

TCP Capital Corp.  
Form 497  
July 07, 2016  
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(c)  
File No. 333-204571**

**SUBJECT TO COMPLETION, DATED JULY 7, 2016**

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

**Up to 2,336,552 Shares**

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

We are offering directly to certain investors up to 2,336,552 shares of our common stock, par value \$0.001 per share, pursuant to this prospectus supplement and the accompanying prospectus. We are offering these shares of our common stock to this investor at a purchase price of \$ per share, pursuant to that certain purchase agreement between us and the investor. Please refer to the section of this prospectus supplement titled Plan of Distribution for additional information. Our common stock is traded on The NASDAQ Global Select Market under the symbol TCPC. Our net asset value per share of our common stock at March 31, 2016 was \$14.66.

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 March 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 \$6.3 billion in capital commitments from investors ( committed capital ) under management as of March 31, 2016, approximately 25.3% of which consists of our committed capital. 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.

**You should read this prospectus supplement and the accompanying prospectus carefully before you invest in shares of our common stock.**

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 July 7, 2016, 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 146 of this prospectus 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.**

**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 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.**

Prospectus Supplement dated \_\_\_\_\_, 2016.

## 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 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, anticipate, intention, estimate, position, assume, potential, outlook, continue, remain, maintain, sustain, see 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 July 7, 2016, 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 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 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>	S-1
<u>FEES AND EXPENSES</u>	S-4
<u>SELECTED FINANCIAL DATA</u>	S-6
<u>RISKS</u>	S-8
<u>MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS</u>	S-9
<u>QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK</u>	S-23
<u>USE OF PROCEEDS</u>	S-24
<u>PRICE RANGE OF COMMON STOCK</u>	S-25
<u>CAPITALIZATION</u>	S-26
<u>SENIOR SECURITIES</u>	S-27
<u>PLAN OF DISTRIBUTION</u>	S-29
<u>LEGAL MATTERS</u>	S-29
<u>ADDITIONAL INFORMATION</u>	S-29
<u>TABLE OF CONTENTS OF STATEMENT OF ADDITIONAL INFORMATION</u>	S-30
<u>INDEX TO FINANCIAL STATEMENTS</u>	S-F-1

**PROSPECTUS**

<u>About this Prospectus</u>	ii
<u>Prospectus Summary</u>	1
<u>Fees and Expenses</u>	16
<u>Selected Financial Data</u>	18
<u>Risks</u>	20
<u>Special Note Regarding Forward-Looking Statements</u>	52
<u>Use of Proceeds</u>	53
<u>Senior Securities</u>	54
<u>Price Range of Common Stock</u>	55
<u>Ratio of Earnings to Fixed Charges</u>	56
<u>The Company</u>	57
<u>Management's Discussion and Analysis of Financial Condition and Results of Operations</u>	68
<u>Quantitative and Qualitative Disclosure About Market Risk</u>	83
<u>Investment Portfolio</u>	84
<u>Management of the Company</u>	94
<u>Sales of Common Stock Below Net Asset Value</u>	105
<u>Description of Our Capital Stock</u>	111
<u>Description of Our Preferred Stock</u>	119

<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 July 7, 2016 (the SAI ).

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 SVOF/MM, LLC, 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 the offerings 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, we make investments of all kinds and at all levels of the 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

S-1

TABLE OF CONTENTS

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 \$6.3 billion in capital commitments from investors ( committed capital ) under management, approximately 25.3% of which consists of the Holding Company s committed capital under management as of March 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 March 31, 2016, we had approximately \$1,257.8 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 \$1,257.8 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 \$1,257.8 million permitted under the 200% asset coverage ratio limit as of March 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 March 31, 2016, our investment portfolio of \$1,227.1 million (at fair value) consisted of 90 portfolio companies and was invested 95.6% in debt investments, substantially all of which was in senior secured debt. In aggregate, our investment portfolio was invested 81.6% in senior secured loans, 14.0% in senior secured notes, and 4.4% in equity

investments. Our average portfolio company investment at fair value was approximately \$13.6 million. Our largest portfolio company investment by value was approximately \$45.0 million and our five largest portfolio company investments by value comprised approximately 15.0% 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 April 1, 2016 through July 6, 2016, the Operating Company has invested approximately \$124.2 million in five new senior secured loans, four add-on investments as well as draws made on existing commitments with a combined effective yield of approximately 11.4%.

**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.tcpcapital.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.

**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-3

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 our common stock at the assumed purchase price of \$15.43 per share, the last reported closing price of our common stock on July 6, 2016 and an offering of 2,336,552 shares. **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. We currently do not intend to issue preferred stock in the next year. 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>	— %
Offering Expenses (as a percentage of offering price)	0.45 % <sup>(1)</sup>
Dividend Reinvestment Plan Fees	— % <sup>(2)</sup>
<b>Total Stockholder Transaction Expenses (as a percentage of offering price)</b>	<b>0.45 %</b>
<b>Annual Expenses (as a Percentage of Net Assets Attributable to Common Stock)<sup>(3)</sup></b>	
Base Management Fees	2.90 % <sup>(4)</sup>
Incentive Compensation Payable Under the Investment Management Agreement (20% of ordinary income and capital gains)	2.45 % <sup>(5)</sup>
Interest Payments on Borrowed Funds	3.45 % <sup>(6)</sup>
Other Expenses	1.04 % <sup>(7)</sup>
<b>Total Annual Expenses</b>	<b>9.84 %</b>

(1) Amount reflects estimated offering expenses of approximately \$162,500 and based on the shares of our common stock offered in this offering at a price of \$15.43 per share, the last reported closing price of our common stock on July 6, 2016.

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

(3) The net assets attributable to common stock used to calculate the percentages in this table is our average net assets of \$733.5 million for the 12 month period ended March 31, 2016. The related prospectus supplement will disclose the offering price and the total stockholder transaction expenses as a percentage of the offering price. 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

(4) 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.

(5) 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.

(6) 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 March 31, 2016, which was 2.38%, (ii) under the SVCP Revolver is the

TABLE OF CONTENTS

rate in effect as of March 31, 2016, which was 2.18% and (iii) under the TCPC Funding Facility is the rate in effect as of March 31, 2016, which was 3.12%. 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 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 and our \$75.0 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 (7) 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 March 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>	\$ 77	\$ 217	\$ 351	\$ 658
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>	\$ 77	\$ 217	\$ 351	\$ 658

(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-5



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 year ended December 31, 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, 2012 and 2011 has been derived from our consolidated financial statements that were audited by Ernst & Young LLP, our former independent registered public accounting firm. The selected consolidated financial data at and for the three months ended March 31, 2016 and 2015 have been derived from unaudited financial data, but in the opinion of our management, reflects all adjustments (consisting only of normal recurring adjustments) that are necessary to present fairly the results for such interim periods. Interim results at and for the three months ended March 31, 2016 are not necessarily indicative of the results that may be expected for the year ending December 31, 2016. 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 Three Months Ended March 31,</b>		<b>For the Year Ended December 31,</b>				
	<b>2016</b>	<b>2015</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>
<b>Performance Data:</b>							
Interest income	\$ 32,874,523	\$ 31,556,253	\$ 142,012,553	\$ 100,923,265	\$ 66,979,064	\$ 49,243,332	\$ 42,113,358
Dividend income	—	—	—	1,968,748	—	1,811,189	10,610,159
Lease income	776,071	291,705	1,352,797	1,334,330	1,121,614	823,030	832,843
Other income	938,688	967,395	3,502,875	2,355,105	1,508,368	315,208	1,301,316
Total investment income	34,589,282	32,815,353	146,868,225	106,581,448	69,609,046	52,192,759	54,857,676
Interest and other debt expenses	5,545,281	4,104,617	18,895,977	9,821,751	2,339,447	857,757	942,288
Management and advisory fees	4,504,084	4,359,198	18,593,660	13,646,064	8,820,229	6,908,942	6,787,188
Other expenses	1,669,538	1,411,056	7,999,070	5,012,257	3,141,484	2,625,722	1,520,474
	11,718,903	9,874,871	45,488,707	28,480,072	14,301,160	10,392,421	9,249,950

Edgar Filing: TCP Capital Corp. - Form 497

Total expenses								
Net investment income before taxes	22,870,379	22,940,482	101,379,518	78,101,376	55,307,886	41,800,338	45,607,726	
Excise tax expense	—	—	876,706	808,813	977,624	1,479,978		—
Net investment income	22,870,379	22,940,482	100,502,812	77,292,563	54,330,262	40,320,360	45,607,726	
Realized and unrealized gains (losses)	(6,823,253 )	435,554	(22,405,111 )	(27,304,578 )	9,071,361	(12,784,251 )	(38,878,881 )	
Gain on repurchase of Series A preferred interests			1,675,000					
Dividends to preferred interest holders	0	(341,939 )	(754,140 )	(1,438,172 )	(1,494,552 )	(1,602,799 )	(1,545,555 )	
Distributions of incentive allocation	(4,574,076 )	(4,519,709 )	(19,949,734 )	(14,002,294 )	(12,381,416 )	—	—	
Net increase in net assets from operations	\$ 11,473,050	\$ 18,514,388	\$ 59,068,827	\$ 34,547,519	\$ 49,525,655	\$ 25,933,310	\$ 5,183,290	
<b>Per Share Data (at the end of the period):*</b>								
Net increase in net assets from operations	\$ 0.24	\$ 0.38	\$ 1.21	\$ 0.88	\$ 1.91	\$ 1.21	\$ 12.37	
Distributions declared per share	(0.36 )	(0.36 )	(1.44 )	(1.54 )	(1.53 )	(1.43 )	(75.19 )	
Average weighted shares outstanding for the period	48,764,521	48,711,437	48,863,188	39,395,671	25,926,493	21,475,847	418,956	

\* Per share amounts prior to 2012 were calculated based on 418,986 pre-Conversion shares outstanding. Per share amounts for 2012 are calculated on 21,475,847 weighted-average post-Conversion shares outstanding.



**TABLE OF CONTENTS**

<b>Net Data:</b>								
Assets	\$ 1,227,144,628	\$ 1,203,344,516	\$ 1,182,919,725	\$ 1,146,535,886	\$ 766,262,959	\$ 517,683,087	\$ 378,912,000	\$ 378,912,000
Liabilities	44,080,641	57,127,981	60,398,076	59,330,911	37,066,243	31,559,015	24,400,000	24,400,000
Equity	1,271,225,269	1,260,472,497	1,243,317,801	1,205,866,797	803,329,202	549,242,102	403,412,000	403,412,000
Operating Assets	539,595,306	382,798,495	502,410,321	328,696,830	95,000,000	74,000,000	29,000,000	29,000,000
Operating Liabilities	17,569,305	10,884,773	18,930,463	11,543,149	23,045,112	24,728,267	2,100,000	2,100,000
Operating Equity	557,164,611	393,683,268	521,340,784	340,239,979	118,045,112	98,728,267	31,100,000	31,100,000
Investment Assets	—	134,477,056	—	134,497,790	134,504,252	134,526,285	134,412,000	134,412,000
Investment Liabilities	—	—	—	—	1,168,583	—	—	—
Investment Equity	\$ 714,060,658	\$ 732,312,173	\$ 721,977,017	\$ 731,129,028	\$ 549,611,255	\$ 315,987,550	\$ 237,812,000	\$ 237,812,000
<b>Net Data:</b>								
Assets	90	84	88	84	67	54	54	54
Liabilities	\$ 114,337,781	\$ 106,821,856	\$ 500,928,009	\$ 669,515,626	\$ 471,087,319	\$ 359,020,926	\$ 237,812,000	\$ 237,812,000
Equity	\$ 66,139,802	\$ 50,432,745	\$ 456,059,137	\$ 266,008,974	\$ 235,641,665	\$ 211,216,033	\$ 216,912,000	\$ 216,912,000
Average Yield at Period	11.0 %	10.9 %	10.9 %	10.9 %	10.9 %	10.9 %	11.3 %	11.3 %

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 on June 7, 2016 and our NAV when calculated effective June 30, 2016 may be higher or lower.***

Our NAV per share most recently approved by our board of directors is \$15.02 as of June 7, 2016. We estimate our NAV per share as of July 6, 2016 is \$14.79, 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 approved or estimated, as applicable as of June 7, 2016 and July 6, 2016. Our board of directors has not yet approved the fair value of our portfolio investments at any date subsequent to June 7, 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 March 31, 2016, which represented borrowings equal to 42.6% of our total assets. On such date, we also had \$1,271.2 million in total assets; \$1,227.1 million in total investments; an average cost of funds of 3.28%; \$543.7 million aggregate principal amount of debt outstanding; and \$714.1 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 March 31, 2016 to obtain an assumed return to us. From this amount, interest expense multiplied the combined rate of interest of 3.28% by the \$543.7 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 March 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	-20 %	-11 %	-2 %	6 %	15 %

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 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. If, as expected, the United Kingdom triggers the withdrawal procedures in Article 50 of the Treaty of Lisbon, 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-8

## 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 (the 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 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 the SBIC. Most of the equity interests in the General Partner are owned directly or indirectly by the Advisor and its employees. The SBIC was organized as a Delaware limited partnership in June 2013. On April 22, 2014, the 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 the 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 (the Convertible Notes ) and \$75.0 million in committed leverage from the SBA (the SBA Program and, together with the SVCP Facility, the TCPC Funding Facility and the 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, 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.





## 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 March 31, 2016, 81.1% 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 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 the 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-10

## 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-11

## 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 90 days are generally valued at amortized cost, which 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-12

## 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 March 31, 2016, none of our investments were categorized as Level 1, 8.3% were categorized as Level 2, 91.5% were Level 3 investments valued based on valuations by independent third party sources, and 0.2% 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 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 three months ended March 31, 2016, we invested approximately \$114.1 million, comprised of new investments in four new and two existing portfolio companies, as well as draws made on existing commitments and PIK received on prior investments. Of these investments, 94.9% were in senior secured debt comprised of senior loans (\$91.9 million, or 80.5% of the total) and senior secured notes (\$16.4 million, or 14.4% of the total). The remaining \$5.8 million (5.1% of total acquisitions) were comprised of \$5.0 million in

S-13



TABLE OF CONTENTS

equity interests in two portfolios of debt and lease assets, as well as \$0.8 million in two warrant positions received in connection with debt investments. Additionally, we received approximately \$66.1 million in proceeds from sales or repayments of investments during the three months ended March 31, 2016. During the three months ended March 31, 2015, we invested approximately \$106.8 million, comprised of new investments in 2 new and 7 existing portfolio companies, as well as draws made on existing commitments and PIK received on prior investments. Of these investments, 100.0% were in senior secured debt comprised of senior loans (\$97.0 million, or 90.8% of the total) and senior secured notes (\$9.8 million, or 9.2% of the total). Additionally, we received approximately \$50.4 million in proceeds from sales or repayments of investments during the three months ended March 31, 2015.

At March 31, 2016, our investment portfolio of \$1,227.1 million (at fair value) consisted of 90 portfolio companies and was invested 95.6% in debt investments, substantially all of which was in senior secured debt. In aggregate, our investment portfolio was invested 81.6% in senior secured loans, 14.0% in senior secured notes and 4.4% in equity investments. Our average portfolio company investment at fair value was approximately \$13.6 million. Our largest portfolio company investment by value was approximately \$45.0 million and our five largest portfolio company investments by value comprised approximately 15.0% of our portfolio at March 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.

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

<b>Industry</b>	<b>Percent of Total Investments</b>	
Software Publishing	16.8	%
Nondepository Credit Intermediation	5.4	%
Computer Systems Design and Related Services	4.7	%
Air Transportation	4.7	%
Other Information Services	4.4	%
Insurance Carriers	4.3	%
Business Support Services	4.1	%
Hospitals	3.3	%
Scientific Research and Development Services	3.2	%
Chemicals	3.0	%
Wired Telecommunications Carriers	2.8	%
Financial Investment Activities	2.7	%
Textile Furnishings Mills	2.6	%
Wireless Telecommunications Carriers	2.6	%
Advertising and Public Relations Services	2.3	%
Data Processing and Hosting Services	2.3	%
Utility System Construction	2.0	%

Edgar Filing: TCP Capital Corp. - Form 497

Electronic Component Manufacturing	2.0	%
Management, Scientific, and Technical Consulting Services	1.9	%
Apparel Manufacturing	1.9	%
Other Manufacturing	1.7	%
Retail	1.6	%
Lessors of Nonfinancial Licenses	1.5	%
Radio and Television Broadcasting	1.5	%
Communications Equipment Manufacturing	1.4	%

S-14

TABLE OF CONTENTS

<b>Industry</b>	<b>Percent of Total Investments</b>	
Computer Equipment Manufacturing	1.4	%
Restaurants	1.3	%
Accounting, Tax and Payroll Services	1.2	%
Equipment Leasing	1.2	%
Electrical Equipment Manufacturing	1.1	%
Other Telecommunications	1.0	%
Other	8.1	%
<b>Total</b>	<b>100.0</b>	<b>%</b>

The weighted average effective yield of the debt securities in our portfolio was 11.00% at March 31, 2016 and 10.95% at December 31, 2015. At March 31, 2016, 80.8% of our debt investments bore interest based on floating rates, such as LIBOR, EURIBOR, the Federal Funds Rate or the Prime Rate, and 19.2% bore interest at fixed rates. The percentage of our floating rate debt investments that bore interest based on an interest rate floor was 76.6% at March 31, 2016. At December 31, 2015, 80.4% of our debt investments 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 our floating rate debt investments that bore interest based on an interest rate floor was 77.9% at December 31, 2015.

**Results of operations***Investment income*

Investment income totaled \$34.6 million and \$32.8 million, respectively, for the three months ended March 31, 2016 and 2015, of which \$32.9 million and \$31.5 million were attributable to interest and fees on our debt investments, \$0.8 million and \$0.3 million to lease income, and \$0.9 million and \$1.0 million to other income, respectively. Included in interest and fees on our debt investments were \$0.9 million and \$0.2 million of non-recurring income related to prepayments for the three months ended March 31, 2016 and 2015, respectively. The increase in investment income in the three months ended March 31, 2016 compared to the three months ended March 31, 2015 reflects an increase in interest income due to the larger investment portfolio in the three months ended March 31, 2016 compared to the three months ended March 31, 2015.

*Expenses*

Total operating expenses for the three months ended March 31, 2016 and 2015 were \$11.7 million and \$9.9 million respectively, comprised of \$5.5 million and \$4.1 million in interest expense and related fees, \$4.5 million and \$4.4 million in base management fees, \$0.5 million and \$0.3 million in legal and other professional fees, and \$1.2 million and \$1.1 million in other expenses, respectively. The increase in expenses in the three months ended March 31, 2016 compared to the three months ended March 31, 2015 primarily reflects higher interest expense due to the conversion of the Preferred Interests to term debt, the increase in LIBOR, and other costs related to the increase in available and outstanding debt.

*Net investment income*

Net investment income was \$22.9 million and \$22.9 million respectively, for the three months ended March 31, 2016 and 2015. The relatively flat net investment income in the three months ended March 31, 2016 compared to the three months ended March 31, 2015 primarily reflects the increased interest income in the three months ended March 31, 2016, offset by the increase in expenses.

*Net realized and unrealized gain or loss*

Net realized losses for the three months ended March 31, 2016 and 2015 were \$2.6 million and \$0.1 million respectively. The net realized loss during the three months ended March 31, 2016 was due primarily to the taxable reorganization of our investment in Boomerang Tube, LLC.

For the three months ended March 31, 2016 and 2015, the change in net unrealized appreciation/depreciation was \$(4.2) million and \$0.5 million, respectively. The change in net unrealized

S-15

## TABLE OF CONTENTS

appreciation for the three months ended March 31, 2016 was comprised primarily of a \$1.7 million markdown on our loan to STG-Fairway Acquisitions, Inc. (aka First Advantage) to just under par, a \$1.4 million markdown on our BPA Laboratories, Inc. debt to just above par as call protection expires, as well as various other mark to market adjustments resulting from generally wider market yield spreads during the quarter. These losses were partially offset by certain unrealized gains from improved credit, including a \$3.9 million gain on our loan to Securus Technologies, Inc. due to favorable regulatory developments. The change in net unrealized appreciation for the three months ended March 31, 2015 was primarily due to various mark to market adjustments during the period.

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

The Holding Company has elected to be treated as a RIC under Subchapter M of the Internal Revenue Code (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.

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. There was no U.S. federal excise tax recorded during the three months ended March 31, 2016 and 2015.

### ***Dividends to preferred equity holders***

Dividends on the Preferred Interests for the three months ended March 31, 2016 and 2015 were \$0.0 million and \$0.3 million, respectively. The decrease in dividends on Preferred Interests during the three months ended March 31, 2016 compared to the three months ended March 31, 2015 was due to the repurchase and retirement of all remaining Preferred Interests during 2015.

### ***Incentive compensation***

Incentive compensation distributable to the General Partner for the three months ended March 31, 2016 and 2015 was \$4.6 million and \$4.5 million, respectively. Incentive compensation for the three months ended March 31, 2016 and 2015 was distributable due to our performance exceeding the total return threshold. The change in reserve for incentive compensation to the General Partner for the three months ended March 31, 2016 and 2015 was \$0.0 million and \$0.0 million, respectively.

### ***Net increase in net assets resulting from operations***

The net increase in net assets resulting from operations was \$11.5 million and \$18.5 million for the three months ended March 31, 2016 and 2015, respectively. The lower net increase in net assets resulting from operations during the three months ended March 31, 2016 is primarily due to the higher net realized and unrealized losses during the three months ended March 31, 2016 compared to the three months ended March 31, 2015.

### **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.

S-16

TABLE OF CONTENTS

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 three months ended March 31, 2016.

	<b>Shares Issued</b>	<b>Price Per Share</b>	<b>Net Proceeds</b>
Shares issued from dividend reinvestment plan	154	\$ 14.88 *	\$ 2,291

\* Weighted-average price per share.

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>
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. and Cantor Fitzgerald & Co. 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 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 February 24, 2016, and, unless further extended or terminated by our board of directors, we expect that the Company Repurchase Plan will be in effect through the earlier of two trading days after our first quarter 2016 earnings release 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 three months ended March 31, 2016:

	<b>Shares Repurchased</b>	<b>Price Per Share</b>	<b>Total Cost</b>
Company Repurchase Plan	140,596	\$ 13.23 *	\$ 1,860,737

\* Weighted-average price per share.

TABLE OF CONTENTS

Total leverage outstanding and available under the combined Leverage Program at March 31, 2016 were 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>	\$	44,000,000	\$ 72,000,000	\$ 116,000,000
Term Loan	2018	L+1.75 % <sup>†</sup>		100,500,000	—	100,500,000
Convertible Notes (\$108 million par)	2019	5.25 %		106,217,915	—	106,217,915
TCPC Funding Facility	2020	L+2.50 % <sup>‡</sup>		244,000,000	106,000,000	350,000,000
SBA Debentures	2024-2025	2.81 % <sup>§</sup>		49,000,000	26,000,000	75,000,000 **
Total leverage				543,717,915	\$ 204,000,000	\$ 747,717,915
Unamortized issuance costs				(4,122,609 )		
Debt, net of unamortized issuance costs				\$ 539,595,306		

\* 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.

§ Weighted-average interest rate on pooled loans of \$42.8 million, excluding fees of 0.36%. As of March 31, 2016, the remaining \$6.2 million of the outstanding amount was not yet pooled, and bore interest at a temporary rate of 1.20% plus fees of 0.36% through September 23, 2016, the date of the next SBA pooling.

\*\* Anticipated total capacity of \$150.0 million, subject to approval by the SBA following complete funding of our initial \$75.0 million commitment.

On July 13, 2015, we obtained exemptive relief from the SEC to permit us to exclude the debt of our SBA Debentures 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 the SBIC to borrow up to \$150.0 million more than it would otherwise be able to absent the receipt of this exemptive relief. The SBIC currently has a \$75.0 million commitment from the SBA. Once this commitment is fully drawn, the SBIC intends to submit an application to the SBA for an additional \$75.0 million commitment.

Net cash used in operating activities during the three months ended March 31, 2016 was \$34.6 million. Our primary use of cash in operating activities during this period consisted of the settlement of acquisitions of investments (net of dispositions) of \$46.5 million, partially offset by net investment income less incentive allocation (net of non-cash income and expenses) of approximately \$11.9 million.

Net cash provided by financing activities was \$21.7 million during the three months ended March 31, 2016, consisting primarily of \$41.2 million of net borrowings reduced by the \$17.5 million in regular dividends on common equity, payment of \$0.1 million in debt issuance costs, and \$1.9 million in common shares repurchases.

At March 31, 2016, we had \$22.7 million in cash and cash equivalents.

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 March 31, 2016, we were in compliance with all financial and operational covenants required by the Leverage Program.

S-18

## TABLE OF CONTENTS

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 Convertible Notes and the TCPC Funding Facility mature in July 2018, December 2019, 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.

### **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.



TABLE OF CONTENTS

The following tables summarize dividends declared for the three months ended March 31, 2016 and March 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>
February 24, 2016	March 17, 2016	March 31, 2016	Regular	\$ 0.36	\$ 17,530,963

<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

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

	<b>2016</b>	<b>2015</b>
Shares Issued	154	122
Average Price Per Share	\$ 14.88	\$ 16.02
Proceeds	\$ 2,291	\$ 1,959

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.

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 portion of such dividend is paid in cash and certain requirements are met, the entire distribution would be treated as a dividend for U.S. federal income tax purposes.

S-20

## TABLE OF CONTENTS

### **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 the 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 SVOF/MM,
- LLC. SVOF/MM, LLC is an affiliate of the Advisor and the general partners 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.

### **Recent Developments**

On April 18, 2016, the Company issued \$30.0 million in aggregate principal amount of a 5.25% convertible note due 2021 (the Note) pursuant to a purchase agreement, dated as of April 18, 2016, between the Company and CNO Financial Investments Corp. The conversion price is 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. There were no placement agent or underwriting fees in connection with the transaction. The Note will mature on April 30, 2021, unless previously converted. The holder may convert the Note at its option 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. Additionally, the Note will be automatically converted 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 has been 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.

From April 1, 2016 through May 6, 2016, the Operating Company has invested approximately \$36.3 million primarily in four senior secured loans, which includes \$21.5 million funded through the SBIC. The combined effective yield is approximately 10.7%.

S-21

TABLE OF CONTENTS

On May 4, 2016, 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 second quarter 2016 earnings release or such time as the approved \$50.0 million repurchase amount has been fully utilized, subject to certain conditions.

On May 10, 2016, the Company's board of directors declared a second quarter regular dividend of \$0.36 per share payable on June 30, 2016 to stockholders of record as of the close of business on June 16, 2016.

From April 1, 2016 through July 6, 2016, the Operating Company has invested approximately \$124.2 million in five new senior secured loans, four add-on investments as well as draws made on existing commitments with a combined effective yield of approximately 11.4%.

S-22



TABLE OF CONTENTS**QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK**

We are subject to financial market risks, including changes in interest rates. At March 31, 2016, 80.8% of our debt investments 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 March 31, 2016, the percentage of our floating rate debt investments that bore interest based on an interest rate floor was 76.6%. 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 March 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	\$ 25,163,174	\$ (12,675,000 )	\$ 12,488,174
Up 200 basis points	15,939,131	(8,450,000 )	7,489,131
Up 100 basis points	6,715,496	(4,225,000 )	2,490,496
Down 100 basis points	(1,676,324 )	2,668,933	992,609
Down 200 basis points	(1,676,324 )	2,668,933	992,609
Down 300 basis points	(1,676,324 )	2,668,933	992,609

TABLE OF CONTENTS

**USE OF PROCEEDS**

The net proceeds of the offering are estimated to be approximately \$35.9 million, assuming an aggregate offering of 2,336,552 shares of common stock at a price per share of \$15.43, the last reported closing price of our common stock, after deducting the estimated offering expenses of approximately \$162,500 payable by us.

We intend to use the net proceeds from any offering to repay amounts outstanding under the SVCP Facility and TCPC Funding Facility, if any, (which will increase the funds under the SVCP Facility and TCPC Funding Facility available to us to make additional investments in portfolio companies) and to make investments in portfolio companies in accordance with our investment objective and for other general corporate purposes, including payment of operating expenses. 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 July 6, 2016, we had \$178.5 million outstanding under the SVCP Facility, with advances generally bearing interest at LIBOR plus 1.75% per annum through July 31, 2016 and LIBOR plus 2.50% per annum thereafter until the maturity date, subject to certain limitations. The SVCP Facility matures July 31, 2018, subject to extension by the lender at our request.

As of July 6, 2016, 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.

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.

	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
	NAV <sup>(1)</sup>	High <sup>(2)</sup>	Low <sup>(2)</sup>					
<b>Fiscal year ended December 31, 2014</b>								
First Quarter	\$ 15.32	\$ 17.97	\$ 16.36	17.3	%	6.8	%	\$ 0.36
Second Quarter	\$ 15.31	\$ 18.31	\$ 15.80	19.6	%	3.2	%	\$ 0.41 <sup>(4)</sup>
Third Quarter	\$ 15.43	\$ 18.31	\$ 16.07	18.7	%	4.1	%	\$ 0.36
Fourth Quarter	\$ 15.01	\$ 17.47	\$ 15.25	16.4	%	1.6	%	\$ 0.41 <sup>(4)</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 (through July 6, 2016)	\$ <sup>(5)</sup>	\$ 15.43	\$ 14.21	% <sup>(5)</sup>		% <sup>(5)</sup>		\$ 0.36

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) Includes a special dividend of \$0.05 per share.

(5) NAV has not yet been determined.

On July 6, 2016, the closing price of our common stock was \$15.43 per share. As of July 6, 2016, we had 32 stockholders of record.

The table below sets forth each class of our outstanding securities as of July 6, 2016.

Title of Class	Amount Authorized	Amount Held by Registrant or for its Account	Amount Outstanding
Common Stock	200,000,000	—	50,706,349



TABLE OF CONTENTS**CAPITALIZATION**

The following table sets forth (1) our actual capitalization at March 31, 2016 and (2) our capitalization on an as adjusted basis giving effect to the assumed sale of 2,336,552 shares of our common stock at a purchase price of \$15.43 per share, the last reported closing price of our common stock on July 6, 2016, 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 March 31, 2016</b>	
	<b>Actual</b>	<b>Pro forma</b>
<b>Assets:</b>		
Cash and cash equivalents	\$ 22,691,133	\$ 22,691,133
Investments	1,227,144,628	1,227,144,628
Other assets	21,389,508	21,389,508
Total assets	\$ 1,271,225,269	\$ 1,271,225,269
<b>Liabilities:</b>		
SVCP Revolver	\$ 44,000,000	\$ 8,109,503
Term Loan	100,500,000	100,500,000
2019 Notes	106,217,915	106,217,915
TCPC Funding Facility	244,000,000	244,000,000
SBA Debentures	49,000,000	49,000,000
Unamortized debt issuance costs	(4,122,609 )	(4,122,609 )
Other liabilities	17,569,305	17,569,305
Total liabilities	\$ 557,164,611	\$ 521,274,114
<b>Stockholders' equity:</b>		
Common stock, par value \$0.001 per share; 200,000,000 shares of common stock authorized; 48,694,292 common stock issued and outstanding, actual; 51,030,844 common stock outstanding, pro forma	48,694	51,030
Paid-in capital in excess of par	876,525,050	912,413,211
Accumulated net investment income	23,027,133	23,027,133
Accumulated net realized losses	(136,678,194 )	(136,678,194 )
Accumulated net unrealized depreciation	(48,862,025 )	(48,862,025 )
Non-controlling interest	—	—
Net assets applicable to common shareholders	\$ 714,060,658	\$ 749,951,155
<b>Total capitalization</b>	<b>\$ 1,271,225,269</b>	<b>\$ 1,271,225,269</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 year ending December 31, 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 (as of March 31, 2016, unaudited)	\$ 144,500	\$ 2,868	\$ —	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 (as of March 31, 2016, unaudited)	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 (as of March 31, 2016, unaudited)	\$ 244,000	\$ 2,868	\$ —	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 (as of March 31, 2016, unaudited)	\$ 49,000	\$ 2,868	\$ —	N/A
Fiscal Year 2015	42,800	3,076	—	N/A
Fiscal Year 2014	28,000	5,356	—	N/A

**2014 Notes**

Fiscal Year 2016 (as of March 31, 2016, unaudited)	\$ 108,000	\$ 2,303	\$ —	N/A
Fiscal Year 2015	108,000	2,429	—	N/A
Fiscal Year 2014	108,000	3,617	—	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.

(4) Total amount of each class of senior securities outstanding at the end of the period presented (in 000's).

TABLE OF CONTENTS

- 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 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.
- (5) The amount to which such class of senior security would be entitled upon the voluntary liquidation of the issuer 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.
- (6) Not applicable because our senior securities are not registered for public trading.
- (7)

S-28



## TABLE OF CONTENTS

### **PLAN OF DISTRIBUTION**

We intend to enter into a purchase agreement with the investors, providing for the sale of up to 2,336,552 shares of our common stock, par value \$0.001 per share, at a purchase price equal to \$ per share.

### **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.

### **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 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](mailto: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>.

TABLE OF CONTENTS

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

An SAI dated as of July 6, 2016, 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-18</u>
<u>Determination of Net Asset Value</u>	<u>SAI-18</u>
<u>Dividend Reinvestment Plan</u>	<u>SAI-21</u>
<u>Regulation</u>	<u>SAI-22</u>
<u>Brokerage Allocations and Other Practices</u>	<u>SAI-27</u>

S-30

TABLE OF CONTENTS

**INDEX TO FINANCIAL STATEMENTS**

**TCP Capital Corp.  
(successor to Special Value Continuation Fund, LLC)**

**Financial Statements**

<u>Consolidated Statements of Assets and Liabilities as of March 31, 2016 (unaudited) and December 31, 2015</u>	<u>S-F-2</u>
<u>Consolidated Schedule of Investments as of March 31, 2016 (unaudited) and December 31, 2015</u>	<u>S-F-3</u>
<u>Consolidated Statements of Operations for the three months ended March 31, 2016 (unaudited) and March 31, 2015 (unaudited)</u>	<u>S-F-20</u>
<u>Consolidated Statements of Changes in Net Assets for the three months ended March 31, 2016 (unaudited) and year ended December 31, 2015</u>	<u>S-F-21</u>
<u>Consolidated Statements of Cash Flows for the three months ended March 31, 2016 (unaudited) and March 31, 2015 (unaudited)</u>	<u>S-F-22</u>
<u>Notes to Consolidated Financial Statements (unaudited)</u>	<u>S-F-23</u>
<u>Consolidated Schedule of Changes in Investments in Affiliates for the three months ended March 31, 2016 (unaudited) and year ended December 31, 2015</u>	<u>S-F-43</u>
<u>Consolidated Schedule of Restricted Securities of Unaffiliated Issuers as of March 31, 2016 (unaudited) and December 31, 2015</u>	<u>S-F-47</u>
<u>Consolidating Statements of Assets and Liabilities as of March 31, 2016 (unaudited) and December 31, 2015</u>	<u>S-F-49</u>
<u>Consolidating Statements of Operations for the three months ended March 31, 2016 (unaudited) and March 31, 2015 (unaudited)</u>	<u>S-F-51</u>

**Special Value Continuation Partners, LP**

**Financial Statements**

<u>Consolidated Statements of Assets and Liabilities as of March 31, 2016 (unaudited) and December 31, 2015</u>	<u>S-F-53</u>
<u>Consolidated Schedule of Investments as of March 31, 2016 (unaudited) and December 31, 2015</u>	<u>S-F-54</u>
<u>Consolidated Statements of Operations for the three months ended March 31, 2016 (unaudited) and March 31, 2015 (unaudited)</u>	<u>S-F-73</u>
<u>Consolidated Statements of Changes in Net Assets for the three months ended March 31, 2016 (unaudited) and year ended December 31, 2015</u>	<u>S-F-74</u>
<u>Consolidated Statements of Cash Flows for the three months ended March 31, 2016 (unaudited) and March 31, 2015 (unaudited)</u>	<u>S-F-75</u>
<u>Notes to Consolidated Financial Statements (unaudited)</u>	<u>S-F-76</u>
<u>Consolidated Schedule of Changes in Investments in Affiliates for the three months ended March 31, 2016 (unaudited) and year ended December 31, 2015</u>	<u>S-F-91</u>
<u>Consolidated Schedule of Restricted Securities of Unaffiliated Issuers as of March 31, 2016 (unaudited) and December 31, 2015</u>	<u>S-F-95</u>

S-F-1

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

	<b>March 31, 2016 (unaudited)</b>	<b>December 31, 2015</b>
<b>Assets</b>		
Investments, at fair value:		
Companies less than 5% owned (cost of \$1,157,582,658 and \$1,123,682,687, respectively)	\$ 1,131,433,680	\$ 1,099,208,475
Companies 5% to 25% owned (cost of \$71,578,769 and \$68,862,518, respectively)	70,467,574	69,008,931
Companies more than 25% owned (cost of \$50,326,748 and \$39,162,221 respectively)	25,243,374	14,702,319
Total investments (cost of \$1,279,488,175 and \$1,231,707,426, respectively)	1,227,144,628	1,182,919,725
Cash and cash equivalents	22,691,133	35,629,435
Accrued interest income:		
Companies less than 5% owned	10,803,929	8,842,528
Companies 5% to 25% owned	1,011,550	741,306
Companies more than 25% owned	480,715	29,230
Deferred debt issuance costs	4,991,822	5,390,241
Unrealized appreciation on swaps	2,634,515	3,229,442
Options (cost of \$331,077 and \$51,750, respectively)	232,362	—
Prepaid expenses and other assets	1,234,615	2,331,044
Total assets	1,271,225,269	1,239,112,951
<b>Liabilities</b>		
Debt, net of unamortized issuance costs	539,595,306	498,205,471
Payable for investments purchased	5,285,571	6,425,414
Incentive allocation payable	4,574,076	5,207,606
Interest payable	4,151,389	2,911,257
Payable to the Advisor	682,970	508,334
Accrued expenses and other liabilities	2,875,299	3,877,852
Total liabilities	557,164,611	517,135,934
<b>Commitments and contingencies (Note 5)</b>		
<b>Non-controlling interest</b>		
General Partner interest in Special Value Continuation Partners, LP	—	—
<b>Net assets applicable to common shareholders</b>	<b>\$ 714,060,658</b>	<b>\$ 721,977,017</b>
<b>Composition of net assets applicable to common</b>		

**shareholders**

Common stock, \$0.001 par value; 200,000,000 shares authorized, 48,694,292 and 48,834,734 shares issued and outstanding as of March 31, 2016 and December 31, 2015, respectively

	\$	48,694		\$	48,834
Paid-in capital in excess of par		876,525,050			878,383,356
Accumulated net investment income		23,027,133			22,261,793
Accumulated net realized losses		(136,678,194	)		(132,483,593 )
Accumulated net unrealized depreciation		(48,862,025	)		(46,233,373 )
Net assets applicable to common shareholders	\$	714,060,658		\$	721,977,017
<b>Net assets per share</b>	\$	14.66		\$	14.78

*See accompanying notes to the consolidated financial statements.*

S-F-2

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

											<b>% of Total Cash and Investm</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>Investments (A)</b>											
<b>Investing, Payroll</b>											
<b>Investments</b>											
	Holdco PIK	LIBOR									
	Notes	(A)	3.00 %	10.00 %	13.00%	10/3/2018	\$ 64,783	\$ 64,783	\$ 64,754		0.01
	Second										
	Lien Term	LIBOR									
	Loan	(Q)	1.50 %	11.00 %	12.50%	10/3/2018	\$ 15,249,675	15,051,498	15,239,000		1.22
								15,116,281	15,303,754		1.23
<b>Investing, s</b>											
<b>Investments</b>											
<b>Investing</b>											
<b>Investments</b>											
	First Lien										
	Facility										
	A1 Term	EURIBOR									
	Loan	(Q)	1.25 %	5.75 %	7.00%	3/18/2018	€12,249,157	16,015,147	13,659,550		1.09
	First Lien										
	Delayed										
	Draw										
	Tranche 1										
	Term Loan										
	(1.25% Exit	LIBOR									
	Fee)	(M)	0.33 %	10.17 %	10.80%	9/1/2018	\$ 15,000,000	14,606,937	14,658,000		1.17
	First Lien	LIBOR	0.33 %	10.17 %	N/A	9/1/2018	\$ —	—	—		—
	Delayed	(M)									
	Draw										
	Tranche 1										
	Term Loan										
	(1.25% Exit										

Edgar Filing: TCP Capital Corp. - Form 497

Inc. (re)	Fee) First Lien Delayed Draw Tranche 1 Term Loan (1.25% Exit Fee)	LIBOR (M)	0.33 %	10.17 %	N/A	9/1/2018	\$	—	—	—	—
								30,622,084	28,317,550	2.26	

rtation

Leased Air c.	Aircraft Secured Mortgage	Fixed	—	8.00 %	8.00%	3/15/2017	\$	90,314	90,314	91,195	0.01
	Aircraft Secured Mortgage	Fixed	—	8.00 %	8.00%	8/15/2018	\$	212,078	212,078	215,376	0.02
	Aircraft Secured Mortgage	Fixed	—	8.00 %	8.00%	3/20/2019	\$	312,265	312,265	317,288	0.03
	Aircraft Secured Mortgage	Fixed	—	8.00 %	8.00%	6/20/2019	\$	338,869	338,869	344,628	0.03
	Aircraft Secured Mortgage	Fixed	—	8.00 %	8.00%	5/20/2019	\$	334,628	334,628	340,255	0.03
	Aircraft Secured Mortgage	Fixed	—	8.00 %	8.00%	6/20/2019	\$	341,833	341,833	347,640	0.03
	Aircraft Secured Mortgage	Fixed	—	8.00 %	8.00%	7/20/2019	\$	348,975	348,975	354,960	0.03
	Aircraft Secured Mortgage	Fixed	—	8.00 %	8.00%	10/20/2019	\$	373,128	373,128	379,681	0.03
	Aircraft Secured Mortgage	Fixed	—	8.00 %	8.00%	8/20/2019	\$	362,070	362,070	368,332	0.03
	Aircraft Secured Mortgage	Fixed	—	8.00 %	8.00%	2/15/2018	\$	190,145	190,145	192,780	0.02

Leased  
Inc.



Edgar Filing: TCP Capital Corp. - Form 497

	Aircraft Secured Mortgage	Fixed	—	12.00 %	12.00%	5/4/2016	\$ 226,408	226,408	229,295	0.02
LTD.	Aircraft Acquisition Loan A	LIBOR (M)	—	8.50 %	9.00%	1/31/2023	\$ 13,994,102	13,739,602	13,908,738	1.11
LTD.	Aircraft Acquisition Loan A1	LIBOR (M)	—	8.50 %	9.00%	1/31/2023	\$ 14,317,957	14,040,160	14,223,458	1.14
Group,	Acquisition Delayed Draw Loan	LIBOR (M)	—	7.25 %	N/A	6/17/2019	\$ —	—	359,738	0.03
Group,	Acquisition Loan	LIBOR (M)	—	7.25 %	7.75%	7/15/2022	\$ 15,522,081	15,266,476 46,176,951	15,933,416 47,606,780	1.27 3.83
<b>Manufacturing</b>										
ros.,	First Lien Term Loan A (First Out)	LIBOR (Q)	1.25 %	5.75 %	7.00%	6/3/2021	\$ 9,880,000	9,694,096	9,682,400	0.77
ros.,	First Lien Term Loan B (Last Out)	LIBOR (Q)	1.25 %	12.25 %	13.50%	6/3/2021	\$ 9,920,000	9,737,390	9,721,600	0.78
rel , LLC	First Lien FILO Term Loan	LIBOR (M)	1.00 %	9.60 %	10.60%	4/8/2019	\$ 3,431,102	3,410,355 22,841,841	3,430,416 22,834,416	0.27 1.82
Global gies,	Sr Secured Revolving Loan	LIBOR (Q)	0.23 %	8.52 %	8.75%	11/30/2017	\$ —	(60,846 )	(9,375 )	0.00
Global gies,	Sr Secured Term Loan (1.0% Exit Fee)	LIBOR (Q)	0.23 %	9.27 %	9.90%	11/30/2019	\$ 17,062,500	16,851,192	17,041,172	1.36
erway ons, t (ge)	Second Lien Term Loan	LIBOR (Q)	1.00 %	9.25 %	10.25%	6/30/2023	\$ 31,000,000	30,557,032 47,347,378	30,631,100 47,662,897	2.45 3.81

S-F-3

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

Issuer	Instrument	Rate	Floor	Spread	Total Coupon	Maturity	Principal	Cost	Fair Value	% of Total Cash and Investment	Notes
<b>Debt</b>											
<b>Investments</b>											
<b>(continued)</b>											
<b>Chemicals</b>											
Manuvia Plant Nutrients Holdings, LLC	Sr Secured Term Loan (8.0% Exit LIBOR Fee)(M)	0.23 %		10.27%	9.96%	2/1/2018	\$ 11,131,431	11,479,236	11,533,832	0.92 %	L
BioAmber, Inc.	Sr Secured Term Loan (8.0% Exit LIBOR Fee)(M)	0.23 %		9.27 %	9.96%	12/1/2017	\$ 9,195,542	9,502,449	9,803,827	0.78 %	L
Green Biologics, Inc.	Sr Secured Delayed Draw Term Loan (10.0% Exit Prime Fee)Rate	—		7.75%	6.25%	5/1/2018	\$ 15,000,000	15,064,708 36,046,393	15,388,500 36,726,159	1.23 %	L
										2.93 %	
<b>Communications</b>											
<b>Equipment</b>											
<b>Manufacturing</b>											
Globecom Systems, Inc.	First Lien Term LIBOR Loan(Q)	1.25 %		7.63%	6.13%	12/11/2018	\$ 14,591,960	14,446,040	14,030,899	1.12 %	B

**Computer  
Equipment  
Manufacturing**

Silicon Graphics International Corp.	First Lien Term LIBOR Loan	(Q)	1.00 %	9.001%	0.00%	7/27/2018	\$ 17,133,845	16,902,683	17,262,349	1.38 %	J
--------------------------------------	-------------------------------------	-----	--------	--------	-------	-----------	---------------	------------	------------	--------	---

**Computer  
Systems Design  
and Related  
Services**

Dealersocket, Inc.	Senior Secured 1 <sup>st</sup> Lien Term LIBOR Loan	(M)	1.00 %	10.001%	0.00%	2/10/2021	\$ 17,500,000	16,818,334	17,272,500	1.38 %	
MSC Software Corporation	Second Lien Term LIBOR Loan	(M)	1.00 %	7.50 %	0.50%	5/29/2021	\$ 6,993,035	6,942,215	6,014,011	0.48 %	
OnX Enterprise Solutions, Ltd. (Canada)	First Lien Term LIBOR Loan	B (Q)	—	8.00 %	0.62%	9/3/2018	\$ 2,331,800	2,331,800	2,313,729	0.19 %	H
OnX Enterprise Solutions, Ltd. (Canada)	First Lien Term LIBOR Loan	(Q)	—	7.00 %	0.62%	9/3/2018	\$ 10,400,000	10,325,072	10,319,400	0.83 %	H
OnX USA, LLC	First Lien Term LIBOR Loan	B (Q)	—	8.00 %	0.62%	9/3/2018	\$ 4,663,600	4,663,600	4,627,457	0.37 %	
OnX USA, LLC	First Lien Term LIBOR Loan	(Q)	—	7.00 %	0.62%	9/3/2018	\$ 5,200,000	5,166,205	5,159,700	0.41 %	
Wistronix, LLC	First Lien Revolver	(Q)	0.50 %	8.50 %	0.00%	12/4/2018	\$ 570,996	567,311	570,996	0.05 %	
Wistronix, LLC	First Lien Term LIBOR Loan	(M)	0.50 %	8.50 %	0.00%	12/4/2018	\$ 6,123,145	6,078,080	5,971,597	0.48 %	

Edgar Filing: TCP Capital Corp. - Form 497

Waterfall International, Inc.	First Lien Delayed Draw Term LIBOR Loan(Q)	—	11.671%	2.30%	9/1/2018	\$ 4,800,000	4,746,857	4,775,040	0.38 %
							57,639,474	57,024,430	4.57 %
<b>Data Processing and Hosting services</b>									
Asset International, Inc.	Delayed Draw Term LIBOR Loan(M)	1.00 %	7.00 %	2.00%	7/31/2020	\$ 3,430,383	3,397,572	3,285,964	0.26 %
Asset International, Inc.	Revolving LIBOR Loan(M)	1.00 %	7.00 %	2.00%	7/31/2020	\$ 807,920	800,627	807,920	0.06 %
Asset International, Inc.	First Lien Term LIBOR Loan(M)	1.00 %	7.00 %	2.00%	7/31/2020	\$ 8,088,844	7,965,280	7,755,988	0.62 %
Rightside Group, Ltd.	Second Lien Term LIBOR Loan(Q)	0.50 %	8.75 %	2.44%	8/6/2019	\$ 4,687,500	3,981,596	4,701,094	0.38 %
United TLD Holdco, Ltd. (Rightside) Cayman Islands)	Second Lien Term LIBOR Loan(Q)	0.50 %	8.75 %	2.44%	8/6/2019	\$ 9,375,000	7,963,193	9,402,188	0.75 % H
							24,108,268	25,953,154	2.07 %
<b>Electric Power Generation, Transmission and Distribution</b>									
Polocene Renewable Energy Fund 3, LLC (Conergy)	First Lien Term Fixed Loan	—	9% Cash + 1% PIK	2.00%	9/10/2017	\$ 7,480,101	\$ 7,425,016	\$ 7,405,300	0.59 %
CGY UK Portfolio I Borrower LLC, (Conergy)	Senior Secured 1 <sup>st</sup> Lien Term LIBOR Loan(Q)	—	9.00 %	2.63%	3/3/2018	\$ 3,951,020	3,836,273	3,911,510	0.31 %
							11,261,289	11,316,810	0.90 %
<b>Electrical Equipment Manufacturing</b>									

Edgar Filing: TCP Capital Corp. - Form 497

API Technologies Corp.	First Lien Term Loan (Q)	LIBOR 1.50 %	8.501% <del>8.00%</del>	2/6/2018	\$ 6,165,986	6,134,699	6,209,456	0.50 %
API Technologies Corp.	First Lien Term Loan (Q)	LIBOR 1.50 %	8.501% <del>8.00%</del>	2/6/2018	\$ 3,991,338	3,929,828	4,019,477	0.32 %
						10,064,527	10,228,933	0.82 %
<b>Electronic Component Manufacturing</b>								
Adaptive, Inc.	First Lien Delayed Draw Term Loan (Q)		10.72 % N/A	7/1/2018	\$ —	(109,040 )	—	— K
ora, Inc.	Tranche A Term Loan (3.0% Exit Fee)(M)	LIBOR 0.44 %	9.33 % <del>9.96%</del>	3/1/2018	\$ 22,500,000	21,639,076	22,066,875	1.77 % L
ora, Inc.	Tranche B Term Loan (M)	LIBOR 0.44 %	9.33 % <del>9.96%</del>	9/1/2017	\$ 1,687,500	1,586,960	1,677,459	0.13 %
						23,116,996	23,744,334	1.90 %

S-F-4

TABLE OF CONTENTS**TCP Capital Corp.****Consolidated Schedule of Investments (Unaudited) (Continued)**

March 31, 2016

Issuer	Instrument	Rate	Floor	Total Spread	Coupon	Maturity	Principal	Cost	Fair Value	% of Total Cash and Investments	Notes
<b>Debt Investments (continued)</b>											
<b>Equipment Leasing</b>											
36 <sup>th</sup> Street Capital Partners Holdings, LLC	Senior Note	Fixed	—	12.00%	12.00%	11/1/2020	\$ 9,951,348	9,951,348	9,951,348	0.80	% E/F
Essex Ocean, LLC (Solexel)	Sr Secured Term Loan	Fixed	—	8.00%	8.00%	8/15/2018	\$ 2,401,475	2,401,475	2,416,724	0.19	%
								12,352,823	12,368,072	0.99	%
<b>Financial Investment Activities</b>											
Institutional Shareholder Services, Inc.	Second Lien Term Loan (Q)	LIBOR	1.00 %	7.50 %	8.50 %	4/30/2022	\$ 4,471,492	4,440,346	4,113,773	0.33	%
iPayment, Inc.	First Lien Term Loan (Q)	LIBOR	1.50 %	5.25 %	6.75 %	5/8/2017	\$ 5,795,079	5,551,283	5,537,951	0.44	%
Magnolia Finance V plc (Cayman Islands)	Asset-Backed Credit Linked Note	Fixed	—	13.13%	13.13%	8/2/2021	\$ 15,000,000	15,000,000	14,712,000	1.18	% E/H
								24,991,629	24,363,724	1.95	%
<b>Gaming</b>											
AP Gaming I, LLC	First Lien Rev (M)	LIBOR	—	8.25 %	9.42 %	12/20/2018	\$ —	(1,810,948 )	(1,562,500 )	(0.13)	% K

**Grocery Stores**

Bashas, Inc.	First Lien FILO TernLIBOR Loan	(M)	1.50 %	8.801%	3.30%	10/8/2019	\$ 9,961,649	9,923,539	10,002,491	0.80 %
--------------	--	-----	--------	--------	-------	-----------	--------------	-----------	------------	--------

**Hospitals**

Evidera, Inc.	First Lien TernLIBOR Loan	(Q)	1.00 %	9.001%	4.00%	7/1/2018	\$ 3,759,668	3,740,870	3,813,243	0.31 %	
KPC Healthcare, Inc.	First Lien TernPrime Loan		Rate	—	8.251%	7.75%	8/28/2020	\$ 17,112,571	16,761,359	16,902,086	1.35 %
RegionalCare Hospital Partners, Inc.	Second Lien TernLIBOR Loan	(M)	1.00 %	10.251%	6.25%	10/23/2019	\$ 19,589,099	19,378,416	19,784,990	1.58 % G	
								39,880,645	40,500,319	3.24 %	

**Insurance Carriers**

Acrisure, LLC	Second Lien LIBOR Note	(Q)	1.00 %	9.001%	4.00%	11/19/2022	\$ 28,999,999	28,602,684	28,930,399	2.31 %
Acrisure, LLC	Second Lien Incremental LIBOR Note	(Q)	1.00 %	9.001%	4.00%	11/19/2022	\$ —	—	—	0.00 %
JSS Holdings, Inc.	First Lien TernLIBOR Loan	(Q)	1.00 %	6.50 %	7.50%	8/31/2021	\$ 3,900,000	3,828,505	3,705,000	0.30 %
US Apple Holdco, LLC (Ventiv Technology)	First Lien TernLIBOR Loan	(Q)	0.50 %	11.501%	2.19%	8/29/2019	\$ 20,000,000	19,409,136	19,945,000	1.60 %
								51,840,325	52,580,399	4.21 %

**Insurance Related Activities**

Confie Seguros Holding II Co.	Second Lien TernLIBOR Loan	(M)	1.25 %	9.001%	4.25%	5/8/2019	\$ 11,061,809	10,955,152	10,149,210	0.81 % G
-------------------------------	-------------------------------------	-----	--------	--------	-------	----------	---------------	------------	------------	----------

**Lessors of  
Nonfinancial  
Licenses**

ABG Intermediate Holdings 2, LLC	Second Lien	Term	LIBOR							
	Loan	(Q)	1.00 %	8.50 %	<del>7.50%</del>	5/27/2022	\$ 15,990,714	15,857,265	15,311,109	1.23 %
ABG Intermediate Holdings 2, LLC	Second Lien	Incremental	Term	LIBOR						
	Loan	(Q)	1.00 %	8.50 %	<del>7.50%</del>	5/27/2022	\$ 3,474,715	3,441,943	3,327,039	0.27 %
								19,299,208	18,638,148	1.50 %

**Management,  
Scientific, and  
Technical  
Consulting  
Services**

Dodge Data & Analytics, LLC	First Lien	Term	LIBOR							
	Loan	(Q)	1.00 %	8.75 %	<del>7.75%</del>	10/31/2019	\$ 24,519,068	24,022,010	23,761,429	1.90 %

**Medical  
Equipment and  
Supplies  
Manufacturing**

Bioventus, LLC	Second Lien	Term	LIBOR							
	Loan	(Q)	1.00 %	10.001%	<del>9.00%</del>	4/10/2020	\$ 11,000,000	10,827,494	10,835,000	0.87 %

**Motion Picture  
and Video  
Industries**

CORE Entertainment, Inc.	First Lien	Term	Fixed							
	Loan		—	11.001%	<del>10.00%</del>	6/21/2017	\$ 9,462,231	9,497,311	4,388,110	0.35 % C
CORE Entertainment, Inc.	Second Lien	Term	Fixed							
	Loan		—	15.501%	<del>14.50%</del>	6/21/2018	\$ 7,569,785	7,700,187	283,488	0.02 % C
								17,197,498	4,671,598	0.37 %



S-F-5



Edgar Filing: TCP Capital Corp. - Form 497

**Information**

Research, Ltd. (Kingdom)	First Lien Term Loan	LIBOR (Q)	0.50 %	10.50 %	11.13%	12/11/2020	\$5,064,824	4,968,032	4,963,528	0.40
	Sr Secured Term Loan (2.0% Exit Fees)	LIBOR (Q)	0.28 %	10.72 %	11.00%	10/1/2018	\$31,550,000	31,417,165	31,521,605	2.52
Holdings, LLC (Ick)	Second Lien Term Loan	LIBOR (M)	1.00 %	7.75 %	8.75%	11/6/2021	\$19,988,392	19,744,021 56,129,218	17,789,669 54,274,802	1.42 4.34

**Manufacturing**

ding Corp.	Sr Secured Term Loan	Fixed	—	12.00 %	12.00%	9/15/2016	\$4,869,577	4,869,577	4,869,577	0.39
ding Corp.	Second Lien Notes	Fixed	—	11.00 %	11.00%	11/15/2016	\$9,268,000	7,586,317	9,268,000	0.74
ng Tube,	Subordinated Notes	LIBOR (M)	—	17.50 %	17.50%	2/1/2021	\$1,030,741	1,030,741 13,486,635	316,437 14,454,014	0.03 1.16

**Communications**

Technologies,	Second Lien Term Loan	LIBOR (Q)	1.25 %	7.75 %	9.00%	4/30/2021	\$14,000,000	13,860,000	11,812,500	0.95
---------------	--------------------------	--------------	--------	--------	-------	-----------	--------------	------------	------------	------

**Publishing**

ia USA, Inc.	First Lien Revolver	LIBOR (M)	—	6.75 %	7.19%	5/20/2018	\$2,092,500	\$1,581,943	\$1,814,043	0.15
ia USA, Inc.	First Lien Term Loan	LIBOR (Q)	1.25 %	6.75 %	8.00%	11/20/2018	\$5,681,239	5,590,849 7,172,792	5,553,412 7,367,455	0.44 0.59

**Pharmaceuticals**

Medical Inc.	First Lien Term Loan	LIBOR (Q)	1.00 %	6.00 %	7.00%	6/30/2022	\$5,955,000	5,867,304	5,210,625	0.42
-----------------	-------------------------	--------------	--------	--------	-------	-----------	-------------	-----------	-----------	------

**Manufacturing**

International,	Sr Secured Notes	Fixed	—	9.50 %	9.50%	6/1/2018	\$13,600,000	13,600,000	8,636,000	0.69
----------------	---------------------	-------	---	--------	-------	----------	--------------	------------	-----------	------

**Media and Television Advertising**

C	Sr Secured Notes	Fixed	—	10.38 %	10.38%	7/1/2019	\$7,312,000	7,312,000	5,672,890	0.45
---	---------------------	-------	---	---------	--------	----------	-------------	-----------	-----------	------

Edgar Filing: TCP Capital Corp. - Form 497

Holdco,	Second Lien	LIBOR								
	Term Loan	(M)	1.25 %	8.75 %	10.00%	7/22/2020	\$13,837,830	13,597,041	12,834,587	1.03
								20,909,041	18,507,477	1.48

S-F-6

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

					<b>Total</b>				<b>Fair</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>Value</b>	<b>Cash</b>
										<b>Investments</b>
LLC (Real	Convertible Second Lien Term Loan Tranche B-1	Fixed	—	8.50 %	8.50%	3/30/2018	\$ 1,821,621	1,821,621	1,821,621	0.1
LLC (Real	First Lien Term Loan Tranche A	Fixed	—	7.00 %	7.00%	3/30/2018	\$ 4,851,479	4,568,092	4,851,479	0.3
LLC (Real	Second Lien Term Loan Tranche B	Fixed	—	8.50 %	8.50%	3/30/2018	\$ 9,076,512	9,076,512	4,173,380	0.3
LLC (Real	Second Lien Term Loan Tranche B-1	Fixed	—	8.50 %	8.50%	3/30/2018	\$ 2,858,503	2,843,081	2,858,503	0.2
LLC (Real	Sr Convertible Second Lien Term Loan B	Fixed	—	8.50 %	8.50%	3/30/2018	\$ 2,235,586	2,235,586	2,235,586	0.1
								20,544,892	15,940,569	1.2
Inc.	First Lien Term Loan	LIBOR (Q)	1.00 %	10.00 %	11.00%	2/13/2020	\$ 6,274,125	6,274,125	5,987,397	0.4
le , Inc.	First Lien FILO Term Loan	LIBOR (M)	1.00 %	8.50 %	9.50%	9/25/2020	\$ 12,961,897	12,836,513	13,091,516	1.0
								19,110,638	19,078,913	1.5
<b>Communications</b>										
ations C (United	Sr Secured Notes	Fixed	—	10.00 %	10.00%	10/1/2019	\$ 9,393,000	9,393,000	6,860,807	0.5

Edgar Filing: TCP Capital Corp. - Form 497

**Research  
Development**

Laboratories,	Senior Secured Notes	Fixed	—	12.25 %	12.25%	4/1/2017	\$ 38,932,000	39,001,750	39,126,660	3.1
---------------	----------------------	-------	---	---------	--------	----------	---------------	------------	------------	-----

**Publishing**

International (Switzerland)	First Lien Term Loan	LIBOR (Q)	1.00 %	9.50 %	10.50%	6/9/2017	\$ 29,102,364	29,017,558	28,459,202	2.2
USA), LLC	Second Lien Term Loan	LIBOR (Q)	0.50 %	8.50 %	9.13%	1/31/2020	\$ 30,000,000	29,553,221	27,810,000	2.2
LLC	First Lien Term Loan	LIBOR (Q)	0.25 %	4.75% Cash + 4% PIK	9.44%	3/31/2019	\$ 34,914,412	34,452,971	34,807,923	2.7
Systems,	First Lien Term Loan	LIBOR (Q)	1.50 %	0.4% Cash + 7.6% PIK	9.50%	9/25/2018	\$ 14,865,144	14,204,371	15,013,796	1.2
Systems,	Senior Secured 1 <sup>st</sup> Lien Incremental Term Loan	LIBOR (Q)	1.50 %	0.4% Cash + 7.6% PIK	9.50%	9/25/2018	\$ 3,746,911	3,672,813	3,784,381	0.3
Systems,	Senior Secured Revolver	LIBOR (Q)	0.50 %	6.00 %	6.50%	9/25/2018	\$ —	—	—	0.0
Networks,	First Lien Term Loan	LIBOR (Q)	—	9.50 %	10.13%	12/3/2020	\$ 5,986,525	5,816,826	5,806,930	0.4
Inc.	Jr Revolving Facility	Fixed	—	5.00 %	5.00%	6/9/2020	\$ 1,179,005	1,179,005	1,179,008	0.0
Ultimate LLC	Sr PIK Notes	Fixed	—	8.50 %	8.50%	6/9/2020	\$ 2,668,539	2,668,539	2,668,539	0.2
Ultimate LLC	Jr PIK Notes	Fixed	—	10.00 %	10.00%	6/9/2020	\$ 12,089,634	11,502,196	11,630,228	0.9
Acquisitionco,	First Lien Term Loan	LIBOR (Q)	1.00 %	8.00 %	9.00%	11/4/2019	\$ 42,136,100	41,435,793	41,872,749	3.3
Acquisitionco,	Sr Secured Revolver	LIBOR (Q)	1.00 %	8.00 %	9.00%	11/4/2019	\$ 3,182,143	3,182,143	3,162,254	0.2
	Senior Secured 1 <sup>st</sup> Lien Term Loan (4.0% Exit Fees)	LIBOR (M)	—	9.56 %	10.25%	4/1/2019	\$ 17,880,435	17,531,265	17,546,071	1.4

Edgar Filing: TCP Capital Corp. - Form 497

nc.	First Lien Delayed Draw Term Loan (1.0% Exit Fee)	LIBOR (M)	0.62 %	9.88 %	10.50%	1/1/2019	\$ 3,200,000	2,935,491	2,960,000	0.2
e Inc.	First Lien Term Loan	LIBOR (Q)	—	8.00 %	8.69%	5/21/2020	\$ 7,500,000	7,405,248	7,500,000	0.6
								204,557,440	204,201,081	16.3
<b>Hospitals</b>										
st vestment,	Senior Secured 1 <sup>st</sup> Lien Delayed Draw Term Loan	LIBOR (M)	2.00 %	9.70 %	11.70%	10/23/2019	\$ 10,828,233	10,682,146	10,778,964	0.8
<b>Finishings</b>										
carpet Mills,	First Lien Term Loan	LIBOR (Q)	1.00 %	10.00 %	11.00%	12/19/2019	\$ 23,740,530	23,740,530	23,538,736	1.8
carpet Mills,	First Lien Term Loan B	LIBOR (Q)	1.00 %	10.00 %	11.00%	12/19/2019	\$ 8,143,554	7,966,820	8,074,333	0.6
								31,707,350	31,613,069	2.5

S-F-7

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

	<b>Instrument</b>	<b>Ref</b>	<b>Floor</b>	<b>Spread</b>	<b>Total Coupon</b>	<b>Maturity</b>	<b>Principal or Shares</b>	<b>Cost</b>	<b>Fair Value</b>	<b>% To Cash Invest</b>
<b>Holdings</b>	Revolving Credit Facility	Fixed	—	8.20 %	8.20%	7/2/2017	\$ 25,000,000	25,000,000	25,000,000	2.
<b>Communications</b>										
ions,	First Lien Delayed Draw FILO Term Loan	LIBOR (Q)	1.00 %	7.42 %	8.42%	5/31/2018	\$ 1,057,865	1,040,826	1,053,025	0.
ions,	First Lien FILO Term Loan	LIBOR (Q)	1.00 %	7.42 %	8.42%	5/31/2018	\$ 7,887,269	7,808,859	7,857,297	0.
com c.	Second Lien Term Loan	LIBOR (Q)	1.25 %	8.50 %	9.75%	2/22/2020	\$ 13,231,193	13,049,863	12,644,125	1.
ty and company	First Lien Term Loan	LIBOR (Q)	1.00 %	7.13 %	8.13%	8/31/2020	\$ 3,985,000	3,931,343	3,888,364	0.
								25,830,891	25,442,811	2.
<b>Communications</b>										
	First Lien Term Loan	LIBOR (Q)	1.50 %	9.75 %	11.25%	3/21/2018	\$ 31,282,448	31,392,951	31,595,272	2.
								1,204,409,154	1,173,308,440	93.
<b>urities and itions</b>										



Edgar Filing: TCP Capital Corp. - Form 497

Warrants to Purchase Stock	562,496	\$	230,569	\$	232,936	0.
<b>Transportation</b>						
used to es, Inc.						
Trust Beneficial Interests	1,396		84,539		104,727	0.
Trust Beneficial Interests	1,111		84,851		125,377	0.
Trust Beneficial Interests	1,027		92,696		79,295	0.
Trust Beneficial Interests	986		88,799		107,287	0.
Trust Beneficial Interests	996		88,771		103,825	0.
Trust Beneficial Interests	986		89,120		104,669	0.
Trust Beneficial Interests	976		89,472		105,536	0.
Trust Beneficial Interests	949		90,874		105,396	0.
Trust Beneficial Interests	967		90,478		101,106	0.
Trust Beneficial Interests	1,196		86,870		100,450	0.
used to es, Inc.						
UA-767, Trust Beneficial Interests	683		3,522,337		3,400,136	0.
UA-767, Trust Beneficial Interests	665		3,437,565		3,350,908	0.

nc. (One	Warrants to Purchase Common Stock	1,843	855,313	2,574,168	0.
			8,701,685	10,362,880	0.
<b>Support</b>					
t, LLC	Membership Units	708,229	230,938	143,062	0.
y LC (First	Class A Units	841,479	325,432	2,190,875	0.
			556,370	2,333,937	0.
gics, Inc.	Warrants to Purchase Stock	615,000	272,594	224,847	0.
<b>itions</b>					
<b>ing</b>					
Cosmos .P. a)	Limited Partnership Units	5,000,000	5,000,000	3,721,000	0.

S-F-8

TABLE OF CONTENTS**TCP Capital Corp.****Consolidated Schedule of Investments (Unaudited) (Continued)**

March 31, 2016

<b>Issuer</b>	<b>Instrument</b>	<b>Ref</b>	<b>Flow</b>	<b>Spread</b>	<b>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 (continued)</u></b>											
<b>Computer Systems Design and Related Services</b>											
Waterfall International, Inc.	Series B Preferred Stock						1,428,571	1,000,000	999,143	0.08 %	C/E
Waterfall International, Inc.	Warrants to Purchase Stock						600,000	57,026	61,540	—	C/E
								1,057,026	1,060,683	0.08 %	
<b>Data Processing and Hosting Services</b>											
Anacomp, Inc.	Class A Common Stock						1,255,527	26,711,048	1,581,964	0.12 %	C/E/F
Rightside Group, Ltd.	Warrants						498,855	2,778,622	713,622	0.06 %	C/E
								29,489,670	2,295,586	0.18 %	
<b>Electrical Equipment Manufacturing</b>											
NEXTracker, Inc.	Series B Preferred Stock						558,884	—	3,120,920	0.24 %	C/E
NEXTracker, Inc.	Series C Preferred Stock						17,640	—	98,505	0.01 %	C/E
								—	3,219,425	0.25 %	

**Electronic  
Component  
Manufacturing**

Soraa, Inc.	Warrants to Purchase Common Stock	3,150,000	499,189	452,970	0.04 % C/E
-------------	-----------------------------------	-----------	---------	---------	------------

**Equipment  
Leasing**

36 <sup>th</sup> Street Capital Partners Holdings, LLC	Membership Units	2,487,837	2,487,837	2,550,282	0.20 % C/E/F
Essex Ocean II, LLC	Membership Units	199,430	199,430	189,638	0.02 % C/E/F
			2,687,267	2,739,920	0.22 %

**Financial  
Investment  
Activities**

GACPI, LP	Membership Units	8,394,061	8,513,198	8,512,444	0.68 % E/I
Marsico Holdings, LLC	Common Interest Units	168,698	172,694	1,687	— C/E/I
			8,685,892	8,514,131	0.68 %

**Metal and  
Mineral Mining**

EPMC HoldCo, LLC	Membership Units	1,312,720	—	315,053	0.03 % B/E
------------------	------------------	-----------	---	---------	------------

**Other  
Chemical  
Products and  
Mineral  
Manufacturing**

Nanosys, Inc.	Warrants to Purchase Common Stock	800,000	635,135	635,069	0.05 % C/E
---------------	-----------------------------------	---------	---------	---------	------------

**Other  
Information  
Services**

SoundCloud, Ltd. (United Kingdom)	Warrants to Purchase Preferred	946,498	79,082	79,221	0.01 % C/E/H
-----------------------------------	--------------------------------	---------	--------	--------	--------------

## Stock

**Other  
Manufacturing**

Boomerang Tube Holdings, Inc.	Common Stock	24,288	243	243	— C/E
KAGY Holding Company, Inc.	Series A Preferred Stock	9,778	1,091,200	6,164,483	0.49 % B/C/E
Precision Holdings, LLC	Class C Membership Interest	33	—	1,434	— C/E
			1,091,443	6,166,160	0.49 %

**Radio and  
Television  
Broadcasting**

Fuse Media, LLC	Warrants to Purchase Common Stock	233,470	300,322	23	— 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	—	— B/C/E
			2,010,777	—	—

S-F-9

TABLE OF CONTENTS**TCP Capital Corp.****Consolidated Schedule of Investments (Unaudited) (Continued)**

March 31, 2016

Issuer	Instrument	Ref	Flo	Sp	Coupo	Maturity	Shares	Cost	Fair Value	% of Total Cash and Investment	No
<b>Equity Securities</b>											
<b>(Continued)</b>											
<b>Detail</b>											
Prop Holding, LLC (Connexity)	Class A Units						507,167	480,049	59,947	—	CA
Prop Holding, LLC (Connexity)	Warrants to Purchase Class A Units						326,691	—	33	—	CA
								480,049	59,980	—	
<b>Software Publishing</b>											
Blackline Intermediate, Inc.	Warrants to Purchase Common Stock						1,232,731	\$ 522,678	\$ 1,475,702	0.11	% CA
Admentum Ultimate Holdings, LLC	Class A Common Units						159,515	680,226	680,218	0.05	% BA
Coasta, Inc.	Warrants to Purchase Series F Preferred Stock						715,217	192,651	19,311	0.00	% CA
Utilidata, Inc.	Warrants to Purchase Stock						719,998	216,336	204,999	0.02	% CA
								1,611,891	2,380,230	0.18	%
<b>Wired Telecommunications Carriers</b>											
Integra Telecom, Inc.	Common Stock						1,274,522	8,433,884	5,269,511	0.42	% CA
Integra Telecom, Inc.	Warrants						346,939	19,920	221,174	0.02	% CA

Telecom Investment C.A. (Luxembourg)	Common Shares	1,393	3,236,256	3,551,452	0.28 %
			11,690,060	9,042,137	0.72 %
<b>Total Equity Securities</b>			75,079,021	53,836,188	4.31 %
<b>Total Investments</b>			\$ 1,279,488,175	\$ 1,227,144,628	
<b><u>Cash and Cash</u></b>					
<b><u>Equivalents</u></b>					
Cash Denominated in Foreign Currencies		€ 119,081	781,555	135,503	0.01 %
Cash Held on Account at Various Institutions		\$ 22,555,630	22,555,630	22,555,630	1.81 %
<b>Cash and Cash</b>			23,337,185	22,691,133	1.82 %
<b>Equivalents</b>					
<b>Total Cash and</b>				\$ 1,249,835,761	100.00 %
<b>Investments</b>					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.

Investment denominated in foreign currency. Amortized cost and fair value converted from foreign currency to (D) US dollars. Foreign currency denominated investments are generally hedged for currency exposure. At March 31, 2016, such hedging activities included the derivatives listed at the end of the Consolidated Schedule of Investments. (See Note 2)

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

(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% owned 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.

(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 \$114,058,454 and \$66,139,802 respectively, for the three months ended March 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 March 31, 2016 was \$1,226,828,191, or 98.2% of total cash and investments of the Company. As of March 31, 2016, approximately 18.9% of the total assets of the Company were not qualifying assets under Section 55(a) of the 1940 Act.

Options and swaps at March 31, 2016 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	\$ 2,634,515
GBP, Put Option, \$1.47370, expires 3/3/17	£ 2,681,021	\$ 232,362

*See accompanying notes to the consolidated financial statements.*



S-F-11



Edgar Filing: TCP Capital Corp. - Form 497

nc. e)	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>otation</b>											
leased air	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
leased	Aircraft Secured Mortgage	Fixed	—	8.00 %	8.00%	2/15/2018	\$	214,686	214,686	218,321	0.02
nc.		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>Manufacturing</b>											
os.,	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	
os.,	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	
el 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 gies,	Sr Secured Revolving Loan	LIBOR (Q)	0.23 %	8.52 %	8.75%	11/30/2017	\$ —	(69,938 )	(123,750 )	(0.01	
Global gies,	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	
way ons,	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	

e)

47,520,164	48,755,859	4.00
------------	------------	------

S-F-12

TABLE OF CONTENTS**TCP Capital Corp.****Consolidated Schedule of Investments (Continued)****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>% of Total Cash and Investm</b>
<b>Investments</b>										
<b>(ed)</b>										
<b>als</b>										
Plant	Sr Secured									
Holdings,	Term Loan									
	(8.0 % Exit	LIBOR								
	Fee)	(M)	0.23 %	10.27 %	10.50%	2/1/2018	\$ 7,700,000	7,993,675	8,059,280	0.66
er, Inc.	Sr Secured									
	Term Loan									
	(8.25% Exit	LIBOR								
	Fee)	(M)	0.23 %	9.27 %	9.50%	12/1/2017	\$ 10,000,000	10,226,245	10,509,000	0.86
ologies,	Sr Secured									
	Delayed									
	Draw									
	Term Loan									
	(10.0% Exit	Prime								
	Fee)	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>ent</b>										
<b>cturing</b>										
nm	First Lien	LIBOR								
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>er</b>										
<b>ent</b>										
<b>cturing</b>										
raphics	First Lien	LIBOR								
onal Corp.	Term Loan	(Q)	1.00 %	9.00 %	10.00%	7/27/2018	\$ 18,432,723	18,157,715	18,570,968	1.52
<b>er Systems</b>										
<b>nd Related</b>										
, LLC			0.25 %		9.00%	3/31/2019	\$ 34,564,922	34,069,278	34,459,499	2.83

Edgar Filing: TCP Capital Corp. - Form 497

	First Lien Term Loan	LIBOR (Q)		4.75% Cash + 4% PIK							
Software Division	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	
Enterprise Co., Ltd.	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	
Enterprise Co., Ltd.	First Lien Term Loan	LIBOR (Q)	—	7.00 %	7.32%	9/3/2018	\$ 10,426,667	10,343,578	10,322,400	0.85	
Co., 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	
Co., 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	
Co., LLC	First Lien Revolver	LIBOR (Q)	0.50 %	8.50 %	9.00%	12/4/2018	\$ 365,437	361,329	365,437	0.03	
Co., 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	
Co., 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 Unit</b>											
International,	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	
International,	Revolver Loan	LIBOR (M)	1.00 %	7.00 %	8.00%	7/31/2020	\$ 242,376	234,663	242,376	0.02	
International,	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	
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	
LD Holdco,											
Co.(Cayman 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	

**Power  
of  
Attorney,  
Consent and  
Assurance**

Edgar Filing: TCP Capital Corp. - Form 497

Financial Statement										
Entity	Instrument	Interest	Rate	Rate	Rate	Maturity	Original	Current	Current	Ratio
Energy LLC	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
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
IN LLC (Biologics)	Sr Secured Revolver (3.0% Exit Fee)	Fixed	—	8.25 %	N/A	1/1/2016	\$ —	—	—	—
Inc.	First Lien Delayed Draw Term Loan	LIBOR (Q)	—	10.72 %	N/A	7/1/2018	\$ —	(121,106 )	—	—
c.	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
c.	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-13



TABLE OF CONTENTS**TCP Capital Corp.****Consolidated Schedule of Investments (Continued)****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>% of Total Cash and Investments</b>
<b>Investments</b>										
<b>(Continued)</b>										
<b>Investment</b>										
<b>g</b>										
reet										
Partners										
gs, LLC	Senior Note	Fixed	—	12.00 %	12.00%	11/1/2020	\$ 900,000	900,000	900,000	0.07
Ocean,	Sr Secured									
	Term Loan	Fixed	—	8.00 %	8.00%	3/25/2019	\$ —	—	—	—
Ocean,	Sr Secured									
(Solixel)	Term Loan	Fixed	—	8.00 %	8.00%	8/15/2018	\$ 2,631,033	2,631,033	2,641,294	0.22
								3,531,033	3,541,294	0.29
<b>Special</b>										
<b>Investment</b>										
<b>ies</b>										
ional										
holder	Second Lien	LIBOR								
s, Inc.	Term Loan	(Q)	1.00 %	7.50 %	8.50%	4/30/2022	\$ 4,471,492	4,437,802	4,270,275	0.35
ent, Inc.	First Lien									
	Term Loan	LIBOR								
	B2	(Q)	1.50 %	5.25 %	6.75%	5/8/2017	\$ 6,763,751	6,425,563	6,502,839	0.53
lia										
e V plc										
an										
)	Asset-Backed									
Linked										
	Fixed		—	13.13 %	13.13%	8/2/2021	\$ 15,000,000	15,000,000	14,881,500	1.22
								25,863,365	25,654,614	2.10
<b>g</b>										
ming I,	First Lien	LIBOR								
	Revolver	(M)	—	8.25 %	N/A	12/20/2018	\$ —	(1,862,302 )	(1,250,000 )	(0.10 )
<b>ry Stores</b>										
, Inc.			1.50 %	7.00 %	8.50%	10/8/2019	\$ 10,033,866	9,995,480	10,111,127	0.83

Edgar Filing: TCP Capital Corp. - Form 497

	First Lien FILO Term Loan	LIBOR (M)								
<b>als</b>										
a, 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										
s, Inc.	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
								41,456,037	41,763,039	3.43
<b>nce</b>										
<b>rs</b>										
re, 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
re, 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
re, 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
ldings,	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
ple										
, LLC										
y ology)	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
<b>nce</b>										
<b>d</b>										
<b>ies</b>										
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.										
<b>s of</b>										
<b>ancial</b>										
<b>es</b>										
ediate	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
ggs 2, LLC										
ediate	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
ggs 2, LLC								19,294,227	19,100,452	1.57

ement,  
fic, and  
cal  
lting  
es

Data & ics, LLC	First Lien Term Loan	LIBOR (Q)	1.00 %	8.75 %	9.75%	10/31/2019	\$ 24,693,587	24,159,891	24,267,623	1.99
--------------------	-------------------------	--------------	--------	--------	-------	------------	---------------	------------	------------	------

al  
ment and  
es  
acturing

tus, LLC	Second Lien Term Loan	LIBOR (Q)	1.00 %	10.00 %	11.00%	4/10/2020	\$ 11,000,000	10,819,241	10,835,000	0.89
----------	--------------------------	--------------	--------	---------	--------	-----------	---------------	------------	------------	------

a Picture  
deo  
ries

inment,	First Lien Term Loan	Fixed	—	11.00 %	11.00%	6/21/2017	\$ 9,462,231	9,425,030	4,667,719	0.38
---------	-------------------------	-------	---	---------	--------	-----------	--------------	-----------	-----------	------

inment,	Second Lien Term Loan	Fixed	—	15.50 %	15.50%	6/21/2018	\$ 7,569,785	7,700,187 17,125,217	291,058 4,958,777	0.02 0.40
---------	--------------------------	-------	---	---------	--------	-----------	--------------	-------------------------	----------------------	--------------

S-F-14

TABLE OF CONTENTS**TCP Capital Corp.****Consolidated Schedule of Investments (Continued)****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>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
be,	Second Lien Term Loan	LIBOR (Q)	1.50 %	9.50 %	11.00%	10/11/2017	\$ 3,825,453	4,010,758	1,759,709
be,	Super Priority Debtor-in-Possession	Prime Rate	—	10.00 %	13.50%	11/30/2015	\$ 1,124,444	1,124,444	1,124,444
								17,591,096	17,021,730
<b>ications</b>									
ologies,	Second Lien Term Loan	LIBOR (Q)	1.25 %	7.75 %	9.00%	4/30/2021	\$ 14,000,000	13,860,000	7,924,000
<b>ing</b>									
SA, Inc.	First Lien Revolver	LIBOR (M)	—	6.75 %	7.18%	5/20/2018	\$ 3,456,500	\$ 2,886,378	\$ 3,003,668
SA, Inc.	First Lien Term Loan	LIBOR (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>als</b>									
cal	First Lien Term Loan	LIBOR (Q)	1.00 %	6.00 %	7.00%	6/30/2022	\$ 5,970,000	5,879,117	5,492,400
<b>g</b>									
ational,	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
dco,	Second Lien Term Loan	LIBOR (M)	1.25 %	8.75 %	10.00%	7/22/2020	\$ 10,000,000	10,019,257	9,450,000
annel,	First Lien Term Loan	LIBOR (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 Tranche A	Fixed	—	7.00 %	7.00%	3/21/2016	\$ 3,719,155	3,717,664	3,719,155
C (Real	Second Lien Term Loan Tranche	Fixed	—	8.50 %	8.50%	3/30/2018	\$ 8,884,258	8,884,258	4,490,993

Edgar Filing: TCP Capital Corp. - Form 497

B										
C (Real	Second Lien									
	Term Loan Tranche									
	B-1	Fixed	—	8.50 %	8.50%	3/30/2018	\$ 2,797,956	2,782,534	2,797,956	
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	

S-F-15



Edgar Filing: TCP Capital Corp. - Form 497

nc.	Jr Revolving Facility	Fixed	—	5.00 %	5.00%	6/9/2020	\$ —	—	—	—
Ultimate	Sr PIK Notes	Fixed	—	8.50 %	8.50%	6/9/2020	\$ 2,612,408	2,612,408	2,612,408	0.
Ultimate	Jr PIK Notes	Fixed	—	10.00 %	10.00%	6/9/2020	\$ 11,791,569	11,176,985	11,343,490	0.
sitionco,	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.
sitionco,	Sr Secured Revolver	LIBOR (Q)	1.00 %	8.00 %	9.00%	11/4/2019	\$ 1,272,857	1,272,857	1,276,039	0.
Ltd. (dom)	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.
.	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.
Inc.	First Lien Term Loan	LIBOR (Q)	—	8.00 %	8.63%	5/21/2020	\$ 7,500,000	7,398,976	7,471,875	0.
								176,621,317	175,871,193	14.
<b>ishings</b>										
pet 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.
pet 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.
								33,378,569	33,286,831	2.
m n										
Holdings	Revolving Credit Facility	Fixed	—	8.20 %	8.20%	7/2/2017	\$ 25,000,000	25,000,000	25,000,000	2.
<b>ications</b>										
ions,	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.
			1.00 %	6.92 %	7.92%	5/31/2018	\$ 7,938,819	7,859,897	7,895,156	0.



Edgar Filing: TCP Capital Corp. - Form 497

ions,	First Lien FILO Term Loan	LIBOR (Q)									
om	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	
e.											
ty	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.	
nd								25,888,741	25,759,842	2.	
ompany											

**ications**

	First Lien Term Loan	LIBOR (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-16

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

<b>Issuer</b>	<b>Instrument</b>	<b>Ref</b>	<b>Flo</b>	<b>Sp</b>	<b>Cou</b>	<b>Mat</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
-------------	--	---------	---------	---------	------------

**Equipment  
Leasing**

36 <sup>th</sup> Street Capital Partners Holdings, LLC	Membership Units	225,000	225,000	225,000	0.02 % C/E/F
Essex Ocean II, LLC	Membership Units	199,430	199,429	200,686	0.02 % C/F
			424,429	425,686	0.04 %



Edgar Filing: TCP Capital Corp. - Form 497

			2,010,777		—	—
<b>tail</b>						
op Holding, LLC (nnexity)	Class A Units	507,167	480,049	320,682	0.03 %	C/E
op Holding, LLC (nnexity)	Warrants to Purchase Class A Units	326,691	—	8,079	—	C/E
			480,049	328,761	0.03 %	
<b>ftware Publishing</b>						
ckline ermediate, Inc.	Warrants to Purchase Common Stock	1,232,731	\$ 522,678	\$ 1,290,175	0.11 %	C/E
mentum Ultimate ldings, LLC	Class A Common Units	159,515	680,226	680,218	0.05 %	B/C/E
andCloud, Ltd. (ited Kingdom)	Warrants to Purchase Preferred Stock	946,498	79,082	75,247	0.01 %	C/E/H
lidata, Inc.	Warrants to Purchase Stock	29,593	216,336	216,337	0.02 %	C/E
			1,498,322	2,261,977	0.19 %	
<b>red</b>						
<b>ecommunications</b>						
<b>rriers</b>						
egra Telecom, Inc.	Common Stock	1,274,522	8,433,884	5,269,511	0.43 %	C/E
egra Telecom, Inc.	Warrants	346,939	19,919	221,174	0.02 %	C/E
Telecom Investment C.A. (Vivacom) xembourg)	Common Shares	1,393	3,236,256	3,390,093	0.28 %	C/D/E
			11,690,059	8,880,778	0.73 %	
<b>tal Equity</b>						
<b>urities</b>						
			71,334,905	52,384,338	4.30 %	
<b>tal Investments</b>						
			\$ 1,231,707,426	\$ 1,182,919,725		
<b>sh and Cash</b>						
<b>uivalents</b>						
sh Denominated in eign Currencies	€	119,758	733,778	130,081	0.01 %	
sh Held on Account various Institutions	\$	35,499,353	35,499,353	35,499,354	2.91 %	

<b>Cash and Cash Equivalents</b>	36,233,131	35,629,435	2.92 %
<b>Total Cash and 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.

S-F-18

**TABLE OF CONTENTS**

**TCP Capital Corp.**

**Consolidated Schedule of Investments (Continued)**

**December 31, 2015**

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.

Investment denominated in foreign currency. Amortized cost and fair value converted from foreign (D) 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)

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

Non-U.S. company or principal place of business outside the U.S. and as a result the investment is not a (H) 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.

Deemed an investment company under Section 3(c) of the Investment Company Act and as a result the (I) 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.

Publicly traded company with a market capitalization greater than \$250 million and as a result the investment is (J) 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.

(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-19

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

	<b>Three Months Ended March 31,</b>	
	<b>2016</b>	<b>2015</b>
<b>Investment income</b>		
Interest income:		
Companies less than 5% owned	\$ 30,810,782	\$ 30,277,150
Companies 5% to 25% owned	1,532,728	1,108,278
Companies more than 25% owned	531,013	170,825
Lease income:		
Companies more than 25% owned	776,071	291,705
Other income:		
Companies less than 5% owned	938,688	967,395
Total investment income	34,589,282	32,815,353
<b>Operating expenses</b>		
Interest and other debt expenses	5,545,281	4,104,617
Management and advisory fees	4,504,084	4,359,198
Legal fees, professional fees and due diligence expenses	502,695	306,122
Administrative expenses	421,736	392,794
Director fees	107,924	85,089
Insurance expense	100,934	83,477
Custody fees	80,526	70,188
Other operating expenses	455,723	473,386
Total operating expenses	11,718,903	9,874,871
<b>Net investment income</b>	<b>22,870,379</b>	<b>22,940,482</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	(2,943,705 )	(105,868 )
Investments in companies 5% to 25% owned	315,053	395
Investments in companies more than 25% owned	—	19,167
Net realized loss	(2,628,652 )	(86,306 )
Change in net unrealized appreciation/depreciation	(4,194,601 )	521,860
Net realized and unrealized gain (loss)	(6,823,253 )	435,554
<b>Net increase in net assets from operations</b>	<b>16,047,126</b>	<b>23,376,036</b>
Dividends on Series A preferred equity facility	—	(362,673 )
Net change in accumulated dividends on Series A preferred equity facility	—	20,734
Distributions of incentive allocation to the General Partner from:		

Edgar Filing: TCP Capital Corp. - Form 497

Net investment income	(4,574,076 )	(4,519,709 )
<b>Net increase in net assets applicable to common shareholders resulting from operations</b>	<b>\$ 11,473,050</b>	<b>\$ 18,514,388</b>
<b>Basic and diluted earnings per common share</b>	<b>\$ 0.24</b>	<b>\$ 0.38</b>
<b>Basic and diluted weighted average common shares outstanding</b>	<b>48,746,521</b>	<b>48,711,437</b>

*See accompanying notes to the consolidated financial statements.*

S-F-20

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

	<b>Common Stock Shares</b>	<b>Common Stock Par Amount</b>	<b>Paid in Capital in Excess of Par</b>	<b>Accumulated Net Investment Income</b>	<b>Accumulated Net Realized Losses</b>	<b>Accumulated Non- Net Unrealized Depreciation</b>	<b>Non- controlling Interest</b>	<b>Total Net Assets</b>
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 shareholders	—	—	—	(70,377,144 )	—	—	—	(70,377,144 )
Tax reclassification of stockholders'	—	—	(876,706 )	(9,044,382 )	9,921,088	—	—	—

equity in accordance with generally accepted accounting principles									
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 from dividend reinvestment plan	154	—	2,291	—	—	—	—	2,291	
Repurchase of common stock	(140,596 )	(140 )	(1,860,597 )	—	—	—	—	(1,860,737 )	
Net investment income	—	—	—	22,870,379	—	—	—	22,870,379	
Net realized and unrealized loss	—	—	—	—	(4,194,601 )	(2,628,652 )	—	(6,823,253 )	
General Partner incentive allocation	—	—	—	(4,574,076 )	—	—	—	(4,574,076 )	
Regular dividends paid to common shareholders	—	—	—	(17,530,963 )	—	—	—	(17,530,963 )	
Balance at March 31, 2016	48,694,292	\$ 48,694	\$ 876,525,050	\$ 23,027,133	\$ (136,678,194 )	\$ (48,862,025 )	\$ —	\$ 714,060,658	

*See accompanying notes to the consolidated financial statements.*

S-F-21

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

	<b>Three Months Ended March 31,</b>	
	<b>2016</b>	<b>2015</b>
<b>Operating activities</b>		
Net increase in net assets applicable to common shareholders resulting from operations	\$ 11,473,050	\$ 18,514,388
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	2,628,652	86,306
Change in net unrealized appreciation/depreciation of investments	4,197,741	(619,193 )
Dividends paid on Series A preferred equity facility	—	362,673
Net change in accumulated dividends on Series A preferred equity facility	—	(20,734 )
Accretion of original issue discount on investments	(2,376,605 )	(1,468,582 )
Net accretion of market discount/premium	(114,144 )	(50,789 )
Accretion of original issue discount on convertible debt	107,594	101,664
Interest and dividend income paid in kind	(1,701,577 )	(1,327,819 )
Amortization of deferred debt issuance costs	631,010	560,246
Changes in assets and liabilities:		
Purchases of investment securities	(112,636,204 )	(105,494,037 )
Proceeds from sales, maturities and pay downs of investments	66,139,802	50,432,745
Increase in accrued interest income - companies less than 5% owned	(1,190,865 )	(2,741,907 )
Increase in accrued interest income - companies 5% to 25% owned	(1,011,550 )	(257,338 )
Decrease (increase) in accrued interest income - companies more than 25% owned	(480,715 )	3,550
Decrease in receivable for investments sold	—	5,851,369
Decrease (increase) in prepaid expenses and other assets	1,096,429	(783,495 )
Decrease in payable for investments purchased	(1,139,843 )	(2,049,518 )
Increase (decrease) in incentive allocation payable	(633,530 )	216,669
Increase in interest payable	1,240,132	1,522,168
Increase in payable to the Advisor	174,636	239,056
Decrease in accrued expenses and other liabilities	(1,002,556 )	(586,751 )
Net cash used in operating activities	(34,598,543 )	(37,509,329 )
<b>Financing activities</b>		
Borrowings	101,700,000	64,000,000
Repayments of debt	(60,500,000 )	(10,000,000 )

Edgar Filing: TCP Capital Corp. - Form 497

Payments of debt issuance costs	(150,350 )	(500,000 )
Dividends paid on Series A preferred equity facility	—	(362,673 )
Regular dividends paid to common shareholders	(17,530,963 )	(17,535,826 )
Repurchase of common shares	(1,860,737 )	—
Proceeds from shares issued in connection with dividend reinvestment plan	2,291	1,959
Proceeds from common shares sold, net of underwriting and offering costs	—	202,624
Net cash provided by financing activities	21,660,241	35,806,084
Net decrease in cash and cash equivalents	(12,938,302 )	(1,703,245 )
Cash and cash equivalents at beginning of period	35,629,435	27,268,792
Cash and cash equivalents at end of period	\$ 22,691,133	\$ 25,565,547
<b>Supplemental cash flow information</b>		
Interest payments	\$ 3,345,864	\$ 1,599,017
Excise tax payments	\$ 877,879	\$ 877,879

*See accompanying notes to the consolidated financial statements.*

S-F-22

TABLE OF CONTENTS**TCP Capital Corp.****Notes to Consolidated Financial Statements (Unaudited)****March 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 SVOF/MM, LLC, which also serves as the administrator of 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 Company 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 six persons, four 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-23

TABLE OF CONTENTS

**TCP Capital Corp.**

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

**March 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 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 affirmative pricing or quotations from independent third-party sources, with the exception of investments priced directly by the Advisor which together comprise, in total, 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 boards of directors.

Pursuant to this policy, investment professionals of the Advisor provide 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 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

S-F-24

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

and cannot reasonably be determined until the individual investments are actually liquidated. The foregoing policies apply to all investments, including those 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 March 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 *	60,950,863	41,247,545	—
3 Independent third-party valuation sources that employ significant unobservable inputs	974,241,847	96,551,748	51,794,409
3 Advisor valuations with significant unobservable inputs	316,437	—	2,041,779

Edgar Filing: TCP Capital Corp. - Form 497

Total	\$ 1,035,509,147	\$ 137,799,293	\$ 53,836,188
-------	------------------	----------------	---------------

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

S-F-25

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

Unobservable inputs used in the fair value measurement of Level 3 investments as of March 31, 2016 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	\$ 749,589,533	Income approach	Discount rate	4.5% – 18.5% (11.9%)
	167,755,462	Market quotations	Indicative bid/ask quotes	1 – 4 (1)
	39,933,227	Market comparable companies	Revenue multiples	0.3x – 4.0x (2.2x)
	17,280,062	Market comparable companies	EBITDA multiples	4.8x – 11.5x (8.6x)
Other Corporate Debt	87,283,748	Market quotations	Indicative bid/ask quotes	1 – 2 (1)
	9,268,000	Market comparable companies	EBITDA multiples	7.8x (7.8x)
Equity	7,978,350	Income approach	Discount rate	5.8% – 26.2% (7.8%)
	18,587,029	Market quotations	Indicative bid/ask quotes	1 – 2 (1)
	3,397,775	Market comparable companies	Revenue multiples	0.3x – 6.0x (2.9x)
	23,873,034	Market comparable companies	EBITDA multiples	4.4x – 11.5x (7.0x)
	\$ 1,124,946,220			

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

<b>Input</b>	<b>Impact to Value if Input Increases</b>	<b>Impact to Value if Input Decreases</b>
Discount rate	Decrease	Increase
Revenue multiples	Increase	Decrease
EBITDA multiples	Increase	Decrease

Changes in investments categorized as Level 3 during the three months ended March 31, 2016 were as follows:

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

Edgar Filing: TCP Capital Corp. - Form 497

		<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)	(500,731 )	(1,814,130 )	(1,824,669 )
Acquisitions *	96,257,687	9,051,348	6,573,744
Dispositions	(61,198,449 )	—	(2,910,789 )
Transfers into Level 3 †	31,716,003	—	—
Ending balance	\$ 974,241,847	\$ 96,551,748	\$ 51,794,409

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)

\$ (323,387 )	\$ (1,814,130 )	\$ (1,905,613 )
---------------	-----------------	-----------------

\* Includes payments received in kind

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

S-F-26

TABLE OF CONTENTS**TCP Capital Corp.****Notes to Consolidated Financial Statements (Unaudited) (Continued)****March 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 losses	(756,370 )	—	(71,628 )
Acquisitions *	1,050,297	—	243
Dispositions	(1,101,994 )	—	(315,053 )
Ending balance	\$ 316,437	\$ —	\$ 2,041,779

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) \$ (714,303 ) \$ — \$ (386,681 )

\* Includes payments received in kind

There were no transfers between Level 1 and 2 during the three months ended March 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	4.2% – 18.9% (11.8%)
	140,033,088	Market quotations		1 – 5 (1)



Edgar Filing: TCP Capital Corp. - Form 497

			Indicative bid/ask quotes
	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-27

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

Changes in investments categorized as Level 3 during the three months ended March 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)	(3,621,932 )	(351,837 )	1,150,788
Acquisitions *	107,285,828	—	825,325
Dispositions	(40,440,792 )	(2,516,390 )	(593,866 )
Transfers out of Level 3 †	(21,353,175 )	(6,818,440 )	—
Transfers into Level 3 ‡	13,790,000	51,247,225	—
Reclassifications within Level 3 §	60,000	4,611,178	—
Ending balance	\$ 896,258,108	\$ 102,793,711	\$ 32,000,389

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)

\$ (3,853,899 )    \$ (408,035 )    \$ 1,150,788

\* Includes payments received in kind

† Comprised of three 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 Investment Manager Valuation and one that reclassified to Investment Manager 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 losses	(61,492 )	—	350,184
Acquisitions *	8,992	—	—
Dispositions	—	—	—
Reclassifications within Level 3 †	(60,000 )	(4,611,178 )	—
Ending balance	\$ (112,500 ) ‡	\$ —	\$ 2,674,813

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)

\$ (61,492 )    \$ —    \$ 350,183

\* Includes payments received in kind.

† Comprised of one investment that reclassified to Independent Third-Party Valuation and one that reclassified from Independent Third-Party Valuation.

‡ Negative balance relates to an unfunded commitment that was acquired and valued at a discount.

There were no transfers between Level 1 and 2 during the three months ended March 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.

S-F-28

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

*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 1.4% and 1.4% of total investments at March 31, 2016 and December 31, 2015, respectively. Such positions were converted at the respective closing foreign exchange rates in effect at March 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 has entered into certain swap and option transactions. All derivatives are reported at their gross amounts as either assets or liabilities in the Consolidated Statements of Assets and Liabilities. The 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 currency relative to the U.S. dollar. The Company is required under the terms of its derivative agreement to pledge assets as collateral to secure its obligation under the derivatives. As of March 31, 2016, \$0.5 million of cash was pledged as collateral under the Company's derivative instruments, and was included in cash and cash equivalents in the Consolidated Statements of Assets and Liabilities.

During the three months ended March 31, 2016, the Company entered into a GBP put option with a notional amount of £2.7 million. At March 31, 2016, the Company also 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 put option and

S-F-29

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

interest rate cap are reported in the Consolidated Statements of Assets and Liabilities as options. The cross currency basis swap is reported in the Consolidated Statements of Assets and Liabilities as unrealized appreciation on swaps. Gains and losses from derivatives during the three months ended March 31, 2016 were included in net realized and unrealized 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	\$ —	\$ (46,965 )
Cross currency basis swap	—	(594,927 )
Interest rate cap	—	—

The Company did not enter into any new derivative transactions during the three months ended March 31, 2015. At March 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 \$4.3 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 three months ended March 31, 2015 were included in net realized and unrealized 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	\$ —	\$ 1,633,166
Interest rate cap	—	(426 )

Valuations of derivatives held at March 31, 2016 and 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.

***Debt Issuance Costs***

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 \$0.2 million and \$0.4 million were incurred during the three months ended March 31, 2016 and year ended December 31, 2015, respectively, in connection with placing the SBIC's 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 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.

S-F-30

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

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 March 31, 2016, all tax years of the Company, the Operating Company, TCPC Funding and the SBIC since January 1, 2012 remain subject to examination by federal tax authorities. No such examinations are currently pending.

Cost and unrealized appreciation and depreciation of the Operating Company's investments (including derivatives) for U.S. federal income tax purposes at March 31, 2016 and December 31, 2015 were as follows:

	<b>March 31, 2016</b>	<b>December 31, 2015</b>
Unrealized appreciation	\$ 30,264,463	\$ 30,920,149
Unrealized depreciation	(80,025,245 )	(79,759,600 )
Net unrealized depreciation	\$ (49,760,782 )	\$ (48,839,451 )
Cost	\$ 1,279,539,925	\$ 1,231,759,176

***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*, which amends or supersedes the scope and consolidation pronouncement under existing GAAP. 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

S-F-31

TABLE OF CONTENTS**TCP Capital Corp.****Notes to Consolidated Financial Statements (Unaudited) (Continued)****March 31, 2016**

ASUs resulted in the reclassification of \$4.1 million and \$4.2 million of 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 as of March 31, 2016 and December 31, 2015, respectively, on 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 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 that may impact the Company include 1) eliminate the requirement to disclose the method(s) and significant assumptions used to estimate the fair value of financial instruments measured at amortized cost, 2) require public entities to use the exit price notion when measuring the fair value of financial instruments for disclosure purposes and 3) require 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, and is reported as a non-controlling interest in the consolidated financial statements of the Company. As of March 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.

S-F-32

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

Leverage is comprised of convertible senior unsecured notes issued by the Company (the **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** ).

Total leverage outstanding and available at March 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+1.75	% <sup>†</sup>	\$ 44,000,000	\$ 72,000,000	\$ 116,000,000	
Term Loan	2018	L+1.75	% <sup>†</sup>	100,500,000	—	100,500,000	
Convertible Notes (\$108 million par)	2019	5.25	%	106,217,915	—	106,217,915	
TCPC Funding Facility	2020	L+2.50	% <sup>‡</sup>	244,000,000	106,000,000	350,000,000	
SBA Debentures	2024-2025	2.81	% <sup>§</sup>	49,000,000	26,000,000	75,000,000	**
Total leverage				543,717,915	\$ 204,000,000	\$ 747,717,915	
Unamortized issuance costs				(4,122,609 )			
Debt, net of unamortized issuance costs				\$ 539,595,306			

\* 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 \$42.8 million, excluding fees of 0.36%. As of March 31, 2016, the remaining \$6.2 million of the outstanding amount was not yet pooled, and bore interest at a temporary rate of 1.20% plus fees of 0.36% through September 23, 2016, the date of the next SBA pooling.

\*\* Anticipated total capacity of \$150.0 million, subject to approval by the SBA following complete funding of the Operating Company's initial \$75.0 million commitment.

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

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	
Convertible Notes (\$108 million par)	2019	5.25	%	106,110,321	—	106,110,321	
TCPC Funding Facility	2020	L+2.50	% <sup>‡</sup>	229,000,000	121,000,000	350,000,000	
SBA Debentures	2024-2025	2.81	% <sup>§</sup>	42,800,000	32,200,000	75,000,000	**
Total leverage				502,410,321	\$ 245,200,000	\$ 747,610,321	
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.

\*\* Anticipated total capacity of \$150.0 million, subject to approval by the SBA following complete funding of the Operating Company's initial \$75.0 million commitment.

The combined weighted-average interest and dividend rates on total leverage outstanding at March 31, 2016 and December 31, 2015 were 3.28% and 3.20%, respectively.

Total expenses related to debt include:

	<b>Three Months Ended March 31,</b>	
	<b>2016</b>	<b>2015</b>
Interest expense	\$ 4,693,590	\$ 3,222,849
Amortization of deferred debt issuance costs	631,010	560,246
Commitment fees	220,681	321,522
Total	\$ 5,545,281	\$ 4,104,617

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 March 31, 2016, the estimated fair values of the TCPC Funding Facility and the SBA Debentures approximated their carrying values, and the SVCP Facility and the Convertible Notes had estimated fair values of \$143.4 million and \$109.3 million, respectively. The estimated fair values of the SVCP Facility, the TCPC Funding Facility, the Convertible Notes and the SBA Debentures are 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. At March 31, 2016, the 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.

S-F-34

TABLE OF CONTENTS**TCP Capital Corp.****Notes to Consolidated Financial Statements (Unaudited) (Continued)****March 31, 2016****4. Leverage – (continued)***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 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 Convertible Notes prior to maturity. The Convertible Notes bear interest at an annual rate of 5.25%, payable semi-annually. In certain circumstances, the 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 of the Convertible Notes, 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 March 31, 2016, the principal amount of the 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 Convertible Notes only under certain circumstances set forth in the indenture governing the terms of the Convertible Notes (the "Indenture"). 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 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 Convertible Notes are accounted for in accordance with ASC Topic 470-20 – *Debt with Conversion and Other Options*. Upon conversion of any Convertible Note, 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 Indenture. The Company has determined that the embedded conversion option in the Convertible Notes is not required to be separately accounted for as a derivative under GAAP. At the time of issuance the estimated values of the debt and equity components of the Convertible Notes were approximately 97.7% and 2.3%, respectively.

The original issue discount equal to the equity component of the Convertible Notes was recorded in paid-in capital in excess of par in the accompanying Consolidated Statements of Assets and Liabilities. As a result, the Company will record interest expense comprised of both stated interest and accretion of the original issue discount. At the time of issuance, the equity component was \$2.5 million. As of March 31, 2016 and December 31, 2015, the components of the carrying value of the Convertible Notes were as follows:

	<b>March 31, 2016</b>	<b>December 31, 2015</b>
Principal amount of debt	\$ 108,000,000	\$ 108,000,000

Edgar Filing: TCP Capital Corp. - Form 497

Original issue discount, net of accretion	(1,782,085 )	(1,889,679 )
Carrying value of debt	\$ 106,217,915	\$ 106,110,321

S-F-35



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

For the three months ended March 31, 2016 and 2015, the components of interest expense for the Convertible Notes were as follows:

	<b>Three Months Ended March 31,</b>	
	<b>2016</b>	<b>2015</b>
Stated interest expense	\$ 1,417,500	\$ 1,417,500
Accretion of original issue discount	107,594	101,664
Total interest expense	\$ 1,525,094	\$ 1,519,164

The estimated effective interest rate of the debt component of the Convertible Notes, equal to the stated interest of 5.25% plus the accretion of the original issue discount, was approximately 5.75% for the three months ended March 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 bear 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 will 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 March 31, 2016, the Operating Company was in full compliance with such covenants.

***SBA Debentures***

As of March 31, 2016 the SBIC is able to issue up to \$75.0 million in SBA Debentures, subject to funded regulatory capital and other customary regulatory requirements. As of March 31, 2016, the Operating Company had committed \$75.0 million of regulatory capital to the SBIC, \$61.0 million 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-36

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

SBA Debentures outstanding as of March 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>
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 %
December 18, 2015	March 1, 2026	4,000,000	2.51 %	0.36 %
		42,800,000	2.81 %*	
Non-pooled loans:				
March 25, 2016	September 21, 2016	6,200,000	1.20 %	0.36 %
		\$ 49,000,000		

\* 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 March 31, 2016, TCPC Funding was in full compliance with such covenants.

***Preferred Interests***

During 2015, the Operating Company fully repurchased and retired all outstanding Preferred Interests. 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.

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).

S-F-37

TABLE OF CONTENTS**TCP Capital Corp.****Notes to Consolidated Financial Statements (Unaudited) (Continued)****March 31, 2016****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.

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

<b>Issuer</b>	<b>Maturity</b>	<b>Unfunded Balances</b>	
		<b>March 31, 2016</b>	<b>December 31, 2015</b>
AP Gaming I, LLC	12/20/2018	\$ 12,500,000	\$ 12,500,000
Acrisure, LLC	11/19/2022	6,000,000	1,351,596
Alpheus Communications, LLC	5/31/2018	1,072,256	1,072,256
Anuvia Plant Nutrients Holdings, LLC (VitAG)	2/1/2018	N/A	4,300,000
Asset International, Inc.	7/31/2020	N/A	565,544
BlackLine Systems, Inc.	9/25/2018	3,740,693	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	10,000,000	20,000,000
Edmentum, Inc.	6/9/2020	2,189,581	3,368,586
Enerwise Global Technologies, Inc.	11/30/2017	7,500,000	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
InMobi, Inc.	9/1/2018	7,500,000	9,354,959
MediMedia USA, Inc.	5/20/2018	5,657,500	4,293,500
Mesa Air Group, Inc.	7/15/2022	13,575,000	13,575,000
Nanosys, Inc.	4/1/19	3,000,000	N/A

Edgar Filing: TCP Capital Corp. - Form 497

Redaptive, Inc.	7/1/2018	15,000,000	15,000,000
RM OpCo, LLC (Real Mex)	3/30/2018	440,774	440,774
Utilidata, Inc.	1/1/2019	4,800,000	4,800,000
Vistrionix, LLC	12/4/2018	N/A	205,558
Waterfall International, Inc.	9/1/2018	N/A	3,200,000
Total Unfunded Balances		\$ 92,975,804	\$ 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 March 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

S-F-38

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

Company and receives reimbursement from the Company and the Operating Company. At March 31, 2016 and December 31, 2015, amounts reimbursable to the Advisor totaled \$0.7 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 three months ended March 31, 2016 and 2015, expenses allocated pursuant to the Administration Agreements totaled \$0.4 million and \$0.4 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 three months ended March 31, 2016 and 2015, the Company purchased approximately \$0.0 million and \$63.6 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 three months ended March 31, 2016.

	<b>Shares Issued</b>	<b>Price Per Share</b>	<b>Net Proceeds</b>
Shares issued from dividend reinvestment plan	154	\$ 14.88 *	\$ 2,291
		* Weighted-average price per share	

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

Edgar Filing: TCP Capital Corp. - Form 497

\* Weighted-average price per share

The Company's dividends are recorded on the ex-dividend date. The following table summarizes the Company's dividends declared and paid for the three months ended March 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

S-F-39



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

The following table summarizes the Company's dividends declared and paid for the three months ended March 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

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 February 24, 2016, and, unless further extended or terminated by the Company's board of directors, the Company expects that the Company Repurchase Plan will be in effect through the earlier of two trading days after the Company's first quarter 2016 earnings release 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 three months ended March 31, 2016.

	<b>Shares Repurchased</b>	<b>Price Per Share</b>	<b>Total Cost</b>
Company Repurchase Plan	140,596	\$ 13.23 *	\$ 1,860,737
	* 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 three months ended March 31, 2016 and 2015:

**Three Months Ended March 31,**

Edgar Filing: TCP Capital Corp. - Form 497

	<b>2016</b>	<b>2015</b>
Net increase in net assets applicable to common shareholders resulting from operations	\$ 11,473,050	\$ 18,514,388
Weighted average shares outstanding	48,746,521	48,711,437
Earnings per share	\$ 0.24	\$ 0.38

S-F-40

TABLE OF CONTENTS**TCP Capital Corp.****Notes to Consolidated Financial Statements (Unaudited) (Continued)****March 31, 2016****9. Subsequent Events**

On April 18, 2016, the Company issued \$30.0 million in aggregate principal amount of a 5.25% convertible note due 2021 (the Note) pursuant to a purchase agreement, dated as of April 18, 2016, between the Company and CNO Financial Investments Corp. The conversion price is 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. There were no placement agent or underwriting fees in connection with the transaction. The Note will mature on April 30, 2021, unless previously converted. The holder may convert the Note at its option 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. Additionally, the Note will be automatically converted 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 has been 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.

On May 4, 2016, 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 second quarter 2016 earnings release or such time as the approved \$50.0 million repurchase amount has been fully utilized, subject to certain conditions.

On May 10, 2016, the Company's board of directors declared a second quarter regular dividend of \$0.36 per share payable on June 30, 2016 to stockholders of record as of the close of business on June 16, 2016.

**10. Financial Highlights**

	<b>Three Months Ended March 31,</b>	
	<b>2016</b>	<b>2015</b>
<i>Per Common Share</i>		
Per share NAV at beginning of period	\$ 14.78	\$ 15.01
Investment operations:		
Net investment income	0.47	0.47
Net realized and unrealized losses	(0.14 )	0.01
Dividends on Series A preferred equity facility	—	(0.01 )
Incentive allocation reserve and distributions	(0.09 )	(0.09 )
Total from investment operations	0.24	0.38
Distributions to common shareholders from:		
Net investment income	(0.36 )	(0.36 )
Per share NAV at end of period	\$ 14.66	\$ 15.03

Edgar Filing: TCP Capital Corp. - Form 497

Per share market price at end of period	\$	14.91	\$	16.02
Total return based on market value <sup>(1), (2)</sup>		9.6	%	(2.4 %)
Total return based on net asset value <sup>(1), (3)</sup>		1.6	%	2.5 %
Shares outstanding at end of period		48,694,292		48,723,549

S-F-41

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

	<b>Three Months Ended March 31,</b>			
	<b>2016</b>		<b>2015</b>	
Ratios to average common equity: <sup>(4), (5)</sup>				
Net investment income <sup>(6)</sup>	12.1	%	12.1	%
Expenses	6.5	%	5.5	%
Expenses and incentive allocation <sup>(7)</sup>	7.1	%	6.1	%
Ending common shareholder equity	\$ 714,060,658		\$ 732,312,173	
Portfolio turnover rate	5.5	%	4.3	%
Weighted-average leverage outstanding <sup>(8)</sup>	\$ 522,385,092		\$ 483,587,403	
Weighted-average interest rate on leverage <sup>(9)</sup>	3.6	%	3.0	%
Weighted-average number of common shares	48,746,521		48,711,437	
Average leverage per share <sup>(8)</sup>	\$ 10.72		\$ 9.93	

(1) Not annualized.

Total return based on market value equals the change in ending market value per share during the period plus (2) declared dividends per share during the period, divided by the market value per share at the beginning of the period.

Total return based on net asset value equals the change in net asset value per share during the period plus declared (3) dividends per share during the period, divided by the beginning net asset value per share at the beginning of the period.

(4) Annualized, except for incentive allocation.

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

(6) Net of incentive allocation.

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

(8) Includes both debt and preferred leverage.

(9) Includes dividends on the preferred leverage facility.

S-F-42

TABLE OF CONTENTS**TCP Capital Corp.****Consolidated Schedule of Changes in Investments in Affiliates<sup>(1)</sup> (Unaudited)****Three Months Ended March 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 March 31, 2016</b>
36 <sup>th</sup> Street Capital Partners Holdings, LLC, Membership Units	\$ —	\$ 225,000	\$ 2,325,282	\$ —	\$ 2,550,282
36 <sup>th</sup> Street Capital Partners Holdings, LLC, Subordinated Promissory Note, 12%, due 11/1/20	455,430	900,000	9,051,348	—	9,951,348
AGY Holding Corp., Senior Secured 2 <sup>nd</sup> Lien Notes, 11%, due 11/15/16	254,870	9,268,000	—	—	9,268,000
AGY Holding Corp., Senior Secured Term Loan, 12%, due 9/15/16	147,711	4,869,577	—	—	4,869,577
Anacomp, Inc., Class A Common Stock	—	1,581,964	—	—	1,581,964
Edmentum Ultimate Holdings, LLC, Junior PIK Notes, 10%, due 6/9/20	330,427	11,343,490	325,211	(38,473 )	11,630,228
Edmentum Ultimate Holdings, LLC, Senior PIK Notes, 8.5%, due 6/9/20	56,965	2,612,408	56,131	—	2,668,539
Edmentum, Inc., Junior Revolving Facility, 5%, due 6/9/20	4,983	—	1,179,008	—	1,179,008
Edmentum Ultimate Holdings, LLC, Class A Common Units	—	680,218	—	—	680,218
EPMC HoldCo, LLC, Membership Units	—	682,614	—	(367,561 )	315,053
Essex Ocean II, LLC, Membership Units	—	200,686	—	(11,048 )	189,638
Globecomm Systems Inc., Senior Secured 1 <sup>st</sup> Lien Term Loan, LIBOR + 7.625%, 1.25% LIBOR Floor, due 12/11/18	328,627	14,256,233	373	(225,707 )	14,030,899
KAGY Holding Company,	—	6,118,515	45,967	—	6,164,482

## Inc., Series A Preferred Stock

N659UA Aircraft Secured Mortgage, 12%, due 2/28/16	4,554	318,980	—	(318,980 )	—
N661UA Aircraft Secured Mortgage, 12%, due 5/4/16	10,458	570,303	—	(341,008 )	229,295
N913DL Aircraft Secured Mortgage, 8%, due 3/15/17	2,041	115,617	—	(24,422 )	91,195
N918DL Aircraft Secured Mortgage, 8%, due 8/15/18	4,449	237,494	—	(22,118 )	215,376
N954DL Aircraft Secured Mortgage, 8%, due 3/20/19	6,511	342,734	—	(25,446 )	317,288
N955DL Aircraft Secured Mortgage, 8%, due 6/20/19	7,032	369,162	—	(24,534 )	344,628
N956DL Aircraft Secured Mortgage, 8%, due 5/20/19	6,952	365,197	—	(24,942 )	340,255
N957DL Aircraft Secured Mortgage, 8%, due 6/20/19	7,094	372,392	—	(24,752 )	347,640
N959DL Aircraft Secured Mortgage, 8%, due 7/20/19	7,235	379,522	—	(24,562 )	354,960
N960DL Aircraft Secured Mortgage, 8%, due 10/20/19	7,714	403,869	—	(24,188 )	379,681
N961DL Aircraft Secured Mortgage, 8%, due 8/20/19	7,499	393,115	—	(24,783 )	368,332
N976DL Aircraft Secured Mortgage, 8%, due 2/15/18	4,044	218,321	—	(25,541 )	192,780
N913DL Equipment Trust Beneficial Interests	7,516	107,501	375	(3,149 )	104,727
N918DL Equipment Trust Beneficial Interests	6,292	127,662	—	(2,285 )	125,377
N954DL Equipment Trust Beneficial Interests	6,476	77,850	4,095	(2,650 )	79,295
N955DL Equipment Trust Beneficial Interests	6,130	108,100	2,433	(3,246 )	107,287
N956DL Equipment Trust Beneficial Interests	6,192	104,478	2,571	(3,224 )	103,825
N957DL Equipment Trust Beneficial Interests	6,108	105,329	2,637	(3,297 )	104,669
N959DL Equipment Trust Beneficial Interests	6,026	106,203	2,702	(3,369 )	105,536
N960DL Equipment Trust Beneficial Interests	5,762	105,937	3,088	(3,629 )	105,396
N961DL Equipment Trust Beneficial Interests	5,903	101,487	3,159	(3,540 )	101,106
N976DL Equipment Trust Beneficial Interests	6,394	100,793	755	(1,098 )	100,450

Edgar Filing: TCP Capital Corp. - Form 497

RM Holdco, LLC, Equity Participation	—	—	—	—	—
RM Holdco, LLC, Membership Units	—	—	—	—	—
RM OpCo, LLC, Senior Secured 1 <sup>st</sup> Lien Term Loan Tranche A, 7%, due 3/21/16	64,244	3,719,155	1,132,324	—	4,851,479
RM OpCo, LLC, Senior Secured 2 <sup>nd</sup> Lien Term Loan Tranche B, 8.5%, due 3/30/18	193,661	4,490,993	192,253	(509,866 )	4,173,380

S-F-43



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 March 31, 2016</b>
RM OpCo, LLC, Senior Secured 2 <sup>nd</sup> Lien Term Loan Tranche B-1, 8.5%, due 3/30/18	60,990	2,797,956	60,547	—	2,858,503
RM OpCo, LLC, Convertible 2 <sup>nd</sup> Lien Term Loan Tranche B-1, 8.5%, due 3/30/18	42,552	1,783,036	42,269	(3,684 )	1,821,621
RM OpCo, LLC, Senior Convertible 2 <sup>nd</sup> Lien Term Loan B, 8.5%, due 3/30/18	47,698	2,188,233	47,353	—	2,235,586
United N659UA-767, LLC (N659UA)	336,312	3,368,599	379,292	(347,755 )	3,400,136
United N661UA-767, LLC (N661UA)	376,960	3,294,024	375,070	(318,186 )	3,350,908
Wasserstein Cosmos Co-Invest, L.P., Limited Partnership Units	—	4,198,500	—	(477,500 )	3,721,000

*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 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-44

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>
36 <sup>th</sup> Street Capital Partners Holdings, LLC, Membership Units	\$ 15,600	\$ —	\$ 225,000	\$ —	\$ 225,000
36 <sup>th</sup> Street Capital Partners Holdings, LLC, Subordinated Promissory Note, 12%, due 11/1/20	—	—	900,000	—	900,000
AGY Holding Corp., Senior Secured 2 <sup>nd</sup> 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 1 <sup>st</sup> 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

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 1 <sup>st</sup> 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 2 <sup>nd</sup> 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-45

TABLE OF CONTENTS

**Security**