

TCP Capital Corp.  
Form 497  
April 19, 2017  
TABLE OF CONTENTS

**Information contained herein is subject to completion or amendment. A registration statement relating to these securities has been filed with and declared effective by the Securities and Exchange Commission. This prospectus supplement shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.**

**Filed pursuant to Rule 497(e)  
File No. 333-204571**

**SUBJECT TO COMPLETION, DATED APRIL 19, 2017**

**PRELIMINARY PROSPECTUS SUPPLEMENT**  
(To Prospectus dated May 6, 2016)

**5,000,000 Shares**

**Common Stock**  
**\$**

We are offering for sale 5,000,000 shares of our common stock.

We are a holding company (the **Holding Company**) with no direct operations of our own, and currently our only business and sole asset is our ownership of all of the common limited partner interests in Special Value Continuation Partners, LP (the **Operating Company**), which represents approximately 100% of the common equity and 100% of the combined common equity and general partner interests in the Operating Company as of December 31, 2016. We and the Operating Company are externally managed, closed-end, non-diversified management investment companies that have elected to be treated as business development companies under the Investment Company Act of 1940 (the **1940 Act**). Our and the Operating Company's investment objective is to achieve high total returns through current income and capital appreciation, with an emphasis on principal protection. Both we and the Operating Company seek to achieve this investment objective primarily through investments in debt securities of middle-market companies as well as small businesses. Our primary investment focus is investing in and originating leveraged loans to performing middle-market companies as well as small businesses.

Tennenbaum Capital Partners, LLC (the **Advisor**) serves as our and the Operating Company's investment advisor. Our Advisor is a leading investment manager and specialty lender to middle-market companies that had in excess of \$7.1 billion in capital commitments from investors ( **committed capital** ) under management as of December 31, 2016, approximately 23.5% of which consists of our committed capital. Series H SVOF/MM, LLC, an affiliate of our Advisor, is the Operating Company's general partner and provides the administrative services necessary for us to operate.

See **Underwriting** beginning on page S-41 of this prospectus supplement for more information regarding this offering. The net asset value of our common stock on December 31, 2016 (the last date prior to the date of this prospectus supplement on which net asset value was approved by our board of directors) was \$14.91 per share.

(Continued on next page.)

**You should read this prospectus supplement and the accompanying prospectus carefully before you invest in shares of our common stock.** We may not sell any shares of our common stock through agents, underwriters or dealers without delivery of the prospectus and a prospectus supplement describing the method and terms of the offering of such shares of common stock.

**Shares of closed-end investment companies, including business development companies, frequently trade at a discount from their net asset value. If our shares trade at a discount to our net asset value, it will likely increase the risk of loss for purchasers in the offerings. Investing in our securities involves a high degree of risk, including credit risk and the risk of the use of leverage. Before buying any of our securities, you should read the discussion of the material risks of investing in our securities in Risks beginning on page S-8 of this prospectus supplement and on page 20 of the accompanying prospectus.**

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

	Per Share	Total
Public offering price	\$	\$
Sales Load (underwriting discounts and commissions)	\$	\$
Proceeds, before expenses, to the Company <sup>(1)</sup>	\$	\$

*Joint Book-Running Managers*  
(underwriters)

<b>Wells Fargo Securities</b>	<b>BofA Merrill Lynch</b>	<b>Raymond James</b>	<b>Deutsche Bank Securities</b>	<b>RBC Capital Markets</b>
<i>Lead Manager</i> (underwriters)				

**Keefe,  
Bruyette  
& Woods**  
*A Stifel  
Company*

*Co-Managers*  
(underwriters)

<b>Capital One Securities</b>	<b>D.A. Davidson &amp; Co.</b>	<b>JMP Securities</b>	<b>Natixis</b>	<b>Oppenheimer &amp; Co.</b>
Prospectus Supplement dated April , 2017.				

TABLE OF CONTENTS

*(Footnotes continued from front cover.)*

(1) We estimate that we will incur expenses of approximately \$300,000 (\$0.06 per share) in connection with this offering. Such expenses will be borne by us. Stockholders will indirectly bear such expenses, which will reduce the net asset value per share of the shares purchased by investors in this offering. Net proceeds, after expenses and sales load, will be approximately \$83.3 million (\$16.66 per share).

*(Continued from front cover.)*

Our common stock is traded on The Nasdaq Global Select Market under the symbol TCPC. The last reported closing price for our common stock on April 18, 2017 was \$17.24 per share. The offering price per share of our common stock sold in this offering less any underwriting commissions or discounts payable by us will not be less than the net asset value per share of our common stock at the time we make this offering.

The underwriters expect to deliver the shares to purchasers on or about \_\_\_\_\_, 2017.

We have granted the underwriters an option to purchase up to 750,000 additional shares of our common stock at the public offering price, less the sales load, within 30 days of the date of this prospectus supplement. If the underwriters exercise this option in full, the total price to the public, sales load and proceeds, before expenses, will be \$ \_\_\_\_\_, \$ \_\_\_\_\_, and \$ \_\_\_\_\_, respectively. See Underwriting.

This prospectus supplement and the accompanying prospectus contain important information you should know before investing in our common stock. Please read it carefully before you invest and keep it for future reference. We file annual, quarterly and current reports, proxy statements and other information about us with the Securities and Exchange Commission (the SEC). A preliminary Statement of Additional Information, dated April 19, 2017, or SAI, containing additional information about the Holding Company and the Operating Company has been filed with the SEC and is incorporated by reference in its entirety into this prospectus. We maintain a website at <http://www.tpcapital.com> and we make all of our annual, quarterly and current reports, proxy statements and other publicly filed information available, free of charge, on or through this website. You may also obtain free copies of our annual and quarterly reports, request a free copy of the Statement of Additional Information, the table of contents of which is on page S-47 of this prospectus supplement and make stockholder inquiries by contacting us at Tennenbaum Capital Partners, LLC, c/o Investor Relations, 2951 28th Street, Suite 1000, Santa Monica, California 90405 or by calling us collect at (310) 566-1094. The SEC maintains a website at <http://www.sec.gov> where such information is available without charge upon request. Information contained on our website is not incorporated by reference into this prospectus, and you should not consider information contained on our website to be part of this prospectus.

**The debt securities in which we typically invest are either rated below investment grade by independent rating agencies or would be rated below investment grade if such securities were rated by rating agencies. Below investment grade securities, which are often referred to as hybrid securities, junk bonds or leveraged loans are regarded as having predominantly speculative characteristics with respect to the issuer's capacity to pay interest and repay principal. They may be illiquid and difficult to value and typically do not require repayment of principal prior to maturity, which potentially heightens the risk that we may lose all or part of our investment. In addition, a substantial majority of the Operating Company's debt investments include interest reset provisions that may make it more difficult for the borrowers to make debt repayments to the Operating Company if the reset provision has the effect of increasing the applicable interest rate.**

TABLE OF CONTENTS

**SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS**

In addition to factors previously identified elsewhere in this prospectus supplement and the accompanying prospectus, including the Risks section of the accompanying prospectus, the following factors, among others, could cause actual results to differ materially from forward-looking statements or historical performance:

- the introduction, withdrawal, success and timing of business initiatives and strategies;
- changes in political, economic or industry conditions, the interest rate environment or financial and capital markets, which could result in changes in the value of our assets;
- the valuation of our investments in portfolio companies, particularly those having no liquid trading market;
- the relative and absolute investment performance and operations of our Advisor;
- the impact of increased competition;
- the impact of future acquisitions and divestitures;
- the unfavorable resolution of legal proceedings;
- our business prospects and the financial condition and prospects of our portfolio companies;
- the adequacy of our cash resources and working capital;
- the timing of cash flows, if any, from the operations of our portfolio companies;
- the impact of legislative and regulatory actions and reforms and regulatory, supervisory or enforcement actions of government agencies relating to us, our Advisor or our portfolio companies;
- the ability of our Advisor to identify suitable investments for us and to monitor and administer our investments;
- our contractual arrangements and relationships with third parties;
- any future financings and investments by us;
- the ability of our Advisor to attract and retain highly talented professionals;
- fluctuations in interest rates or foreign currency exchange rates; and
- the impact of changes to tax legislation and, generally, our tax position.

This prospectus supplement and the accompanying prospectus and the SAI contain, forward-looking statements with respect to future financial or business performance, strategies or expectations. Forward-looking statements are typically identified by words or phrases such as trend, opportunity, pipeline, believe, comfortable, expect, a current, intention, estimate, position, assume, potential, outlook, continue, remain, maintain, sus similar expressions, or future or conditional verbs such as will, would, should, could, may or similar expressions

Forward-looking statements are subject to numerous assumptions, risks and uncertainties, which change over time. Forward-looking statements speak only as of the date they are made, and we assume no duty to and do not undertake to update forward-looking statements. These forward-looking statements do not meet the safe harbor for forward-looking statements pursuant to Section 27A of the Securities Act or Section 21E of the Securities Exchange Act. Actual results could differ materially from those anticipated in forward-looking statements and future results could differ materially from historical performance.

Statistical and market data used in this prospectus supplement has been obtained from governmental and independent industry sources and publications. We have not independently verified the data obtained from these sources. Forward-looking information obtained from these sources is subject to the same qualifications and the additional uncertainties regarding the other forward-looking statements contained in this prospectus supplement, for which the safe harbor provided in Section 27A of the Securities Act and Section 21E of the Securities Exchange Act is not available.

You should rely only on the information contained in this prospectus supplement, the accompanying prospectus, the preliminary Statement of Additional Information, dated April 19, 2017, or SAI, incorporated by

TABLE OF CONTENTS

reference in its entirety in the accompanying prospectus, and the documents incorporated by reference herein or therein. We have not, and the underwriters have not, authorized any other person to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. We are not, and the underwriters are not, making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. You should assume that the information in this prospectus supplement and the accompanying prospectus is accurate only as of the date on the front of this prospectus supplement and of the accompanying prospectus, respectively, and the information in the SAI and the documents incorporated by reference herein or in the accompanying prospectus or the SAI is accurate only as of their respective dates. Our business, financial condition and prospects may have changed since that date. To the extent required by applicable law, we will update this prospectus supplement, the accompanying prospectus and the SAI during the offering period to reflect material changes to the disclosure herein.

S-ii

TABLE OF CONTENTS

**TABLE OF CONTENTS**

**PROSPECTUS SUPPLEMENT**

<u>PROSPECTUS SUMMARY</u>	<u>S-1</u>
<u>FEES AND EXPENSES</u>	<u>S-5</u>
<u>SELECTED FINANCIAL DATA</u>	<u>S-7</u>
<u>RISKS</u>	<u>S-8</u>
<u>MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS</u>	<u>S-11</u>
<u>QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK</u>	<u>S-25</u>
<u>INVESTMENT PORTFOLIO</u>	<u>S-26</u>
<u>USE OF PROCEEDS</u>	<u>S-36</u>
<u>PRICE RANGE OF COMMON STOCK</u>	<u>S-37</u>
<u>CAPITALIZATION</u>	<u>S-38</u>
<u>SENIOR SECURITIES</u>	<u>S-39</u>
<u>UNDERWRITING</u>	<u>S-41</u>
<u>LEGAL MATTERS</u>	<u>S-46</u>
<u>INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM</u>	<u>S-46</u>
<u>ADDITIONAL INFORMATION</u>	<u>S-46</u>
<u>TABLE OF CONTENTS OF STATEMENT OF ADDITIONAL INFORMATION</u>	<u>S-47</u>
<u>INDEX TO FINANCIAL STATEMENTS</u>	<u>S-F-1</u>

**PROSPECTUS**

<u>About this Prospectus</u>	<u>ii</u>
<u>Prospectus Summary</u>	<u>1</u>
<u>Fees and Expenses</u>	<u>16</u>
<u>Selected Financial Data</u>	<u>18</u>
<u>Risks</u>	<u>20</u>
<u>Special Note Regarding Forward-Looking Statements</u>	<u>52</u>
<u>Use of Proceeds</u>	<u>53</u>
<u>Senior Securities</u>	<u>54</u>
<u>Price Range of Common Stock</u>	<u>55</u>
<u>Ratio of Earnings to Fixed Charges</u>	<u>56</u>
<u>The Company</u>	<u>57</u>
<u>Management's Discussion and Analysis of Financial Condition and Results of Operations</u>	<u>68</u>
<u>Quantitative and Qualitative Disclosure About Market Risk</u>	<u>83</u>
<u>Investment Portfolio</u>	<u>84</u>
<u>Management of the Company</u>	<u>94</u>
<u>Sales of Common Stock Below Net Asset Value</u>	<u>105</u>

<u>Description of Our Capital Stock</u>	<u>111</u>
<u>Description of Our Preferred Stock</u>	<u>119</u>
<u>Description of Our Debt Securities</u>	<u>120</u>
<u>Description of Our Subscription Rights</u>	<u>133</u>
<u>Description of Our Warrants</u>	<u>134</u>
<u>U.S. Federal Income Tax Matters</u>	<u>135</u>
<u>Plan of Distribution</u>	<u>142</u>
<u>Custodian</u>	<u>144</u>
<u>Transfer Agent</u>	<u>144</u>
<u>Legal Matters</u>	<u>144</u>
<u>Independent Registered Public Accounting Firm</u>	<u>144</u>
<u>Additional Information</u>	<u>145</u>
<u>Privacy Principles</u>	<u>145</u>
<u>Table of Contents of Statement of Additional Information</u>	<u>146</u>
<u>Index to Financial Statements</u>	<u>F-1</u>

## TABLE OF CONTENTS

### **PROSPECTUS SUMMARY**

This summary highlights some of the information in this prospectus supplement. This summary is not complete and may not contain all of the information that you may want to consider before investing in our common stock. You should read the entire prospectus supplement, the accompanying prospectus, including Risks, and the preliminary Statement of Additional Information, dated April 19, 2017 (the SAI ). This prospectus supplement summarizes the specific terms of the securities being offered and supplements the general descriptions set forth in the attached prospectus. This prospectus supplement may also update or supersede information in the attached prospectus. In the case of inconsistencies, this prospectus supplement will apply. Terms used but not defined in this prospectus supplement have the meanings indicated in the attached prospectus.

Throughout this prospectus supplement, unless the context otherwise requires, a reference to:

**Holding Company** refers to Special Value Continuation Fund, LLC, a Delaware limited liability company, for the periods prior to the consummation of the Conversion (as defined below) described elsewhere in this prospectus supplement and to TCP Capital Corp. for the periods after the consummation of the Conversion;

**Operating Company** refers to Special Value Continuation Partners, LP, a Delaware limited partnership;

**TCPC Funding** refers to TCPC Funding I LLC, a Delaware limited liability company;

**TCPC SBIC** refers to TCPC SBIC, LP, a Delaware limited partnership;

**Advisor** refers to Tennenbaum Capital Partners, LLC, a Delaware limited liability company and the investment manager; and

**General Partner** and **Administrator** refer to Series H of SVOF/MM, LLC, a series of a Delaware limited liability company, the general partner of the Operating Company and an affiliate of our Advisor and administrator of the Holding Company and the Operating Company.

For simplicity, this prospectus supplement uses the term **Company**, **we**, **us** and **our** to include the Holding Company and, where appropriate in the context, the Operating Company, TCPC Funding and TCPC SBIC on a consolidated basis. For example, (i) although all or substantially all of the net proceeds from this offering will be invested in the Operating Company and all or substantially all of the Holding Company's investments will be made through the Operating Company, this prospectus supplement generally refers to the Holding Company's investments through the Operating Company as investments by the Company, and (ii) although the Operating Company and TCPC Funding and not the Holding Company has entered into the Leverage Program (defined below), this prospectus supplement generally refers to the Operating Company's use of the Leverage Program as borrowings by the Company, in all instances in order to make the operations and investment strategy easier to understand. The Holding Company and the Operating Company have the same investment objective and policies and the assets, liabilities and results of operations of the Holding Company are consolidated with those of the Operating Company as described in the accompanying prospectus under **Prospectus Summary—Operating and Regulatory Tax Structure**.

On April 2, 2012, we completed a conversion under which TCP Capital Corp. succeeded to the business of Special Value Continuation Fund, LLC and its consolidated subsidiaries, and the members of Special Value Continuation Fund, LLC became stockholders of TCP Capital Corp. In this prospectus supplement, we refer to such transactions as the **Conversion**. Unless otherwise indicated, the disclosure in this prospectus supplement gives effect to the **Conversion**.



## **The Company**

We are an externally managed, non-diversified closed-end management investment company that has elected to be regulated as a business development company, or BDC, under the Investment Company Act of 1940, as amended, or the 1940 Act. See the accompanying prospectus Prospectus Summary— Company History and BDC Conversion. We completed our initial public offering on April 10, 2012.

Our investment objective is to achieve high total returns through current income and capital appreciation, with an emphasis on principal protection. We seek to achieve our investment objective primarily through investments in debt securities of middle-market companies, which we typically define as those with enterprise values between \$100 million and \$1.5 billion. While we primarily focus on privately negotiated investments in debt of middle-market companies and small businesses, we make investments of all kinds and at all levels of the

S-1

TABLE OF CONTENTS

capital structure, including in equity interests such as preferred or common stock and warrants or options received in connection with our debt investments. Our investment activities benefit from what we believe are the competitive advantages of our Advisor, including its diverse in-house skills, proprietary deal flow, and consistent and rigorous investment process focused on established, middle-market companies. We expect to generate returns through a combination of the receipt of contractual interest payments on debt investments and origination and similar fees, and, to a lesser extent, equity appreciation through options, warrants, conversion rights or direct equity investments. There are no material operating differences between us and our predecessor, however, as a BDC we are deemphasizing distressed debt investments, which may adversely affect our investment returns. See the accompanying prospectus Prospectus Summary—Company History and BDC Conversion.

As described in the accompanying prospectus under Prospectus Summary—Company History and BDC Conversion, we have no employees of our own and currently our only business and sole asset is the ownership of all of the common limited partner interests of the Operating Company. Our investment activities are externally managed by our Advisor, a leading investment manager with in excess of \$7.1 billion in capital commitments from investors ( committed capital ) under management, approximately 23.5% of which consists of the Holding Company s committed capital under management as of December 31, 2016, and a primary focus on providing financing to middle-market companies as well as small businesses. Additionally, the Holding Company expects that it will continue to seek to qualify as a regulated investment company, or RIC, under Subchapter M of the Internal Revenue Code, or the Code.

On April 22, 2014, TCPC SBIC, a wholly-owned subsidiary of the Operating Company, received a Small Business Investment Company ( SBIC ) license from the Small Business Administration ( SBA ). Pursuant to an exemptive order under the 1940 Act, we have been granted exemptive relief from the SEC to permit us to exclude the debt of TCPC SBIC guaranteed by the SBA from our 200% asset coverage test under the 1940 Act. Pursuant to the 200% asset coverage ratio limitation, we are permitted to borrow one dollar for every dollar we have in assets less all liabilities and indebtedness not represented by debt securities issued by us or loans obtained by us. For example, as of December 31, 2016, we had approximately \$1,362.6 million in assets less all liabilities and indebtedness not represented by debt securities issued by us or loans obtained by us, which would permit us to borrow up to approximately \$1,362.6 million, notwithstanding other limitations on our borrowings pursuant to our Leverage Program.

The exemptive relief provides us with increased flexibility under the 200% asset coverage test by permitting us to borrow up to \$150 million more than we would otherwise be able to absent the receipt of this exemptive relief. As a result, we, in effect, will be permitted to have a lower asset coverage ratio than the 200% asset coverage ratio limitation under the 1940 Act and, therefore, we can have more debt outstanding than assets to cover such debt. For example, we will be able to borrow up to \$150 million more than the approximately \$1,362.6 million permitted under the 200% asset coverage ratio limit as of December 31, 2016. For additional information on SBA regulations that affect our access to SBA-guaranteed debentures, see the accompanying prospectus Risk Factors — Risks Relating to Our Business — TCPC SBIC is subject to SBA regulations, and any failure to comply with SBA regulations could have an adverse effect on our operations.

The SBIC license allows TCPC SBIC to obtain leverage by issuing SBA-guaranteed debentures, subject to the issuance of a capital commitment by the SBA and other customary procedures. SBA-guaranteed debentures are non-recourse, interest only debentures with interest payable semi-annually and have a ten year maturity. The principal amount of SBA-guaranteed debentures is not required to be paid prior to maturity but may be prepaid at any time without penalty. The interest rate of SBA-guaranteed debentures is fixed on a semi-annual basis at a market-driven spread over U.S. Treasury Notes with 10-year maturities. The SBA, as a creditor, will have a superior claim to TCPC SBIC s assets over our stockholders in the event we liquidate TCPC SBIC or the SBA exercises its remedies under the SBA-guaranteed debentures issued by TCPC SBIC upon an event of default.

## **Investment Portfolio**

At December 31, 2016, our investment portfolio of \$1,315.0 million (at fair value) consisted of 90 portfolio companies and was invested 95.0% in debt investments, substantially all of which was in senior secured debt. In aggregate, our investment portfolio was invested 83.7% in senior secured loans, 11.3% in senior secured notes, and 5.0% in equity investments. Our average portfolio company investment at fair value was approximately \$14.6 million. Our largest portfolio company investment by value was approximately \$46.2 million and our five largest portfolio company investments by value comprised approximately 14.1% of our portfolio at March 31, 2016. See the accompanying prospectus under **Prospectus Summary—Investment Strategy** for more information.

S-2

## TABLE OF CONTENTS

### **Recent Developments**

From January 1, 2017 through April 18, 2017, the Operating Company has invested approximately \$173 million primarily in eleven senior secured loans, as well as investments in two portfolios of debt and lease assets, with a combined effective yield of approximately 10.6%. From January 1, 2017 through April 18, 2017, investment exits totaled \$170 million, with a combined effective yield of approximately 10.4%. This includes net deployments of approximately \$21 million from January 1, 2017 through March 31, 2017 and net repayments of approximately \$19 million from April 1, 2017 through April 18, 2017. The 18 days of April should not be assumed to be indicative of the run rate for the remainder of the quarter.

### ***Preliminary Estimates of Net Asset Value and Net Investment Income***

Set forth below is a preliminary estimate of our net asset value per share as of March 31, 2017 and a preliminary estimate of our net investment income per share for the three months ended March 31, 2017. The following estimates are not a comprehensive statement of our financial condition or results for the period from January 1, 2017 through March 31, 2017. We advise you that our actual results for the three months ended March 31, 2017 may differ materially from these estimates, which are given only as of the date of this prospectus supplement, as a result of the completion of our financial closing procedures, final adjustments and other developments, including changes in the businesses to which we have made loans, which may arise between now and the time that our financial results for the three months ended March 31, 2017 are finalized. This information is inherently uncertain.

As of the date of this prospectus supplement, we currently expect that our net investment income per share was between \$0.46 and \$0.48 for the three months ended March 31, 2017 and our net investment income per share after incentive compensation was between \$0.37 and \$0.39 for the three months ended March 31, 2017.

As of the date of this prospectus supplement, we estimate that our net asset value per share as of March 31, 2017 was between \$14.89 and \$14.95.

The estimates presented above are based on management's preliminary determinations only and, consequently, the data set forth in the Company's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2017 may differ from these estimates, and any such differences may be material. For example, estimated net asset value per share is based on the value of the Company's total assets, including the Company's investments (many of which are not publicly traded or whose market prices are not readily available, the fair value of which is determined by the Company's board of directors in good faith). The fair value of such investments have not yet been determined by the Company's board of directors and the actual fair value of such investments, when determined by the Company's board of directors, may be different than the estimates reported herein. In addition, the information presented above does not include all of the information regarding the Company's financial condition and results of operations as of and for the quarterly period ended March 31, 2017 that may be important to investors. As a result, investors are cautioned not to place undue reliance on the information presented above and should view this information in the context of the Company's full second quarter results when such results are disclosed by the Company in its Quarterly Report on Form 10-Q for the period ended March 31, 2017. The information presented above is based on current management expectations that involve substantial risk and uncertainties that could cause actual results to differ materially from the results expressed in, or implied by, such information. The Company assumes no duty to update these preliminary estimates except as required by law.

The preliminary financial estimates provided herein have been prepared by, and are the responsibility of, management. Deloitte & Touche LLP, our independent registered public accounting firm, has not audited, reviewed, compiled, or performed any procedures with respect to the accompanying preliminary financial data. Accordingly, Deloitte & Touche LLP does not express an opinion or any form of assurance with respect thereto.

**Company Information**

Our administrative and executive offices are located at 2951 28<sup>th</sup> Street, Suite 1000, Santa Monica, CA 90405, and our telephone number is (310) 566-1094. We maintain a website at <http://www.tpcapital.com>. Information contained on this website is not incorporated by reference into prospectus supplement or the accompanying prospectus, and you should not consider information contained on our website to be part of this prospectus supplement or the accompanying prospectus.

S-3

TABLE OF CONTENTS

**Presentation of Historical Financial Information**

Unless otherwise indicated, historical references contained in this prospectus supplement and the accompanying prospectus, as applicable, in — Selected Financial Data, Capitalization, Management's Discussion and Analysis of Financial Condition and Results of Operations, Senior Securities and Portfolio Companies relate to the Holding Company and the Operating Company on a consolidated basis.

**For further information please see the Prospectus Summary in the accompanying prospectus.**

S-4

TABLE OF CONTENTS**FEES AND EXPENSES**

The following table is intended to assist you in understanding the costs and expenses that an investor in this offering will bear directly or indirectly. The expenses shown in the table under Annual Expenses (excluding incentive compensation payable under the investment management agreement) are based on the offering of 5,000,000 shares of our common stock offered in this offering at the assumed public offering price of \$17.24 per share, the last reported closing price of our common stock on April 18, 2017. The following table and example should not be considered a representation of our future expenses. Actual expenses may be greater or less than shown. The following table and example represent our best estimate of the fees and expenses that we expect to incur during the next twelve months. Further, the fees and expenses below are presented on a consolidated basis directly or indirectly to include expenses of the Company and the Operating Company that investors in this offering will bear.

**Stockholder Transaction Expenses**

<b>Sales Load (as a percentage of offering price)</b>	3.00 % <sup>(1)</sup>
Offering Expenses (as a percentage of offering price)	0.35 % <sup>(2)</sup>
Dividend Reinvestment Plan Fees	— <sup>(3)</sup>
<b>Total Stockholder Transaction Expenses (as a percentage of offering price)</b>	<b>3.35 %</b>
<b>Annual Expenses (as a Percentage of Net Assets Attributable to Common Stock)<sup>(4)</sup></b>	
Base Management Fees	2.61 % <sup>(5)</sup>
Incentive Compensation Payable Under the Investment Management Agreement (20% of ordinary income and capital gains)	2.36 % <sup>(6)</sup>
Interest Payments on Borrowed Funds	3.91 % <sup>(7)</sup>
Other Expenses	0.74 % <sup>(8)</sup>
<b>Total Annual Expenses</b>	<b>9.62 %</b>

(1) The underwriting discount and commission with respect to shares sold in this offering, which are one-time fees to the underwriters in connection with this offering, are the only sales load being paid in connection with this offering.

(2) Amount reflects estimated offering expenses of approximately \$300,000 and based on the 5,000,000 shares of our common stock offered in this offering at an assumed price of \$17.24 per share, the last reported closing price of our common stock on April 18, 2017, and which assumes no exercise of the underwriters' option to purchase additional shares.

(3) The expenses of the dividend reinvestment plan are included in other expenses. See Dividend Reinvestment Plan in the SAI.

(4) The net assets attributable to common stock used to calculate the percentages in this table is our average net assets of approximately \$756.6 million for the 12 month period ended December 31, 2016.

(5) Base management fees are paid quarterly in arrears. The base management fee of 1.5% is calculated based on the value of our total assets (excluding cash and cash equivalents) at the end of the most recently completed calendar quarter. The percentage shown in the table, which assumes all capital and leverage is invested at the maximum level, is calculated by determining the ratio that the aggregate base management fee bears to our net assets

(6) attributable to common stock and not total assets. We make this conversion because all of our interest is indirectly borne by our common stockholders. If we borrow money or issue preferred stock and invest the proceeds other than in cash and cash equivalents, our base management fees will increase. The base management fee for any partial quarter is appropriately prorated. See the accompanying prospectus Management of the Company — Investment Management Agreements.

(6)

Under the investment management agreements and the Amended and Restated Limited Partnership Agreement, no incentive compensation was incurred until after January 1, 2013. The incentive compensation has two components, ordinary income and capital gains. Each component is payable quarterly in arrears (or upon termination of our Advisor as the investment manager or the General Partner as of the termination date) and is calculated based on the cumulative return for periods beginning January 1, 2013 and ending on the relevant calculation date.

Each of the two components of incentive compensation is separately subject to a total return limitation. Thus, notwithstanding the following provisions, we are not obligated to pay or distribute any ordinary income incentive compensation or any capital gains incentive compensation if our cumulative total return does not exceed an 8% annual return on daily weighted average contributed common equity. The incentive compensation we would pay is subject to a total return limitation. That is, no incentive compensation is paid if our cumulative annual total return is less than 8% of our average contributed common equity. If our cumulative annual total return is above 8%, the total cumulative incentive compensation we pay is not more than 20% of our cumulative total return, or, if lower, the amount of our cumulative total return that exceeds the 8% annual rate.

Subject to the above limitation, the ordinary income component is the amount, if positive, equal to 20% of the cumulative ordinary income before incentive compensation, less cumulative ordinary income incentive compensation previously paid or distributed.

Subject to the above limitation, the capital gains component is the amount, if positive, equal to 20% of the cumulative realized capital gains (computed net of cumulative realized losses and cumulative net unrealized capital depreciation), less cumulative capital gains incentive compensation previously paid or distributed. For assets held on January 1, 2013, capital gain, loss and depreciation are measured on an asset by asset basis against the value thereof as of December 31, 2012. The capital gains component is paid or distributed in full prior to payment or distribution of the ordinary income component.

S-5



TABLE OF CONTENTS

Interest Payments on Borrowed Funds represents interest and fees estimated to be accrued on the Term Loan, SVCP Revolver (defined below) and TCPC Funding Facility (defined below) and amortization of debt issuance costs, and assumes the SVCP Revolver and TCPC Funding Facility are fully drawn (subject to asset coverage limitations under the 1940 Act) and that the interest rate on the debt issued (i) under the Term Loan is the rate in effect as of December 31, 2016, which was 3.50%, (ii) under the SVCP Revolver is the rate in effect as of December 31, 2016, which was 3.38% and (iii) under the TCPC Funding Facility is the rate in effect as of December 31, 2016, which was 3.38%. Interest Payments on Borrowed Funds additionally represents interest and fees estimated to be accrued on our \$108.0 million in aggregate principal amount of our 5.25% convertible senior (7) unsecured notes due 2019 (the 2019 Notes ), which bear interest at an annual rate of 5.25%, payable semi-annually, and are convertible into shares of our common stock under certain circumstances, our \$140.0 million in aggregate principal amount of our 4.625% convertible senior unsecured notes due 2022 (the 2022 Notes ), which bear interest at an annual rate of 4.625%, payable semi-annually, and are convertible into shares of our common stock under certain circumstances, and our \$150.0 million of committed leverage from the SBA, which SBA debentures, once drawn, bear an interim interest rate of LIBOR plus 30 basis points, are non-recourse and may be prepaid at any time without penalty, and assumes that the committed leverage from the SBA is fully drawn. When we borrow money or issue preferred stock, all of our interest and preferred stock dividend payments are indirectly borne by our common stockholders.

Other Expenses includes our estimated overhead expenses, including expenses of our Advisor reimbursable under the investment management agreements and of the Administrator reimbursable under the administration (8) agreement except for certain administration overhead costs which are not currently contemplated to be charged to us. Such expense estimate, other than the Administrator expenses, is based on actual other expenses for the twelve month period ended December 31, 2016.

**Example**

The following example demonstrates the projected dollar amount of total cumulative expenses (including stockholder transaction expenses and annual expenses) that would be incurred over various periods with respect to a hypothetical investment in our common stock. In calculating the following expense amounts, we have assumed that our annual operating expenses remain at the levels set forth in the table above.

	<b>1 year</b>	<b>3 years</b>	<b>5 years</b>	<b>10 years</b>
You would pay the following expenses on a \$1,000 investment, assuming a 5% annual return resulting entirely from net investment income <sup>(1)</sup>	\$ 103	\$ 237	\$ 365	\$ 661
You would pay the following expenses on a \$1,000 investment, assuming a 5% annual return resulting entirely from net realized capital gains <sup>(2)</sup>	\$ 103	\$ 237	\$ 365	\$ 661

(1) All incentive compensation (on both net investment income and net realized gains) is subject to a total return hurdle of 8%. Consequently, no incentive compensation would be incurred in this scenario.

(2) All incentive compensation (on both net investment income and net realized gains) is subject to a total return hurdle of 8%. Consequently, no incentive compensation would be incurred in this scenario. Assumes no unrealized capital depreciation.

While the example assumes, as required by the SEC, a 5% annual return, our performance will vary and may result in a return greater or less than 5%. There is no incentive compensation either on income or on capital gains under our investment management agreements and the Amended and Restated Limited Partnership Agreement assuming a 5% annual return and therefore it is not included in the example. If we achieve sufficient returns on our investments, including through the realization of capital gains, to trigger an incentive compensation of a material amount, our distributions to our common stockholders and our expenses would likely be higher. In addition, while the example assumes reinvestment of all dividends and distributions at net asset value, participants in our dividend reinvestment

plan will receive a number of shares of our common stock, determined by dividing the total dollar amount of the dividend or distribution payable to a participant by the market price per share of our common stock at the close of trading on the valuation date for the dividend. See the accompanying prospectus under Dividend Reinvestment Plan for additional information regarding our dividend reinvestment plan.

Except where the context suggests otherwise, whenever this prospectus supplement or the accompanying prospectus contains a reference to fees or expenses paid by you, the Company, the Holding Company, the Operating Company us, our common stockholders will indirectly bear such fees or expenses, including through the Company's investment in the Operating Company.

S-6

TABLE OF CONTENTS**SELECTED FINANCIAL DATA**

The selected consolidated financial and other data below reflects the consolidated historical operations of the Holding Company and the Operating Company. This consolidated financial and other data is the Holding Company's historical financial and other data. The Operating Company will continue to be the Holding Company's sole investment following the completion of this offering.

The selected consolidated financial data below for the years ended December 31, 2016 and 2015 has been derived from our consolidated financial statements that were audited by Deloitte & Touche LLP, our independent registered public accounting firm. The selected consolidated financial data below for the years ended December 31, 2014, 2013 and 2012 has been derived from our consolidated financial statements that were audited by Ernst & Young LLP, our former independent registered public accounting firm. This selected financial data should be read in conjunction with our financial statements and related notes thereto, Management's Discussion and Analysis of Financial Condition and Results of Operations and Senior Securities included elsewhere in this prospectus supplement.

The historical and future financial information may not be representative of the Company's financial information in future periods.

	<b>For the Year Ended December 31,</b>				
	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>
<b>Performance Data:</b>					
Interest income	\$ 145,018,414	\$ 142,012,553	\$ 100,923,265	\$ 66,979,064	\$ 49,243,332
Dividend income	—	—	1,968,748	—	1,811,189
Lease income	1,571,280	1,352,797	1,334,330	1,121,614	823,030
Other income	1,591,071	3,502,875	2,355,105	1,508,368	315,208
Total investment income	148,180,765	146,868,225	106,581,448	69,609,046	52,192,759
Interest and other debt expenses	25,192,990	18,895,977	9,821,751	2,339,447	857,757
Management and advisory fees	18,881,786	18,593,660	13,646,064	8,820,229	6,908,942
Other expenses	8,283,156	7,999,070	5,012,257	3,141,484	2,625,722
Total expenses	52,357,932	45,488,707	28,480,072	14,301,160	10,392,421
Net investment income before taxes	95,822,833	101,379,518	78,101,376	55,307,886	41,800,338
Excise tax expense	569,511	876,706	808,813	977,624	1,479,978
Net investment income	95,253,322	100,502,812	77,292,563	54,330,262	40,320,360
Net Realized and unrealized gains (losses)	114,502	(22,405,111 )	(27,304,578 )	9,071,361	(12,784,251 )
	—	1,675,000	—	—	—

Edgar Filing: TCP Capital Corp. - Form 497

Gain on repurchase of Series A preferred interests					
Dividends to preferred interest holders	—	(754,140 )	(1,438,172 )	(1,494,552 )	(1,602,799 )
Incentive allocation	(19,050,665 )	(19,949,734 )	(14,002,294 )	(12,381,416 )	—
Net increase in net assets applicable to common shareholders resulting from operations	\$ 76,317,159	\$ 59,068,827	\$ 34,547,519	\$ 49,525,655	\$ 25,933,310
<b>Per Share Data (at the end of the period):*</b>					
Net increase in net assets from operations	\$ 1.50	\$ 1.21	\$ 0.88	\$ 1.91	\$ 1.21
Distributions declared per share	(1.44 )	(1.44 )	(1.54 )	(1.53 )	(1.43 )
Average weighted shares outstanding for the period	50,948,035	48,863,188	39,395,671	25,926,493	21,475,847
<b>Assets and Liabilities Data:</b>					
Investments	\$ 1,314,969,870	\$ 1,182,919,725	\$ 1,146,535,886	\$ 766,262,959	\$ 517,683,087
Other assets	72,628,591	56,193,226	54,892,712	37,066,243	31,559,015
Total assets	1,387,598,461	1,239,112,951	1,201,428,598	803,329,202	549,242,102
Debt, net of unamortized issuance costs	571,658,862	498,205,471	324,258,631	95,000,000	74,000,000
Other liabilities	25,003,608	18,930,463	11,543,149	23,045,112	24,728,267
Total liabilities	596,662,470	517,135,934	335,801,780	118,045,112	98,728,267
Preferred limited partnership interest	—	—	134,497,790	134,504,252	134,526,285
Non-controlling interest	—	—	—	1,168,583	—
Net assets	\$ 790,935,991	\$ 721,977,017	\$ 731,129,028	\$ 549,611,255	\$ 315,987,550
<b>Investment Activity Data:</b>					
	90	88	84	67	54

Edgar Filing: TCP Capital Corp. - Form 497

No. of portfolio companies at period end					
Acquisitions	\$ 587,219,129	\$ 500,928,009	\$ 669,515,626	\$ 471,087,319	\$ 359,020,926
Sales, repayments, and other disposals	\$ 473,457,512	\$ 456,059,137	\$ 266,008,974	\$ 235,641,665	\$ 211,216,033
Weighted-average effective yield at end of period	10.9 %	11.0 %	10.9 %	10.9 %	11.3 %

\* Per share amounts prior to 2012 were calculated based on 418,986 pre-Conversion shares outstanding. Per share amounts starting in 2012 are calculated on weighted-average shares outstanding for each period.

S-7

TABLE OF CONTENTS**RISKS**

Investing in our common stock involves a high degree of risk. You should carefully consider the risks described below and in the accompanying prospectus on page 20, together with all of the other information included in this prospectus supplement and in the accompanying prospectus, before you decide whether to make an investment in our common stock. The risks set forth below and in the accompanying prospectus are not the only risks we face. If any of the adverse events or conditions described below or in the accompanying prospectus occur, our business, financial condition and results of operations could be materially adversely affected. In such case, our net asset value, or NAV, and the trading price of our common stock could decline, we could reduce or eliminate our dividend and you could lose all or part of your investment.

*Our board of directors most recently approved NAV as of December 31, 2016 and our NAV when calculated effective March 31, 2017 and June 30, 2017 may be higher or lower.*

Our NAV per share as of December 31, 2016 as reported in our most recently filed Form 10-K was \$14.91. We estimate our NAV per share as of March 31, 2017 is in the range of \$14.89 and \$14.95, however such estimate has not been approved by our board of directors, which retains ultimate authority for valuing our assets. Our NAV per share as of the date of this prospectus supplement may be higher or lower than the NAV per share estimated as of March 31, 2017. Our board of directors has not yet approved the fair value of our portfolio investments at any date subsequent to December 31, 2016. Our board of directors approves the fair value of our portfolio investments on a quarterly basis in connection with the preparation of quarterly financial statements and based on input from an independent valuation firm, our Advisor and the audit committee of our board of directors.

*If we incur additional leverage, it will increase the risk of investing in shares of our common stock.*

The Company has indebtedness pursuant to the Leverage Program and expects, in the future, to borrow additional amounts under the SVCP Facility and TCPC Funding Facility and may increase the size of the SVCP Facility and TCPC Funding Facility or enter into other borrowing arrangements.

*Illustration.* The following table illustrates the effect of leverage on returns from an investment in our common stock assuming various annual returns, net of expenses. The calculations in the table below are hypothetical and actual returns may be higher or lower than those appearing below. The calculation is based on our level of leverage at December 31, 2016, which represented borrowings equal to 41.8% of our total assets. On such date, we also had \$1,387.6 million in total assets; \$1,315.0 million in total investments; an average cost of funds of 3.95%; \$579.9 million aggregate principal amount of debt outstanding; and \$791.0 million of total net assets. In order to compute the Corresponding Return to Common Stockholders, the Assumed Return on Portfolio (Net of Expenses Other than Interest) is multiplied by the total value of our investment portfolio at December 31, 2016 to obtain an assumed return to us. From this amount, interest expense multiplied the combined rate of interest of 3.95% by the \$579.9 million of debt is subtracted to determine the return available to stockholders. The return available to stockholders is then divided by the total value of our net assets at December 31, 2016 to determine the Corresponding Return to Common Stockholders. Actual interest payments may vary.

<b>Assumed Return on Portfolio (Net of Expenses Other than Interest)</b>	<b>-10%</b>	<b>-5%</b>	<b>0%</b>	<b>5%</b>	<b>10%</b>
Corresponding Return to Common Stockholders	-19.52 %	-11.21 %	-2.90 %	5.42 %	13.73 %

The assumed portfolio return in the table is based on SEC regulations and is not a prediction of, and does not represent, our projected or actual performance. The table also assumes that we will maintain a constant level of

leverage. The amount of leverage that we use will vary from time to time.

***The downgrade of the U.S. credit rating, the economic crisis in Europe, turbulence in Chinese markets and global commodity markets or other macro-economic events could negatively impact our business, financial condition and earnings.***

Although U.S. lawmakers passed legislation to raise the federal debt ceiling and Standard & Poor's Ratings Services affirmed its AA+ long term sovereign credit rating on the United States and revised the outlook on the long-term rating from negative to stable in June of 2013, U.S. debt ceiling and budget deficit concerns together with signs of deteriorating sovereign debt conditions in Europe continue to present the possibility of a credit-rating downgrade, economic slowdowns, or a recession for the United States. The impact of any further downgrades to the U.S. government's sovereign credit rating or downgraded sovereign credit ratings of European

S-8

TABLE OF CONTENTS

countries or the Russian Federation, or their perceived creditworthiness could adversely affect the U.S. and global financial markets and economic conditions. These developments, along with any further European sovereign debt issues, could cause interest rates and borrowing costs to rise, which may negatively impact our ability to access the debt markets on favorable terms. Continued adverse economic conditions could have a material adverse effect on our business, financial condition and results of operations.

In 2010, a financial crisis emerged in Europe, triggered by high budget deficits and rising direct and contingent sovereign debt in Greece, Ireland, Italy, Portugal and Spain, which created concerns about the ability of these nations to continue to service their sovereign debt obligations. While the financial stability of many of such countries has improved significantly, risks resulting from any future debt crisis in Europe or any similar crisis could have a detrimental impact on the global economic recovery, sovereign and non-sovereign debt in these countries and the financial condition of European financial institutions. In July and August 2015, Greece reached agreements with its international creditors for bailouts that provide aid in exchange for austerity terms that had previously been rejected by Greek voters. Market and economic disruptions have affected, and may in the future affect, consumer confidence levels and spending, personal bankruptcy rates, levels of incurrence and default on consumer debt and home prices, among other factors. We cannot assure you that market disruptions in Europe, including the increased cost of funding for certain governments and financial institutions, will not impact the global economy, and we cannot assure you that assistance packages will be available, or if available, be sufficient to stabilize countries and markets in Europe or elsewhere affected by a financial crisis. To the extent uncertainty regarding any economic recovery in Europe negatively impacts consumer confidence and consumer credit factors, our business, financial condition and results of operations could be significantly and adversely affected.

In addition, stock prices in China experienced a significant decline in the second quarter of 2015, resulting primarily from continued sell-off of shares trading in Chinese markets. In August 2015, Chinese authorities sharply devalued China's currency. Chinese market volatility has been followed by volatility in stock markets around the world, including in the United States, and increased volatility in commodity markets, such as reductions in prices of crude oil. Continued volatility in Chinese markets may have a contagion effect across the financial markets. These market and economic disruptions affected, and may in the future affect, the U.S. capital markets, which could adversely affect our business.

Additionally, Russian intervention in Ukraine beginning in 2014 significantly increased regional geopolitical tensions. The situation remains fluid with potential for further escalation of geopolitical tensions, increased severity of sanctions against Russian interests, and possible Russian countermeasures. Further economic sanctions could destabilize the economic environment and result in increased volatility. Should the economic recovery in the United States be adversely impacted by increased volatility in the global financial markets caused by developments as a result of the Russian sanctions, further turbulence in Chinese markets and global commodity markets or for any other reason, loan and asset growth and liquidity conditions at U.S. financial institutions, including us, may deteriorate.

In October 2014, the Federal Reserve announced that it was concluding its bond-buying program, or quantitative easing, which was designed to stimulate the economy and expand the Federal Reserve's holdings of long-term securities, suggesting that key economic indicators, such as the unemployment rate, had showed signs of improvement since the inception of the program. In March 2017, the Federal Reserve raised the target range for the federal funds rate, which was only the third such interest rate hike in nearly a decade. To the extent the Federal Reserve continues to raise rates, and without quantitative easing by the Federal Reserve, there is a risk that the debt markets may experience increased volatility and that the liquidity of certain of our investments may be reduced. These developments, along with the corresponding potential rise in interest rates and borrowing costs, the United States government's credit and deficit concerns and the European sovereign debt crisis, may negatively impact our ability to access the debt markets on favorable terms.



In November 2016, the U.S. held its presidential election and elected Donald Trump as president. While campaigning, Mr. Trump made statements suggesting he may seek to adopt legislation that could significantly affect the regulation of United States financial markets. Areas subject to potential change, amendment or repeal include the Dodd-Frank Act, including the Volcker Rule and various swaps and derivatives regulations, the authority of the Federal Reserve and the Financial Stability Oversight Council, and renewed proposals to separate banks' commercial and investment banking activities. Mr. Trump also suggested he may seek to adopt new tax legislation which may include limits on interest deductibility and other changes that may impact corporate credit.

S-9

TABLE OF CONTENTS

demand or the profitability and cash flow of certain businesses. Mr. Trump also stated he would cause the United States to withdraw from or renegotiate various trade agreements and take other actions that would change current trade policies of the United States. We cannot predict which, if any, of these actions will be taken or, if taken, their effect on the financial stability of the United States. Such actions could have a significant adverse effect on our business, financial condition and results of operations.

***The results of the June 2016 referendum on the United Kingdom exiting the European Union and the United Kingdom's exit from the European Union could cause an extended period of uncertainty and market volatility in the United States and abroad, which may have material consequences for the Company.***

On June 23, 2016, the United Kingdom voted to leave the European Union. The United Kingdom has triggered the withdrawal procedures in Article 50 of the Treaty of Lisbon and there will be a two-year period (or longer) during which the arrangements for exit will be negotiated. This vote and the withdrawal process could cause an extended period of uncertainty and market volatility, in the United States and abroad. It is not possible to ascertain the precise impact these events may have on the Company from an economic, financial or regulatory perspective but any such impact could have material consequences for the Company.

S-10

## TABLE OF CONTENTS

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

The information contained in this section should be read in conjunction with the selected financial data appearing elsewhere in this prospectus supplement and the accompanying prospectus and our consolidated financial statements and related notes thereto appearing elsewhere in this prospectus supplement and the accompanying prospectus.

#### **Overview**

The Holding Company is a Delaware corporation formed on April 2, 2012 and is an externally managed, closed-end, non-diversified management investment company. The Holding Company was formed through the conversion of a pre-existing closed-end investment company. The Holding Company elected to be treated as a business development company ( BDC ) under the Investment Company Act of 1940, as amended (the 1940 Act ). Our investment objective is to seek to achieve high total returns through current income and capital appreciation, with an emphasis on principal protection. We invest primarily in the debt of middle-market companies as well as small businesses, including senior secured loans, junior loans, mezzanine debt and bonds. Such investments may include an equity component, and, to a lesser extent, we may make equity investments directly. Investment operations are conducted either in Special Value Continuation Partners, LP, a Delaware Limited Partnership (the Operating Company ), of which the Holding Company owns 100% of the common limited partner interests, or in one of the Operating Company 's wholly-owned subsidiaries, TCPC Funding I, LLC ( TCPC Funding ) and TCPC SBIC, LP ( TCPC SBIC ). The Operating Company has also elected to be treated as a BDC under the 1940 Act. The General Partner of the Operating Company is Series H of SVOF/MM, LLC ( SVOF/MM ), which also serves as the administrator (the Administrator ) of the Holding Company and the Operating Company. The managing member of SVOF/MM is Tennenbaum Capital Partners, LLC (the Advisor ), which serves as the investment manager to the Holding Company, the Operating Company, TCPC Funding, and TCPC SBIC. The equity interests in the General Partner are owned directly by the Advisor. TCPC SBIC was organized as a Delaware limited partnership in June 2013. On April 22, 2014, TCPC SBIC received a license from the United States Small Business Administration (the SBA ) to operate as a small business investment company under the provisions of Section 301(c) of the Small Business Investment Act of 1958.

The Holding Company has elected to be treated as a regulated investment company ( RIC ) for U.S. federal income tax purposes. As a RIC, the Holding Company will not be taxed on its income to the extent that it distributes such income each year and satisfies other applicable income tax requirements. The Operating Company, TCPC Funding, and TCPC SBIC have elected to be treated as partnerships for U.S. federal income tax purposes.

Our leverage program is comprised of \$116.0 million in available debt under a senior secured revolving credit facility issued by the Operating Company (the SVCP Revolver ), a \$100.5 million term loan issued by the Operating Company (the Term Loan and together with the SVCP Revolver, the SVCP Facility ), \$350.0 million in available debt under a senior secured revolving credit facility issued by TCPC Funding (the TCPC Funding Facility ), \$108.0 million in convertible senior unsecured notes issued by the Holding Company maturing in 2019 (the 2019 Convertible Notes ), \$140.0 million in convertible senior unsecured notes issued by the Holding Company maturing in 2022 (the 2022 Convertible Notes ) and \$150.0 million in committed leverage from the SBA (the SBA Program and, together with the SVCP Facility, the TCPC Funding Facility, the 2019 Convertible Notes and the 2022 Convertible Notes, the Leverage Program ). Prior to the repurchase and retirement of the remaining preferred interests on September 3, 2015, the Leverage Program also included amounts outstanding under a preferred equity facility issued by the Operating Company (the Preferred Interests ).

To qualify as a RIC, we must, among other things, meet certain source-of-income and asset diversification requirements and timely distribute to our stockholders generally at least 90% of our investment company taxable income, as defined by the Internal Revenue Code of 1986 (the Code ), as amended, for each year. Pursuant to this

election, we generally will not have to pay corporate level taxes on any income that we distribute to our stockholders provided that we satisfy those requirements.

S-11

## TABLE OF CONTENTS

### ***Investments***

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

As a BDC, we are required to comply with certain regulatory requirements. For instance, we generally have to invest at least 70% of our total assets in qualifying assets, including securities and indebtedness of private U.S. companies, public U.S. operating companies whose securities are not listed on a national securities exchange or registered under the Securities Exchange Act of 1934, as amended, public domestic operating companies having a market capitalization of less than \$250.0 million, cash, cash equivalents, U.S. government securities and high-quality debt investments that mature in one year or less. We are also permitted to make certain follow-on investments in companies that were eligible portfolio companies at the time of initial investment but that no longer meet the definition. As of December 31, 2016, 83.6% of our total assets were invested in qualifying assets.

### ***Revenues***

We generate revenues primarily in the form of interest on the debt we hold. We also generate revenue from dividends on our equity interests, capital gains on the disposition of investments, and certain lease, fee, and other income. Our investments in fixed income instruments generally have an expected maturity of three to five years, although we have no lower or upper constraint on maturity. Interest on our debt investments is generally payable quarterly or semi-annually. Payments of principal of our debt investments may be amortized over the stated term of the investment, deferred for several years or due entirely at maturity. In some cases, our debt investments and preferred stock investments may defer payments of cash interest or dividends or PIK. Any outstanding principal amount of our debt investments and any accrued but unpaid interest will generally become due at the maturity date. In addition, we may generate revenue in the form of prepayment fees, commitment, origination, structuring or due diligence fees, end-of-term or exit fees, fees for providing significant managerial assistance, consulting fees and other investment related income.

### ***Expenses***

Our primary operating expenses include the payment of a base management fee and, depending on our operating results, incentive compensation, expenses reimbursable under the management agreement, administration fees and the allocable portion of overhead under the administration agreement. The base management fee and incentive compensation remunerates the Advisor for work in identifying, evaluating, negotiating, closing and monitoring our investments. Our administration agreement with Series H of SVOF/MM, LLC (the Administrator ) provides that the Administrator may be reimbursed for costs and expenses incurred by the Administrator for office space rental, office equipment and utilities allocable to us under the administration agreement, as well as any costs and expenses incurred by the Administrator or its affiliates relating to any non-investment advisory, administrative or operating services provided by the Administrator or its affiliates to us. We also bear all other costs and expenses of our operations and transactions (and the Holding Company's common stockholders indirectly bear all of the costs and expenses of the Holding Company, the Operating Company, TCPC Funding and TCPC SBIC), which may include those relating to:

- our organization;
- calculating our net asset value (including the cost and expenses of any independent valuation firms);
- interest payable on debt, if any, incurred to finance our investments;
- costs of future offerings of our common stock and other securities, if any;
- the base management fee and any incentive compensation;

Edgar Filing: TCP Capital Corp. - Form 497

- dividends and distributions on our preferred shares, if any, and common shares;
- administration fees payable under the administration agreement;
- fees payable to third parties relating to, or associated with, making investments;
- transfer agent and custodial fees;

S-12

## TABLE OF CONTENTS

- registration fees;
- listing fees;
- taxes;
- director fees and expenses;
- costs of preparing and filing reports or other documents with the SEC;
- costs of any reports, proxy statements or other notices to our stockholders, including printing costs;
- our fidelity bond;
- directors and officers/errors and omissions liability insurance, and any other insurance premiums;
- indemnification payments;
- direct costs and expenses of administration, including audit and legal costs; and  
all other expenses reasonably incurred by us and the Administrator in connection with administering our
- business, such as the allocable portion of overhead under the administration agreement, including rent and other allocable portions of the cost of certain of our officers and their respective staffs.

The investment management agreement provides that the base management fee be calculated at an annual rate of 1.5% of our total assets (excluding cash and cash equivalents) payable quarterly in arrears. For purposes of calculating the base management fee, total assets is determined without deduction for any borrowings or other liabilities. The base management fee is calculated based on the value of our total assets (excluding cash and cash equivalents) at the end of the most recently completed calendar quarter.

Additionally, the investment management agreement and the Amended and Restated Limited Partnership Agreement provide that the Advisor or its affiliates may be entitled to incentive compensation under certain circumstances. According to the terms of such agreements, no incentive compensation was incurred prior to January 1, 2013. Beginning January 1, 2013, the incentive compensation equals the sum of (1) 20% of all ordinary income since January 1, 2013 and (2) 20% of all net realized capital gains (net of any net unrealized capital depreciation) since January 1, 2013, with each component being subject to a total return requirement of 8% of contributed common equity annually. The incentive compensation is payable to the General Partner by the Operating Company pursuant to the Amended and Restated Limited Partnership Agreement. If the Operating Company is terminated or for any other reason incentive compensation is not paid by the Operating Company, it would be paid pursuant to the investment management agreement between us and the Advisor. The determination of incentive compensation is subject to limitations under the 1940 Act and the Advisers Act.

### **Critical accounting policies**

Our discussion and analysis of our financial condition and results of operations are based upon our financial statements, which have been prepared in accordance with GAAP. The preparation of these financial statements requires management 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. Management considers the following critical accounting policies important to understanding the financial statements. In addition to the discussion below, our critical accounting policies are further described in the notes to our financial statements.

### ***Valuation of portfolio investments***

We value our portfolio investments at fair value based upon the principles and methods of valuation set forth in policies adopted by our board of directors. Fair value is defined as the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. Market participants are buyers and sellers in the principal (or most advantageous) market for the asset that (i) are independent of us, (ii) are knowledgeable, having a reasonable understanding about the asset based on all available information (including information that might be obtained through due diligence efforts that are usual and customary), (iii) are able to transact for the asset, and (iv)

are willing to transact for the asset or liability (that is, they are motivated but not forced or otherwise compelled to do so).

S-13



TABLE OF CONTENTS

Investments for which market quotations are readily available are valued at such market quotations unless the quotations are deemed not to represent fair value. We generally obtain market quotations from recognized exchanges, market quotation systems, independent pricing services or one or more broker-dealers or market makers. However, short term debt investments with remaining maturities within 60 days are generally valued at amortized cost, when we reasonably determine that such amortized cost approximates fair value. Debt and equity securities for which market quotations are not readily available, which is the case for many of our investments, or for which market quotations are deemed not to represent fair value, are valued at fair value using a consistently applied valuation process in accordance with our documented valuation policy that has been reviewed and approved by our board of directors, who also approve in good faith the valuation of such securities as of the end of each quarter. Due to the inherent uncertainty and subjectivity of determining the fair value of investments that do not have a readily available market value, the fair value of our investments may differ significantly from the values that would have been used had a readily available market value existed for such investments and may differ materially from the values that we may ultimately realize. In addition, changes in the market environment and other events may have differing impacts on the market quotations used to value some of our investments than on the fair values of our investments for which market quotations are not readily available. Market quotations may be deemed not to represent fair value in certain circumstances where we believe that facts and circumstances applicable to an issuer, a seller or purchaser, or the market for a particular security cause current market quotations to not reflect the fair value of the security. Examples of these events could include cases where a security trades infrequently causing a quoted purchase or sale price to become stale, where there is a forced sale by a distressed seller, where market quotations vary substantially among market makers, or where there is a wide bid-ask spread or significant increase in the bid-ask spread.

The valuation process approved by our board of directors with respect to investments for which market quotations are not readily available or for which market quotations are deemed not to represent fair value is as follows:

- The investment professionals of the Advisor provide recent portfolio company financial statements and other reporting materials to independent valuation firms approved by our board of directors. Such firms evaluate this information along with relevant observable market data to conduct independent appraisals each quarter, and their preliminary valuation conclusions are documented and discussed with senior management of the Advisor.
- The fair value of smaller investments comprising in the aggregate less than 5% of our total capitalization may be determined by the Advisor in good faith in accordance with our valuation policy without the employment of an independent valuation firm.
- The audit committee of the board of directors discusses the valuations, and the board of directors approves the fair value of the investments in our portfolio in good faith based on the input of the Advisor, the respective independent valuation firms (to the extent applicable) and the audit committee of the board of directors.

Those investments for which market quotations are not readily available or for which market quotations are deemed not to represent fair value are valued utilizing a market approach, an income approach, or both approaches, as appropriate. The market approach uses prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities (including a business). The income approach uses valuation techniques to convert future amounts (for example, cash flows or earnings) to a single present amount (discounted). The measurement is based on the value indicated by current market expectations about those future amounts. In following these approaches, the types of factors that we may take into account in determining the fair value of our investments include, as relevant and among other factors: available current market data, including relevant and applicable market trading and transaction comparables, applicable market yields and multiples, security covenants, call protection provisions, information rights, the nature and realizable value of any collateral, the portfolio company's ability to make payments, its earnings and discounted cash flows, the markets in which the portfolio company does business, comparisons of financial ratios of peer companies that are public, merger and acquisition comparables, our principal market (as the reporting entity) and enterprise values.

When valuing all of our investments, we strive to maximize the use of observable inputs and minimize the use of unobservable inputs. Inputs refer broadly to the assumptions that market participants would use in pricing

S-14

## TABLE OF CONTENTS

an asset, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing an asset or liability developed based on market data obtained from sources independent of us. Unobservable inputs are inputs that reflect our assumptions about the assumptions market participants would use in pricing an asset or liability developed based on the best information available in the circumstances.

Our investments may be categorized based on the types of inputs used in their valuation. The level in the GAAP valuation hierarchy in which an investment falls is based on the lowest level input that is significant to the valuation of the investment in its entirety. Investments are classified by GAAP into the three broad levels as follows:

Level 1 — Investments valued using unadjusted quoted prices in active markets for identical assets.

Level 2 — Investments valued using other unadjusted observable market inputs, e.g. quoted prices in markets that are not active or quotes for comparable instruments.

Level 3 — Investments that are valued using quotes and other observable market data to the extent available, but which also take into consideration one or more unobservable inputs that are significant to the valuation taken as a whole.

As of December 31, 2016, none of our investments were categorized as Level 1, 8.4% were categorized as Level 2, 91.5% were Level 3 investments valued based on valuations by independent third party sources, and 0.1% were Level 3 investments valued based on valuations by the Advisor.

Determination of fair value involves subjective judgments and estimates. Accordingly, the notes to our consolidated financial statements express the uncertainty with respect to the possible effect of such valuations, and any change in such valuations, on the financial statements.

### ***Revenue recognition***

Interest and dividend income, including income paid in kind, is recorded on an accrual basis. Origination, structuring, closing, commitment and other upfront fees, including original issue discounts, earned with respect to capital commitments are generally amortized or accreted into interest income over the life of the respective debt investment, as are end-of-term or exit fees receivable upon repayment of a debt investment. Other fees, including certain amendment fees, prepayment fees and commitment fees on broken deals, are recognized as earned. Prepayment fees and similar income due upon the early repayment of a loan or debt security are recognized when earned and are included in interest income.

Certain of our debt investments are purchased at a discount to par as a result of the underlying credit risks and financial results of the issuer, as well as general market factors that influence the financial markets as a whole. Discounts on the acquisition of corporate bonds are generally amortized using the effective-interest or constant-yield method assuming there are no questions as to collectability. When principal payments on a loan are received in an amount in excess of the loan's amortized cost, the excess principal payments are recorded as interest income.

### ***Net realized gains or losses and net change in unrealized appreciation or depreciation***

We measure realized gains or losses by the difference between the net proceeds from the repayment or sale and the amortized cost basis of the investment, without regard to unrealized appreciation or depreciation previously recognized. Realized gains and losses are computed using the specific identification method. Net change in unrealized appreciation or depreciation reflects the change in portfolio investment values during the reporting period, including the reversal of previously recorded unrealized appreciation or depreciation when gains or losses are realized.

**Portfolio and investment activity**

During the year ended December 31, 2016, we invested approximately \$587.2 million, comprised of new investments in 28 new and 19 existing portfolio companies, as well as draws made on existing commitments and PIK received on prior investments. Of these investments, 95.6% were in senior secured debt comprised of senior loans (\$506.1 million, or 86.2% of total acquisitions) and senior secured notes (\$55.0 million, or 9.4% of total acquisitions). The remaining \$26.1 million (4.4% of total acquisitions) were comprised of \$23.5 million in equity

S-15

TABLE OF CONTENTS

interests in two portfolios of debt and lease assets, as well as \$2.6 million in two warrant positions and two preferred stock positions received in connection with debt investments. Additionally, we received approximately \$473.5 million in proceeds from sales or repayments of investments during the year ended December 31, 2016.

During the year ended December 31, 2015, we invested approximately \$500.9 million, comprised of new investments in 23 new and 26 existing portfolio companies, as well as draws made on existing commitments and PIK received on prior investments. Of these investments, 97.7% were in senior secured debt comprised of senior loans (\$437.9 million, or 87.4% of the total) and senior secured notes (\$51.6 million, or 10.3% of the total). The remaining \$11.4 million (2.3% of the total) were comprised of nine equity investments which were received in connection with debt investments made during the period. Additionally, we received approximately \$456.1 million in proceeds from sales or repayments of investments during the year ended December 31, 2015.

At December 31, 2016, our investment portfolio of \$1,315.0 million (at fair value) consisted of 90 portfolio companies and was invested 95.0% in debt investments, substantially all of which was in senior secured debt. In aggregate, our investment portfolio was invested 83.7% in senior secured loans, 11.3% in senior secured notes and 5.0% in equity investments. Our average portfolio company investment at fair value was approximately \$14.6 million. Our largest portfolio company investment by value was approximately \$46.2 million and our five largest portfolio company investments by value comprised approximately 14.1% of our portfolio at December 31, 2016.

At December 31, 2015, our investment portfolio of \$1,182.9 million (at fair value) consisted of 88 portfolio companies and was invested 95.5% in debt investments, of which 99.9% was in senior secured debt and 0.1% in unsecured and subordinated debt. In aggregate, our investment portfolio was invested 81.5% in senior secured loans, 14.0% in senior secured notes, 0.1% in unsecured and subordinated debt, and 4.4% in equity investments. Our average portfolio company investment at fair value was approximately \$13.4 million. Our largest portfolio company investment by value was approximately \$43.3 million and our five largest portfolio company investments by value comprised approximately 15.7% of our portfolio at December 31, 2015.

TABLE OF CONTENTS

The industry composition of our portfolio at fair value at December 31, 2016 was as follows:

<b>Industry</b>	<b>Percent of Total Investments</b>	
Software Publishing	16.5	%
Nondepository Credit Intermediation	9.3	%
Computer Systems Design and Related Services	6.3	%
Other Information Services	5.7	%
Business Support Services	4.3	%
Retail	4.0	%
Wired Telecommunications Carriers	3.1	%
Air Transportation	3.0	%
Chemicals	2.9	%
Equipment Leasing	2.9	%
Insurance	2.7	%
Scientific Research and Development Services	2.7	%
Financial Investment Activities	2.4	%
Textile Furnishings Mills	2.3	%
Utility System Construction	2.0	%
Activities Related to Credit Intermediation	1.9	%
Other Manufacturing	1.9	%
Hospitals	1.8	%
Management, Scientific, and Technical Consulting Services	1.8	%
Amusement and Recreation	1.7	%
Apparel Manufacturing	1.7	%
Communications Equipment Manufacturing	1.6	%
Other Publishing	1.6	%
Radio and Television Broadcasting	1.6	%
Wholesalers	1.6	%
Lessors of Nonfinancial Licenses	1.5	%
Electronic Component Manufacturing	1.3	%
Restaurants	1.3	%
Advertising and Public Relations Services	1.1	%
Building Equipment Contractors	1.1	%
Activities Related to Real Estate	1.0	%
Other	5.4	%
<b>Total</b>	<b>100.0</b>	<b>%</b>

The weighted average effective yield of the debt securities in our portfolio was 10.92% at December 31, 2016 and 10.95% at December 31, 2015. At December 31, 2016, 80.5% of debt investments in our portfolio bore interest based on floating rates, such as LIBOR, EURIBOR, the Federal Funds Rate or the Prime Rate, and 19.5% bore interest at fixed rates. The percentage of floating rate debt investments in our portfolio that bore interest based on an interest rate

floor was 77.0% at December 31, 2016. At December 31, 2015, 80.4% of debt investments in our portfolio bore interest based on floating rates, such as LIBOR, EURIBOR, the Federal Funds Rate or the Prime Rate, and 19.6% bore interest at fixed rates. The percentage of floating rate debt investments in our portfolio that bore interest based on an interest rate floor was 77.9% at December 31, 2015.

## **Results of operations**

### ***Investment income***

Investment income totaled \$148.2 million, \$146.9 million and \$106.6 million, respectively, for the years ended December 31, 2016, 2015 and 2014, of which \$145.0 million, \$142.0 million and \$100.9 million were attributable to interest and fees on our debt investments, \$0.0 million, \$0.0 million and \$2.0 million to dividends from equity securities, \$1.6 million, \$1.4 million and \$1.3 million to lease income and \$1.6 million, \$3.5 million and \$2.4 million to other income, respectively. Other income is primarily comprised of fee income earned in

S-17

TABLE OF CONTENTS

respect of amendments to various debt investments. Included in interest and fees on our debt investments were \$10.6 million, \$12.5 million and \$3.1 million of non-recurring income related to prepayments for the years ended December 31, 2016, 2015 and 2014, respectively. The increase in investment income in the year ended December 31, 2016 compared to the year ended December 31, 2015 reflects an increase in interest income due to the larger portfolio size and an increase in lease income in the year ended December 31, 2016 compared to the year ended December 31, 2015, partially offset by a decrease in other income. The increase in investment income in the year ended December 31, 2015 compared to the year ended December 31, 2014 reflects an increase in interest income due to the larger investment portfolio during the year ended December 31, 2015 compared to the year ended December 31, 2014 and an increase in other income primarily due to higher amendment, restructuring and commitment fees received during the year ended December 31, 2015, partially offset by a decrease in dividend income.

*Expenses*

Total operating expenses for the years ended December 31, 2016, 2015 and 2014 were \$52.3 million, \$45.5 million and \$28.5 million, respectively, comprised of \$25.2 million, \$18.9 million and \$9.8 million in interest expense and related fees, \$18.9 million, \$18.6 million and \$13.6 million in base management fees, \$2.3 million, \$2.8 million \$1.4 million in legal and professional fees, \$1.7 million, \$1.6 million and \$1.4 million in administrative expenses, and \$4.2 million, \$3.6 million and \$2.3 million in other expenses, respectively. The increase in expenses in the year ended December 31, 2016 compared to the year ended December 31, 2015 primarily reflects the increase in interest expense and other costs related to the increase in available and outstanding debt, including the conversion of the Preferred Interests to term debt, as well as the higher average interest rate following the issuance of the 2022 Convertible Notes and the increase in LIBOR rates, as well as \$1.3 million in non-recurring legal costs incurred in 2016. The increase in expenses in the year ended December 31, 2015 compared to the year ended December 31, 2014 primarily reflects the increase in management fees due to the larger portfolio and the increase in interest and other debt expenses related to the increase in available and outstanding debt.

*Net investment income*

Net investment income was \$95.3 million, \$100.5 million and \$77.3 million, respectively, for the years ended December 31, 2016, 2015 and 2014. The decrease in net investment income in the year ended December 31, 2016 compared to the year ended December 31, 2015 primarily reflects the increase in expenses, partially offset by the increase in investment income in the year ended December 31, 2016. The increase in net investment income in the year ended December 31, 2015 compared to the year ended December 31, 2014 primarily reflects the increased interest income in the year ended December 31, 2015, partially offset by the increase in expenses.

*Net realized and unrealized gain or loss*

Net realized losses for the years ended December 31, 2016, 2015 and 2014 were \$15.0 million, \$17.7 million and \$21.1 million, respectively. Net realized losses during the year ended December 31, 2016 were comprised primarily of a \$12.6 million realization on the restructuring of our loan to CORE Entertainment, Inc. and a \$3.0 million loss due to the taxable reorganization of our investment in Boomerang Tube, LLC. Substantially all of the loss on CORE Entertainment, Inc. had been recognized on an unrealized basis in prior years.

Net realized losses during the year ended December 31, 2015 were comprised primarily of \$10.6 million in losses due the restructure of our loan to Edmentum, in which we received debt and equity in a de-levered company, and a \$12.4 million loss on our loan to Marsico Capital Management which was part of our pre-IPO legacy distressed debt strategy and generated substantial cash interest income. These losses were partially offset by a \$5.9 million gain on the partial disposition of our investment in NEXTracker.



Net realized losses during the year ended December 31, 2014 were primarily due the exit of two investments. We realized a loss of \$11.5 million from Doral Financial Corp, an investment acquired as part of our legacy strategy. The loss recognition had a de minimis impact on net asset value as the loss was previously included in unrealized losses at the beginning of the year. Additionally, we realized a \$5.2 million loss on Real Mex Holdco, LLC. This investment was initially acquired as part of our legacy distressed debt strategy. The overall Real Mex investment has generated substantial cash interest income.

S-18

**TABLE OF CONTENTS**

For the years ended December 31, 2016, 2015 and 2014, the change in net unrealized appreciation/depreciation was \$15.1 million, \$(4.7) million and \$(6.2) million, respectively. The change in net unrealized appreciation for the year ended December 31, 2016 was comprised primarily of realization of the previously recognized unrealized losses on CORE Entertainment, Inc., plus a \$5.9 million gain on Securus Technologies, Inc. and a \$4.7 million gain on Soasta, Inc. These gains were partially offset by a \$(5.1) million unrealized loss on Iracore.

The change in net unrealized depreciation for the year ended December 31, 2015 was comprised primarily of \$(9.7) million in CORE Entertainment, Inc., \$(5.9) million in Securus Technologies, Inc. and \$(2.7) million in RM OpCo, LLC as well as other mark to market adjustments resulting from market yield spreads during the period. These losses were partially offset by a \$6.2 million gain from AGY Holding Corp. and a \$2.3 million gain from NEXTracker and reversals of prior period net unrealized depreciation for the year ended December 31, 2015.

The change in net unrealized depreciation for the year ended December 31, 2014 was primarily a result of unrealized losses on two investments which performed below expectations, Edmentum (\$10.4 million) and Iracore (\$6.2 million), partially offset by a \$10.9 million reversal of the prior unrealized loss on the Doral investment.

***Income tax expense, including excise tax***

The Holding Company has elected to be treated as a RIC under Subchapter M of the Code and operates in a manner so as to qualify for the tax treatment applicable to RICs. To qualify as a RIC, the Holding Company must, among other things, timely distribute to its stockholders generally at least 90% of its investment company taxable income, as defined by the Code, for each year. The Company has made and intends to continue to make the requisite distributions to its stockholders which will generally relieve the Company from U.S. federal income taxes on the amounts distributed.

Depending on the level of taxable income earned in a tax year, we may choose to carry forward taxable income in excess of current year dividend distributions from such current year taxable income into the next tax year and pay a 4% excise tax on such income. Any excise tax expense is recorded at year end as such amounts are known. For the years ended December 31, 2016, 2015, and 2014, excise tax expenses of \$0.6 million, \$0.9 million and \$0.8 million were recorded, respectively, based on the amount of tax basis ordinary income carried forward at the respective year end.

***Gain on repurchase of Series A preferred interests***

Gains on the repurchase of Series A preferred interests for the years ended December 31, 2016, 2015 and 2014 were \$0.0 million, \$1.7 million and \$0.0 million, respectively. The gain on repurchase of Series A preferred interests during the year ended December 31, 2015 was due to the repurchase of 1,675 Preferred Interests on June 30, 2015 at a price of \$31.8 million.

***Dividends to preferred equity holders***

Dividends on the Preferred Interests for the years ended December 31, 2016, 2015 and 2014 were \$0.0 million, \$0.8 million and \$1.4 million, respectively. The decrease in dividends on Preferred Interests during the year ended December 31, 2016 compared to the year ended December 31, 2015 was due to the repurchase and retirement of all remaining Preferred Interests during 2015. The decrease in dividends on Preferred Interests for the year ended December 31, 2015 compared to the year ended December 31, 2014 was due to the repurchase of the 1,675 Preferred Interests on June 30, 2015 and the repurchase and retirement of all remaining Preferred Interests on September 3, 2015.

***Incentive compensation***

Incentive compensation distributable to the General Partner for the years ended December 31, 2016, 2015 and 2014 was \$19.1 million, \$19.9 million and \$15.2 million, respectively. Incentive compensation for the years ended December 31, 2016, 2015 and 2014 was distributable due to our performance exceeding the total return threshold. The change in reserve for incentive compensation to the General Partner for the years ended

S-19

TABLE OF CONTENTS

December 31, 2016, 2015 and 2014 was \$0.0 million, \$0.0 million and \$(1.2) million, respectively. The change in reserve for incentive compensation represents the change in the amount of additional incentive compensation which would have been distributed to the General Partner had we liquidated at net asset value at the respective period end.

***Net increase in net assets applicable to common shareholders resulting from operations***

The net increase in net assets resulting from operations was \$76.3 million, \$59.1 million and \$34.5 million for the years ended December 31, 2016, 2015 and 2014, respectively. The higher net increase in net assets applicable to common shareholders resulting from operations during the year ended December 31, 2016 is primarily due to the net realized and unrealized gains during the year ended December 31, 2016 compared to the net realized and unrealized losses during the year ended December 31, 2015. The higher net increase in net assets resulting from operations during the year ended December 31, 2015 compared to the year ended December 31, 2014 is primarily due to the higher net investment income and the smaller net realized and unrealized loss during the year ended December 31, 2015 compared to the year ended December 31, 2014.

**Liquidity and capital resources**

Since our inception, our liquidity and capital resources have been generated primarily through the initial private placement of common shares of SVCF (the predecessor entity) which were subsequently converted to common stock of the Holding Company, the net proceeds from the initial and secondary public offerings of our common stock, amounts outstanding under our Leverage Program, and cash flows from operations, including investments sales and repayments and income earned from investments and cash equivalents. The primary uses of cash have been investments in portfolio companies, cash distributions to our equity holders, payments to service our Leverage Program and other general corporate purposes.

The following table summarizes the total shares issued and proceeds received in offerings of the Company's common stock net of underwriting discounts and offering costs as well as shares issued in connection with the Company's dividend reinvestment plan for the year ended December 31, 2016.

	Shares Issued	Price Per Share	Net Proceeds
Shares issued from dividend reinvestment plan	610	\$ 15.83 *	\$ 9,657
Shares issued from conversion of convertible debt †	2,011,900	15.02	—
July 13, 2016 registered direct public offering	2,336,552	15.09	34,958,570

\* Weighted-average price per share.

† On April 18, 2016, the Company issued \$30.0 million in aggregate principal amount of a 5.25% convertible senior unsecured note due 2021 to CNO Financial Investments Corp. (the CNO Note). On June 7, 2016, the Company issued 2,011,900 shares of its common stock pursuant to the full conversion, at the holder's option, of the \$30.0 million in aggregate principal amount (plus accrued interest) of the CNO Note. The CNO Note was converted at a price of \$15.02 per share of common stock. No placement agent or underwriting fees were incurred in connection with the issuance or the conversion of the CNO Note.

The following table summarizes the total shares issued and proceeds received in offerings of the Company's common stock net of underwriting discounts and offering costs as well as shares issued in connection with the Company's dividend reinvestment plan for the year ended December 31, 2015.

Shares Issued	Price Per Share	Net Proceeds
---------------	-----------------	--------------

Edgar Filing: TCP Capital Corp. - Form 497

At-the-market offerings	248,614	\$	15.87	*	\$ 3,946,066
Shares issued from dividend reinvestment plan	555		14.62	*	8,116

\* Weighted-average price per share.

On October 3, 2014, we entered into an at-the-market equity offering program (the ATM Program ) with Raymond James & Associates Inc. through which we may offer and sell, by means of at-the-market offerings from time to time, shares of our common stock having an aggregate offering price of up to \$100,000,000.

On February 24, 2015, the Company s board of directors approved a stock repurchase plan (the Company Repurchase Plan ) to acquire up to \$50.0 million in the aggregate of the Company s common stock at prices at certain thresholds below the Company s net asset value per share, in accordance with the guidelines specified in Rule 10b-18 and Rule 10b5-1 of the Securities Exchange Act of 1934. The Company Repurchase Plan is

S-20

TABLE OF CONTENTS

designed to allow the Company to repurchase its common stock at times when it otherwise might be prevented from doing so under insider trading laws. The Company Repurchase Plan requires an agent selected by the Company to repurchase shares of common stock on the Company's behalf if and when the market price per share is at certain thresholds below the most recently reported net asset value per share. Under the plan, the agent will increase the volume of purchases made if the price of the Company's common stock declines, subject to volume restrictions. The timing and amount of any stock repurchased depends on the terms and conditions of the Company Repurchase Plan, the market price of the common stock and trading volumes, and no assurance can be given that any particular amount of common stock will be repurchased. The Company Repurchase Plan was re-approved on November 2, 2016, to be in effect through the earlier of two trading days after our fourth quarter 2016 earnings release, unless further extended or terminated by our board of directors, or such time as the approved \$50.0 million repurchase amount has been fully utilized, subject to certain conditions. The following table summarizes the total shares repurchased and amounts paid by the Company under the Company Repurchase Plan, including broker fees, for the year ended December 31, 2016:

	Shares Repurchased	Price Per Share	Total Cost
Company Repurchase Plan	141,896	\$ 13.25 *	\$ 1,879,548

\* Weighted-average price per share

Total leverage outstanding and available under the combined Leverage Program at December 31, 2016 were as follows:

	Maturity	Rate	Carrying Value*	Available	Total Capacity
SVCP Facility					
SVCP Revolver	2018	L+2.50 % <sup>†</sup>	\$ —	\$ 116,000,000	\$ 116,000,000
Term Loan	2018	L+2.50 % <sup>†</sup>	100,500,000	—	100,500,000
2019 Convertible Notes (\$108 million par)	2019	5.25 %	106,547,929	—	106,547,929
2022 Convertible Notes (\$140 million par)	2022	4.625 %	136,858,359	—	136,858,359
TCPC Funding Facility	2020	L+2.50 % <sup>‡</sup>	175,000,000	175,000,000	350,000,000
SBA Debentures	2024-2026	2.58 % <sup>§</sup>	61,000,000	89,000,000	150,000,000
Total leverage			579,906,288	\$ 380,000,000	\$ 959,906,288
Unamortized issuance costs			(8,247,426 )		
Debt, net of unamortized issuance costs			\$ 571,658,862		

\* Except for the convertible notes, all carrying values are the same as the principal amounts outstanding.

<sup>†</sup> Based on either LIBOR or the lender's cost of funds, subject to certain limitations

<sup>‡</sup> Or L+2.25% subject to certain funding requirements

<sup>§</sup> Weighted-average interest rate, excluding fees of 0.36%

On July 13, 2015, we obtained exemptive relief from the SEC to permit us to exclude debt outstanding under the SBA Program from our 200% asset coverage test under the 1940 Act. The exemptive relief provides us with increased flexibility under the 200% asset coverage test by permitting TCPC SBIC to borrow up to \$150.0 million more than it would otherwise be able to absent the receipt of this exemptive relief.

Net cash used in operating activities during the year ended December 31, 2016 was \$46.1 million. Our primary use of cash in operating activities during this period consisted of the settlement of acquisitions of investments (net of dispositions) of \$107.4 million, partially offset by net investment income less incentive allocation (net of non-cash income and expenses) of approximately \$61.3 million.

Net cash provided by financing activities was \$64.0 million during the year ended December 31, 2016, consisting primarily of \$140.0 million from the issuance of the 2022 Convertible Notes, \$35.0 million of net proceeds from the registered direct public offering of our common stock on July 13, 2016, \$30.0 million from proceeds from the issuance of the CNO Note (which was subsequently converted to common equity), reduced by the \$74.0 million in regular dividends on common equity, \$59.8 million of net repayments of debt, payment of \$5.3 million in debt issuance costs, and \$1.9 million in common shares repurchases.

At December 31, 2016, we had \$53.6 million in cash and cash equivalents.

S-21

## TABLE OF CONTENTS

The SVCP Facility and the TCPC Funding Facility are secured by substantially all of the assets in our portfolio, including cash and cash equivalents, and are subject to compliance with customary affirmative and negative covenants, including the maintenance of a minimum shareholders' equity, the maintenance of a ratio of not less than 200% of total assets (less total liabilities other than indebtedness) to total indebtedness, and restrictions on certain payments and issuance of debt. Unfavorable economic conditions may result in a decrease in the value of our investments, which would affect both the asset coverage ratios and the value of the collateral securing the SVCP Facility and the TCPC Funding Facility, and may therefore impact our ability to borrow under the SVCP Facility and the TCPC Funding Facility. In addition to regulatory restrictions that restrict our ability to raise capital, the Leverage Program contains various covenants which, if not complied with, could accelerate repayment of debt, thereby materially and adversely affecting our liquidity, financial condition and results of operations. At December 31, 2016, we were in compliance with all financial and operational covenants required by the Leverage Program.

Unfavorable economic conditions, while potentially creating attractive opportunities for us, may decrease liquidity and raise the cost of capital generally, which could limit our ability to renew, extend or replace the Leverage Program on terms as favorable as are currently included therein. If we are unable to renew, extend or replace the Leverage Program upon the various dates of maturity, we expect to have sufficient funds to repay the outstanding balances in full from our net investment income and sales of, and repayments of principal from, our portfolio company investments, as well as from anticipated debt and equity capital raises, among other sources. Unfavorable economic conditions may limit our ability to raise capital or the ability of the companies in which we invest to repay our loans or engage in a liquidity event, such as a sale, recapitalization or initial public offering. The SVCP Facility, the 2019 Convertible Notes, the 2022 Convertible Notes and the TCPC Funding Facility mature in July 2018, December 2019, March 2022 and March 2020, respectively. Any inability to renew, extend or replace the Leverage Program could adversely impact our liquidity and ability to find new investments or maintain distributions to our stockholders.

Challenges in the market are intensified for us by certain regulatory limitations under the Code and the 1940 Act. To maintain our qualification as a RIC, we must satisfy, among other requirements, an annual distribution requirement to pay out at least 90% of our ordinary income and short-term capital gains to our stockholders. Because we are required to distribute our income in this manner, and because the illiquidity of many of our investments may make it difficult for us to finance new investments through the sale of current investments, our ability to make new investments is highly dependent upon external financing. While we anticipate being able to continue to satisfy all covenants and repay the outstanding balances under the Leverage Program when due, there can be no assurance that we will be able to do so, which could lead to an event of default.

### **Contractual obligations**

In addition to obligations under our Leverage Program, we have entered into several contracts under which we have future commitments. Pursuant to an investment management agreement, the Advisor manages our day-to-day operations and provides investment advisory services to us. Payments under the investment management agreement are equal to a percentage of the value of our gross assets (excluding cash and cash equivalents) and an incentive compensation, plus reimbursement of certain expenses incurred by the Advisor. Under our administration agreement, the Administrator provides us with administrative services, facilities and personnel. Payments under the administration agreement are equal to an allocable portion of overhead and other expenses incurred by the Administrator in performing its obligations to us, and may include rent and our allocable portion of the cost of certain of our officers and their respective staffs. We are responsible for reimbursing the Advisor for due diligence and negotiation expenses, fees and expenses of custodians, administrators, transfer and distribution agents, counsel and directors, insurance, filings and registrations, proxy expenses, expenses of communications to investors, compliance expenses, interest, taxes, portfolio transaction expenses, costs of responding to regulatory inquiries and reporting to regulatory authorities, costs and expenses of preparing and maintaining our books and records, indemnification, litigation and other extraordinary expenses and such other expenses as are approved by the directors as being



reasonably related to our organization, offering, capitalization, operation or administration and any portfolio investments, as applicable. The Advisor is not responsible for any of the foregoing expenses and such services are not investment advisory services under the 1940 Act. Either party may terminate each of the investment management agreement and administration agreement without penalty upon not less than 60 days written notice to the other.

S-22

TABLE OF CONTENTS**Distributions**

Our quarterly dividends and distributions to common stockholders are recorded on the ex-dividend date. Distributions are declared considering our estimate of annual taxable income available for distribution to stockholders and the amount of taxable income carried over from the prior year for distribution in the current year. We do not have a policy to pay distributions at a specific level and expect to continue to distribute substantially all of our taxable income. We cannot assure stockholders that they will receive any distributions or distributions at a particular level.

The following tables summarize dividends declared for the years ended December 31, 2016 and 2015:

<b>Date Declared</b>	<b>Record Date</b>	<b>Payment Date</b>	<b>Type</b>	<b>Amount Per Share</b>	<b>Total Amount</b>
February 24, 2016	March 17, 2016	March 31, 2016	Regular	\$ 0.36	\$ 17,530,963
May 10, 2016	June 16, 2016	June 30, 2016	Regular	0.36	18,254,229
August 9, 2016	September 16, 2016	September 30, 2016	Regular	0.36	19,094,976
November 8, 2016	December 16, 2016	December 30, 2016	Regular	0.36	19,095,030
				\$ 1.44	\$ 73,975,198

<b>Date Declared</b>	<b>Record Date</b>	<b>Payment Date</b>	<b>Type</b>	<b>Amount Per Share</b>	<b>Total Amount</b>
March 10, 2015	March 19, 2015	March 31, 2015	Regular	\$ 0.36	\$ 17,535,826
May 7, 2015	June 16, 2015	June 30, 2015	Regular	0.36	17,625,370
August 6, 2015	September 16, 2015	September 30, 2015	Regular	0.36	17,625,310
November 5, 2015	December 17, 2015	December 31, 2015	Regular	0.36	17,590,638
				\$ 1.44	\$ 70,377,144

The following table summarizes the total shares issued in connection with our dividend reinvestment plan for the years ended December 31, 2016 and 2015:

	<b>2016</b>	<b>2015</b>
Shares Issued	610	555
Average Price Per Share	\$ 15.83	\$ 14.62
Proceeds	\$ 9,657	\$ 8,116

We have elected to be taxed as a RIC under Subchapter M of the Code. In order to maintain favorable RIC tax treatment, we must distribute annually to our stockholders at least 90% of our ordinary income and realized net short-term capital gains in excess of realized net long-term capital losses, if any, out of the assets legally available for distribution. In order to avoid certain excise taxes imposed on RICs, we must distribute during each calendar year an amount at least equal to the sum of:

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

We may, at our discretion, carry forward taxable income in excess of calendar year distributions and pay a 4% excise tax on this income. If we choose to do so, all other things being equal, this would increase expenses and reduce the amounts available to be distributed to our stockholders. We will accrue excise tax on estimated taxable income as required. In addition, although we currently intend to distribute realized net capital gains (i.e., net long-term capital

gains in excess of short-term capital losses), if any, at least annually, out of the assets legally available for such distributions, we may in the future decide to retain such capital gains for investment.

We have adopted an opt in dividend reinvestment plan for our common stockholders. As a result, if we declare a dividend or other distribution payable in cash, each stockholder that has not opted in to our dividend reinvestment plan will receive such dividends in cash, rather than having their dividends automatically reinvested in additional shares of our common stock.

S-23

## TABLE OF CONTENTS

We may not be able to achieve operating results that will allow us to make dividends and distributions at a specific level or to increase the amount of these dividends and distributions from time to time. Also, we may be limited in our ability to make dividends and distributions due to the asset coverage test applicable to us as a BDC under the 1940 Act and due to provisions in our existing and future credit facilities. If we do not distribute a certain percentage of our income annually, we will suffer adverse tax consequences, including possible loss of favorable RIC tax treatment. In addition, in accordance with U.S. generally accepted accounting principles and tax regulations, we include in income certain amounts that we have not yet received in cash, such as PIK interest, which represents contractual interest added to the loan balance that becomes due at the end of the loan term, or the accrual of original issue or market discount. Since we may recognize income before or without receiving cash representing such income, we may have difficulty meeting the requirement to distribute at least 90% of our investment company taxable income to obtain tax benefits as a RIC and may be subject to an excise tax.

In order to satisfy the annual distribution requirement applicable to RICs, we have the ability to declare a large portion of a dividend in shares of our common stock instead of in cash. As long as a large enough portion of such dividend is paid in cash (there is no definitive guidance as to what percentage of the dividend must be in cash) and certain requirements are met, the entire distribution will be treated as a dividend for U.S. federal income tax purposes.

### **Related Parties**

We have entered into a number of business relationships with affiliated or related parties, including the following:

- Each of the Holding Company, the Operating Company, TCPC Funding, and TCPC SBIC has entered into an investment management agreement with the Advisor.  
The Administrator provides us with administrative services necessary to conduct our day-to-day operations. For providing these services, facilities and personnel, the Administrator may be reimbursed by us for expenses incurred by the Administrator in performing its obligations under the administration agreement,
- including our allocable portion of the cost of certain of our officers and the Administrator's administrative staff and providing, at our request and on our behalf, significant managerial assistance to our portfolio companies to which we are required to provide such assistance.
- We have entered into a royalty-free license agreement with the Advisor, pursuant to which the Advisor has agreed to grant us a non-exclusive, royalty-free license to use the name TCP.  
Pursuant to its limited partnership agreement, the general partner of the Operating Company is Series H of SVOF/MM, LLC. SVOF/MM, LLC is an affiliate of the Advisor and certain other series and classes of SVOF/MM, LLC serve as the general partner or managing member of certain other funds managed by the Advisor.

The Advisor and its affiliates, employees and associates currently do and in the future may manage other funds and accounts. The Advisor and its affiliates may determine that an investment is appropriate for us and for one or more of those other funds or accounts. Accordingly, conflicts may arise regarding the allocation of investments or opportunities among us and those accounts. In general, the Advisor will allocate investment opportunities pro rata among us and the other funds and accounts (assuming the investment satisfies the objectives of each) based on the amount of committed capital each then has available. The allocation of certain investment opportunities in private placements is subject to independent director approval pursuant to the terms of the co-investment exemptive order applicable to us. In certain cases, investment opportunities may be made other than on a pro rata basis. For example, we may desire to retain an asset at the same time that one or more other funds or accounts desire to sell it or we may not have additional capital to invest at a time the other funds or accounts do. If the Advisor is unable to manage our investments effectively, we may be unable to achieve our investment objective. In addition, the Advisor may face conflicts in allocating investment opportunities between us and certain other entities that could impact our investment returns. While our ability to enter into transactions with our affiliates is restricted under the 1940 Act, we have received an exemptive order from the SEC permitting certain affiliated investments subject to certain conditions. As a

result, we may face conflict of interests and investments made pursuant to the exemptive order conditions which could in certain circumstances affect adversely the price paid or received by us or the availability or size of the position purchased or sold by us.

S-24

TABLE OF CONTENTS**Recent Developments**

From January 1, 2017 through February 24, 2017, the Operating Company has invested approximately \$90.8 million primarily in five senior secured loans, as well as investments in two portfolios of debt and lease assets, with a combined effective yield of approximately 10.2%.

On February 22, 2017, our board of directors re-approved the Company Repurchase Plan, to be in effect through the earlier of two trading days after our first quarter 2017 earnings release or such time as the approved \$50.0 million repurchase amount has been fully utilized, subject to certain conditions.

On February 28, 2017, our board of directors declared a first quarter regular dividend of \$0.36 per share payable on March 31, 2017 to stockholders of record as of the close of business on March 17, 2017.

On March 9, 2017, our board of directors appointed Kathleen A. Corbet as an independent director to our board of directors effective March 9, 2017.

**QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK**

We are subject to financial market risks, including changes in interest rates. At December 31, 2016, 80.5% of debt investments in our portfolio bore interest based on floating rates, such as LIBOR, EURIBOR, the Federal Funds Rate or the Prime Rate. The interest rates on such investments generally reset by reference to the current market index after one to six months. At December 31, 2016, the percentage of floating rate debt investments in our portfolio that bore interest based on an interest rate floor was 77.0%. Floating rate investments subject to a floor generally reset by reference to the current market index after one to six months only if the index exceeds the floor.

Interest rate sensitivity refers to the change in earnings that may result from changes in the level of interest rates. Because we fund a portion of our investments with borrowings, our net investment income is affected by the difference between the rate at which we invest and the rate at which we borrow. As a result, there can be no assurance that a significant change in market interest rates will not have a material adverse effect on our net investment income. We assess our portfolio companies periodically to determine whether such companies will be able to continue making interest payments in the event that interest rates increase. There can be no assurances that the portfolio companies will be able to meet their contractual obligations at any or all levels of increases in interest rates.

Based on our December 31, 2016 balance sheet, the following table shows the annual impact on net income (excluding the related incentive compensation impact) of base rate changes in interest rates (considering interest rate floors for variable rate instruments) assuming no changes in our investment and borrowing structure:

<b>Basis Point Change</b>	<b>Interest income</b>	<b>Interest Expense</b>	<b>Net Income</b>
Up 300 basis points	\$ 32,720,925	\$ (10,095,000 )	\$ 22,625,925
Up 200 basis points	21,938,241	(6,730,000 )	15,208,241
Up 100 basis points	11,158,015	(3,365,000 )	7,793,015
Down 100 basis points	(2,488,377 )	3,288,615	800,237
Down 200 basis points	(2,488,377 )	3,288,615	800,237
Down 300 basis points	(2,488,377 )	3,288,615	800,237

TABLE OF CONTENTS

**INVESTMENT PORTFOLIO**

The following is a listing of each portfolio company investment, together referred to as our investment portfolio, at December 31, 2016. Percentages shown for class of securities held by us represent percentage of the class owned and do not necessarily represent voting ownership or economic ownership. Percentages shown for equity securities other than warrants or options represent the actual percentage of the class of security held before dilution. Percentages shown for warrants and options held represent the percentage of class of security we may own on a fully diluted basis assuming we exercise our warrants or options. Each variable rate debt investment that is determined by a reference to LIBOR resets either monthly, quarterly, semi-annually or annually.

On December 31, 2016, our board of directors approved the valuation of our investment portfolio at fair value as determined in good faith using a consistently applied valuation process in accordance with our documented valuation policy that has been reviewed and approved by our board of directors, who also approve in good faith the valuation of such securities as of the end of each quarter. For more information relating to our investments, see our schedules of investments included in our financial statements appearing elsewhere in this prospectus.

S-26

TABLE OF CONTENTS

<b>Company Address</b>	<b>Instrument</b>	<b>Ref</b>	<b>Floor</b>	<b>Spread</b>	<b>Total Coupon</b>	<b>Maturity</b>	<b>Principal</b>	<b>Cost</b>	<b>Fair Value</b>
Two Lincoln Centre 5420 LBJ Freeway, Suite 900 Dallas, TX 75240	First Lien Term Loan	LIBOR (Q)	1.00 %	6.75%	7.75 %	12/20/2021	\$ 14,769,821	\$ 14,623,499	\$ 14,622,123
Two Lincoln Centre 5420 LBJ Freeway, Suite 900 Dallas, TX 75240	Revolver	LIBOR (Q)	1.00 %	6.75%	N/A	12/20/2021	\$ —	(6,669 )	(6,713 )
126 East 56th Street, 33rd floor New York, NY 10022	First Lien Term Loan B2	LIBOR (Q)	1.50 %	5.25%	6.75 %	5/8/2017	\$ 11,289,051	11,134,310 25,751,140	10,893,934 25,509,344
5401 N. Central Expressway, Suite 300 Dallas, TX 75205	First Lien FILO Term Loan	LIBOR (Q)	1.00 %	8.96%	9.96 %	12/23/2019	\$ 12,891,845	12,773,127	12,898,291
30 Cecil Street, # 19-08 Prudential Tower	First Lien Delayed Draw Tranche 1 Term Loan	LIBOR (M)	0.33 %	10.17%	10.98 %	9/1/2018	\$ 15,000,000	14,772,946	14,704,508



Edgar Filing: TCP Capital Corp. - Form 497

Singapore 04912	(1.25% Exit Fee)									
30 Cecil Street, # 19-08 Prudential Tower	First Lien Delayed Draw									
Singapore 04912	Tranche 2 Term Loan	LIBOR (M)	0.33 %	10.17%	N/A	9/1/2018	\$ —	—	—	—
30 Cecil Street, # 19-08 Prudential Tower	First Lien Delayed Draw									
Singapore 04912	Tranche 3 Term Loan	LIBOR (M)	0.33 %	10.17%	N/A	9/1/2018	\$ —	—	—	—
								14,772,946	14,704,508	
<b>ion</b>										
410 North 44th Street, Suite 700 Phoenix Arizona 85008	Acquisition Loan	LIBOR (M)	—	7.25%	8.00 %	7/15/2022	\$ 14,042,971	13,839,296	14,323,830	
410 North 44th Street, Suite 700 Phoenix Arizona 85008	Engine Acquisition Delayed Draw Term Loan A	LIBOR (M)	—	7.25%	8.00 %	12/14/2021	\$ 16,546,652	16,259,013	16,257,105	
410 North 44th Street, Suite 700 Phoenix Arizona 85008	Engine Acquisition Delayed Draw Term Loan B	LIBOR (M)	—	7.25%	N/A	2/28/2022	\$ —	—	—	—
410 North 44th Street, Suite 700 Phoenix Arizona 85008	Engine Acquisition Delayed Draw Term Loan C	LIBOR (M)	—	7.25%	N/A	12/31/2022	\$ —	—	—	—
								30,098,309	30,580,935	
6680 Amelia Earhart Court, Las	First Lien Revolver	LIBOR (M)	—	8.25%	N/A	12/20/2018	\$ —	(1,655,756 )	(937,500 )	

Edgar Filing: TCP Capital Corp. - Form 497

Vegas, NV 89119										
935 Gravier St #1200, New Orleans, LA 70112	First Lien Term Loan	LIBOR (Q)	1.00 %	6.5% Cash + 2% PIK	9.50 %	11/3/2020	\$ 24,220,291	23,755,180	23,735,885	
935 Gravier St #1200, New Orleans, LA 70112	Sr Secured Revolver	LIBOR (Q)	1.00 %	6.5% Cash + 2% PIK	N/A	11/3/2020	\$ —	(16,444 )	(17,123 )	
								22,082,980	22,781,262	
Six Neshaminy Interplex, 6th Floor Trevoise, Pennsylvania 19053										
	First Lien Term Loan (First Out)	LIBOR (Q)	1.25 %	5.75%	7.00 %	6/3/2021	\$ 9,700,000	9,541,402	9,700,000	
Six Neshaminy Interplex, 6th Floor Trevoise, Pennsylvania 19053										
	First Lien Term Loan B (Last Out)	LIBOR (Q)	1.25 %	12.25%	13.50 %	6/3/2021	\$ 9,800,000	9,646,339	9,800,000	
1411 Broadway #39 New York, NY 10018										
	First Lien FILO Term Loan	LIBOR (M)	1.00 %	9.60%	10.60 %	4/8/2019	\$ 2,714,632	2,705,143	2,741,779	
								21,892,884	22,241,779	
950 Holmdel Road Holmdel, NJ 07733										
	First Lien Delayed Draw Term Loan	LIBOR (Q)	1.00 %	7.50%	8.50 %	7/25/2021	\$ —	—	—	
950 Holmdel Road Holmdel, NJ 07733										
	First Lien Term Loan	LIBOR (Q)	1.00 %	7.50%	8.50 %	7/25/2021	\$ 14,295,589	14,092,734	14,188,374	
								14,092,734	14,188,374	

Edgar Filing: TCP Capital Corp. - Form 497

111 Market Place Baltimore, MD 21202	Sr Secured Revolving Loan	LIBOR (Q)	0.23 %	8.52%	N/A	11/30/2018	\$ —	(17,798 )	70,000
111 Market Place Baltimore, MD 21202	Sr Secured Term Loan (1.0% Exit Fee)	LIBOR (Q)	0.23 %	9.27%	10.12 %	11/30/2019	\$ 23,937,500	23,867,666	24,356,406
100 Carillon Parkway, St. Petersburg, FL 33716	Second Lien Term Loan	LIBOR (Q)	1.00 %	9.25%	10.25 %	6/30/2023	\$ 31,000,000	30,588,757 54,438,625	30,336,600 54,763,006

S-27

TABLE OF CONTENTS

<b>Company Address</b>	<b>Instrument</b>	<b>Ref</b>	<b>Floor</b>	<b>Spread</b>	<b>Total Coupon</b>	<b>Maturity</b>	<b>Principal</b>	<b>Cost</b>	<b>Fair Value</b>
<b>(continued)</b>									
284 John Ford Road Ashfield, MA 01330	Sr Secured Term Loan (8.0% Exit Fee)	LIBOR (Q)	—	10.63%	11.63 %	2/1/2018	\$ 7,563,676	\$ 7,995,360	\$ 8,250,45
1130 Gahanna Parkway Columbus, Ohio 43230	Sr Secured Delayed Draw Term Loan (12.4% Exit Fee)	Prime Rate	—	7.75%	11.50 %	6/30/2019	\$ 15,000,000	15,468,439	14,905,500
Gompenstraat 49 5145 RM Waalwijk, The Netherlands	First Lien Delayed Draw Term Loan	LIBOR (Q)	—	8.00%	9.00 %	10/12/2021	\$ 253,581	245,565	251,684
Gompenstraat 49 5145 RM Waalwijk, The Netherlands	First Lien Delayed Draw Term Loan	LIBOR (Q)	—	8.00%	9.00 %	10/12/2021	\$ 3,864,583	3,836,083	3,835,599
233 South Hillview Dr. Milpitas, CA 95035	First Lien Delayed Draw Term Loan (3.5% Exit Fees)	LIBOR (Q)	—	9.81%	10.75 %	4/1/2019	\$ 10,000,000	9,526,456	9,712,000
								37,071,903	36,955,240
ns, 45 Oser Ave., Hauppauge, NY 11788-3816	First Lien Term Loan	LIBOR (Q)	1.25 %	7.63%	8.88 %	12/11/2018	\$ 14,480,001	14,335,200	14,480,002
Triangle Acquisition Co. (Polycom)	First Lien Term Loan	LIBOR (Q)	1.00 %	6.50%	7.50 %	9/27/2023	\$ 4,835,417	4,646,389	4,877,727
								18,981,589	19,357,729

d

945 East Paces Ferry Road, Suite 2500 Atlanta, GA 30326	First Lien Term Loan	LIBOR (Q)	1.00 %	6.75%	7.75 %	9/1/2022	\$ 9,975,000	9,784,353	9,875,250
100 Avenida La Pata San Clemente, CA 92673 4675 MacArthur Court Suite 900 Newport Beach, CA 92660	Senior Secured 1st Lien Term Loan	LIBOR (M)	1.00 %	10.00%	11.00 %	2/10/2021	\$ 17,500,000	16,884,459	17,291,750
901 Mariners Island Blvd #200, San Mateo, CA 94404	Second Lien Term Loan	LIBOR (M)	1.00 %	7.50%	8.50 %	5/29/2021	\$ 6,993,035	6,953,617	7,001,777
901 Mariners Island Blvd #200, San Mateo, CA 94404	First Lien Term Loan	LIBOR (Q)	1.00 %	9.50%	10.50 %	8/16/2021	\$ 23,295,455	22,630,922	22,887,784
155 Commerce Valley Drive East, Thornhill ON, Canada L3T 7T2	Senior Secured Revolver	LIBOR (Q)	1.00 %	9.50%	10.50 %	8/16/2021	\$ —	(47,341 )	21,307
155 Commerce Valley Drive East, Thornhill ON, Canada L3T 7T2	First Lien Term Loan B	LIBOR (Q)	—	8.00%	8.90 %	9/3/2018	\$ 2,314,000	2,314,000	2,314,000
18101 Von Karman Ave. #400, Irvine, CA 92612	First Lien Term Loan B	LIBOR (Q)	—	8.00%	8.90 %	9/3/2018	\$ 3,738,000	3,738,000	3,738,000
18101 Von Karman Ave. #400, Irvine,	First Lien Term Loan	LIBOR (Q)	—	8.00%	8.90 %	9/3/2018	\$ 3,160,000	3,151,013	3,160,000

Edgar Filing: TCP Capital Corp. - Form 497

CA 92612	First Lien									
25 Division St., San Francisco, CA 94103	Delayed Draw Term Loan (3.0% Exit Fee)	LIBOR (Q)	—	11.67%	12.48 %	9/1/2018	\$ 4,800,000	4,827,231	4,970,640	80,505,041
										81,580,508
1475 N. Scottsdale Road, Suite 120 Scottsdale, AZ 85257	First Lien Term Loan	Fixed	—	9.00%	9.00 %	1/15/2020	\$ 6,876,756	6,876,756	6,876,756	6,876,756
1200 Brickell Avenue, Suite 800 Miami, FL 33131	First Lien Term Loan	Fixed	—	9% Cash + 1% PIK	10.00 %	9/10/2017	\$ 7,518,173	7,491,471	7,442,991	7,442,991
6500 Kaiser Dr. Fremont, CA 94555	Tranche A Term Loan (3.0% Exit Fee)	LIBOR (Q)	0.44 %	9.33%	10.15 %	3/1/2018	\$ 15,666,296	15,483,478	15,471,251	15,471,251
6500 Kaiser Dr. Fremont, CA 94555	Tranche B Term Loan	LIBOR (Q)	0.44 %	9.33%	10.15 %	9/1/2017	\$ 1,603,779	1,556,152	1,563,204	17,039,630
										17,034,455
129 Summit Avenue, Suite 1000 Summit, NJ 07901	Senior Note	Fixed	—	12.00%	12.00 %	11/1/2020	\$ 29,203,304	29,203,304	29,203,304	29,203,304
1486 East Valley Road Santa Barbara, CA	Sr Secured Term Loan	Fixed	—	8.00%	8.00 %	8/15/2018	\$ 1,685,289	1,685,289	1,718,994	1,718,994

93108

30,888,593 30,922,298

S-28

TABLE OF CONTENTS

<b>Company Address</b>	<b>Instrument</b>	<b>Ref</b>	<b>Floor</b>	<b>Spread</b>	<b>Total Coupon</b>	<b>Maturity</b>	<b>Principal</b>	<b>Cost</b>	<b>Fair Value</b>	<b>IN</b>
<b>909 W 9th Ave Anchorage, AK 99501</b>	First Lien Term Loan B	LIBOR (M)	1.25 %	6.75%	8.00 %	3/15/2018	\$ 879,513	\$ 834,963	\$ 853,128	
<b>ment Activities</b>										
<b>5 Harbourmaster Place, Dublin, 1 Ireland</b>	Asset-Backed Credit Linked Notes	Fixed	—	13.13%	13.13 %	8/2/2021	\$ 15,000,000	15,000,000	14,994,000	
<b>22402 S. Basha Road, Chandler, AZ 85248</b>	First Lien FILO Term Loan	LIBOR (M)	1.50 %	8.80%	10.30 %	10/8/2019	\$ 9,333,235	9,297,529	9,426,567	
<b>1301 N. Tustin Ave Santa Ana, CA 92705</b>	First Lien Term Loan	LIBOR (Q)	1.00 %	9.25%	10.51 %	8/28/2020	\$ 12,071,083	11,857,665	12,375,878	
<b>6800 Indiana Avenue, Suite 130 Riverside, CA 92506</b>	Senior Secured 1st Lien Delayed Draw Term Loan	LIBOR (M)	2.00 %	9.70%	11.70 %	10/23/2019	\$ 10,828,233	10,806,929 22,664,594	10,828,233 23,204,111	
<b>3 Parkway North, Suite 500 Deerfield, IL 60015</b>	First Lien Delayed Draw Term Loan	Prime	—	4.50%	8.25 %	12/30/2022	\$ —	(8,333 )	—	
<b>3 Parkway North, Suite 500 Deerfield, IL 60015</b>	First Lien Revolver	Prime	—	4.50%	8.25 %	12/30/2021	\$ —	(7,595 )	—	
<b>3 Parkway North, Suite 500 Deerfield,</b>	First Lien Term Loan	Prime	—	4.50%	8.25 %	12/30/2022	\$ 3,407,121	3,373,050	3,373,050	



## Edgar Filing: TCP Capital Corp. - Form 497

IL 60015 6034 W Courtyard Dr # 300, Austin, TX 78730	Second Lien Term Loan	LIBOR (M)	1.00 %	8.75%	9.75 %	6/8/2023	\$ 8,277,983	8,112,882	8,112,423
1221 Brickell Avenue, Suite 2660 Miami, Florida 33131	First Lien Term Loan	LIBOR (Q)	1.00 %	6.50%	7.50 %	8/31/2021	\$ 3,750,000	3,689,740	3,731,250
227 W. Monroe St., Suite 650 Chicago, IL 60606	First Lien Term Loan	LIBOR (Q)	0.50 %	13.62%	14.49 %	8/29/2019	\$ 20,015,152	19,533,393 34,693,137	20,015,152 35,231,875
100 West 33rd Street, Suite 1007 New York, NY 10001	Second Lien Term Loan	LIBOR (Q)	1.00 %	8.50%	9.50 %	5/27/2022	\$ 16,573,588	16,434,441	16,739,324
100 West 33rd Street, Suite 1007 New York, NY 10001	Second Lien Incremental Term Loan	LIBOR (Q)	1.00 %	8.50%	9.50 %	5/27/2022	\$ 3,426,412	3,396,918 19,831,359	3,460,676 20,200,000
2475 Hanover Street Palo Alto, CA 94304	First Lien Term Loan	LIBOR (Q)	1.00 %	8.75%	9.75 %	10/31/2019	\$ 23,995,511	23,613,049	23,699,166
650 Madison Avenue Floor 16 New York, NY 10022	First Lien Term Loan	LIBOR (Q)	1.00 %	8.0% PIK	9.00 %	10/17/2022	\$ 1,445,592	1,445,592	1,387,712

Edgar Filing: TCP Capital Corp. - Form 497

1500 Sycamore Rd, Montoursville, PA 17754	First Lien Delayed Draw Term Loan	LIBOR (M)	0.50 %	9.50%	10.24 %	12/21/2021	\$ 32,392,942	31,888,166	31,939,467
3701 Regent Blvd, Irving, TX 75063	First Lien Delayed Draw Term Loan	LIBOR (M)	1.00 %	6.50%	7.50 %	6/30/2020	\$ 13,333,333	13,136,017	13,133,333
Caparra Hills 2, Tabonuco Street, Suite 303, Guaynabo, PR 00968	Sr Secured Notes	Fixed	—	11.50%	11.50 %	11/15/2019	\$ 28,678,000	28,568,148	29,108,170
11737 Central Parkway, Suite 200 Jacksonville, FL 32224	First Lien Delayed Draw Term Loan	LIBOR (M)	—	9.50%	10.27 %	1/12/2020	\$ 17,500,000	17,300,337	16,992,500
152 West 57th St 60th Floor New York, NY 10019	First Lien Term Loan	LIBOR (Q)	1.00 %	8.00%	9.00 %	3/26/2021	\$ 16,062,731	15,912,928	16,207,296
PO Box 1093, Queensgate House, George Town, KY1-1102, Cayman Islands	Secured Class B Notes	Fixed	—	10.75%	10.75 %	11/13/2018	\$ 15,084,000	15,084,000 121,889,596	14,857,740 122,238,506

TABLE OF CONTENTS

<b>Company Address</b>	<b>Instrument</b>	<b>Ref</b>	<b>Floor</b>	<b>Spread</b>	<b>Total Coupon</b>	<b>Maturity</b>	<b>Principal</b>	<b>Cost</b>	<b>Fair Value</b>	<b>Interest</b>
l, 805 Third Ave. 21st Floor New York, New York 10022	Delayed Draw Term Loan	LIBOR (M)	1.00 %	8.50%	9.50 %	7/31/2020	\$ 1,251,626	\$ 1,227,886	\$ 1,231,183	
l, 805 Third Ave. 21st Floor New York, New York 10022	Revolver Loan	LIBOR (M)	1.00 %	8.50%	9.50 %	7/31/2020	\$ 491,303	480,225	481,674	
l, 805 Third Ave. 21st Floor New York, New York 10022	First Lien Term Loan	LIBOR (M)	1.00 %	8.50%	9.50 %	7/31/2020	\$ 15,408,563	15,204,465	15,257,559	
h, 29 Broadway, 10th floor New York, NY 10006	First Lien Term Loan	LIBOR (Q)	0.50 %	10.50%	11.38 %	12/11/2020	\$ 4,936,601	4,853,985	4,973,625	
c/o Jag Shaw Baker, Berners House 47-48 Berners Street, London W1T 3NF	Sr Secured Term Loan (2.0% Exit Fee)	LIBOR (M)	0.28 %	10.72%	11.60 %	10/1/2018	\$ 31,550,000	31,632,236	32,510,698	
LLC 7 Times Square, 38th Floor New York, NY 10036	Second Lien Term Loan	LIBOR (M)	1.00 %	7.75%	8.75 %	11/6/2021	\$ 19,988,392	19,769,829 73,168,626	19,663,581 74,118,320	
ring Corp. 2556 Wagener Rd, Aiken,	Sr Secured Term Loan	Fixed	—	12.00%	12.00 %	9/15/2018	\$ 4,869,577	4,869,577	4,869,710	

Edgar Filing: TCP Capital Corp. - Form 497

Corp.	SC 29801 2556 Wagener Rd, Aiken, SC 29801	Second Lien Notes	Fixed	—	11.00%	11.00 %	11/15/2018	\$ 9,268,000	7,586,317	9,268,000
Corp.	2556 Wagener Rd, Aiken, SC 29801	Delayed Draw Term Loan	Fixed	—	12.00%	12.00 %	9/15/2018	\$ 1,049,146	1,049,146	1,049,147
	4721 Emperor Boulevard, Suite 100 Durham, NC 27703	Second Lien Term Loan	LIBOR (M)	1.00 %	6.25%	7.25 %	11/15/2021	\$ 5,000,000	4,900,613	5,000,000
	14567 North Outer Forty, Suite 500, Chesterfield, MO 63017	Subordinated Notes	LIBOR (M)	—	17.50%	N/A	2/1/2021	\$ 1,030,741	1,030,740 19,436,393	107,200 20,294,057
	7 World Trade Center, 46th Fl New York City, NY 10007	First Lien Revolver	LIBOR (Q)	—	9.00%	N/A	4/29/2021	\$ —	(24,000 )	15,000
	7 World Trade Center, 46th Fl New York City, NY 10007	First Lien Term Loan	LIBOR (Q)	—	9.00%	9.88 %	4/29/2021	\$ 8,614,356	8,459,058	8,549,749
alth,	330 North Wabash Avenue Suite 2500 Chicago, IL 60601	First Lien Term Loan B	LIBOR (M)	1.00 %	6.50%	7.50 %	12/23/2021	\$ 13,636,364	12,272,727 20,707,785	12,477,273 21,042,022
ions	gies, 14651 Dallas Parkway, Dallas, TX 75254	Second Lien Term Loan	LIBOR (Q)	1.25 %	7.75%	9.00 %	4/30/2021	\$ 4,516,129	4,470,968	4,407,177

Edgar Filing: TCP Capital Corp. - Form 497

	331 Treble Cove Road North Billerica, MA 01862	First Lien Term Loan	LIBOR (M)	1.00 %	6.00%	7.00 %	6/30/2022	\$ 8,642,604	8,199,514	8,664,210
<b>Manufacturing</b>										
Real Estate	3516 13th Ave E, Hibbing, MN 55746	Sr Secured Notes	Fixed	—	9.50%	9.50 %	6/1/2018	\$ 13,600,000	14,246,000	4,503,640
<b>Construction</b>										
	3415 University Avenue, St. Paul, MN 55114	Sr Secured Notes	Fixed	—	10.38%	10.38 %	7/1/2019	\$ 7,312,000	7,312,000	4,435,972
	667 Madison Avenue, 10th Floor New York, NY 10065	Second Lien Term Loan	LIBOR (M)	1.25 %	8.75%	10.00 %	7/22/2020	\$ 15,981,496	15,727,220 23,039,220	16,141,311 20,577,283
<b>Warehousing</b>										
	180 N Stetson Ave Suite 3650, Chicago, IL 60601	First Lien Term Loan	LIBOR (Q)	1.00 %	7.00%	8.00 %	10/13/2022	\$ 5,000,000	4,902,332	5,000,000
Real Estate	5660 Katella Ave., Suite 100, Cypress, CA 90630	Convertible Second Lien Term Loan Tranche B-1	Fixed	—	8.50%	8.50 %	3/30/2018	\$ 1,943,371	1,943,371	1,943,371
Real Estate	5660 Katella Ave., Suite 100, Cypress, CA 90630	First Lien Term Loan Tranche A	Fixed Fixed	— —	7.00% 8.50%	7.00 % 8.50 %	3/30/2018 3/30/2018	\$ 4,871,284 \$ 9,683,150	4,587,898 9,683,150	4,871,284 3,154,770

Edgar Filing: TCP Capital Corp. - Form 497

Real	5660 Katella Ave., Suite 100, Cypress, CA 90630	Second Lien Term Loan Tranche B										
Real	5660 Katella Ave., Suite 100, Cypress, CA 90630	Second Lien Term Loan Tranche B-1	Fixed	—	8.50%	8.50 %	3/30/2018	\$ 3,049,554	3,034,132	3,049,555		
Real	5660 Katella Sr Ave., Suite 100, Cypress, CA 90630	Convertible Second Lien Term Loan B	Fixed	—	8.50%	8.50 %	3/30/2018	\$ 4,251,368	4,251,368	4,251,368	23,499,919	17,270,348

S-30

TABLE OF CONTENTS

<b>Company Address</b>	<b>Instrument</b>	<b>Ref</b>	<b>Floor</b>	<b>Spread</b>	<b>Total Coupon</b>	<b>Maturity</b>	<b>Principal</b>	<b>Cost</b>	<b>Fair Value</b>
2801 East Market Street York PA 17402, US	First Lien Tranche A-1 Revolver	LIBOR (Q)	1.00 %	9.50%	10.50 %	3/15/2021	\$ 4,432,934	\$ 4,348,162	\$ 4,388,6
180 East Fifth Street, Suite 1300 St. Paul, Minnesota 55101	Second Lien Term Loan	LIBOR (M)	—	9.50%	10.44 %	6/15/2018	\$ 14,740,910	14,618,096	14,749,7
500 Howard Street San Francisco, CA 94105	First Lien Term Loan	LIBOR (Q)	—	10.25%	11.18 %	9/24/2020	\$ 12,857,349	12,618,039	13,050,2
603 West 50th Street, New York, NY 10019	First Lien FILO Term Loan	LIBOR (M)	1.00 %	8.50%	9.50 %	9/25/2020	\$ 20,672,789	20,491,699 52,075,996	20,879,5 53,068,0
20 Black Friars Lane, London EC4V 6EB	Sr Secured Notes	Fixed	—	10.00%	10.00 %	10/1/2019	\$ 9,393,000	9,393,000	5,665,1
401 Hackensack Ave Fl 9 Hackensack, NJ 07601-6402	First Lien Term Loan	LIBOR (Q)	1.00 %	8.50%	9.50 %	11/3/2021	\$ 35,192,124	34,499,517	34,796,2
Rheinweg 9 8200 Schaffhausen,	First Lien Term Loan	LIBOR (Q)	1.00 %	11.50%	12.50 %	6/9/2017	\$ 28,336,513	\$ 28,329,478	\$ 28,165,

Edgar Filing: TCP Capital Corp. - Form 497

Switzerland										
1 Computer Associates Plaza Islandia, NY 11749	Second Lien Term Loan	LIBOR (Q)	0.50 %	8.5% Cash + 1.25% PIK	10.75 %	1/31/2020	\$ 30,222,833	29,851,330	28,893,0	
9050 Irvine Center Dr. Irvine, CA 92618	First Lien Term Loan	LIBOR (Q)	0.25 %	5.75% Cash + 3% PIK	9.63 %	3/31/2019	\$ 35,627,947	35,263,561	35,538,8	
Blue Hornet Networks Inc 2355 Northside Dr, San Diego, CA 92108	First Lien Term Loan	LIBOR (Q)	—	9.50%	10.35 %	12/31/2017	\$ 5,837,798	5,754,455	5,823,2	
5600 W 83rd Street, Suite 300, Bloomington, MN, 55437	Jr Revolving Facility	Fixed	—	5.00%	5.00 %	6/9/2020	\$ —	—	—	
5600 W 83rd Street, Suite 300, Bloomington, MN, 55437	Sr PIK Notes	Fixed	—	8.50%	8.50 %	6/9/2020	\$ 2,846,243	2,846,243	2,846,2	
5600 W 83rd Street, Suite 300, Bloomington, MN, 55437	Jr PIK Notes	Fixed	—	10.00%	10.00 %	6/9/2020	\$ 13,040,391	12,539,980	12,101,4	
1601 Trapelo Rd Ste. 270 Waltham, MA 02451	First Lien Term Loan	LIBOR (Q)	1.00 %	6.0% Cash + 2.0% PIK	9.00 %	11/4/2019	\$ 42,565,572	41,986,034	42,991,2	
1601 Trapelo Rd Ste. 270 Waltham, MA 02451	Sr Secured Revolver	LIBOR (Q)	1.00 %	8.00%	9.00 %	11/4/2019	\$ 3,182,143	3,182,143	3,213,9	
7900 International Drive, Suite 800 Bloomington, MN 55425	Second Lien Term Loan	LIBOR (Q)	—	13.00%	13.95 %	9/10/2021	\$ 11,513,361	11,196,782	11,334,9	
7900 International Drive, Suite 800	Second Lien Term Loan B	LIBOR (Q)	—	13.00%	13.95 %	9/10/2021	\$ 11,513,362	11,196,782	11,334,9	



Edgar Filing: TCP Capital Corp. - Form 497

Bloomington, MN 55425										
444 Castro Street, Suite 400 Mountain View, CA 94041	Senior Secured 1st Lien Term Loan (4.0% Exit Fee)	LIBOR (M)	—	9.56%	10.50 %	4/1/2019	\$ 17,880,435	17,783,558	19,037,2	
444 Castro Street, Suite 400 Mountain View, CA 94041	Convertible Promissory Note	Fixed	—	10.00%	10.00 %	12/16/2017	\$ 2,282,609	2,282,609	5,504,0	
245 Chapman St Providence, RI 02905	First Lien Delayed Draw Term Loan (1.0% Exit Fee)	LIBOR (M)	0.62 %	9.88%	10.69 %	1/1/2019	\$ 3,200,000	3,135,670 205,348,625	3,080,0 209,864,2	
285 Kraft Dr., Dalton, GA 30721	First Lien Term Loan	LIBOR (Q)	1.00 %	10.00%	11.00 %	12/19/2019	\$ 22,804,525	22,804,525	22,827,3	
285 Kraft Dr., Dalton, GA 30721	First Lien Term Loan B	LIBOR (Q)	1.00 %	10.00%	11.00 %	12/19/2019	\$ 7,822,482	7,681,925 30,486,450	7,830,3 30,657,6	
Cricket Square, Hutchins Drive P.O. Box 2681 Grand Cayman KYI I III Cayman Islands Cricket Square, Hutchins Drive P.O. Box 2681 Grand Cayman KYI I III Cayman Islands	Bank Guarantee Credit Facility	Fixed	—	8.2% Cash + 3.5% PIK	11.70 %	7/2/2017	\$ 21,276,420	21,276,420	21,276,6	
Cricket Square, Hutchins Drive P.O. Box 2681 Grand Cayman KYI I III Cayman Islands	Revolving Credit Facility	Fixed	—	8.20%	8.20 %	7/2/2017	\$ 4,000,000	4,000,000 25,276,420	4,000,0 25,276,6	

1221 West Maple St. Hartville, OH 44632	First Lien Term Loan	LIBOR (Q)	1.00 %	9.50%	10.50 %	9/1/2021	\$ 21,023,109	20,424,799	21,601,2
--	-------------------------	--------------	--------	-------	---------	----------	---------------	------------	----------

S-31

TABLE OF CONTENTS

<b>Company Address</b>	<b>Instrument</b>	<b>Ref</b>	<b>Floor</b>	<b>Spread</b>	<b>Total Coupon</b>	<b>Maturity</b>	<b>Principal</b>	<b>Cost</b>	<b>Fair Value</b>
<b>(continued)</b>									
406 N Carancahua St, Corpus Christi, TX 78401	First Lien Delayed Draw FILO Term Loan	LIBOR (M)	1.00 %	7.42%	8.53 %	5/31/2018	\$ 332,044	\$ 328,743	326,000
406 N Carancahua St, Corpus Christi, TX 78401	First Lien Delayed Draw FILO Term Loan	LIBOR (M)	1.00 %	7.42%	8.66 %	5/31/2018	\$ 1,355,968	1,346,859	1,328,296
406 N Carancahua St, Corpus Christi, TX 78401	First Lien FILO Term Loan	LIBOR (M)	1.00 %	7.42%	8.42 %	5/31/2018	\$ 7,255,721	7,183,589	7,139,992
1201 NE Lloyd Blvd., Suite 500, Portland, OR 97232	Second Lien Term Loan	LIBOR (Q)	1.25 %	8.50%	9.75 %	2/22/2020	\$ 13,231,193	13,084,285	13,313,989
515 S. Flower St., 47th Floor Los Angeles, CA 90071-2201	First Lien Notes	LIBOR (Q)	1.00 %	8.50%	9.50 %	2/24/2021	\$ 10,000,000	9,715,362 31,658,838	10,000,000 32,108,959
1250 North Arlington Heights Road, Suite 500 Itasca, IL 60143	Sr Secured Notes	Fixed	—	12.50%	12.50 %	7/1/2022	\$ 10,000,000	10,000,000	10,900,000
								1,254,861,949	1,248,887,808

30 Cecil Street, # 19-08 Prudential Tower Singapore 04912	Warrants to Purchase Stock	562,496	230,569	87,
7, 77 West Wacker Drive, Chicago, IL 60601	Trust Beneficial Interests	683	3,250,956	3,191,938
7, 77 West Wacker Drive, Chicago, IL 60601	Trust Beneficial Interests	688	3,376,251	3,266,101
e 26180 Curtiss-Wright Parkway, Cleveland, OH 44143	Warrants to Purchase Common Stock	1,843	855,313 7,482,520	1,909,600 8,367,639
100 Carillon Parkway Membership Units		708,229	230,938	143,133
t Parkway, St. Petersburg, FL 33716	Class A Units	841,479	325,432 556,370	1,112,351 1,255,484
e. 1130 Gahanna Parkway	Warrants to	909,300	274,213	875
233 South Hillview Dr. Milpitas, CA 95035	Warrants to Purchase Common Stock	800,000	605,266	611,920

879,479

612,795

45 Oser Ave., Hauppauge, NY 11788-3816	Limited Partnership Units	5,000,000	5,000,000	1,530,000
---	---------------------------------	-----------	-----------	-----------

25 Division St., San Francisco, CA 94103	Series B Preferred Stock	1,428,571	1,000,000	1,145,286
--	--------------------------------	-----------	-----------	-----------

25 Division St., San Francisco, CA 94103	Warrants to Purchase Stock	920,000	89,847 1,089,847	175,168 1,320,454
--	----------------------------------	---------	---------------------	----------------------

TABLE OF CONTENTS

Issuer	Company Address	Instrument	RefFloorSpread	Total Coupon	Maturity	Principal	Cost	Fair Value	% of Total Cash and Investments	Not
<b>Equity Securities (continued)</b>										
<b>Data Processing and Hosting Services</b>										
Macomp, Inc.	15378 Avenue of Science, San Diego, CA 92128	Class A Common Stock				1,255,527	\$ 26,711,048	\$ 1,205,306	0.09 %	C/E
Lightside Group, Inc.	5808 Lake Washington Blvd. NE, Suite 300 Kirkland, WA 98033	Warrants				498,855	2,778,622	366,489	0.03 %	C/E
							29,489,670	1,571,795	0.12 %	
<b>Electrical Equipment Manufacturing</b>										
EXTracker, Inc.	6200 Paseo Padre Parkway Fremont, CA 94555	Series B Preferred Stock				558,884	—	1,727,622	0.13 %	E
EXTracker, Inc.	6200 Paseo Padre Parkway Fremont, CA 94555	Series C Preferred Stock				17,640	—	54,525	—	E
							—	1,782,147	0.13 %	
<b>Electronic Component Manufacturing</b>										
Arria, Inc.	6500 Kaiser Dr. Fremont, CA 94555	Warrants to Purchase Common Stock				3,071,860	478,899	5,222	—	C/E
<b>Equipment</b>										

**Leasing**

129 Summit Avenue, Suite 1000 Summit, NJ 07901	Membership Units	6,818,897	6,818,897	6,818,897	0.50 % C/E
1486 East Valley Road Santa Barbara, CA 93108	Membership Units	199,430	103,398 6,922,295	159,045 6,977,942	0.01 % C/E 0.51 %

**Financial  
Investment  
Activities**

11100 Santa Monica Blvd., Ste. 800 Los Angeles, CA 90025	Membership Units	16,615,951	16,735,088	16,866,903	1.23 % C/E
1200 17th Street, Suite 1600, Denver, CO 80202	Common Interest Units	168,698	172,694 16,907,782	1,687 16,868,590	— C/E 1.23 %

**Metal and  
Mineral Mining**

5850 Mercury Drive, Suite 250, Dearborn, MI 48126	Membership Units	1,312,720	—	210,035	0.02 % B/E
--	---------------------	-----------	---	---------	------------

**Motion Picture  
and Video  
Industries**

650 Madison Avenue Floor 16 New York, NY 10022	Class A Units	1,182,779	1,235,194	1,292,023	0.09 % C/E
650 Madison Avenue Floor 16	Class P Units	1,537,613	1,537,613	1,551,056	0.11 % C/E

EG Parent, C	New York, NY 10022 650 Madison Avenue Floor 16 New York, NY 10022	Class A Warrants to Purchase Class A Units	343,387	196,086	196,086	0.01 % C/E
EG Parent, C	650 Madison Avenue Floor 16 New York, NY 10022	Class B Warrants to Purchase Class A Units	346,794	198,032	198,032	0.02 % C/E
				3,166,925	3,237,197	0.23 %
<b>her formation ervices</b>						
undCloud, d. (United ngdom)	c/o Jag Shaw Baker, Berners House 47-48 Berners Street, London W1T 3NF	Warrants to Purchase Preferred Stock	946,498	79,082	95,502	0.01 % C/E
<b>her anufacturing</b>						
GY Holding orp.	2556 Wagener Rd, Aiken, SC 29801	Common Stock	1,333,527	—	—	— B/C
omerang be Holdings, c.	14567 North Outer Forty, Suite 500, Chesterfield, MO 63017	Common Stock	24,288	243	—	— C/E
AGY Holding ompany, Inc.	2556 Wagener Rd., Aiken, SC 29801	Series A Preferred Stock	9,778	1,091,200	4,607,246	0.34 % B/C
				1,091,443	4,607,246	0.34 %
<b>adio and levision roadcasting</b>						
se Media,	3415	Warrants to	233,470	300,322	—	— C/E



C	University Avenue, St. Paul, MN 55114	Purchase Common Stock					
<b>Restaurants</b>							
M Holdco, C (Real Mex)	5660 Katella Ave., Suite 100, Cypress, CA 90630	Equity Participation	24	—	—	—	B/C
M Holdco, C (Real Mex)	5660 Katella Ave., Suite 100, Cypress, CA 90630	Membership Units	13,161,000	2,010,777	2,010,777	—	— B/C

S-33

TABLE OF CONTENTS

	Company Address	Instrument	Ref	Floor	Spread	Total Coupons	Maturity	Principal	Cost	Fair Value	% of Total Cash and Investments
<b>Securities</b>											
<b>(continued)</b>											
olding, LLC (ity)	2711 Centerville Road, Suite 400, Wilmington, DE 19808	Class A Units						507,167	\$ 480,049	\$	—
<b>Media Publishing</b>											
e iate, Inc.	21300 Victory Blvd., Suite 1200, Woodland Hills, CA 91367	Warrants to Purchase Common Stock						246,546	522,678	5,300,373	0.39 %
am Ultimate s, LLC	5600 W 83rd Street, Suite 300, Bloomington, MN, 55437	Class A Common Units						159,515	680,226	1,123,591	0.08 %
nc.	444 Castro Street, Suite 400 Mountain View, CA 94041	Warrants to Purchase Series F Preferred Stock						1,251,630	533,192	794,535	0.06 %
a, Inc.	245 Chapman St Providence, RI 02905	Warrants to Purchase Stock						719,998	216,336	204,983	0.01 %
									1,952,432	7,423,482	0.54 %
<b>System</b>											
<b>Acquisition</b>											
olar Holdings (Cayman	Cricket Square, Hutchins Drive P.O. Box 2681 Grand Cayman KYI I III Cayman Islands	Ordinary Shares						2,332,594	—	—	—
olar Holdings (Cayman	Cricket Square,	Series B Preferred						93,023	1,395,349	1,395,350	0.10 %

Hutchins Drive P.O. Box 2681 Grand Cayman KYI I III Cayman Islands	Shares			1,395,349	1,395,350	0.10 %
<b>Communications</b>						
Telecom, Inc.	1201 NE Lloyd Blvd., Suite 500, Portland, OR 97232	Common Stock	1,274,522	8,433,884	6,533,964	0.48 %
Telecom, Inc.	1201 NE Lloyd Blvd., Suite 500, Portland, OR 97232	Warrants	346,939	19,920	—	—
om ent S.C.A. (m) bourg)	115 I, Tsarigradsko Chaussee, Blvd. Sofia, 1784, Bulgaria	Common Shares	1,393	3,236,256	2,199,862	0.16 %
				11,690,060	8,733,826	0.64 %
<b>Equity</b>				91,203,870	66,082,062	4.83 %
<b>Investments</b>				\$ 1,346,065,819	\$ 1,314,969,870	
<b>and Cash</b>						
<b>Investments</b>					53,579,868	3.92 %
<b>and Cash</b>					53,579,868	3.92 %
<b>Investments</b>						
<b>and Cash</b>					\$ 1,368,549,738	100.00 %

*Notes to Investment Portfolio.*

Investments in bank debt generally are bought and sold among institutional investors in transactions not subject to (A) registration under the Securities Act of 1933. Such transactions are generally subject to contractual restrictions, such as approval of the agent or borrower.

Non-controlled affiliate – as defined under the Investment Company Act of 1940 (ownership of between 5% and (B) 25% of the outstanding voting securities of this issuer). See Consolidated Schedule of Changes in Investments in Affiliates.

(C) Non-income producing security.

(D) Investment denominated in foreign currency. Amortized cost and fair value converted from foreign currency to US dollars. Foreign currency denominated investments are generally hedged for currency exposure.

(E) Restricted security. (See Note 2)

Controlled issuer – as defined under the Investment Company Act of 1940 (ownership of 25% or more of the outstanding voting securities of this issuer). Investment is not more than 50% of the outstanding

(F) voting securities of the issuer nor deemed to be a significant subsidiary. See Consolidated Schedule of Changes in Investments in Affiliates.

S-34

TABLE OF CONTENTS

- (G) Investment has been segregated to collateralize certain unfunded commitments. Non-U.S. company or principal place of business outside the U.S. and as a result the investment is not a qualifying asset under Section 55(a) of the Investment Company Act. Under the Investment Company Act, the Company may not acquire any non-qualifying asset unless, at the time such acquisition is made, qualifying assets represent at least 70% of the Company's total assets.
- (H) Deemed an investment company under Section 3(c) of the Investment Company Act and as a result the investment is not a qualifying asset under Section 55(a) of the Investment Company Act. Under the Investment Company Act, the Company may not acquire any non-qualifying asset unless, at the time such acquisition is made, qualifying assets represent at least 70% of the Company's total assets.
- (I) (J) Negative balances relate to an unfunded commitment that was acquired and/or valued at a discount. In addition to the stated coupon, investment has an exit fee payable upon repayment of the loan in an amount equal to the percentage of the original principal amount shown.
- (K) All cash and investments, except those referenced in Notes G above, are pledged as collateral under certain debt as described in Note 4 to the Consolidated Financial Statements.
- (L) LIBOR or EURIBOR resets monthly (M), quarterly (Q), semiannually (S), or annually (A).

Aggregate acquisitions and aggregate dispositions of investments, other than government securities, totaled \$587,219,129 and \$473,457,512 respectively, for the year ended December 31, 2016. Aggregate acquisitions includes investment assets received as payment in kind. Aggregate dispositions includes principal paydowns on and maturities of debt investments. The total value of restricted securities and bank debt as of December 31, 2016 was \$1,311,625,473 or 96.1% of total cash and investments of the Company. As of December 31, 2016 approximately 16.4% of the total assets of the Company were not qualifying assets under Section 55(a) of the 1940 Act.

TABLE OF CONTENTS

**USE OF PROCEEDS**

The net proceeds of this offering are estimated to be approximately \$83.3 million (or approximately \$95.9 million if the underwriters exercise their option to purchase additional shares in full), in each case assuming an offering price of \$17.24 per share, the last reported closing price of our common stock on April 18, 2017, after deducting the underwriting discounts and commissions and estimated offering expenses of approximately \$300,000 payable by us.

We intend to use the net proceeds from this offering to repay amounts outstanding under the SVCP Facility and TCPC Funding Facility, (which will increase the funds under the SVCP Facility and TCPC Funding Facility available to us to make additional investments in portfolio companies in accordance with our investment objective) and for other general corporate purposes. We anticipate that substantially all of such remainder of the net proceeds of this offering will be invested in accordance with our investment objective within six to twelve months following completion of this offering, depending on the availability of appropriate investment opportunities consistent with our investment objective and market conditions. We cannot assure you that we will achieve our targeted investment pace.

As of April 18, 2017, we had \$30.0 million outstanding under the SVCP Facility, with advances generally bearing interest at LIBOR plus 2.50% per annum, subject to certain limitations. The SVCP Facility matures July 31, 2018, subject to extension by the lender at our request.

As of April 18, 2017, we had \$175.0 million outstanding under the TCPC Funding Facility, with advances generally bearing interest at LIBOR plus either 2.25% or 2.50% per annum, subject to certain limitations. The TCPC Funding Facility matures on March 6, 2020, subject to extension by the lender at our request.

Affiliates of Wells Fargo Securities, LLC are lenders under the SVCP Facility and an affiliate of Deutsche Bank Securities Inc. is a lender under the TCPC Funding Facility. Accordingly, to the extent proceeds of the offering are used to repay outstanding indebtedness under the SVCP Facility and the TCPC Funding Facility, affiliates of Wells Fargo Securities, LLC and Deutsche Bank Securities Inc. may receive more than 5% of the proceeds of this offering.

Pending investments in portfolio companies by the Company, the Company will invest the remaining net proceeds of an offering primarily in cash, cash equivalents, U.S. Government securities and other high-quality debt investments that mature in one year or less. These securities may have lower yields than our other investments and accordingly may result in lower distributions, if any, during such period. See Regulation — Temporary Investments and Management of the Company — Investment Management Agreements in the accompanying prospectus.

TABLE OF CONTENTS**PRICE RANGE OF COMMON STOCK**

Our common stock began trading on April 5, 2012 and is currently traded on The Nasdaq Global Select Market under the symbol TCPC. The following table lists the high and low closing sale price for our common stock, the closing sale price as a premium (discount) to net asset value, or NAV, and quarterly distributions per share for the last two completed fiscal years and each quarter since the beginning of the current fiscal year.

	NAV <sup>(1)</sup>	Stock Price		Premium (Discount) of High Sales Price to NAV <sup>(3)</sup>		Premium (Discount) of Low Sales Price to NAV <sup>(3)</sup>		Declared Distributions
		High <sup>(2)</sup>	Low <sup>(2)</sup>					
<b>Fiscal year ended December 31, 2015</b>								
First Quarter	\$ 15.03	\$ 16.91	\$ 15.22	12.5	%	1.3	%	\$ 0.36
Second Quarter	\$ 15.10	\$ 16.49	\$ 15.29	9.2	%	1.3	%	\$ 0.36
Third Quarter	\$ 15.10	\$ 15.87	\$ 13.50	5.1	%	(10.6)	%	\$ 0.36
Fourth Quarter	\$ 14.78	\$ 15.40	\$ 13.80	4.2	%	(6.6)	%	\$ 0.36
<b>Fiscal year ended December 31, 2016</b>								
First Quarter	\$ 14.66	\$ 14.91	\$ 12.36	1.7	%	(15.7)	%	\$ 0.36
Second Quarter	\$ 14.74	\$ 15.28	\$ 14.21	3.7	%	(3.6)	%	\$ 0.36
Third Quarter	\$ 14.84	\$ 16.68	\$ 15.35	12.4	%	3.4	%	\$ 0.36
Fourth Quarter	\$ 14.91	\$ 17.11	\$ 15.49	14.8	%	3.9	%	\$ 0.36
<b>Fiscal year ended December 31, 2017</b>								
First Quarter	\$ (4)	\$ 17.42	\$ 16.36		% <sup>(4)</sup>		% <sup>(4)</sup>	\$ 0.36
Second Quarter (through April 18, 2017)	\$ (4)	\$ 17.42	\$ 17.14		% <sup>(4)</sup>		% <sup>(4)</sup>	\$ (5)

NAV per share is determined as of the last day in the relevant quarter and therefore may not reflect the NAV per (1) share on the date of the high and low sales prices. The NAVs shown are based on outstanding shares at the end of each period.

(2) The High/Low Stock Price is calculated as of the closing price on a given day in the applicable quarter.

(3) Calculated as the respective High/Low Stock Price minus the quarter end NAV, divided by the quarter end NAV.

(4) NAV has not yet been determined.

(5) Dividend has not yet been declared for this period.

On April 18, 2017, the closing price of our common stock was \$17.24 per share. As of April 18, 2017, we had 29 stockholders of record.

The table below sets forth each class of our outstanding securities as of April 18, 2017.

Title of Class	Amount Authorized	Amount Held by Registrant or for its Account	Amount Outstanding
Common Stock	200,000,000	—	53,042,047





TABLE OF CONTENTS**CAPITALIZATION**

The following table sets forth (1) our actual capitalization at December 31, 2016 and (2) our capitalization on an as adjusted basis giving effect to the sale of 5,000,000 shares of our common stock in this offering at an assumed purchase price of \$17.24 per share, the last reported closing price of our common stock on April 18, 2017, after deducting the offering expenses payable by us and the application of the estimated net proceeds of this offering. You should read this table together with "Use of Proceeds" in this prospectus supplement and the accompanying prospectus.

	<b>As of December 31, 2016</b>	
	<b>Actual</b>	<b>As Adjusted</b>
<b>Assets:</b>		
Cash and cash equivalents	\$ 53,579,868	\$ 53,579,868
Investments	1,314,969,870	1,314,969,870
Other assets	19,048,723	19,048,723
Total assets	\$ 1,387,598,461	\$ 1,387,598,461
<b>Liabilities:</b>		
SVCP Revolver	\$ —	\$ —
Term Loan	100,500,000	100,500,000
2019 Convertible Notes	106,547,929	106,547,929
2022 Convertible Notes	136,858,359	136,858,359
TCPC Funding Facility	175,000,000	91,686,000
SBA Debentures	61,000,000	61,000,000
Unamortized debt issuance costs	(8,247,426 )	(8,247,426 )
Other liabilities	25,003,608	25,003,608
Total liabilities	\$ 596,662,470	\$ 513,348,470
<b>Stockholders' equity:</b>		
Common stock, par value \$0.001 per share; 200,000,000 shares of common stock authorized; 53,041,900 common stock issued and outstanding, actual; 58,041,900 common stock outstanding, pro forma	53,042	58,042
Paid-in capital in excess of par	944,426,650	1,027,735,650
Accumulated net investment income	12,533,289	12,533,289
Accumulated net realized losses	(134,960,267 )	(134,960,267 )
Accumulated net unrealized depreciation	(31,116,723 )	(31,116,723 )
Non-controlling interest	—	—
Net assets applicable to common shareholders	\$ 790,935,991	\$ 874,249,991
<b>Total capitalization</b>	<b>\$ 1,387,598,461</b>	<b>\$ 1,387,598,461</b>

TABLE OF CONTENTS**SENIOR SECURITIES**

Information about our senior securities is shown in the following table as of the end of each fiscal year ended since the Company commenced operations. The senior securities table below has been audited by Deloitte & Touche LLP, our independent registered public accounting firm, for the fiscal years ending December 31, 2016 and 2015 and by Ernst & Young LLP, our former independent registered public accounting firm, for each prior fiscal year.

<b>Class and Year</b>	<b>Total Amount Outstanding<sup>(4)</sup></b>	<b>Asset Coverage Per Unit<sup>(5)</sup></b>	<b>Involuntary Liquidating Preference Per Unit<sup>(6)</sup></b>	<b>Average Market Value Per Unit<sup>(7)</sup></b>
<b>SVCP Facility<sup>(1)</sup></b>				
Fiscal Year 2016	\$ 100,500	\$ 4,056	\$ —	N/A
Fiscal Year 2015	124,500	3,076	—	N/A
Fiscal Year 2014	70,000	5,356	—	N/A
Fiscal Year 2013	45,000	8,176	—	N/A
Fiscal Year 2012	74,000	7,077	—	N/A
Fiscal Year 2011	29,000	13,803	—	N/A
Fiscal Year 2010	50,000	8,958	—	N/A
Fiscal Year 2009	75,000	5,893	—	N/A
Fiscal Year 2008	34,000	10,525	—	N/A
Fiscal Year 2007	207,000	3,534	—	N/A
<b>Preferred Interests<sup>(2)</sup></b>				
Fiscal Year 2016	N/A	N/A	N/A	N/A
Fiscal Year 2015	N/A	N/A	N/A	N/A
Fiscal Year 2014	\$ 134,000	\$ 51,592	\$ 20,074	N/A
Fiscal Year 2013	134,000	68,125	20,075	N/A
Fiscal Year 2012	134,000	50,475	20,079	N/A
Fiscal Year 2011	134,000	49,251	20,070	N/A
Fiscal Year 2010	134,000	48,770	20,056	N/A
Fiscal Year 2009	134,000	42,350	20,055	N/A
Fiscal Year 2008	134,000	42,343	20,175	N/A
Fiscal Year 2007	134,000	43,443	20,289	N/A
<b>TCPC Funding Facility<sup>(3)</sup></b>				
Fiscal Year 2016	\$ 175,000	\$ 4,056	\$ —	N/A
Fiscal Year 2015	229,000	3,076	—	N/A
Fiscal Year 2014	125,000	5,356	—	N/A
Fiscal Year 2013	50,000	8,176	—	N/A
<b>SBA Debentures</b>				
Fiscal Year 2016	\$ 61,000	\$ 4,056	\$ —	N/A
Fiscal Year 2015	42,800	3,076	—	N/A

Edgar Filing: TCP Capital Corp. - Form 497

Fiscal Year 2014	28,000	5,356	—	N/A
<b>2019 Convertible Notes</b>				
Fiscal Year 2016	\$ 108,000	\$ 2,352	\$ —	N/A
Fiscal Year 2015	108,000	2,429	—	N/A
Fiscal Year 2014	108,000	3,617	—	N/A
<b>2022 Convertible Notes</b>				
Fiscal Year 2016	\$ 140,000	\$ 2,352	\$ —	N/A

The Operating Company entered into the SVCP Facility, comprised of a fully drawn senior secured term loan and

(1) a senior secured revolving credit facility, pursuant to which amounts may currently be drawn up to \$116.0 million. The SVCP Facility matures July 31, 2018, subject to extension by the lender at our request.

(2) We repurchased and retired the remaining Preferred Interests on September 3, 2015.

TCPC Funding entered into the TCPC Funding Facility, pursuant to which amounts may currently be drawn up to

(3) \$350 million. The TCPC Funding Facility matures on March 6, 2020, subject to extension by the lender at our request.

TABLE OF CONTENTS

- (4) Total amount of each class of senior securities outstanding at the end of the period presented (in 000's).  
The asset coverage ratio for a class of senior securities representing indebtedness is calculated as our consolidated total assets, less all liabilities and indebtedness not represented by senior securities, divided by senior securities
- (5) representing indebtedness. For the SVCP Facility and TCPC Funding Facility, the asset coverage ratio with respect to indebtedness is multiplied by \$1,000 to determine the Asset Coverage Per Unit.  
The amount to which such class of senior security would be entitled upon the voluntary liquidation of the issuer
- (6) in preference to any security junior to it. The — in this column indicates that the SEC expressly does not require this information to be disclosed for certain types of senior securities.
- (7) Not applicable because our senior securities are not registered for public trading.

S-40

TABLE OF CONTENTS**UNDERWRITING**

Wells Fargo Securities, LLC, Merrill Lynch, Pierce, Fenner & Smith Incorporated and Raymond James & Associates, Inc. are acting as representatives of each of the underwriters named below. Subject to the terms and conditions set forth in an underwriting agreement among us, the Advisor, the General Partner and the underwriters, we have agreed to sell to the underwriters, and each of the underwriters has agreed, severally and not jointly, to purchase from us, the number of shares of common stock set forth opposite its name below.

<b>Underwriter</b>	<b>Number of Shares</b>
Wells Fargo Securities, LLC	
Merrill Lynch, Pierce, Fenner & Smith Incorporated	
Raymond James & Associates, Inc.	
Deutsche Bank Securities Inc.	
RBC Capital Markets, LLC	
Keefe, Bruyette & Woods, Inc.	
Capital One Securities, Inc.	
D.A. Davidson & Co.	
JMP Securities LLC	
Natixis Securities Americas LLC	
Oppenheimer & Co. Inc.	
Total	5,000,000

Subject to the terms and conditions set forth in the underwriting agreement, the underwriters have agreed, severally and not jointly, to purchase all of the shares sold under the underwriting agreement if any of these shares are purchased. If an underwriter defaults, the underwriting agreement provides that the purchase commitments of the nondefaulting underwriters may be increased or the underwriting agreement may be terminated.

We, the Advisor and the General Partner have agreed to indemnify the underwriters against certain liabilities, including liabilities under the Securities Act, or to contribute to payments the underwriters may be required to make in respect of those liabilities.

The underwriters are offering the shares, subject to prior sale, when, as and if issued to and accepted by them, subject to approval of legal matters by their counsel, including the validity of the shares, and other conditions contained in the underwriting agreement, such as the receipt by the underwriters of officer's certificates and legal opinions. The underwriters reserve the right to withdraw, cancel or modify offers to the public and to reject orders in whole or in part.

Our common stock is listed on The NASDAQ Global Select Market under the symbol TCPC.

**Commissions and Discounts**

The representatives have advised us that the underwriters propose initially to offer the shares to the public at the public offering price set forth on the cover page of this prospectus supplement and to dealers at that price less a concession not in excess of \$ per share. After the initial offering, the public offering price, concession or any other term of the offering may be changed.

Edgar Filing: TCP Capital Corp. - Form 497

The following table shows the public offering price, underwriting discount and proceeds before expenses to us. The information assumes either no exercise or full exercise by the underwriters of their option to purchase additional shares.

	<b>Per Share</b>	<b>Without Option</b>	<b>With Option</b>
Public offering price	\$	\$	\$
Sales load (underwriting discount and commissions)	\$	\$	\$
Proceeds, before expenses, to the Company	\$	\$	\$

S-41

## TABLE OF CONTENTS

The expenses of the offering, not including the underwriting discount, are estimated at \$0.3 million and are payable by us, including approximately \$20,000 of expenses that we have agreed to reimburse the underwriters for the Financial Industry Regulation Authority filing fees and reasonable legal fees and expenses incurred in connection with the review and approval by the Financial Industry Regulation Authority of the terms of the offer and sale of the common stock in this offering. Such expense will indirectly be borne by investors in this offering and will consequently lower their net asset value per share.

### **Option to Purchase Additional Shares**

We have granted an option to the underwriters, exercisable for 30 days after the date of this prospectus supplement, to purchase up to 750,000 additional shares at the public offering price, less the underwriting discount and the amount of any dividend or distribution declared by us and payable on the shares of common stock initially sold by us in this offering but not payable on the additional shares. If the underwriters exercise this option, each will be obligated, subject to conditions contained in the underwriting agreement, to purchase a number of additional shares proportionate to that underwriter's initial amount reflected in the above table.

### **No Sales of Similar Securities**

We, our executive officers and directors and certain members of the Advisor's investment committee have agreed not to sell or transfer any common stock or securities convertible into, exchangeable for, exercisable for, or repayable with common stock, for 45 days after the date of this prospectus supplement without first obtaining the written consent of each of the representatives. Specifically, we and these other persons have agreed, with certain limited exceptions, not to directly or indirectly

- offer, pledge, sell or contract to sell any common stock,
- sell any option or contract to purchase any common stock,
- purchase any option or contract to sell any common stock,
- grant any option, right or warrant for the sale of any common stock,
- lend or otherwise dispose of or transfer any common stock,
- request or demand that we file a registration statement related to the common stock, or
- enter into any swap or other agreement that transfers, in whole or in part, the economic consequence of ownership of any common stock whether any such swap or transaction is to be settled by delivery of shares or other securities, in cash or otherwise.

This lock-up provision applies to common stock and to securities convertible into, exchangeable for, exercisable for, or repayable with common stock owned now or acquired later by the directors, officers and members of the Advisor's investment committee executing the agreement or over which any director, officer and member of the Advisor's investment committee executing the agreement later acquires the power of disposition. In the event that either (x) during the last 17 days of the lock-up period referred to above, we issue an earnings release or material news or a material event relating to us occurs or (y) prior to the expiration of the lock-up period, we announce that we will release earnings results or become aware that material news or a material event will occur during the 16-day period beginning on the last day of the lock-up period, the restrictions described above shall continue to apply until the expiration of the 18-day period beginning on the issuance of the earnings release or the occurrence of the material news or material event.

### **Price Stabilization, Short Positions and Penalty Bids**

Until the distribution of the shares is completed, SEC rules may limit underwriters and selling group members from bidding for and purchasing our common stock. However, the representatives may engage in transactions that stabilize the price of the common stock, such as bids or purchases to peg, fix or maintain that price.

In connection with the offering, the underwriters may purchase and sell our common stock in the open market. These transactions may include short sales, purchases on the open market to cover positions created by short sales and stabilizing transactions. Short sales involve the sale by the underwriters of a greater number of shares than they are required to purchase in the offering. Covered short sales are sales made in an amount not

S-42



## TABLE OF CONTENTS

greater than the underwriters' option to purchase additional shares described above. The underwriters may close out any covered short position by either exercising their option or purchasing shares in the open market. In determining the source of shares to close out the covered short position, the underwriters will consider, among other things, the price of shares available for purchase in the open market as compared to the price at which they may purchase shares through the option described above. Naked short sales are sales in excess of the option. The underwriters must close out any naked short position by purchasing shares in the open market. A naked short position is more likely to be created if the underwriters are concerned that there may be downward pressure on the price of our common stock in the open market after pricing that could adversely affect investors who purchase in the offering. Stabilizing transactions consist of various bids for or purchases of shares of common stock made by the underwriters in the open market prior to the completion of the offering.

The underwriters may also impose a penalty bid. This occurs when a particular underwriter repays to the underwriters a portion of the underwriting discount received by it because the representatives have repurchased shares sold by or for the account of such underwriter in stabilizing or short covering transactions.

Similar to other purchase transactions, the underwriters' purchases to cover the syndicate short sales may have the effect of raising or maintaining the market price of our common stock or preventing or retarding a decline in the market price of our common stock. As a result, the price of our common stock may be higher than the price that might otherwise exist in the open market. The underwriters may conduct these transactions on The NASDAQ Global Select Market, in the over-the-counter market or otherwise.

Neither we nor any of the underwriters make any representation or prediction as to the direction or magnitude of any effect that the transactions described above may have on the price of our common stock. In addition, neither we nor any of the underwriters make any representation that the representatives will engage in these transactions or that these transactions, once commenced, will not be discontinued without notice.

### **Passive Market Making**

In connection with this offering, the underwriters may engage in passive market making transactions in our common stock on The NASDAQ Global Select Market in accordance with Rule 103 of Regulation M under the Securities Exchange Act during a period before the commencement of offers or sales of common stock and extending through the completion of distribution. A passive market maker must display its bid at a price not in excess of the highest independent bid of that security. However, if all independent bids are lowered below the passive market maker's bid, that bid must then be lowered when specified purchase limits are exceeded. Passive market making may cause the price of our common stock to be higher than the price that otherwise would exist in the open market in the absence of those transactions. The underwriters are not required to engage in passive market making and may end passive market making activities at any time.

### **Electronic Offer, Sale and Distribution of Shares**

In connection with the offering, certain of the underwriters or securities dealers may distribute prospectuses by electronic means, such as e-mail. In addition, certain of the underwriters may facilitate Internet distribution for this offering to certain of its Internet subscription customers. Certain of the underwriters may allocate a limited number of shares for sale to its online brokerage customers. An electronic prospectus supplement is available on the Internet web site maintained by one or more of the underwriters. Other than the prospectus supplement in electronic format, the information on any underwriter's web site is not part of this prospectus supplement or the accompanying prospectus, or the registration statement of which the accompanying prospectus and this prospectus supplement form a part.

### **Other Relationships**

The underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include sales and trading, commercial and investment banking, advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services. Some of the underwriters and their affiliates have engaged in, and may in the future engage in, investment banking and other commercial dealings in the ordinary course of business with us or our affiliates. They have received, or may in the future receive, customary fees and commissions for these transactions.

S-43

## TABLE OF CONTENTS

In addition, in the ordinary course of their business activities, the underwriters and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of ours or our affiliates. The underwriters and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments. Certain directly or indirectly held registered broker dealers, investment advisors, and bank subsidiaries of Wells Fargo & Company, an affiliate of Wells Fargo Securities, LLC, an underwriter in this offering, beneficially own approximately 8.85% of our common stock.

Proceeds of this offering may be used to repay outstanding indebtedness, including indebtedness under the SVCP Facility and the TCPC Funding Facility. Affiliates of Wells Fargo Securities, LLC are lenders under the SVCP Facility and an affiliate of Deutsche Bank Securities Inc. is a lender under the TCPC Funding Facility. Accordingly, to the extent proceeds of this offering are used to repay outstanding indebtedness under the SVCP Facility and the TCPC Funding Facility, affiliates of Wells Fargo Securities, LLC and Deutsche Bank Securities Inc. may receive more than 5% of the proceeds of this offering.

Peter E. Schwab, one of our independent directors, owns shares of an affiliate of one of this offering's underwriters. As a result, Mr. Schwab is considered an "interested person" of the Company during the pendency of this offering under relevant rules of the 1940 Act.

The principal business address of Wells Fargo Securities, LLC is 550 South Tryon Street, 7<sup>th</sup> Floor, Charlotte, North Carolina 28202. The principal business address of Merrill Lynch, Pierce, Fenner & Smith Incorporated is One Bryant Park, New York, New York 10036. The principal business address of Raymond James Financial, Inc. is 880 Carillon Parkway, St. Petersburg, Florida 33716.

### **Notice to Prospective Investors in the Dubai International Financial Centre**

This prospectus supplement relates to an Exempt Offer in accordance with the Offered Securities Rules of the Dubai Financial Services Authority ( DFSA ). This prospectus supplement is intended for distribution only to persons of a type specified in the Offered Securities Rules of the DFSA. It must not be delivered to, or relied on by, any other person. The DFSA has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The DFSA has not approved this prospectus supplement nor taken steps to verify the information set forth herein and has no responsibility for the prospectus supplement. The common stock to which this prospectus supplement relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the common stock offered should conduct their own due diligence on the common stock. If you do not understand the contents of this prospectus supplement you should consult an authorized financial advisor.

### **Notice to Prospective Investors in Hong Kong**

The common stock has not been offered or sold and will not be offered or sold in Hong Kong, by means of any document, other than (a) to professional investors as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance; or (b) in other circumstances which do not result in the document being a prospectus as defined in the Companies Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance. No advertisement, invitation or document relating to the common stock has been or may be issued or has been or may be in the possession of any person for the purposes of issue, whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to shares of common stock which are or are intended to be disposed of only to persons outside

Hong Kong or only to professional investors as defined in the Securities and Futures Ordinance and any rules made under that Ordinance.

**Notice to Prospective Investors in Japan**

The shares offered in this prospectus supplement have not been and will not be registered under the Financial Instruments and Exchange Law of Japan. The shares have not been offered or sold and will not be offered or sold, directly or indirectly, in Japan or to or for the account of any resident of Japan (including any

S-44

## TABLE OF CONTENTS

corporation or other entity organized under the laws of Japan), except (i) pursuant to an exemption from the registration requirements of the Financial Instruments and Exchange Law and (ii) in compliance with any other applicable requirements of Japanese law.

### **Notice to Prospective Investors in Singapore**

This prospectus supplement has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this prospectus supplement and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the shares may not be circulated or distributed, nor may the shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the SFA), (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA, in each case subject to compliance with conditions set forth in the SFA.

Where the shares are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
  - a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,
- shares, debentures and units of shares and debentures of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the shares pursuant to an offer made under Section 275 of the SFA except:

- to an institutional investor (for corporations, under Section 274 of the SFA) or to a relevant person defined in Section 275(2) of the SFA, or to any person pursuant to an offer that is made on terms that such shares, debentures and units of shares and debentures of that corporation or such rights and interest in that trust are acquired at a consideration of not less than S\$200,000 (or its equivalent in a foreign currency) for each transaction, whether such amount is to be paid for in cash or by exchange of securities or other assets, and further for corporations, in accordance with the conditions specified in Section 275 of the SFA;
- where no consideration is or will be given for the transfer; or
- where the transfer is by operation of law.

## TABLE OF CONTENTS

### **LEGAL MATTERS**

Certain legal matters in connection with the offering of our common stock will be passed upon for us by Skadden, Arps, Slate, Meagher & Flom LLP, New York, New York and for the underwriters by Proskauer Rose LLP, Los Angeles California.

### **INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

The consolidated financial statements as of December 31, 2016 and 2015 and for the years ended December 31, 2016 and 2015, the related financial statement schedules, and the Senior Securities table included in the prospectus supplement, and the effectiveness of TCP Capital Corp.'s internal control over financial reporting have been audited by Deloitte & Touche LLP, or Deloitte, an independent registered public accounting firm, as stated in their reports appearing in this prospectus supplement.

The consolidated financial statements as of December 31, 2016 and 2015 and for the years ended December 31, 2016 and 2015, and the related financial statement schedules of Special Value Continuation Partners, LP have been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their report appearing in this prospectus supplement.

### **ADDITIONAL INFORMATION**

We have filed a registration statement with the SEC on Form N-2, including amendments, relating to the shares we are offering, and the SAI. This prospectus supplement and the accompanying prospectus do not contain all of the information set forth in the registration statement, including any exhibits and schedules it may contain. For further information concerning us or the shares we are offering, please refer to the registration statement. Statements contained in this prospectus supplement and the accompanying prospectus as to the contents of any contract or other document referred to describe the material terms thereof but are not necessarily complete and in each instance reference is made to the copy of any contract or other document filed as an exhibit to the registration statement. Each statement is qualified in all respects by this reference.

We file with or submit to the SEC annual, quarterly and current periodic reports, proxy statements and other information meeting the informational requirements of the Securities Exchange Act of 1934. You may obtain free copies of this information, request a free copy of the SAI, the table of contents of which is on page S-47 of this prospectus supplement, and make stockholders inquiries by contacting us as of Tennenbaum Capital Partners, LLC c/o Investor Relations, 2951 28<sup>th</sup> Street; Suite 1000, Santa Monica, California 90405 or by calling us at (310) 566-1074. You may also inspect and copy these reports, proxy statements and other information, as well as the registration statement of which the accompanying prospectus forms a part and the related exhibits and schedules, at the Public Reference Room of the SEC at 100 F Street, N.E., Washington, D.C. 20549. You may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330. Copies of these reports, proxy and information statements and other information may be obtained, after paying a duplicating fee, by electronic request at the following e-mail address: publicinfo@sec.gov, or by writing the SEC's Public Reference Section, 100 F Street, N.E., Washington, D.C. 20549-0102. In addition, the SEC maintains an Internet website that contains reports, proxy and information statements and other information filed electronically by us with the SEC at <http://www.sec.gov>.

No dealer, salesperson or other individual has been authorized to give any information or to make any representation other than those contained in this prospectus supplement and the accompanying prospectus and, if given or made, such information or representations must not be relied upon as having been authorized by us or the underwriters. This prospectus supplement does not constitute an offer to sell or a solicitation of an offer to buy any securities in any jurisdiction in which such an offer or solicitation is not authorized or in which the person making such offer or

solicitation is not qualified to do so, or to any person to whom it is unlawful to make such offer or solicitation. Neither the delivery of this prospectus supplement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in our affairs or that information contained herein is current as of any time subsequent to the date hereof.

S-46

TABLE OF CONTENTS

**TABLE OF CONTENTS OF STATEMENT OF ADDITIONAL INFORMATION**

A preliminary SAI, dated as of April 19, 2017, has been filed with the SEC and is incorporated by reference in this prospectus supplement. An SAI may be obtained without charge by writing to us at Tennenbaum Capital Partners, LLC, c/o Investor Relations, 2951 28<sup>th</sup> Street, Suite 1000, Santa Monica, California 90405 or by calling us at (310) 566-1094. The Table of Contents of the SAI is as follows:

	<b>Page</b>
<u>The Company</u>	<u>SAI-3</u>
<u>Management of the Company</u>	<u>SAI-5</u>
<u>Distributions</u>	<u>SAI-20</u>
<u>Determination of Net Asset Value</u>	<u>SAI-20</u>
<u>Dividend Reinvestment Plan</u>	<u>SAI-23</u>
<u>Regulation</u>	<u>SAI-24</u>
<u>Brokerage Allocations and Other Practices</u>	<u>SAI-29</u>

S-47



TABLE OF CONTENTS

**INDEX TO FINANCIAL STATEMENTS**

**TCP Capital Corp.**

**Financial Statements**

<u>Reports of Independent Registered Public Accounting Firm</u>	<u>S-F-2</u>
<u>Consolidated Statements of Assets and Liabilities as of December 31, 2016 and 2015</u>	<u>S-F-5</u>
<u>Consolidated Schedule of Investments as of December 31, 2016 and 2015</u>	<u>S-F-6</u>
<u>Consolidated Statements of Operations for the years ended December 31, 2016, 2015 and 2014</u>	<u>S-F-24</u>
<u>Consolidated Statements of Changes in Net Assets for the years ended December 31, 2016, 2015 and 2014</u>	<u>S-F-25</u>
<u>Consolidated Statements of Cash Flows for the years ended December 31, 2016, 2015 and 2014</u>	<u>S-F-26</u>
<u>Notes to Consolidated Financial Statements</u>	<u>S-F-27</u>
<u>Consolidated Schedules of Changes in Investments in Affiliates as of December 31, 2016 and 2015</u>	<u>S-F-51</u>
<u>Consolidated Schedules of Restricted Securities of Unaffiliated Issuers as of December 31, 2016 and 2015</u>	<u>S-F-55</u>
<u>Consolidating Statements of Assets and Liabilities as of December 31, 2016 and 2015</u>	<u>S-F-55</u>
<u>Consolidating Statements of Operations for the years ended December 31, 2016, 2015 and 2014</u>	<u>S-F-57</u>
<b>Special Value Continuation Partners, LP</b>	

**Financial Statements**

<u>Reports of Independent Registered Public Accounting Firm</u>	<u>S-F-62</u>
<u>Consolidated Statements of Assets and Liabilities as of December 31, 2016 and 2015</u>	<u>S-F-64</u>
<u>Consolidated Schedule of Investments as of December 31, 2016 and 2015</u>	<u>S-F-65</u>
<u>Consolidated Statements of Operations for the years ended December 31, 2016, 2015 and 2014</u>	<u>S-F-83</u>
<u>Consolidated Statements of Changes in Net Assets for the years ended December 31, 2016, 2015 and 2014</u>	<u>S-F-84</u>
<u>Consolidated Statements of Cash Flows for the years ended December 31, 2016, 2015 and 2014</u>	<u>S-F-86</u>
<u>Notes to Consolidated Financial Statements</u>	<u>S-F-87</u>
<u>Consolidated Schedules of Changes in Investments in Affiliates as of December 31, 2016 and 2015</u>	<u>S-F-104</u>
<u>Consolidated Schedules of Restricted Securities of Unaffiliated Issuers as of December 31, 2016 and 2015</u>	<u>S-F-108</u>

S-F-1

TABLE OF CONTENTS

**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

To the Board of Directors and Shareholders of  
TCP Capital Corp.  
Los Angeles, California

We have audited the accompanying consolidated statements of assets and liabilities of TCP Capital Corp. (the Company ), including the consolidated schedule of investments, as of December 31, 2016 and 2015, and the related consolidated statements of operations, changes in net assets, and cash flows for each of the two years in the period ended December 31, 2016. Our audit also included the 2016 and 2015 financial statement schedules listed in the Index to Financial Statements. These financial statements and financial statement schedules are the responsibility of the Company's management. Our responsibility is to express an opinion on the financial statements and financial statement schedules based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such consolidated financial statements present fairly, in all material respects, the financial position of TCP Capital Corp. as of December 31, 2016 and 2015, and the results of its operations and its cash flows for each of the two years in the period ended December 31, 2016, in conformity with accounting principles generally accepted in the United States of America. Also, in our opinion, such financial statement schedules, when considered in relation to the basic consolidated financial statements taken as a whole, present fairly, in all material respects, the information set forth therein.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the Company's internal control over financial reporting as of December 31, 2016, based on the criteria established in Internal Control — Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated February 28, 2017 expressed an unqualified opinion on the Company's internal control over financial reporting.

/s/ DELOITTE & TOUCHE LLP

Los Angeles, California  
February 28, 2017

S-F-2

TABLE OF CONTENTS

**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

The Board of Directors and Shareholders of

TCP Capital Corp.

We have audited the accompanying consolidated statements of operations, changes in net assets and cash flows of TCP Capital Corp. (the Company) for the year ended December 31, 2014. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the Company's internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements of TCP Capital Corp. referred to above present fairly, in all material respects, the consolidated results of its operations, changes in its net assets and its cash flows for the year ended December 31, 2014, in conformity with U.S. generally accepted accounting principles.

The accompanying consolidating statement of operations for the year ended December 31, 2014, has been subjected to audit procedures performed in conjunction with the audit of Company's consolidated financial statements. Such information is the responsibility of the Company's management. Our audit procedures included determining whether the information reconciles to the financial statements or the underlying accounting and other records, as applicable, and performing procedures to test the completeness and accuracy of the information. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

/s/ Ernst & Young LLP

Los Angeles, California  
March 9, 2015

S-F-3

TABLE OF CONTENTS

**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

To the Board of Directors and Shareholders of  
TCP Capital Corp.  
Los Angeles, California

We have audited the internal control over financial reporting of TCP Capital Corp. (the Company) as of December 31, 2016, based on criteria established in Internal Control — Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission. The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed by, or under the supervision of, the company's principal executive and principal financial officers, or persons performing similar functions, and effected by the company's board of directors, management, and other personnel 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. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of the inherent limitations of internal control over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may not be prevented or detected on a timely basis. Also, projections of any evaluation of the effectiveness of the internal control over financial reporting to future periods are subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2016, based on the criteria established in Internal Control — Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated financial statements and financial statement schedules as of and for the year ended December 31, 2016 of the Company and our report dated February 28, 2017 expressed an unqualified opinion on those financial statements and financial statement schedules.

/s/ DELOITTE & TOUCHE LLP

Los Angeles, California  
February 28, 2017

S-F-4

**TABLE OF CONTENTS****TCP Capital Corp.****Consolidated Statements of Assets and Liabilities**

	<b>December 31, 2016</b>	<b>December 31, 2015</b>
<b>Assets</b>		
Investments, at fair value:		
Companies less than 5% owned (cost of \$1,174,421,611 and \$1,123,682,687, respectively)	\$ 1,175,097,468	\$ 1,099,208,475
Companies 5% to 25% owned (cost of \$75,508,585 and \$68,862,518, respectively)	69,355,808	69,008,931
Companies more than 25% owned (cost of \$96,135,623 and \$39,162,221, respectively)	70,516,594	14,702,319
Total investments (cost of \$1,346,065,819 and \$1,231,707,426, respectively)	1,314,969,870	1,182,919,725
Cash and cash equivalents	53,579,868	35,629,435
Accrued interest income:		
Companies less than 5% owned	12,713,025	8,842,528
Companies 5% to 25% owned	953,561	741,306
Companies more than 25% owned	25,608	29,230
Deferred debt issuance costs	3,828,784	5,390,241
Unrealized appreciation on swaps	—	3,229,442
Options (cost of \$51,750 at December 31, 2015)	—	—
Prepaid expenses and other assets	1,527,745	2,331,044
Total assets	1,387,598,461	1,239,112,951
<b>Liabilities</b>		
Debt, net of unamortized issuance costs	571,658,862	498,205,471
Payable for investments purchased	12,348,925	6,425,414
Interest payable	5,013,713	2,911,257
Incentive allocation payable	4,716,834	5,207,606
Payable to the Advisor	325,790	508,334
Accrued expenses and other liabilities	2,598,346	3,877,852
Total liabilities	596,662,470	517,135,934
<b>Commitments and contingencies (Note 5)</b>		
<b>Net assets applicable to common shareholders</b>	<b>\$ 790,935,991</b>	<b>\$ 721,977,017</b>
<b>Composition of net assets applicable to common shareholders</b>		
Common stock, \$0.001 par value; 200,000,000 shares authorized, 53,041,900 and 48,834,734 shares issued and outstanding as of December 31, 2016 and December 31, 2015, respectively	\$ 53,042	\$ 48,834
Paid-in capital in excess of par	944,426,650	878,383,356

Edgar Filing: TCP Capital Corp. - Form 497

Accumulated net investment income	12,533,289		22,261,793
Accumulated net realized losses	(134,960,267	)	(132,483,593 )
Accumulated net unrealized depreciation	(31,116,723	)	(46,233,373 )
Net assets applicable to common shareholders	\$ 790,935,991		\$ 721,977,017
<b>Net assets per share</b>	\$ 14.91		\$ 14.78

S-F-5





	(1.25% Exit Fee)										
Inc. (ore)	First Lien Delayed Draw										
	Tranche 2 Term Loan	LIBOR (M)	0.33 %	10.17%	N/A	9/1/2018	\$ —	—	—	—	—
Inc. (ore)	First Lien Delayed Draw										
	Tranche 3 Term Loan	LIBOR (M)	0.33 %	10.17%	N/A	9/1/2018	\$ —	—	—	—	—
								14,772,946	14,704,508	1.07	9
<b>ortation</b>											
er Group,	Acquisition Loan	LIBOR (M)	—	7.25%	8.00%	7/15/2022	\$ 14,042,971	13,839,296	14,323,830	1.05	9
rlines,	Engine Acquisition Delayed Draw	Term LIBOR Loan A (M)	—	7.25%	8.00%	12/14/2021	\$ 16,546,652	16,259,013	16,257,105	1.19	9
rlines,	Engine Acquisition Delayed Draw	Term LIBOR Loan B (M)	—	7.25%	N/A	2/28/2022	\$ —	—	—	—	—
rlines,	Engine Acquisition Delayed Draw	Term LIBOR Loan C (M)	—	7.25%	N/A	12/31/2022	\$ —	—	—	—	—
								30,098,309	30,580,935	2.24	9
<b>ment reation</b>											
ing I,	First Lien Revolver	LIBOR (M)	—	8.25%	N/A	12/20/2018	\$ —	(1,655,756 )	(937,500 )	(0.07	%
uthern s, LLC	First Lien Term Loan	LIBOR (Q)	1.00 %	6.5% Cash + 2% PIK	9.50%	11/3/2020	\$ 24,220,291	23,755,180	23,735,885	1.73	%
uthern s, LLC	Sr Secured Revolver	LIBOR (Q)	1.00 %	6.5% Cash + 2% PIK	N/A	11/3/2020	\$ —	(16,444 )	(17,123 )	—	
								22,082,980	22,781,262	1.66	9

Manufacturing										
Bros.,	First Lien Term Loan (First Out)	LIBOR (Q)	1.25 %	5.75%	7.00%	6/3/2021	\$ 9,700,000	9,541,402	9,700,000	0.71
Bros.,	First Lien Term Loan B (Last Out)	LIBOR (Q)	1.25 %	12.25%	13.50%	6/3/2021	\$ 9,800,000	9,646,339	9,800,000	0.72
arel s, LLC	First Lien FILO Term Loan	LIBOR (M)	1.00 %	9.60%	10.60%	4/8/2019	\$ 2,714,632	2,705,143 21,892,884	2,741,779 22,241,779	0.20 1.63
Logistics										
Centers										
atacom ical,	First Lien Delayed Draw Term Loan	LIBOR (Q)	1.00 %	7.50%	8.50%	7/25/2021	\$ —	—	—	—
atacom ical,	First Lien Term Loan	LIBOR (Q)	1.00 %	7.50%	8.50%	7/25/2021	\$ 14,295,589	14,092,734 14,092,734	14,188,374 14,188,374	1.04 1.04
s t s										
e Global ogies,	Sr Secured Revolving Loan	LIBOR (Q)	0.23 %	8.52%	N/A	11/30/2018	\$ —	(17,798 )	70,000	0.01
e Global ogies,	Sr Secured Term Loan (1.0% Exit Fee)	LIBOR (Q)	0.23 %	9.27%	10.12%	11/30/2019	\$ 23,937,500	23,867,666	24,356,406	1.78
irway ions, st ge)	Second Lien Term Loan	LIBOR (Q)	1.00 %	9.25%	10.25%	6/30/2023	\$ 31,000,000	30,588,757 54,438,625	30,336,600 54,763,006	2.22 4.01

S-F-6

TABLE OF CONTENTS**TCP Capital Corp.****Consolidated Schedule of Investments (Continued)****December 31, 2016**

	Instrument	Ref	Floor	Spread	Total Coupon	Maturity	Principal	Cost	Fair Value	% of Total Cash and Investment
<b>ent ed)</b>										
<b>als</b>										
Plant s s, LLC	Sr Secured Term Loan (8.0% Exit Fee)	LIBOR (Q)	—	10.63%	11.63%	2/1/2018	\$ 7,563,676	\$ 7,995,360	\$ 8,250,457	0.60 %
Biologics,	Sr Secured Delayed Draw Term Loan (12.4% Exit Fee)	Prime Rate	—	7.75%	11.50%	6/30/2019	\$ 15,000,000	15,468,439	14,905,500	1.09 %
E1 B.V. ands)	First Lien Delayed Draw Term Loan	LIBOR (Q)	—	8.00%	9.00%	10/12/2021	\$ 253,581	245,565	251,684	0.02 %
E1 B.V. ands)	First Lien Term Loan	LIBOR (Q)	—	8.00%	9.00%	10/12/2021	\$ 3,864,583	3,836,083	3,835,599	0.28 %
, Inc.	First Lien Delayed Draw Term Loan (3.5% Exit Fees)	LIBOR (Q)	—	9.81%	10.75%	4/1/2019	\$ 10,000,000	9,526,456 37,071,903	9,712,000 36,955,240	0.71 % 2.70 %
<b>nications ent cturing</b>										
mm , Inc.	First Lien Term Loan	LIBOR (Q)	1.25 %	7.63%	8.88%	12/11/2018	\$ 14,480,001	14,335,200	14,480,002	1.06 %
ion Co. (m)	First Lien Term Loan	LIBOR (Q)	1.00 %	6.50%	7.50%	9/27/2023	\$ 4,835,417	4,646,389 18,981,589	4,877,727 19,357,729	0.36 % 1.42 %

Debt										
Designated										
S										
Company										
Type of Debt										
Interest Rate										
Maturity										
Original Amount										
Current Balance										
Liquidity Ratio										
Inc.	First Lien	LIBOR								
)	Term Loan	(Q)	1.00 %	6.75%	7.75%	9/1/2022	\$ 9,975,000	9,784,353	9,875,250	0.72
ocket, Inc.	Senior									
	Secured 1st									
	Lien Term	LIBOR								
	Loan	(M)	1.00 %	10.00%	11.00%	2/10/2021	\$ 17,500,000	16,884,459	17,291,750	1.26
ftware	Second Lien	LIBOR								
tion	Term Loan	(M)	1.00 %	7.50%	8.50%	5/29/2021	\$ 6,993,035	6,953,617	7,001,777	0.51
, Inc.	First Lien	LIBOR								
	Term Loan	(Q)	1.00 %	9.50%	10.50%	8/16/2021	\$ 23,295,455	22,630,922	22,887,784	1.67
, Inc.	Senior									
	Secured									
	Revolver	LIBOR								
		(Q)	1.00 %	9.50%	10.50%	8/16/2021	\$ —	(47,341 )	21,307	—
terprise										
s, Ltd.	First Lien	LIBOR								
)	Term Loan B	(Q)	—	8.00%	8.90%	9/3/2018	\$ 2,314,000	2,314,000	2,314,000	0.17
terprise										
s, Ltd.	First Lien	LIBOR								
)	Term Loan	(Q)	—	8.00%	8.90%	9/3/2018	\$ 10,320,000	10,268,787	10,320,000	0.75
A, LLC	First Lien	LIBOR								
	Term Loan B	(Q)	—	8.00%	8.90%	9/3/2018	\$ 3,738,000	3,738,000	3,738,000	0.27
A, LLC	First Lien	LIBOR								
	Term Loan	(Q)	—	8.00%	8.90%	9/3/2018	\$ 3,160,000	3,151,013	3,160,000	0.23
ll										
onal, Inc.	First Lien									
	Delayed									
	Draw Term									
	Loan (3.0%	LIBOR								
	Exit Fee)	(Q)	—	11.67%	12.48%	9/1/2018	\$ 4,800,000	4,827,231	4,970,640	0.36
								80,505,041	81,580,508	5.94
Processing										
Listing										
S										
Company										
Type of Debt										
Interest Rate										
Maturity										
Original Amount										
Current Balance										
Liquidity Ratio										
Centers,	First Lien									
LC	Term Loan	Fixed	—	9.00%	9.00%	1/15/2020	\$ 6,876,756	6,876,756	6,876,756	0.50
Power										
Generation,										
Commission										
Distribution										
e	First Lien	Fixed	—	9%	10.00%	9/10/2017	\$ 7,518,173	7,491,471	7,442,991	0.54
ble	Term Loan			Cash						
Fund 3,				+ 1%						
nergy)				PIK						

<b>Manufacturing</b>										
Inc.	Tranche A Term Loan (3.0% Exit Fee)	LIBOR (Q)	0.44 %	9.33%	10.15%	3/1/2018	\$ 15,666,296	15,483,478	15,471,251	1.13 %
Inc.	Tranche B Term Loan	LIBOR (Q)	0.44 %	9.33%	10.15%	9/1/2017	\$ 1,603,779	1,556,152 17,039,630	1,563,204 17,034,455	0.11 % 1.24 %
<b>Real Estate</b>										
Partners s, LLC	Senior Note	Fixed	—	12.00%	12.00%	11/1/2020	\$ 29,203,304	29,203,304	29,203,304	2.13 %
cean, lexel)	Sr Secured Term Loan	Fixed	—	8.00%	8.00%	8/15/2018	\$ 1,685,289	1,685,289 30,888,593	1,718,994 30,922,298	0.13 % 2.26 %
<b>Services</b>										
ment	First Lien Term Loan B	LIBOR (M)	1.25 %	6.75%	8.00%	3/15/2018	\$ 879,513	834,963	853,128	0.06 %
<b>Financial Services</b>										
a Finance ayman	Asset-Backed Credit Linked Notes	Fixed	—	13.13%	13.13%	8/2/2021	\$ 15,000,000	15,000,000	14,994,000	1.10 %
<b>Retail Stores</b>										
Inc.	First Lien FILO Term Loan	LIBOR (M)	1.50 %	8.80%	10.30%	10/8/2019	\$ 9,333,235	9,297,529	9,426,567	0.69 %

S-F-7



of Financial s											
mediate s 2,	Second Lien Term Loan	LIBOR (Q)	1.00 %	8.50%	9.50%	5/27/2022	\$ 16,573,588	16,434,441	16,739,324	1.22 %	
mediate s 2,	Second Lien Incremental Term Loan	LIBOR (Q)	1.00 %	8.50%	9.50%	5/27/2022	\$ 3,426,412	3,396,918 19,831,359	3,460,676 20,200,000	0.25 % 1.47 %	
ement, ic, and cal ing s											
Data & es, LLC	First Lien Term Loan	LIBOR (Q)	1.00 %	8.75%	9.75%	10/31/2019	\$ 23,995,511	23,613,049	23,699,166	1.73 %	
Picture leo ies											
oldings, ORE nment)	First Lien Term Loan	LIBOR (Q)	1.00 %	8.0% PIK	9.00%	10/17/2022	\$ 1,445,592	1,445,592	1,387,712	0.10 %	
pository											
mediation											
akk LC	First Lien Delayed Draw Term Loan	LIBOR (M)	0.50 %	9.50%	10.24%	12/21/2021	\$ 32,392,942	31,888,166	31,939,467	2.33 %	
Home nc.	First Lien Delayed Draw Term Loan	LIBOR (M)	1.00 %	6.50%	7.50%	6/30/2020	\$ 13,333,333	13,136,017	13,133,333	0.96 %	
an l Group n	Sr Secured Notes	Fixed	—	11.50%	11.50%	11/15/2019	\$ 28,678,000	28,568,148	29,108,170	2.13 %	
k l nce,	First Lien Delayed Draw Term Loan	LIBOR (M)	—	9.50%	10.27%	1/12/2020	\$ 17,500,000	17,300,337	16,992,500	1.24 %	
			1.00 %	8.00%	9.00%	3/26/2021	\$ 16,062,731	15,912,928	16,207,296	1.18 %	

Edgar Filing: TCP Capital Corp. - Form 497

ne Holdings,	First Lien Term Loan	LIBOR (Q)								
Finance I, Ltd. n	Secured Class B Notes	Fixed	—	10.75%	10.75%	11/13/2018	\$ 15,084,000	15,084,000	14,857,740	1.09 %
								121,889,596	122,238,506	8.93 %
<b>ation</b>										
ional,	Delayed Draw Term Loan	LIBOR (M)	1.00 %	8.50%	9.50%	7/31/2020	\$ 1,251,626	1,227,886	1,231,183	0.09 %
ional,	Revolver Loan	LIBOR (M)	1.00 %	8.50%	9.50%	7/31/2020	\$ 491,303	480,225	481,674	0.04 %
ional,	First Lien Term Loan	LIBOR (M)	1.00 %	8.50%	9.50%	7/31/2020	\$ 15,408,563	15,204,465	15,257,559	1.11 %
s h, LLC	First Lien Term Loan	LIBOR (Q)	0.50 %	10.50%	11.38%	12/11/2020	\$ 4,936,601	4,853,985	4,973,625	0.36 %
loud ited (n)	Sr Secured Term Loan (2.0% Exit Fee)	LIBOR (M)	0.28 %	10.72%	11.60%	10/1/2018	\$ 31,550,000	31,632,236	32,510,698	2.38 %
s, LLC Click)	Second Lien Term Loan	LIBOR (M)	1.00 %	7.75%	8.75%	11/6/2021	\$ 19,988,392	19,769,829	19,663,581	1.44 %
								73,168,626	74,118,320	5.42 %

S-F-8



TABLE OF CONTENTS**TCP Capital Corp.****Consolidated Schedule of Investments (Continued)****December 31, 2016**

					<b>Total</b>					<b>% of</b>
	<b>Instrument</b>	<b>Ref</b>	<b>Floor</b>	<b>Spread</b>	<b>Coupon</b>	<b>Maturity</b>	<b>Principal</b>	<b>Cost</b>	<b>Fair Value</b>	<b>Total Cash a</b>
<b>Investments</b>										<b>Investment</b>
<b>(D)</b>										
<b>Insurance</b>										
Insurance Corp.	Sr Secured Term Loan	Fixed	—	12.00%	12.00%	9/15/2018	\$ 4,869,577	\$ 4,869,577	\$ 4,869,710	0.36
Insurance Corp.	Second Lien Notes	Fixed	—	11.00%	11.00%	11/15/2018	\$ 9,268,000	7,586,317	9,268,000	0.68
Insurance Corp.	Delayed Draw Term Loan	Fixed	—	12.00%	12.00%	9/15/2018	\$ 1,049,146	1,049,146	1,049,147	0.08
LLC	Second Lien Term Loan	LIBOR (M)	1.00 %	6.25%	7.25%	11/15/2021	\$ 5,000,000	4,900,613	5,000,000	0.37
g Tube,	Subordinated Notes	LIBOR (M)	—	17.50%	N/A	2/1/2021	\$ 1,030,741	1,030,740	107,200	0.01
								19,436,393	20,294,057	1.50
<b>Publishing</b>										
LC	First Lien Revolver	LIBOR (Q)	—	9.00%	N/A	4/29/2021	\$ —	(24,000 )	15,000	
LC	First Lien Term Loan	LIBOR (Q)	—	9.00%	9.88%	4/29/2021	\$ 8,614,356	8,459,058	8,549,749	0.62
dia Health,	First Lien Term Loan B	LIBOR (M)	1.00 %	6.50%	7.50%	12/23/2021	\$ 13,636,364	12,272,727	12,477,273	0.91
								20,707,785	21,042,022	1.53
<b>Communications</b>										
Technologies,	Second Lien Term Loan	LIBOR (Q)	1.25 %	7.75%	9.00%	4/30/2021	\$ 4,516,129	4,470,968	4,407,177	0.32
<b>Pharmaceuticals</b>										
Medical Inc.	First Lien Term Loan	LIBOR (M)	1.00 %	6.00%	7.00%	6/30/2022	\$ 8,642,604	8,199,514	8,664,210	0.63

Edgar Filing: TCP Capital Corp. - Form 497

International, Inc.	Sr Secured Notes	Fixed	—	9.50%	9.50%	6/1/2018	\$ 13,600,000	14,246,000	4,503,640	0.33
<b>Television</b>										
	Sr Secured Notes	Fixed	—	10.38%	10.38%	7/1/2019	\$ 7,312,000	7,312,000	4,435,972	0.32
Holdco, Inc.	Second Lien Term Loan	LIBOR (M)	1.25 %	8.75%	10.00%	7/22/2020	\$ 15,981,496	15,727,220 23,039,220	16,141,311 20,577,283	1.18 1.50
<b>Leasing</b>										
Owners of Inc.	First Lien Term Loan	LIBOR (Q)	1.00 %	7.00%	8.00%	10/13/2022	\$ 5,000,000	4,902,332	5,000,000	0.37
<b>Real Estate</b>										
LLC (Real Estate)	Convertible Second Lien Term Loan Tranche B-1	Fixed	—	8.50%	8.50%	3/30/2018	\$ 1,943,371	1,943,371	1,943,371	0.14
LLC (Real Estate)	First Lien Term Loan Tranche A	Fixed	—	7.00%	7.00%	3/30/2018	\$ 4,871,284	4,587,898	4,871,284	0.36
LLC (Real Estate)	Second Lien Term Loan Tranche B	Fixed	—	8.50%	8.50%	3/30/2018	\$ 9,683,150	9,683,150	3,154,770	0.23
LLC (Real Estate)	Second Lien Term Loan Tranche B-1	Fixed	—	8.50%	8.50%	3/30/2018	\$ 3,049,554	3,034,132	3,049,555	0.22
LLC (Real Estate)	Sr Convertible Second Lien Term Loan B	Fixed	—	8.50%	8.50%	3/30/2018	\$ 4,251,368	4,251,368 23,499,919	4,251,368 17,270,348	0.31 1.26
Inc.	First Lien Revolver	LIBOR (Q)	1.00 %	9.50%	10.50%	3/15/2021	\$ 4,432,934	4,348,162	4,388,605	0.32
Mountain	Second Lien Term Loan	LIBOR (M)	—	9.50%	10.44%	6/15/2018	\$ 14,740,910	14,618,096	14,749,754	1.08
oree Inc.	First Lien Term Loan	LIBOR (Q)	—	10.25%	11.18%	9/24/2020	\$ 12,857,349	12,618,039	13,050,209	0.95
ole Inc.	First Lien FILO Term	LIBOR (M)	1.00 %	8.50%	9.50%	9/25/2020	\$ 20,672,789	20,491,699	20,879,517	1.53

Loan								52,075,996	53,068,085	3.88
<b>Communications</b>										
Communications C (United	Sr Secured Notes	Fixed	—	10.00%	10.00%	10/1/2019	\$ 9,393,000	9,393,000	5,665,153	0.41
<b>Research Development</b>										
Buildings, Inc.	First Lien Term Loan	LIBOR (Q)	1.00 %	8.50%	9.50%	11/3/2021	\$ 35,192,124	34,499,517	34,796,212	2.54

S-F-9

TABLE OF CONTENTS**TCP Capital Corp.****Consolidated Schedule of Investments (Continued)****December 31, 2016**

					Total						
	Instrument	Ref	Floor	Spread	Coupon	Maturity	Principal	Cost	Fair Value	To Cash	Invest
<b>Investments</b>											
<b>Publishing</b>											
International Switzerland)	First Lien Term Loan	LIBOR (Q)	1.00 %	11.50%	12.50%	6/9/2017	\$ 28,336,513	\$ 28,329,478	\$ 28,165,077	2.	
(USA), LLC	Second Lien Term Loan	LIBOR (Q)	0.50 %	8.5% Cash + 1.25% PIK	10.75%	1/31/2020	\$ 30,222,833	29,851,330	28,893,029	2.	
LC	First Lien Term Loan	LIBOR (Q)	0.25 %	5.75% Cash + 3% PIK	9.63%	3/31/2019	\$ 35,627,947	35,263,561	35,538,877	2.	
l US, Inc.	First Lien Term Loan Jr Revolving Facility	LIBOR (Q) Fixed	—	9.50% 5.00%	10.35% 5.00%	12/31/2017 6/9/2020	\$ 5,837,798 —	5,754,455 —	5,823,203 —	0. —	
Ultimate LC	Sr PIK Notes	Fixed	—	8.50%	8.50%	6/9/2020	\$ 2,846,243	2,846,243	2,846,246	0.	
Ultimate LC	Jr PIK Notes	Fixed	—	10.00%	10.00%	6/9/2020	\$ 13,040,391	12,539,980	12,101,483	0.	
Positionco,	First Lien Term Loan	LIBOR (Q)	1.00 %	6.0% Cash + 2.0% PIK	9.00%	11/4/2019	\$ 42,565,572	41,986,034	42,991,228	3.	
Positionco,	Sr Secured Revolver	LIBOR (Q)	1.00 %	8.00%	9.00%	11/4/2019	\$ 3,182,143	3,182,143	3,213,964	0.	
Solutions,	Second Lien Term Loan	LIBOR (Q)	—	13.00%	13.95%	9/10/2021	\$ 11,513,361	11,196,782	11,334,905	0.	
Solutions )	Second Lien Term Loan B	LIBOR (Q)	—	13.00%	13.95%	9/10/2021	\$ 11,513,362	11,196,782	11,334,905	0.	

Edgar Filing: TCP Capital Corp. - Form 497

	Senior Secured 1st Lien Term Loan (4.0% LIBOR Exit Fee) (M)	—	9.56%	10.50%	4/1/2019	\$ 17,880,435	17,783,558	19,037,299	1.	
	Convertible Promissory Note	Fixed	—	10.00%	10.00%	12/16/2017	\$ 2,282,609	2,282,609	5,504,054	0.
c.	First Lien Delayed Draw Term Loan (1.0% LIBOR Exit Fee) (M)	0.62 %	9.88%	10.69%	1/1/2019	\$ 3,200,000	3,135,670	3,080,000	0.	
							205,348,625	209,864,270	15.	
<b>Finishings</b>										
	Carpet Mills, First Lien Term Loan	LIBOR (Q)	1.00 %	10.00%	11.00%	12/19/2019	\$ 22,804,525	22,804,525	22,827,329	1.
	Carpet Mills, First Lien Term Loan B	LIBOR (Q)	1.00 %	10.00%	11.00%	12/19/2019	\$ 7,822,482	7,681,925	7,830,304	0.
							30,486,450	30,657,633	2.	
<b>Home</b>										
	Holdings yman Bank Guarantee Credit Facility	Fixed	—	8.2% Cash + 3.5% PIK	11.70%	7/2/2017	\$ 21,276,420	21,276,420	21,276,653	1.
	Holdings yman Revolving Credit Facility	Fixed	—	8.20%	8.20%	7/2/2017	\$ 4,000,000	4,000,000	4,000,000	0.
							25,276,420	25,276,653	1.	
	First Lien Term Loan	LIBOR (Q)	1.00 %	9.50%	10.50%	9/1/2021	\$ 21,023,109	20,424,799	21,601,245	1.
<b>Communications</b>										
	First Lien Delayed Draw FILO Term Loan	LIBOR (M)	1.00 %	7.42%	8.53%	5/31/2018	\$ 332,044	328,743	326,682	0.
	First Lien Delayed Draw FILO Term Loan	LIBOR (M)	1.00 %	7.42%	8.66%	5/31/2018	\$ 1,355,968	1,346,859	1,328,296	0.

Edgar Filing: TCP Capital Corp. - Form 497

ations,	First Lien FILO Term	LIBOR								
	Loan	(M)	1.00 %	7.42%	8.42%	5/31/2018	\$ 7,255,721	7,183,589	7,139,992	0.
com	Second									
c.	Lien Term	LIBOR								
	Loan	(Q)	1.25 %	8.50%	9.75%	2/22/2020	\$ 13,231,193	13,084,285	13,313,989	0.
ific Corp.	First Lien	LIBOR								
	Notes	(Q)	1.00 %	8.50%	9.50%	2/24/2021	\$ 10,000,000	9,715,362	10,000,000	0.
								31,658,838	32,108,959	2.

Communications

	Sr Secured									
	Notes	Fixed	—	12.50%	12.50%	7/1/2022	\$ 10,000,000	10,000,000	10,900,000	0.
								1,254,861,949	1,248,887,808	91.

S-F-10

TABLE OF CONTENTS**TCP Capital Corp.****Consolidated Schedule of Investments (Continued)****December 31, 2016**

<b>Issuer</b>	<b>Instrument</b>	<b>Ref</b>	<b>Floor</b>	<b>Spread</b>	<b>Total Coupon</b>	<b>Maturity</b>	<b>Principal</b>	<b>Cost</b>	<b>Fair Value</b>	<b>% of Total Cash and Investments</b>	<b>Notes</b>
<b><u>Equity Securities</u></b>											
<b>Advertising and Public Relations Services</b>											
InMobi, Inc. (Singapore)	Warrants to Purchase Stock						562,496	\$ 230,569	\$ 87,356	0.01 %	C/E/H
<b>Air Transportation</b>											
Aircraft Leased to United Airlines, Inc.											
United N659UA-767, LLC (N659UA)	Trust Beneficial Interests						683	3,250,956	3,191,938	0.23 %	E/F
United N661UA-767, LLC (N661UA)	Trust Beneficial Interests						688	3,376,251	3,266,101	0.24 %	E/F
Epic Aero, Inc. (One Sky)	Warrants to Purchase Common Stock						1,843	855,313	1,909,600	0.14 %	C/E
								7,482,520	8,367,639	0.61 %	
<b>Business Support Services</b>											
Findly Talent, LLC	Membership Units						708,229	230,938	143,133	0.01 %	C/E
STG-Fairway Holdings, LLC (First Advantage)	Class A Units						841,479	325,432	1,112,351	0.08 %	C/E
								556,370	1,255,484	0.09 %	
<b>Chemicals</b>											
							909,300	274,213	875	—	C/E

Green Biologics, Inc.	Warrants to Purchase Stock					
Nanosys, Inc.	Warrants to Purchase Common Stock	800,000	605,266	611,920	0.05 %	C/E
			879,479	612,795	0.05 %	
<b>Communications Equipment Manufacturing</b>						
Wasserstein Cosmos Co-Invest, L.P. (Globecomm)	Limited Partnership Units	5,000,000	5,000,000	1,530,000	0.11 %	B/C/E
<b>Computer Systems Design and Related Services</b>						
Waterfall International, Inc.	Series B Preferred Stock	1,428,571	1,000,000	1,145,286	0.08 %	C/E
Waterfall International, Inc.	Warrants to Purchase Stock	920,000	89,847	175,168	0.01 %	C/E
			1,089,847	1,320,454	0.09 %	
<b>Data Processing and Hosting Services</b>						
Anacomp, Inc.	Class A Common Stock	1,255,527	26,711,048	1,205,306	0.09 %	C/E/F
Rightside Group, Ltd.	Warrants	498,855	2,778,622	366,489	0.03 %	C/E
			29,489,670	1,571,795	0.12 %	
<b>Electrical Equipment Manufacturing</b>						
NEXTracker, Inc.	Series B Preferred Stock	558,884	—	1,727,622	0.13 %	E
NEXTracker, Inc.	Series C Preferred Stock	17,640	—	54,525	—	E
			—	1,782,147	0.13 %	



**Electronic  
Component  
Manufacturing**

Soraa, Inc.	Warrants to Purchase Common Stock	3,071,860	478,899	5,222	— C/E
-------------	-----------------------------------	-----------	---------	-------	-------

**Equipment  
Leasing**

36th Street Capital Partners Holdings, LLC	Membership Units	6,818,897	6,818,897	6,818,897	0.50 % C/E/F
Essex Ocean II, LLC	Membership Units	199,430	103,398	159,045	0.01 % C/E/F
			6,922,295	6,977,942	0.51 %

S-F-11

TABLE OF CONTENTS**TCP Capital Corp.****Consolidated Schedule of Investments (Continued)****December 31, 2016**

<b>Issuer</b>	<b>Instrument</b>	<b>Ref</b>	<b>Floor</b>	<b>Spread</b>	<b>Total Coupon</b>	<b>Maturity</b>	<b>Principal</b>	<b>Cost</b>	<b>Fair Value</b>	<b>% of Total Cash and Investments</b>	<b>Notes</b>
<b><u>Equity Securities (continued)</u></b>											
<b>Financial Investment Activities</b>											
GACPI, LP	Membership Units						16,615,951	\$ 16,735,088	\$ 16,866,903	1.23 %	C/E/I
Marsico Holdings, LLC	Common Interest Units						168,698	172,694	1,687	—	C/E/I
								16,907,782	16,868,590	1.23 %	
<b>Metal and Mineral Mining</b>											
EPMC HoldCo, LLC	Membership Units						1,312,720		— 210,035	0.02 %	B/E
<b>Motion Picture and Video Industries</b>											
NEG Parent, LLC	Class A Units						1,182,779	1,235,194	1,292,023	0.09 %	C/E
NEG Parent, LLC	Class P Units						1,537,613	1,537,613	1,551,056	0.11 %	C/E
NEG Parent, LLC	Class A Warrants to Purchase Class A Units						343,387	196,086	196,086	0.01 %	C/E
NEG Parent, LLC	Class B Warrants to Purchase Class A Units						346,794	198,032	198,032	0.02 %	C/E
								3,166,925	3,237,197	0.23 %	

**Other  
Information  
Services**

SoundCloud, Ltd. (United Kingdom)	Warrants to Purchase Preferred Stock	946,498	79,082	95,502	0.01 % C/E/H
-----------------------------------	--------------------------------------	---------	--------	--------	--------------

**Other  
Manufacturing**

AGY Holding Corp.	Common Stock	1,333,527	—	—	— B/C/E
Boomerang Tube Holdings, Inc.	Common Stock	24,288	243	—	— C/E
KAGY Holding Company, Inc.	Series A Preferred Stock	9,778	1,091,200 1,091,443	4,607,246 4,607,246	0.34 % B/C/E 0.34 %

**Radio and  
Television  
Broadcasting**

Fuse Media, LLC	Warrants to Purchase Common Stock	233,470	300,322	—	— C/E
-----------------	-----------------------------------	---------	---------	---	-------

**Restaurants**

RM Holdco, LLC (Real Mex)	Equity Participation	24	—	—	— B/C/E
RM Holdco, LLC (Real Mex)	Membership Units	13,161,000	2,010,777 2,010,777	— —	— B/C/E —

**Retail**

Shop Holding, LLC (Connexity)	Class A Units	507,167	480,049	—	— C/E
-------------------------------	---------------	---------	---------	---	-------

**Software  
Publishing**

Blackline Intermediate, Inc.	Warrants to Purchase Common Stock	246,546	522,678	5,300,373	0.39 % C/E
Edmentum Ultimate	Class A Common	159,515	680,226	1,123,591	0.08 % B/C/E

Edgar Filing: TCP Capital Corp. - Form 497

Holdings, LLC	Units				
Soasta, Inc.	Warrants to Purchase Series F Preferred Stock	1,251,630	533,192	794,535	0.06 % C/E
Utilidata, Inc.	Warrants to Purchase Stock	719,998	216,336	204,983	0.01 % C/E
			1,952,432	7,423,482	0.54 %
<b>Utility System Construction</b>					
Kawa Solar Holdings Limited (Cayman Islands)	Ordinary Shares	2,332,594	—	—	— C/E/F/H
Kawa Solar Holdings Limited (Cayman Islands)	Series B Preferred Shares	93,023	1,395,349	1,395,350	0.10 % C/E/F/H
			1,395,349	1,395,350	0.10 %

S-F-12



- Controlled issuer – as defined under the Investment Company Act of 1940 (ownership of 25% or more of the outstanding voting securities of this issuer). Investment is not more than 50% of the outstanding voting securities of the issuer nor deemed to be a significant subsidiary. See Consolidated Schedule of Changes in Investments in Affiliates.
- (F) (G) Investment has been segregated to collateralize certain unfunded commitments.
- (H) Non-U.S. company or principal place of business outside the U.S. and as a result the investment is not a qualifying asset under Section 55(a) of the Investment Company Act. Under the Investment Company Act, the Company may not acquire any non-qualifying asset unless, at the time such acquisition is made, qualifying assets represent at least 70% of the Company's total assets.
- (I) Deemed an investment company under Section 3(c) of the Investment Company Act and as a result the investment is not a qualifying asset under Section 55(a) of the Investment Company Act. Under the Investment Company Act, the Company may not acquire any non-qualifying asset unless, at the time such acquisition is made, qualifying assets represent at least 70% of the Company's total assets.
- (J) Negative balances relate to an unfunded commitment that was acquired and/or valued at a discount.
- (K) In addition to the stated coupon, investment has an exit fee payable upon repayment of the loan in an amount equal to the percentage of the original principal amount shown.

S-F-13

TABLE OF CONTENTS

**TCP Capital Corp.**

**Consolidated Schedule of Investments (Continued)**

**December 31, 2016**

(L) All cash and investments, except those referenced in Notes G above, are pledged as collateral under certain debt as described in Note 4 to the Consolidated Financial Statements.

LIBOR or EURIBOR resets monthly (M), quarterly (Q), semiannually (S), or annually (A).

Aggregate acquisitions and aggregate dispositions of investments, other than government securities, totaled \$587,219,129 and \$473,457,512 respectively, for the year ended December 31, 2016. Aggregate acquisitions includes investment assets received as payment in kind. Aggregate dispositions includes principal paydowns on and maturities of debt investments. The total value of restricted securities and bank debt as of December 31, 2016 was \$1,311,625,473 or 96.1% of total cash and investments of the Company. As of December 31, 2016 approximately 16.4% of the total assets of the Company were not qualifying assets under Section 55(a) of the 1940 Act.

S-F-14

TABLE OF CONTENTS**TCP Capital Corp.****Consolidated Schedule of Investments****December 31, 2015**

Instrument	Ref	Floor	Spread	Total Coupon	Maturity	Principal	Cost	Fair Value	% of Total Cash and Investments	
Global (b)	Holdco PIK Notes	LIBOR (A)	3.00 %	10.00%	13.00%	10/3/2018	\$ 64,783	\$ 64,783	64,783	0.01
Global , LLC	Second Lien Term Loan	LIBOR (Q)	1.50 %	11.00%	12.50%	10/3/2018	\$ 15,249,675	15,041,186 15,105,969	15,249,675 15,314,458	1.25 1.26
United (b)	First Lien Facility A1 Term Loan	EURIBOR (Q)	1.25 %	5.75%	7.00%	3/18/2018	€12,249,157	15,931,220	13,171,984	1.08
Inc. (re)	First Lien Delayed Draw Tranche 1 Term Loan (1.25% Exit Fee)	LIBOR (M)	0.33 %	10.17%	10.50%	9/1/2018	\$ 13,145,041	12,695,719	12,776,341	1.05
Inc. (re)	First Lien Delayed Draw Tranche 1 Term Loan (1.25% Exit Fee)	LIBOR (M)	0.33 %	10.17%	N/A	9/1/2018	\$ —	—	—	—



Edgar Filing: TCP Capital Corp. - Form 497

Inc. (re)	First Lien Delayed Draw Tranche 1 Term Loan (1.25% Exit Fee)	LIBOR (M)	0.33 %	10.17%	N/A	9/1/2018	\$	—	—	—	—
								28,626,939	25,948,325		2.13
<b>rtation</b>											
Leased Air c.	Aircraft Secured Mortgage	Fixed	—	8.00%	8.00%	3/15/2017	\$	114,196	114,196	115,617	0.01
	Aircraft Secured Mortgage	Fixed	—	8.00%	8.00%	8/15/2018	\$	233,219	233,219	237,494	0.02
	Aircraft Secured Mortgage	Fixed	—	8.00%	8.00%	3/20/2019	\$	336,554	336,554	342,734	0.03
	Aircraft Secured Mortgage	Fixed	—	8.00%	8.00%	6/20/2019	\$	362,232	362,232	369,162	0.03
	Aircraft Secured Mortgage	Fixed	—	8.00%	8.00%	5/20/2019	\$	358,380	358,380	365,197	0.03
	Aircraft Secured Mortgage	Fixed	—	8.00%	8.00%	6/20/2019	\$	365,401	365,401	372,392	0.03
	Aircraft Secured Mortgage	Fixed	—	8.00%	8.00%	7/20/2019	\$	372,361	372,361	379,522	0.03
	Aircraft Secured Mortgage	Fixed	—	8.00%	8.00%	10/20/2019	\$	396,169	396,169	403,869	0.03
	Aircraft Secured Mortgage	Fixed	—	8.00%	8.00%	8/20/2019	\$	385,667	385,667	393,115	0.03
	Aircraft Secured Mortgage	Fixed	—	8.00%	8.00%	2/15/2018	\$	214,686	214,686	218,321	0.02
Leased Inc.		Fixed	—	12.00%	12.00%	2/28/2016	\$	313,315	313,315	318,980	0.03

Edgar Filing: TCP Capital Corp. - Form 497

	Aircraft Secured Mortgage									
	Aircraft Secured Mortgage	Fixed	—	12.00%	12.00%	5/4/2016	\$ 557,684	557,684	570,303	0.05
LTD.	Aircraft Acquisition Loan A	LIBOR (M)	—	8.50%	8.75%	1/31/2023	\$ 14,250,773	13,982,969	14,252,198	1.17
LTD.	Aircraft Acquisition Loan A1	LIBOR (M)	—	8.50%	N/A	1/31/2023	\$ —	—	—	—
Group,	Acquisition Delayed Draw Loan	LIBOR (M)	—	7.25%	N/A	6/17/2019	\$ —	—	278,288	0.02
Group,	Acquisition Loan	LIBOR (M)	—	7.25%	7.62%	7/15/2022	\$ 15,997,019	15,724,234 33,717,067	16,324,958 34,942,150	1.34 2.87
<b>Financing</b>										
Corporation,	First Lien Term Loan A (First Out)	LIBOR (Q)	1.25 %	5.75%	7.00%	6/3/2021	\$ 9,940,000	9,743,116	9,741,200	0.80
Corporation,	First Lien Term Loan B (Last Out)	LIBOR (Q)	1.25 %	12.25%	13.50%	6/3/2021	\$ 9,960,000	9,762,553	9,760,800	0.80
Reliance LLC	First Lien FILO Term Loan	LIBOR (M)	1.00 %	9.60%	10.60%	4/8/2019	\$ 3,669,926	3,645,226 23,150,895	3,669,926 23,171,926	0.30 1.90
Global Strategies,	Sr Secured Revolving Loan	LIBOR (Q)	0.23 %	8.52%	8.75%	11/30/2017	\$ —	(69,938 )	(123,750 )	(0.01 )
Global Strategies,	Sr Secured Term Loan (1.0% Exit Fee)	LIBOR (Q)	0.23 %	9.27%	9.50%	11/30/2019	\$ 17,281,250	17,043,402	16,996,109	1.39
Freightway Services, Inc.	Second Lien Term Loan	LIBOR (Q)	1.00 %	9.25%	10.25%	6/30/2023	\$ 31,000,000	30,546,700	31,883,500	2.62

47,520,164 48,755,859 4.00

S-F-15

TABLE OF CONTENTS**TCP Capital Corp.****Consolidated Schedule of Investments****December 31, 2015**

					<b>Total</b>					<b>% of</b>
	<b>Instrument</b>	<b>Ref</b>	<b>Floor</b>	<b>Spread</b>	<b>Coupon</b>	<b>Maturity</b>	<b>Principal</b>	<b>Cost</b>	<b>Fair Value</b>	<b>Total Cash and Investments</b>
<b>Investments (continued)</b>										
<b>Real Estate</b>										
Plant	Sr Secured									
ts	Term Loan									
gs, LLC	(8.0 % Exit Fee)	LIBOR (M)	0.23 %	10.27%	10.50%	2/1/2018	\$ 7,700,000	\$ 7,993,675	\$ 8,059,280	0.66 %
ber, Inc.	Sr Secured									
	Term Loan									
	(8.25% Exit Fee)	LIBOR (M)	0.23 %	9.27%	9.50%	12/1/2017	\$ 10,000,000	10,226,245	10,509,000	0.86 %
Biologics,	Sr Secured									
	Delayed									
	Draw Term									
	Loan									
	(10.0% Exit Fee)	Prime Rate	—	7.75%	11.25%	5/1/2018	\$ 15,000,000	14,927,838	15,175,500	1.25 %
								33,147,758	33,743,780	2.77 %
<b>Communications</b>										
<b>Investment</b>										
<b>Manufacturing</b>										
omm	First Lien	LIBOR								
s, Inc.	Term Loan	(Q)	1.25 %	7.63%	8.88%	12/11/2018	\$ 14,629,280	14,482,987	14,256,233	1.17 %
<b>Water</b>										
<b>Investment</b>										
<b>Manufacturing</b>										
Graphics	First Lien	LIBOR								
ional	Term Loan	(Q)	1.00 %	9.00%	10.00%	7/27/2018	\$ 18,432,723	18,157,715	18,570,968	1.52 %
<b>Water</b>										
<b>Design</b>										
<b>Related</b>										

Edgar Filing: TCP Capital Corp. - Form 497

ert, LLC	First Lien Term Loan	LIBOR (Q)	0.25 %	4.75% Cash + 4% PIK	9.00%	3/31/2019	\$ 34,564,922	34,069,278	34,459,499	2.83 %
oftware ation	Second Lien Term Loan	LIBOR (M)	1.00 %	7.50%	8.50%	5/29/2021	\$ 6,993,035	6,938,605	6,153,871	0.51 %
terprise ns, Ltd. (a)	First Lien Term Loan B	LIBOR (Q)	—	8.00%	8.32%	9/3/2018	\$ 2,337,733	2,337,733	2,355,266	0.19 %
terprise ns, Ltd. (a)	First Lien Term Loan	LIBOR (Q)	—	7.00%	7.32%	9/3/2018	\$ 10,426,667	10,343,578	10,322,400	0.85 %
SA, LLC	First Lien Term Loan B	LIBOR (Q)	—	8.00%	8.32%	9/3/2018	\$ 4,675,467	4,675,467	4,710,533	0.39 %
SA, LLC	First Lien Term Loan	LIBOR (Q)	—	7.00%	7.32%	9/3/2018	\$ 5,213,333	5,175,467	5,161,200	0.42 %
ix, LLC	First Lien Revolver	LIBOR (Q)	0.50 %	8.50%	9.00%	12/4/2018	\$ 365,437	361,329	365,437	0.03 %
ix, LLC	First Lien Term Loan	LIBOR (M)	0.50 %	8.50%	9.00%	12/4/2018	\$ 6,205,583	6,155,701	6,050,443	0.50 %
ll ional, Inc.	First Lien Delayed Draw Term Loan	LIBOR (Q)	—	11.67%	12.00%	9/1/2018	\$ 4,800,000	4,678,943 74,736,101	4,733,280 74,311,929	0.39 % 6.11 %
<b>Processing osting</b>										
<b>S</b>										
ional, Inc.	Delayed Draw Term Loan	LIBOR (M)	1.00 %	7.00%	8.00%	7/31/2020	\$ 3,430,383	3,396,023	3,404,827	0.28 %
ional, Inc.	Revolver Loan	LIBOR (M)	1.00 %	7.00%	8.00%	7/31/2020	\$ 242,376	234,663	242,376	0.02 %
ional, Inc.	First Lien Term Loan	LIBOR (M)	1.00 %	7.00%	8.00%	7/31/2020	\$ 8,109,426	7,979,611	8,050,389	0.66 %
de Group,	Second Lien Term Loan	LIBOR (Q)	0.50 %	8.75%	9.38%	8/6/2019	\$ 4,750,000	3,991,890	4,828,375	0.40 %
TLD , Ltd. (side) n Islands)	Second Lien Term Loan	LIBOR (Q)	0.50 %	8.75%	9.38%	8/6/2019	\$ 9,500,000	7,983,779 23,585,966	9,656,750 26,182,717	0.79 % 2.15 %

<b>Power Generation, Mission Distribution</b>										
the ble Fund 3, (energy)	First Lien Term Loan	Fixed	—	9% Cash + 1% PIK	10.00%	9/10/2017	\$ 7,461,240	7,397,199	7,386,628	0.61 %
<b>Medical Manufacturing</b>										
Technologies	First Lien Term Loan	LIBOR (Q)	1.50 %	8.50%	10.00%	2/6/2018	\$ 6,165,986	6,130,433	6,058,081	0.50 %
Technologies	First Lien Term Loan	LIBOR (Q)	1.50 %	8.50%	10.00%	2/6/2018	\$ 3,991,338	3,921,387	3,921,490	0.32 %
								10,051,820	9,979,571	0.82 %
<b>Pharmaceutical Manufacturing</b>										
MN ables, LLC (Biologics)	Sr Secured Revolver (3.0% Exit Fee)	Fixed	—	8.25%	N/A	1/1/2016	\$ —	—	—	—
ve, Inc.	First Lien Delayed Draw Term Loan	LIBOR (Q)	—	10.72%	N/A	7/1/2018	\$ —	(121,106 )	—	—
nc.	Tranche A Term Loan (3.0% Exit Fee)	LIBOR (M)	0.44 %	9.33%	9.77%	3/1/2018	\$ 22,500,000	21,452,673	21,411,000	1.76 %
nc.	Tranche B Term Loan	LIBOR (M)	0.44 %	9.33%	9.77%	9/1/2017	\$ 1,687,500	1,571,025	1,567,434	0.13 %
								22,902,592	22,978,434	1.89 %

S-F-16

TABLE OF CONTENTS**TCP Capital Corp.****Consolidated Schedule of Investments****December 31, 2015**

	Instrument	Ref	Floor	Spread	Total Coupon	Maturity	Principal	Cost	Fair Value	% of Total Cash and Investmen
<b>ments</b>										
<b>ued)</b>										
<b>ment</b>										
<b>g</b>										
<b>reet</b>										
<b>Partners</b>										
<b>s, LLC</b>	Senior Note	Fixed	—	12.00%	12.00%	11/1/2020	\$ 900,000	\$ 900,000	900,000	0.07 %
<b>Ocean,</b>	Sr Secured Term Loan	Fixed	—	8.00%	8.00%	3/25/2019	\$ —	—	—	—
<b>Ocean,</b>	Sr Secured Term Loan	Fixed	—	8.00%	8.00%	8/15/2018	\$ 2,631,033	2,631,033	2,641,294	0.22 %
<b>olexel)</b>								3,531,033	3,541,294	0.29 %
<b>ial</b>										
<b>ment</b>										
<b>es</b>										
<b>onal</b>										
<b>older</b>	Second Lien Term Loan	LIBOR (Q)	1.00 %	7.50%	8.50%	4/30/2022	\$ 4,471,492	4,437,802	4,270,275	0.35 %
<b>s, Inc.</b>	First Lien Term Loan	LIBOR (Q)	1.50 %	5.25%	6.75%	5/8/2017	\$ 6,763,751	6,425,563	6,502,839	0.53 %
<b>nt, Inc.</b>										
<b>ia</b>										
<b>V plc</b>	Asset-Backed Credit Linked Notes	Fixed	—	13.13%	13.13%	8/2/2021	\$ 15,000,000	15,000,000	14,881,500	1.22 %
<b>n</b>								25,863,365	25,654,614	2.10 %
<b>g</b>										
<b>ning I,</b>	First Lien Revolver	LIBOR (M)	—	8.25%	N/A	12/20/2018	\$ —	(1,862,302 )	(1,250,000 )	(0.10 %)
<b>y Stores</b>										
<b>Inc.</b>	First Lien FILO Term Loan	LIBOR (M)	1.50 %	7.00%	8.50%	10/8/2019	\$ 10,033,866	9,995,480	10,111,127	0.83 %

Inc.	First Lien Term Loan	LIBOR (Q)	1.00 %	9.00%	10.00%	7/1/2018	\$ 3,907,686	3,888,148	3,912,571	0.32 %
Healthcare,	First Lien Term Loan	Prime Rate	—	8.25%	11.75%	8/28/2020	\$ 17,157,214	16,790,143	17,043,118	1.40 %
alCare	Second Lien Term Loan	LIBOR (M)	1.00 %	10.25%	11.25%	10/23/2019	\$ 21,017,525	20,777,746	20,807,350	1.71 %
s, Inc.								41,456,037	41,763,039	3.43 %
ce										
s										
e, LLC	Second Lien Incremental Notes	LIBOR (Q)	1.00 %	9.00%	10.00%	11/19/2022	\$ 7,080,555	6,944,926	7,063,562	0.58 %
e, LLC	Second Lien Notes	LIBOR (Q)	1.00 %	9.00%	10.00%	11/19/2022	\$ 12,720,998	12,542,859	12,690,468	1.04 %
e, LLC	Second Lien Incremental Notes	LIBOR (Q)	1.00 %	9.00%	10.00%	11/19/2022	\$ 3,846,850	3,795,306	3,837,597	0.31 %
dings,	First Lien Term Loan	LIBOR (Q)	1.00 %	6.25%	7.25%	8/31/2021	\$ 3,950,000	3,874,773	3,732,750	0.31 %
le LLC										
ogy)	First Lien Term Loan	LIBOR (Q)	0.50 %	11.50%	12.00%	8/29/2019	\$ 20,000,000	19,375,352	19,936,000	1.64 %
								46,533,216	47,260,377	3.88 %
ce										
es										
Seguros	Second Lien Term Loan	LIBOR (M)	1.25 %	9.00%	10.25%	5/8/2019	\$ 11,061,809	10,950,946	10,951,191	0.90 %
g II Co.										
s of ancial										
s										
mediate	Second Lien Term Loan	LIBOR (Q)	1.00 %	8.50%	9.50%	5/27/2022	\$ 15,990,714	15,853,293	15,690,888	1.29 %
gs 2, LLC										
mediate	Second Lien Incremental Term Loan	LIBOR (Q)	1.00 %	8.50%	9.50%	5/27/2022	\$ 3,474,715	3,440,934	3,409,564	0.28 %
gs 2, LLC								19,294,227	19,100,452	1.57 %
ement, ic, and cal										



<b>ing</b>										
<b>s</b>										
<b>Data &amp;</b>										
<b>cs, LLC</b>										
<b>First Lien</b>										
<b>Term Loan</b>										
<b>LIBOR</b>										
<b>(Q)</b>										
<b>1.00 %</b>										
<b>8.75%</b>										
<b>9.75%</b>										
<b>10/31/2019</b>										
<b>\$ 24,693,587</b>										
<b>24,159,891</b>										
<b>24,267,623</b>										
<b>1.99 %</b>										
<b>I</b>										
<b>ment and</b>										
<b>s</b>										
<b>acturing</b>										
<b>us, LLC</b>										
<b>Second Lien</b>										
<b>Term Loan</b>										
<b>LIBOR</b>										
<b>(Q)</b>										
<b>1.00 %</b>										
<b>10.00%</b>										
<b>11.00%</b>										
<b>4/10/2020</b>										
<b>\$ 11,000,000</b>										
<b>10,819,241</b>										
<b>10,835,000</b>										
<b>0.89 %</b>										
<b>Picture</b>										
<b>deo</b>										
<b>ries</b>										
<b>ment,</b>										
<b>First Lien</b>										
<b>Term Loan</b>										
<b>Fixed</b>										
<b>—</b>										
<b>11.00%</b>										
<b>11.00%</b>										
<b>6/21/2017</b>										
<b>\$ 9,462,231</b>										
<b>9,425,030</b>										
<b>4,667,719</b>										
<b>0.38 %</b>										
<b>ment,</b>										
<b>Second Lien</b>										
<b>Term Loan</b>										
<b>Fixed</b>										
<b>—</b>										
<b>15.50%</b>										
<b>15.50%</b>										
<b>6/21/2018</b>										
<b>\$ 7,569,785</b>										
<b>7,700,187</b>										
<b>291,058</b>										
<b>0.02 %</b>										
<b>17,125,217</b>										
<b>4,958,777</b>										
<b>0.40 %</b>										

S-F-17

TABLE OF CONTENTS**TCP Capital Corp.****Consolidated Schedule of Investments****December 31, 2015**

	<b>Instrument</b>	<b>Ref</b>	<b>Floor</b>	<b>Spread</b>	<b>Total Coupon</b>	<b>Maturity</b>	<b>Principal</b>	<b>Cost</b>	<b>Fair Value</b>	<b>C Inv</b>
	Sr Secured Notes	Fixed	—	11.50%	11.50%	11/15/2019	\$ 26,975,000	\$ 26,829,614	\$ 26,705,250	
	First Lien Delayed Draw Term Loan	LIBOR (Q)	—	9.50%	9.92%	1/12/2020	\$ 5,000,000	4,621,333	4,919,250	
	First Lien Term Loan	LIBOR (Q)	1.00 %	8.00%	9.00%	3/26/2021	\$ 16,305,999	16,125,251	16,133,156	
	Secured Class B Notes	Fixed	—	10.75%	10.75%	11/13/2018	\$ 15,084,000	15,084,000 62,660,198	14,857,740 62,615,396	
	First Lien Term Loan B	Prime Rate	—	7.50%	11.00%	2/27/2018	\$ 14,812,500	14,714,767	13,479,375	
	Second Lien Term Loan	LIBOR (Q)	1.00 %	8.50%	9.50%	8/4/2019	\$ 8,095,238	7,784,717 22,499,484	6,773,043 20,252,418	
	First Lien Term Loan	LIBOR (Q)	0.50 %	10.50%	11.13%	12/11/2020	\$ 5,128,936	5,026,844	5,026,357	
	Second Lien Term Loan	LIBOR (M)	1.00 %	7.75%	8.75%	11/6/2021	\$ 19,988,392	19,735,864 24,762,708	18,789,089 23,815,446	
	Sr Secured Term Loan	Fixed	—	12.00%	12.00%	9/15/2016	\$ 4,869,577	4,869,577	4,869,577	

Edgar Filing: TCP Capital Corp. - Form 497

Corp.	Second Lien Notes	Fixed	—	11.00%	11.00%	11/15/2016	\$ 9,268,000	7,586,317	9,268,000
oe,	Second Lien Term	LIBOR							
	Loan	(Q)	1.50 %	9.50%	11.00%	10/11/2017	\$ 3,825,453	4,010,758	1,759,709
oe,	Super Priority	Prime							
	Debtor-in-Possession	Rate	—	10.00%	13.50%	11/30/2015	\$ 1,124,444	1,124,444	1,124,444
								17,591,096	17,021,730
<b>ations</b>									
ologies,	Second Lien Term	LIBOR							
	Loan	(Q)	1.25 %	7.75%	9.00%	4/30/2021	\$ 14,000,000	13,860,000	7,924,000
<b>ng</b>									
A, Inc.		LIBOR							
	First Lien Revolver	(M)	—	6.75%	7.18%	5/20/2018	\$ 3,456,500	2,886,378	3,003,668
A, Inc.		LIBOR							
	First Lien Term Loan	(Q)	1.25 %	6.75%	8.00%	11/20/2018	\$ 5,681,239	5,582,994	5,425,584
								8,469,372	8,429,252
<b>ls</b>									
cal		LIBOR							
	First Lien Term Loan	(Q)	1.00 %	6.00%	7.00%	6/30/2022	\$ 5,970,000	5,879,117	5,492,400
<b>g</b>									
ional,	Sr Secured Notes	Fixed	—	9.50%	9.50%	6/1/2018	\$ 13,600,000	13,600,000	8,918,010
<b>revision</b>									
	Sr Secured Notes	Fixed	—	10.38%	10.38%	7/1/2019	\$ 7,312,000	7,312,000	5,776,480
co,	Second Lien Term	LIBOR							
	Loan	(M)	1.25 %	8.75%	10.00%	7/22/2020	\$ 10,000,000	10,019,257	9,450,000
nnel,		LIBOR							
	First Lien Term Loan	(Q)	—	8.50%	8.88%	5/29/2017	\$ 32,520,727	32,351,929	32,675,201
								49,683,186	47,901,681
C (Real	Convertible Second								
	Lien Term Loan								
	Tranche B-1	Fixed	—	8.50%	8.50%	3/30/2018	\$ 1,783,036	1,779,352	1,783,036
C (Real	First Lien Term Loan	Fixed	—	7.00%	7.00%	3/21/2016	\$ 3,719,155	3,717,664	3,719,155
	Tranche A								
C (Real	Second Lien Term	Fixed	—	8.50%	8.50%	3/30/2018	\$ 8,884,258	8,884,258	4,490,993
	Loan Tranche B								
C (Real	Second Lien Term	Fixed	—	8.50%	8.50%	3/30/2018	\$ 2,797,956	2,782,534	2,797,956
	Loan Tranche B-1								

Edgar Filing: TCP Capital Corp. - Form 497

Loan Description	Interest Type	Rate	Rate	Rate	Maturity	Original Amount	Current Balance	Current Balance
C (Real Sr Convertible Second Lien Term Loan B)	Fixed	—	8.50%	8.50%	3/30/2018	\$ 2,188,233	2,188,233	2,188,233
							19,352,041	14,979,373
e. First Lien FILO Term Loan	LIBOR (M)	1.00 %	8.50%	9.50%	9/25/2020	\$ 13,185,494	13,049,991	13,317,349
First Lien Term Loan	LIBOR (Q)	1.00 %	10.00%	11.00%	2/13/2020	\$ 6,354,563	6,354,563	6,237,956
							19,404,554	19,555,305

S-F-18

TABLE OF CONTENTS**TCP Capital Corp.****Consolidated Schedule of Investments****December 31, 2015**

					<b>Total</b>				<b>Fair</b>	<b>%</b>
	<b>Instrument</b>	<b>Ref</b>	<b>Floor</b>	<b>Spread</b>	<b>Coupon</b>	<b>Maturity</b>	<b>Principal</b>	<b>Cost</b>	<b>Value</b>	<b>To</b>
<b>Investments</b>										<b>Cash</b>
<b>Communications</b>										<b>Investment</b>
Communications (United)	Sr Secured Notes	Fixed	—	10.00%	10.00%	10/1/2019	\$ 9,393,000	\$ 9,393,000	\$ 7,336,027	0.0%
<b>Research and Development</b>										
Facilities, etc.	Senior Secured Notes	Fixed	—	12.25%	12.25%	4/1/2017	\$ 38,932,000	39,001,750	40,489,280	3.0%
<b>Publishing</b>										
International (Switzerland), LLC	First Lien Term Loan	LIBOR (Q)	1.00 %	9.50%	10.50%	2/21/2017	\$ 29,485,290	29,375,415	28,170,246	2.0%
(USA), LLC	Second Lien Term Loan	LIBOR (Q)	0.50 %	8.50%	9.00%	1/31/2020	\$ 30,000,000	29,529,480	28,023,000	2.0%
Systems, etc.	First Lien Term Loan	LIBOR (Q)	1.50 %	0.4% Cash + 7.6% PIK	9.50%	9/25/2018	\$ 14,619,396	13,946,601	14,765,590	1.0%
Networks, etc.	First Lien Term Loan	LIBOR (Q)	—	9.50%	10.11%	12/3/2020	\$ 6,062,304	5,881,725	5,880,435	0.0%
Inc.	Jr Revolving Facility	Fixed	—	5.00%	5.00%	6/9/2020	\$ —	—	—	—
Ultimate LLC	Sr PIK Notes	Fixed	—	8.50%	8.50%	6/9/2020	\$ 2,612,408	2,612,408	2,612,408	0.0%
Ultimate LLC	Jr PIK Notes	Fixed	—	10.00%	10.00%	6/9/2020	\$ 11,791,569	11,176,985	11,343,490	0.0%

Edgar Filing: TCP Capital Corp. - Form 497

Positionco,	First Lien Term Loan	LIBOR (Q)	1.00 %	8.00%	9.00%	11/4/2019	\$ 41,924,150	41,178,969	42,029,025	3.4
Positionco,	Sr Secured Revolver	LIBOR (Q)	1.00 %	8.00%	9.00%	11/4/2019	\$ 1,272,857	1,272,857	1,276,039	0.1
Ltd. (gdom)	Sr Secured Term Loan (2.0% Exit Fees)	LIBOR (Q)	0.28 %	10.72%	11.00%	10/1/2018	\$ 31,550,000	31,341,229	31,395,405	2.3
.	First Lien Delayed Draw Term Loan (1.0% Exit Fee)	LIBOR (Q)	0.62 %	9.88%	10.50%	1/1/2019	\$ 3,200,000	2,906,672	2,903,680	0.1
Inc.	First Lien Term Loan	LIBOR (Q)	—	8.00%	8.63%	5/21/2020	\$ 7,500,000	7,398,976	7,471,875	0.1
								176,621,317	175,871,193	14.4
<b>Shipments</b>										
Carpet Mills,	First Lien Term Loan	LIBOR (Q)	1.00 %	10.00%	11.00%	12/19/2019	\$ 25,000,000	25,000,000	24,785,000	2.0
Carpet Mills,	First Lien Term Loan B	LIBOR (Q)	1.00 %	10.00%	11.00%	12/19/2019	\$ 8,575,581	8,378,569	8,501,831	0.1
								33,378,569	33,286,831	2.1
<b>Term n</b>										
Holdings	Revolving Credit Facility	Fixed	—	8.20%	8.20%	7/2/2017	\$ 25,000,000	25,000,000	25,000,000	2.0
<b>Communications</b>										
Communications,	First Lien Delayed Draw FILO Term Loan	LIBOR (Q)	1.00 %	6.92%	7.92%	5/31/2018	\$ 1,064,676	1,046,166	1,058,812	0.1
Communications,	First Lien FILO Term Loan	LIBOR (Q)	1.00 %	6.92%	7.92%	5/31/2018	\$ 7,938,819	7,859,897	7,895,156	0.1
com c.	Second Lien Term Loan	LIBOR (Q)	1.25 %	8.50%	9.75%	2/22/2020	\$ 13,231,193	13,039,047	12,883,874	1.0
ty and company	First Lien Term Loan	LIBOR (Q)	1.00 %	7.13%	8.13%	8/31/2020	\$ 4,000,000	3,943,631	3,922,000	0.1

25,888,741 25,759,842 2.

Communications

First Lien	LIBOR									
Term Loan	(Q)	1.50 %	9.75%	11.25%	3/21/2018	\$ 32,822,506	32,877,865	33,150,731	2.	
							1,160,372,521	1,130,535,387	92.	

S-F-19

TABLE OF CONTENTS**TCP Capital Corp.****Consolidated Schedule of Investments****December 31, 2015**

<b>Issuer</b>	<b>Instrument</b>	<b>Ref</b>	<b>Floor</b>	<b>Spread</b>	<b>Total Coupon</b>	<b>Maturity</b>	<b>Shares</b>	<b>Cost</b>	<b>Fair Value</b>	<b>% of Total Cash and Investments</b>	<b>Notes</b>
<b><u>Equity Securities</u></b>											
<b>Advertising and Public Relations Services</b>											
InMobi, Inc. (Singapore)	Warrants to Purchase Stock						17,578	\$ 230,569	\$ 233,543	0.02	% C/E/H
<b>Air Transportation</b>											
Aircraft Leased to Delta Air Lines, Inc.											
N913DL	Trust Beneficial Interests						1,316	84,164	107,501	0.01	% E/F
N918DL	Trust Beneficial Interests						1,053	86,044	127,662	0.01	% E/F
N954DL	Trust Beneficial Interests						975	95,345	77,850	0.01	% E/F
N955DL	Trust Beneficial Interests						937	92,045	108,100	0.01	% E/F
N956DL	Trust Beneficial Interests						946	91,995	104,478	0.01	% E/F
N957DL	Trust Beneficial Interests						937	92,417	105,329	0.01	% E/F
N959DL	Trust Beneficial Interests						928	92,840	106,203	0.01	% E/F



Edgar Filing: TCP Capital Corp. - Form 497

N960DL	Trust Beneficial Interests	902	94,503	105,937	0.01 % E/F
N961DL	Trust Beneficial Interests	919	94,018	101,487	0.01 % E/F
N976DL	Trust Beneficial Interests	1,130	87,968	100,793	0.01 % E/F
Aircraft Leased to United Airlines, Inc.					
United N659UA-767, LLC (N659UA)	Trust Beneficial Interests	652	3,143,045	3,368,599	0.28 % E/F
United N661UA-767, LLC (N661UA)	Trust Beneficial Interests	632	3,062,496	3,294,024	0.27 % E/F
Epic Aero, Inc. (One Sky)	Warrants to Purchase Common Stock	1,843	855,313 7,972,193	3,173,450 10,881,413	0.26 % C/E 0.91 %

**Business  
Support Services**

Findly Talent, LLC	Membership Units	708,229	230,938	162,184	0.01 % C/E
STG-Fairway Holdings, LLC (First Advantage)	Class A Units	841,479	325,432 556,370	2,616,916 2,779,100	0.21 % C/E 0.22 %

**Chemicals**

Green Biologics, Inc.	Warrants to Purchase Stock	376,147	272,594	236,634	0.02 % C/E
--------------------------	----------------------------------	---------	---------	---------	------------

**Communications  
Equipment  
Manufacturing**

Wasserstein Cosmos Co-Invest, L.P. (Globecomm)	Limited Partnership Units	5,000,000	5,000,000	4,198,500	0.34 % B/C/E
---	---------------------------------	-----------	-----------	-----------	--------------

**Computer  
Systems Design**

**and Related  
Services**

Waterfall International, Inc.	Series B Preferred Stock	1,428,571	1,000,000	999,714	0.08 % C/E
Waterfall International, Inc.	Warrants to Purchase Stock	857,143	57,026	57,686	— C/E
			1,057,026	1,057,400	0.08 %

**Data Processing  
and Hosting  
Services**

Anacomp, Inc.	Class A Common Stock	1,255,527	26,711,048	1,581,964	0.13 % C/E/F
Rightside Group, Ltd.	Warrants	498,855	2,778,622	919,030	0.07 % C/E
			29,489,670	2,500,994	0.20 %

**Electrical  
Equipment  
Manufacturing**

NEXTracker, Inc.	Series B Preferred Stock	558,884	—	2,929,279	0.24 % C/E
NEXTracker, Inc.	Series C Preferred Stock	17,640	—	92,460	0.01 % C/E
			—	3,021,739	0.25 %

**Electronic  
Component  
Manufacturing**

Soraa, Inc.	Warrants to Purchase Common Stock	630,000	499,189	180,432	0.01 % C/E
-------------	--	---------	---------	---------	------------

S-F-20



Edgar Filing: TCP Capital Corp. - Form 497

	Common Stock					
<b>Restaurants</b>						
Holdco, LLC (l Mex)	Equity Participation	24	—	—	—	B/C/E
Holdco, LLC (l Mex)	Membership Units	13,161,000	2,010,777	—	—	B/C/E
			2,010,777	—	—	
<b>Oil</b>						
o Holding, LLC (nexterity)	Class A Units	507,167	480,049	320,682	0.03 %	C/E
o Holding, LLC (nexterity)	Warrants to Purchase Class A Units	326,691	—	8,079	—	C/E
			480,049	328,761	0.03 %	
<b>Software Publishing</b>						
kline Intermediate, Inc.	Warrants to Purchase Common Stock	1,232,731	522,678	\$ 1,290,175	0.11 %	C/E
entum Ultimate Holdings, LLC	Class A Common Units	159,515	680,226	680,218	0.05 %	B/C/E
ndCloud, Ltd. (ted Kingdom)	Warrants to Purchase Preferred Stock	946,498	79,082	75,247	0.01 %	C/E
data, Inc.	Warrants to Purchase Stock	29,593	216,336	216,337	0.02 %	C/E
			1,498,322	2,261,977	0.19 %	
<b>Media and Communications</b>						
<b>Providers</b>						
gra Telecom, Inc.	Common Stock	1,274,522	8,433,884	5,269,511	0.43 %	C/E
gra Telecom, Inc.	Warrants	346,939	19,919	221,174	0.02 %	C/E
telecom Investment A. (Vivacom) (embourg)	Common Shares	1,393	3,236,256	3,390,093	0.28 %	C/D/E
			11,690,059	8,880,778	0.73 %	
<b>Total Equity</b>			71,334,905	52,384,338	4.30 %	

**urities**

**al Investments**

\$ 1,231,707,426 \$ 1,182,919,725

S-F-21

TABLE OF CONTENTS**TCP Capital Corp.****Consolidated Schedule of Investments****December 31, 2015**

<b>Issuer</b>	<b>Instrument</b>	<b>Ref Floor</b>	<b>Spread</b>	<b>Total</b>	<b>Maturities</b>	<b>Shares</b>	<b>Cost</b>	<b>Fair</b>	<b>% of Total</b>	<b>Notes</b>
				<b>Coupo</b>				<b>Value</b>	<b>Cash and</b>	
									<b>Investments</b>	
<b><u>Cash and Cash</u></b>										
<b><u>Equivalents</u></b>										
	Cash									
	Denominated in									
	Foreign									
	Currencies							130,081	0.01	%
	Cash Held on									
	Account at									
	Various									
	Institutions							35,499,354	2.91	%
	<b>Cash and Cash</b>									
	<b>Equivalents</b>							35,629,435	2.92	%
	<b>Total Cash</b>									
	<b>and</b>									
	<b>Investments</b>							\$ 1,218,549,160	100.00	% M

*Notes to Consolidated Schedule of Investments:*

Investments in bank debt generally are bought and sold among institutional investors in transactions not subject to (A) registration under the Securities Act of 1933. Such transactions are generally subject to contractual restrictions, such as approval of the agent or borrower.

Non-controlled affiliate – as defined under the Investment Company Act of 1940 (ownership of between 5% and (B) 25% of the outstanding voting securities of this issuer). See Consolidated Schedule of Changes in Investments in Affiliates.

(C) Non-income producing security.

(D) Investment denominated in foreign currency. Amortized cost and fair value converted from foreign currency to US dollars. Foreign currency denominated investments are generally hedged for currency exposure. At December 31, 2015, such hedging activities included the derivatives listed at the end of the Consolidated Schedule of Investments. (See Note 2)

(E) Restricted security. (See Note 2)

(F) Controlled issuer – as defined under the Investment Company Act of 1940 (ownership of 25% or more of the outstanding voting securities of this issuer). Investment is not more than 50% of the outstanding voting securities of the issuer nor deemed to be a significant subsidiary. See Consolidated Schedule of Changes in Investments in Affiliates.

(G) Investment has been segregated to collateralize certain unfunded commitments.

(H) Non-U.S. company or principal place of business outside the U.S. and as a result the investment is not a qualifying asset under Section 55(a) of the Investment Company Act. Under the Investment Company Act, the Company may not acquire any non-qualifying asset unless, at the time such acquisition is made, qualifying assets represent at least 70% of the Company's total assets.

- (I) Deemed an investment company under Section 3(c) of the Investment Company Act and as a result the investment is not a qualifying asset under Section 55(a) of the Investment Company Act. Under the Investment Company Act, the Company may not acquire any non-qualifying asset unless, at the time such acquisition is made, qualifying assets represent at least 70% of the Company's total assets.
- (J) Publicly traded company with a market capitalization greater than \$250 million and as a result the investment is not a qualifying asset under Section 55(a) of the Investment Company Act. Under the Investment Company Act, the Company may not acquire any non-qualifying asset unless, at the time such acquisition is made, qualifying assets represent at least 70% of the Company's total assets.
- (K) Negative balances relate to an unfunded commitment that was acquired and/or valued at a discount.
- (L) In addition to the stated coupon, investment has an exit fee payable upon repayment of the loan in an amount equal to the percentage of the original principal amount shown.

S-F-22

TABLE OF CONTENTS**TCP Capital Corp.****Consolidated Schedule of Investments****December 31, 2015**

(M) All cash and investments, except those referenced in Notes G above, are pledged as collateral under certain debt as described in Note 4 to the Consolidated Financial Statements.

LIBOR or EURIBOR resets monthly (M), quarterly (Q), semiannually (S), or annually (A).

Aggregate acquisitions and aggregate dispositions of investments, other than government securities, totaled \$500,928,009 and \$456,059,137 respectively, for the twelve months ended December 31, 2015. Aggregate acquisitions includes investment assets received as payment in kind. Aggregate dispositions includes principal paydowns on and maturities of debt investments. The total value of restricted securities and bank debt as of December 31, 2015 was \$1,182,719,039, or 97.1% of total cash and investments of the Company. As of December 31, 2015, approximately 18.0% of the total assets of the Company were not qualifying assets under Section 55(a) of the 1940 Act.

Options and swaps at December 31, 2015 were as follows:

<b>Investment</b>	<b>Notional Amount</b>	<b>Fair Value</b>
Interest Rate Cap with Deutsche Bank AG, 4%, expires 5/15/2016	\$ 25,000,000	\$ —
Euro/US Dollar Cross-Currency Basis Swap with Wells Fargo Bank, N.A., Pay Euros/Receive USD, Expires 3/31/2017	\$ 16,401,467	\$ 3,229,442

*See accompanying notes to the consolidated financial statements.*

S-F-23



TABLE OF CONTENTS**TCP Capital Corp.****Consolidated Statements of Operations**

	<b>Year Ended December 31,</b>		
	<b>2016</b>	<b>2015</b>	<b>2014</b>
<b>Investment income</b>			
Interest income:			
Companies less than 5% owned	\$ 133,915,069	\$ 135,518,703	\$ 94,632,495
Companies 5% to 25% owned	6,672,486	5,932,861	5,394,075
Companies more than 25% owned	4,430,859	560,989	896,695
Dividend income:			
Companies 5% to 25% owned	—	—	1,968,748
Lease income:			
Companies 5% to 25% owned	—	—	320,277
Companies more than 25% owned	1,571,280	1,352,797	1,014,053
Other income:			
Companies less than 5% owned	1,442,096	3,502,875	2,328,980
Companies 5% to 25% owned	—	—	26,125
Companies more than 25% owned	148,975	—	—
Total investment income	148,180,765	146,868,225	106,581,448
<b>Operating expenses</b>			
Interest and other debt expenses	25,192,990	18,895,977	9,821,751
Management and advisory fees	18,881,786	18,593,660	13,646,064
Legal fees, professional fees and due diligence expenses	2,320,959	2,840,839	1,355,370
Administrative expenses	1,693,304	1,600,477	1,421,863
Director fees	423,904	318,317	357,050
Insurance expense	382,152	374,720	288,156
Custody fees	313,073	300,055	229,254
Other operating expenses	3,149,764	2,564,662	1,360,564
Total operating expenses	52,357,932	45,488,707	28,480,072
<b>Net investment income before taxes</b>	95,822,833	101,379,518	78,101,376
Excise tax expense	569,511	876,706	808,813
<b>Net investment income</b>	95,253,322	100,502,812	77,292,563
<b>Net realized and unrealized gain (loss) on investments and foreign currency</b>			
Net realized gain (loss):			
Investments in companies less than 5% owned	(15,499,336 )	(7,077,393 )	(16,370,638 )
Investments in companies 5% to 25% owned	417,446	(10,613,422 )	(4,748,229 )

Edgar Filing: TCP Capital Corp. - Form 497

Investments in companies more than 25% owned	79,742	19,167	—
Net realized gain (loss)	(15,002,148 )	(17,671,648 )	(21,118,867 )
Change in net unrealized appreciation/depreciation	15,116,650	(4,733,463 )	(6,185,711 )
Net realized and unrealized gain (loss)	114,502	(22,405,111 )	(27,304,578 )
<b>Net increase in net assets from operations</b>	<b>95,367,824</b>	<b>78,097,701</b>	<b>49,987,985</b>
Gain on repurchase of Series A preferred interests	—	1,675,000	—
Dividends on Series A preferred equity facility	—	(1,251,930 )	(1,444,634 )
Net change in accumulated dividends on Series A preferred equity facility	—	497,790	6,462
Distributions of incentive allocation to the General Partner from:			
Net investment income	(19,050,665 )	(19,949,734 )	(15,170,877 )
Net change in reserve for incentive allocation	—	—	1,168,583
<b>Net increase in net assets applicable to common shareholders resulting from operations</b>	<b>\$ 76,317,159</b>	<b>\$ 59,068,827</b>	<b>\$ 34,547,519</b>
<b>Basic and diluted earnings per common share</b>	<b>\$ 1.50</b>	<b>\$ 1.21</b>	<b>\$ 0.88</b>
<b>Basic and diluted weighted average common shares outstanding</b>	<b>50,948,035</b>	<b>48,863,188</b>	<b>39,395,671</b>

*See accompanying notes to the consolidated financial statements.*

S-F-24

TABLE OF CONTENTS**TCP Capital Corp.****Consolidated Statements of Changes in Net Assets**

	Common Stock		Paid in Capital in Excess of Par	Accumulated Net Investment Income	Accumulated Net Realized Losses	Accumulated Net Unrealized Depreciation	Total Net Assets
	Shares	Par Amount					
Balance at December 31, 2013	36,199,916	\$ 36,200	\$ 667,842,020	\$ 24,016,095	\$ (105,800,278 )	\$ (35,314,199 )	\$ 549,611,255
Issuance of common stock in public offering, net	12,110,000	12,110	201,127,367	—	—	—	201,139,477
Issuance of common stock from at the market offerings, net	400,255	400	6,420,026	—	—	—	6,420,426
Issuance of common stock from dividend reinvestment plan	456	—	7,687	—	—	—	7,687
Equity component of issuance of convertible debt	—	—	2,515,594	—	—	—	2,515,594
Net investment income	—	—	—	77,292,563	—	—	77,292,563
Net realized and unrealized loss	—	—	—	—	(21,118,867 )	(6,185,711 )	(27,304,578 )
Dividends on Series A preferred equity facility	—	—	—	(1,438,172 )	—	—	(1,438,172 )
General Partner incentive allocation	—	—	—	(15,170,877 )	—	—	(14,002,294 )
Regular dividends paid to common shareholders	—	—	—	(58,867,403 )	—	—	(58,867,403 )

Edgar Filing: TCP Capital Corp. - Form 497

Special dividends paid to common shareholders	—	—	—	(4,245,526 )	—	—	(4,245,526 )
Tax reclassification of stockholders' equity in accordance with generally accepted accounting principles	—	—	(808,813 )	297,701	511,112	—	—
Balance at December 31, 2014	48,710,627	\$ 48,710	\$ 877,103,880	\$ 21,884,381	\$ (126,408,033 )	\$ (41,499,910 )	\$ 731,129,028
Issuance of common stock from at the market offerings, net	248,614	249	3,945,817	—	—	—	3,946,066
Issuance of common stock from dividend reinvestment plan	555	—	8,116	—	—	—	8,116
Repurchase of common stock	(125,062 )	(125 )	(1,797,751 )	—	—	—	(1,797,876 )
Gain on repurchase of Series A preferred interests	—	—	—	—	1,675,000	—	1,675,000
Net investment income	—	—	—	100,502,812	—	—	100,502,812
Net realized and unrealized loss	—	—	—	—	(17,671,648 )	(4,733,463 )	(22,405,111 )
Dividends on Series A preferred equity facility	—	—	—	(754,140 )	—	—	(754,140 )
General Partner incentive allocation	—	—	—	(19,949,734 )	—	—	(19,949,734 )
Regular dividends paid to common	—	—	—	(70,377,144 )	—	—	(70,377,144 )

Edgar Filing: TCP Capital Corp. - Form 497

shareholders								
Tax reclassification of stockholders' equity in accordance with generally accepted accounting principles	—	—	(876,706 )	(9,044,382 )	9,921,088	—	—	
Balance at December 31, 2015	48,834,734	\$ 48,834	\$ 878,383,356	\$ 22,261,793	\$ (132,483,593 )	\$ (46,233,373 )	\$ 721,977,017	
Issuance of common stock in public offering, net	2,336,552	2,337	34,956,233	—	—	—	34,958,570	
Issuance of common stock from conversion of convertible debt	2,011,900	2,012	30,216,726	—	—	—	30,218,738	
Issuance of common stock from dividend reinvestment plan	610	—	9,657	—	—	—	9,657	
Equity component of issuance of convertible debt	—	—	3,309,596	—	—	—	3,309,596	
Repurchase of common stock	(141,896 )	(141 )	(1,879,407 )	—	—	—	(1,879,548 )	
Net investment income	—	—	—	95,253,322	—	—	95,253,322	
Net realized and unrealized loss	—	—	—	—	(15,002,148 )	15,116,650	114,502	
General Partner incentive allocation	—	—	—	(19,050,665 )	—	—	(19,050,665 )	
Regular dividends paid to common shareholders	—	—	—	(73,975,198 )	—	—	(73,975,198 )	
	—	—	(569,511 )	(11,955,963 )	12,525,474	—	—	

Tax  
reclassification  
of stockholders'  
equity in  
accordance  
with generally  
accepted  
accounting  
principles

Balance at  
December 31,  
2016

53,041,900	\$ 53,042	\$ 944,426,650	\$ 12,533,289	\$ (134,960,267 )	\$ (31,116,723 )	\$ 790,935,991
------------	-----------	----------------	---------------	-------------------	------------------	----------------

*See accompanying notes to the consolidated financial statements.*

S-F-25

TABLE OF CONTENTS**TCP Capital Corp.****Consolidated Statements of Cash Flows**

	<b>Year Ended December 31,</b>		
	<b>2016</b>	<b>2015</b>	<b>2014</b>
<b>Operating activities</b>			
Net increase in net assets applicable to common shareholders resulting from operations	\$ 76,317,159	\$ 59,068,827	\$ 34,547,519
Adjustments to reconcile net increase in net assets applicable to common shareholders resulting from operations to net cash provided by (used in) operating activities:			
Net realized loss	15,002,148	17,671,648	21,118,867
Change in net unrealized appreciation/depreciation of investments	(14,514,060 )	4,329,371	6,085,664
Gain on repurchase of Series A preferred interests	—	(1,675,000 )	—
Dividends paid on Series A preferred equity facility	—	1,251,930	1,444,634
Net change in accumulated dividends on Series A preferred equity facility	—	(497,790 )	(6,462 )
Net change in reserve for incentive allocation	—	—	(1,168,583 )
Net amortization of investment discounts and premiums	(15,547,174 )	(15,027,321 )	(6,005,957 )
Amortization of original issue discount on convertible debt	605,563	413,491	212,424
Interest and dividend income paid in kind	(6,381,145 )	(6,810,980 )	(6,045,878 )
Amortization of deferred debt issuance costs	2,798,231	2,236,311	1,926,040
Accrued interest on convertible debt at conversion	218,738	—	—
Changes in assets and liabilities:			
Purchases of investment securities	(580,837,984 )	(494,117,029 )	(663,469,748 )
Proceeds from sales, maturities and pay downs of investments	473,457,512	456,059,137	266,008,974
Decrease (increase) in accrued interest income - companies less than 5% owned	(3,870,497 )	379,473	(2,939,648 )
Decrease (increase) in accrued interest income - companies 5% to 25% owned	(212,255 )	(487,319 )	161,074
Decrease (increase) in accrued interest income - companies more than 25% owned	3,622	(780 )	13,241
Decrease (increase) in receivable for	—	10,961,369	(7,355,405 )

Edgar Filing: TCP Capital Corp. - Form 497

investments sold			
Decrease (increase) in prepaid expenses and other assets	803,299	(153,827 )	(1,423,449 )
Increase (decrease) in payable for investments purchased	5,923,511	4,375,896	(12,657,424 )
Increase (decrease) in incentive allocation payable	(490,772 )	904,566	984,140
Increase in interest payable	2,102,456	1,400,276	1,080,012
Increase (decrease) in payable to the Advisor	(182,544 )	48,507	(661,281 )
Increase (decrease) in accrued expenses and other liabilities	(1,279,506 )	658,069	83,773
Net cash provided by (used in) operating activities	(46,083,698 )	40,988,825	(368,067,473 )

**Financing activities**

Borrowings	538,700,000	511,300,000	671,500,000
Repayments of debt	(598,500,000 )	(338,000,000 )	(435,500,000 )
Payments of debt issuance costs	(5,279,350 )	(4,130,414 )	(6,657,943 )
Repurchase of Series A preferred interests	—	(132,325,000 )	—
Dividends paid on Series A preferred equity facility	—	(1,251,930 )	(1,444,634 )
Regular dividends paid to common shareholders	(73,975,198 )	(70,377,144 )	(58,867,403 )
Special dividends paid to common shareholders	—	—	(4,245,526 )
Repurchase of common shares	(1,879,548 )	(1,797,876 )	—
Proceeds from issuances of convertible debt	170,000,000	—	—
Proceeds from shares issued in connection with dividend reinvestment plan	9,657	8,116	7,687
Proceeds from common shares sold, net of underwriting and offering costs	34,958,570	3,946,066	207,559,903
Net cash provided by (used in) financing activities	64,034,131	(32,628,182 )	372,352,084
Net increase in cash and cash equivalents	17,950,433	8,360,643	4,284,610
Cash and cash equivalents at beginning of year	35,629,435	27,268,792	22,984,182
Cash and cash equivalents at end of year	\$ 53,579,868	\$ 35,629,435	\$ 27,268,792

**Supplemental cash flow information**

Interest payments	\$ 18,397,410	\$ 13,690,803	\$ 5,717,779
Excise tax payments	\$ 877,879	\$ 877,879	\$ 938,460

**Non-cash transactions**



Conversion of convertible debt	\$ 30,218,738	\$	—	\$	—
--------------------------------	---------------	----	---	----	---

*See accompanying notes to the consolidated financial statements.*

S-F-26

TABLE OF CONTENTS**TCP Capital Corp.****Notes to Consolidated Financial Statements****December 31, 2016****1. Organization and Nature of Operations**

TCP Capital Corp. (the Company) is a Delaware corporation formed on April 2, 2012 as an externally managed, closed-end, non-diversified management investment company. The Company elected to be treated as a business development company (BDC) under the Investment Company Act of 1940, as amended (the 1940 Act). The Company's investment objective is to achieve high total returns through current income and capital appreciation, with an emphasis on principal protection. The Company invests primarily in the debt of middle-market companies as well as small businesses, including senior secured loans, junior loans, mezzanine debt and bonds. Such investments may include an equity component, and, to a lesser extent, the Company may make equity investments directly. The Company was formed through the conversion on April 2, 2012 of the Company's predecessor, Special Value Continuation Fund, LLC, from a limited liability company to a corporation in a non-taxable transaction, leaving the Company as the surviving entity (the Conversion). On April 3, 2012, the Company completed its initial public offering.

Investment operations are conducted in Special Value Continuation Partners, LP, a Delaware limited partnership (the Operating Company), of which the Company owns 100% of the common limited partner interests, or in one of the Operating Company's wholly owned subsidiaries, TCPC Funding I, LLC, a Delaware limited liability company (TCPC Funding), and TCPC SBIC, LP, a Delaware limited partnership (the SBIC). The Operating Company has also elected to be treated as a BDC under the 1940 Act. The SBIC was organized in June 2013, and, on April 22, 2014, received a license from the United States Small Business Administration (the SBA) to operate as a small business investment company under the provisions of Section 301(c) of the Small Business Investment Act of 1958. These consolidated financial statements include the accounts of the Company, the Operating Company, TCPC Funding and the SBIC. All significant intercompany transactions and balances have been eliminated in the consolidation.

The Company has elected to be treated as a regulated investment company (RIC) for U.S. federal income tax purposes. As a RIC, the Company will not be taxed on its income to the extent that it distributes such income each year and satisfies other applicable income tax requirements. The Operating Company, TCPC Funding, and the SBIC have elected to be treated as partnerships for U.S. federal income tax purposes.

The general partner of the Operating Company is Series H of SVOF/MM, LLC, which also serves as the administrator of both the Company and the Operating Company (the Administrator or the General Partner). The managing member of the General Partner is Tennenbaum Capital Partners, LLC (the Advisor), which serves as the investment manager to the Company, the Operating Company, TCPC Funding, and the SBIC. Most of the equity interests in the General Partner are owned directly or indirectly by the Advisor and its employees.

Company management consists of the Advisor and the Company's board of directors. Operating Company management consists of the General Partner and the Operating Company's board of directors. The Advisor and the General Partner direct and execute the day-to-day operations of the Company and the Operating Company, respectively, subject to oversight from the respective board of directors, which sets the broad policies of the respective entity and performs certain functions required by the 1940 Act in the case of the Operating Company. The board of directors of the Operating Company has delegated investment management of the Operating Company's assets to the Advisor. Each board of directors consists of seven persons, five of whom are independent.

## **2. Summary of Significant Accounting Policies**

### ***Basis of Presentation***

The consolidated financial statements of the Company have been prepared in accordance with accounting principles generally accepted in the United States ( GAAP ). The Company is an investment company following accounting and reporting guidance in Accounting Standards Codification ( ASC ) Topic 946, *Financial Services – Investment Companies*. The Company has consolidated the results of its wholly owned subsidiaries in its consolidated financial statements in accordance with ASC Topic 946. The following is a summary of the significant accounting policies of the Company and the Operating Company.

S-F-27

TABLE OF CONTENTS

**TCP Capital Corp.**

**Notes to Consolidated Financial Statements (Continued)**

**December 31, 2016**

**2. Summary of Significant Accounting Policies – (continued)**

*Reclassifications*

Certain prior period amounts in the Consolidated Statements of Assets and Liabilities relating to deferred debt issuance costs were reclassified to debt to conform to the current period presentation resulting from the adoption of two Accounting Standards Updates (see Recent Accounting Pronouncements ). Certain prior period amounts in the Consolidated Statements of Operations relating to interest expense, amortization of deferred debt issuance costs and commitment fees have been reclassified into interest and other debt expenses to conform to the current period presentation.

*Use of Estimates*

The preparation of the consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements, as well the reported amounts of revenues and expenses during the reporting periods presented. Although management believes these estimates and assumptions to be reasonable, actual results could differ from those estimates and such differences could be material.

*Investment Valuation*

The Company's investments are generally held by the Operating Company, either directly or through either TCPC Funding or the SBIC. Management values investments at fair value in accordance with GAAP, based upon the principles and methods of valuation set forth in policies adopted by the board of directors. Fair value is generally defined as the amount for which an investment would be sold in an orderly transaction between market participants at the measurement date.

All investments are valued at least quarterly based on quotations or other affirmative pricing from independent third-party sources, with the exception of investments priced directly by the Advisor which in the aggregate comprise less than 5% of the capitalization of the Operating Company. Investments listed on a recognized exchange or market quotation system, whether U.S. or foreign, are valued using the closing price on the date of valuation.

Investments not listed on a recognized exchange or market quotation system, but for which reliable market quotations are readily available are valued using prices provided by a nationally recognized pricing service or by using quotations from broker-dealers.

Investments for which market quotations are either not readily available or are determined to be unreliable are priced at fair value using affirmative valuations performed by independent valuation services approved by the board of directors or, for investments aggregating less than 5% of the total capitalization of the Operating Company, using valuations determined directly by the Advisor. Such valuations are determined under a documented valuation policy that has been reviewed and approved by the board of directors.

Pursuant to this policy, the Advisor provides recent portfolio company financial statements and other reporting materials to independent valuation firms as applicable, which firms evaluate such materials along with relevant observable market data to conduct independent appraisals each quarter, and their preliminary valuation conclusions are documented and discussed with senior management of the Advisor. The audit committee of the board of directors discusses the valuations, and the board of directors approves the fair value of the investments in good faith based on the input of the Advisor, the respective independent valuation firms as applicable, and the audit committee of the board of directors.

Generally, to increase objectivity in valuing the investments, the Advisor will utilize external measures of value, such as public markets or third-party transactions, whenever possible. The Advisor's valuation is not based on long-term work-out value, immediate liquidation value, nor incremental value for potential changes that may

S-F-28

TABLE OF CONTENTS**TCP Capital Corp.****Notes to Consolidated Financial Statements (Continued)****December 31, 2016****2. Summary of Significant Accounting Policies – (continued)**

take place in the future. The values assigned to investments are based on available information and do not necessarily represent amounts that might ultimately be realized, as these amounts depend on future circumstances and cannot reasonably be determined until the individual investments are actually liquidated. The foregoing policies apply to all investments, including any in companies and groups of affiliated companies aggregating more than 5% of the Company's assets.

Fair valuations of investments in each asset class are determined using one or more methodologies including the market approach, income approach, or, in the case of recent investments, the cost approach, as appropriate. The market approach uses prices and other relevant information generated by market transactions involving identical or comparable assets. Such information may include observed multiples of earnings and/or revenues at which transactions in securities of comparable companies occur, with appropriate adjustments for differences in company size, operations or other factors affecting comparability.

The income approach uses valuation techniques to convert future amounts (for example, cash flows or earnings) to a single present value amount (discounted). The measurement is based on the value indicated by current market expectations about those future amounts. The discount rates used for such analyses reflect market yields for comparable investments, considering such factors as relative credit quality, capital structure, and other factors.

In following these approaches, the types of factors that may be taken into account also include, as relevant: available current market data, including relevant and applicable market trading and transaction comparables, security covenants, call protection provisions, information rights, the nature and realizable value of any collateral, the portfolio company's ability to make payments, its earnings and cash flows, the markets in which the portfolio company does business, comparisons of financial ratios of peer companies that are public, merger and acquisition comparables, comparable costs of capital, the principal market in which the investment trades and enterprise values, among other factors.

Investments may be categorized based on the types of inputs used in valuing such investments. The level in the GAAP valuation hierarchy in which an investment falls is based on the lowest level input that is significant to the valuation of the investment in its entirety. Transfers between levels are recognized as of the beginning of the reporting period.

At December 31, 2016, the Company's investments were categorized as follows:

<b>Level Basis for Determining Fair Value</b>	<b>Bank Debt</b>	<b>Other Corporate Debt</b>	<b>Equity Securities</b>
1 Quoted prices in active markets for identical assets	\$ —	\$ —	\$ —
2 Other direct and indirect observable market inputs *	89,800,173	21,001,126	—
3 Independent third-party valuation sources that employ significant unobservable inputs	1,036,044,457	101,934,853	64,521,901
3	107,199	—	1,560,161

Edgar Filing: TCP Capital Corp. - Form 497

Advisor valuations with significant  
unobservable inputs

Total	\$ 1,125,951,829	\$ 122,935,979	\$ 66,082,062
-------	------------------	----------------	---------------

\* For example, quoted prices in inactive markets or quotes for comparable investments

S-F-29

TABLE OF CONTENTS

## TCP Capital Corp.

## Notes to Consolidated Financial Statements (Continued)

December 31, 2016

## 2. Summary of Significant Accounting Policies – (continued)

Unobservable inputs used in the fair value measurement of Level 3 investments as of December 31, 2016 included the following:

Asset Type	Fair Value	Valuation Technique	Unobservable Input	Range (Weighted Avg.)
Bank Debt	\$ 847,311,244	Income approach	Discount rate	6.9% – 19.4% (12.1%)
	136,116,277	Market quotations	Indicative bid/ask quotes	1 – 2 (1)
	24,851,412	Market comparable companies	Revenue multiples	0.4x – 2.6x (1.0x)
	27,872,723	Market comparable companies	EBITDA multiples	7.3x – 11.0x (8.4x)
Other Corporate Debt	88,163,213	Market quotations	Indicative bid/ask quotes	1 (1)
	13,771,640	Market comparable companies	EBITDA multiples	7.6x – 7.8x (7.7x)
Equity	6,617,084	Income approach	Discount rate	7.3% – 26.2% (7.7%)
	41,442,919	Market quotations	Indicative bid/ask quotes	1(1)
	1,767,102	Market comparable companies	Revenue multiples	0.3x – 2.6x (1.6x)
	16,254,957	Market comparable companies	EBITDA multiples	5.0x – 11.0x (7.7x)
	\$ 1,204,168,571			

Generally, a change in an unobservable input may result in a change to the value of an investment as follows:

Input	Impact to Value if Input Increases	Impact to Value if Input Decreases
Discount rate	Decrease	Increase
Revenue multiples	Increase	Decrease
EBITDA multiples	Increase	Decrease

Changes in investments categorized as Level 3 during the year ended December 31, 2016 were as follows:

**Independent Third-Party Valuation**  
**Bank Debt**



		<b>Other Corporate Debt</b>	<b>Equity Securities</b>
Beginning balance	\$ 907,967,337	\$ 89,314,530	\$ 49,956,123
Net realized and unrealized gains (losses)	5,606,311	(4,283,483 )	(4,803,878 )
Acquisitions *	479,811,414	30,687,836	30,306,611
Dispositions	(382,143,047 )	—	(10,611,212 )
Transfers out of Level 3 †	(26,300,274 )	(46,265,760 )	—
Transfers into Level 3 ‡	51,102,716	32,481,730	—
Reclassifications within Level 3 §	—	—	(325,743 )
Ending balance	\$ 1,036,044,457	\$ 101,934,853	\$ 64,521,901

Net change in unrealized appreciation/depreciation during the period on investments still held at period end (included in net realized and unrealized gains/losses, above)

\$ 10,308,166      \$ (4,283,483 )      \$ (4,684,951 )

\* Includes payments received in kind and accretion of original issue and market discounts

† Comprised of five investments that transferred to Level 2 due to increased observable market activity

‡ Comprised of seven investments that transferred from Level 2 due to reduced trading volumes

§ Comprised of two investments that reclassified to Advisor Valuation

TABLE OF CONTENTS**TCP Capital Corp.****Notes to Consolidated Financial Statements (Continued)****December 31, 2016****2. Summary of Significant Accounting Policies – (continued)**

	<b>Advisor Valuation</b>		
	<b>Bank Debt</b>	<b>Other Corporate Debt</b>	<b>Equity Securities</b>
Beginning balance	\$ 1,124,504	\$ —	\$ 2,428,217
Net realized and unrealized gains (losses)	(965,608 )	—	(776,175 )
Acquisitions *	1,050,297	—	192
Dispositions	(1,101,994 )	—	(417,816 )
Reclassifications within Level 3 †	—	—	325,743
Ending balance	\$ 107,199	\$ —	\$ 1,560,161

Net change in unrealized appreciation/depreciation during the period on investments still held at period end (included in net realized and unrealized gains/losses, above)

	\$ (923,543 )	\$ —	\$ (1,192,560 )
--	---------------	------	-----------------

\* Includes payments received in kind and accretion of original issue and market discounts

† Comprised of two investments that reclassified from Independent Third-Party Valuation

There were no transfers between Level 1 and 2 during the year ended December 31, 2016.

At December 31, 2015, the Company's investments were categorized as follows:

<b>Level</b>	<b>Basis for Determining Fair Value</b>	<b>Bank Debt</b>	<b>Other Corporate Debt</b>	<b>Equity Securities</b>
1	Quoted prices in active markets for identical assets	\$ —	\$ —	\$ —
2	Other direct and indirect observable market inputs *	92,311,257	39,817,757	—
3	Independent third-party valuation sources that employ significant unobservable inputs	907,967,337	89,314,530	49,956,123
3	Advisor valuations with significant unobservable inputs	1,124,504	—	2,428,217
Total		\$ 1,001,403,098	\$ 129,132,287	\$ 52,384,340

\* For example, quoted prices in inactive markets or quotes for comparable investments  
Unobservable inputs used in the fair value measurement of Level 3 investments as of December 31, 2015 included the following:

<b>Asset Type</b>	<b>Fair Value</b>	<b>Valuation Technique</b>	<b>Unobservable Input</b>	<b>Range (Weighted Avg.)</b>
Bank Debt	\$ 715,701,737	Income approach	Discount rate	

Edgar Filing: TCP Capital Corp. - Form 497

				4.2% – 18.9% (11.8%)
	140,033,088	Market quotations	Indicative bid/ask quotes	1 – 5(1)
	36,550,712	Market comparable companies	Revenue multiples	0.3x – 4.5x(2.2x)
	16,806,304	Market comparable companies	EBITDA multiples	3.3x – 11.5x(7.8x)
Other Corporate Debt	80,046,530	Market quotations	Indicative bid/ask quotes	1(1)
	9,268,000	Market comparable companies	EBITDA multiples	7.3x(7.3x)
Equity	7,908,649	Income approach	Discount rate	5.9% – 26.2% (8.0%)
	15,827,563	Market quotations	Indicative bid/ask quotes	1 – 2(1)
	3,212,249	Market comparable companies	Revenue multiples	0.3x – 6.0x(3.2x)
	25,435,879	Market comparable companies	EBITDA multiples	4.4x – 11.5x(6.8x)
	\$ 1,050,790,711			

S-F-31

TABLE OF CONTENTS**TCP Capital Corp.****Notes to Consolidated Financial Statements (Continued)****December 31, 2016****2. Summary of Significant Accounting Policies – (continued)**

Changes in investments categorized as Level 3 during the year ended December 31, 2015 were as follows:

	<b>Independent Third-Party Valuation</b>		
	<b>Bank Debt</b>	<b>Other Corporate Debt</b>	<b>Equity Securities</b>
Beginning balance	\$ 840,538,179	\$ 56,621,975	\$ 30,618,142
Net realized and unrealized gains (losses)	(28,968,245 )	(791,712 )	15,282,086
Acquisitions *	531,073,121	1,200,149	15,292,847
Dispositions	(412,262,543 )	(7,263,190 )	(11,236,952 )
Transfers out of Level 3 †	(36,143,175 )	(16,311,094 )	—
Transfers into Level 3 ‡	13,730,000	51,247,224	—
Reclassifications within Level 3 §	—	4,611,178	—
Ending balance	\$ 907,967,337	\$ 89,314,530	\$ 49,956,123

Net change in unrealized appreciation/depreciation during the period on investments still held at period end (included in net realized and unrealized gains/losses, above)

\$ (22,211,825 )    \$ (683,384 )    \$ 9,375,525

\* Includes payments received in kind and accretion of original issue and market discounts

† Comprised of five investments that transferred to Level 2 due to increased observable market activity

‡ Comprised of three investments that transferred from Level 2 due to reduced trading volumes

§ Comprised of one investment that reclassified from Advisor Valuation

	<b>Advisor Valuation</b>		
	<b>Bank Debt</b>	<b>Other Corporate Debt</b>	<b>Equity Securities</b>
Beginning balance	\$ —	\$ 4,611,178	\$ 2,324,629
Net realized and unrealized gains (losses)	134,445	—	104,805
Acquisitions *	1,725,244	—	—
Dispositions	(735,185 )	—	(1,217 )
Reclassifications within Level 3 †	—	(4,611,178 )	—
Ending balance	\$ 1,124,504	\$ —	\$ 2,428,217

Net change in unrealized appreciation/depreciation during the period on investments still held at period end (included in net realized and unrealized gains/losses, above)

\$ 134,445    \$ —    \$ 333,095

\* Includes payments received in kind and accretion of original issue and market discounts

† Comprised of one investment that reclassified to Independent Third-Party Valuation  
There were no transfers between Level 1 and 2 during the year ended December 31, 2015.

***Investment Transactions***

Investment transactions are recorded on the trade date, except for private transactions that have conditions to closing, which are recorded on the closing date. The cost of investments purchased is based upon the purchase price plus those professional fees which are specifically identifiable to the investment transaction. Realized gains and losses on investments are recorded based on the specific identification method, which typically allocates the highest cost inventory to the basis of investments sold.

***Cash and Cash Equivalents***

Cash consists of amounts held in accounts with brokerage firms and the custodian bank. Cash equivalents consist of highly liquid investments with an original maturity of generally three months or less. Cash equivalents are carried at amortized cost which approximates fair value. Cash equivalents are classified as Level 1 in the GAAP valuation hierarchy.

S-F-32

TABLE OF CONTENTS**TCP Capital Corp.****Notes to Consolidated Financial Statements (Continued)****December 31, 2016****2. Summary of Significant Accounting Policies – (continued)*****Restricted Investments***

The Company may invest without limitation in instruments that are subject to legal or contractual restrictions on resale. These instruments generally may be resold to institutional investors in transactions exempt from registration or to the public if the securities are registered. Disposal of these investments may involve time-consuming negotiations and additional expense, and prompt sale at an acceptable price may be difficult. Information regarding restricted investments is included at the end of the Consolidated Schedule of Investments. Restricted investments, including any restricted investments in affiliates, are valued in accordance with the investment valuation policies discussed above.

***Foreign Investments***

The Company may invest in instruments traded in foreign countries and denominated in foreign currencies. Foreign currency denominated investments comprised approximately 0.2% and 1.4% of total investments at December 31, 2016 and December 31, 2015, respectively. Such positions were converted at the respective closing foreign exchange rates in effect at December 31, 2016 and December 31, 2015 and reported in U.S. dollars. Purchases and sales of investments and income and expense items denominated in foreign currencies, when they occur, are translated into U.S. dollars based on the foreign exchange rates in effect on the respective dates of such transactions. The portion of gains and losses on foreign investments resulting from fluctuations in foreign currencies is included in net realized and unrealized gain or loss from investments.

Investments in foreign companies and securities of foreign governments may involve special risks and considerations not typically associated with investing in U.S. companies and securities of the U.S. government. These risks include, among other things, revaluation of currencies, less reliable information about issuers, different transaction clearance and settlement practices, and potential future adverse political and economic developments. Moreover, investments in foreign companies and securities of foreign governments and their markets may be less liquid and their prices more volatile than those of comparable U.S. companies and the U.S. government.

***Derivatives***

In order to mitigate certain currency exchange and interest rate risks, the Operating Company may enter into certain derivative transactions. All derivatives are reported at their gross amounts as either assets or liabilities in the Consolidated Statements of Assets and Liabilities. Transactions entered into are accounted for using the mark-to-market method with the resulting change in fair value recognized in earnings for the current period. Risks may arise upon entering into these contracts from the potential inability of counterparties to meet the terms of their contracts and from unanticipated movements in interest rates and the value of foreign currencies relative to the U.S. dollar. Certain derivatives may also require the Company to pledge assets as collateral to secure its obligations. As of December 31, 2016, no derivatives were outstanding.

S-F-33

TABLE OF CONTENTS**TCP Capital Corp.****Notes to Consolidated Financial Statements (Continued)****December 31, 2016****2. Summary of Significant Accounting Policies – (continued)**

During the year ended December 31, 2016, the Company entered into and exited a GBP put option with a notional amount of £2.7 million. During the year ended December 31, 2016, the Company's interest rate cap with a notional amount of \$25.0 million expired, and the Company exited a cross currency basis swap with a notional amount of \$16.4 million. The interest rate cap was reported in the Consolidated Statements of Assets and Liabilities under the caption, Options. Gains and losses from derivatives during the year ended December 31, 2016 were included in net realized and unrealized gain (loss) on investments in the Consolidated Statements of Operations as follows:

<b>Instrument</b>	<b>Realized Gains (Losses)</b>	<b>Unrealized Gains (Losses)</b>
Put option	\$ —	\$ —
Cross currency basis swap	2,746,072	(3,229,442 )
Interest rate cap	(51,750 )	51,750

The Company did not enter into any new derivative transactions during the year ended December 31, 2015. At December 31, 2015, the Company held an interest rate cap with a notional amount of \$25.0 million and a cross currency basis swap with a notional amount of \$16.4 million. The interest rate cap and the cross currency basis swap are reported in the Consolidated Statements of Assets and Liabilities as options and unrealized appreciation on swaps, respectively. Gains and losses from derivatives during the year ended December 31, 2015 were included in net realized and unrealized gain (loss) on investments in the Consolidated Statements of Operations as follows:

<b>Instrument</b>	<b>Realized Gains (Losses)</b>	<b>Unrealized Gains (Losses)</b>
Cross currency basis swap	\$ —	\$ 1,511,832
Interest rate cap	—	(497 )

Valuations of derivatives held at December 31, 2015 were determined using observable market inputs other than quoted prices in active markets for identical assets and, accordingly, are classified as Level 2 in the GAAP valuation hierarchy.

***Deferred Debt Issuance Costs***

Costs of approximately \$4.1 million were incurred in September 2016 in connection with placing the Company's unsecured convertible notes (see Note 4). Costs of approximately \$1.8 million were incurred during 2015 in connection with the extension of the Operating Company's credit facility (see Note 4). Costs of approximately \$1.9 million were incurred during 2015 in connection with placing and extending TCPC Funding's revolving credit facility (see Note 4). Costs of approximately \$1.2 million and \$0.4 million were incurred during the year ended December 31, 2016 and year ended December 31, 2015, respectively, in connection with placing the SBA Debentures (see Note 4). These costs were deferred and are being amortized on a straight-line basis over the estimated life of the respective instruments. The impact of utilizing the straight-line amortization method versus the effective-interest method is not

material to the operations of the Company.

***Revenue Recognition***

Interest and dividend income, including income paid in kind, is recorded on an accrual basis. Origination, structuring, closing, commitment and other upfront fees, including original issue discounts, earned with respect to capital commitments are generally amortized or accreted into interest income over the life of the respective debt

S-F-34



TABLE OF CONTENTS**TCP Capital Corp.****Notes to Consolidated Financial Statements (Continued)****December 31, 2016****2. Summary of Significant Accounting Policies – (continued)**

investment, as are end-of-term or exit fees receivable upon repayment of a debt investment. Other fees, including certain amendment fees, prepayment fees and commitment fees on broken deals, are recognized as earned. Prepayment fees and similar income due upon the early repayment of a loan or debt security are recognized when earned and are included in interest income.

Certain debt investments are purchased at a discount to par as a result of the underlying credit risks and financial results of the issuer, as well as general market factors that influence the financial markets as a whole. Discounts on the acquisition of corporate bonds are generally amortized using the effective-interest or constant-yield method assuming there are no questions as to collectability. When principal payments on a loan are received in an amount in excess of the loan's amortized cost, the excess principal payments are recorded as interest income.

***Income Taxes***

The Company intends to comply with the applicable provisions of the Internal Revenue Code of 1986, as amended, pertaining to regulated investment companies and to make distributions of taxable income sufficient to relieve it from substantially all federal income taxes. Accordingly, no provision for income taxes is required in the consolidated financial statements. The income or loss of the Operating Company, TCPC Funding and the SBIC is reported in the respective partners' income tax returns. In accordance with ASC Topic 740 – *Income Taxes*, the Company recognizes in its consolidated financial statements the effect of a tax position when it is determined that such position is more likely than not, based on the technical merits, to be sustained upon examination. As of December 31, 2016, all tax years of the Company, the Operating Company, TCPC Funding and the SBIC since January 1, 2013 remain subject to examination by federal tax authorities. No such examinations are currently pending.

During the year ended December 31, 2016, the Company accrued \$0.6 million in excise taxes related to income earned in 2016 and paid \$0.9 million in excise taxes related to income earned in 2015. During the year ended December 31, 2015, the Company accrued \$0.9 million in excise taxes related to income earned in 2015 and paid \$0.9 million in excise taxes related to income earned in 2014. During the year ended December 31, 2014, the Company accrued \$0.8 million in excise taxes related to income earned in 2014 and paid \$0.9 million in excise taxes related to income earned in 2013.

Income and capital gain distributions are determined in accordance with income tax regulations, which may differ from GAAP. Capital accounts within the financial statements are adjusted at year end for permanent book and tax differences. At December 31, 2016, the Company reclassified \$0.6 million in excise tax expenses from accumulated net investment income to paid-in capital, \$3.2 million in foreign currency losses from accumulated net realized losses to accumulated net investment income, and \$9.3 million in certain investment income from accumulated net investment income to accumulated net realized losses. At December 31, 2015, the Company reclassified \$0.9 million in excise tax expenses from accumulated net investment income to paid-in capital, \$0.3 million in foreign currency gains from accumulated net realized losses to accumulated net investment income, and \$10.2 million in certain investment income from accumulated net investment income to accumulated net realized losses. At December 31, 2014, the Company reclassified \$0.8 million in excise tax expenses from accumulated net investment income to paid-in capital, \$17,846 in foreign currency gains from accumulated net realized losses to accumulated net investment

income, and \$0.5 million in certain investment income from accumulated net investment income to accumulated net realized losses. Temporary differences are primarily attributable to differing book and tax treatments for the timing of the recognition of gains and losses on certain investment transactions, and will reverse in subsequent periods.

S-F-35

TABLE OF CONTENTS**TCP Capital Corp.****Notes to Consolidated Financial Statements (Continued)****December 31, 2016****2. Summary of Significant Accounting Policies – (continued)**

The tax-basis components of distributable earnings (accumulated deficit) applicable to the common shareholders of the Company and the cost and unrealized appreciation and depreciation of investments (including derivatives) for U.S. federal income tax purposes at December 31, 2016 and 2015 were as follows:

	<b>December 31, 2016</b>	<b>December 31, 2015</b>
Undistributed ordinary income	\$ 11,585,219	\$ 23,341,397
Capital loss carryforwards	(134,913,886 )	(133,041,586 )
Unrealized appreciation	\$ 33,945,996	\$ 30,920,149
Unrealized depreciation	(65,041,945 )	(79,759,600 )
Net unrealized depreciation	\$ (31,095,949 )	\$ (48,839,451 )
Cost	\$ 1,346,065,819	\$ 1,231,759,176

All of the Company's distributions during the years ended December 31, 2016 and 2015 were treated as ordinary income for federal income tax purposes. The Company's capital loss carryforwards may be used to offset capital gains in succeeding taxable years. Of the carryforwards, \$2,987,174 and \$34,759,883 will expire after 2017 and 2018, respectively. The remaining \$97,166,831 will carry forward indefinitely until used. Distributions to holders of the Series A Preferred were treated, on an accrual basis, as distributions of ordinary income for federal tax purposes.

***Recent Accounting Pronouncements***

During the first quarter of 2016, the Company adopted Financial Accounting Standards Board (the FASB) Accounting Standards Update (ASU) 2015-02, *Amendments to the Consolidation Analysis*. In particular, the new pronouncement changed the manner in which a reporting entity evaluates whether 1) an entity is a variable interest entity (VIE), 2) fees paid to decision makers or service providers are variable interests in a VIE, and 3) variable interests in a VIE held by related parties require the reporting entity to consolidate the VIE. The pronouncement also introduced a separate consolidation analysis specific to limited partnerships and similar entities. ASU 2015-02 also eliminated the VIE consolidation model based on majority exposure to variability that applied to certain investment companies and similar entities. The adoption of this pronouncement did not have a material impact on the Company's consolidated financial statements.

The Company also adopted ASU 2015-03, *Interest – Imputation of Interest (Subtopic 835-30) - Simplifying the Presentation of Debt Issuance Costs* as well as ASU 2015-15, *Presentation and Subsequent Measurement of Debt Issuance Costs Associated with Line-of-Credit Arrangements – Amendments to SEC Paragraphs Pursuant to Staff Announcement at June 18, 2015*. Together, these ASUs required, in most cases, that debt issuance costs be presented in the balance sheet as a direct deduction from the carrying value of the associated debt liability, consistent with the presentation of a debt discount. Debt issuance costs incurred in connection with line-of-credit arrangements, however, may continue to be presented as an asset in the balance sheet. The adoption of these ASUs resulted in the reclassification of certain debt issuance costs related to the Term Loan, convertible notes and SBA Debentures (as defined in Note 4) from deferred debt issuance costs to debt in the Consolidated Statements of Assets and Liabilities.

As of December 31, 2016 and December 31, 2015, \$8.2 million and \$4.2 million in debt issuance costs, respectively, were included in debt in the Consolidated Statements of Assets and Liabilities.

In May 2014, the FASB issued ASU 2014-09, *Revenue from Contracts with Customers (Topic 606)*, which supersedes the revenue recognition requirements in Topic 605, *Revenue Recognition*. Under this new pronouncement, an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. ASU 2014-09 applies to all entities and, for public entities, is effective for annual

S-F-36

TABLE OF CONTENTS**TCP Capital Corp.****Notes to Consolidated Financial Statements (Continued)****December 31, 2016****2. Summary of Significant Accounting Policies – (continued)**

periods beginning after December 15, 2017, and interim periods within those fiscal years. Early application is permitted, but no earlier than annual periods beginning after December 15, 2016 and interim periods within that reporting period. The Company does not expect adoption of this pronouncement to have a material impact on its consolidated financial statements.

On January 5, 2016, the FASB issued ASU 2016-01, *Financial Instruments – Overall: Recognition and Measurement of Financial Assets and Financial Liabilities*. The more significant changes to the current GAAP model resulting from ASU 2016-01 include 1) elimination of the requirement to disclose the method(s) and significant assumptions used to estimate the fair value of financial instruments measured at amortized cost, 2) requiring public entities to use the exit price notion when measuring the fair value of financial instruments for disclosure purposes and 3) requiring separate presentation of financial assets and financial liabilities by measurement category and form of financial asset on the balance sheet or in the accompanying notes to the financial statements. ASU 2016-01 is effective for annual periods beginning after December 15, 2017, including interim periods within those fiscal years. Early application is permitted. The Company does not expect adoption of this pronouncement to have a material impact on its consolidated financial statements.

**3. Management Fees, Incentive Compensation and Other Expenses**

The Company's management fee is calculated at an annual rate of 1.5% of total assets (excluding cash and cash equivalents) on a consolidated basis as of the beginning of each quarter and is payable to the Advisor quarterly in arrears.

Incentive compensation is only paid to the extent the total performance of the Company exceeds a cumulative 8% annual return since January 1, 2013 (the Total Return Hurdle). Beginning January 1, 2013, the incentive compensation equals 20% of net investment income (reduced by preferred dividends) and 20% of net realized gains (reduced by any net unrealized losses), subject to the Total Return Hurdle. The incentive compensation is payable quarterly in arrears as an allocation and distribution to the General Partner and is calculated as the difference between cumulative incentive compensation earned since January 1, 2013 and cumulative incentive compensation paid since January 1, 2013. A reserve for incentive compensation is accrued based on the amount of additional incentive compensation that would have been distributable to the General Partner assuming a hypothetical liquidation of the Company at net asset value on the balance sheet date. The General Partner's equity interest in the Operating Company is comprised entirely of such reserve amount, if any. As of December 31, 2016 and December 31, 2015, no such reserve was accrued.

The Company bears all expenses incurred in connection with its business, including fees and expenses of outside contracted services, such as custodian, administrative, legal, audit and tax preparation fees, costs of valuing investments, insurance costs, brokers' and finders' fees relating to investments, and any other transaction costs associated with the purchase and sale of investments.

**4. Leverage**

Leverage is comprised of convertible senior unsecured notes due December 2019 issued by the Company (the 2019 Convertible Notes ), convertible senior unsecured notes due March 2022 issued by the Company (the 2022 Convertible Notes ), amounts outstanding under a term loan issued by the Operating Company (the Term Loan ), amounts outstanding under a senior secured revolving credit facility issued by the Operating Company (the SVCP Revolver and together with the Term Loan, the SVCP Facility ), amounts outstanding under a senior secured revolving credit facility issued by TCPC Funding (the TCPC Funding Facility ), debentures guaranteed by the SBA (the SBA Debentures ), and, prior to the repurchase and retirement of remaining interests on September 3, 2015, amounts outstanding under a preferred equity facility issued by the Operating Company (the Preferred Interests ). From April 18, 2016 through its conversion to common equity on June 7, 2016, leverage also included a privately placed convertible senior unsecured note due April 2021 issued by the Company (the CNO Note ).

S-F-37

TABLE OF CONTENTS**TCP Capital Corp.****Notes to Consolidated Financial Statements (Continued)****December 31, 2016****4. Leverage – (continued)**

Total leverage outstanding and available at December 31, 2016 was as follows:

	<b>Maturity</b>	<b>Rate</b>		<b>Carrying Value*</b>	<b>Available</b>	<b>Total Capacity</b>
SVCP Facility						
SVCP Revolver	2018	L+2.50 % <sup>†</sup>	\$	—	\$ 116,000,000	\$ 116,000,000
Term Loan	2018	L+2.50 % <sup>†</sup>		100,500,000	—	100,500,000
2019 Convertible Notes (\$108 million par)	2019	5.25 %		106,547,929	—	106,547,929
2022 Convertible Notes (\$140 million par)	2022	4.625 %		136,858,359	—	136,858,359
TCPC Funding Facility	2020	L+2.50 % <sup>‡</sup>		175,000,000	175,000,000	350,000,000
SBA Debentures	2024–2026	2.58 % <sup>§</sup>		61,000,000	89,000,000	150,000,000
Total leverage				579,906,288	\$ 380,000,000	\$ 959,906,288
Unamortized issuance costs				(8,247,426 )		
Debt, net of unamortized issuance costs			\$	571,658,862		

\* Except for the convertible notes, all carrying values are the same as the principal amounts outstanding.

<sup>†</sup> Based on either LIBOR or the lender's cost of funds, subject to certain limitations<sup>‡</sup> Or L+2.25% subject to certain funding requirements<sup>§</sup> Weighted-average interest rate, excluding fees of 0.36%

Total leverage outstanding and available at December 31, 2015 was as follows:

	<b>Maturity</b>	<b>Rate</b>		<b>Carrying Value*</b>	<b>Available</b>	<b>Total Capacity</b>
SVCP Facility						
SVCP Revolver	2018	L+1.75 % <sup>†</sup>	\$	24,000,000	\$ 92,000,000	\$ 116,000,000
Term Loan	2018	L+1.75 % <sup>†</sup>		100,500,000	—	100,500,000
2019 Convertible Notes (\$108 million par)	2019	5.25 %		106,110,321	—	106,110,321
	2020	L+2.50 % <sup>‡</sup>		229,000,000	121,000,000	350,000,000

TCPC Funding  
Facility

	2024–				
SBA Debentures	2025	2.81	% <sup>§</sup>	42,800,000	32,200,000
Total leverage				502,410,321	\$ 245,200,000
Unamortized issuance costs				(4,204,850	)
Debt, net of unamortized issuance costs				\$ 498,205,471	

\* Except for the convertible notes, all carrying values are the same as the principal amounts outstanding.

† Based on either LIBOR or the lender's cost of funds, subject to certain limitations

‡ Or L+2.25% subject to certain funding requirements

§ Weighted-average interest rate on pooled loans of \$38.8 million, excluding fees of 0.36%. As of December 31, 2015, the remaining \$4.0 million of the outstanding amount was not yet pooled, and bore interest at a temporary rate of 0.90% plus fees of 0.36% through March 22, 2016, the date of the next SBA pooling.

S-F-38



TABLE OF CONTENTS**TCP Capital Corp.****Notes to Consolidated Financial Statements (Continued)****December 31, 2016****4. Leverage – (continued)**

The combined weighted-average interest rates on total leverage outstanding at December 31, 2016 and December 31, 2015 were 3.95% and 3.20%, respectively.

Total expenses related to debt include:

	<b>Year Ended December 31,</b>		
	<b>2016</b>	<b>2015</b>	<b>2014</b>
Interest expense	\$ 21,105,429	\$ 15,504,570	\$ 7,010,215
Amortization of deferred debt issuance costs	2,798,231	2,236,311	1,926,040
Commitment fees	1,289,330	1,155,096	885,496
Total	\$ 25,192,990	\$ 18,895,977	\$ 9,821,751

Amounts outstanding under the SVCP Facility, the TCPC Funding Facility, the convertible notes and the SBA Debentures are carried at amortized cost in the Consolidated Statements of Assets and Liabilities. As of December 31, 2016, the estimated fair values of the SVCP Facility, the TCPC Funding Facility and the SBA Debentures approximated their carrying values, and the 2019 Convertible Notes and the 2022 Convertible Notes had estimated fair values of \$113.0 million and \$140.3 million, respectively. The estimated fair values of the SVCP Facility, the TCPC Funding Facility and the SBA Debentures were determined by discounting projected remaining payments using market interest rates for borrowings of the Company and entities with similar credit risks at the measurement date. The estimated fair values of the convertible notes were determined using market quotations. At December 31, 2016, the estimated fair values of the SVCP Facility, the TCPC Funding Facility, the convertible notes and the SBA Debentures as prepared for disclosure purposes were deemed to be Level 3 in the GAAP valuation hierarchy.

***Convertible Notes***

On June 11, 2014, the Company issued \$108.0 million of convertible senior unsecured notes that mature on December 15, 2019, unless previously converted or repurchased in accordance with their terms. The 2019 Convertible Notes are general unsecured obligations of the Company, and rank structurally junior to the SVCP Facility and the TCPC Funding Facility. The Company does not have the right to redeem the 2019 Convertible Notes prior to maturity. The 2019 Convertible Notes bear interest at an annual rate of 5.25%, payable semi-annually. In certain circumstances, the 2019 Convertible Notes will be convertible into cash, shares of the Company's common stock or a combination of cash and shares of common stock (such combination to be at the Company's election), at an initial conversion rate of 50.9100 shares of common stock per one thousand dollar principal amount, which is equivalent to an initial conversion price of approximately \$19.64 per share of common stock, subject to customary anti-dilutional adjustments. The initial conversion price was approximately 12.5% above the \$17.46 per share closing price of the Company's common stock on June 11, 2014. At December 31, 2016, the principal amount of the 2019 Convertible Notes exceeded the value of the conversion rate multiplied by the per share closing price of the Company's common stock. Therefore, no additional shares have been added to the calculation of diluted earnings per common share and weighted average common shares outstanding.

Prior to the close of business on the business day immediately preceding June 15, 2019, holders may convert their 2019 Convertible Notes only under certain circumstances set forth in the indenture governing the terms of the 2019 Convertible Notes. On or after June 15, 2019 until the close of business on the scheduled trading day immediately preceding December 15, 2019, holders may convert their 2019 Convertible Notes at any time. Upon conversion, the Company will pay or deliver, as the case may be, at its election, cash, shares of the Company's common stock or a combination of cash and shares of the Company's common stock, subject to the requirements of the indenture.

S-F-39

TABLE OF CONTENTS**TCP Capital Corp.****Notes to Consolidated Financial Statements (Continued)****December 31, 2016****4. Leverage – (continued)**

On August 30, 2016, the Company issued \$140.0 million of convertible senior unsecured notes that mature on March 1, 2022, unless previously converted or repurchased in accordance with their terms. The 2022 Convertible Notes are general unsecured obligations of the Company, and rank structurally junior to the SVCP Facility and the TCPC Funding Facility. The Company does not have the right to redeem the 2022 Convertible Notes prior to maturity. The 2022 Convertible Notes bear interest at an annual rate of 4.625%, payable semi-annually. In certain circumstances, the 2022 Convertible Notes will be convertible into cash, shares of the Company's common stock or a combination of cash and shares of common stock (such combination to be at the Company's election), at an initial conversion rate of 54.5019 shares of common stock per one thousand dollar principal amount of the 2022 Convertible Notes, which is equivalent to an initial conversion price of approximately \$18.35 per share of common stock, subject to customary anti-dilutional adjustments. The initial conversion price was approximately 10.0% above the \$16.68 per share closing price of the Company's common stock on August 30, 2016. At December 31, 2016, the principal amount of the 2022 Convertible Notes exceeded the value of the conversion rate multiplied by the per share closing price of the Company's common stock. Therefore, no additional shares have been added to the calculation of diluted earnings per common share and weighted average common shares outstanding.

Prior to the close of business on the business day immediately preceding September 1, 2021, holders may convert their 2022 Convertible Notes only under certain circumstances set forth in the indenture governing the terms of the 2022 Convertible Notes. On or after September 1, 2021 until the close of business on the scheduled trading day immediately preceding March 1, 2022, holders may convert their 2022 Convertible Notes at any time. Upon conversion, the Company will pay or deliver, as the case may be, at its election, cash, shares of the Company's common stock or a combination of cash and shares of the Company's common stock, subject to the requirements of the indenture.

The 2019 Convertible Notes and 2022 Convertible Notes are accounted for in accordance with ASC Topic 470-20 – *Debt with Conversion and Other Options*. Upon conversion of any of the 2019 Convertible Notes or the 2022 Convertible Notes, the Company intends to pay the outstanding principal amount in cash and, to the extent that the conversion value exceeds the principal amount, has the option to pay the excess amount in cash or shares of the Company's common stock (or a combination of cash and shares), subject to the requirements of the respective indenture. The Company has determined that the embedded conversion options in the 2019 Convertible Notes and 2022 Convertible Notes are not required to be separately accounted for as derivatives under GAAP. At the time of issuance the estimated values of the debt and equity components of the 2019 Convertible Notes were approximately 97.7% and 2.3%, respectively. At the time of issuance the estimated values of the debt and equity components of the 2022 Convertible Notes were approximately 97.6% and 2.4%, respectively.

The original issue discounts equal to the equity components of the 2019 Convertible Notes and 2022 Convertible Notes were recorded in paid-in capital in excess of par in the accompanying Consolidated Statements of Assets and Liabilities. As a result, the Company records interest expense comprised of both stated interest and amortization of the original issue discounts. At the time of issuance, the equity components of the 2019 Convertible Notes and the 2022 Convertible Notes were \$2.5 million and \$3.3 million, respectively. As of December 31, 2016 and December 31, 2015, the components of the carrying value of the 2019 Convertible Notes and 2022 Convertible Notes were as follows:

	<b>December 31, 2016</b>		<b>December 31, 2015</b>	
	<b>2019 Convertible Notes</b>	<b>2022 Convertible Notes</b>	<b>2019 Convertible Notes</b>	<b>2022 Convertible Notes</b>
Principal amount of debt	\$ 108,000,000	\$ 140,000,000	\$ 108,000,000	N/A
Original issue discount, net of accretion	(1,452,071 )	(3,141,641 )	(1,889,679 )	N/A
Carrying value of debt	\$ 106,547,929	\$ 136,858,359	\$ 106,110,321	N/A

S-F-40

TABLE OF CONTENTS**TCP Capital Corp.****Notes to Consolidated Financial Statements (Continued)****December 31, 2016****4. Leverage – (continued)**

For the years ended December 31, 2016, 2015 and 2014, the components of interest expense for the convertible notes were as follows:

	Year Ended December 31,					
	2016		2015		2014	
	2019 Convertible Notes	2022 Convertible Notes	2019 Convertible Notes	2022 Convertible Notes	2019 Convertible Notes	2022 Convertible Notes
Stated interest expense	\$ 5,670,000	\$ 2,050,416	\$ 5,670,000	N/A	\$ 3,039,750	N/A
Amortization of original issue discount	437,608	167,955	413,491	N/A	212,424	N/A
Total interest expense	\$ 6,107,608	\$ 2,218,371	\$ 6,083,491	N/A	\$ 3,252,174	N/A

The estimated effective interest rate of the debt component of the 2019 Convertible Notes, equal to the stated interest of 5.25% plus the accretion of the original issue discount, was approximately 5.75% for the year ended December 31, 2016. The estimated effective interest rate of the debt component of the 2022 Convertible Notes, equal to the stated interest of 4.625% plus the accretion of the original issue discount, was approximately 5.125% for the year ended December 31, 2016.

***SVCP Facility***

The SVCP Facility consists of a \$100.5 million fully-drawn senior secured term loan and a senior secured revolving credit facility which provides for amounts to be drawn up to \$116.0 million, subject to certain collateral and other restrictions. The SVCP Facility matures on July 31, 2018. Most of the cash and investments held directly by the Operating Company, as well as the net assets of TCPC Funding and the SBIC, are included in the collateral for the facility.

Advances under the SVCP Facility through July 31, 2014 bore interest at an annual rate equal to 0.44% plus either LIBOR or the lender's cost of funds (subject to a cap of LIBOR plus 20 basis points). Advances under the SVCP Facility for periods from July 31, 2014 through September 3, 2015 bore interest at an annual rate equal to 2.50% plus either LIBOR or the lender's cost of funds (subject to a cap of LIBOR plus 20 basis points). Advances under the SVCP Facility from September 3, 2015 through July 31, 2016 bore interest at an annual rate equal to 1.75% plus either LIBOR or the lender's cost of funds (subject to a cap of LIBOR plus 20 basis points). Advances under the SVCP Facility from July 31, 2016 through the maturity date of the facility bear interest at an annual rate of 2.50% plus either LIBOR or the lender's cost of funds (subject to a cap of LIBOR plus 20 basis points). In addition to amounts due on outstanding debt, the SVCP Revolver accrues commitment fees of 0.20% per annum on the unused portion of the facility, or 0.25% per annum when less than \$46.4 million in borrowings are outstanding. The facility may be terminated, and any outstanding amounts thereunder may become due and payable, should the Operating Company fail to satisfy certain financial or other covenants. As of December 31, 2016, the Operating Company was in full compliance with such covenants.

***SBA Debentures***

As of December 31, 2016 the SBIC was able to issue up to \$150.0 million in SBA Debentures, subject to funded regulatory capital and other customary regulatory requirements. As of December 31, 2016, the Operating Company had committed \$75.0 million of regulatory capital to the SBIC, all of which had been funded. SBA Debentures are non-recourse and may be prepaid at any time without penalty. Once drawn, the SBIC debentures bear an interim interest rate of LIBOR plus 30 basis points. The rate then becomes fixed at the time of SBA pooling, which occurs twice each year, and is set to the then-current 10-year treasury rate plus a spread and an annual SBA charge.

S-F-41

TABLE OF CONTENTS**TCP Capital Corp.****Notes to Consolidated Financial Statements (Continued)****December 31, 2016****4. Leverage – (continued)**

SBA Debentures outstanding as of December 31, 2016 were as follows:

<b>Issuance Date</b>	<b>Maturity</b>	<b>Debenture Amount</b>	<b>Fixed Interest Rate</b>	<b>SBA Annual Charge</b>
September 24, 2014	September 1, 2024	\$ 18,500,000	3.02 %	0.36 %
March 25, 2015	March 1, 2025	9,500,000	2.52 %	0.36 %
September 23, 2015	September 1, 2025	10,800,000	2.83 %	0.36 %
March 23, 2016	March 1, 2026	4,000,000	2.51 %	0.36 %
September 21, 2016	September 1, 2026	18,200,000	2.05 %	0.36 %
		\$ 61,000,000	2.58 %*	

\* Weighted-average interest rate

SBA Debentures outstanding as of December 31, 2015 were as follows:

<b>Issuance Date</b>	<b>Maturity</b>	<b>Debenture Amount</b>	<b>Fixed Interest Rate</b>	<b>SBA Annual Charge</b>
Pooled loans:				
September 24, 2014	September 1, 2024	\$ 18,500,000	3.02 %	0.36 %
March 25, 2015	March 1, 2025	9,500,000	2.52 %	0.36 %
September 23, 2015	September 1, 2025	10,800,000	2.83 %	0.36 %
		38,800,000	2.84 %*	
Non-pooled loans:				
December 15, 2015	March 22, 2026	4,000,000	0.90 %	0.36 %
		\$ 42,800,000		

\* Weighted-average interest rate on pooled loans

***TCPC Funding Facility***

The TCPC Funding Facility is a senior secured revolving credit facility which provides for amounts to be drawn up to \$350.0 million, subject to certain collateral and other restrictions. The facility matures on March 6, 2020, subject to extension by the lender at the request of TCPC Funding. The facility contains an accordion feature which allows for expansion of the facility to up to \$400.0 million subject to consent from the lender and other customary conditions. The cash and investments of TCPC Funding are included in the collateral for the facility.

Borrowings under the TCPC Funding Facility bear interest at a rate of LIBOR plus either 2.25% or 2.50% per annum, subject to certain funding requirements, plus an administrative fee of 0.25% per annum. In addition to amounts due on outstanding debt, the facility accrues commitment fees of 0.50% per annum on the unused portion of the facility, or

0.75% per annum when the unused portion is greater than 33% of the total facility, plus an administrative fee of 0.25% per annum. The facility may be terminated, and any outstanding amounts thereunder may become due and payable, should TCPC Funding fail to satisfy certain financial or other covenants. As of December 31, 2016, TCPC Funding was in full compliance with such covenants.

***Preferred Interests***

As of December 31, 2016 and 2015, no Preferred Interests were outstanding. On June 30, 2015, the Operating Company repurchased and retired 1,675 of the previously outstanding 6,700 Preferred Interests at a price of \$31.8 million. On September 3, 2015, the Operating Company repurchased and retired the remaining 5,025 Preferred Interests outstanding at a price of \$100.5 million.

S-F-42



TABLE OF CONTENTS

**TCP Capital Corp.**

**Notes to Consolidated Financial Statements (Continued)**

**December 31, 2016**

**4. Leverage – (continued)**

When issued, the Preferred Interests were comprised of 6,700 Series A preferred limited partner interests with a liquidation preference of \$20,000 per interest. The Preferred Interests accrued dividends at an annual rate equal to 0.85% plus either LIBOR or the interest holder's cost of funds (subject to a cap of LIBOR plus 20 basis points).

***CNO Note***

On April 18, 2016, the Company issued \$30.0 million in aggregate principal amount of a 5.25% convertible senior unsecured note due 2021 pursuant to a purchase agreement, dated as of April 18, 2016, between the Company and CNO Financial Investments Corp., a minority interest owner of the Advisor. The CNO Note had a maturity of April 30, 2021 unless previously converted. The CNO Note was convertible at the option of the holder at any time prior to the close of business on the business day immediately preceding April 30, 2021, in integral multiples of \$1,000,000 principal amount. However, the CNO Note was automatically convertible in its entirety, without any further action by the holder, on the date on which the closing price of the common stock of the Company was at or above the Company's most recent publicly reported net asset value per share of common stock for at least ten trading days (whether or not consecutive) in a 20 consecutive trading day period. The conversion price was the greater of (a) the closing price of the Company's common shares on the conversion date and (b) the then-current net asset value of the Company. On June 7, 2016, the Company issued 2,011,900 shares of its common stock pursuant to the full conversion, at the holder's option, of the \$30.0 million in aggregate principal amount (plus accrued interest) of the CNO Note. The CNO Note was converted at a price of \$15.02 per share of Common Stock. There was no gain or loss associated with the conversion of the CNO Note. No placement agent or underwriting fees were incurred in connection with the issuance or the conversion of the CNO Note.

**5. Commitments, Contingencies, Concentration of Credit Risk and Off-Balance Sheet Risk**

The Operating Company, TCPC Funding and the SBIC conduct business with brokers and dealers that are primarily headquartered in New York and Los Angeles and are members of the major securities exchanges. Banking activities are conducted with a firm headquartered in the San Francisco area.

In the normal course of business, investment activities involve executions, settlement and financing of various transactions resulting in receivables from, and payables to, brokers, dealers and the custodian. These activities may expose the Company to risk in the event that such parties are unable to fulfill contractual obligations. Management does not anticipate any material losses from counterparties with whom it conducts business. Consistent with standard business practice, the Company, the Operating Company, TCPC Funding and the SBIC enter into contracts that contain a variety of indemnifications, and are engaged from time to time in various legal actions. The maximum exposure under these arrangements and activities is unknown. However, management expects the risk of material loss to be remote.

S-F-43

TABLE OF CONTENTS**TCP Capital Corp.****Notes to Consolidated Financial Statements (Continued)****December 31, 2016****5. Commitments, Contingencies, Concentration of Credit Risk and Off-Balance Sheet Risk – (continued)**

The Consolidated Schedules of Investments include certain revolving loan facilities and other commitments with unfunded balances at December 31, 2016 and December 31, 2015 as follow:

Issuer	Maturity	Unfunded Balances	
		December 31, 2016	December 31, 2015
Alera Group Intermediate Holdings, Inc.	12/30/2021	\$ 833,333	\$ N/A
Alera Group Intermediate Holdings, Inc.	12/30/2022	759,547	N/A
Alpheus Communications, LLC	5/31/2018	357,419	1,072,256
AP Gaming I, LLC	12/20/2018	12,500,000	12,500,000
Acrisure, LLC	11/19/2022	N/A	1,351,596
Anuvia Plant Nutrients Holdings, LLC (VitAG)	2/1/2018	N/A	4,300,000
Asset International, Inc.	7/31/2020	1,325,721	565,544
Auto Trakk SPV, LLC	12/21/2021	3,827,058	N/A
Bisnow, LLC	4/29/2021	1,200,000	N/A
Caliber Home Loans, Inc.	6/30/2020	6,666,667	N/A
Cargojet Airways, LTD.	1/31/2023	N/A	14,457,306
Central MN Renewables, LLC	1/16/2016	N/A	2,100,000
Daymark Financial Acceptance, LLC	1/12/2020	N/A	20,000,000
Edmentum, Inc.	6/9/2020	3,368,586	3,368,586
Enerwise Global Technologies, Inc.	11/30/2017	4,000,000	7,500,000
Essex Ocean, LLC	3/25/2019	N/A	22,008,557
Fidelis Acquisitionco, LLC	11/4/2019	N/A	1,909,286
Hylan Datacom & Electrical, LLC	7/25/2016	1,247,989	N/A
iGM RFE1 B.V.	10/12/2021	855,935	N/A
InMobi, Inc.	9/1/2018	7,500,000	9,354,959
Marketo, Inc.	8/16/2016	1,704,545	N/A
MediMedia USA, Inc.	5/20/2018	N/A	4,293,500
Mesa Air Group, Inc.	7/15/2022	N/A	13,575,000
Mesa Airlines, Inc.	2/28/2022	9,268,182	N/A
Mesa Airlines, Inc.	12/31/2022	9,731,591	N/A
Pegasus Business Intelligence, LP (Onyx Centersource)	12/20/2021	671,356	N/A
Redaptive, Inc.	7/1/2018	N/A	15,000,000

Edgar Filing: TCP Capital Corp. - Form 497

RM OpCo, LLC (Real Mex)	3/30/2018	N/A	440,774
Utilidata, Inc.	1/1/2019	N/A	4,800,000
Vistronix, LLC	12/4/2018	N/A	205,558
VSS-Southern Holdings, LLC	11/3/2020	856,164	N/A
Waterfall International, Inc.	9/1/2018	N/A	3,200,000
Total Unfunded Balances		\$ 66,674,093	\$ 142,002,922

**6. Related Party Transactions**

The Company, the Operating Company, TCPC Funding, the SBIC, the Advisor, the General Partner and their members and affiliates may be considered related parties. From time to time, the Operating Company advances payments to third parties on behalf of the Company which are reimbursable through deductions from distributions to the Company. At December 31, 2016 and December 31, 2015, no such amounts were outstanding. From time to time, the Advisor advances payments to third parties on behalf of the Company and the Operating Company and receives reimbursement from the Company and the Operating Company. At

S-F-44

TABLE OF CONTENTS**TCP Capital Corp.****Notes to Consolidated Financial Statements (Continued)****December 31, 2016****6. Related Party Transactions – (continued)**

December 31, 2016 and 2015, amounts reimbursable to the Advisor totaled \$0.3 million and \$0.5 million, respectively, as reflected in the Consolidated Statements of Assets and Liabilities.

Pursuant to administration agreements between the Administrator and each of the Company and the Operating Company (the Administration Agreements), the Administrator may be reimbursed for costs and expenses incurred by the Administrator for office space rental, office equipment and utilities allocable to the Company or the Operating Company, as well as costs and expenses incurred by the Administrator or its affiliates relating to any administrative, operating, or other non-investment advisory services provided by the Administrator or its affiliates to the Company or the Operating Company. For the years ended December 31, 2016, 2015 and 2014, expenses allocated pursuant to the Administration Agreements totaled \$1.7 million, \$1.6 million and \$1.4 million, respectively.

On November 25, 2014, the Company and the Operating Company obtained an exemptive order (the Exemptive Order) from the Securities and Exchange Commission permitting the Company and Operating Company to purchase certain investments from affiliated investment companies at fair value. The Exemptive Order exempts the Company and the Operating Company from provisions of Sections 17(a) and 57(a) of the 1940 Act which would otherwise restrict such transfers. All such purchases are subject to the conditions set forth in the Exemptive Order, which among others include certain procedures to verify that each purchase is done at the current fair value of the respective investment. During the years ended December 31, 2016 and 2015, the Company purchased approximately \$0.0 million and \$94.5 million, respectively, of investments from affiliates (as defined in the 1940 Act), which were classified as Level 2 in the GAAP valuation hierarchy at the time of the transfer. The selling party has no continuing involvement in the transferred assets. All of the transfers were consummated in accordance with the provisions of the Exemptive Order and were accounted for as a purchase in accordance with ASC 860, *Transfers and Servicing*.

**7. Stockholders Equity and Dividends**

The following table summarizes the total shares issued and proceeds received in public offerings of the Company's common stock net of underwriting discounts and offering costs as well as shares issued in connection with the Company's dividend reinvestment plan for the year ended December 31, 2016:

	<b>Shares Issued</b>	<b>Price Per Share</b>	<b>Net Proceeds</b>
Shares issued from dividend reinvestment plan	610	\$ 15.83 *	\$ 9,657
Shares issued from conversion of convertible debt †	2,011,900	15.02	—
July 13, 2016 registered direct public offering	2,336,552	15.09	34,958,570

\* Weighted-average price per share

† Shares issued in connection with the full conversion of the CNO Note

The following table summarizes the total shares issued and proceeds received in public offerings of the Company's common stock net of underwriting discounts and offering costs as well as shares issued in connection with the Company's dividend reinvestment plan for the year ended December 31, 2015:

	<b>Shares Issued</b>	<b>Price Per Share</b>	<b>Net Proceeds</b>
--	----------------------	------------------------	---------------------

Edgar Filing: TCP Capital Corp. - Form 497

At-the-market offerings	248,614	\$	15.87	*	\$ 3,946,066
Shares issued from dividend reinvestment plan	555		14.62	*	8,116
	* Weighted-average price per share				

S-F-45

TABLE OF CONTENTS**TCP Capital Corp.****Notes to Consolidated Financial Statements (Continued)****December 31, 2016****7. Stockholders' Equity and Dividends – (continued)**

The Company's dividends are recorded on the ex-dividend date. The following table summarizes the Company's dividends declared and paid for the year ended December 31, 2016:

<b>Date Declared</b>	<b>Record Date</b>	<b>Payment Date</b>	<b>Type</b>	<b>Amount Per Share</b>	<b>Total Amount</b>
February 24, 2016	March 17, 2016	March 31, 2016	Regular	\$ 0.36	\$ 17,530,963
May 10, 2016	June 16, 2016	June 30, 2016	Regular	0.36	18,254,229
August 9, 2016	September 16, 2016	September 30, 2016	Regular	0.36	19,094,976
November 8, 2016	December 16, 2016	December 30, 2016	Regular	0.36	19,095,030
				\$ 1.44	\$ 73,975,198

The following table summarizes the Company's dividends declared and paid for the year ended December 31, 2015:

<b>Date Declared</b>	<b>Record Date</b>	<b>Payment Date</b>	<b>Type</b>	<b>Amount Per Share</b>	<b>Total Amount</b>
March 10, 2015	March 19, 2015	March 31, 2015	Regular	\$ 0.36	\$ 17,535,826
May 7, 2015	June 16, 2015	June 30, 2015	Regular	0.36	17,625,370
August 6, 2015	September 16, 2015	September 30, 2015	Regular	0.36	17,625,310
November 5, 2015	December 17, 2015	December 31, 2015	Regular	0.36	17,590,638
				\$ 1.44	\$ 70,377,144

On February 24, 2015, the Company's board of directors approved a stock repurchase plan (the Company Repurchase Plan) to acquire up to \$50.0 million in the aggregate of the Company's common stock at prices at certain thresholds below the Company's net asset value per share, in accordance with the guidelines specified in Rule 10b-18 and Rule 10b5-1 of the Securities Exchange Act of 1934. The Company Repurchase Plan is designed to allow the Company to repurchase its common stock at times when it otherwise might be prevented from doing so under insider trading laws. The Company Repurchase Plan requires an agent selected by the Company to repurchase shares of common stock on the Company's behalf if and when the market price per share is at certain thresholds below the most recently reported net asset value per share. Under the plan, the agent will increase the volume of purchases made if the price of the Company's common stock declines, subject to volume restrictions. The timing and amount of any stock repurchased depends on the terms and conditions of the Company Repurchase Plan, the market price of the common stock and trading volumes, and no assurance can be given that any particular amount of common stock will be repurchased. The Company Repurchase Plan was re-approved on November 2, 2016, to be in effect through the earlier of two trading days after the Company's fourth quarter 2016 earnings release unless further extended or terminated by the Company's board of directors, or such time as the approved \$50.0 million repurchase amount has been fully utilized, subject to certain conditions.

Edgar Filing: TCP Capital Corp. - Form 497

The following table summarizes the total shares repurchased and amounts paid by the Company under the Company Repurchase Plan, including broker fees, for the year ended December 31, 2016:

	<b>Shares Repurchased</b>	<b>Price Per Share</b>	<b>Total Cost</b>
Company Repurchase Plan	141,896	\$ 13.25 *	\$ 1,879,548
* Weighted-average price per share			

S-F-46

TABLE OF CONTENTS**TCP Capital Corp.****Notes to Consolidated Financial Statements (Continued)****December 31, 2016****7. Stockholders' Equity and Dividends – (continued)**

The following table summarizes the total shares repurchased and amounts paid by the Company under the Company Repurchase Plan, including broker fees, for the year ended December 31, 2015:

	<b>Shares Repurchased</b>	<b>Price Per Share</b>	<b>Total Cost</b>
Company Repurchase Plan	125,062	\$ 14.38 *	\$ 1,797,876
	* Weighted-average price per share		

**8. Earnings Per Share**

In accordance with ASC 260, *Earnings per Share*, basic earnings per share is computed by dividing earnings available to common shareholders by the weighted average number of shares outstanding during the period. Other potentially dilutive common shares, if any, and the related impact to earnings, are considered when calculating earnings per share on a diluted basis. The following information sets forth the computation of the net increase in net assets per share resulting from operations for the years ended December 31, 2016, 2015 and 2014:

	<b>Year Ended December 31,</b>		
	<b>2016</b>	<b>2015</b>	<b>2014</b>
Net increase in net assets applicable to common shareholders resulting from operations	\$ 76,317,159	\$ 59,068,827	\$ 34,547,519
Weighted average shares outstanding	50,948,035	48,863,188	39,395,671
Earnings per share	\$ 1.50	\$ 1.21	\$ 0.88

**9. Subsequent Events**

On February 22, 2017, the Company's board of directors re-approved the Company Repurchase Plan, to be in effect through the earlier of two trading days after the Company's first quarter 2017 earnings release or such time as the approved \$50.0 million repurchase amount has been fully utilized, subject to certain conditions.

On February 28, 2017, the Company's board of directors declared a first quarter regular dividend of \$0.36 per share payable on March 31, 2017 to stockholders of record as of the close of business on March 17, 2017.

S-F-47



TABLE OF CONTENTS**TCP Capital Corp.****Notes to Consolidated Financial Statements (Continued)****December 31, 2016****10. Financial Highlights**

The financial highlights below show the Company's results of operations for each of the five years ended December 31, 2016, as applicable. Per share amounts are calculated assuming the common shares issued in the Conversion on April 2, 2012 and those sold in the initial public offering on April 3, 2012 had been issued as of January 1, 2012.

	<i>Year Ended December 31,</i>				
	<i>2016</i>	<i>2015</i>	<i>2014</i>	<i>2013</i>	<i>2012</i>
<i>Per Common Share</i>					
Per share NAV at beginning of period <sup>(1)</sup>	\$ 14.78	\$ 15.01	\$ 15.18	\$ 14.71	\$ 14.84
Investment operations:					
Net investment income before income taxes	1.88	2.07	1.98	2.13	1.95
Excise taxes	(0.01 )	(0.02 )	(0.02 )	(0.03 )	(0.07 )
Net investment income	1.87	2.05	1.96	2.10	1.88
Net realized and unrealized losses	—	(0.45 )	(0.69 )	0.35	(0.60 )
Dividends on Series A preferred equity facility	—	(0.01 )	(0.04 )	(0.06 )	(0.07 )
Incentive allocation reserve and distributions	(0.37 )	(0.41 )	(0.35 )	(0.48 )	—
Total from investment operations	1.50	1.18	0.88	1.91	1.21
Issuance of common stock	0.01	—	0.43	0.09	—
Repurchase of common stock	—	—	—	—	—
Issuance of convertible debt	0.06	—	0.06	—	—
	—	0.03	—	—	—

Edgar Filing: TCP Capital Corp. - Form 497

Repurchase of Series A preferred interests								
Distributions to common shareholders from:								
Net investment income	(1.44 )	(1.44 )	(1.54 )	(1.53 )	(1.34 )			
Per share NAV at end of period	\$ 14.91	\$ 14.78	\$ 15.01	\$ 15.18	\$ 14.71			
Per share market price at end of period	\$ 16.90	\$ 13.93	\$ 16.78	\$ 16.78	\$ 14.74			
Total return based on market value <sup>(1), (2)</sup>	31.7 %	(8.4 %)	9.2 %	24.2 %	9.0 %			
Total return based on net asset value <sup>(1)</sup>	10.6 %	8.1 %	9.0 %	13.6 %	8.2 %			
Shares outstanding at end of period	53,041,900	48,834,734	48,710,627	36,199,916	21,477,628			

S-F-48

TABLE OF CONTENTS**TCP Capital Corp.****Notes to Consolidated Financial Statements (Continued)****December 31, 2016****10. Financial Highlights – (continued)**

	<i>Year Ended December 31,</i>				
	<i>2016</i>	<i>2015</i>	<i>2014</i>	<i>2013</i>	<i>2012</i>
Ratios to average common equity: <sup>(3)</sup>					
Net investment income <sup>(4)</sup>	10.1 %	10.9 %	10.2 %	10.9 %	13.6 %
Expenses <sup>(5)</sup>	6.9 %	6.2 %	4.7 %	3.6 %	3.5 %
Expenses and incentive allocation <sup>(6)</sup>	9.4 %	8.9 %	7.2 %	6.5 %	N/A
Ending common shareholder equity	\$ 790,935,991	\$ 721,977,017	\$ 731,129,028	\$ 549,553,354	\$ 315,987,550
Portfolio turnover rate	37.9 %	37.8 %	28.4 %	38.9 %	48.3 %
Weighted-average leverage outstanding <sup>(7)</sup>	\$ 542,421,190	\$ 513,312,510	\$ 343,095,352	\$ 222,471,233	\$ 159,374,317
Weighted-average interest rate on leverage <sup>(8)</sup>	3.9 %	3.2 %	2.5 %	1.2 %	1.1 %
Weighted-average number of common shares	50,948,035	48,863,188	39,395,671	25,926,493	21,475,847
Average leverage per share <sup>(7)</sup>	\$ 10.65	\$ 10.51	\$ 5.31	\$ 3.44	\$ 1.18
<b>Asset Coverage:</b>					
	<i>As of December 31,</i>				
	<i>2016</i>	<i>2015</i>	<i>2014</i>	<i>2013</i>	<i>2012</i>
Series A Preferred Equity Facility:					
Interests outstanding	—	—	6,700	6,700	6,700
Involuntary liquidation value per interest	N/A	N/A	\$ 20,074	\$ 20,075	\$ 20,079
Asset coverage per interest	N/A	N/A	\$ 51,592	\$ 68,125	\$ 50,475

Debt

Debt outstanding <sup>(9)</sup>	\$ 579,906,288	\$ 502,410,321	\$ 328,696,830	\$ 95,000,000	\$ 74,000,000
Asset coverage per \$1,000 of debt outstanding	\$ 2,344	\$ 2,423	\$ 8,973	\$ 8,176	\$ 7,077

(1) 2012 total return calculated assuming the Conversion and the initial public offering occurred on January 1, 2012.

(2) 2012 total return is based on an initial public offering price of \$14.75.

(3) These ratios include interest expense but do not reflect the effect of dividends on the preferred equity facility.

(4) Net of incentive allocation and excise taxes.

(5) Excludes excise taxes.

(6) Includes incentive allocation payable to the General Partner and all Company expenses.

(7) Includes both debt and preferred leverage.

(8) Includes dividends on the preferred leverage facility.

(9) Excludes unamortized debt issuance costs which are netted in the Consolidated Statements of Assets and Liabilities.

S-F-49

TABLE OF CONTENTS**TCP Capital Corp.****Notes to Consolidated Financial Statements (Continued)****December 31, 2016****11. Select Quarterly Data (Unaudited)**

	<b>2016</b>			
	<b>Q4</b>	<b>Q3</b>	<b>Q2</b>	<b>Q1</b>
Total investment income	\$ 39,527,322	\$ 38,468,990	\$ 35,595,171	\$ 34,589,282
Net investment income before taxes	24,153,673	25,665,057	23,133,724	22,870,379
Excise taxes	569,511	—	—	—
Net investment income	23,584,162	25,665,057	23,133,724	22,870,379
Net realized and unrealized gain	4,053,638	208,756	2,675,361	(6,823,253 )
Incentive allocation reserve and distributions	(4,716,834 )	(5,133,010 )	(4,626,745 )	(4,574,076 )
Net increase in net assets resulting from operations	\$ 22,920,966	\$ 20,740,803	\$ 21,182,340	\$ 11,473,050
Basic and diluted earnings per common share	\$ 0.44	\$ 0.39	\$ 0.43	\$ 0.24
	<b>2015</b>			
	<b>Q4</b>	<b>Q3</b>	<b>Q2</b>	<b>Q1</b>
Total investment income	\$ 39,616,003	\$ 35,499,049	\$ 38,937,820	\$ 32,815,353
Net investment income before taxes	26,914,734	24,254,967	27,269,335	22,940,482
Excise taxes	876,706	—	—	—
Net investment income	26,038,028	24,254,967	27,269,335	22,940,482
Net realized and unrealized gain	(18,739,472 )	(1,886,201 )	(2,214,992 )	435,554
Gain on repurchase of Series A preferred interests	—	—	1,675,000	—
Preferred dividends	—	(62,294 )	(349,907 )	(341,939 )
Incentive allocation reserve and distributions	(5,207,604 )	(4,838,534 )	(5,383,887 )	(4,519,709 )
Net increase in net assets resulting from operations	\$ 2,090,952	\$ 17,467,938	\$ 20,995,549	\$ 18,514,388
Basic and diluted earnings per common share	\$ 0.04	\$ 0.36	\$ 0.43	\$ 0.38
	<b>2014</b>			
	<b>Q4</b>	<b>Q3</b>	<b>Q2</b>	<b>Q1</b>

Edgar Filing: TCP Capital Corp. - Form 497

Total investment income	\$ 32,135,038	\$ 27,190,466	\$ 24,587,300	\$ 22,668,644
Net investment income before taxes	22,684,324	19,200,190	18,426,208	17,790,654
Excise taxes	808,813	—	—	—
Net investment income	21,875,511	19,200,190	18,426,208	17,790,654
Net realized and unrealized gain	(24,967,480 )	(4,505,178 )	(3,011,938 )	5,180,018
Preferred dividends	(360,303 )	(362,169 )	(357,060 )	(358,640 )
Incentive allocation reserve and distributions	(3,601,876 )	(2,866,569 )	(3,011,442 )	(4,522,407 )
Net increase in net assets resulting from operations	\$ (7,054,148 )	\$ 11,466,274	\$ 12,045,768	\$ 18,089,625
Basic and diluted earnings per common share	\$ (0.16 )	\$ 0.29	\$ 0.33	\$ 0.50

S-F-50

TABLE OF CONTENTS**TCP Capital Corp.****Consolidated Schedule of Changes in Investments in Affiliates<sup>(1)</sup>****Year Ended December 31, 2016**

<b>Security</b>	<b>Dividends or Interest<sup>(2)</sup></b>	<b>Fair Value at December 31, 2015</b>	<b>Acquisitions<sup>(3)</sup></b>	<b>Dispositions<sup>(4)</sup></b>	<b>Fair Value at December 31, 2016</b>
36th Street Capital Partners Holdings, LLC, Membership Units	\$ —	\$ 225,000	\$ 6,656,342	\$ (62,445 )	\$ 6,818,897
36th Street Capital Partners Holdings, LLC, Subordinated Promissory Note, 12%, due 11/1/20	1,921,851	900,000	28,303,304	—	29,203,304
AGY Holding Corp., Senior Secured 2nd Lien Notes, 11%, due 11/15/16	1,019,480	9,268,000	—	—	9,268,000
AGY Holding Corp., Senior Secured Delayed Draw Term Loan, 12%, due 9/15/18	20,074	—	1,049,147	—	1,049,147
AGY Holding Corp., Senior Secured Term Loan, 12%, due 9/15/16	594,088	4,869,577	133	—	4,869,710
Anacomp, Inc., Class A Common Stock	—	1,581,964	—	(376,658 )	1,205,306
Edmentum Ultimate Holdings, LLC, Junior PIK Notes, 10%, due 6/9/20	1,381,227	11,343,490	1,362,996	(605,003 )	12,101,483
Edmentum Ultimate Holdings, LLC, Senior PIK Notes, 8.5%, due 6/9/20	236,640	2,612,408	233,838	—	2,846,246
Edmentum, Inc., Junior Revolving Facility, 5%, due 6/9/20	51,210	—	2,762,241	(2,762,241 )	—
Edmentum Ultimate Holdings, LLC, Class A Common Units	—	680,218	443,373	—	1,123,591
EPMC HoldCo, LLC, Membership Units	—	682,614	102,392	(574,971 )	210,035
Essex Ocean II, LLC, Membership Units	—	200,686	65,438	(107,079 )	159,045
Globecomm Systems Inc.,	1,316,646	14,256,233	562,182	(338,413 )	14,480,002

Senior Secured 1st Lien Term Loan, LIBOR + 7.625%, 1.25% LIBOR Floor, due 12/11/18 KAGY Holding Company, Inc., Series A Preferred Stock	—	6,118,515	45,967	(1,557,236 )	4,607,246
Kawa Solar Holdings Limited, Bank Guarantee Credit Facility, 8.2% Cash + 3.5% PIK, due 7/2/17	2,475,897	25,000,000	661,542	(4,384,889 )	21,276,653
Kawa Solar Holdings Limited, Revolving Credit Facility, 8.2%, due 7/2/17	93,425	—	4,000,000	—	4,000,000
Kawa Solar Holdings Limited, Ordinary Shares	—	—	—	—	—
Kawa Solar Holdings Limited, Series B Preferred Shares	—	—	1,395,350	—	1,395,350
N659UA Aircraft Secured Mortgage, 12%, due 2/28/16	4,554	318,980	—	(318,980 )	—
N661UA Aircraft Secured Mortgage, 12%, due 5/4/16	11,822	570,303	—	(570,303 )	—
N913DL Aircraft Secured Mortgage, 8%, due 3/15/17	2,322	115,617	—	(115,617 )	—
N918DL Aircraft Secured Mortgage, 8%, due 8/15/18	5,109	237,494	—	(237,494 )	—
N954DL Aircraft Secured Mortgage, 8%, due 3/20/19	7,829	342,734	—	(342,734 )	—
N955DL Aircraft Secured Mortgage, 8%, due 6/20/19	8,463	369,162	—	(369,162 )	—
N956DL Aircraft Secured Mortgage, 8%, due 5/20/19	8,365	365,197	—	(365,197 )	—
N957DL Aircraft Secured Mortgage, 8%, due 6/20/19	8,537	372,392	—	(372,392 )	—
N959DL Aircraft Secured Mortgage, 8%, due 7/20/19	8,708	379,522	—	(379,522 )	—
N960DL Aircraft Secured Mortgage, 8%, due 10/20/19	9,289	403,869	—	(403,869 )	—
N961DL Aircraft Secured Mortgage, 8%, due 8/20/19	9,028	393,115	—	(393,115 )	—
N976DL Aircraft Secured Mortgage, 8%, due 2/15/18	4,636	218,321	—	(218,321 )	—
N913DL Equipment Trust Beneficial Interests	491,371	107,501	375	(107,876 )	—
	8,483	127,662	89,515	(217,177 )	—



Edgar Filing: TCP Capital Corp. - Form 497

N918DL Equipment Trust Beneficial Interests					
N954DL Equipment Trust Beneficial Interests	8,743	77,850	17,496	(95,346 )	—
N955DL Equipment Trust Beneficial Interests	8,278	108,100	2,433	(110,533 )	—
N956DL Equipment Trust Beneficial Interests	8,362	104,478	2,571	(107,049 )	—
N957DL Equipment Trust Beneficial Interests	8,249	105,329	2,637	(107,966 )	—
N959DL Equipment Trust Beneficial Interests	8,139	106,203	2,702	(108,905 )	—
N960DL Equipment Trust Beneficial Interests	7,785	105,937	3,088	(109,025 )	—

S-F-51

TABLE OF CONTENTS

<b>Security</b>	<b>Dividends or Interest<sup>(2)</sup></b>	<b>Fair Value at December 31, 2015</b>	<b>Acquisitions<sup>(3)</sup></b>	<b>Dispositions<sup>(4)</sup></b>	<b>Fair Value at December 31, 2016</b>
N961DL Equipment Trust Beneficial Interests	7,976	101,487	3,159	(104,646 )	—
N976DL Equipment Trust Beneficial Interests	8,635	100,793	755	(101,548 )	—
RM Holdco, LLC, Equity Participation	—	—	—	—	—
RM Holdco, LLC, Membership Units	251,887	—	—	—	—
RM OpCo, LLC, Senior Secured 1st Lien Term Loan Tranche A, 7%, due 3/21/16	328,902	3,719,155	1,152,129	—	4,871,284
RM OpCo, LLC, Senior Secured 2nd Lien Term Loan Tranche B, 8.5%, due 3/30/18	804,739	4,490,993	1,131,050	(2,467,273 )	3,154,770
RM OpCo, LLC, Senior Secured 2nd Lien Term Loan Tranche B-1, 8.5%, due 3/30/18	253,440	2,797,956	251,599	—	3,049,555
RM OpCo, LLC, Convertible 2nd Lien Term Loan Tranche B-1, 8.5%, due 3/30/18	165,193	1,783,036	164,019	(3,684 )	1,943,371
RM OpCo, LLC, Senior Convertible 2nd Lien Term Loan B, 8.5%, due 3/30/18	248,959	2,188,233	2,063,135	—	4,251,368
United N659UA-767, LLC (N659UA)	456,168	3,368,599	448,126	(624,787 )	3,191,938
United N661UA-767, LLC (N661UA)	549,091	3,294,024	673,594	(701,517 )	3,266,101
Wasserstein Cosmos Co-Invest, L.P., Limited Partnership Units	—	4,198,500	—	(2,668,500 )	1,530,000

*Notes to Consolidated Schedule of Changes in Investments in Affiliates:*

- (1) The issuers of the securities listed on this schedule are considered affiliates under the Investment Company Act of 1940 due to the ownership by the Company of 5% or more of the issuers' voting securities.
- (2) Also includes fee and lease income as applicable.
- (3) Acquisitions include new purchases, PIK income, amortization of original issue and market discounts and net unrealized appreciation.
- (4) Dispositions include decreases in the cost basis from sales, paydowns, mortgage amortizations, aircraft depreciation and net unrealized depreciation.

TABLE OF CONTENTS**TCP Capital Corp.****Consolidated Schedule of Changes in Investments in Affiliates<sup>(1)</sup>****Year Ended December 31, 2015**

<b>Security</b>	<b>Dividends or Interest<sup>(2)</sup></b>	<b>Fair Value at December 31, 2014</b>	<b>Acquisitions<sup>(3)</sup></b>	<b>Dispositions<sup>(4)</sup></b>	<b>Fair Value at December 31, 2015</b>
36th Street Capital Partners Holdings, LLC, Membership Units	\$ 15,600	\$ —	\$ 225,000	\$ —	\$ 225,000
36th Street Capital Partners Holdings, LLC, Subordinated Promissory Note, 12%, due 11/1/20	—	—	900,000	—	900,000
AGY Holding Corp., Senior Secured 2nd Lien Notes, 11%, due 11/15/16	1,019,480	9,017,764	250,236	—	9,268,000
AGY Holding Corp., Senior Secured Term Loan, 12%, due 9/15/16	592,466	4,869,577	—	—	4,869,577
Anacomp, Inc., Class A Common Stock	—	916,535	665,429	—	1,581,964
Edmentum Ultimate Holdings, LLC, Junior PIK Notes, 10%, due 6/9/20	715,131	—	12,054,264	(710,774 )	11,343,490
Edmentum Ultimate Holdings, LLC, Senior PIK Notes, 8.5%, due 6/9/20	124,828	—	2,612,408	—	2,612,408
Edmentum, Inc., Junior Revolving Facility, 5%, due 6/9/20	22,329	—	2,105,366	(2,105,366 )	—
Edmentum Ultimate Holdings, LLC, Class A Common Units	—	—	680,218	—	680,218
EPMC HoldCo, LLC, Membership Units	—	682,614	—	—	682,614
Essex Ocean II, LLC, Membership Units	—	—	200,686	—	200,686
Globecomm Systems Inc., Senior Secured 1st Lien Term Loan, LIBOR + 7.625%, 1.25% LIBOR Floor, due 12/11/18	1,330,125	14,656,950	121,560	(522,277 )	14,256,233

## Edgar Filing: TCP Capital Corp. - Form 497

KAGY Holding Company, Inc., Series A Preferred Stock	—	121,975	5,996,540	—	6,118,515
N659UA Aircraft Secured Mortgage, 12%, due 2/28/16	120,307	1,659,003	—	(1,340,023 )	318,980
N661UA Aircraft Secured Mortgage, 12%, due 5/4/16	137,289	1,899,950	—	(1,329,647 )	570,303
N913DL Aircraft Secured Mortgage, 8%, due 3/15/17	12,800	209,168	—	(93,551 )	115,617
N918DL Aircraft Secured Mortgage, 8%, due 8/15/18	21,901	320,440	—	(82,946 )	237,494
N954DL Aircraft Secured Mortgage, 8%, due 3/20/19	30,753	437,679	315	(95,260 )	342,734
N955DL Aircraft Secured Mortgage, 8%, due 6/20/19	32,662	460,258	539	(91,635 )	369,162
N956DL Aircraft Secured Mortgage, 8%, due 5/20/19	32,415	457,902	479	(93,184 )	365,197
N957DL Aircraft Secured Mortgage, 8%, due 6/20/19	32,947	464,283	544	(92,435 )	372,392
N959DL Aircraft Secured Mortgage, 8%, due 7/20/19	33,476	470,601	612	(91,691 )	379,522
N960DL Aircraft Secured Mortgage, 8%, due 10/20/19	35,326	493,258	831	(90,220 )	403,869
N961DL Aircraft Secured Mortgage, 8%, due 8/20/19	34,574	484,908	694	(92,487 )	393,115
N976DL Aircraft Secured Mortgage, 8%, due 2/15/18	20,940	314,588	—	(96,267 )	218,321
N913DL Equipment Trust Beneficial Interests	25,444	117,497	90,909	(100,905 )	107,501
N918DL Equipment Trust Beneficial Interests	21,074	135,890	81,670	(89,898 )	127,662
N954DL Equipment Trust Beneficial Interests	21,205	72,604	112,997	(107,751 )	77,850
N955DL Equipment Trust Beneficial Interests	20,000	111,010	103,527	(106,437 )	108,100
N956DL Equipment Trust Beneficial Interests	20,172	106,800	105,581	(107,903 )	104,478
N957DL Equipment Trust Beneficial Interests	19,872	107,682	105,105	(107,458 )	105,329
N959DL Equipment Trust Beneficial Interests	19,577	108,579	104,638	(107,014 )	106,203
N960DL Equipment Trust Beneficial Interests	18,590	107,865	104,750	(106,678 )	105,937
N961DL Equipment Trust Beneficial Interests	19,044	102,826	107,207	(108,546 )	101,487

Edgar Filing: TCP Capital Corp. - Form 497

N976DL Equipment Trust Beneficial Interests	20,825	102,006	101,347	(102,560 )	100,793
RM Holdco, LLC, Equity Participation	—	792	—	(792 )	—
RM Holdco, LLC, Membership Units	—	—	—	—	—
RM OpCo, LLC, Senior Secured 1st Lien Term Loan Tranche A, 7%, due 3/21/16	272,075	3,900,025	18,674	(199,544 )	3,719,155
RM OpCo, LLC, Senior Secured 2nd Lien Term Loan Tranche B, 8.5%, due 3/30/18	736,422	6,457,325	731,070	(2,697,402 )	4,490,993

S-F-53

TABLE OF CONTENTS

<b>Security</b>	<b>Dividends or Interest<sup>(2)</sup></b>	<b>Fair Value at December 31, 2014</b>	<b>Acquisitions<sup>(3)</sup></b>	<b>Dispositions<sup>(4)</sup></b>	<b>Fair Value at December 31, 2015</b>
RM OpCo, LLC, Senior Secured 2nd Lien Term Loan Tranche B-1, 8.5%, due 3/30/18	238,052	2,567,717	239,889	(9,650 )	2,797,956
RM OpCo, LLC, Convertible 2nd Lien Term Loan Tranche B-1, 8.5%, due 3/30/18	165,715	1,636,314	164,641	(17,919 )	1,783,036
RM OpCo, LLC, Senior Convertible 2nd Lien Term Loan B, 8.5%, due 3/30/18	120,207	631,164	1,557,069	—	2,188,233
United N659UA-767, LLC (N659UA)	581,125	3,177,822	1,268,821	(1,078,044 )	3,368,599
United N661UA-767, LLC (N661UA)	569,770	3,078,923	1,230,498	(1,015,397 )	3,294,024
Wasserstein Cosmos Co-Invest, L.P., Limited Partnership Units	—	4,175,000	1,050,000	(1,026,500 )	4,198,500

*Notes to Consolidated Schedule of Changes in Investments in Affiliates:*

- (1) The issuers of the securities listed on this schedule are considered affiliates under the Investment Company Act of 1940 due to the ownership by the Company of 5% or more of the issuers' voting securities.
- (2) Also includes fee and lease income as applicable.
- (3) Acquisitions include new purchases, PIK income, accretion of original issue and market discounts and net unrealized appreciation.
- (4) Dispositions include decreases in the cost basis from sales, paydowns, mortgage amortizations, aircraft depreciation and net unrealized depreciation.

S-F-54

TABLE OF CONTENTS**TCP Capital Corp.****Consolidated Schedule of Restricted Securities of Unaffiliated Issuers****December 31, 2016**

<b>Investment</b>	<b>Acquisition Date</b>
Avanti Communications Group, PLC, Senior Secured Notes, 10%, due 10/1/19	9/26/13
BlackLine Intermediate, Inc., Warrants to Purchase Common Stock	9/25/13
Boomerang Tube Holdings, Inc., Common Stock	2/2/16
Caribbean Financial Group, Senior Secured Notes, 11.5%, due 11/15/19	10/19/12
Epic Aero, Inc. (One Sky), Warrants to Purchase Common Stock	12/4/13
Findly Talent, LLC, Membership Units	1/1/14
Fuse Media, LLC, Warrants to Purchase Common Stock	8/3/12
Fuse, LLC, Senior Secured Notes, 10.375%, due 7/1/19	6/18/14
GACP I, LP, Membership Units	10/1/15
Gogo Intermediate Holdings, LLC, Senior Secured Notes, 12.5%, due 7/1/22	6/9/16
Green Biologics, Inc., Warrants to Purchase Stock	12/22/14
InMobi, Inc., Warrants to Purchase Stock	9/18/15
Integra Telecom, Inc., Common Stock	11/19/09
Integra Telecom, Inc., Warrants	11/19/09
Iracore International, Inc., Senior Secured Notes, 9.5%, due 6/1/18	5/8/13
Magnolia Finance V plc, Asset-Backed Credit Linked Notes, 13.125%, due 8/2/21	8/1/13
Marsico Holdings, LLC, Common Interest Units	9/10/12
Nanosys, Inc., Warrants to Purchase Common Stock	3/29/16
NEG Parent, LLC, Class A Units	10/17/16
NEG Parent, LLC, Class A Warrants to Purchase Class A Units	10/17/16
NEG Parent, LLC, Class B Warrants to Purchase Class A Units	10/17/16
NEG Parent, LLC, Class P Units	10/17/16
NEXTracker, Inc., Series B Preferred Stock	12/17/14
NEXTracker, Inc., Series C Preferred Stock	6/12/15
Rightside Group, Ltd., Warrants	8/6/14
Shop Holding, LLC (Connexity), Class A Units	6/2/11
Soasta, Inc., Warrants to Purchase Series F Preferred Stock	3/4/16
Soraa, Inc., Warrants to Purchase Common Stock	8/29/14
SoundCloud, Ltd., Warrants to Purchase Preferred Stock	4/30/15
STG-Fairway Holdings, LLC (First Advantage), Class A Units	12/30/10
Trade Finance Funding I, Ltd., Secured Class B Notes, 10.75%, due 11/13/18	11/13/13
Utilidata, Inc., Warrants to Purchase Stock	12/22/15
V Telecom Investment S.C.A. (Vivacom), Common Shares	11/9/12
Waterfall International, Inc., Series B Preferred Stock	9/16/2015

Waterfall International, Inc., Warrants to Purchase Stock

9/16/2015

S-F-55



TABLE OF CONTENTS**TCP Capital Corp.****Consolidated Schedule of Restricted Securities of Unaffiliated Issuers****December 31, 2015**

<b>Investment</b>	<b>Acquisition Date</b>
Avanti Communications Group, PLC, Senior Secured Notes, 10%, due 10/1/19	9/26/13
BlackLine Intermediate, Inc., Warrants to Purchase Common Stock	9/25/13
BPA Laboratories, Inc., Senior Secured Notes, 12.25%, due 4/1/17 (144A)	3/5/12
Caribbean Financial Group, Senior Secured Notes, 11.5%, due 11/15/19	10/19/12
Findly Talent, LLC, Membership Units	1/1/14
Flight Options Holdings I, Inc. (One Sky), Warrants to Purchase Common Stock	12/4/13
Fuse Media, LLC, Warrants to Purchase Common Stock	8/3/12
Fuse, LLC, Senior Secured Notes, 10.375%, due 7/1/19	6/18/14
GACP I, LP, Membership Units	10/1/15
Green Biologics, Inc., Warrants to Purchase Stock	12/22/14
InMobi, Inc., Warrants to Purchase Stock	9/18/15
Integra Telecom, Inc., Common Stock	11/19/09
Integra Telecom, Inc., Warrants	11/19/09
Iracore International, Inc., Senior Secured Notes, 9.5%, due 6/1/18	5/8/13
Magnolia Finance V plc, Asset-Backed Credit Linked Notes, 13.125%, due 8/2/21	8/1/13
Marsico Holdings, LLC, Common Interest Units	9/10/12
NEXTracker, Inc., Series B Preferred Stock	12/17/14
NEXTracker, Inc., Series C Preferred Stock	6/12/15
Precision Holdings, LLC, Class C Membership Interests	Var. 2010 & 2011
Rightside Group, Ltd., Warrants	8/6/14
Shop Holding, LLC (Connexity), Class A Units	6/2/11
Shop Holding, LLC (Connexity), Warrants to Purchase Class A Units	6/2/11
Soraa, Inc., Warrants to Purchase Common Stock	8/29/14
SoundCloud, Ltd., Warrants to Purchase Preferred Stock	4/30/15
STG-Fairway Holdings, LLC (First Advantage), Class A Units	12/30/10
Trade Finance Funding I, Ltd., Secured Class B Notes, 10.75%, due 11/13/18	11/13/13
Utilidata, Inc., Warrants to Purchase Stock	12/22/15
V Telecom Investment S.C.A. (Vivacom), Common Shares	11/9/12
Waterfall International, Inc., Series B Preferred Stock	9/16/2015
Waterfall International, Inc., Warrants to Purchase Stock	9/16/2015

S-F-56

TABLE OF CONTENTS**TCP Capital Corp.****Consolidating Statement of Assets and Liabilities****December 31, 2016**

	<b>TCP Capital Corp. Standalone</b>	<b>Special Value Continuation Partners, LP Consolidated</b>	<b>Eliminations</b>	<b>TCP Capital Corp. Consolidated</b>
<b>Assets</b>				
Investments, at fair value:				
Companies less than 5% owned	\$ —	\$ 1,175,097,468	\$ —	\$ 1,175,097,468
Companies 5% to 25% owned	—	69,355,808	—	69,355,808
Companies more than 25% owned	—	70,516,594	—	70,516,594
Investment in subsidiary	1,031,709,637	—	(1,031,709,637 )	—
Total investments	1,031,709,637	1,314,969,870	(1,031,709,637 )	1,314,969,870
Cash and cash equivalents	—	53,579,868	—	53,579,868
Accrued interest income	—	13,692,194	—	13,692,194
Deferred debt issuance costs	—	3,828,784	—	3,828,784
Prepaid expenses and other assets	371,466	1,156,279	—	1,527,745
Total assets	1,032,081,103	1,387,226,995	(1,031,709,637 )	1,387,598,461
<b>Liabilities</b>				
Debt, net of unamortized issuance costs	237,871,436	333,787,426	—	571,658,862
Payable for investment securities purchased	—	12,348,925	—	12,348,925
Interest payable	2,298,333	2,715,380	—	5,013,713
Incentive allocation payable	—	4,716,834	—	4,716,834
Payable to the Advisor	—	325,790	—	325,790
Accrued expenses and other liabilities	975,343	1,623,003	—	2,598,346
Total liabilities	241,145,112	355,517,358	—	596,662,470
<b>Net assets</b>	<b>\$ 790,935,991</b>	<b>\$ 1,031,709,637</b>	<b>\$ (1,031,709,637 )</b>	<b>\$ 790,935,991</b>
<b>Composition of net assets</b>				
Common stock	\$ 53,042	\$ —	\$ —	\$ 53,042

Edgar Filing: TCP Capital Corp. - Form 497

Additional paid-in capital	944,426,650	1,180,024,317	(1,180,024,317 )	944,426,650
Accumulated deficit	(153,543,701 )	(148,314,680 )	148,314,680	(153,543,701 )
Net assets	\$ 790,935,991	\$ 1,031,709,637	\$ (1,031,709,637 )	\$ 790,935,991

S-F-57

TABLE OF CONTENTS**TCP Capital Corp.****Consolidating Statement of Assets and Liabilities****December 31, 2015**

	<b>TCP Capital Corp. Standalone</b>	<b>Special Value Continuation Partners, LP Consolidated</b>	<b>Eliminations</b>	<b>TCP Capital Corp. Consolidated</b>
<b>Assets</b>				
Investments, at fair value:				
Companies less than 5% owned	\$ —	\$ 1,099,208,475	\$ —	\$ 1,099,208,475
Companies 5% to 25% owned	—	69,008,931	—	69,008,931
Companies more than 25% owned	—	14,702,319	—	14,702,319
Investment in subsidiary	827,455,601	—	(827,455,601 )	—
Total investments	827,455,601	1,182,919,725	(827,455,601 )	1,182,919,725
Cash and cash equivalents	—	35,629,435	—	35,629,435
Deferred debt issuance costs	—	5,390,241	—	5,390,241
Accrued interest income	—	9,613,064	—	9,613,064
Unrealized appreciation on swaps	—	3,229,442	—	3,229,442
Prepaid expenses and other assets	283,913	2,047,131	—	2,331,044
Total assets	827,739,514	1,238,829,038	(827,455,601 )	1,239,112,951
<b>Liabilities</b>				
Debt, net of unamortized issuance costs	103,738,064	394,467,407	—	498,205,471
Payable for investment securities purchased	—	6,425,414	—	6,425,414
Incentive allocation payable	—	5,207,606	—	5,207,606
Interest payable	247,916	2,663,341	—	2,911,257
Payable to the Advisor	247,574	260,760	—	508,334
Accrued expenses and other liabilities	1,528,943	2,348,909	—	3,877,852
Total liabilities	105,762,497	411,373,437	—	517,135,934
<b>Net assets</b>	<b>\$ 721,977,017</b>	<b>\$ 827,455,601</b>	<b>\$ (827,455,601 )</b>	<b>\$ 721,977,017</b>
<b>Composition of net assets</b>				
Common stock	\$ 48,834	\$ —	\$ —	\$ 48,834

Edgar Filing: TCP Capital Corp. - Form 497

Additional paid-in capital	878,383,356	981,033,295	(981,033,295 )	878,383,356
Accumulated deficit	(156,455,173 )	(153,577,694 )	153,577,694	(156,455,173 )
Net assets	\$ 721,977,017	\$ 827,455,601	\$ (827,455,601 )	\$ 721,977,017

S-F-58

TABLE OF CONTENTS**TCP Capital Corp.  
Consolidating Statement of Operations****Year Ended December 31, 2016**

	<b>TCP Capital Corp. Standalone</b>	<b>Special Value Continuation Partners, LP Consolidated</b>	<b>Eliminations</b>	<b>TCP Capital Corp. Consolidated</b>
<b>Investment income</b>				
Interest income:				
Companies less than 5% owned	\$ —	\$ 133,915,069	\$ —	\$ 133,915,069
Companies 5% to 25% owned	—	6,672,486	—	6,672,486
Companies more than 25% owned	—	4,430,859	—	4,430,859
Lease income:				
Companies more than 25% owned	—	1,571,280	—	1,571,280
Other income:				
Companies less than 5% owned	—	1,442,096	—	1,442,096
Companies more than 25% owned	—	148,975	—	148,975
Total investment income	—	148,180,765	—	148,180,765
<b>Operating expenses</b>				
Interest and other debt expenses	9,470,135	15,722,855	—	25,192,990
Management and advisory fees	—	18,881,786	—	18,881,786
Legal fees, professional fees and due diligence expenses	480,552	1,840,407	—	2,320,959
Administration expenses	—	1,693,304	—	1,693,304
Director fees	140,101	283,803	—	423,904
Insurance expense	124,203	257,949	—	382,152
Custody fees	3,500	309,573	—	313,073
Other operating expenses	912,551	2,237,213	—	3,149,764
Total expenses	11,131,042	41,226,890	—	52,357,932
<b>Net investment income (loss) before income taxes</b>				
	(11,131,042 )	106,953,875	—	95,822,833
Excise tax expense	569,511	—	—	569,511
<b>Net investment income (loss)</b>	(11,700,553 )	106,953,875	—	95,253,322
<b>Net realized and unrealized gain (loss) on investments and foreign currency</b>				
Net realized gain (loss):				
Investments in companies less than 5% owned	—	(15,499,336 )	—	(15,499,336 )
	—	417,446	—	417,446

Investments in companies 5% to 25% owned				
Investments in companies more than 5% owned	—	79,742	—	79,742
Net realized loss	—	(15,002,148 )	—	(15,002,148 )
Change in net unrealized appreciation/depreciation	—	15,116,650	—	15,116,650
Net realized and unrealized loss	—	114,502	—	114,502
<b>Net increase (decrease) in net assets from operations</b>	(11,700,553 )	107,068,377	—	95,367,824
Interest in earnings of subsidiary	88,017,712	—	(88,017,712 )	—
Distributions of incentive allocation to the General Partner from net investment income	—	—	(19,050,665 )	(19,050,665 )
<b>Net increase in net assets applicable to common equityholders resulting from operations</b>	\$ 76,317,159	\$ 107,068,377	\$ (107,068,377 )	\$ 76,317,159

S-F-59

TABLE OF CONTENTS**TCP Capital Corp.****Consolidating Statement of Operations****Year Ended December 31, 2015**

	<b>TCP Capital Corp. Standalone</b>	<b>Special Value Continuation Partners, LP Consolidated</b>	<b>Eliminations</b>	<b>TCP Capital Corp. Consolidated</b>
<b>Investment income</b>				
Interest income:				
Companies less than 5% owned	\$ —	\$ 135,518,703	\$ —	\$ 135,518,703
Companies 5% to 25% owned	—	5,932,861	—	5,932,861
Companies more than 25% owned	—	560,989	—	560,989
Lease income:				
Companies 5% to 25% owned	—	1,352,797	—	1,352,797
Other income:				
Companies less than 5% owned	153,216	3,349,659	—	3,502,875
Total investment income	153,216	146,715,009	—	146,868,225
<b>Operating expenses</b>				
Interest and other debt expenses	6,770,147	12,125,830	—	18,895,977
Management and advisory fees	—	18,593,660	—	18,593,660
Legal fees, professional fees and due diligence expenses	1,665,182	1,175,657	—	2,840,839
Administrative expenses	—	1,600,477	—	1,600,477
Insurance expense	123,315	251,405	—	374,720
Director fees	104,906	213,411	—	318,317
Custody fees	3,500	296,555	—	300,055
Other operating expenses	1,451,769	1,112,893	—	2,564,662
Total expenses	10,118,819	35,369,888	—	45,488,707
<b>Net investment income (loss) before income taxes</b>				
	(9,965,603 )	111,345,121	—	101,379,518
Excise tax expense	876,706	—	—	876,706
<b>Net investment income (loss)</b>	<b>(10,842,309 )</b>	<b>111,345,121</b>	<b>—</b>	<b>100,502,812</b>
<b>Net realized and unrealized gain (loss) on investments and foreign currency</b>				
Net realized gain (loss):				
Investments in companies less than 5% owned	—	(7,077,393 )	—	(7,077,393 )
	—	(10,613,422 )	—	(10,613,422 )



Investments in companies 5% to 25% owned				
Investments in companies more than 5% owned	—	19,167	—	19,167
Net realized loss	—	(17,671,648 )	—	(17,671,648 )
Change in net unrealized appreciation/depreciation	—	(4,733,463 )	—	(4,733,463 )
Net realized and unrealized loss	—	(22,405,111 )	—	(22,405,111 )
<b>Net increase (decrease) in net assets from operations</b>	(10,842,309 )	88,940,010	—	78,097,701
Interest in earnings of subsidiary	69,911,136	—	(69,911,136 )	—
Gain on repurchase of Series A preferred interests	—	1,675,000	—	1,675,000
Dividends paid on Series A preferred equity facility	—	(1,251,930 )	—	(1,251,930 )
Net change in accumulated dividends on Series A preferred equity facility	—	497,790	—	497,790
Distributions of incentive allocation to the General Partner from net investment income	—	—	(19,949,734 )	(19,949,734 )
<b>Net increase in net assets applicable to common equityholders resulting from operations</b>	\$ 59,068,827	\$ 89,860,870	\$ (89,860,870 )	\$ 59,068,827

S-F-60

TABLE OF CONTENTS**TCP Capital Corp.****Consolidating Statement of Operations****Year Ended December 31, 2014**

	<b>TCP Capital Corp. Standalone</b>	<b>Special Value Continuation Partners, LP Consolidated</b>	<b>Eliminations</b>	<b>TCP Capital Corp. Consolidated</b>
<b>Investment income</b>				
Interest income:				
Companies less than 5% owned	\$ —	\$ 94,632,495	\$ —	\$ 94,632,495
Companies 5% to 25% owned	—	5,394,075	—	5,394,075
Companies more than 25% owned	—	896,695	—	896,695
Dividend income:				
Companies 5% to 25% owned	—	1,968,748	—	1,968,748
Lease income:				
Companies 5% to 25% owned	—	320,277	—	320,277
Companies more than 25% owned	—	1,014,053	—	1,014,053
Other income:				
Companies less than 5% owned	—	2,328,980	—	2,328,980
Companies 5% to 25% owned	—	26,125	—	26,125
Total investment income	—	106,581,448	—	106,581,448
<b>Operating expenses</b>				
Management and advisory fees	—	13,646,064	—	13,646,064
Interest and other debt expenses	3,624,661	6,197,090	—	9,821,751
Administrative expenses	—	1,421,863	—	1,421,863
Legal fees, professional fees and due diligence expenses	402,086	953,284	—	1,355,370
Director fees	117,943	239,107	—	357,050
Insurance expense	95,988	192,168	—	288,156
Custody fees	3,500	225,754	—	229,254
Other operating expenses	803,544	557,020	—	1,360,564
Total expenses	5,047,722	23,432,350	—	28,480,072
<b>Net investment income (loss) before income taxes</b>	(5,047,722 )	83,149,098	—	78,101,376
Excise tax expense	808,813	—	—	808,813
<b>Net investment income (loss)</b>	(5,856,535 )	83,149,098	—	77,292,563
<b>Net realized and unrealized loss on investments and foreign currency</b>				

## Net realized loss:

Investments in companies less than 5% owned	—	(16,370,638 )	—	(16,370,638 )
Investments in companies 5% to 25% owned	—	(4,748,229 )	—	(4,748,229 )
Net realized loss	—	(21,118,867 )	—	(21,118,867 )
Change in net unrealized appreciation/depreciation	—	(6,185,711 )	—	(6,185,711 )
Net realized and unrealized loss	—	(27,304,578 )	—	(27,304,578 )
<b>Net increase (decrease) in net assets from operations</b>	(5,856,535 )	55,844,520	—	49,987,985
Interest in earnings of subsidiary	40,404,054	—	(40,404,054 )	—
Dividends paid on Series A preferred equity facility	—	(1,444,634 )	—	(1,444,634 )
Net change in accumulated dividends on Series A preferred equity facility	—	6,462	—	6,462
Distributions of incentive allocation to the General Partner from net investment income	—	—	(15,170,877 )	(15,170,877 )
Net change in reserve for incentive allocation	—	—	1,168,583	1,168,583
<b>Net increase in net assets applicable to common equityholders resulting from operations</b>	\$ 34,547,519	\$ 54,406,348	\$ (54,406,348 )	\$ 34,547,519

S-F-61

TABLE OF CONTENTS

**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

To the Partners and Board of Directors of  
Special Value Continuation Partners, LP  
Los Angeles, California

We have audited the accompanying consolidated statements of assets and liabilities of Special Value Continuation Partners, LP (the Partnership ), including the consolidated schedule of investments, as of December 31, 2016 and 2015, and the related consolidated statements of operations, changes in net assets, and cash flows for each of the two years in the period ended December 31, 2016. Our audit also included the 2016 and 2015 financial statement schedules listed in the Index to Financial Statements. These financial statements and financial statement schedules are the responsibility of the Partnership's management. Our responsibility is to express an opinion on the financial statements and financial statement schedules based on our audits.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Partnership is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Partnership's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, such consolidated financial statements present fairly, in all material respects, the financial position of Special Value Continuation Partners, LP as of December 31, 2016 and 2015, and the results of its operations and its cash flows for each of the two years ended in the period ended December 31, 2016 in conformity with accounting principles generally accepted in the United States of America. Also, in our opinion, such financial statement schedules, when considered in relation to the basic consolidated financial statements taken as a whole, present fairly, in all material respects, the information set forth therein.

/s/ DELOITTE & TOUCHE LLP

Los Angeles, California  
February 28, 2017

S-F-62

TABLE OF CONTENTS

**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

The Board of Directors and Shareholders of  
Special Value Continuation Partners, LP

We have audited the accompanying consolidated statements of operations, changes in net assets and cash flows of Special Value Continuation Partners, LP (a Delaware Limited Liability Partnership) (the Partnership) for the year ended December 31, 2014. These financial statements are the responsibility of the Partnership's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the Partnership's internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Partnership's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements of Special Value Continuation Partners, LP referred to above present fairly, in all material respects, the consolidated results of its operations, changes in its net assets and its cash flows for the year ended December 31, 2014, in conformity with U.S. generally accepted accounting principles.

/s/ Ernst & Young LLP  
Los Angeles, California  
March 9, 2015

S-F-63

TABLE OF CONTENTS**Special Value Continuation Partners, LP  
(A Delaware Limited Partnership)****Consolidated Statements of Assets and Liabilities**

	<b>December 31, 2016</b>	<b>December 31, 2015</b>
<b>Assets</b>		
Investments, at fair value:		
Companies less than 5% owned (cost of \$1,174,421,611 and \$1,123,682,687, respectively)	\$ 1,175,097,468	\$ 1,099,208,475
Companies 5% to 25% owned (cost of \$75,508,585 and \$68,862,518, respectively)	69,355,808	69,008,931
Companies more than 25% owned (cost of \$96,135,623 and \$39,162,221, respectively)	70,516,594	14,702,319
Total investments (cost of \$1,346,065,819 and \$1,231,707,426, respectively)	1,314,969,870	1,182,919,725
Cash and cash equivalents	53,579,868	35,629,435
Accrued interest income:		
Companies less than 5% owned	12,713,025	8,842,528
Companies 5% to 25% owned	953,561	741,306
Companies more than 25% owned	25,608	29,230
Deferred debt issuance costs	3,828,784	5,390,241
Unrealized appreciation on swaps	—	3,229,442
Options (cost of \$51,750 at December 31, 2015)	—	—
Prepaid expenses and other assets	1,156,279	2,047,131
Total assets	1,387,226,995	1,238,829,038
<b>Liabilities</b>		
Debt, net of unamortized issuance costs	333,787,426	394,467,407
Payable for investments purchased	12,348,925	6,425,414
Interest payable	2,715,380	2,663,341
Incentive allocation payable	4,716,834	5,207,606
Payable to the Advisor	325,790	260,760
Accrued expenses and other liabilities	1,623,003	2,348,909
Total liabilities	355,517,358	411,373,437
<b>Commitments and contingencies (Note 5)</b>		
<b>Net assets applicable to common limited and general partners</b>	<b>\$ 1,031,709,637</b>	<b>\$ 827,455,601</b>

**Composition of net assets applicable to common limited and general partners**

Paid-in capital in excess of par	\$ 1,180,024,317		\$ 981,033,295	
Accumulated net investment income	17,764,674		25,141,636	
Accumulated net realized losses	(134,962,632	)	(132,485,958	)
Accumulated net unrealized depreciation	(31,116,722	)	(46,233,372	)
Net assets applicable to common limited and general partners	\$ 1,031,709,637		\$ 827,455,601	

*See accompanying notes to the consolidated financial statements.*

S-F-64





Edgar Filing: TCP Capital Corp. - Form 497

	Term Loan (1.25% Exit Fee)											
Inc. (ore)	First Lien Delayed Draw Tranche 2 Term Loan	LIBOR (M)	0.33 %	10.17%	N/A	9/1/2018	\$	—	—	—	—	
Inc. (ore)	First Lien Delayed Draw Tranche 3 Term Loan	LIBOR (M)	0.33 %	10.17%	N/A	9/1/2018	\$	—	—	—	—	
								14,772,946	14,704,508	1.07	9	
<b>ortation</b>												
r Group,	Acquisition Loan	LIBOR (M)	—	7.25%	8.00%	7/15/2022	\$	14,042,971	13,839,296	14,323,830	1.05	9
rlines,	Engine Acquisition Delayed Draw Term Loan A	LIBOR (M)	—	7.25%	8.00%	12/14/2021	\$	16,546,652	16,259,013	16,257,105	1.19	9
rlines,	Engine Acquisition Delayed Draw Term Loan B	LIBOR (M)	—	7.25%	N/A	2/28/2022	\$	—	—	—	—	—
rlines,	Engine Acquisition Delayed Draw Term Loan C	LIBOR (M)	—	7.25%	N/A	12/31/2022	\$	—	—	—	—	—
								30,098,309	30,580,935	2.24	9	
<b>ment creation</b>												
ing I,	First Lien Revolver	LIBOR (M)	—	8.25%	N/A	12/20/2018	\$	—	(1,655,756 )	(937,500 )	(0.07	9
uthern s, LLC	First Lien Term Loan	LIBOR (Q)	1.00 %	6.5% Cash + 2% PIK	9.50%	11/3/2020	\$	24,220,291	23,755,180	23,735,885	1.73	9
uthern s, LLC	Sr Secured Revolver	LIBOR (Q)	1.00 %	6.5% Cash + 2% PIK	N/A	11/3/2020	\$	—	(16,444 )	(17,123 )	—	—
								22,082,980	22,781,262	1.66	9	

Manufacturing										
Bros.,	First Lien Term Loan (First Out)	LIBOR (Q)	1.25 %	5.75%	7.00%	6/3/2021	\$ 9,700,000	9,541,402	9,700,000	0.71
Bros.,	First Lien Term Loan B (Last Out)	LIBOR (Q)	1.25 %	12.25%	13.50%	6/3/2021	\$ 9,800,000	9,646,339	9,800,000	0.72
arel s, LLC	First Lien FILO Term Loan	LIBOR (M)	1.00 %	9.60%	10.60%	4/8/2019	\$ 2,714,632	2,705,143	2,741,779	0.20
								21,892,884	22,241,779	1.63
Logistics										
Centers										
atacom ical,	First Lien Delayed Draw Term Loan	LIBOR (Q)	1.00 %	7.50%	8.50%	7/25/2021	\$ —	—	—	—
atacom ical,	First Lien Term Loan	LIBOR (Q)	1.00 %	7.50%	8.50%	7/25/2021	\$ 14,295,589	14,092,734	14,188,374	1.04
								14,092,734	14,188,374	1.04
s t s										
e Global ogies,	Sr Secured Revolving Loan	LIBOR (Q)	0.23 %	8.52%	N/A	11/30/2018	\$ —	(17,798 )	70,000	0.01
e Global ogies,	Sr Secured Term Loan (1.0% Exit Fee)	LIBOR (Q)	0.23 %	9.27%	10.12%	11/30/2019	\$ 23,937,500	23,867,666	24,356,406	1.78
irway ions, st ge)	Second Lien Term Loan	LIBOR (Q)	1.00 %	9.25%	10.25%	6/30/2023	\$ 31,000,000	30,588,757	30,336,600	2.22
								54,438,625	54,763,006	4.01

S-F-65

TABLE OF CONTENTS**Special Value Continuation Partners, LP  
(A Delaware Limited Partnership)****Consolidated Schedule of Investments (Continued)****December 31, 2016**

					Total				Fair	% of
	Instrument	Ref	Floor	Spread	Coupon	Maturity	Principal	Cost	Value	Total
										Cash and
										Investment
<b>Investments</b>										
<b>(Continued)</b>										
<b>Special Value</b>										
Plant	Sr Secured									
ts	Term Loan									
gs, LLC	(8.0% Exit	LIBOR	—	10.63%	11.63%	2/1/2018	\$ 7,563,676	\$ 7,995,360	\$ 8,250,457	0.60 %
	Fee)	(Q)								
Biologics,	Sr Secured									
	Delayed									
	Draw									
	Term Loan									
	(12.4% Exit	Prime	—	7.75%	11.50%	6/30/2019	\$ 15,000,000	15,468,439	14,905,500	1.09 %
	Fee)	Rate								
FE1 B.V.		LIBOR								
(lands)	Term Loan	(Q)	—	8.00%	9.00%	10/12/2021	\$ 253,581	245,565	251,684	0.02 %
FE1 B.V.	First Lien	LIBOR								
(lands)	Term Loan	(Q)	—	8.00%	9.00%	10/12/2021	\$ 3,864,583	3,836,083	3,835,599	0.28 %
s, Inc.	First Lien									
	Delayed									
	Draw Term									
	Loan (3.5%	LIBOR								
	Exit Fees)	(Q)	—	9.81%	10.75%	4/1/2019	\$ 10,000,000	9,526,456	9,712,000	0.71 %
								37,071,903	36,955,240	2.70 %
<b>Communications</b>										
<b>Investment</b>										
<b>Manufacturing</b>										
omm	First Lien	LIBOR								
s, Inc.	Term Loan	(Q)	1.25 %	7.63%	8.88%	12/11/2018	\$ 14,480,001	14,335,200	14,480,002	1.06 %
e										
tion Co.	First Lien	LIBOR								
m)	Term Loan	(Q)	1.00 %	6.50%	7.50%	9/27/2023	\$ 4,835,417	4,646,389	4,877,727	0.36 %
								18,981,589	19,357,729	1.42 %
<b>Other</b>										

**s Design  
lated**

nc. (a)	First Lien Term Loan	LIBOR (Q)	1.00 %	6.75%	7.75%	9/1/2022	\$ 9,975,000	9,784,353	9,875,250	0.72 %
ocket, Inc.	Senior Secured 1st Lien Term Loan	LIBOR (M)	1.00 %	10.00%	11.00%	2/10/2021	\$ 17,500,000	16,884,459	17,291,750	1.26 %
oftware ation	Second Lien Term Loan	LIBOR (M)	1.00 %	7.50%	8.50%	5/29/2021	\$ 6,993,035	6,953,617	7,001,777	0.51 %
, Inc.	First Lien Term Loan	LIBOR (Q)	1.00 %	9.50%	10.50%	8/16/2021	\$ 23,295,455	22,630,922	22,887,784	1.67 %
, Inc.	Senior Secured Revolver	LIBOR (Q)	1.00 %	9.50%	10.50%	8/16/2021	\$ —	(47,341 )	21,307	—
terprise ns, Ltd. (a)	First Lien Term Loan B	LIBOR (Q)	—	8.00%	8.90%	9/3/2018	\$ 2,314,000	2,314,000	2,314,000	0.17 %
terprise ns, Ltd. (a)	First Lien Term Loan	LIBOR (Q)	—	8.00%	8.90%	9/3/2018	\$ 10,320,000	10,268,787	10,320,000	0.75 %