6/28/2025	13,715	13,621	13,697
Systems Maintenance Services Holding, Inc.	+*	(2) (3)	High Tech Industries	L + 5.00%	6.70%	10/30/2023	23,765	23,672	18,180
Surgical Information Systems, LLC	+*\	(2) (3) (6)	High Tech Industries	L + 4.75%	7.47%	4/24/2023	26,168	26,005	25,715
T2 Systems, Inc.	^+*	(2) (3) (7)	Transportation: Consumer	L + 6.75%	8.85%	9/28/2022	18,045	17,789	18,045
The Original Cakerie, Ltd. (Canada)	+*	(2) (3) (7)	Beverage, Food & Tobacco	L + 5.00%	6.84%	7/20/2022	8,928	8,897	8,887
The Original Cakerie, Ltd. (Canada)	^*	(2) (3) (7)	Beverage, Food & Tobacco	L + 4.50%	6.34%	7/20/2022	6,826	6,801	6,790
ThoughtWorks, Inc.	+*\	(2) (3)	Business Services	L + 4.00%	5.70%	10/11/2024	11,824	11,794	11,824
U.S. Acute Care Solutions, LLC	+*\	(2) (3)	Healthcare & Pharmaceuticals	L + 5.00%	6.91%	5/15/2021	31,431	31,331	29,869
U.S. TelePacific Holdings Corp.	+*\	(2) (3)	Telecommunications	L + 5.00%	7.10%	5/2/2023	26,660	26,499	25,430
Valet Waste Holdings, Inc.	+\	(2) (3)	Construction & Building	L + 3.75%	5.70%	9/28/2025	11,850	11,825	11,688
Welocalize, Inc.	+^	(2) (3) (7)	Business Services	L + 4.50%	6.21%	12/2/2024	23,038	22,788	22,787
WIRB - Copernicus Group, Inc.	+*\	(2) (3) (7)	Healthcare & Pharmaceuticals	L + 4.25%	5.95%	8/15/2022	20,888	20,822	20,887
WRE Holding Corp.	^+*	(2) (3) (7)	Environmental Industries	L + 5.00%	6.91%	1/3/2023	7,431	7,372	7,304
Zywave, Inc.	+*\	(2) (3) (7)	High Tech Industries	L + 5.00%	6.93%	11/17/2022	19,228	19,107	19,211
First Lien Debt Total								$ 1,231,436	$ 1,223,215

Second Lien Debt (1.75% of fair value)

Consolidated Schedule of Investments as of December 31, 2019

Investments [1]		Footnotes	Industry	Reference Rate & Spread [2]	Interest Rate [2]	Maturity Date	Par/ Principal Amount	Amortized Cost [5]	Fair Value [6]
DBI Holding, LLC	^*	(2) (3) (8)	Transportation: Cargo	8.00% PIK	8.00%	2/1/2026	$ 21,150	$ 20,697	$ 21,150
Zywave, Inc.	*	(2) (3)	High Tech Industries	L + 9.00%	10.94%	11/17/2023	666	660	664
Second Lien Debt Total								$ 21,357	$ 21,814
Equity Investments (0.15% of fair value)									
DBI Holding, LLC	^		Transportation: Cargo				$ 16,957	$ 5,364	$ 1,810
Equity Investments Total								$ 5,364	$ 1,810
Total Investments								$ 1,258,157	$ 1,246,839

^ Denotes that all or a portion of the assets are owned by Credit Fund. Credit Fund has entered into the Credit Fund Facility. Accordingly, such assets are not available to creditors of Credit Fund Sub, the 2017-1 Issuer, the 2019-2 Issuer or Credit Fund Warehouse II.
+ Denotes that all or a portion of the assets are owned by Credit Fund Sub. Credit Fund Sub has entered into a revolving credit facility the Credit Fund Sub Facility. The lenders of the Credit Fund Sub Facility have a first lien security interest in substantially all of the assets of Credit Fund Sub. Accordingly, such assets are not available to creditors of Credit Fund, the 2017-1 Issuer, the 2019-2 Issuer or Credit Fund Warehouse II.
* Denotes that all or a portion of the assets are owned by the 2017-1 Issuer and secure the notes issued in connection with the 2017-1 Debt Securitization. Accordingly, such assets are not available to creditors of Credit Fund, Credit Fund Sub, the 2019-2 Issuer or Credit Fund Warehouse II.
\ Denotes that all or a portion of the assets are owned by the 2019-2 Issuer and secure the notes issued in connection with the 2019-2 Debt Securitization. Accordingly, such assets are not available to creditors of Credit Fund, Credit Fund Sub, the 2017-1 Issuer or Credit Fund Warehouse II.
# Denotes that all or a portion of the assets are owned by the Credit Fund Warehouse II. Credit Fund Warehouse II has entered into the Credit Fund Warehouse II Facility. The lenders of the Credit Fund Warehouse II Facility have a first lien security interest in substantially all of the assets of the Credit Fund Warehouse II. Accordingly, such assets are not available to creditors of Credit Fund, Credit Fund Sub, the 2017-1 Issuer or the 2019-2 Issuer.

(1) Unless otherwise indicated, issuers of investments held by Credit Fund are domiciled in the United States. As of December 31, 2019, the geographical composition of investments as a percentage of fair value was 1.26% in Canada and 98.74% in the United States. Certain portfolio company investments are subject to contractual restrictions on sales.
(2) Variable rate loans to the portfolio companies bear interest at a rate that is determined by reference to either LIBOR or an alternate base rate (commonly based on the Federal Funds Rate or the U.S. Prime Rate), which generally resets quarterly. For each such loan, Credit Fund has indicated the reference rate used and provided the spread and the interest rate in effect as of December 31, 2019. As of December 31, 2019, the reference rates for Credit Fund's variable rate loans were the 30-day LIBOR at 1.75%, the 90-day LIBOR at 1.91% and the 180-day LIBOR at 1.91%.
(3) Loan includes interest rate floor feature, which is generally 1.00%.
(4) Amortized cost represents original cost, including origination fees and upfront fees received that are deemed to be an adjustment to yield, adjusted for the accretion/amortization of discounts/premiums, as applicable, on debt investments using the effective interest method.
(5) Fair value is determined in good faith by or under the direction of the board of managers of Credit Fund, pursuant to Credit Fund’s valuation policy, with the fair value of all investments determined using significant unobservable inputs, which is substantially similar to the valuation policy of the Company provided in Note 3, Fair Value Measurements.
(6) In addition to the interest earned based on the stated interest rate of this loan, which is the amount reflected in this schedule, Credit Fund is entitled to receive additional interest as a result of an agreement among lenders as follows: Surgical Information Systems, LLC (0.89%). Pursuant to the agreement among lenders in respect of these loans, these investments represent a first lien/last out loan, which has a secondary priority behind the first lien/first out loan with respect to principal, interest and other payments.

(7) As of December 31, 2019, Credit Fund and Credit Fund Sub had the following unfunded commitments to fund delayed draw and revolving senior secured loans:

First Lien Debt—unfunded delayed draw and revolving term loans commitments	Type	Unused Fee	Par/ Principal Amount	Fair Value
Advanced Instruments, LLC	Revolver	0.50%	$ 563	$ (2)
AmeriLife Group, LLC	Delayed Draw	0.01	298	(1)
Anchor Packaging, Inc.	Delayed Draw	0.01	4,487	(1)
AQA Acquisition Holding, Inc.	Revolver	0.01	2,459	(11)
Borchers, Inc.	Revolver	0.01	1,935	(3)
Clearent Newco, LLC	Delayed Draw	0.01	6,636	(110)
DecoPac, Inc.	Revolver	0.01	2,143	(7)
EIP Merger Sub, LLC (Evolve IP)	Revolver	0.01	1,680	—
EIP Merger Sub, LLC (Evolve IP)	Delayed Draw	0.01	2,240	—
HMT Holding Inc.	Revolver	0.01	6,173	(29)
Jensen Hughes, Inc.	Revolver	0.01	1,136	(11)
Jensen Hughes, Inc.	Delayed Draw	0.01	2,365	(23)
MAG DS Corp.	Revolver	0.01	2,188	(13)
Marco Technologies, LLC	Delayed Draw	0.01	7,500	—
MSHC, Inc.	Delayed Draw	0.01	1,913	(4)
Output Services Group	Delayed Draw	0.04	116	(1)
Pathway Vet Alliance LLC	Delayed Draw	0.01	19,867	68
Premise Health Holding Corp.	Delayed Draw	0.01	1,103	(17)
Propel Insurance Agency, LLC	Revolver	0.01	2,381	(10)
Propel Insurance Agency, LLC	Delayed Draw	0.01	7,143	(31)
QW Holding Corporation (Quala)	Revolver	0.01	5,498	(31)
QW Holding Corporation (Quala)	Delayed Draw	0.01	217	(1)
Situs Group Holdings Corporation	Delayed Draw	0.01	1,216	(1)
T2 Systems, Inc.	Revolver	0.01	1,369	—
The Original Cakerie, Ltd. (Canada)	Revolver	0.01	1,199	(5)
Welocalize, Inc.	Revolver	0.01	2,057	(21)
WIRB - Copernicus Group, Inc.	Revolver	0.01	1,000	—
WIRB - Copernicus Group, Inc.	Delayed Draw	0.01	2,592	—
WRE Holding Corp.	Revolver	0.01	441	(6)
WRE Holding Corp.	Delayed Draw	0.01	1,981	(25)
Zywave, Inc.	Revolver	0.01	998	(1)
Total unfunded commitments			$ 92,894	$ (297)

(8) Loan was on non-accrual status as of December 31, 2019.

Debt

Credit Fund, Credit Fund Sub and Credit Fund Warehouse II are party to separate credit facilities as described below. In addition, until May 15, 2019, the 2019-2 Issuer (formerly known as Credit Fund Warehouse) was a party to the Credit Warehouse Facility. As of March 31, 2020 and December 31, 2019, Credit Fund, Credit Fund Sub and Credit Fund Warehouse II were in compliance with all covenants and other requirements of their respective credit facility agreements. Below is a summary of the borrowings and repayments under the credit facilities for the three month periods ended 2020 and 2019, and the outstanding balances under the credit facilities for the respective periods.

	Credit Fund Facility		Credit Fund Sub Facility		Credit Fund Warehouse Facility		Credit Fund Warehouse II Facility	
	2020	2019	2020	2019	2020	2019	2020	2019
Three Month Periods Ended March 31,								
Outstanding balance, beginning of period	$ 93,000	$ 112,000	$ 343,506	$ 471,134	N/A	$ 101,044	$ 97,571	N/A
Borrowings	63,500	30,500	57,000	60,020	N/A	12,873	19,794	N/A
Repayments	(156,500)	(18,700)	(33,500)	(20,404)	N/A	—	(21,950)	N/A
Outstanding balance, end of period	$ —	$ 123,800	$ 367,006	$ 510,750	N/A	$ 113,917	$ 95,415	N/A

Credit Fund Facility. On June 24, 2016, Credit Fund entered into the Credit Fund Facility with the Company, which was subsequently amended on June 5, 2017, October 2, 2017, November 3, 2017, June 22, 2018, June 29, 2018, February 21, 2019 and March 20, 2020, pursuant to which Credit Fund may from time to time request mezzanine loans from the Company. The maximum principal amount of the Credit Fund Facility is $175,000. The maturity date of the Credit Fund Facility is March 22, 2021. Amounts borrowed under the Credit Fund Facility bear interest at a rate of LIBOR plus 9.00%.

Credit Fund Sub Facility. On June 24, 2016, Credit Fund Sub closed on the Credit Fund Sub Facility with lenders, which was subsequently amended on May 31, 2017, October 27, 2017, August 24, 2018, December 12, 2019 and March 11, 2020. The Credit Fund Sub Facility provides for secured borrowings during the applicable revolving period up to an amount equal to $640,000. The facility is secured by a first lien security interest in substantially all of the portfolio investments held by Credit Fund Sub. The maturity date of the Credit Fund Sub Facility is May 22, 2024. Amounts borrowed under the Credit Fund Sub Facility bear interest at a rate of LIBOR plus 2.25%.

Credit Fund Warehouse Facility. On November 26, 2018, Credit Fund Warehouse closed on the Credit Fund Warehouse Facility with lenders. The Credit Fund Warehouse Facility provided for secured borrowings during the applicable revolving period up to an amount equal to $150,000. The Credit Fund Warehouse Facility was secured by a first lien security interest in substantially all of the portfolio investments held by the Credit Fund Warehouse. The maturity date of the Credit Fund Warehouse Facility was November 26, 2019. Amounts borrowed under the Credit Fund Warehouse Facility bore interest at a rate of LIBOR plus 1.05%. Effective May 15, 2019, the Warehouse Facility changed its name from “MMCF Warehouse, LLC” to “MMCF CLO 2019-2, LLC” and secured borrowings outstanding were repaid in connection with the 2019-2 Debt Securitization.

Credit Fund Warehouse II Facility. On August 16, 2019, Credit Fund Warehouse II closed on a revolving credit facility (the "Credit Fund Warehouse II Facility") with lenders. The Credit Fund Warehouse II Facility provides for secured borrowings during the applicable revolving period up to an amount equal to $150,000. The Credit Fund Warehouse II Facility is secured by a first lien security interest in substantially all of the portfolio investments held by the Credit Fund Warehouse II Facility. The maturity date of the Credit Fund Warehouse II Facility is August 16, 2022. Amounts borrowed under the Credit Fund Warehouse II Facility bear interest at a rate of LIBOR plus 1.05% for the first 12 months, LIBOR plus 1.15% for the next 12 months, and LIBOR plus 1.50% in the final 12 months.

2017-1 Notes

On December 19, 2017, Credit Fund completed the 2017-1 Debt Securitization. The notes offered in the 2017-1 Debt Securitization (the “2017-1 Notes”) were issued by the 2017-1 Issuer, a wholly owned and consolidated subsidiary of Credit Fund, and are secured by a diversified portfolio of the 2017-1 Issuer consisting primarily of first and second lien senior secured loans. The 2017-1 Debt Securitization was executed through a private placement of the 2017-1 Notes, consisting of:

- $231,700 of Aaa/AAA Class A-1 Notes, which bear interest at the three-month LIBOR plus 1.17%;
- $48,300 of Aa2/AA Class A-2 Notes, which bear interest at the three-month LIBOR plus 1.50%;
- $15,000 of A2/A Class B-1 Notes, which bear interest at the three-month LIBOR plus 2.25%;
- $9,000 of A2/A Class B-2 Notes which bear interest at 4.30%;
- $22,900 of Baa2/BBB Class C Notes which bear interest at the three-month LIBOR plus 3.20%; and
- $25,100 of Ba2/BB Class D Notes which bear interest at the three-month LIBOR plus 6.38%.

The 2017-1 Notes are scheduled to mature on January 15, 2028. Credit Fund received 100% of the preferred interests issued by the 2017-1 Issuer (the “2017-1 Issuer Preferred Interests”) on the closing date of the 2017-1 Debt Securitization in exchange for Credit Fund’s contribution to the 2017-1 Issuer of the initial closing date loan portfolio. The 2017-1 Issuer Preferred Interests do not bear interest and had a nominal value of $47,900 at closing.

As of March 31, 2020 and December 31, 2019, the 2017-1 Issuer was in compliance with all covenants and other requirements of the indenture.

2019-2 Notes

On May 21, 2019, Credit Fund completed the 2019-2 Debt Securitization. The notes offered in the 2019-2 Debt Securitization (the “2019-2 Notes”) were issued by the 2019-2 Issuer, a wholly owned and consolidated subsidiary of Credit Fund, and are secured by a diversified portfolio of the 2019-2 Issuer consisting primarily of first and second lien senior secured loans. The 2019-2 Debt Securitization was executed through a private placement of the 2019-2 Notes, consisting of:

- $233,000 of Aaa/AAA Class A-1 Notes, which bear interest at the three-month LIBOR plus 1.50%;
- $48,000 of Aa2/AA Class A-2 Notes, which bear interest at the three-month LIBOR plus 2.40%;
- $23,000 of A2/A Class B Notes, which bear interest at the three-month LIBOR plus 3.45%;
- $27,000 of Baa2/BBB- Class C Notes which bear interest at the three-month LIBOR plus 4.55%; and
- $21,000 of Ba2/BB- Class D Notes which bear interest at the three-month LIBOR plus 8.03%.

The 2017-1 Notes are scheduled to mature on April 15, 2029. Credit Fund received 100% of the preferred interests issued by the 2019-2 Issuer (the “2019-2 Issuer Preferred Interests”) on the closing date of the 2019-2 Debt Securitization in exchange for Credit Fund’s contribution to the 2019-2 Issuer of the initial closing date loan portfolio. The 2019-2 Issuer Preferred Interests do not bear interest and had a nominal value of $48,300 at closing.

As of March 31, 2020 and December 31, 2019, the 2019-2 Issuer was in compliance with all covenants and other requirements of the indenture.

FINANCIAL CONDITION, LIQUIDITY AND CAPITAL RESOURCES

We generate cash from the net proceeds of offerings of our common stock and through cash flows from 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 Facilities, as well as through securitization of a portion of our existing investments. The primary use of existing funds and any funds raised in the future is expected to be for investments in portfolio companies, repayment of indebtedness, cash distributions to our stockholders and for other general corporate purposes.

We expect that the market and business disruption created by the COVID-19 pandemic will impact certain aspects of our liquidity, and we are therefore continuously and critically monitoring our operating results, liquidity and anticipated capital requirements. For example, we saw an unprecedented level of calls for revolver fundings and a slowing in our expected repayments in March. High market spreads and other economic volatility resulted in significant depreciation in the valuations of our investments, which may adversely impact collateral eligibility, which would reduce the availability under the Facilities. However, our capacity under the Facilities as of March 31, 2020 is well in excess of our unfunded commitments. We believe our current cash position, available capacity on our revolving credit facilities and net cash provided by operating activities will provide us with sufficient resources to meet our obligations and continue to support our investment objectives, including reserving for the capital needs which may arise at our portfolio companies. In addition, on May 5, 2020, we sold 2,000,000 newly issued shares of cumulative convertible preferred stock in a private placement for total proceeds to the Company of $50.0 million (see "Other" in Part II, Item 5 of this Form 10-Q). See "Risk Factors" in Part II, Item 1A of this Form 10-Q for a discussion of certain risks we face as a result of the COVID-19 pandemic.

The SPV closed on May 24, 2013 on the SPV Credit Facility, which was subsequently amended on June 30, 2014, June 19, 2015, June 9, 2016, May 26, 2017 and August 9, 2018. The SPV Credit Facility provides for secured borrowings during the applicable revolving period up to an amount equal to the lesser of $275,000 (the borrowing base as calculated pursuant to the terms of the SPV Credit Facility) and the amount of net cash proceeds and unpledged capital commitments the Company has received, with an accordion feature that can, subject to certain conditions, increase the aggregate maximum credit commitment up to an amount not to exceed $750,000, subject to restrictions imposed on borrowings under the Investment Company Act and certain restrictions and conditions set forth in the SPV Credit Facility, including adequate collateral to support such borrowings. On December 31, 2019, the Company irrevocably reduced its commitments under the SPV Credit Facility to $275,000. The SPV Credit Facility imposes financial and operating covenants on us and the SPV that restrict our and its business activities. Continued compliance with these covenants will depend on many factors, some of which are beyond our control.

We closed on the Credit Facility on March 21, 2014, which was subsequently amended on January 8, 2015, May 25, 2016, March 22, 2017, September 25, 2018 and June 14, 2019. The maximum principal amount of the Credit Facility is $688,000, subject to availability under the Credit Facility, which is based on certain advance rates multiplied by the value of the Company's portfolio investments (subject to certain concentration limitations) net of certain other indebtedness that the Company may incur in accordance with the terms of the Credit Facility. Proceeds of the Credit Facility may be used for general corporate purposes, including the funding of portfolio investments. Maximum capacity under the Credit Facility may be increased, subject to certain conditions, to $900,000 through the exercise by the Company of an uncommitted accordion feature through which existing and new lenders may, at their option, agree to provide additional financing. The Credit Facility includes a $50,000 limit for swingline loans and a $20,000 limit for letters of credit. Subject to certain exceptions, the Credit Facility is secured by a first lien security interest in substantially all of the portfolio investments held by the Company. The Credit Facility includes customary covenants, including certain financial covenants related to asset coverage, shareholders' equity and liquidity, certain limitations on the incurrence of additional indebtedness and liens, and other maintenance covenants, as well as usual and customary events of default for senior secured revolving credit facilities of this nature.

Although we believe that we and the SPV will remain in compliance, there are no assurances that we or the SPV will continue to comply with the covenants in the Credit Facility and SPV Credit Facility, as applicable. Failure to comply with these covenants could result in a default under the Credit Facility and/or the SPV Credit Facility that, if we or the SPV were unable to obtain a waiver from the applicable lenders, could result in the immediate acceleration of the amounts due under the Credit Facility and/or the SPV Credit Facility, and thereby have a material adverse impact on our business, financial condition and results of operations. Moreover, to the extent that we cannot meet our financing obligations, we risk the loss of some or all of our assets to liquidation or sale to satisfy the obligations. In such an event, we may be forced to sell assets at significantly depressed prices due to market conditions or otherwise, which may result in losses.

For more information on the SPV Credit Facility and the Credit Facility, see Note 6 to the consolidated financial statements in Part I, Item 1 of this Form 10-Q.

On June 26, 2015, we completed the 2015-1 Debt Securitization. The 2015-1 Notes were issued by Carlyle Direct Lending CLO 2015-1R LLC (formerly known as Carlyle GMS Finance MM CLO 2015-1 LLC) (the "2015-1 Issuer"), a wholly owned and consolidated subsidiary of us. On August 30, 2018, the 2015-1 Issuer refinanced the 2015-1 Debt Securitization (the "2015-1 Debt Securitization Refinancing") by redeeming in full the 2015-1 Notes and issuing new notes (the "2015-1R Notes"). The 2015-1R Notes are secured by a diversified portfolio of the 2015-1 Issuer consisting primarily of first and second lien senior secured loans. On the closing date of the 2015-1 Debt Securitization Refinancing, the 2015-1 Issuer, among other things:

(a) refinanced the issued Class A-1A Notes by redeeming in full the Class A-1A Notes and issuing new AAA Class A-1-1-R Notes in an aggregate principal amount of $234,800 which bear interest at the three-month LIBOR plus 1.55%;

(b) refinanced the issued Class A-1B Notes by redeeming in full the Class A-1B Notes and issuing new AAA Class A-1-2-R Notes in an aggregate principal amount of $50,000 which bear interest at the three-month LIBOR plus 1.48% for the first 24 months and the three-month LIBOR plus 1.78% thereafter;

(c) refinanced the issued Class A-1C Notes by redeeming in full the Class A-1C Notes and issuing new AAA Class A-1-3-R Notes in an aggregate principal amount of $25,000 which bear interest at 4.56%;

(d) refinanced the issued Class A-2 Notes by redeeming in full the Class A-2 Notes and issuing new Class A-2-R Notes in an aggregate principal amount of $66,000 which bear interest at the three-month LIBOR plus 2.20%;

(e) issued new single-A Class B Notes and BBB- Class C Notes in aggregate principal amounts of $46,400 and $27,000, respectively, which bear interest at the three-month LIBOR plus 3.15% and the three-month LIBOR plus 4.00%, respectively;

(f) reduced the 2015-1 Issuer Preferred Interests by approximately $21,375 from a nominal value of $125,900 to approximately $104,525 at close; and

(g) extended the reinvestment period end date and maturity date applicable to the 2015-1 Issuer to October 15, 2023 and October 15, 2031, respectively. In connection with the contribution, we have made customary representations, warranties and covenants to the 2015-1 Issuer.

The Class A-1-1-R, Class A-1-2-R, Class A-1-3-R, Class A-2-R, Class B and Class C Notes are included in the consolidated financial statements included in Part I, Item 1 of this Form 10-Q. The 2015-1 Issuer Preferred Interests were eliminated in consolidation. For more information on the 2015-1R Notes, see Note 7 to the consolidated financial statements in Part I, Item 1 of this Form 10-Q.

As of March 31, 2020 and December 31, 2019, we had $65,525 and $36,751, respectively, in cash and cash equivalents. The Facilities consisted of the following as of March 31, 2020 and December 31, 2019:

	March 31, 2020			
	Total Facility	Borrowings Outstanding	Unused Portion [(1)]	Amount Available [(2)]
SPV Credit Facility	$ 275,000	$ 201,026	$ 73,974	$ 4,497
Credit Facility	688,000	500,583	187,417	122,832
Total	$ 963,000	$ 701,609	$ 261,391	$ 127,329

	December 31, 2019			
	Total Facility	Borrowings Outstanding	Unused Portion [(1)]	Amount Available [(2)]
SPV Credit Facility	$ 275,000	$ 232,469	$ 42,531	$ 4,225
Credit Facility	688,000	384,074	303,926	264,198
Total	$ 963,000	$ 616,543	$ 346,457	$ 268,423

(1) The unused portion is the amount upon which commitment fees are based.
(2) Available for borrowing based on the computation of collateral to support the borrowings and subject to compliance with applicable covenants and financial ratios.

The following were the carrying values (before debt issuance costs) and fair values of the Company's 2015-1R Notes as of March 31, 2020 and December 31, 2019:

	March 31, 2020		December 31, 2019	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Aaa/AAA Class A-1-1-R Notes	$ 234,800	$ 212,996	$ 234,800	$ 233,053
Aaa/AAA Class A-1-2-R Notes	50,000	45,773	50,000	49,908
Aaa/AAA Class A-1-3-R Notes	25,000	24,045	25,000	25,163
AA Class A-2-R Notes	66,000	66,000	66,000	66,000
A Class B Notes	46,400	37,370	46,400	46,400
BBB- Class C Notes	27,000	27,000	27,000	27,000
Total	$ 449,200	$ 413,184	$ 449,200	$ 447,524

As of March 31, 2020 and December 31, 2019, we had a combined $1,265,809 and $1,180,743, respectively, of outstanding consolidated indebtedness under our Facilities, the 2015-1R Notes and the Senior Notes. Our annualized interest cost as of March 31, 2020 and December 31, 2019, was 3.52% and 4.01%, excluding fees (such as fees on undrawn amounts and amortization of upfront fees). For the three month periods ended March 31, 2020 and 2019, we incurred $12,179 and $11,991, respectively, of interest expense and $590 and $568, respectively, of unused commitment fees.

Equity Activity

Shares issued and outstanding as of March 31, 2020 and December 31, 2019 were 56,308,616 and 57,763,811, respectively.

The following table summarizes activity in the number of shares of our common stock outstanding during the three month periods ended March 31, 2020 and 2019:

	For the three month periods ended	
	March 31, 2020	March 31, 2019
Shares outstanding, beginning of period	57,763,811	62,230,251
Repurchase of common stock [(1)]	(1,455,195)	(958,182)
Shares outstanding, end of period	56,308,616	61,272,069

(1) In order to preserve capital, we have temporarily suspended the Company Stock Repurchase Program. See Note 9 to the consolidated financial statements in Part I, Item 1 of this Form 10-Q for additional information regarding the Company Stock Repurchase Program.

Contractual Obligations

A summary of our significant contractual payment obligations was as follows as of March 31, 2020 and December 31, 2019:

	As of	
Payment Due by Period	**March 31, 2020**	**December 31, 2019**
Less than 1 Year	$ —	$ —
1-3 Years	—	—
3-5 Years (1)	816,609	731,543
More than 5 Years (2)	449,200	449,200
Total	$ 1,265,809	$ 1,180,743

(1) Includes amounts outstanding under the Facilities and Senior Notes.
(2) Includes amounts outstanding under the 2015-1R Notes.

OFF BALANCE SHEET ARRANGEMENTS

In the ordinary course of our business, we enter into contracts or agreements that contain indemnifications or warranties. Future events could occur which may give rise to liabilities arising from these provisions against us. We believe that the likelihood of such an event is remote; however, the maximum potential exposure is unknown. No accrual has been made in these consolidated financial statements as of March 31, 2020 and December 31, 2019 in Part I, Item 1 of this Form 10-Q for any such exposure.

We have in the past, currently are and may in the future become obligated to fund commitments such as revolving credit facilities, bridge financing commitments, or delayed draw commitments.

We had the following unfunded commitments to fund delayed draw and revolving senior secured loans as of the indicated dates:

	Principal Amount as of	
	March 31, 2020	**December 31, 2019**
Unfunded delayed draw commitments	$ 65,237	$ 75,874
Unfunded revolving term loan commitments	38,751	74,016
Total unfunded commitments	$ 103,988	$ 149,890

Pursuant to an undertaking by us in connection with the 2015-1 Debt Securitization, we agreed to hold on an ongoing basis the 2015-1 Issuer Preferred Interests with an aggregate dollar purchase price at least equal to 5% of the aggregate outstanding amount of all collateral obligations by the 2015-1 Issuer for so long as any securities of the 2015-1 Issuer remains outstanding. As of March 31, 2020 and December 31, 2019, we were in compliance with this undertaking.

DIVIDENDS AND DISTRIBUTIONS TO COMMON STOCKHOLDERS

Prior to July 5, 2017, we had an “opt in” dividend reinvestment plan. Effective on July 5, 2017, we converted our “opt in” dividend reinvestment plan to an “opt out” dividend reinvestment plan that provides for reinvestment of our dividends and other distributions on behalf of our stockholders, other than those stockholders who have “opted out” of the plan. As a result of adopting the plan, if our Board of Directors authorizes, and we declare, a cash dividend or distribution, our stockholders who have not elected to “opt 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. Each registered stockholder may elect to have such stockholder’s dividends and distributions distributed in cash rather than participate in the plan. For any registered stockholder that does not so elect, distributions on such stockholder’s shares will be reinvested by State Street Bank and Trust Company, our plan administrator, in additional shares. The number of shares to be issued to the stockholder will be determined based on the total dollar amount of the cash distribution payable, net of applicable withholding taxes. We intend to use primarily newly issued shares to implement the plan so long as the market value per share is equal to or greater than the net asset value per share on the relevant valuation date. If the market value per share is less than the net asset value per share on the relevant valuation date, the plan administrator would implement the plan through the purchase of common stock on behalf of participants in the open market, unless we instruct the plan administrator otherwise.

The following table summarizes the Company's dividends declared during the two most recent fiscal years and the current fiscal year to date:

Date Declared	Record Date	Payment Date	Per Share Amount		
2018					
February 26, 2018	March 29, 2018	April 17, 2018	$	0.37	
May 2, 2018	June 29, 2018	July 17, 2018		0.37	
August 6, 2018	September 28, 2018	October 17, 2018		0.37	
November 5, 2018	December 28, 2018	January 17, 2019		0.37	
December 12, 2018	December 28, 2018	January 17, 2019		0.20	(1)
Total			$	1.68	
2019					
February 22, 2019	March 29, 2019	April 17, 2019	$	0.37	
May 6, 2019	June 28, 2019	July 17, 2019		0.37	
June 17, 2019	June 28, 2019	July 17, 2019		0.08	(1)
August 5, 2019	September 30, 2019	October 17, 2019		0.37	
November 4, 2019	December 31, 2019	January 17, 2020		0.37	
December 12, 2019	December 31, 2019	January 17, 2020		0.18	(1)
Total			$	1.74	
2020					
February 24, 2020	March 31, 2020	April 17, 2020	$	0.37	

(1) Represents a special dividend.

ASSET COVERAGE

In accordance with the Investment Company Act, a BDC is only allowed to borrow amounts such that its “asset coverage,” as defined in the Investment Company Act, satisfies the minimum asset coverage ratio specified in the Investment Company Act after such borrowing. “Asset coverage” generally refers to a company’s total assets, less all liabilities and indebtedness not represented by “senior securities,” as defined in the Investment Company Act, divided by total senior securities representing indebtedness and, if applicable, preferred stock. “Senior securities” for this purpose includes borrowings from banks or other lenders, debt securities and preferred stock.

Prior to March 23, 2018, BDCs were required to maintain a minimum asset coverage ratio of 200%. On March 23, 2018, an amendment to Section 61(a) of the Investment Company Act was signed into law to permit BDCs to reduce the minimum asset coverage ratio from 200% to 150%, so long as certain approval and disclosure requirements are satisfied. Under the 200% minimum asset coverage ratio, BDCs are permitted to borrow up to one dollar for investment purposes for every one dollar of investor equity, and under the 150% minimum asset coverage ratio, BDCs are permitted to borrow up to two dollars for investment purposes for every one dollar of investor equity. In other words, Section 61(a) of the Investment Company Act, as amended, permits BDCs to potentially increase their debt-to-equity ratio from a maximum of 1 to 1 to a maximum of 2 to 1.

On April 9, 2018 and June 6, 2018, the Board of Directors, including a “required majority” (as such term is defined in Section 57(o) of the Investment Company Act), and the stockholders of the Company, respectively, approved the application to the Company of the 150% minimum asset coverage ratio set forth in Section 61(a)(2) of the Investment Company Act. As a result, the minimum asset coverage ratio applicable to the Company was reduced from 200% to 150%, effective as of June 7, 2018.

On April 8, 2020, the SEC issued an order (Release No. 33837) providing temporary, conditional exemptive relief from certain Investment Company Act provisions for BDCs, including relief permitting BDCs to issue additional senior securities to meet liquidity needs subject to compliance with a reduced asset coverage ratio. The relief is subject to investor protection conditions, including specific requirements for obtaining an independent evaluation of the terms of the senior securities, limits on new investments and approval by a majority of a BDC’s independent board members as well as public disclosure in the case of the issuance of senior securities pursuant to the reduced asset coverage ratio. These exemptions are in effect through the earlier of December 31, 2020 or the date by which a BDC ceases to rely on the order. The Company does not currently anticipate utilizing this relief.

As of March 31, 2020 and December 31, 2019, the Company had total senior securities of $1,265,809 and $1,180,743, respectively, consisting of secured borrowings under the Facilities and the Notes Payable, and had asset coverage ratios of 163.08% and 181.01%, respectively.

CRITICAL ACCOUNTING POLICIES

The preparation of our consolidated financial statements requires us to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, and expenses. Changes in the economic environment, financial markets, and any other parameters used in determining such estimates could cause actual results to differ. Our critical accounting policies, including those relating to the valuation of our investment portfolio, are described below. The critical accounting policies should be read in connection with our consolidated financial statements in Part I, Item 1 of this Form 10-Q and in Part II, Item 8 of the Company's annual report on Form 10-K for the year ended December 31, 2019.

Fair Value Measurements

The Company applies fair value accounting in accordance with the terms of Financial Accounting Standards Board ASC Topic 820, *Fair Value Measurement* ("ASC 820"). ASC 820 defines fair value as the amount that would be exchanged to sell an asset or transfer a liability in an orderly transfer between market participants at the measurement date. The Company values securities/instruments traded in active markets on the measurement date by multiplying the closing price of such traded securities/instruments by the quantity of shares or amount of the instrument held. The Company may also obtain quotes with respect to certain of its investments, such as its securities/instruments traded in active markets and its liquid securities/instruments that are not traded in active markets, from pricing services, brokers, or counterparties (i.e., "consensus pricing"). When doing so, the Company determines whether the quote obtained is sufficient according to U.S. GAAP to determine the fair value of the security. The Company may use the quote obtained or alternative pricing sources may be utilized including valuation techniques typically utilized for illiquid securities/instruments.

Securities/instruments that are illiquid or for which the pricing source does not provide a valuation or methodology or provides a valuation or methodology that, in the judgment of the Investment Adviser or the Board of Directors, does not represent fair value shall each be valued as of the measurement date using all techniques appropriate under the circumstances and for which sufficient data is available. These valuation techniques may vary by investment and include comparable public market valuations, comparable precedent transaction valuations and/or discounted cash flow analyses. The process generally used to determine the applicable value is as follows: (i) the value of each portfolio company or investment is initially reviewed by the investment professionals responsible for such portfolio company or investment and, for non-traded investments, a standardized template designed to approximate fair market value based on observable market inputs, updated credit statistics and unobservable inputs is used to determine a preliminary value, which is also reviewed alongside consensus pricing, where available; (ii) preliminary valuation conclusions are documented and reviewed by a valuation committee comprised of members of senior management; (iii) the Board of Directors engages a third-party valuation firm to provide positive assurance on portions of the Middle Market Senior Loans and equity investments portfolio each quarter (such that each non-traded investment other than Credit Fund is reviewed by a third-party valuation firm at least once on a rolling twelve month basis) including a review of management's preliminary valuation and conclusion on fair value; (iv) the Audit Committee of the Board of Directors (the "Audit Committee") reviews the assessments of the Investment Adviser and the third-party valuation firm and provides the Board of Directors with any recommendations with respect to changes to the fair value of each investment in the portfolio; and (v) the Board of Directors discusses the valuation recommendations of the Audit Committee and determines the fair value of each investment in the portfolio in good faith based on the input of the Investment Adviser and, where applicable, the third-party valuation firm.

All factors that might materially impact the value of an investment are considered, including, but not limited to the assessment of the following factors, as relevant:

- the nature and realizable value of any collateral;
- call features, put features and other relevant terms of debt;
- the portfolio company's leverage and ability to make payments;
- the portfolio company's public or private credit rating;
- the portfolio company's actual and expected earnings and discounted cash flow;

- prevailing interest rates and spreads for similar securities and expected volatility in future interest rates;
- the markets in which the portfolio company does business and recent economic and/or market events; and
- comparisons to comparable transactions and publicly traded securities.

Investment performance data utilized are the most recently available financial statements and compliance certificate received from the portfolio companies as of the measurement date which in many cases may reflect a lag in information.

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 the Company’s 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 reported had a ready market for the investments existed, and it is reasonably possible that the difference could be material.

In addition, changes in the market environment and other events that may occur over the life of the investments may cause the realized gains or losses on investments to be different from the net change in unrealized appreciation or depreciation currently reflected in the consolidated financial statements as of March 31, 2020 and December 31, 2019.

U.S. GAAP establishes a hierarchical disclosure framework which ranks the level of observability of market price inputs used in measuring investments at fair value. The observability of inputs is impacted by a number of factors, including the type of investment and the characteristics specific to the investment and state of the marketplace, including the existence and transparency of transactions between market participants. Investments with readily available quoted prices or for which fair value can be measured from quoted prices in active markets generally have a higher degree of market price observability and a lesser degree of judgment applied in determining fair value.

For further information on the fair value hierarchies, our framework for determining fair value and the composition of our portfolio, see Note 3 to the consolidated financial statements in Part I, Item 1 of this Form 10-Q.

Use of Estimates

The preparation of consolidated financial statements in Part I, Item 1 of this Form 10-Q in conformity with U.S. GAAP requires management to make assumptions and estimates that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Management’s estimates are based on historical experiences and other factors, including expectations of future events that management believes to be reasonable under the circumstances. It also requires management to exercise judgment in the process of applying the Company’s accounting policies. Assumptions and estimates regarding the valuation of investments and their resulting impact on base management and incentive fees involve a higher degree of judgment and complexity and these assumptions and estimates may be significant to the consolidated financial statements in Part I, Item 1 of this Form 10-Q. Actual results could differ from these estimates and such differences could be material.

Investments

Investment transactions are recorded on the trade date. Realized gains or losses are measured by the difference between the net proceeds from the repayment or sale and the amortized cost basis of the investment using the specific identification method without regard to unrealized appreciation or depreciation previously recognized, and includes investments charged off during the period, net of recoveries. Net change in unrealized appreciation or depreciation on investments as presented in the Consolidated Statements of Operations in Part I, Item 1 of this Form 10-Q reflects the net change in the fair value of investments, including the reversal of previously recorded unrealized appreciation or depreciation when gains or losses are realized.

Revenue Recognition

Interest from Investments and Realized Gain/Loss on Investments

Interest income is recorded on an accrual basis and includes the accretion of discounts and amortization of premiums. Discounts from and premiums to par value on debt investments purchased are accreted/amortized into interest income over the life of the respective security using the effective interest method. The amortized cost of debt investments represents the original cost, including origination fees and upfront fees received that are deemed to be an adjustment to yield, adjusted for the accretion of discounts and amortization of premiums, if any. At time of exit, the realized gain or loss on an investment is the difference between the amortized cost at time of exit and the cash received at exit using the specific identification method.

The Company has loans in its portfolio that contain payment-in-kind (“PIK”) provisions. PIK represents interest that is accrued and recorded as interest income at the contractual rates, increases the loan principal on the respective capitalization dates, and is generally due at maturity. Such income is included in interest income in the Consolidated Statements of Operations included in Part I, Item 1 of this Form 10-Q.

Dividend Income

Dividend income from the investment fund is recorded on the record date for the investment fund to the extent that such amounts are payable by the investment fund and are expected to be collected.

Other Income

Other income may include income such as consent, waiver, amendment, unused, underwriting, arranger and prepayment fees associated with the Company’s investment activities as well as any fees for managerial assistance services rendered by the Company to the portfolio companies. Such fees are recognized as income when earned or the services are rendered. The Company may receive fees for guaranteeing the outstanding debt of a portfolio company. Such fees are amortized into other income over the life of the guarantee. The unamortized amount, if any, is included in other assets in the Consolidated Statements of Assets and Liabilities included in Part I, Item 1 of this Form 10-Q.

Non-Accrual Income

Loans are generally placed on non-accrual status when principal or interest payments are past due 30 days or more or when there is reasonable doubt that principal or interest will be collected in full. Accrued and unpaid interest is generally reversed when a loan is placed on non-accrual status. Interest payments received on non-accrual loans may be recognized as income or applied to principal depending upon management’s judgment regarding collectability. Non-accrual loans are restored to accrual status when past due principal and interest are paid current and, in management’s judgment, are likely to remain current. Management may determine not to place a loan on non-accrual status if the loan has sufficient collateral value and is in the process of collection.

Income Taxes

For federal income tax purposes, the Company has elected to be treated as a RIC under the Code, and intends to make the required distributions to its stockholders as specified therein. In order to qualify as a RIC, the Company must meet certain minimum distribution, source-of-income and asset diversification requirements. If such requirements are met, then the Company is generally required to pay income taxes only on the portion of its taxable income and gains it does not distribute.

The minimum distribution requirements applicable to RICs require the Company to distribute to its stockholders at least 90% of its investment company taxable income (“ICTI”), as defined by the Code, each year. Depending on the level of ICTI earned in a tax year, the Company may choose to carry forward ICTI in excess of current year distributions into the next tax year. Any such carryover ICTI must be distributed before the end of that next tax year through a dividend declared prior to filing the final tax return related to the year which generated such ICTI.

In addition, based on the excise distribution requirements, the Company is subject to a 4% nondeductible federal excise tax on undistributed income unless the Company distributes in a timely manner an amount at least equal to the sum of (1) 98% of its ordinary income for each calendar year, (2) 98.2% of capital gain net income (both long-term and short-term) for the one-year period ending October 31 in that calendar year and (3) any income realized, but not distributed, in the preceding year. For this purpose, however, any ordinary income or capital gain net income retained by the Company that is subject to corporate income tax is considered to have been distributed. The Company intends to make sufficient distributions each taxable year to satisfy the excise distribution requirements.

The Company evaluates tax positions taken or expected to be taken in the course of preparing its consolidated financial statements to determine whether the tax positions are “more-likely than not” to be sustained by the applicable tax authority. All penalties and interest associated with income taxes, if any, are included in income tax expense.

The SPVs and the 2015-1 Issuer are disregarded entities for tax purposes and are consolidated with the tax return of the Company.

Dividends and Distributions to Common Stockholders

To the extent that the Company has taxable income available, the Company intends to make quarterly distributions to its common stockholders. Dividends and distributions to common stockholders are recorded on the record date. The amount to be distributed is determined by the Board of Directors each quarter and is generally based upon the taxable earnings estimated by management and available cash. Net realized capital gains, if any, are generally distributed at least annually, although the Company may decide to retain such capital gains for investment.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

We are subject to financial market risks, including changes in the valuations of our investment portfolio and interest rates.

Valuation Risk

Our investments generally do not have a readily available market price, and we value these investments at fair value as determined in good faith by our Board of Directors 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. In addition, 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

As of March 31, 2020, on a fair value basis, approximately 0.8% of our debt investments bear interest at a fixed rate and approximately 99.2% of our debt investments bear interest at a floating rate, which primarily are subject to interest rate floors. Additionally, our Facilities are also subject to floating interest rates and are currently paid based on floating LIBOR rates.

Interest rate sensitivity refers to the change in earnings that may result from changes in the level of interest rates. There can be no assurance that a significant change in market interest rates will not have a material adverse effect on our income in the future.

The following table estimates the potential changes in net cash flow generated from interest income, should interest rates increase or decrease by 100, 200 or 300 basis points. These hypothetical interest income calculations are based on a model of the settled debt investments in our portfolio, excluding our investment in Credit Fund, held as of March 31, 2020 and December 31, 2019, and are only adjusted for assumed changes in the underlying base interest rates and the impact of that change on interest income. Interest expense is calculated based on outstanding secured borrowings and notes payable as of March 31, 2020 and December 31, 2019 and based on the terms of our Facilities and notes payable. Interest expense on our Facilities and notes payable is calculated using the stated interest rate as of March 31, 2020 and December 31, 2019, adjusted for the hypothetical changes in rates, as shown below. We intend to continue to finance a portion of our investments with borrowings and the interest rates paid on our borrowings may impact significantly our net interest income.

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. Based on that review, we determine whether or not any hedging transactions are necessary to mitigate exposure to changes in interest rates.

Based on our Consolidated Statements of Assets and Liabilities as of March 31, 2020 and December 31, 2019, the following table shows the annual impact on net investment income of base rate changes in interest rates for our settled debt investments (considering interest rate floors for variable rate instruments), excluding our investment in Credit Fund, and outstanding secured borrowings and notes payable assuming no changes in our investment and borrowing structure:

	March 31, 2020			December 31, 2019		
Basis Point Change	**Interest Income**	**Interest Expense**	**Net Investment Income**	**Interest Income**	**Interest Expense**	**Net Investment Income**
Up 300 basis points	$ 57,263	$ (33,774)	$ 23,489	$ 57,441	$ (31,167)	$ 26,274
Up 200 basis points	$ 38,175	$ (22,516)	$ 15,659	$ 38,294	$ (20,778)	$ 17,516
Up 100 basis points	$ 19,088	$ (11,258)	$ 7,830	$ 19,147	$ (10,389)	$ 8,758
Down 100 basis points	$ (7,697)	$ 11,258	$ 3,561	$ (16,433)	$ 10,389	$ (6,044)
Down 200 basis points	$ (7,926)	$ 14,817	$ 6,891	$ (18,678)	$ 20,225	$ 1,547
Down 300 basis points	$ (7,926)	$ 14,817	$ 6,891	$ (19,053)	$ 20,823	$ 1,770

Item 4. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

As of the end of the period covered by this report, we carried out an evaluation, under the supervision and with the participation of our management, including our Chief Executive Officer (Principal Executive Officer) and our Chief Financial Officer (Principal Financial Officer), of the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rule 13a-15 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”)). Based on that evaluation, our Chief Executive Officer and our Chief Financial Officer have concluded that our current disclosure controls and procedures are effective in timely alerting them of material information relating to the Company that is required to be disclosed by us in the reports we file or submit under the Exchange Act.

Changes in Internal Controls over Financial Reporting

There have been no changes in our internal control over financial reporting during the three month period ended March 31, 2020 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II—OTHER INFORMATION

Item 1. Legal Proceedings.

The Company may become party to certain lawsuits in the ordinary course of business. The Company is not currently subject to any material legal proceedings, nor, to our knowledge, is any material legal proceeding threatened against the Company. See also Note 11 to the consolidated financial statements in Part I, Item 1 of this Form 10-Q.

Item 1A. Risk Factors.

In addition to the other information set forth within this Form 10-Q, consideration should be given to the information disclosed in *"Risk Factors"* in Part I, Item 1A of our annual report on Form 10-K for the year ended December 31, 2019 and the following risk factors we have added regarding the impacts of the COVID-19 pandemic, which reemphasizes and in some cases updates certain risk factors we have previously disclosed and provides specific context under the current environment.

The COVID-19 pandemic could materially and adversely affect our portfolio companies and the results of our operations.

In late 2019 and early 2020, SARS-CoV-2 and COVID-19 emerged in China and spread rapidly across the world, including the U.S. 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 "stay at home" 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 our portfolio companies and us and on the markets and the economy in general, and that impact could be material.

Further, from an operational perspective, our Investment Adviser's investment professionals are currently working remotely. An extended period of remote work arrangements could strain our business continuity plans, introduce operational risk, including but not limited to cybersecurity risks, and impair our ability to manage our business. In addition, we are highly dependent on third party service providers for certain communication and information systems. As a result, we rely upon the successful implementation and execution of the business continuity planning of such providers in the current environment. If one or more of these third parties to whom we outsource certain critical business activities experience operational failures as a result of the impacts from the spread of COVID-19, or claim that they cannot perform due to a force majeure, it may have a material adverse effect on our business, financial condition, results of operations, liquidity and cash flows.

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 spread of COVID-19 in the United States. Some economists and major investment banks have expressed concern that the continued spread of the virus globally could lead to a world-wide economic downturn. 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 would be expected to have an adverse effect on our business, financial condition, results of operations and cash flows. Unfavorable economic conditions also would be expected 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, and limit our ability to grow and could have a material negative impact on our operating results and the fair values of our debt and equity investments.

Our shares of common stock have traded at a discount from NAV and may do so again, which could limit our ability to raise additional equity capital.

We cannot assure you that a trading market for our common stock can be sustained. In addition, we cannot predict the prices at which our common stock will trade. Shares of closed-end investment companies, including BDCs, frequently trade at a discount from NAV and our common stock may also be discounted in the market. This characteristic of closed-end investment companies is separate and distinct from the risk that our NAV per share may decline. We cannot predict whether our common stock will trade at, above or below NAV. 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. Recently, as a result of the COVID-19 pandemic, the stocks of BDCs as an industry, including shares of our common stock, have traded below or significantly below NAV and during much of 2009 the industry traded at or near historic lows as a result of concerns over liquidity, leverage restrictions and distribution requirements.

In addition, when our common stock is trading below its NAV, we will generally not be able to sell additional shares of our common stock to the public at its market price without, among other things, first obtaining the requisite approval of our stockholders or as otherwise permitted by the Investment Company Act.

If the current period of capital market disruption and instability continues for an extended period of time, there is a risk that our stockholders may not receive distributions or that our distributions may not grow over time and a portion of our distributions to you may be a return of capital for U.S. federal income tax purposes.

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. Our ability to pay distributions might be adversely affected by the impact of one or more of the risk factors described in this prospectus or incorporated herein by reference, including the COVID-19 pandemic described above. For example, if the temporary closure of many corporate offices, retail stores, and manufacturing facilities and factories in the jurisdictions, including the United States, affected by the COVID-19 pandemic were to continue for an extended period of time it could result in reduced cash flows to us from our existing portfolio companies, which could reduce cash available for distribution to our stockholders. If we declare a dividend and if enough stockholders opt to receive cash distributions rather than participate in our dividend reinvestment plan, we may be forced to sell some of our investments in order to make cash dividend payments. In addition, due to the asset coverage test applicable to us as a BDC, we may be limited in our ability to make distributions. The Facilities may also limit our ability to declare dividends if we default under certain provisions. Further, if we invest a greater amount of assets in equity securities that do not pay current dividends, it could reduce the amount available for distribution. The above referenced restrictions on distributions may also inhibit our ability to make required interest payments to holders of our debt, which may cause a default under the terms of our debt agreements. Such a default could materially increase our cost of raising capital, as well as cause us to incur penalties under the terms of our debt agreements.

The distributions we pay to our stockholders in a year may exceed our taxable income for that year and, accordingly, a portion of such distributions may constitute a return of capital for U.S. federal income tax purposes that would reduce a stockholder’s adjusted tax basis in its shares of our common stock or preferred stock and correspondingly increase such stockholder’s gain, or reduce such stockholder’s loss, on disposition of such shares. Distributions in excess of a stockholder’s adjusted tax basis in its shares of our common stock or preferred stock will constitute capital gains to such stockholder.

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

We did not sell any equity securities during the period covered in this report that were not registered under the Securities Act of 1933, as amended.

Purchases of Equity Securities by the Issuer and Affiliated Purchasers

The following table provides information regarding purchases of our common stock made by or on behalf of the Company or any “affiliated purchaser” (as defined in Rule 10b-18(a)(3) under the Exchange Act) during the three months ended March 31, 2020 for the periods indicated.

Period	Total Number of Shares Purchased(1)	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs(1)(2)	Maximum (or Approximate Dollar Value) of Shares that May Yet Be Purchased Under the Plans or Programs
January 1, 2020 through January 31, 2020	582,188	$ 13.74	582,188	$ 22,406
February 1, 2020 through February 29, 2020	40,861	12.24	40,861	21,906
March 1, 2020 through March 31, 2020	832,146	9.02	832,146	14,403
Total	1,455,195		1,455,195	

(1) On trade date basis.

(2) Shares purchased by the Company pursuant to the Company Stock Repurchase Program, which was entered into on November 5, 2018. Pursuant to the program, the Company is authorized to repurchase up to $100 million in the aggregate of its outstanding common stock in the open market and/or through privately negotiated transactions at prices not to exceed the Company's net asset value per share as reported in its most recent financial statements, in accordance with the guidelines specified in Rule 10b-18 of the Exchange Act. The timing, manner, price and amount of any repurchases will be determined by the Company, in its discretion, based upon the evaluation of economic and market conditions, stock price, available cash, applicable legal and regulatory requirements and other factors, and may include purchases pursuant to Rule 10b5-1 of the Exchange Act. The Program was expected to be in effect until the earlier of November 5, 2019 and the date the approved dollar amount has been used to repurchase shares. On November 4, 2019, the Company's Board of Directors approved the continuation of the Company Stock Repurchase Program until November 5, 2020, or until the date the approved dollar amount has been used to repurchase shares. The program does not require the Company to repurchase any specific number of shares and there can be no assurance as to the amount of shares repurchased under the Program. This Program, which is temporarily suspended, may be resumed, extended, modified or discontinued by the Company at any time, subject to applicable law.

Item 3. Defaults Upon Senior Securities.

Not applicable.

Item 4. Mine Safety Disclosures.

Not applicable.

Item 5. Other Information.

Sale of Series A Convertible Preferred Stock

On May 5, 2020, the Company issued and sold 2,000,000 shares of cumulative convertible preferred stock, par value $0.01, to an affiliate of Carlyle in a private placement at a price of $25 per share (the "Preferred Stock"). The Company intends to use the total proceeds to the Company of $50.0 million from the offering to repay certain indebtedness under the Facilities and for general corporate purposes. In connection with this transaction, the Company filed Articles Supplementary (the "Articles Supplementary") with the State Department of Assessments and Taxation of the State of Maryland. The Preferred Stock ranks senior to the Company's common stock with respect to the payment of dividends and distribution of assets upon liquidation. The Preferred Stock has a liquidation preference equal to $25 per share (the "Liquidation Preference") plus any accumulated but unpaid dividends up to but excluding the date of distribution. Dividends will be payable on a quarterly basis in an initial amount equal to 7.00% per annum of the Liquidation Preference per share, payable in cash, or at the Company's option, 9.00% per annum of the Liquidation Preference payable in additional shares of Preferred Stock. After May 5, 2027, the dividend rate will increase annually, in each case by 1.00% per annum.

After November 5, 2020, the Preferred Stock will be convertible, in whole or in part, at the option of the holder of the Preferred Stock into the number of shares of common stock equal to the Liquidation Preference plus any accumulated but unpaid dividends, divided by an initial conversion price of $9.50, subject to certain adjustments to prevent dilution as set forth in the Articles Supplementary. At any time after May 5, 2023, the Company, with the approval of the Board of Directors, including a majority of the Independent Directors, will have the option to redeem all of the Preferred Stock for cash consideration equal to the Liquidation Preference plus any accumulated but unpaid dividends. The holders of the Preferred Stock will have the right to convert all or a portion of their shares of Preferred Stock prior to the date fixed for such redemption. At any time after May 5, 2027, the holders of the Preferred Stock will have the option to require the Company to redeem any or all of the then-outstanding Preferred Stock upon 90 days' notice. The form of consideration used in any such redemption is at the option of the Board of Directors, including a majority of the Independent Directors, and may be cash consideration equal to the Liquidation Preference plus any accumulated but unpaid dividends, or shares of common stock. Holders also have the right to redeem the Preferred Stock upon a Change in Control (as defined in the Article Supplementary).

Each holder of Preferred Stock is entitled to one vote on each matter submitted to a vote of stockholders of the Company. In addition, for so long as the Company is subject to the Investment Company Act, the holders of Preferred Stock, voting separately as a single class, have the right to elect two members of the Board of Directors at all times, and the balance of the directors will be elected by the holders of the common stock and the Preferred Stock voting together. The Company will designate Linda Pace and Mark Jenkins for election by the holders of the Preferred Stock As required by the Investment Company Act, the Preferred Stock has certain additional voting rights, as set forth in the Articles Supplementary.

Concurrent with the sale of the Preferred Stock to an affiliate of Carlyle, the affiliate and the Company entered into an agreement (the "Registration Rights Agreement") providing the affiliate with the right to require the Company to register with the SEC the resale of Common Stock issuable upon conversion of the Preferred Stock. The Registration Rights Agreement is subject to customary representations, warranties, conditions and limitations on the resale of such Common Stock.

The above summary of the material terms of the Articles Supplementary and the Registration Rights Agreement is qualified by reference to the Articles Supplementary and the Registration Rights Agreement, which are filed as Exhibits 3.1 and 4.1 hereto, respectively, and are incorporated herein by reference.

Item 6. Exhibits.

3.1	Articles Supplementary of TCG BDC, Inc.*
4.1	Registration Rights Agreement, dated as of May 5, 2020, by and between TCG BDC, Inc. and Carlyle Investment Management L.L.C.*
31.1	Certification of Chief Executive Officer (Principal Executive Officer) Pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934, as amended.*
31.2	Certification of Chief Financial Officer (Principal Financial Officer) Pursuant to Rule 13a-14 of the Securities Exchange Act of 1934, as amended.*

32.1	Certification of Chief Executive Officer (Principal Executive Officer) Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.*
32.2	Certification of Chief Financial Officer (Principal Financial Officer) Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.*

* Filed herewith

SIGNATURES

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

TCG BDC, INC.

Dated: May 5, 2020	By	/s/ Thomas M. Hennigan
		Thomas M. Hennigan Chief Financial Officer (principal financial officer)

Exhibit 3.1

EXECUTION VERSION

TCG BDC, INC.

ARTICLES SUPPLEMENTARY

CONVERTIBLE PREFERRED STOCK, SERIES A

TCG BDC, Inc., a Maryland corporation (the "Corporation"), hereby certifies to the State Department of Assessments and Taxation of Maryland as follows:

1: Pursuant to the authority expressly vested in the Board of Directors of the Corporation (the "Board") by Section 5.2 of its charter (the "Charter") and Section 2-208 of the Maryland General Corporation Law ("MGCL"), the Board has duly adopted resolutions reclassifying 2,000,000 authorized but unissued shares of common stock, par value $0.01 per share, of the Corporation (the "Common Stock"), into shares of preferred stock, par value $0.01 per share, of the Corporation, classified and designated as Convertible Preferred Stock, Series A (the "Preferred Stock").

2: The designations, preferences, conversion and other rights, voting powers, restrictions, limitations as to dividends and other distributions, qualifications, terms and conditions of redemption and other provisions of the shares of Preferred Stock are as follows:

(1) Designation; Number of Shares. A series of preferred stock, designated as "Convertible Preferred Stock, Series A", par value $0.01 per share, is hereby established. The number of shares constituting such series shall be 2,000,000 (the "Preferred Stock").

(2) Voting Rights.

(a) Except as otherwise provided in the Charter or as otherwise required by law, (i) each holder of Preferred Stock shall be entitled to one vote for each share of Preferred Stock held by such holder on each matter submitted to a vote of stockholders of the Corporation, and (ii) the holders of outstanding Preferred Stock and the holders of outstanding Common Stock shall vote together as a single class; provided, however, that, for so long as the Corporation is subject to the Investment Company Act of 1940, as amended (the "1940 Act"), the holders of Preferred Stock, voting separately as a single class, shall have the right to elect two (2) members of the Board at all times, and the balance of the directors shall be elected by the holders of the Common Stock and the Preferred Stock voting together. If Carlyle Global Credit Investment Management L.L.C., an indirect wholly owned subsidiary of The Carlyle Group Inc. (formerly, The Carlyle Group L.P.), or any other company controlled (as such term is defined under the 1940 Act) by Carlyle (collectively, with its affiliates and consolidated subsidiaries, "Carlyle"), is the Corporation's investment adviser and Carlyle beneficially owns greater than 50.00% of any outstanding shares of Preferred Stock, only directors who are "interested persons," as such term is defined under the 1940 Act, shall be qualified to serve as directors elected separately by the holders of Preferred Stock. The directors to be elected separately by the holders of Preferred Stock shall be designated by the Board and, if the Board is classified, the Board shall designate the classes in which such directors shall serve. Any director elected solely by the holders of Preferred Stock may be removed at any time with or without cause by and only by the vote of the holders of a majority of the shares of Preferred Stock then outstanding at any annual or special meeting of the stockholders of the Corporation, or by a written consent in lieu of a meeting undertaken by the holders of at least a majority of the outstanding shares of Preferred Stock, and any vacancy occurring by reason of such removal or by reason of death, resignation or inability to serve of any director so elected, shall be filled by and only by a vote of the holders of a majority of the Preferred Stock then outstanding at any annual or special meeting of the stockholders of the Corporation or by a written consent in lieu of a meeting undertaken by the holders of at least a majority of the outstanding shares of Preferred Stock. Any director so elected under this paragraph shall serve until his or her successor is duly elected and qualified or his or her earlier death, resignation or removal as provided herein. The foregoing right to elect two directors shall be unaffected by any default by the Corporation in the payment of dividends to holders of Preferred Stock, subject to any additional rights afforded such holders in the event of such a default under the 1940 Act, including Section 18 thereof. In addition to any approval by stockholders that might otherwise be required by law or the Charter, the approval of the holders of a majority of any outstanding Preferred Stock, voting separately as a class, shall be required to, among other actions, (i) amend, alter or repeal the rights, preferences or privileges of the Preferred Stock or amend the Charter in a manner that materially and adversely affects the Preferred Stock, (ii) increase or decrease the authorized number of shares of Preferred Stock or issue any additional Preferred Stock and (iii) create (by reclassification or otherwise) any new class or series of shares having rights, preferences or privileges senior to or on parity with the Preferred Stock. In addition, the vote of the holders of a majority of the preferred stock then outstanding of the Corporation, including the Preferred Stock, shall be required to approve any plan of reorganization adversely affecting such shares or any action requiring a vote of stockholders under Section 13(a) of the 1940 Act. For purposes of the preceding sentence, the phrase "vote of the holders of a majority of the preferred stock then outstanding" shall have the meaning set forth in the 1940 Act. The holders of Preferred Stock shall have exclusive voting rights on a Charter amendment that would alter only the contract rights of the Preferred Stock, as expressly set forth in these terms of the Preferred Stock. Any such Charter amendment shall first be declared advisable by the Board and then approved by the affirmative vote or consent of the holders of a majority of the outstanding shares of Preferred Stock.

(b) During any period in which any one or more of the conditions described below shall exist (such period, a "Voting Period"), the number of directors constituting the Board of the Corporation shall be automatically increased by the smallest number that, when added to the two directors elected exclusively by the holders of Preferred Stock as described above, would constitute a majority of the Board of the Corporation as so adjusted, and the holders of outstanding Preferred Stock, voting separately as one class, with any other preferred stock of the Corporation so entitled to vote, subject to compliance with the 1940 Act and the rules thereunder, shall have the power to elect such additional directors; provided, however, if Carlyle is the Corporation's investment adviser and beneficially owns a majority of the outstanding Preferred Stock, then with respect to the election of an independent director, Carlyle shall vote its shares of Preferred Stock in the same proportion as the vote of all holders of shares of Common Stock.

A Voting Period shall commence: (i) if at any time accumulated dividends and distributions (whether or not earned or declared, and whether or not funds are then legally available in an amount sufficient therefor) on the outstanding Preferred Stock equal to at least two full years' dividends and distributions shall be due and unpaid; or (ii) if at any time holders of any other preferred stock are entitled to elect a majority of the directors of the Corporation under the 1940 Act or Articles Supplementary creating such shares.

If the Corporation thereafter pays, or declares and sets apart for payment in full, all dividends payable on all outstanding shares of Preferred Stock and any other preferred stock for all past dividend periods, the additional voting rights of the holders of shares of Preferred Stock and any other preferred stock as described above will cease, and the terms of office of all of the additional directors elected by the holders of shares of Preferred Stock and any other preferred stock (but not of the directors with respect to whose election the holders of shares of Common Stock were entitled to vote or the two directors the holders of shares of Preferred Stock and any other preferred stock have the right to elect in any event) will terminate immediately and automatically, subject always, however, to the reverting of such voting rights in the holders of Preferred Stock and any other preferred stock so entitled to vote upon the further occurrence of any of the events described in this Section 2(b).

(3) Change of Control. If a Change of Control of the Corporation occurs, at the option of the holders of a majority of the shares of Preferred Stock, the Corporation will be required to immediately redeem the then outstanding shares of Preferred Stock for cash consideration equal to the liquidation preference (as described below), plus an amount equal to accumulated but unpaid dividends, if any, on such shares (whether or not earned or declared, but excluding interest on such dividends) to, but excluding, the date fixed for such redemption; provided that, the holders of the Preferred Stock will have the right to convert their shares prior to the date fixed for such redemption; provided further, that, in the event that a Change of Control occurs without Board approval, including without the approval of a majority of Independent Directors, pursuant to clauses (b) or (d) of such definition, then any such redemption shall be determined pursuant to the redemption procedures and valuation methodologies set forth in Section 6(b) herein. "Change of Control" means the occurrence of any of the following: (a) the direct or indirect sale, lease, transfer, conveyance or other disposition (other than by way of merger or consolidation) in one or a series of related transactions, of all or substantially all of the assets of the Corporation and its subsidiaries taken as a whole to any "person" or "group" (as those terms are used in Section 13(d)(3) of the Securities and Exchange Act of 1934, as amended (the "Exchange Act")), other than to Carlyle or its affiliates or a registered investment company or business development company advised by Carlyle or its affiliates; provided that, for the avoidance of doubt, a pledge of assets pursuant to any secured debt instrument of the Corporation or its subsidiaries shall not be deemed to be any such sale, lease, transfer, conveyance or disposition; (b) the consummation of any transaction (including, without limitation, any merger or consolidation) the result of which is that any "person" or "group" (as those terms are used in Section 13(d)(3) of the Exchange Act) (other than Carlyle or its affiliates) becomes the "beneficial owner" (as defined in Rules 13d-3 and 13d-5 under the Exchange Act), directly or indirectly, of more than 50.00% of the outstanding voting securities (as defined under the 1940 Act) of the Corporation, measured by voting power rather than number of shares; (c) the approval by the Corporation's stockholders of any plan or proposal relating to the liquidation or dissolution of the Corporation; or (d) during any period of two consecutive years, Continuing Directors cease for any reason, other than pursuant to Section 2(b) herein, to constitute a majority of the directors serving on the Board. For purposes of this definition, "Continuing Director" means any member of the Board (i) serving on the Board at the beginning of the relevant period of two consecutive years referred to in the immediately preceding sentence or (ii) whose election to the Board by such Board, or nomination for election to the Board by the Corporation's stockholders, was approved by a majority of the directors of the Board then still serving at the time of such approval who were so serving at the beginning of the relevant period of two consecutive years, were so elected by the members of the Board or whose election or nomination for election was so approved.

(4) Dividends.

(a) The holders of Preferred Stock shall be entitled to receive, when, as and if authorized by the Board and declared by the Corporation, out of funds legally available therefor, cumulative dividends at the annual rate of (i) 7.00% of the Liquidation Preference per share (computed on the basis of a 360-day year consisting of twelve 30-day months) payable in cash or (ii) at the Corporation's option, 9.00% of the Liquidation Preference per share payable in additional shares of Preferred Stock (valued at $25.00 per share, plus an amount equal to all accumulated but unpaid dividends, if any, accumulated to (but excluding) the date fixed for distribution or payment, whether or not earned or declared by the Corporation, but excluding interest on any such distribution or payment), provided that the Corporation is prohibited from paying dividends in additional shares of Preferred Stock if the conversion feature at the time of issuance of such Preferred Stock is greater than 10.00% of the value of the Preferred Stock; in each case, payable quarterly on March 31, June 30, September 30 and December 31 of each year (each, a "Dividend Payment Date"), commencing as of the first Business Day of the first full calendar quarter immediately following the issuance of this Preferred Stock (or if any such day is not a Business Day, then on the next succeeding Business Day), to holders of record of Preferred Stock as they appear on the stock register of the Corporation at 5:00 p.m. (New York City time) (the "close of business") on the date designated by the Board for the payment of dividends, in preference to dividends on shares of Common Stock and any other stock of the Corporation ranking junior to the Preferred Stock in payment of dividends. After the 7 year anniversary of the Date of Original Issue, the dividend rate will increase annually, in the case of both (i) and (ii) above, by 1.00% per annum, to 8.00% and 10.00%, and so forth.

(b) Dividends on shares of Preferred Stock shall accumulate from the date on which the first shares of such Preferred Stock are originally issued (the "Date of Original Issue") or, with respect to any shares of Preferred Stock issued after the Date of Original Issue, shall be cumulative from the most recent Dividend Payment Date to which dividends have been paid in full. Each period beginning on and including a Dividend Payment Date (or the Date of Original Issue, in the case of the first dividend period after issuance of such shares) and ending on but excluding the next succeeding Dividend Payment Date is referred to herein as a "Dividend Period". Dividends on account of arrears for any past Dividend Period may be declared and paid at any time, without reference to any Dividend Payment Date, to holders of record on such date.

(c) For so long as shares of Preferred Stock are outstanding, the Corporation shall not declare, pay or set apart for payment any dividend or other distribution (other than a dividend or distribution paid in shares of, or options, warrants or rights to subscribe for or purchase, Common Stock or other shares of capital stock, if any, ranking junior to the Preferred Stock as to dividends) with respect to Common Stock or any other shares of the Corporation ranking junior to or on a parity with the Preferred Stock as to dividends, unless in each case (i) immediately after such transaction the Corporation would have an asset coverage (as defined in Section 18(h) of the 1940 Act) of at least 150.00% after deducting the amount of such dividend or distribution, as the case may be, (ii) full cumulative dividends on the Preferred Stock payable for all past Dividend Periods have been declared and accrued, paid or set aside and (iii) the Corporation has redeemed the full number of shares of Preferred Stock required to be redeemed by any provision for mandatory redemption contained in these Articles Supplementary.

(d) Any dividend payment made on the shares of Preferred Stock shall first be credited against the dividends accumulated with respect to the earliest dividend period for which dividends have not been paid.

(5) Liquidation Rights.

(a) Upon the dissolution, liquidation or winding up of the affairs of the Corporation, whether voluntary or involuntary, the holders of shares of Preferred Stock shall be entitled to receive and to be paid out of the assets of the Corporation (or the proceeds thereof) available for distribution to its stockholders after satisfaction of claims of creditors of the Corporation, but before any distribution or payment shall be made or set aside in respect of Common Stock, an amount equal to the liquidation preference with respect to such shares. The liquidation preference for the Preferred Stock shall be $25.00 per share (the "Liquidation Preference"), plus an amount equal to all accumulated but unpaid dividends, if any, accumulated to (but excluding) the date fixed for distribution or payment, whether or not earned or declared by the Corporation, but excluding interest on any such distribution or payment. In determining whether a distribution (other than upon voluntary or involuntary liquidation), by dividend, redemption or otherwise, is permitted under the MGCL, amounts that would be needed, if the Corporation were to be dissolved at the time of distribution, to satisfy the liquidation preference of the Preferred Stock will not be added to the Corporation's total liabilities.

(b) If, upon any liquidation, dissolution or winding up of the affairs of the Corporation, whether voluntary or involuntary, the assets of the Corporation available for distribution among the holders of all preferred stock of the Corporation, including the Preferred Stock, then outstanding shall be insufficient to permit the payment in full to the holders thereof of the amounts to which they are entitled, then the available assets shall be distributed among such holders ratably in any distribution of assets according to the respective amounts which would be payable on all the shares if all amounts thereon were paid in full.

(c) Upon the dissolution, liquidation or winding up of the affairs of the Corporation, whether voluntary or involuntary, until payment in full is made to the holders of Preferred Stock of the liquidation distribution to which they are entitled, (i) no dividend or other distribution shall be made to the holders of Common Stock or any other class of shares of capital stock of the Corporation ranking junior to the Preferred Stock upon dissolution, liquidation or winding up and (ii) no purchase, redemption or other acquisition for any consideration by the Corporation shall be made in respect of the Common Stock or any other class of shares of capital stock of the Corporation ranking junior to the Preferred Stock upon dissolution, liquidation or winding up.

(d) After payment to the holders of Preferred Stock of the full preferential amounts provided for in this Section 5, the holders of Preferred Stock as such shall have no right or claim to any of the remaining assets of the Corporation.

(e) Subject to the rights of the holders of shares of any series or class or classes of stock ranking on a parity with the Preferred Stock with respect to the distribution of assets upon dissolution, liquidation or winding up of the affairs of the Corporation, after payment shall have been made in full to the holders of the Preferred Stock as provided in Section 5(a), but not prior thereto, any other series or class or classes of stock ranking junior to the Preferred Stock with respect to the distribution of assets upon dissolution, liquidation or winding up of the affairs of the Corporation shall, subject to any respective terms and provisions (if any) applying thereto, be entitled to receive any and all assets remaining to be paid or distributed, and the holders of the Preferred Stock shall not be entitled to share therein.

(6) Optional Redemption by the Corporation and the Preferred Stockholders.

(a) At any time following the three year anniversary of the Date of Original Issue, upon approval by the Board, including a majority of the directors that are not “interested persons,” as such term is defined under the 1940 Act (the “Independent Directors”), the Board may, in its sole discretion, redeem all or any part of the then outstanding shares of Preferred Stock at a price equal to its Liquidation Preference, plus an amount equal to all accumulated but unpaid dividends, if any, accumulated to (but excluding) the date fixed for redemption, whether or not earned or declared by the Corporation, but excluding interest on any such distribution or payment. Under such circumstances, the Corporation shall provide no less than 30 days nor more than 90 days’ notice to the holders of Preferred Stock that, unless such shares have been converted in accordance with Section 7 by a certain date, the shares will be redeemed. In connection with such redemption, holders would receive payment for all declared and unpaid dividends on the shares of Preferred Stock as of the date of redemption, but after the redemption, holders shall no longer be entitled to the dividends, liquidation preference or other rights attributable to holders of the Preferred Stock. On the three year anniversary of the Date of Original Issue and each quarter thereafter, the officers of the Corporation shall make a recommendation to its Board whether or not to redeem the Preferred Stock.

(b) At any time after the seven year anniversary of the Date of Original Issue, upon 90 days’ notice, the holders of Preferred Stock shall have the option to require the Corporation to redeem any or all of the then-outstanding shares of Preferred Stock for, at the option of the Board, including a majority of the Independent Directors, (i) cash consideration per share of Preferred Stock equal to the Liquidation Preference, plus an amount equal to all accumulated but unpaid dividends, if any, accumulated to (but excluding) the date fixed for distribution or payment, whether or not earned or declared by the Corporation, but excluding interest on any such distribution or payment, provided that the Corporation shall not be required to redeem shares of Preferred Stock for cash pursuant to this Section 6(b) to the extent and for so long as the Board has reasonably determined that the Corporation does not have cash or cash equivalents sufficient to redeem the Preferred Stock and is unable to obtain financing on commercially reasonable terms then prevalent in the market or (ii) a number of shares of Common Stock per share of Preferred Stock equal to the quotient of (x) the sum of the Liquidation Preference, plus an amount equal to accumulated but unpaid dividends, if any, accumulated to (but excluding) the date fixed for distribution or payment, whether or not earned or declared by the Corporation, but excluding interest on any such distribution or payment, to, but excluding, the date fixed for such redemption and (y) 95.00% of VWAP per share of Common Stock as of the applicable date fixed for redemption for the prior 30 trading days, plus cash in lieu of fractional shares; provided, however, that any such share issuance will be subject to appropriate Board and stockholder approvals under the 1940 Act, as applicable; provided further, that the Corporation shall use commercially reasonable efforts to obtain such appropriate approvals to the extent not already obtained. In the event that the Board chooses to redeem the Preferred Stock using shares of Common Stock pursuant to this Section 6(b) and does not have appropriate approvals, the Corporation shall promptly notify the holders of Preferred Stock of its option to redeem Preferred Stock using shares of Common Stock and that it does not have appropriate approvals as of the date of receipt of the Stockholder Redemption Notice pursuant to Section 6(c) below. If the Corporation is unable to obtain appropriate approvals within six months of receiving the Stockholder Redemption Notice, holders of Preferred Stock outstanding on the date fixed for redemption shall receive a number of shares of Common Stock per share of Preferred Stock equal to the quotient of (x) the sum of the Liquidation Preference, plus an amount equal to accumulated but unpaid dividends, if any, accumulated to (but excluding) the date fixed for distribution or payment, whether or not earned or declared by the Corporation, but excluding interest on any such distribution or payment, to, but excluding, the date fixed for such redemption and (y) the net asset value per share of Common Stock, as determined by the Board in accordance with Section 23(b) of the 1940 Act. The holders of the Preferred Stock shall have the right to convert their shares prior to the date fixed for any such redemption pursuant to this Section 6(b). In connection with such redemption, holders would receive payment for all declared and unpaid dividends on the shares of Preferred Stock as of the date of redemption, but after the redemption, holders shall no longer be entitled to the dividends, liquidation preference or other rights attributable to holders of the Preferred Stock.

(c) In order to require the Corporation to redeem shares of Preferred Stock pursuant to Section 6(b) above, the holder of such shares of Preferred Stock must deliver a notice of redemption, by overnight delivery or by first class mail, postage prepaid, to the Corporation at its principal executive offices (each such notice, a "Stockholder Redemption Notice"). Each Stockholder Redemption Notice so delivered to the Corporation shall state: (i) the name and address of the stockholder whose shares of Preferred Stock are to be redeemed; and (ii) the number of shares of Preferred Stock to be redeemed. Upon receipt of a Stockholder Redemption Notice, the Board shall determine the form of consideration pursuant to Section 6(b) above and set the redemption date.

(d) Notice of any redemption pursuant to Section 6(a) shall be sent by or on behalf of the Corporation, at least 30 days and not more than 90 days before the date fixed for redemption, by first class mail, postage prepaid, to all holders of record of Preferred Stock at their last addresses as they shall appear on the books of the Corporation; provided, however, that no failure to give such notice or any defect therein or in the mailing thereof shall affect the validity of the proceedings for the redemption of any shares of Preferred Stock except as to the holder to whom the Corporation has failed to give notice or except as to the holder to whom notice was defective. In addition to any information required by law, such notice shall state: (i) the redemption date, (ii) the redemption price, (iii) the procedures that the holders must follow to redeem such shares, and (iv) that dividends on the shares to be redeemed will cease to accumulate on the redemption date.

(e) If notice of redemption has been duly given and if on or before the redemption date specified in the notice all funds or other consideration necessary for the redemption have been set aside by the Corporation, either in cash or shares of Common Stock, as applicable, separate and apart from its other assets, for the pro rata benefit of the holders of the shares called for redemption, so as to be and continue to be available therefor, then, notwithstanding that any certificate for any share so called for redemption has not been surrendered for cancellation, on and after the redemption date, dividends shall cease to accrue on all shares so called for redemption, all shares so called for redemption shall no longer be deemed outstanding and all rights with respect to such shares shall forthwith on such redemption date cease and terminate, except only the right of the holders thereof to receive the consideration payable on such redemption, without interest. Any funds unclaimed at the end of twelve (12) months from the redemption date shall, to the extent permitted by law, be released to the Corporation, after which time the holders of the shares so called for redemption shall look only to the Corporation for payment of the redemption price of such shares.

(f) After receiving a Stockholder Redemption Notice or approving a redemption pursuant to Section 6(a), the Corporation shall set aside sufficient funds to redeem all the shares of the Preferred Stock in accordance with this Section 6 in order to terminate the rights of the holders of the Preferred Stock in advance of the redemption date. To the extent that any redemption for which notice has been provided is not made by reason of the absence of legally available assets therefor in accordance with hereby and applicable law, such redemption shall be made as soon as practicable to the extent such assets become available.

(g) In case of any redemption of only part of the shares of Preferred Stock at the time outstanding, the shares to be redeemed shall be selected either pro rata or by lot. Subject to the provisions hereof, the Corporation shall have full power and authority to prescribe the terms and conditions upon which shares of Preferred Stock shall be redeemed from time to time. If fewer than all the shares represented by any certificate are redeemed, a new certificate shall be issued representing the unredeemed shares without charge to the holder thereof.

(7) Conversion Rights.

(a) Right to Convert by Holders. After the six-month anniversary of the Date of Original Issue, holders of shares of Preferred Stock may require the Corporation to convert such shares of Preferred Stock, in whole or in part, at any time after the issuance thereof until the close of business on the last Trading Day prior to the date fixed for redemption of such shares or the liquidation, dissolution or winding up of the Corporation, by the holder thereof, without the payment of any additional consideration, into shares of Common Stock. Any such exercise shall be made in accordance with Section 7(b) and shares of such Common Stock shall be issued at such time as set forth in Section 7(c). Each share of Preferred Stock initially shall be convertible into (i) the number of shares of Common Stock equal to the quotient of (a) the sum of the Liquidation Preference, plus an amount equal to accumulated but unpaid dividends, if any, on such share of Preferred Stock (whether or not earned or declared, but excluding interest on such dividends) to, but excluding, the Conversion Date and (b) the Conversion Price as of the applicable Conversion Date, plus (ii) cash in lieu of fractional shares as set forth in Section 7(e). Effective immediately prior to the close of the business on the Conversion Date applicable to any shares of Preferred Stock, holders shall no longer be entitled to the dividends, liquidation preference or other rights attributable to holders of this Preferred Stock.

(b) Exercise of Right to Convert. The right to convert shares of Preferred Stock into shares of Common Stock may be exercised by the holder of Preferred Stock only by delivering a written notice to convert to the Corporation's transfer agent stating that the holder elects to convert all or a stated number of shares of the Preferred Stock into shares of Common Stock and identifying the name or names (with address and social security or taxpayer identification number) in which the shares of Common Stock issuable upon such conversion shall be issued (each, a "Conversion Notice").

(c) Issuance of Shares. On the second Trading Day immediately following the Conversion Date, the Corporation shall issue and deliver, or cause to be issued and delivered, to the holder the number of duly authorized and issued, fully paid and nonassessable shares of

Common Stock to which the holder of shares of Preferred Stock so converted shall be entitled in accordance with the book-entry procedures of the transfer agent.

(d) Effect of Conversion. Any conversion of shares of the Preferred Stock made pursuant to Section 7(a) shall be deemed to have been made at the close of business on the date the Conversion Notice is received (the "Conversion Date"), and the rights of the holder thereof with respect to the shares of Preferred Stock being converted shall cease, except that the holder thereof shall thereafter have and retain (i) the right to receive shares of Common Stock in respect of the converted shares of Preferred Stock in accordance with Section 7(c) and cash in lieu of fractional shares in accordance with Section 7(e) and (ii) the right to vote such shares of Preferred Stock in connection with any matters submitted to a vote of the stockholders or to receive distributions with respect to such shares of Preferred Stock, in either case as to which the applicable record date established by the Board for determining stockholders entitled to vote on such matter or entitled to receive distributions, as the case may be, shall occur prior to the Conversion Date. The Person(s) entitled to receive the shares of Common Stock upon the conversion of the shares of Preferred Stock shall be treated for all purposes as having become the record holder of such shares of Common Stock as of the close of business on the Conversion Date.

(e) No Fractional Shares. No fractional shares or scrip representing fractional shares shall be issued upon conversion of any shares of Preferred Stock into Common Stock. In lieu of fractional shares otherwise issuable, each holder will be entitled to receive an amount in cash equal to the fraction of a share of Common Stock multiplied by the Closing Price of the Common Stock on the Trading Day immediately preceding the applicable Conversion Date. In order to determine whether the number of shares of Common Stock to be delivered to a holder upon the conversion of such holder's shares of Preferred Stock will include a fractional share, such determination shall be based on the aggregate number of shares of Preferred Stock of such holder that are being converted on any single Conversion Date.

(8) Adjustments to the Conversion Price.

(a) The Conversion Rate will be subject to adjustment, without duplication, upon the occurrence of the following events, except that the Corporation shall not make any adjustment to the Conversion Rate if holders of the Preferred Stock participate, at the same time and upon the same terms as holders of Common Stock and solely as a result of holding shares of Preferred Stock, in any transaction described in this Section 8(a), without having to convert their Preferred Stock, as if they held a number of shares of Common Stock equal to the Conversion Rate multiplied by the number of shares of Preferred Stock held by such holders:

(i) The issuance of Common Stock as a dividend or distribution to all or substantially all holders of Common Stock, or a subdivision or combination of Common Stock or a reclassification of Common Stock into a greater or lesser number of shares of Common Stock, in which event the Conversion Rate shall be adjusted based on the following formula:

$$CR_1 = CR_0 \times (OS_1 / OS_0)$$

CR_0 = the Conversion Rate in effect immediately prior to the close of business on (i) the Record Date for such dividend or distribution, or (ii) the effective date of such subdivision, combination or reclassification

CR_1 = the new Conversion Rate in effect immediately after the close of business on (i) the Record Date for such dividend or distribution, or (ii) the effective date of such subdivision, combination or reclassification

OS_0 = the number of shares of Common Stock outstanding immediately prior to the close of business on (i) the Record Date for such dividend or distribution or (ii) the effective date of such subdivision, combination or reclassification

OS_1 = the number of shares of Common Stock that would be outstanding immediately after, and solely as a result of, the completion of such event

Any adjustment made pursuant to this clause (i) shall be effective immediately after the close of business on the Record Date for such dividend or distribution, or the effective date of such subdivision, combination or reclassification. If any such event is announced or declared but does not occur, the Conversion Rate shall be readjusted, effective as of the date the Board announces that such event shall not occur, to the Conversion Rate that would then be in effect if such event had not been declared.

(ii) The dividend, distribution or other issuance to all or substantially all holders of Common Stock of rights (other than rights, options or warrants distributed in connection with a stockholder rights plan (in which event the provisions of Section 8(a)(viii) shall apply)), options or warrants entitling them to subscribe for or purchase shares of Common Stock for a period expiring forty-five (45) days or less from the date of issuance thereof, at a price per share that is less than the Current Market Price as of the Record Date for such issuance, in which event the Conversion Rate will be increased based on the following formula:

$CR_1 = CR_0 \text{ x } [(OS_0+X)] / (OS_0+Y)$

CR_0 = the Conversion Rate in effect immediately prior to the close of business on the Record Date for such dividend, distribution or issuance

CR_1 = the new Conversion Rate in effect immediately following the close of business on the Record Date for such dividend, distribution or issuance

OS_0 = the number of shares of Common Stock outstanding immediately prior to the close of business on the Record Date for such dividend, distribution or issuance

X = the total number of shares of Common Stock issuable pursuant to such rights, options or warrants

Y = the number of shares of Common Stock equal to the aggregate price payable to exercise such rights, options or warrants divided by the Current Market Price as of the Record Date for such dividend, distribution or issuance.

For purposes of this clause (ii), in determining whether any rights, options or warrants entitle the holders to purchase the Common Stock at a price per share that is less than the Current Market Price as of the Record Date for such dividend, distribution or issuance, there shall be taken into account any consideration the Corporation receives for such rights, options or warrants, and any amount payable on exercise thereof, with the value of such consideration, if other than cash, to be the Fair Market Value thereof.

To the extent that shares of the Common Stock are not delivered after the expiration of such rights, options or warrants, the Conversion Rate shall be decreased to the Conversion Rate that would then be in effect had the increase with respect to the issuance of such rights, options or warrants been made on the basis of delivery of only the number of shares of Common Stock actually delivered.

(iii) The Corporation or one or more of its subsidiaries purchases Common Stock pursuant to a tender offer or exchange offer (other than an exchange offer that constitutes a Distribution Transaction subject to Section 8(a)(v)) by the Corporation or a subsidiary of the Corporation for all or any portion of the Common Stock, or otherwise acquires Common Stock (except (1) in an open market purchase in compliance with Rule 10b-18 promulgated under the Exchange Act, (2) in connection with the purchase of shares of Common Stock pursuant to a plan that complies with Rule 10b5-1 promulgated under the Exchange Act, (3) through an "accelerated share repurchase" on customary terms or (4) in connection with tax withholding upon vesting or settlement of options, restricted stock units, performance share units or other similar equity awards or upon forfeiture or cashless exercise of options or other equity awards) (a "Covered Repurchase"), if the cash and value of any other consideration included in the payment per share of Common Stock validly tendered, exchanged or otherwise acquired through a Covered Repurchase exceeds the arithmetic average of the VWAP per share of Common Stock for each of the ten (10) consecutive full Trading Days commencing on, and including, the Trading Day next succeeding the last day on which tenders or exchanges may be made pursuant to such tender or exchange offer (as it may be amended) or shares of Common Stock are otherwise acquired through a Covered Repurchase (the "Expiration Date"), in which event the Conversion Rate shall be increased based on the following formula:

$CR_1 = CR_0 \times [(FMV + (SP_1 \times OS_1))] / (SP_1 \times OS_0)$

CR_0 = the Conversion Rate in effect immediately prior to the close of business on the Expiration Date

CR_1 = the new Conversion Rate in effect immediately after the close of business on the Expiration Date

FMV = the Fair Market Value, on the Expiration Date, of all cash and any other consideration paid or payable for all shares validly tendered or exchanged and not withdrawn, or otherwise acquired through a Covered Repurchase, as of the Expiration Date

OS_0 = the number of shares of Common Stock outstanding immediately prior to the last time tenders or exchanges may be made pursuant to such tender or exchange offer (including the shares to be purchased in such tender or exchange offer) or shares are otherwise acquired through a Covered Repurchase

OS_1 = the number of shares of Common Stock outstanding immediately after the last time tenders or exchanges may be made pursuant to such tender or exchange offer (after giving effect to the purchase of shares in such tender or exchange offer) or shares are otherwise acquired through a Covered Repurchase

SP_1 = the arithmetic average of the VWAP per share of Common Stock for each of the ten (10) consecutive full Trading Days commencing on, and including, the Trading Day next succeeding the Expiration Date

Such adjustment shall become effective immediately after the close of business on the Expiration Date. If an adjustment to the Conversion Rate is required under this Section 8(a)(iii), delivery of any additional shares of Common Stock that may be deliverable upon conversion as a result of an adjustment required under this Section 8(a)(iii) shall be delayed to the extent necessary in order to complete the calculations provided for in this Section 8(a)(iii).

In the event that the Corporation or any of its subsidiaries is obligated to purchase Common Stock pursuant to any such tender offer, exchange offer or other commitment to acquire shares of Common Stock through a Covered Repurchase but is permanently prevented by applicable law from effecting any such purchases, or all such purchases are rescinded, then the Conversion Rate shall be readjusted to be the Conversion Rate that would have been then in effect if such tender offer, exchange offer or Covered Repurchase had not been made.

(iv) The Corporation shall, by dividend or otherwise, distribute to all or substantially all holders of its Common Stock (other than for cash in lieu of fractional shares), shares of any class of its Capital Stock, evidences of its indebtedness, assets, other property or securities, but excluding (A) dividends or distributions referred to in Section 8(a)(i) or Section 8(a)(ii) hereof, (B) Distribution Transactions as to which Section 8(a)(v) shall apply, (C) dividends or distributions paid exclusively in cash as to which Section 8(a)(vi) shall apply and (D) rights, options or warrants distributed in connection with a stockholder rights plan as to which Section 8(a)(vii) shall apply (any of such shares of its Capital Stock, indebtedness, assets or property that are not so excluded are hereinafter called the "Distributed Property"), then, in each such case the Conversion Rate shall be increased based on the following formula:

$CR_1 = CR_0 \times [SP_0 / (SP_0 - FMV)]$

CR_0 = the Conversion Rate in effect immediately prior to the close of business on the Record Date for such dividend or distribution

CR_1 = the new Conversion Rate in effect immediately after the close of business on the Record Date for such dividend or distribution

SP_0 = the Current Market Price as of the Record Date for such dividend or distribution

FMV = the Fair Market Value of the portion of Distributed Property distributed with respect to each outstanding share of Common Stock on the Record Date for such dividend or distribution; provided that, if FMV is equal or greater than SP_0, then in lieu of the foregoing adjustment, the Corporation shall distribute to each holder of Preferred Stock on the date the applicable Distributed Property is distributed to holders of Common Stock, but without requiring such holder to convert its shares of Preferred Stock, in respect of each share of Preferred Stock held by such holder, the amount of Distributed Property such holder would have received had such holder owned a number of shares of Common Stock equal to the Conversion Rate on the Record Date for such dividend or distribution

Any adjustment made pursuant to this clause (iv) shall be effective immediately after the close of business on the Record Date for such dividend or distribution. If any such dividend or distribution is declared but does not occur, the Conversion Rate shall be readjusted, effective as of the date the Board announces that such dividend or distribution shall not occur, to the Conversion Rate that would then be in effect if such dividend or distribution had not been declared.

(v) The Corporation effects a Distribution Transaction, in which case the Conversion Rate in effect immediately prior to the effective date of the Distribution Transaction shall be increased based on the following formula:

$CR_1 = CR_0 \times [(FMV + MP_0) / MP_0]$

CR_0 = the Conversion Rate in effect immediately prior to the close of business on the effective date of the Distribution Transaction

CR_1 = the new Conversion Rate in effect immediately after the close of business on the effective date of the Distribution Transaction

FMV = the arithmetic average of the volume-weighted average prices for a share of the capital stock or other interest distributed to holders of Common Stock on the principal United States securities exchange or automated quotation system on which such capital stock or other interest trades, as reported by Bloomberg (or, if Bloomberg ceases to publish such price, any successor service chosen by the Corporation) in respect of the period from the open of trading on the relevant Trading Day until the close of trading on such Trading Day (or if such volume-weighted average price is unavailable, the market price of one share of such capital stock or other interest on such Trading Day determined, using a volume-weighted average method, by an independent financial advisor retained for such purpose by the Corporation), for each of the ten consecutive full Trading Days commencing with, and including, the effective date of the Distribution Transaction

MP_0 = the arithmetic average of the VWAP per share of Common Stock for each of the ten (10) consecutive full Trading Days commencing on, and including, the effective date of the Distribution Transaction

Such adjustment shall become effective immediately following the close of business on the effective date of the Distribution Transaction. If an adjustment to the Conversion Rate is required under this Section 8(a)(v), delivery of any additional shares of Common Stock that may be deliverable upon conversion as a result of an adjustment required under this Section 8(a)(v) shall be delayed to the extent necessary in order to complete the calculations provided for in this Section 8(a)(v).

(vi) The Corporation makes a cash dividend or distribution to all or substantially all holders of the Common Stock other than a regular quarterly cash dividend that does not exceed the lesser of (a) $0.37 per share and (b) the lowest regular quarterly cash dividend or distribution rate per share paid to all or substantially all holders of the Common Stock in the eighteen months following the Date of the Original Issue (the "Initial Dividend Threshold"), the Conversion Rate shall be increased based on the following formula:

$CR_1 = CR_0 \times [(SP_0 - T) / (SP_0 - C)]$

CR_0 = the Conversion Rate in effect immediately prior to the close of business on the Record Date for such dividend or distribution

CR_1 = the new Conversion Rate in effect immediately after the close of business on the Record Date for such dividend or distribution

SP_0 = the Current Market Price as of the Record Date for such dividend or distribution

T = the Initial Dividend Threshold; *provided* that if the dividend or distribution is not a regular quarterly cash dividend, the Initial Dividend Threshold will be deemed to be zero

C = the amount in cash per share of Common Stock the Corporation distributes to all or substantially all holders of its Common Stock; provided that, if C is equal or greater than SP_0, then in lieu of the foregoing adjustment, the Corporation shall pay to each holder of Preferred Stock on the date the applicable cash dividend or distribution is made to holders of Common Stock, but without requiring such holder to convert its shares of Preferred Stock, in respect of each share of Preferred Stock held by such holder, the amount of cash such holder would have received had such holder owned a number of shares of Common Stock equal to the Conversion Rate on the Record Date for such dividend or distribution

The Initial Dividend Threshold is subject to adjustment in a manner inversely proportional to adjustments to the conversion rate; *provided* that no adjustment will be made to the initial dividend threshold for any adjustment to the conversion rate under this clause (vi).

Any adjustment made pursuant to this clause (vi) shall be effective immediately after the close of business on the Record Date for such dividend or distribution. If any dividend or distribution is declared but not paid, the Conversion Rate shall be readjusted, effective as of the date the Board announces that such dividend or distribution will not be paid, to the Conversion Rate that would then be in effect if such dividend or distribution had not been declared.

(vii) If the Corporation issues Common Stock (or rights or warrants or other securities (whether debt or equity) exercisable or convertible into or exchangeable (collectively, a "conversion") for Common Stock) (collectively, "convertible securities") (other than in Excluded Issuances or a transaction to which Section 8(a)(i), Section 8(a)(ii), Section 8(a)(iii), Section 8(a)(iv) or Section 8(a)(v) applies) without consideration or at a consideration per share (or having a conversion price per share) that is less than the Conversion Price in effect immediately prior to the execution of the definitive agreement on pricing such shares (or such convertible securities) then, in such event, the Conversion Rate shall be increased based on the following formula:

$CR_1 = CR_0 \times [(A + B) / (A + C)]$

CR_0 = the Conversion Rate in effect immediately prior to the date of the agreement on pricing of such shares (or of such convertible securities)

CR_1 = the new Conversion Rate in effect immediately after the date of the agreement on pricing of such shares (or of such convertible securities)

A = the number of shares of Common Stock outstanding on such date and immediately prior to the issuance of additional shares (treating for this purpose as outstanding all Common Stock issuable upon conversion or exercise of all convertible securities of the Corporation)

B = the number of additional shares of Common Stock issued (or into which convertible securities may be exercised or converted)

C = the number of shares of Common Stock (or into which such convertible securities may be exercised or converted) that would have been issued assuming such additional shares of Common Stock had been issued or deemed issued at a price per share of Common Stock equal to the Conversion Price (such amount determined by dividing the aggregate consideration receivable by the Corporation for the total number of shares of Common Stock to be issued (or into which such convertible securities may be exercised or converted) by the Conversion Price immediately prior to the execution of the definitive agreement on pricing such shares (or such convertible securities))

For purposes of this clause (vii), the aggregate consideration receivable by the Corporation in connection with the issuance of such shares of Common Stock or convertible securities shall be deemed to be equal to the sum of (x) the purchase price payable solely in cash of all such securities, plus (y) the minimum aggregate amount, if any, payable upon exercise or conversion of any such convertible securities into shares of Common Stock plus (z) the Fair Market Value of any consideration that consists all or in part of property other than cash; and "Excluded Issuances" shall mean (i) any issuance of shares of Common Stock or any options or convertible securities issued in connection with a merger or other business combination or an acquisition of the securities or assets of another Person, business unit, division or business, other than in connection with the broadly marketed offering and sale of equity or convertible securities for third-party financing of such transaction, (ii) any issuance of Common Stock upon conversion of Preferred Stock and (iii) any issuance of shares of equity securities in connection with a bona fide third-party strategic partnership or commercial arrangement.

Upon the expiration or termination of any unexercised or unconverted or unexchanged convertible security which resulted in an adjustment pursuant to this clause (vii), the Conversion Rate shall be readjusted to the Conversion Rate that would have been in effect had such convertible security had never been issued.

(viii) If the Corporation has a stockholder rights plan in effect with respect to the Common Stock on any Conversion Date, upon conversion of any shares of the

Preferred Stock, holders of such shares will receive, in addition to the applicable number of shares of Common Stock, the rights under such rights plan relating to such Common Stock, unless, prior to such Conversion Date, the rights have (i) become exercisable or (ii) separated from the shares of Common Stock (the first of such events to occur, a "Trigger Event"), in which case, the Conversion Rate will be adjusted, effective automatically at the time of such Trigger Event, as if the Corporation had made a distribution of such rights to all holders of the Common Stock as described in Section 8(a)(ii) (without giving effect to the forty-five (45) day limit on the exercisability of rights, options or warrants ordinarily subject to such Section 8(a)(ii)), subject to appropriate readjustment in the event of the expiration, termination or redemption of such rights prior to the exercise, deemed exercise or exchange thereof. Notwithstanding the foregoing, to the extent any such stockholder rights are exchanged by the Corporation for shares of Common Stock or other property or securities, the Conversion Rate shall be appropriately readjusted as if such stockholder rights had not been issued, but the Corporation had instead issued such shares of Common Stock or other property or securities as a dividend or distribution of shares of Common Stock pursuant to Section 8(a)(i) or Section 8(a)(iv), as applicable.

To the extent that such rights are not exercised prior to their expiration, termination or redemption, the Conversion Rate shall be readjusted to the Conversion Rate that would then be in effect had the adjustments made upon the occurrence of the Trigger Event been made on the basis of the issuance of, and the receipt of the exercise price with respect to, only the number of shares of Common Stock actually issued pursuant to such rights.

(a) Reports of Adjustments. After an adjustment to the Conversion Rate under this Section 8, any subsequent event requiring an adjustment under this Section 8 shall cause an adjustment to each such Conversion Rate as so adjusted. Upon any adjustment of the Conversion Rate, the Corporation shall give written notice thereof to each holder of shares of Preferred Stock, which notice shall state the adjusted Conversion Rate and Conversion Price and setting forth in reasonable detail the facts requiring such adjustment and the method upon which such adjustment was made, and the effective date of such adjustment.

(1) Adjustment for Reorganization Events.

(a) In the event of:

(i) any reclassification, statutory exchange, merger, consolidation or other similar business combination of the Corporation with or into another person, in each case, pursuant to which at least a majority of the Common Stock is changed or converted into, or exchanged for, cash, securities or other property of the Corporation or another person;

(ii) any sale, transfer, lease or conveyance to another person of all or a majority of the property and assets of the Corporation, in each case pursuant to which the Common Stock is converted into cash, securities or other property; or

(iii) any statutory exchange of securities of the Corporation with another Person (other than in connection with a merger or acquisition) or reclassification, recapitalization or reorganization of the Common Stock into other securities;

(each of which is referred to as a "Reorganization Event"), each share of Preferred Stock outstanding immediately prior to such Reorganization Event will, without the consent of the holders and subject to Section 9(d) and Section 2, remain outstanding but shall become convertible into, out of funds legally available therefor, the number, kind and amount of securities, cash and other property (the "Exchange Property") (without any interest on such Exchange Property and without any right to dividends or distribution on such Exchange Property which have a record date that is prior to the applicable Conversion Date) that the holder of such share of Preferred Stock would have received in such Reorganization Event had such holder converted its shares of Preferred Stock into the applicable number of shares of Common Stock immediately prior to the effective date of the Reorganization Event using the Conversion Rate applicable immediately prior to the effective date of the Reorganization Event and the Liquidation Preference applicable at the time of such subsequent conversion. If the kind or amount of securities, cash and other property receivable upon such Reorganization Event is not the same for each share of Common Stock held immediately prior to such Reorganization Event by a Person, then for the purpose of this Section 9(a), the kind and amount of securities, cash and other property receivable by the holders of Preferred Stock upon conversion following such Reorganization Event will be deemed to be the weighted average of the types and amounts of consideration received by the holders of Common Stock.

(b) The above provisions of this Section 9 shall similarly apply to successive Reorganization Events and the provisions of Section 8 shall apply to any shares of Capital Stock received by the holders of the Common Stock in any such Reorganization Event.

(c) The Corporation (or any successor) shall, no less than thirty (30) days prior to the anticipated effective date of any Reorganization Event, provide written notice to the holders of Preferred Stock of such occurrence of such event and of the kind and amount of the cash, securities or other property that constitutes the Exchange Property. Failure to deliver such notice shall not affect the operation of this Section 9.

(d) The Corporation shall not enter into any agreement for a transaction constituting a Reorganization Event unless (i) such agreement provides for or does not interfere with or prevent (as applicable) conversion of the Preferred Stock into the Exchange Property in a manner that is consistent with and gives effect to this Section 9, and (ii) to the extent that the Corporation is not the surviving corporation in such Reorganization Event or will be dissolved in connection with such Reorganization Event, proper provision shall be made in the agreements governing such Reorganization Event for the conversion of the Preferred Stock into stock of the Person surviving such Reorganization Event or such other continuing entity in such Reorganization Event.

(2) Notices. Whenever (i) the Corporation shall declare any dividend upon the shares of its capital stock payable in cash or stock or other securities or make any other distribution to the holders of shares of its capital stock, (ii) the Corporation shall offer for subscription to the holders of the shares of its capital stock any additional shares of stock of any class or other rights, (iii) there shall be any capital reorganization or reclassification of the capital stock of the Corporation, or a consolidation or merger of the Corporation with or into, or a sale of all or substantially all its assets to, another entity or entities, or (iv) there shall be a liquidation, dissolution or winding up of the Corporation, then, in each such event, the Corporation shall give, by first class mail, postage prepaid, addressed to each holder of shares of Preferred Stock at the address of such holder as shown on the books of the Corporation, a notice stating (A) in the case of any dividend or distribution referred to in clause (i) above, the date on which the books of the Corporation shall close or a record shall be taken for determining stockholders entitled to receive such dividend or distribution and (B) in the case of any reorganization, reclassification, consolidation, merger, share exchange, sale or liquidation, dissolution or winding up of the Corporation, the date on which the books of the Corporation shall close or a record shall be taken for determining stockholders entitled to vote upon such transaction and the date, if any is to be fixed, on which the holders of shares of Common Stock shall be entitled to exchange such shares for securities or other property in connection with any such transaction.

(3) Stock to be Reserved. The Corporation will at all times reserve and keep available out of its authorized Common Stock, free from preemptive rights, solely for the purpose of issuance upon the conversion of the shares of Preferred Stock as herein provided, such number of shares of Common Stock as shall then be issuable upon the conversion of all outstanding shares of Preferred Stock.

(4) No Reissuance of Converted Shares. Each share of Preferred Stock converted by the holder thereof into shares of Common Stock as provided herein shall be canceled and retired and shall not be reissued, and shall be returned to the status of authorized but unissued Common Stock.

(5) Closing of Books. The Corporation will at no time close its transfer books against the transfer of any shares of Preferred Stock or of any shares of Common Stock issued or issuable upon the conversion of the shares of Preferred Stock in any manner which interferes with the timely conversion of the shares of Preferred Stock, except as may otherwise be required to comply with applicable securities laws.

(6) Rank. The shares of the Preferred Stock shall rank prior to all shares of any other class or series of capital stock of the Corporation, unless such other class or series by its terms ranks senior to the shares of Preferred Stock, with respect to voting powers, preferences and relative, participating, optional and other special rights of the shares of such series and the qualifications, limitations and restrictions thereof, including, without limitation, with respect to the payment of dividends and the distribution of assets, whether upon liquidation or otherwise.

(7) Other Rights. The shares of Preferred Stock shall not have any voting powers, preferences or relative, participating, optional or other special rights, or qualifications, limitations or restrictions thereof, other than as set forth herein or in the Charter.

3: The definitions used in these Articles Supplementary shall be as follows:

"*1940 Act*" has the meaning specified in Section 2(a).

"*Board*" has the meaning specified in the First Article.

"*Business Day*" means a day on which the New York Stock Exchange is open for trading and which is not a Saturday, Sunday or other day on which banks in the New York, New York are authorized or obligated by law to close.

"*Capital Stock*" means, with respect to any Person, any and all shares of, interests in, rights to purchase, warrants to purchase, options for, participations in or other equivalents of or interests in (however designated) stock issued by such Person.

"*Carlyle*" has the meaning specified in Section 2(a).

"*Change of Control*" has the meaning specified in Section 3.

"*Charter*" has the meaning specified in the First Article.

"*close of business*" has the meaning specified in Section 4(a).

"*Closing Price*" of the Common Stock on any date of determination means the closing sale price or, if no closing sale price is reported, the last reported sale price, of the shares of the Common Stock on NASDAQ on such date. If the Common Stock is not traded on NASDAQ on any date of determination, the Closing Price of the Common Stock on such date of determination means the closing sale price as reported in the composite transactions for the principal United States securities exchange or automated quotation system on which the Common Stock is so listed or quoted, or, if no closing sale price is reported, the last reported sale price on the principal United States securities exchange or automated quotation system on which the Common Stock is so listed or quoted, or if the Common Stock is not so listed or quoted on a United States securities exchange or automated quotation system, the last quoted bid price for the Common Stock in the over-the-counter market as reported by OTC Markets Group Inc. or any similar organization, or, if that bid price is not available, the market price of the Common Stock on that date as determined by an independent financial advisor retained by the Corporation for such purpose.

"*Common Stock*" has the meaning specified in the First Article.

"*Continuing Director*" has the meaning specified in Section 3.

"*conversion*" has the meaning specified in Section 8(a)(vii).

"*Conversion Date*" has the meaning specified in Section 7(d).

"*Conversion Notice*" has the meaning specified in Section 7(b).

"*Conversion Price*" means, for each share of Preferred Stock, a dollar amount equal to $25 divided by the Conversion Rate.

"*Conversion Rate*" means, for each share of Preferred Stock, 2.6316 shares of Common Stock, subject to adjustment as set forth herein.

"*convertible securities*" has the meaning specified in Section 8(a)(vii).

"*Corporation*" has the meaning specified in the preamble.

"*Covered Repurchase*" has the meaning specified in Section 8(a)(iii).

"*Current Market Price*" per share of Common Stock, as of any date of determination, means the arithmetic average of the VWAP per share of Common Stock for each of the ten (10) consecutive full Trading Days ending on the Trading Day immediately preceding such day, appropriately adjusted to take into account the occurrence during such period of any event described in Section 8.

"*Date of Original Issue*" has the meaning specified in Section 4(b).

"*Distributed Property*" has the meaning specified in Section 8(a)(iv).

"*Distribution Transaction*" means any distribution of equity securities of a subsidiary of the Corporation to holders of Common Stock, whether by means of a spin-off, split-off, redemption, reclassification, exchange, stock dividend, share distribution, rights offering or similar transaction.

"*Dividend Payment Date*" has the meaning specified in Section 4(a).

"*Dividend Period*" has the meaning specified in Section 4(b).

"*Exchange Act*" has the meaning specified in Section 3.

"*Exchange Property*" has the meaning specified in Section 9(a).

"*Excluded Issuances*" has the meaning specified in Section 8(a)(vii).

"*Expiration Date*" has the meaning specified in Section 8(a)(iii).

"*Fair Market Value*" means, with respect to any security or other property, the fair market value of such security or other property as reasonably determined in good faith by a majority of the Board, including a majority of the Independent Directors, or an authorized committee thereof.

"*Independent Directors*" has the meaning specified in Section 6(a).

"*Initial Dividend Threshold*" has the meaning specified in Section 8(a)(vi).

"*Liquidation Preference*" has the meaning specified in Section 5(a).

"*Market Disruption Event*" means any suspension of, or limitation imposed on, trading of the Common Stock by any exchange or quotation system on which the Closing Price is determined pursuant to the definition of the term "Closing Price" (the "Relevant Exchange") during the one-hour period prior to the close of trading for the regular trading session on the Relevant Exchange (or for purposes of determining the VWAP per share of Common Stock, any period or periods aggregating one half-hour or longer during the regular trading session on the relevant day) and whether by reason of movements in price exceeding limits permitted by the Relevant Exchange as to securities generally, or otherwise relating to the Common Stock or options contracts relating to the Common Stock on the Relevant Exchange.

"*MGCL*" has the meaning specified in the First Article.

"*Person*" shall mean any individual, corporation, partnership, limited liability company, limited liability partnership, trust, unincorporated association or other entity.

"*Preferred Stock*" has the meaning specified in Section 1.

"*Record Date*" means, with respect to any dividend, distribution or other transaction or event in which the holders of the Common Stock have the right to receive any cash, securities or other property or in which the Common Stock is exchanged for or converted into any combination of cash, securities or other property, the date fixed for determination of holders of the Common Stock entitled to receive such cash, securities or other property (whether such date is fixed by the Board or by statute, contract or otherwise).

"*Relevant Exchange*" has the meaning set forth in the definition of the term "Market Disruption Event".

"*Reorganization Event*" has the meaning set forth in Section 9(a).

"*Stockholder Redemption Notice*" has the meaning set forth in Section 6(c).

"*Trading Day*" means a Business Day on which the Relevant Exchange is scheduled to be open for business and on which there has not occurred a Market Disruption Event.

"*Trigger Event*" has the meaning specified in Section 8(a)(viii).

"*Voting Period*" has the meaning specified in Section 2(b).

"*VWAP*" per share of Common Stock on any Trading Day means the per share volume-weighted average price as displayed under the heading Bloomberg VWAP on Bloomberg (or, if Bloomberg ceases to publish such price, any successor service reasonably chosen by the Corporation) page "CGBD <equity> AQR" (or its equivalent successor if such page is not available) in respect of the period from the open of trading on the relevant Trading Day until the close of trading on such Trading Day (or if such volume-weighted average price is unavailable, the market price of one share of Common Stock on such Trading Day determined, using a volume-weighted average method, by an independent financial advisor retained for such purpose by the Corporation).

4: The Preferred Stock has been classified and designated by the Board under the authority contained in the Charter.

5: These Articles Supplementary have been approved by the Board in the manner and by the vote required by law.

6: These Articles Supplementary shall become effective on May 5, 2020, at 1:30 p.m.

7: The undersigned President of the Corporation acknowledges these Articles Supplementary to be the act of the Corporation and, as to all matters or facts required to be verified under oath, the undersigned President acknowledges that, to the best of his knowledge, information and belief, these matters and facts are true in all material respects and that this statement is made under the penalties for perjury.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Corporation has caused these Articles Supplementary to be executed in its name and on its behalf by its President and attested to by its Secretary on this 5th day of May, 2020.

TCG BDC, INC.

By: /s/ Linda Pace
Name: Linda Pace
Title: President

ATTEST:

By: /s/ Erik Barrios
Name: Erik Barrios
Title: Secretary

Signature page to the Articles Supplementary

Exhibit 4.1

EXECUTION VERSION

REGISTRATION RIGHTS AGREEMENT

This REGISTRATION RIGHTS AGREEMENT (this "**Agreement**"), dated as of May 5, 2020, is entered into by and between TCG BDC, Inc., a Maryland corporation (including its successors, the "**Corporation**") and Carlyle Investment Management L.L.C. (the "**Holder**").

ARTICLE I
DEFINITIONS

Section 1.1 Definitions. The following terms shall have the meanings set forth in this Section 1.1:

"**Common Stock**" shall mean the Corporation's common stock, par value $0.01 per share.

"**Exchange Act**" means the Securities Exchange Act of 1934, as amended, or any similar federal statute, and the rules and regulations promulgated by the SEC thereunder.

"**Excluded Registration**" means a registration under the Securities Act of (i) securities pursuant to one or more Demand Registrations pursuant to Section 2.1 hereof, (ii) securities registered on Form S-8 or any similar or successor form, (iii) securities registered to effect the acquisition of, or combination with, another Person and (iv) securities in connection with an exchange offer or dividend reinvestment plan.

"**Investment Company Act**" means the Investment Company Act of 1940, as amended, and the rules and regulations promulgated by the SEC thereunder.

"**Person**" or "**person**" means any individual, corporation, partnership, limited liability Corporation, joint venture, association, joint-stock Corporation, trust, unincorporated organization or government or other agency or political subdivision thereof.

"**Preferred Stock**" shall mean the Corporation's Convertible Preferred Stock, Series A, par value $0.01 per share, convertible into Common Stock.

"**register**," "**registered**" and "**registration**" refer to a registration effected by preparing and filing a registration statement in compliance with the Securities Act, and the declaration or ordering of the effectiveness of such registration statement.

"**Registrable Securities**" means the shares of the Corporation's Common Stock issuable upon conversion of the Preferred Stock by the Holder. As to any particular Registrable Securities, such Common Stock shall cease to be Registrable Securities when: (a) a registration statement with respect to the sale of such Common Stock shall have become effective under the Securities Act and such Common Stock shall have been disposed of in accordance with such registration statement; (b) such Common Stock shall have been sold to the public pursuant to Rule 144 under the Securities Act (or any successor provision); or (c) such Common Stock shall have ceased to be outstanding. Registrable Securities shall not include any shares of the Corporation's Common Stock that have previously been registered for so long as such shares of Common Stock remain subject to a currently effective registration statement (including a Shelf Registration). In addition, such shares of Common Stock shall cease to be Registrable Securities if the market value of such shares is in the aggregate less than $25 million and such shares may be sold without restriction pursuant to Rule 144.

"**SEC**" means the Securities and Exchange Commission or any other federal agency at the time administering the Securities Act.

"**Securities Act**" means the Securities Act of 1933, as amended, or any similar federal statute, and the rules and regulations promulgated by the SEC thereunder.

Section 1.2 Other Terms. For purposes of this Agreement, the following terms have the meanings set forth in the section or agreement indicated.

Term	**Section**
Advice	Section 2.5
Agreement	Introductory Paragraph
Blackout Period	Section 2.1.5
Corporation	Introductory Paragraph
Demand Registration	Section 2.1.1(i)
Demand Request	Section 2.1.1(i)
FINRA	Section 2.6.1
Form N-2 Shelf	Section 2.3
Holder	Introductory Paragraph
Inspectors	Section 2.4(xiii)
New York Courts	Section 3.3.2
Piggyback Registration	Section 2.2.1
Required Filing Date	Section 2.1.1(ii)
Shelf Notice	Section 2.3
Shelf Registration	Section 2.3
Suspension Notice	Section 2.5
Suspension Period	Section 2.5

Section 1.3 Rules of Construction. Unless the context otherwise requires

(1) a term has the meaning assigned to it;

(2) words in the singular include the plural, and words in the plural include the singular; and

(3) "herein," "hereof" and other words of similar import refer to this Agreement as a whole and not to any particular Article, Section or other subdivision.

ARTICLE II
REGISTRATION RIGHTS

Section 2.1 Demand Registration.

Section 2.1.1 Request for Registration.

(i) The Holder shall have the right to require the Corporation to file a registration statement on Form N-2 (or any similar or successor form) under the Securities Act for a public offering of all or part of the Registrable Securities (a "**Demand Registration**"), by delivering to the Corporation written notice stating that such right is being exercised by the Holder, specifying the number of the Holder's Registrable Securities to be included in such registration and, subject to Section 2.1.3 hereof, describing the intended method of distribution thereof (a "**Demand Request**"). The Holder may exercise its respective rights under this Section 2.1 in the Holder's sole discretion. The Holder is limited to a maximum of three Demand Requests in any 365-day period.

(ii) Each Demand Request shall specify the aggregate number of Registrable Securities proposed to be sold. Subject to Section 2.1.5, the Corporation shall use commercially reasonable efforts to file the registration statement in respect of a Demand Registration within 45 days after receiving a Demand Request (the "**Required Filing Date**") and shall use commercially reasonable efforts to cause the same to be declared effective by the SEC as promptly as practicable after such filing; provided, however, that the Corporation shall not be obligated to file or cause a registration statement with respect to a Demand Registration to be declared effective pursuant to this Section 2.1.1 within 90 days after the effective date of a previous Demand Registration, other than a Shelf Registration pursuant to this Article 2;

(iii) The Corporation shall not be obligated to cause a registration statement with respect to a Demand Registration to be declared effective pursuant to Section 2.1.1(ii) unless the Demand Request is for a number of Registrable Securities with a market value that is equal to at least $15 million as of the date of such Demand Request; provided, however, that this Section 2.1.1(iii) shall not apply if the applicable Demand Request is for all of the Registrable Securities as of the date of such Demand Request;

(iv) The Corporation shall not be obligated to cause to be declared effective pursuant to this Section 2.1.1 more than two registration statements with respect to Demand Registrations; and

(v) The Holder shall have the right to withdraw a Demand Request at any time prior to the relevant registration statement being filed with the SEC in which event such withdrawn request shall not count as a Demand Request under this Section 2.1.

Section 2.1.2 Priority on Demand Registrations. The Corporation shall include in a Demand Registration only the Registrable Securities requested by the Holder to be included therein.

Section 2.1.3 Selection of Underwriters. The Holder (i) may request that the offering of Registrable Securities pursuant to a Demand Registration be in the form of a "firm commitment" underwritten offering and (ii) may, in consultation with the Corporation, select the investment banking firm or firms to manage the underwritten offering. In no event shall the Holder have the right to an underwritten offering with respect to an offering reasonably expected to result in net proceeds to the Holder of less than $25 million.

Section 2.1.4 Representations, Warranties and Indemnification. The Holder may not participate in any registration pursuant to Section 2.1 unless the Holder (x) agrees to sell its Registrable Securities on the basis provided in the underwriting arrangements with respect to such offering and (y) completes and executes all questionnaires, powers of attorney, indemnities, underwriting agreements and other documents and delivers all opinions, each in customary form, reasonably required under the terms of such underwriting arrangements; provided, however, that the Holder shall not be required to make any representations or warranties in connection with any such registration other than representations and warranties as to (i) the Holder's ownership of its Registrable Securities to be sold or transferred free and clear of all encumbrances, (ii) the Holder's power and authority to effect such transfer, and (iii) such matters pertaining to compliance with securities laws as may be reasonably requested; provided, further, however, that the obligation of the Holder to indemnify pursuant to any such underwriting arrangements shall be several, not joint and several, among any of the other parties to such underwriting arrangements, and the liability of the Holder will be in proportion thereto, and provided, further, that so long as the Holder is not the investment adviser to the Corporation, under the terms of any such agreement such liability will be limited to the net amount received by the Holder from the sale of its Registrable Securities pursuant to such registration; and provided, further, that so long as the Holder is not the investment adviser to the Corporation, any such indemnification provided by the Holder shall be limited under the terms of any such agreement to indemnification for information provided by the Holder relating to it specifically for inclusion in the registration statement.

Section 2.1.5 Deferral of Filing. During any calendar year, the Corporation may defer the filing (but not the preparation) of a registration statement required by this Section 2.1 to after the Required Filing Date if at the time the Corporation receives the Demand Request, the Corporation or any of its subsidiaries are engaged in confidential negotiations or other confidential business activities or actively considering a securities offering by the Corporation or another material transaction, disclosure of which would be required in such registration statement (but would not be required on or before the Required Filing Date if such registration statement were not filed), and the Board of Directors of the Corporation or a committee of the Board of Directors of the Corporation reasonably determines in good faith that such disclosure would have a material adverse effect on the Corporation or its security holders (any such period during which such filing is deferred pursuant to this Section 2.1.5, a "**Blackout Period**"). The Corporation may only exercise its right to defer a registration statement pursuant to this Section 2.1.5 twice in any calendar year and for no more than 90 calendar days in the aggregate during such calendar year. A deferral of the filing of a registration statement pursuant to Section 2.1.5 shall be lifted, and the requested registration statement shall be filed forthwith, if the negotiations or other activities are disclosed or terminated. In order to defer the filing of a registration statement pursuant to this Section 2.1.5, the Corporation shall within 10 days of receipt of the Demand Request, deliver to the Holder a certificate signed by an executive officer of the Corporation stating that the Corporation is deferring such filing pursuant to this Section 2.1.5 (subject to execution of a confidentiality agreement if required by law or contract) and a general statement of the reason for such deferral and an approximation of the anticipated delay. Within 20 days after receiving such certificate, the Holder may withdraw such Demand Request by giving notice to the Corporation; if withdrawn, the Demand Request shall be deemed not to have been made for all purposes of this Agreement.

Section 2.2 Piggyback Registrations.

Section 2.2.1 Right to Piggyback. Each time the Corporation proposes to register any of its equity securities (other than pursuant to an Excluded Registration) under the Securities Act for sale to the public (whether for the account of the Corporation or the account of any security holder of the Corporation other than the Holder) (a "**Piggyback Registration**"), if any Registrable Securities are outstanding at such time the Corporation shall give prompt written notice to the Holder (which notice shall be given not less than 20 days prior to the anticipated filing date of the first preliminary prospectus related to such registration of equity securities), which notice shall offer the Holder the opportunity to include any or all of its Registrable Securities in such registration statement, subject to the limitations contained in Section 2.2.2 hereof. If the Holder desires to have its Registrable Securities included in such registration statement, it shall so advise the Corporation in writing (stating the number of shares desired to be registered) within 7 days after the date of such notice from the Corporation. The Holder shall have the right to withdraw its request for inclusion of Registrable Securities in any registration statement pursuant to this Section 2.2.1 by giving written notice to the Corporation of such withdrawal. The Corporation shall include in such registration statement all such Registrable Securities so requested to be included therein; provided, however, that the Corporation may at any time withdraw or cease proceeding with any such registration if it shall at the same time withdraw or cease proceeding with the registration of all other equity securities originally proposed to be registered.

Section 2.2.2 Priority on Piggyback Registrations.

(i) If a Piggyback Registration relates to an underwritten offering and was initiated by the Corporation, the Corporation shall include in such registration statement (a) first, the securities the Corporation proposes to sell, (b) second, if and to the extent the managing underwriter or underwriters advise the Corporation that the inclusion thereof will not prevent the sale of the securities described in clause (a) in an orderly manner at a price acceptable to the Corporation, the Registrable Securities requested to be included in such registration pursuant to Section 2.2.1, and (c) third, if and to the extent the managing underwriter or underwriters advise the Corporation that the inclusion thereof will not prevent the sale of the securities described in clause (a) in an orderly manner at a price acceptable to the Corporation, any other securities.

(ii) If a Piggyback Registration relates to an underwritten offering and was initiated by a security holder of the Corporation other than the Holder, the Corporation shall include in such registration statement (a) first, the securities requested to be included therein by the security holders requesting such registration, and (b) second, if and to the extent the managing underwriter or underwriters advise the Corporation that the inclusion thereof will not prevent the sale of the securities described in clause (a) in an orderly manner at a price acceptable to the holders of those securities, any Registrable Securities requested to be included in such registration pursuant to Section 2.2.1.

(iii) The Holder may not participate in any Piggyback Registration hereunder unless it (x) agrees to sell the Holder's Registrable Securities on the basis provided in any underwriting arrangements approved by the Corporation and (y) completes and executes all questionnaires, powers of attorney, indemnities, underwriting agreements and other documents and delivers all opinions, each in customary form, reasonably required under the terms of such underwriting arrangements; provided, however, that the Holder shall not be required to make any representations or warranties in connection with any such registration other than representations and warranties as to (a) the Holder's ownership of its Registrable Securities to be sold or transferred free and clear of all encumbrances, (b) the Holder's power and authority to effect such transfer, and (c) such matters pertaining to compliance with securities laws as may be reasonably requested; provided, further, however, that the obligation of the Holder to indemnify pursuant to any such underwriting arrangements shall be several, not joint and several, among any of the other parties to such underwriting arrangements, and the liability of the Holder will be in proportion thereto, and provided, further, that under the terms of any such agreement such liability will be limited to the net amount received by the Holder from the sale of his or its Registrable Securities pursuant to such registration; and provided, further, that any such indemnification provided by the Holder shall be limited under the terms of any such agreement to indemnification for information provided by the Holder relating to it specifically for inclusion in the registration statement.

Section 2.2.3 Selection of Underwriters. In respect of any Piggyback Registration, the Corporation may select the investment banking firm or firms that will manage the offering and that will participate in any underwriting syndicate.

Section 2.3 Shelf Registration. The Corporation shall use commercially reasonable efforts to become eligible to use a "shelf" registration statement on Form N-2 pursuant to Rule 415 under the Securities Act (or any successor form, "**Form N-2 Shelf**") and, after becoming eligible to use a Form N-2 Shelf, shall use commercially reasonable efforts to remain so eligible. Once the Corporation becomes eligible to use a Form N-2 Shelf (or any successor form), then the Holder may require the Corporation to cause Demand Registrations to be filed on a Form N-2 Shelf (a "**Shelf Registration**"). If the Corporation is not then eligible under the Securities Act to use a Form N-2 Shelf, Demand Registrations shall be filed on the form for which the Corporation then qualifies. The Holder shall use reasonable efforts to deliver to the Corporation written notice (a "**Shelf Notice**") that it intends to effect a sale pursuant to a Shelf Registration stating the number of shares it proposes to sell, the intended sale date and, if applicable, the names of any proposed underwriters, not less than 10 days prior to the proposed date of sale.

Section 2.4 Registration Procedures. Whenever the Holder has requested that any Registrable Securities be registered pursuant to this Agreement, the Corporation will use commercially reasonable efforts to complete the registration and the sale of such Registrable Securities in accordance with the intended method of disposition thereof within the time periods set forth in this Agreement, and pursuant thereto the Corporation will as promptly as reasonably practicable:

(i) prepare and file with the SEC with respect to any Demand Registration, a registration statement on any appropriate form under the Securities Act with respect to such Registrable Securities and use commercially reasonable efforts to cause such registration statement to become effective, provided that as far in advance as practicable before filing such registration statement or any amendment thereto, the Corporation will furnish to the Holder copies of reasonably complete drafts of all such documents prepared to be filed (including exhibits), and the Holder shall have the opportunity to discuss any information contained therein with the Corporation and the Corporation will consider all corrections reasonably requested by the Holder with respect to such information prior to filing any such registration statement or amendment;

(ii) except in the case of a Shelf Registration, prepare and file with the SEC such amendments, post-effective amendments, and supplements to such registration statement and the prospectus used in connection therewith as may be necessary to keep such registration statement effective for a period of not less than 180 days (or such lesser period as is necessary for the underwriters in an underwritten offering to sell unsold allotments) and comply with the provisions of the Securities Act with respect to the disposition of all securities covered by such registration statement during such period in accordance with the intended methods of disposition by the sellers thereof set forth in such registration statement;

(iii) in the case of a Shelf Registration, prepare and file with the SEC such amendments and supplements to such registration statement and the prospectus used in connection therewith as may be necessary to keep such registration statement continuously effective and to comply with the provisions of the Securities Act with respect to the disposition of all Registrable Securities subject thereto for a period ending on the earlier of the date on which all the Registrable Securities subject thereto have been sold pursuant to such registration statement and the date of expiration of such Shelf Registration;

(iv) furnish to the Holder and the underwriters of the securities being registered such number of copies of such registration statement, each amendment and supplement thereto, the prospectus included in such registration statement (including each preliminary prospectus), any issuer free writing prospectus, any documents incorporated by reference therein and such other documents as such seller or underwriters may reasonably request in order to facilitate the disposition of the Registrable Securities owned by such seller or the sale of such securities by such underwriters (it being understood that, subject to Section 2.5 and the requirements of the Securities Act and applicable state securities laws, the Corporation consents to the use of the prospectus, any amendment or supplement thereto and any issuer free writing prospectus by the Holder and the underwriters in connection with the offering and sale of the Registrable Securities covered by the registration statement of which such prospectus, amendment or supplement is a part);

(v) use commercially reasonable efforts to register or qualify such Registrable Securities under such other securities or "blue sky" laws of such jurisdictions as the managing underwriter reasonably requests (or, in the event the registration statement does not relate to an underwritten offering, as the Holder may reasonably request); use commercially reasonable efforts to keep each such registration or qualification (or exemption therefrom) effective during the period in which such registration statement is required to be kept effective; and do any and all other acts and things which may be reasonably necessary or advisable to enable the Holder to consummate the disposition of the Registrable Securities owned by such seller in such jurisdictions (provided, however, that the Corporation will not be required to (A) qualify generally to do business in any jurisdiction where it would not otherwise be required to qualify but for this subparagraph, (B) consent to general service of process in any such jurisdiction), (C) subject itself to taxation in any such jurisdiction or (D) register as a foreign corporation in any such jurisdiction;

(vi) promptly notify the Holder and each underwriter and (if requested by any such Person) confirm such notice in writing (A) when any such registration statement or any issuer free writing prospectus used in connection therewith, or any related prospectus or any prospectus supplement or post-effective amendment has been filed and, with respect to any such registration statement or any post-effective amendment, when the same has become effective, (B) of the issuance by any state securities or other regulatory authority of any order suspending the qualification or exemption from qualification of any of the Registrable Securities under state securities or "blue sky" laws or the initiation of any proceedings for that purpose, and (C) at any time when a registration statement pursuant to a Demand Registration (other than a Shelf Registration) is effective or during any period covered by a Shelf Notice of the happening of any event which makes any statement made in any such registration statement or related prospectus or issuer free writing prospectus untrue or which requires the making of any changes in such registration statement, prospectus, issuer free writing prospectus or documents so that they will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading, and, subject to the Corporation's right to issue a Suspension Notice, as promptly as practicable thereafter following the expiration of any applicable Suspension Period, prepare and file with the SEC and furnish a supplement or amendment to such prospectus or additional issuer free writing prospectus so that, as thereafter deliverable to the purchasers of such Registrable Securities, such prospectus will not contain any untrue statement of a material fact or omit a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(vii) permit the Holder to participate in the preparation of such registration or comparable statement and to consider the insertion therein of material, furnished to the Corporation in writing, which in the reasonable judgment of the Holder and its counsel should be included;

(viii) use commercially reasonable efforts to make reasonably available members of management of the Corporation, as selected by the Holder, for such assistance in the selling effort relating to the Registrable Securities covered by such registration as may be reasonably requested by the Holder, including, but not limited to, the participation of such members of the Corporation's management in live or recorded road show presentations;

(ix) otherwise use commercially reasonable efforts to comply with all applicable rules and regulations of the SEC, including the Securities Act and the Exchange Act and the rules and regulations promulgated thereunder, and make generally available to the Corporation's security holders an earnings statement satisfying the provisions of Section 11(a) of the Securities Act no later than 90 days after the end of the 12 month period beginning with the first day of the Corporation's first fiscal quarter commencing after the effective date of a registration statement, which earnings statement shall cover said 12 month period, and which requirement will be deemed to be satisfied if the Corporation timely files complete and accurate information on Forms 10-Q, 10-K and 8-K under the Exchange Act and otherwise complies with Rule 158 under the Securities Act;

(x) if reasonably requested by the managing underwriter or the Holder, promptly incorporate in a prospectus supplement or post-effective amendment or prepare an issuer free writing prospectus including such information as the managing underwriter or any seller reasonably requests to be included therein, including, without limitation, with respect to the Registrable Securities being sold by such seller, the purchase price being paid therefor by the underwriters and with respect to any other terms of the underwritten offering of the Registrable Securities to be sold in such offering, and promptly make all required filings of such prospectus supplement or post-effective amendment or issuer free writing prospectus;

(xi) as promptly as practicable after filing with the SEC of any document which is incorporated by reference into a registration statement (in the form in which it was incorporated), deliver a copy of each such document to the Holder unless available on the SEC's Electronic Data Gathering and Retrieval System (EDGAR) or any successor system;

(xii) cooperate with the sellers and the managing underwriter to facilitate the timely preparation and delivery of certificates (which shall not bear any restrictive legends unless required under applicable law) representing securities sold under any registration statement, and enable such securities to be in such denominations and registered in such names as the managing underwriter or such sellers may request and keep available and make available to the Corporation's transfer agent prior to the effectiveness of such registration statement a supply of such certificates;

(xiii) promptly make available for inspection by any seller, any underwriter participating in any disposition pursuant to any registration statement, and any attorney, accountant or other agent or representative retained by any such seller or underwriter (collectively, the "**Inspectors**"), all financial and other records, pertinent corporate documents and properties of the Corporation, as shall be reasonably necessary to enable them to exercise their due diligence responsibility, and cause the Corporation's officers, directors and employees to supply all information requested by any such Inspector in connection with such registration statement;

(xiv) furnish to the Holder and underwriter a signed counterpart of (A) an opinion or opinions of counsel to the Corporation, and (B) a comfort letter or comfort letters from the Corporation's independent registered public accountants, each in customary form and covering such matters of the type customarily covered by opinions or comfort letters, as the case may be, as the sellers or managing underwriter reasonably requests (each such opinion and comfort letter to be addressed to both the seller and underwriter, if reasonably possible);

(xv) use commercially reasonable efforts to cause the Registrable Securities included in any registration statement to be listed on each securities exchange, if any, on which similar securities issued by the Corporation are then listed;

(xvi) provide a transfer agent and registrar for all Registrable Securities registered hereunder;

(xvii) cooperate with the Holder and each underwriter participating in the disposition of such Registrable Securities and their respective counsel in connection with any filings required to be made with the Financial Industry Regulatory Authority;

(xviii) during the period when the prospectus is required to be delivered under the Securities Act, promptly file all documents required to be filed with the SEC pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act;

(xix) notify the Holder promptly of any request by the SEC for the amending or supplementing of such registration statement or prospectus or for additional information;

(xx) enter into such agreements (including underwriting agreements in the managing underwriter's customary form) as are customary in connection with an underwritten registration;

(xxi) advise the Holder, promptly after it shall receive notice or obtain knowledge thereof, of the issuance of any stop order by the SEC suspending the effectiveness of such registration statement or the initiation or threatening of any proceeding for such purpose and promptly use commercially reasonable efforts to prevent the issuance of any stop order or to obtain its withdrawal at the earliest possible moment if such stop order should be issued; and

(xxii) use commercially reasonable efforts to take all other steps necessary to effect the registration of the Registrable Securities covered by the registration statement.

Section 2.5 Suspension of Dispositions. The Holder agrees by acquisition of any Registrable Securities that, upon receipt of any notice (a "**Suspension Notice**") from the Corporation of the happening of any event of the kind described in Section 2.4(vi)(C), the Holder will forthwith discontinue disposition of Registrable Securities until the Holder's receipt of the copies of the supplemented or amended prospectus, or until it is advised in writing (the "**Advice**") by the Corporation that the use of the prospectus may be resumed, and has received copies of any additional or supplemental filings which are incorporated by reference in the prospectus, and, if so directed by the Corporation, the Holder will deliver to the Corporation all copies, other than permanent file copies then in the Holder's possession, of the prospectus covering such Registrable Securities current at the time of receipt of such notice (any such period during which disposition of Registrable Securities is suspended, a "**Suspension Period**"). In the event the Corporation shall give any such notice, the time period referred to in Section 2.4(ii) shall be extended by the number of days during the period from and including the date of the giving of the Suspension Notice to and including the date when the Holder covered by such registration statement shall have received the copies of the supplemented or amended prospectus or the Advice. The Corporation shall use commercially reasonable efforts and take such actions as are reasonably necessary to render the Advice as promptly as practicable.

Section 2.6 Registration Expenses.

Section 2.6.1 Demand Registrations. All reasonable, out-of-pocket fees and expenses incident to any Demand Registration including, without limitation, the Corporation's performance of or compliance with this Article 2, all registration and filing fees, all fees and expenses associated with filings required to be made with the Financial Industry Regulatory Authority ("**FINRA**"), as may be required by the rules and regulations of the FINRA, fees and expenses of compliance with securities or "blue sky" laws (including reasonable fees and disbursements of counsel in connection with "blue sky" qualifications of the Registrable Securities), rating agency fees, printing expenses (including expenses of printing certificates for the Registrable Securities in a form eligible for deposit with the Depository Trust Corporation and of printing prospectuses if the printing of prospectuses is requested by the Holder), messenger and delivery expenses, the fees and expenses incurred in connection with any listing or quotation of the Registrable Securities, fees and expenses of counsel for the Corporation and its independent certified public accountants (including the expenses of any special audit or "cold comfort" letters required by or incident to such performance), the fees and expenses of any special experts retained by the Corporation in connection with such registration and any underwriting discounts, commissions or fees attributable to the sale of the Registrable Securities will be borne by the Holder.

Section 2.6.2 Piggyback Registrations. All fees and expenses incident to any Piggyback Registration including, without limitation, the Corporation's performance of or compliance with this Article 2, all registration and filing fees, all fees and expenses associated with filings required to be made with the FINRA, as may be required by the rules and regulations of the FINRA, fees and expenses of compliance with securities or "blue sky" laws (including reasonable fees and disbursements of counsel in connection with "blue sky" qualifications of the Registrable Securities), rating agency fees, printing expenses (including expenses of printing certificates for the Registrable Securities in a form eligible for deposit with the Depository Trust Corporation and of printing prospectuses), messenger and delivery expenses, the fees and expenses incurred in connection with any listing or quotation of the Registrable Securities, fees and expenses of counsel for the Corporation and its independent certified public accountants (including the expenses of any special audit or "cold comfort" letters required by or incident to such performance), the fees and expenses of any special experts retained by the Corporation in connection with such registration, and any underwriting discounts, commissions or fees attributable to the sale of the Registrable Securities will be borne by the Holder in the Piggyback Registration pro rata on the basis of the number of shares sought to be sold by the Holder in the Piggyback Registration.

Section 2.7 Indemnification.

Section 2.7.1 The Corporation will indemnify and hold harmless the Holder and, in the case of an underwritten offering, each underwriter, their respective partners, members, directors, officers, affiliates and each person, if any, who controls such seller or underwriter, as applicable, within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act against any losses, claims, damages or liabilities, joint or several, to which such seller may become subject, under the Securities Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon any untrue statement or alleged untrue statement of any material fact contained in any registration statement, prospectus, preliminary prospectus or any issuer free writing prospectus, or arise out of or are based upon the omission or alleged omission to state therein 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, and will reimburse such seller for any legal or other expenses reasonably incurred by such seller in connection with investigating or defending any loss, claim, damage, liability, action, litigation, investigation or proceeding whatsoever (whether or not such seller is a party thereto), whether threatened or commenced, and in connection with the enforcement of this provision with respect to any of the above as such expenses are incurred; provided, however, that the Corporation will not be liable in any such case to the extent that any such loss, claim, damage or liability arises out of or is based upon an untrue statement or alleged untrue statement in or omission or alleged omission from any of such documents in reliance upon and in conformity with written information furnished to the Corporation by the Holder relating to it specifically for use therein; provided, the liability of the Holder will be in proportion to, and will be limited to, the net amount received by the Holder from the sale of Registrable Securities pursuant to such registration statement; provided, however, that the Holder shall not be liable in any such case to the extent that prior to the filing of any such registration statement or prospectus or amendment thereof or supplement thereto, the Holder has furnished in writing to the Corporation information expressly for use in such registration statement or prospectus or any amendment thereof or supplement thereto which corrected or made not misleading information previously furnished to the Corporation. Any indemnification by the Corporation pursuant to this Agreement shall be subject to the requirements and limitations of Section 17(i) of the Investment Company Act.

Section 2.7.2 The Holder will severally and not jointly indemnify and hold harmless the Corporation, each of its directors and each of its officers who signs a registration statement and each person, if any, who controls the Corporation within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act against any losses, claims, damages or liabilities to which such indemnified party may become subject, under the Securities Act, the Exchange Act, or other federal or state statutory law or regulation or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon any untrue statement or alleged untrue statement of any material fact contained in any registration statement, prospectus, preliminary prospectus or any issuer free writing prospectus or arise out of or are based upon the omission or the alleged omission of a material fact required to be stated therein or necessary to make the statements therein not misleading, in each case to the extent, but only to the extent, that such untrue statement or alleged untrue statement or omission or alleged omission was made in reliance upon and in conformity with written information furnished to the Corporation by the Holder relating to it specifically for use therein, and will reimburse any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending against any such loss, claim, damage, liability, action, litigation, investigation or proceeding whatsoever (whether or not such indemnified party is a party thereto), whether threatened or commenced, based upon any such untrue statement or omission, or any such alleged untrue statement or omission as such expenses are incurred.

Section 2.7.3 Promptly after receipt by an indemnified party under this Section 2.7 of notice of the commencement of any action, such indemnified party will, if a claim in respect thereof is to be made against an indemnifying party under Section 2.7.1 or Section 2.7.2, notify the indemnifying party of the commencement thereof; but the failure to notify the indemnifying party shall not relieve it from any liability that it may have under Section 2.7.1 or Section 2.7.2 except to the extent that it has been materially prejudiced (through the forfeiture of substantive rights or defenses) by such failure; and provided further that the failure to notify the indemnifying party shall not relieve it from any liability that it may have to an indemnified party otherwise than under Section 2.7.1 or Section 2.7.2. In case any such action is brought against any indemnified party and it notifies an indemnifying party of the commencement thereof, the indemnifying party will be entitled to participate therein and, to the extent that it may wish, jointly with any other indemnifying party similarly notified, to assume the defense thereof, with counsel reasonably satisfactory to such indemnified party (who shall not, except with the consent of the indemnified party, be counsel to the indemnifying party), and after notice from the indemnifying party to such indemnified party of its election so to assume the defense thereof, the indemnifying party will not be liable to such indemnified party under this Section 2.7 for any legal or other expenses subsequently incurred by such indemnified party in connection with the defense thereof other than reasonable costs of investigation. No indemnifying party shall, without the prior written consent of the indemnified party, effect any settlement of any pending or threatened action in respect of which any indemnified party is or could have been a party and indemnity could have been sought hereunder by such indemnified party unless such settlement (i) includes an unconditional release of such indemnified party from all liability on any claims that are the subject matter of such action 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 an indemnified party.

Section 2.7.4 If the indemnification provided for in this Section 2.7 is unavailable or insufficient to hold harmless an indemnified party under Section 2.7.1 or Section 2.7.2 although applicable in accordance with its terms, then each indemnifying party shall contribute to the amount paid or payable by such indemnified party as a result of the losses, claims, damages or liabilities referred to in Section 2.7.1 or Section 2.7.2 (i) in such proportion as is appropriate to reflect the relative fault of the indemnifying party on the one hand and the indemnified party on the other in connection with the statements or omissions which resulted in such losses, claims, damages or liabilities or (ii) if the allocation provided by clause (i) above is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative faults referred to in clause (i) above but also the relative benefits received by the indemnifying party on the one hand and the indemnified party on the other as well as any other relevant equitable considerations. In connection with any registration statement filed with the SEC by the Corporation, the relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by such indemnifying party or indemnified party and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such untrue statement or omission. The relative benefits received by the indemnifying party on the one hand and the indemnified party on the other shall be deemed to be in the same proportion as the total net proceeds from the offering of securities registered thereunder (before deducting expenses) received by the indemnifying party bear to the aggregate public offering price of the securities registered thereunder. The amount paid by an indemnified party as a result of the losses, claims, damages or liabilities referred to in the first sentence of this Section 2.7.4 shall be deemed to include any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any action or claim which is the subject of this Section 2.7.4. Notwithstanding the provisions of this Section 2.7.4, the Holder shall not be required to contribute an amount greater than the dollar amount by which the net proceeds received by the Holder with respect to the sale of any Registrable Securities exceeds the amount of damages which the Holder has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation.

If indemnification is available under this Section 2.7, the indemnifying parties shall indemnify each indemnified party to the full extent provided in Section 2.7.1 and Section 2.7.2 without regard to the relative fault of said indemnifying party or indemnified party or any other equitable consideration provided for in this Section 2.7.4 subject, in the case of the Holder, to the limited dollar amounts set forth in Section 2.7.2.

Section 2.7.5 The indemnification and contribution provided for under this Agreement will remain in full force and effect regardless of any investigation made by or on behalf of the indemnified party or any officer, director, or controlling Person of such indemnified party and will survive the transfer of securities.

Section 2.8 Transfer of Registration Rights. Any of the rights of the Holder under this Agreement may be assigned, in the discretion of the Holder, without the consent of the Corporation, to any Person who is a transferee of not less than 5% of the Registrable Securities from the Holder; and agrees in writing to be subject to and bound by all the terms and conditions of this Agreement but no such assignment will relieve the assigning Holder of liability based on any action or occurrence prior to the assignment.

Section 2.9 Rule 144. The Corporation will use commercially reasonable efforts to file the reports required to be filed by it under the Securities Act and the Exchange Act and the rules and regulations adopted by the SEC thereunder (or, if the Corporation is not required to file such reports, will, upon the request of the Holder, make publicly available other information) and will take such further action as the Holder may reasonably request, all to the extent required from time to time to enable the Holder to sell the Registrable Securities without registration under the Securities Act within the limitation of the exemptions provided by (i) Rule 144 under the Securities Act, as such rule may be amended from time to time or (ii) any similar rule or regulation hereafter adopted by the SEC. Upon the reasonable written request of the Holder, the Corporation will deliver to such parties a written statement as to whether it has complied with such requirements and will, at its expense, forthwith upon the request of the Holder, deliver to the Holder a certificate, signed by the Corporation’s principal financial officer, stating (a) the Corporation’s name, address and telephone number (including area code), (b) the Corporation’s Internal Revenue Service identification number, (c) the Corporation’s SEC file number, (d) the number of shares of each class of capital stock outstanding as shown by the most recent report or statement published by the Corporation, and (e) whether the Corporation has filed the reports required to be filed under the Exchange Act for a period of at least 90 days prior to the date of such certificate and in addition has filed the most recent annual report required to be filed thereunder.

Section 2.10 Preservation of Rights. The Corporation will not (i) grant any registration rights to third parties which are more favorable than or inconsistent with the rights granted hereunder or (ii) enter into any agreement, take any action, or permit any change to occur, with respect to its securities that violates or subordinates the rights expressly granted to the Holder in this Agreement.

ARTICLE III
MISCELLANEOUS

Section 3.1 Notices. Any notice, instruction, direction or demand required under the terms of this Agreement shall be in writing and shall be duly given upon delivery, if delivered by hand, or internationally recognized overnight courier (with postage prepaid), to the following addresses:

If to the Corporation, to:

TCG BDC, Inc.
520 Madison Avenue, 40th Floor
New York, New York 10022

Attention: Joshua Lefkowitz, Managing Director
Email: Joshua.Lefkowitz@carlyle.com

With a copy to (which shall not constitute notice):

Sullivan & Cromwell LLP
125 Broad Street
New York, New York 10004
Attention: William G. Farrar
Email: farrarw@sullcrom.com

or to such other addresses or telecopy numbers
as may be specified by like notice to the other parties.

If to the Holder, to:

Carlyle Investment Management L.L.C.
520 Madison Avenue, 40th Floor
New York, New York 10022
Attention: General Counsel
Email: Joshua.Lefkowitz@carlyle.com

With a copy to (which shall not constitute notice):

Simpson, Thacher & Barlett LLP
900 G Street, N.W.
Washington, D.C. 20001
Attention: Rajib Chanda
Email: Rajib.Chanda@STBlaw.com

or to such other addresses or telecopy numbers as may be specified by like notice to the other parties.

Any notice or communication hereunder shall be deemed to have been given or made as of the date so delivered if personally delivered; when answered back, if telexed; when receipt is acknowledged, if telecopied; and five calendar days after mailing if sent by registered or certified mail (except that a notice of change of address shall not be deemed to have been given until actually received by the addressee).

Failure to mail a notice or communication to the Holder or any defect in it shall not affect its sufficiency with respect to the Holder. If a notice or communication is mailed in the manner provided above, it is duly given, whether or not the addressee receives it.

Section 3.2 Authority. Each of the parties hereto represents on behalf of itself as follows: (i) it has the requisite corporate or other power and authority and has taken all corporate or other action necessary in order to execute, deliver and perform this Agreement and to consummate the transactions contemplated hereby, (ii) this Agreement has been duly executed and delivered by it and constitutes a valid and binding agreement of it enforceable in accordance with the terms hereof.

Section 3.3 Governing Law.

Section 3.3.1 This Agreement is to be construed in accordance with and governed by the internal laws of the State of New York without giving effect to any choice of law rule that would cause the application of the laws of any jurisdiction other than the internal laws of the State of New York to the rights and duties of the parties.

Section 3.3.2 Each party hereby irrevocably and unconditionally consents to submit to the sole and exclusive jurisdiction of the United States District Court for the Southern District of New York or, if such court does not have jurisdiction, the Supreme Court of the State of New York sitting in New York County (the "**New York Courts**") for any legal action or other legal proceeding arising out of or relating to this Agreement, or the negotiation, validity or performance of this Agreement, or the transactions contemplated thereby (and agrees not to commence any legal action or other legal proceeding relating thereto except in such courts), including to enforce any settlement, order or award. Each party hereto:

(i) consents to service of process in any such proceeding in any manner permitted by the laws of the State of New York, and agrees that service of process by registered or certified mail, return receipt requested, at its address specified pursuant to Section 3.1 is reasonably calculated to give actual notice;

(ii) agrees that the New York Courts shall be deemed to be a convenient forum; and

(iii) waives and agrees not to assert (by way of motion, as a defense or otherwise), in any such legal proceeding commenced in the New York Courts that such party is not subject personally to the jurisdiction of such court, that such legal proceeding has been brought in an inconvenient forum, that the venue of such proceeding is improper or that this Agreement or the subject matter hereof or thereof may not be enforced in or by such court.

Section 3.3.3 In the event of any action or other proceeding relating to this Agreement or the enforcement of any provision of this Agreement, the prevailing party (as determined by the court) shall be entitled to payment by the non-prevailing party of all costs and expenses (including reasonable attorneys' fees) incurred by the prevailing party, including any costs and expenses incurred in connection with any challenge to the jurisdiction or the convenience or propriety of venue of proceedings before the New York Courts.

Section 3.3.4 Each of the parties hereto hereby waives to the fullest extent permitted by applicable law any right it may have to a trial by jury with respect to any legal action or other legal proceeding directly or indirectly arising out of, under or in connection with this Agreement or the transactions contemplated hereby. Each of the parties hereto (a) certifies that no representative, agent or attorney of any other party has represented, expressly or otherwise, that such other party would not, in the event of litigation, seek to enforce that foregoing waiver and (b) acknowledges that it and the other parties hereto have been induced to enter into this Agreement and the transactions contemplated by this Agreement, as applicable, by, among other things, the mutual waivers set forth in this Section 3.3.4.

Section 3.4 Remedies. The Holder, in addition to being entitled to exercise all rights provided to it herein or granted by law, including recovery of damages, will be entitled to specific performance of its rights under this Agreement. The Corporation agrees that monetary damages would not be adequate compensation for any loss incurred by reason of a breach by it of the provisions of this Agreement and hereby agrees to waive in any action for specific performance the defense that a remedy at law would be adequate.

Section 3.5 Successors and Assigns. Except as otherwise expressly provided herein, this Agreement shall be binding upon and benefit the Corporation, the Holder, and their respective successors and assigns.

Section 3.6 Severability. Any term or provision hereof that is held by a court of competent jurisdiction or other authority to be invalid, void or unenforceable in any situation in any jurisdiction will not affect the validity or enforceability of the remaining terms and provisions hereof or the validity or enforceability of the invalid, void or unenforceable term or provision in any other situation or in any other jurisdiction. If the final judgment of a court of competent jurisdiction or other authority declares any term or provision hereof invalid, void or unenforceable, the court or other authority making such determination will have the power to and will, subject to the discretion of such body, reduce the scope, duration, area or applicability of the term or provision, to delete specific words or phrases, or to replace any invalid, void or unenforceable term or provision with a term or provision that is valid and enforceable and that comes closest to expressing the intention of the invalid or unenforceable term or provision.

Section 3.7 Waivers. A provision of this Agreement may be waived only by a writing signed by the party or parties intended to be bound by the waiver. A party is not prevented from enforcing any right, remedy or condition in the party's favor because of any failure or delay in exercising any right or remedy or in requiring satisfaction of any condition, except to the extent that the party specifically waives the same in writing. A written waiver given for one matter or occasion is effective only in that instance and only for the purpose stated. A waiver once given is not to be construed as a waiver for any other matter or occasion. Any enumeration of a party's rights and remedies in this Agreement is not intended to be exclusive, and a party's rights and remedies are intended to be cumulative to the extent permitted by law and include any rights and remedies authorized in law or in equity.

Section 3.8 Amendment. This Agreement may not be amended or modified in any respect except by a written agreement signed by the Corporation and the Holder.

Section 3.9 Entire Agreement. This Agreement contains the entire agreement of the parties and supersedes all prior and contemporaneous agreements, negotiations, arrangements, representations and understandings, written, oral or otherwise, between the parties with respect to the subject matter hereof.

Section 3.10 Counterparts. This Agreement may be executed in one or more counterparts (whether delivered by electronic copy or otherwise), each of which will be considered one and the same agreement and will become effective when counterparts have been signed by each of the parties and delivered to the other party. Each party need not sign the same counterpart.

Section 3.11 Construction and Interpretation. When a reference is made in this Agreement to a section or article, such reference will be to a section or article of this Agreement, unless otherwise clearly indicated to the contrary. Whenever the words "include," "includes" or "including" are used in this Agreement they will be deemed to be followed by the words "without limitation". The words "hereof," "herein" and "herewith" and words of similar import will, unless otherwise stated, be construed to refer to this Agreement as a whole and not to any particular provision of this Agreement, and article and section references are references to the articles and sections of this Agreement, unless otherwise specified. The plural of any defined term will have a meaning correlative to such defined term and words denoting any gender will include all genders and the neuter. Where a word or phrase is defined herein, each of its other grammatical forms will have a corresponding meaning. A reference to any legislation or to any provision of any legislation will include any modification, amendment, re-enactment thereof, any legislative provision substituted therefore and all rules, regulations and statutory instruments issued or related to such legislation. If any ambiguity or question of intent or interpretation arises, this Agreement will be construed as if drafted jointly by the parties, and no presumption or burden of proof will arise favoring or disfavoring any party by virtue of the authorship of any provision of this Agreement. No prior draft of this Agreement will be used in the interpretation or construction of this Agreement. The parties intend that each provision of this Agreement will be given full separate and independent effect. Although the same or similar subject matters may be addressed in different provisions of this Agreement, the parties intend that, except as expressly provided herein, each such provision will be read separately, be given independent significance and not be construed as limiting any other provision of this Agreement (whether or not more general or more specific in scope, substance or content). Headings are used for convenience only and will not in any way affect the construction or interpretation of this Agreement. References to documents includes electronic communications.

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IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first written above.

TCG BDC, INC.

By: /s/ Linda Pace
Name: Linda Pace
Title: CEO

Carlyle Investment Management L.L.C.

By: /s/ Curtis L. Buser
Name: Curtis L. Buser
Title: Chief Financial Officer and Managing Director

Signature page to the Registration Rights Agreement

Exhibit 31.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER

CERTIFICATION

I, Linda Pace, certify that:

1. I have reviewed this quarterly report on Form 10-Q of TCG BDC, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 5, 2020

/s/ Linda Pace

Linda Pace
Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER

CERTIFICATION

I, Thomas M. Hennigan, certify that:

1. I have reviewed this quarterly report on Form 10-Q of TCG BDC, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 5, 2020

/s/ Thomas M. Hennigan

Thomas M. Hennigan
Chief Financial Officer
(Principal Financial Officer)

Exhibit 32.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER, SECTION 906

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Linda Pace, the Chief Executive Officer (Principal Executive Officer) of TCG BDC, Inc. (the "Company"), hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- the Form 10-Q of the Company for the quarter ended March 31, 2020 as filed with the Securities and Exchange Commission on the date hereof (the "Form 10-Q"), fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d)); and
- the information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: May 5, 2020

/s/ Linda Pace

Linda Pace
Chief Executive Officer
(Principal Executive Officer)

* The foregoing certification is being furnished solely pursuant to 18 U.S.C. Section 1350 and is not being filed as part of the Report or as a separate disclosure document.

Exhibit 32.2

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER, SECTION 906

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Thomas M. Hennigan, the Chief Financial Officer (Principal Financial Officer) of TCG BDC, Inc. (the “Company”), hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- the Form 10-Q of the Company for the quarter ended March 31, 2020 as filed with the Securities and Exchange Commission on the date hereof (the “Form 10-Q”), fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d)); and
- the information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: May 5, 2020

/s/ Thomas M. Hennigan

Thomas M. Hennigan
Chief Financial Officer
(Principal Financial Officer)

* The foregoing certification is being furnished solely pursuant to 18 U.S.C. Section 1350 and is not being filed as part of the Report or as a separate disclosure document.