

TCP Capital Corp.  
Form 497  
March 13, 2015

Use these links to rapidly review the document

[TABLE OF CONTENTS OF STATEMENT OF ADDITIONAL INFORMATION](#)

[INDEX TO FINANCIAL STATEMENTS](#)

[TABLE OF CONTENTS](#)

[INDEX TO FINANCIAL STATEMENTS](#)

[TABLE OF CONTENTS](#)

[TABLE OF CONTENTS](#)

[Table of Contents](#)

**Filed pursuant to Rule 497(e)**  
**File No. 333-194669**

**PROSPECTUS SUPPLEMENT**

(To Prospectus dated July 2, 2014)

**Up to \$100,000,000**

**Common Stock**

We are a holding company (the "Holding Company") with no direct operations of our own, and currently our only business and sole asset is our ownership of all of the common limited partner interests in Special Value Continuation Partners, LP (the "Operating Company"), which represents approximately 100% of the common equity and 86.1% of the combined common equity, preferred equity and general partner interests in the Operating Company as of December 31, 2014. 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. The Advisor is a leading investment manager and specialty lender to middle-market companies that had approximately \$6.0 billion in capital commitments from investors ("committed capital") under management as of December 31, 2014, approximately 25% of which consists of our committed capital. SVOF/MM, LLC, an affiliate of the Advisor, is the Operating Company's general partner and provides the administrative services necessary for us to operate.

We have entered into an equity distribution agreement, dated as of October 3, 2014, with each of Raymond James & Associates, Inc. and Cantor Fitzgerald & Co. (each an "Agent" and together the "Agents") under which we may from time to time offer and sell shares of our common stock having an aggregate offering price of up to \$100,000,000

through the Agents, as our agents.

Sales of our common stock, if any, under this prospectus supplement and the accompanying prospectus may be made in negotiated transactions or transactions that are deemed to be "at the market" offerings, including sales made directly on the NASDAQ Global Select Market or sales made to or through a market maker other than on an exchange.

From time to time during the term of the equity distribution agreement, we may deliver a placement notice to one of the Agents specifying the length of the selling period, the amount of shares to be sold and the minimum price below which sales may not be made. Upon an Agent's acceptance of the terms of a placement notice from us, the Agent will use its commercially reasonable efforts, consistent with its sales and trading practices, to solicit offers to purchase our common stock under the terms and subject to the conditions set forth in the equity distribution agreement. The Agents are not required to sell any specific number or dollar amount of common stock. Shares of our common stock to which this prospectus supplement relates will be sold only through one Agent on any given day. The offering of shares of common stock pursuant to the equity distribution agreement will terminate upon the earlier of (1) the sale of shares having an aggregate offering price of \$100,000,000 or (2) the termination of the equity distribution agreement so that neither Agent remains subject thereto. We may also sell our common stock to an Agent as principal for its own account at prices agreed upon at the time of sale. We will pay each Agent a commission for its services in acting as sales agent and/or principal in the sale of shares. Each Agent will be entitled to compensation that will not exceed, but may be up to, 2.0% of the gross sales price of all shares sold through it under the equity distribution agreement. Through March 12, 2015, we have sold 400,255 shares of our common stock pursuant to the equity distribution agreement, having an aggregate offering price of \$6,504,992. As a result, shares of common stock having an aggregate offering price of \$93,495,008, or 5,789,165 shares of common stock based on the last reported closing price for our common stock on March 12, 2015, remain available for sale pursuant to the equity distribution agreement. See "Plan of Distribution" on page S-38 of this prospectus supplement.

Our common stock is traded on the NASDAQ Global Select Market under the symbol "TCPC." The last reported closing price for our common stock on March 12, 2015 was \$16.15 per share. The offering price per share of our common stock sold in this offering less the Agents' commissions or discounts payable by us will not be less than the net asset value per share of our common stock at the time we sell common stock pursuant to this offering.

**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 Statement of Additional Information, dated March 13, 2015, 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 supplement. The Advisor maintains a website at <http://www.tennenbaumcapital.com>, and we make all of our annual, quarterly and current reports, proxy statements and other publicly filed information available, free of charge, on or through this website. You may also obtain free copies of our annual and quarterly reports, request a free copy of the Statement of Additional Information, the table of contents of which is on page S-41 of this prospectus supplement, and make stockholder inquiries by contacting us at Tennenbaum Capital Partners, LLC, c/o Investor Relations, 2951 28th Street, Suite 1000, Santa Monica, California 90405 or by calling us collect at (310) 566-1094. The SEC maintains a website at <http://www.sec.gov> where such information is available without charge upon request. Information contained on our website is not incorporated by reference into this prospectus 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.

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 common stock involves a high degree of risk, including credit risk and the risk of the use of leverage. Before buying any shares of our common stock, you should read the discussion of the material risks of investing in our common stock in "Risks" beginning on page S-10 of this prospectus supplement and on page 23 of the accompanying prospectus.**

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

---

**Raymond James**

Prospectus Supplement dated March 13, 2015

**Cantor Fitzgerald & Co.**

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 the 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, the Advisor or our portfolio companies;

the ability of the 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 the Advisor to attract and retain highly talented professionals;

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

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, and other statements that we may make may 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," "current," "intention," "estimate," "position," "assume," "potential," "outlook," "continue," "remain," "maintain," "sustain," "seek," "achieve" and similar expressions, or future or conditional verbs such as "will," "would," "should," "could," "may" or similar expressions.

Forward-looking statements are subject to numerous assumptions, risks and uncertainties, which change over time. Forward-looking statements speak only as of the date they are made, and we assume no duty to and do not undertake to update forward-looking statements. These forward-looking statements do not meet the safe harbor for forward-looking statements pursuant to Section 27A of the Securities Act of 1933 (the "Securities Act") or Section 21E of

S-i

---

Table of Contents

the Securities Exchange Act of 1934 (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 Statement of Additional Information, dated March 13, 2015, or SAI, incorporated by reference in its entirety in the accompanying prospectus, and the documents incorporated by reference herein or therein. We have not, and the Agents have not, authorized any other person to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. We are not, and the Agents 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.

Table of Contents

**TABLE OF CONTENTS**

**PROSPECTUS SUPPLEMENT**

<u>PROSPECTUS SUMMARY</u>	<u>S-1</u>
<u>FEES AND EXPENSES</u>	<u>S-5</u>
<u>SELECTED FINANCIAL DATA</u>	<u>S-8</u>
<u>RISKS</u>	<u>S-10</u>
<u>MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS</u>	<u>S-14</u>
<u>QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK</u>	<u>S-31</u>
<u>USE OF PROCEEDS</u>	<u>S-32</u>
<u>PRICE RANGE OF COMMON STOCK</u>	<u>S-33</u>
<u>CAPITALIZATION</u>	<u>S-34</u>
<u>SENIOR SECURITIES</u>	<u>S-35</u>
<u>SUPPLEMENT TO U.S. FEDERAL INCOME TAX MATTERS</u>	<u>S-37</u>
<u>PLAN OF DISTRIBUTION</u>	<u>S-38</u>
<u>LEGAL MATTERS</u>	<u>S-40</u>
<u>ADDITIONAL INFORMATION</u>	<u>S-40</u>
<u>TABLE OF CONTENTS OF STATEMENT OF ADDITIONAL INFORMATION</u>	<u>S-41</u>
<u>INDEX TO FINANCIAL STATEMENTS</u>	<u>S-F-1</u>

**PROSPECTUS**

<u>About this Prospectus</u>	<u>iii</u>
<u>Prospectus Summary</u>	<u>1</u>
<u>Fees and Expenses</u>	<u>18</u>
<u>Selected Financial Data</u>	<u>21</u>
<u>Risks</u>	<u>23</u>
<u>Special Note Regarding Forward-Looking Statements</u>	<u>55</u>
<u>Use of Proceeds</u>	<u>56</u>
<u>Senior Securities</u>	<u>57</u>
<u>Price Range of Common Stock</u>	<u>58</u>
<u>The Company</u>	<u>59</u>
<u>Management's Discussion and Analysis of Financial Condition and Results of Operations</u>	<u>72</u>
<u>Quantitative and Qualitative Disclosure About Market Risk</u>	<u>89</u>
<u>Investment Portfolio</u>	<u>90</u>
<u>Management of the Company</u>	<u>103</u>
<u>Sales of Common Stock Below Net Asset Value</u>	<u>115</u>
<u>Description of Our Capital Stock</u>	<u>121</u>
<u>Description of Our Preferred Stock</u>	<u>130</u>
<u>Description of Our Debt Securities</u>	<u>131</u>
<u>Description of Our Subscription Rights</u>	<u>145</u>
<u>Description of Our Warrants</u>	<u>147</u>
<u>U.S. Federal Income Tax Matters</u>	<u>149</u>
<u>Plan of Distribution</u>	<u>158</u>
<u>Custodian</u>	<u>161</u>
<u>Transfer Agent</u>	<u>161</u>
<u>Legal Matters</u>	<u>161</u>
<u>Independent Registered Public Accounting Firm</u>	<u>161</u>
<u>Additional Information</u>	<u>161</u>
<u>Privacy Principles</u>	<u>162</u>
<u>Table of Contents of Statement of Additional Information</u>	<u>163</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 Statement of Additional Information dated March 13, 2015 (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 the Advisor and administrator of the Holding Company and the Operating Company.*

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

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



Table of Contents

**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 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 as well as small businesses which meet the "small" enterprise definition of the rules and regulations of the Small Business Administration (the "SBA"). 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 the Advisor, including its diverse in-house skills, proprietary deal flow, and consistent and rigorous investment process focused on established, middle-market companies. We expect to generate returns through a combination of the receipt of contractual interest payments on debt investments and origination and similar fees, and, to a lesser extent, equity appreciation through options, warrants, conversion rights or direct equity investments. Substantially all of our operating history and performance results have been achieved through our predecessor, Special Value Continuation Fund, LLC, which was a registered investment company but was neither a business development company nor a publicly traded company. 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".

To achieve our investment objectives, we intend to focus on a subset of the broader investment strategies historically pursued by the Advisor. Our primary investment focus is the ongoing origination of and investments in leveraged loans of performing middle-market companies as well as small businesses. For the purposes of this prospectus supplement, the term "leveraged loans" refers to senior debt investments that rank ahead of subordinated debt and that generally have the benefit of security interests in the assets of the borrower.

Our investments generally range from \$10 million to \$40 million per company, the size of which may grow over time in proportion with our capital base. We expect to generate current returns through a combination of the receipt of contractual interest payments on debt investments and origination and similar fees, and, to a lesser extent, equity appreciation through options, warrants, conversion rights or direct equity investments. We often receive equity interests such as preferred or common stock and warrants or options in connection with our debt investments. From time to time we may also use other investment strategies, which are not our primary focus, to attempt to enhance the overall return of our portfolio. These investment strategies may include, but are not limited to, the purchase of discounted debt, opportunistic investments, and financial instruments to hedge currency or interest rate risk associated with our portfolio.

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

Table of Contents

Operating Company. Our investment activities are externally managed by the Advisor. 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 (the "Code").

As of December 31, 2014, we held investments in 84 portfolio companies. The aggregate fair value as of December 31, 2014 of investments in these portfolio companies was approximately \$1,147 million. Our portfolio across all our long-term debt investments had a weighted average annual effective yield of 10.9% as of December 31, 2014. In addition to the annual stated interest rate, this figure includes amortization of deferred debt origination fees and accretion of original issue discount, but excludes market discount, any prepayment and make-whole fee income, and any debt investments on non-accrual status.

**Recent Developments**

From January 1, 2015 through March 6, 2015, the Operating Company has invested approximately \$93.0 million in two senior secured loans and seven add-on investments with a combined effective yield of approximately 12.2%. \$63.6 million of those investments were purchased from affiliates. All of the transfers were consummated at fair value in accordance with the provisions of the Exemptive Order as discussed in Note 6 to the consolidated financial statements.

On February 24, 2015, the Company's board of directors approved a stock repurchase plan (the "Company 10b5-1 Plan") to acquire up to \$50 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 10b5-1 Plan is designed to allow TCPC to repurchase its common stock at times when it otherwise might be prevented from doing so under insider trading laws. The Company 10b5-1 Plan will require an agent selected by TCPC to repurchase shares of common stock on TCPC'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 TCPC's common stock declines, subject to volume restrictions. The timing and amount of any stock repurchases will depend on the terms and conditions of the Company 10b5-1 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.

Unless extended or terminated by its board of directors, TCPC expects that the Company 10b5-1 Plan will be in effect through the earlier of two trading days after TCPC's first quarter 2015 earnings release or such time as the approved \$50 million repurchase amount has been fully utilized, subject to certain conditions.

On March 6, 2015, the Company expanded the TCPC Funding Facility by \$50 million to \$300 million, increased the accordion feature by \$50 million to \$350 million and extended the maturity date to March 6, 2019.

On March 10, 2015, the Company's board of directors declared a first quarter regular dividend of \$0.36 per share payable on March 31, 2015 to stockholders of record as of the close of business on March 19, 2015.

Table of Contents

**Determinations of Net Asset Value In Connection with the Offering**

The offering price per share of our common stock sold in this offering, less the Agents' commissions or discounts payable by us, will not be less than the net asset value per share of our common stock as determined by a committee of our board of directors within 48 hours of the time of sale. 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, based on input from our Advisor and the audit committee of our board of directors. In connection with this offering, a committee of our board of directors will determine that we are not selling shares of our common stock at a price per share, after deducting the Agents' commissions or discounts, below the then current net asset value of our common stock. Therefore at such times as we are selling shares in this offering, a committee of our board, based on the input of our Advisor and in accordance with valuation procedures adopted by the board of directors, will periodically determine our net asset value on an interim basis between quarterly net asset value determinations. Our valuation procedures provide that our Advisor will give the committee of the board an updated net asset value recommendation, determined based on the net asset value of our common stock most recently disclosed by us in the most recent periodic report that we filed with the SEC and adjusted based on all factors that our Advisor determines to be relevant, including the realization of net gains on the sale of our portfolio investments and our Advisor's assessment of material changes, if any, in the fair value of our portfolio investments since the prior quarterly net asset value determination. Such interim net asset value calculations will occur within 48 hours of a sale of any shares in this offering.

**Company Information**

Our administrative and executive offices are located at 2951 28th Street, Suite 1000, Santa Monica, CA 90405, and our telephone number is (310) 566-1094. The Advisor maintains a website at <http://www.tennenbaumcapital.com>. Information contained on this website is not incorporated by reference into this prospectus supplement or the accompanying prospectus, and you should not consider information contained on the Advisor's 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.**

Table of Contents**FEES AND EXPENSES**

The following table is intended to assist you in understanding the costs and expenses that an investor in our common stock 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 assumed sale of shares of our common stock having an aggregate offering price of \$100,000,000, and a maximum sales load of 2.00%, pursuant to the equity distribution agreements. The following table and example should not be considered a representation of our future expenses. Actual expenses may be greater or less than shown. The following table and example represent our best estimate of the fees and expenses that we expect to incur during the next twelve months. Further, the fees and expenses below are presented on a consolidated basis directly or indirectly to include expenses of the Company and the Operating Company that investors in our common stock will bear.

**Stockholder Transaction Expenses:**

Sales Load (as a percentage of offering price)	2.00% (1)
Offering Expenses (as a percentage of offering price)	0.32% (2)
Dividend Reinvestment Plan Fees	(3)
<b>Total Stockholder Transaction Expenses (as a percentage of offering price)</b>	<b>2.32%</b>

**Annual Expenses (as a Percentage of Consolidated Net Assets Attributable to Common Stock) (4):**

Base Management Fees	2.45% (5)
Incentive Compensation Payable Under the Investment Management Agreement (20% of ordinary income and capital gains)	2.38% (6)
Interest Payments on Borrowed Funds	2.24% (7)
Preferred Dividends	0.17% (8)
Other Expenses (estimated)	0.73% (9)
<b>Total Annual Expenses</b>	<b>7.97%</b>

(1)

Represents the Agents' commissions with respect to the shares to be sold by us pursuant to this prospectus supplement and the accompanying prospectus. The Agents will be entitled to compensation of up to 2.00% of the gross proceeds of the sale of any shares of our common stock under the equity distribution agreement, with the exact amount of such compensation to be mutually agreed upon by the Company and the applicable Agent from time to time. There is no guarantee that there will be any sales of our common stock pursuant to this prospectus supplement and the accompanying prospectus.

(2)

Amount reflects estimated offering expenses of approximately \$300,000.

(3)

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

(4) The "consolidated net assets attributable to common stock" used to calculate the percentages in this table is our average consolidated net assets attributable to common stock of \$608.6 million for the 12 month period ending December 31, 2014.

(5) Base management fees are paid quarterly in arrears. The base management fee of 1.5% per year 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 attributable to common stock and not to our total assets. We make this conversion because all of our interest and preferred stock dividend payments are 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 pro-rated. See the accompanying prospectus "Management of the Company Investment Management Agreements."

Table of Contents

(6)

Under the investment management agreements and the amended and restated limited partnership agreement of the Operating Company dated April 2, 2012, (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 the 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 will be measured on an asset by asset basis against the value thereof as of December 31, 2012. The capital gains component is allocated, paid or distributed in full prior to payment or distribution of the ordinary income component.

(7)

"Interest Payments on Borrowed Funds" represents dividends, interest and fees estimated to be accrued on the Revolving Facilities (as defined below) and amortization of debt issuance costs, and assumes the Revolving Facilities are fully drawn (subject to asset coverage limitations under the 1940 Act) and that the interest rate on the debt issued under the Operating Company Facility (as defined below) is the rate in effect as of December 31, 2014, which was 2.67% and (ii) under the TCPC Funding Facility is the rate in effect as of December 31, 2014, which was 2.98%. "Interest Payments on Borrowed Funds" additionally represents interest and fees estimated to be accrued on \$108.0 million in aggregate principal amount of our 5.25% convertible senior unsecured notes due 2019 (the "2019 Notes") issued and outstanding as of the date of this prospectus supplement, which bear interest at a rate of 5.25% per year and are convertible into shares of our common stock under certain circumstances. When we borrow money or issue preferred stock, all of our interest and preferred stock dividend payments are indirectly borne by our common stockholders.

(8)

"Preferred Dividends" represents dividends estimated to be accumulated on the Preferred Interests and assumes that the dividend rate on the Preferred Interests is the rate in effect as of December 31, 2014 which was 1.02%. When we borrow money or issue preferred stock, all of our interest and preferred stock dividend payments are indirectly borne by our common stockholders.

(9)

"Other Expenses" includes our estimated overhead expenses, including expenses of the Advisor reimbursable under the investment management agreements and of the Administrator reimbursable under the administration agreement. Such expense estimate, other than the Administrator expenses, is based on actual other expenses for the three months ended December 31, 2014.

**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.

S-6

---

Table of Contents

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 \$1000 investment assuming a 5% annual return	\$ 78	\$ 186	\$ 292	\$ 553

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 "Dividend Reinvestment Plan" in the SAI 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" or "us," our common stockholders will indirectly bear such fees or expenses, including through the Company's investment in the Operating Company.

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



**SELECTED FINANCIAL DATA**

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

The selected consolidated financial data below for the years ended December 31, 2014, 2013, 2012, 2011, 2010 and 2009 has been derived from the consolidated financial statements that were audited by our independent registered public accounting firm. This selected financial data should be read in conjunction with our financial statements and related notes thereto, which are included in this prospectus supplement and incorporated by reference into the SAI, and "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Senior Securities" included elsewhere in this prospectus supplement.

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

	<b>For the Year Ended December 31,</b>				
	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>
<b>Performance Data:</b>					
Interest income	\$ 100,923,265	\$ 66,979,064	\$ 49,243,332	\$ 42,113,358	\$ 32,410,819
Dividend income	1,968,748		1,811,189	10,610,159	13,547,924
Lease income	1,334,330	1,121,614	823,030	832,843	182,288
Other income	2,355,105	1,508,368	315,208	1,301,316	1,660,181
<b>Total investment income</b>	<b>106,581,448</b>	<b>69,609,046</b>	<b>52,192,759</b>	<b>54,857,676</b>	<b>47,801,212</b>
<b>Interest and credit agreement expenses</b>	<b>9,821,751</b>	<b>2,339,447</b>	<b>857,757</b>	<b>942,288</b>	<b>893,806</b>
<b>Investment advisory expense</b>	<b>13,646,064</b>	<b>8,820,229</b>	<b>6,908,942</b>	<b>6,787,188</b>	<b>6,787,188</b>
<b>Other expenses</b>	<b>5,012,257</b>	<b>3,141,484</b>	<b>2,625,722</b>	<b>1,520,474</b>	<b>1,213,685</b>
<b>Total expenses</b>	<b>28,480,072</b>	<b>14,301,160</b>	<b>10,392,421</b>	<b>9,249,950</b>	<b>8,894,679</b>
<b>Net investment income before taxes</b>	<b>78,101,376</b>	<b>55,307,886</b>	<b>41,800,338</b>	<b>45,607,726</b>	<b>38,906,533</b>
<b>Excise tax expense</b>	<b>808,813</b>	<b>977,624</b>	<b>1,479,978</b>		
<b>Net investment income</b>	<b>77,292,563</b>	<b>54,330,262</b>	<b>40,320,360</b>	<b>45,607,726</b>	<b>38,906,533</b>
<b>Realized and unrealized gains (losses)</b>	<b>(27,304,578)</b>	<b>9,071,361</b>	<b>(12,784,251)</b>	<b>(38,878,881)</b>	<b>31,621,019</b>
<b>Dividends to preferred interest holders</b>	<b>(1,438,172)</b>	<b>(1,494,552)</b>	<b>(1,602,799)</b>	<b>(1,545,555)</b>	<b>(1,519,759)</b>
<b>Distributions of incentive allocation</b>	<b>(14,002,294)</b>	<b>(12,381,416)</b>			
<b>Net increase in net assets from operations</b>	<b>\$ 34,547,519</b>	<b>\$ 49,525,655</b>	<b>\$ 25,933,310</b>	<b>\$ 5,183,290</b>	<b>\$ 69,007,793</b>

**Per Share Data (at the end of the period):\***

Net increase in net assets from operations	\$ 0.88	\$ 1.91	\$ 1.21	\$ 12.37	\$ 164.72
Distributions declared per share	(1.54)	(1.53)	(1.43)	(75.19)	(89.99)
Average weighted shares outstanding for the period	39,395,671	25,926,493	21,475,847	418,956	418,956

**Assets and Liabilities Data:**

Edgar Filing: TCP Capital Corp. - Form 497

Investments	\$ 1,146,535,886	\$ 766,262,959	\$ 517,683,087	\$ 378,960,536	\$ 453,034,872
Other assets	59,330,911	37,066,243	31,559,015	24,492,967	20,604,286
<b>Total assets</b>	<b>1,205,866,797</b>	<b>803,329,202</b>	<b>549,242,102</b>	<b>403,453,503</b>	<b>473,639,158</b>
Amount drawn on credit facility	328,696,830	95,000,000	74,000,000	29,000,000	50,000,000
Other liabilities	11,543,149	23,045,112	24,728,267	2,116,211	25,050,178
<b>Total liabilities</b>	<b>340,239,979</b>	<b>118,045,112</b>	<b>98,728,267</b>	<b>31,116,211</b>	<b>75,050,178</b>
Preferred Stock					23,527
Preferred limited partnership interest	134,497,790	134,504,252	134,526,285	134,466,418	134,377,869
Non-controlling interest		1,168,583			
<b>Net assets</b>	<b>\$ 731,129,028</b>	<b>\$ 549,611,255</b>	<b>\$ 315,987,550</b>	<b>\$ 237,870,874</b>	<b>\$ 264,187,584</b>

**Investment Activity**

**Data:**

No. of portfolio companies at period end	84	67	54	41	44
Acquisitions	\$ 669,515,626	\$ 471,087,319	\$ 359,020,926	\$ 237,870,874	\$ 262,837,727
Sales, repayments, and other disposals	\$ 266,008,974	\$ 235,641,665	\$ 211,216,033	\$ 216,916,444	\$ 192,419,667
Weighted-average effective yield at end of period	10.9%	10.9%	11.3%	14.2%	13.1%

\*

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

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 23, 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 December 31, 2014 and our quarterly NAV when calculated effective March 31, 2015 may be higher or lower.**

Our quarterly NAV per share most recently approved by our board of directors is \$15.01 as of December 31, 2014. NAV per share as of March 31, 2015, may be higher or lower than our NAV per share as of December 31, 2014 based on potential changes in valuations, issuances of securities, dividends paid and earnings for the quarter then ended. 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 our Advisor and the audit committee of our board of directors. At such times as we are selling shares in this offering, a committee of our board, based on the input of our Advisor and in accordance with valuation procedures adopted by the board of directors, will periodically determine our net asset value on an interim basis between quarterly net asset value determinations.

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

The Company has indebtedness and the Preferred Interests outstanding pursuant to the Leverage Program and expects, in the future, to borrow additional amounts under the Revolving Facilities and may increase the size of the Revolving Facilities or enter into other borrowing arrangements. The Company's portfolio must experience an annual return of 1.75% in order to cover annual interest and dividend payments under the Leverage Program as of December 31, 2014.

*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 and preferred dividends. The calculations in the table below are hypothetical and actual returns may be higher or lower than those appearing below. The calculation is based on our level of leverage at December 31, 2014, which represented borrowings and preferred stock equal to 38.4% of our total assets. On such date, we also had \$1,206 million in total assets; an average cost of funds of 2.86%; \$462.7 million aggregate principal amount of debt and liquidation preference of the Preferred Interests outstanding; and \$731.1 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 December 31, 2014 to obtain an assumed return to us. From this amount, the interest expense and preferred dividends calculated by multiplying the blended interest and dividend rate of 2.86% by the \$462.7 million of debt and preferred stock is subtracted to determine the return available to common stockholders. The return available to common stockholders is then divided by the total value of our net assets at December 31,

Table of Contents

2014 to determine the "Corresponding Return to Common Stockholders." Actual interest payments and preferred dividends may be different.

**Assumed Return on Portfolio (Net of Expenses Other than Interest and Preferred Dividends)**

	<b>10%</b>	<b>5%</b>	<b>0%</b>	<b>5%</b>	<b>10%</b>
Corresponding Return to Common Stockholders	17%	0%	2%	6%	14%

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.

**Capital markets may experience periods of disruption and instability. Such market conditions may materially and adversely affect debt and equity capital markets in the United States and abroad, which may have a negative impact on our business and operations.**

From time to time, capital markets may experience periods of disruption and instability, which may be evidenced by a lack of liquidity in debt capital markets, write-offs in the financial services sector, re-pricing of credit risk and failure of certain major financial institutions. While capital markets have improved, these conditions could deteriorate again and global financial markets could experience significant volatility. During such market disruptions, we may have difficulty raising debt or equity capital, especially as a result of regulatory constraints. There can be no assurance that adverse market conditions will not repeat themselves or worsen in the future. Equity capital may be difficult to raise because, subject to some limited exceptions, as a BDC, we are generally not able to issue additional shares of common stock at a price less than net asset value without first obtaining approval for such issuance from our stockholders and our independent directors. At our annual meeting of stockholders held on May 15, 2014, subject to the condition that the maximum number of shares salable below net asset value pursuant to this authority in any particular offering that could result in such dilution is limited to 25% of our then outstanding common stock immediately prior to each such offering, our stockholders approved our ability to sell or otherwise issue shares of our common stock at a price below its then current net asset value per share for a twelve month period expiring on the anniversary of the date of stockholder approval. It should be noted that, theoretically, we may offer up to 25% of our then outstanding common stock each day. In addition, our ability to incur indebtedness (including by issuing preferred stock) is limited by applicable regulations such that our asset coverage, as calculated in accordance with the 1940 Act, must equal at least 200% immediately after each time we incur indebtedness. The debt capital that will be available to us in the future, if at all, may be at a higher cost and on less favorable terms and conditions than our current leverage. Any inability to raise capital could have a negative effect on our business, financial condition and results of operations.

Market conditions may in the future make it difficult to extend the maturity of or refinance our existing indebtedness, and any failure to do so could have a material adverse effect on our business. The illiquidity of our investments may make it difficult for us to sell such investments if required. As a result, we may realize significantly less than the value at which we have recorded our investments. In addition, significant changes in the capital markets, including disruption and volatility, have had, and may in the future have, a negative effect on the valuations of our investments and on the potential for liquidity events involving our investments. An inability to raise capital, and any required sale of our investments for liquidity purposes, could have a material adverse impact on our business, financial condition and results of operations.

Table of Contents

**Price declines and illiquidity in the corporate debt markets have adversely affected, and may in the future adversely affect, the fair value of our portfolio investments, reducing our net asset value through increased net unrealized depreciation.**

As a BDC, we are required to carry our investments at market value or, if no market value is ascertainable, at fair value as determined in good faith by or under the direction of our board of directors. Decreases in the market values or fair values of our investments are recorded as unrealized depreciation, which reduces our net asset value. Depending on market conditions, we could incur substantial realized losses and may suffer additional unrealized losses in future periods, which could have a material adverse impact on our business, financial condition and results of operations.

**The downgrade of the U.S. credit rating and economic crisis in Europe could negatively impact our business, financial condition and earnings.**

Although U.S. lawmakers passed legislation to raise the federal debt ceiling and Standard & Poor's Ratings Services affirmed its 'AA+' long-term sovereign credit rating on the United States and revised the outlook on the long-term rating from negative to stable in June of 2013, U.S. debt ceiling and budget deficit concerns, together with signs of deteriorating sovereign debt conditions in Europe, continue to present the possibility of a credit-rating downgrade, economic slowdowns or a recession for the United States. The impact of any further downgrades to the U.S. government's sovereign credit rating or downgraded sovereign credit ratings of European countries or the Russian Federation, or their perceived creditworthiness could adversely affect the U.S. and global financial markets and economic conditions. These developments, along with any further European sovereign debt issues, could cause interest rates and borrowing costs to rise, which may negatively impact our ability to access the debt markets on favorable terms. Continued adverse economic conditions could have a material adverse effect on our business, financial condition and results of operations.

In October 2014, the Federal Reserve announced that it was concluding its bond-buying program. It is unknown what effect, if any, the conclusion of this program will have on credit markets and the value of our investments. These and any future developments and reactions of the credit markets toward these developments could cause interest rates and borrowing costs to rise, which may negatively impact our ability to obtain debt financing on favorable terms.

**Rising interest rates may adversely affect the value of our portfolio investments, which could have an adverse effect on our business, financial condition and results of operations.**

Our debt investments may be based on floating rates, such as London Interbank Offer Rate ("LIBOR"), EURIBOR, the Federal Funds Rate or the Prime Rate. General interest rate fluctuations may have a substantial negative impact on our investments, the value of our common stock and our rate of return on invested capital. A reduction in the interest rates on new investments relative to interest rates on current investments could also have an adverse impact on our net interest income. An increase in interest rates could decrease the value of any investments we hold which earn fixed interest rates, including subordinated loans, senior and junior secured and unsecured debt securities and loans and high yield bonds, and also could increase our interest expense, thereby decreasing our net income. Also, an increase in interest rates available to investors could make investment in our common stock less attractive if we are not able to increase our dividend rate, which could reduce the value of our common stock.

Table of Contents

Because we have borrowed money, and may issue preferred stock to finance investments, our net investment income depends, in part, upon the difference between the rate at which we borrow funds or pay distributions on preferred stock and the rate that our investments yield. As a result, we can offer no assurance that a significant change in market interest rates will not have a material adverse effect on our net investment income. In periods of rising interest rates, our cost of funds would increase except to the extent we have issued fixed rate debt or preferred stock, which could reduce our net investment income.

You should also be aware that a change in the general level of interest rates can be expected to lead to a change in the interest rate we receive on many of our debt investments. Accordingly, a change in the interest rate could make it easier for us to meet or exceed the performance threshold and may result in a substantial increase in the amount of incentive fees payable to our Advisor with respect to the portion of the Incentive Fee based on income.

**Changes relating to the LIBOR calculation process may adversely affect the value of our portfolio of the LIBOR-indexed, floating-rate debt securities.**

In the recent past, concerns have been publicized that some of the member banks surveyed by the British Bankers' Association ("BBA") in connection with the calculation of LIBOR across a range of maturities and currencies may have been under-reporting or otherwise manipulating the inter-bank lending rate applicable to them in order to profit on their derivatives positions or to avoid an appearance of capital insufficiency or adverse reputational or other consequences that may have resulted from reporting inter-bank lending rates higher than those they actually submitted. A number of BBA member banks entered into settlements with their regulators and law enforcement agencies with respect to alleged manipulation of LIBOR, and investigations by regulators and governmental authorities in various jurisdictions are ongoing.

As a result of these or future events, actions by the BBA, regulators or law enforcement agencies may result in changes to the manner in which LIBOR is determined. Potential changes, or uncertainty related to such potential changes, may adversely affect the market for LIBOR-based securities, including our portfolio of LIBOR-indexed, floating-rate debt securities. In addition, any further changes or reforms to the determination or supervision of LIBOR may result in a sudden or prolonged increase or decrease in reported LIBOR, which could have an adverse impact on the market for LIBOR-based securities or the value of our portfolio of LIBOR-indexed, floating-rate debt securities.

**Economic recessions or downturns could impair our portfolio companies and harm our operating results.**

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

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 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 ("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.

On April 2, 2012, Special Value Continuation Fund, LLC ("SVCF") converted from a limited liability company to a corporation, leaving the Holding Company as the surviving entity (the "Conversion"). At the time of the Conversion, all limited liability company interests were exchanged for 15,725,635 shares of common stock in the Holding Company. As a result of the Conversion, the books and records of SVCF have become the books and records of the Holding Company and the Operating Company became a wholly owned subsidiary of the Holding Company. On April 3, 2012, the Holding Company completed its initial public offering.

Our leverage program is comprised of \$116 million in available debt under a senior secured revolving credit facility issued by the Operating Company (the "Operating Company Facility"), \$250 million in available debt under a senior secured revolving credit facility issued by TCPC Funding (the "TCPC Funding Facility," and, together with the Operating Company



Table of Contents

Facility, the "Revolving Facilities"), \$108 million in convertible senior unsecured notes issued by the Holding Company (the "Convertible Notes"), \$75 million in committed leverage from the SBA (the "SBA Program"), and \$134 million of outstanding preferred limited partner interests in the Operating Company (the "Preferred Interests," and, together with the Revolving Facilities, the Convertible Notes, and the SBA Program, the "Leverage Program").

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.

***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 million, cash, cash equivalents, U.S. government securities and high-quality debt investments that mature in one year or less. We are also permitted to make certain follow-on investments in companies that were eligible portfolio companies at the time of initial investment but that no longer meet the definition. As of December 31, 2014, 90.2% 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 and capital gains on the sale of warrants and other debt or equity interests that we acquire. 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, 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

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

### Table of Contents

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;

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;

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;

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

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

S-16

---

Table of Contents

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. 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).

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

Table of Contents

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.

Table of Contents

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

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

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

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

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

As of December 31, 2014, 0.0% of our investments were categorized as Level 1, 18.5% were categorized as Level 2, 80.9% were Level 3 investments valued based on valuations by independent third party sources, and 0.6% 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 to the extent that such amounts are determined to be collectible. Origination, structuring, closing, commitment and other upfront fees earned with respect to capital commitments are generally amortized or accreted into interest income over the life of the respective 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 received upon the early repayment of a loan or debt security are included in interest income.

Certain of our debt investments are purchased at a considerable 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. GAAP generally requires that discounts on the acquisition of corporate bonds, municipal bonds and treasury bonds be amortized using the effective-interest or constant-yield method. GAAP also requires that we consider the collectability of interest when making accruals. Accordingly, when accounting for purchase discounts, we recognize discount accretion income when it is probable that such amounts will be collected.

Table of Contents

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

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

**Portfolio and investment activity**

During the year ended December 31, 2014, we invested approximately \$669.5 million, comprised of new investments in 33 new and 16 existing portfolio companies, as well as draws made on existing commitments and PIK received on prior investments. Of these investments, 99.3% were in senior secured debt comprised of senior loans (\$606.0 million, or 90.5% of the total) and senior secured notes (\$58.8 million, or 8.8% of the total). The remaining \$4.8 million (0.7% of the total) were comprised of five equity investments which were received in connection with debt investments made during the period. Additionally, we received approximately \$266.0 million in proceeds from sales or repayments of investments during the year ended December 31, 2014. During the year ended December 31, 2013, we invested approximately \$471.1 million across 34 new and 10 existing portfolio companies. Of these investments, 98% were in senior secured debt comprised of senior loans (\$381.9 million, or 81% of the total) and senior secured notes (\$81.9 million, or 17% of the total). The remaining \$7.3 million (2% of the total) were comprised of two equity investments and PIK payments received on investments in unsecured debt. Additionally, we received approximately \$235.6 million in proceeds from sales or repayments of investments during the year ended December 31, 2013.

At December 31, 2014, our investment portfolio of \$1,146.5 million (at fair value) consisted of 84 portfolio companies and was invested 97% in debt investments, of which 100% was in senior secured debt. In aggregate, our investment portfolio was invested 82% in senior secured loans, 15% in senior secured notes, and 3% 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 \$41.8 million and our five largest portfolio company investments by value comprised approximately 14% of our portfolio at December 31, 2014.

At December 31, 2013, our investment portfolio of \$766.3 million (at fair value) consisted of 67 portfolio companies and was invested 95% in debt investments, of which 98% was in senior secured debt and 2% in unsecured or subordinated debt. In aggregate, our investment portfolio was invested 76% in senior secured loans, 17% in senior secured notes, 2% in unsecured or subordinated debt, and 5% in equity investments. Our average portfolio company investment at fair value was approximately \$11.4 million. Our largest portfolio company investment by value was approximately \$21.3 million and our five largest portfolio company investments by value comprised approximately 13% of our portfolio at December 31, 2013.

Table of Contents

The industry composition of our portfolio at fair value at December 31, 2014 was as follows:

<b>Industry</b>	<b>Percent of Total Investments</b>
Software Publishers	9.9%
Computer Systems Design and Related Services	8.1%
Basic Chemical Manufacturing	6.3%
Insurance Carriers	4.5%
Scientific Research and Development Services	3.6%
Business Support Services	3.1%
Wired Telecommunications Carriers	2.9%
Scheduled Air Transportation	2.8%
Grocery Stores	2.8%
Data Processing, Hosting, and Related Services	2.5%
Management, Scientific, and Technical Consulting Services	2.4%
Radio and Television Broadcasting	2.3%
Nondepository Credit Intermediation	2.2%
Wireless Telecommunications	2.2%
Utility System Construction	2.2%
Textile Furnishings Mills	2.2%
Oil and Gas Extraction	2.1%
Nonscheduled Air Transportation	2.0%
Semiconductor and Other Electronic Component Manufacturing	1.9%
Electrical Equipment and Component Manufacturing	1.8%
General Medical and Surgical Hospitals	1.8%
Chemical Manufacturing	1.7%
Other Information Services	1.7%
Communications Equipment Manufacturing	1.6%
Retail	1.5%
Gaming Industries	1.5%
Activities Related to Real Estate	1.4%
Lessors of Nonfinancial Intangible Assets	1.4%
Advertising, Public Relations, and Related Services	1.3%
Specialty Hospitals	1.3%
Full-Service Restaurants	1.3%
Structured Note Funds	1.3%
Motion Picture and Video Industries	1.3%
Cut and Sew Apparel Manufacturing	1.3%
Artificial Synthetic Fibers and Filaments Manufacturing	1.2%
Other Telecommunications	1.2%
Lessors of Real Estate	1.2%
Newspaper, Periodical, Book, and Directory Publishers	1.1%
Computer Equipment Manufacturing	1.0%
Other	6.1%
<b>Total</b>	<b>100.0%</b>

The weighted average effective yield of the debt securities in our portfolio was 10.9% at December 31, 2014 and 10.9% at December 31, 2013. At December 31, 2014, 78.3% of our debt investments bore interest based on floating rates, such as LIBOR, EURIBOR, the Federal Funds Rate or the Prime Rate, and 21.7% bore interest at fixed rates. The percentage of our floating rate debt investments that bore interest based on an interest rate floor was 83.1% at



Table of Contents

December 31, 2014. At December 31, 2013, 71.2% of our debt investments bore interest based on floating rates, and 28.8% bore interest at fixed rates. The percentage of our floating rate debt investments that bore interest based on an interest rate floor was 92.1% at December 31, 2013.

**Results of operations**

*Investment income*

Investment income totaled \$106.6 million, \$69.6 million and \$52.2 million, respectively, for the years ended December 31, 2014, 2013 and 2012, of which \$100.9 million, \$67.0 million and \$49.3 million were attributable to interest and fees on our debt investments, \$2.0 million, \$0.0 million and \$1.8 million to dividends from equity securities, \$1.3 million, \$1.1 million and \$0.8 million to lease income, and \$2.4 million, \$1.5 million and \$0.3 million to other income, respectively. The increase in investment income in the year ended December 31, 2014 compared to the year ended December 31, 2013 reflects an increase in interest income due to the larger investment portfolio and a higher percentage of the portfolio in income-producing assets in the year ended December 31, 2014 compared to the year ended December 31, 2013 and an increase in dividend income. The increase in investment income in the year ended December 31, 2013 compared to the year ended December 31, 2012 reflects an increase in interest income due to the larger investment portfolio and a higher percentage of the portfolio in income-producing assets in the year ended December 31, 2013 compared to the year ended December 31, 2012 and an increase in other income, offset somewhat by a decrease in dividend income.

*Expenses*

Total operating expenses for the years ended December 31, 2014, 2013 and 2012 were \$28.5 million, \$14.3 million and \$10.4 million respectively, comprised of \$13.6 million, \$8.8 million and \$6.9 million in base management fees, \$7.9 million, \$1.5 million and \$0.4 million in interest expense and fees related to the Revolving Facilities, \$1.9 million, \$0.9 million and \$0.4 million in amortization of debt issuance costs, \$1.4 million, \$0.8 million and \$1.6 million in legal and professional fees (including professional fees related to the Conversion), and \$3.7 million, \$2.3 million and \$1.5 million in other expenses, respectively. The increase in expenses in the year ended December 31, 2014 compared to the year ended December 31, 2013 primarily reflects the increase in management fees due to the larger portfolio and the increase in interest expense and other costs related to the increase in available and outstanding debt and the higher average interest rate following the issuance of the Convertible Notes. The increase in expenses in the year ended December 31, 2013 compared to the year ended December 31, 2012 primarily reflects the increase in management fees due to the larger portfolio, the increase in interest expense and fees related to the increase in available and outstanding debt, and approximately \$0.8 million in administration expenses previously waived by the Administrator.

*Net investment income*

Net investment income was \$77.3 million, \$54.3 million and \$40.3 million respectively, for the years ended December 31, 2014, 2013 and 2012. The increase in net investment income in the year ended December 31, 2014 compared to the year ended December 31, 2013 primarily reflects the increased interest income in the year ended December 31, 2014, partially offset by the increase in expenses. The increase in net investment income in the year ended December 31, 2013 compared to the year ended December 31, 2012 primarily reflects the increased interest income in the year ended December 31, 2013, partially offset by the increase in expenses.

Table of Contents

***Net realized and unrealized gain or loss***

Net realized losses for the years ended December 31, 2014, 2013 and 2012 were \$(21.1) million, \$(47.4) million and \$(16.0) million, respectively. Net realized losses during the year ended December 31, 2014 were primarily due the exit of two investments. We realized a loss of \$11.5 million from Doral Financial Corp, an investment acquired as part of our legacy strategy. The loss recognition had a de minimis impact on net asset value as the loss was previously included in unrealized losses at the beginning of the year. Additionally, we realized a \$5.2 million loss on Real Mex Holdco, LLC. This investment was initially acquired as part of our legacy distressed debt strategy. The overall Real Mex investment has generated substantial cash interest income.

Net realized losses during the year ended December 31, 2013 were primarily due to a charge of \$45.1 million from the tender of all of our shares of common stock of Bally Total Fitness Holding Corporation ("BTF"). The tender price was slightly higher than the fair value as of December 31, 2012 and had a de minimis impact on net asset value. This charge was previously included in unrealized losses at the beginning of the year. The initial BTF investment was acquired at a significant discount as part of our legacy distressed debt strategy and generated substantial cash interest income. Additionally, we took a charge of \$7.0 million on the recapitalization of AGY Holding Corp. ("AGY"), a transaction in which we received both new debt and preferred equity in a deleveraged company. The initial AGY investment was also part of our legacy distressed debt strategy and has generated substantial cash interest income. Excluding these charges, net realized gains for the year ended December 31, 2013 were \$4.7 million.

The net realized losses during the year ended December 31, 2012 were due to a charge of \$33.8 million on a restructuring of Bulgaria Telecom, \$29.3 million of which were previously included in unrealized losses, and a reorganization charge on one other debt investment of \$(5.5) million, partially offset by a gain of \$17.0 million from the sale of International Wire Group Holdings, Inc. equity, and net gains of \$6.3 million primarily from three debt investments.

For the years ended December 31, 2014, 2013 and 2012, the change in net unrealized appreciation/depreciation was \$(6.2) million, \$56.5 million and \$3.2 million, respectively. The change in net unrealized depreciation for the year ended December 31, 2014 was primarily a result of unrealized losses on two investments which performed below expectations, Edmentum (\$10.4 million) and Iracore (\$6.2 million), partially offset by a \$10.9 million reversal of the prior unrealized loss on the Doral investment. The change in net unrealized appreciation for the year ended December 31, 2013 was primarily due to the reversal of unrealized depreciation on our BTF and AGY investments. The change in net unrealized appreciation for the year ended December 31, 2012 was primarily due to reversals of prior period net unrealized losses.

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

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

Table of Contents

year taxable income into the next tax year and pay a 4% excise tax on such income. Any excise tax expense is recorded at year end as such amounts are known. For the year ended December 31, 2014, an expense of \$0.8 million was recorded for U.S. federal excise tax, which related to 2014 income. For the year ended December 31, 2013, an expense of \$1.0 million was recorded for U.S. federal excise tax, which related to 2013 income. For the year ended December 31, 2012, an expense of \$1.5 million was recorded for U.S. federal excise tax, which related to 2012 and 2011 income.

***Dividends to preferred equity holders***

Dividends on the Preferred Interests for the years ended December 31, 2014, 2013 and 2012 were \$1.4 million, \$1.5 million and \$1.6 million, respectively, as average LIBOR rates for the periods were similar.

***Incentive compensation***

Incentive compensation distributable to the General Partner for the years ended December 31, 2014 and 2013 was \$15.2 million and \$11.2 million, respectively. No incentive compensation was incurred prior to January 1, 2013. Incentive compensation for the years ended December 31, 2014 and 2013 was distributable due to our performance exceeding the total return threshold. The change in reserve for incentive compensation to the General Partner for the years ended December 31, 2014 and December 31, 2013 was \$(1.2) million and \$1.2 million, respectively. The change in reserve for incentive compensation for the years ended December 31, 2014 and 2013 represents the change in the amount in excess of distributable incentive compensation which would have been earned by the General Partner had we liquidated at net asset value at December 31, 2014 and December 31, 2013, respectively.

***Net increase or decrease in net assets resulting from operations***

The net increase in net assets resulting from operations was \$34.5 million, \$49.5 million and \$25.9 million for the years ended December 31, 2014, 2013 and 2012, respectively. The lower net increase in net assets resulting from operations during the year ended December 31, 2014 is primarily due to the net realized and unrealized loss during the year ended December 31, 2014 compared to the net realized and unrealized gain during the year ended December 31, 2013. The higher net increase in net assets resulting from operations for the year ended December 31, 2013 compared to the year ended December 31, 2012 primarily reflects the increase in net investment income and the increase in net realized and unrealized gains, partially offset by the commencement of incentive compensation.

**Liquidity and capital resources**

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

The following table summarizes the total shares issued and proceeds received in the public offering of the Company's common stock net of underwriting discounts and offering

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

### Table of Contents

costs as well as shares issued in connection with the Company's dividend reinvestment plan for the year ended December 31, 2014.

	<b>Shares Issued</b>	<b>Price Per Share</b>	<b>Net Proceeds</b>
August 1, 2014 public offering	6,210,000	\$ 17.33	\$ 103,940,721
November 26, 2014 public offering	5,900,000	17.05	97,198,756
Shares issued from dividend reinvestment plan	456	16.86*	7,687

The following table summarizes the total shares issued and proceeds received in the public offering 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, 2013:

	<b>Shares Issued</b>	<b>Price Per Share</b>	<b>Net Proceeds</b>
May 21, 2013 public offering	5,175,000	\$ 15.63	\$ 78,176,790
October 1, 2013 public offering	4,370,000	15.76	66,473,600
December 18, 2013 public offering	5,175,000	16.00	79,912,500
Shares issued from dividend reinvestment plan	2,288	16.35*	37,416

\*

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. During the year ended December 31, 2014, we sold 400,225 shares of our common stock at an average price of \$16.04 per share under the ATM Program, raising \$6,420,426 in net proceeds.

Amounts outstanding and available under the combined Leverage Program at December 31, 2014 were as follows:

	<b>Rate</b>	<b>Carrying Value**</b>	<b>Available</b>	<b>Total Capacity</b>
Operating Company Facility	L+2.5%*	\$ 70,000,000	\$ 46,000,000	\$ 116,000,000
TCPC Funding Facility	L+2.5%*	125,000,000	125,000,000	250,000,000
Convertible Notes (\$108 million par)	5.25%	105,696,830		105,696,830
SBA Program	3.015%	28,000,000	47,000,000	75,000,000
Preferred Interests	L+0.85%*	134,000,000		134,000,000
<b>Total Leverage Program</b>		<b>\$ 462,696,830</b>	<b>\$ 218,000,000</b>	<b>\$ 680,696,830</b>

\*

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

\*\*

Except for the Convertible Notes, all carrying values are the same as the principal amounts outstanding.

Interest rate on pooled loans, excluding fees of 0.355%. As of December 31, 2014, \$9.5 million of the outstanding amount bore interest at a temporary rate of 0.555% plus fees of 0.355% through March 25, 2015, the date of the next SBA pooling.

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

Net cash used in operating activities during the year ended December 31, 2014 was \$368.1 million. Our primary use of cash in operating activities during this period consisted of the settlement of acquisitions of investments (net of dispositions) of \$397.5 million, partially offset by net investment income less preferred dividends and incentive allocation (net of non-cash income and expenses) of approximately \$29.4 million.

S-25

---

Table of Contents

Net cash provided by financing activities was \$372.4 million during the year ended December 31, 2014, consisting primarily of \$236.0 million of net borrowings and \$207.6 million of net proceeds from the public offering of our common stock on August 1, 2014 and November 26, 2014, reduced by \$58.9 million in regular dividends on common equity, \$4.2 million in special dividends on common equity, payment of \$6.7 million in debt issuance costs, and \$1.4 million in dividends on the Preferred Interests.

At December 31, 2014, we had \$27.3 million in cash and cash equivalents.

The Revolving Facilities 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 the sum of total preferred equity and 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 Revolving Facilities, and may therefore impact our ability to borrow under the Revolving Facilities. 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 or require redemption of the Preferred Interests, thereby materially and adversely affecting our liquidity, financial condition and results of operations. At December 31, 2014, we were in compliance with all financial and operational covenants required by the Leverage Program.

Unfavorable economic conditions, while potentially creating attractive opportunities for us, may decrease liquidity and raise the cost of capital generally, which could limit our ability to renew, extend or replace the Leverage Program on terms as favorable as are currently included therein. If we are unable to renew, extend or replace the Leverage Program upon the various dates of maturity, we expect to have sufficient funds to repay the outstanding balances in full from our net investment income and sales of, and repayments of principal from, our portfolio company investments, as well as from anticipated debt and equity capital raises, among other sources. Unfavorable economic conditions may limit our ability to raise capital or the ability of the companies in which we invest to repay our loans or engage in a liquidity event, such as a sale, recapitalization or initial public offering. The Operating Company Facility, the TCPC Funding Facility and the Convertible Notes mature in July 2016, May 2017, and December 2019, respectively, and the Preferred Interests will be subject to mandatory redemption in July 2016. 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.

Table of Contents

**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 will be 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.

Edgar Filing: TCP Capital Corp. - Form 497

Table of Contents

The following tables summarize dividends declared for the year ended December 31, 2014 and December 31, 2013:

<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 6, 2014	March 17, 2014	March 31, 2014	Regular	\$ 0.36	\$ 13,031,970
May 7, 2014	June 18, 2014	June 30, 2014	Regular	0.36	13,032,007
May 7, 2014	June 18, 2014	June 30, 2014	Special	0.05	1,810,001
August 7, 2014	September 16, 2014	September 30, 2014	Regular	0.36	15,267,647
November 5, 2014	December 8, 2014	December 31, 2014	Regular	0.36	17,535,779
November 5, 2014	December 8, 2014	December 31, 2014	Special	0.05	2,435,525
				\$ 1.54	\$ 63,112,929

<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 7, 2013	March 18, 2013	March 29, 2013	Regular	\$ 0.35	\$ 7,517,170
March 7, 2013	March 18, 2013	March 29, 2013	Special	0.05	1,073,881
May 8, 2013	June 7, 2013	June 28, 2013	Regular	0.36	9,595,344
August 8, 2013	September 9, 2014	September 30, 2013	Regular	0.36	9,595,692
November 7, 2013	December 10, 2013	December 31, 2013	Regular	0.36	11,168,929
November 7, 2013	December 10, 2013	December 31, 2013	Special	0.05	1,551,240
				\$ 1.53	\$ 40,502,256

The following table summarizes the total shares issued in connection with our dividend reinvestment plan for the year ended December 31, 2014 and 2013:

	<b>2014</b>	<b>2013</b>
Shares Issued	456	2,288
Average Price Per Share	\$ 16.86	\$ 16.35
Proceeds	\$ 7,687	\$ 37,416

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



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

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.

S-28

---

Table of Contents

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.

**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

Table of Contents

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**

From January 1, 2015 through March 6, 2015, the Operating Company has invested approximately \$93.0 million in two senior secured loans and seven add-on investments with a combined effective yield of approximately 12.2%. \$63.6 million of those investments were purchased from affiliates. All of the transfers were consummated at fair value in accordance with the provisions of the Exemptive Order as discussed in Note 6 to the consolidated financial statements.

On February 24, 2015, the Company's board of directors approved a stock repurchase plan (the "Company 10b5-1 Plan") to acquire up to \$50 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 10b5-1 Plan is designed to allow TCPC to repurchase its common stock at times when it otherwise might be prevented from doing so under insider trading laws. The Company 10b5-1 Plan will require an agent selected by TCPC to repurchase shares of common stock on TCPC'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 TCPC's common stock declines, subject to volume restrictions. The timing and amount of any stock repurchases will depend on the terms and conditions of the Company 10b5-1 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.

Unless extended or terminated by its board of directors, TCPC expects that the Company 10b5-1 Plan will be in effect through the earlier of two trading days after TCPC's first quarter 2015 earnings release or such time as the approved \$50 million repurchase amount has been fully utilized, subject to certain conditions.

On March 6, 2015, the Company expanded the TCPC Funding Facility by \$50 million to \$300 million, increased the accordion feature by \$50 million to \$350 million and extended the maturity date to March 6, 2019.

On March 10, 2015, the Company's board of directors declared a first quarter regular dividend of \$0.36 per share payable on March 31, 2015 to stockholders of record as of the close of business on March 19, 2015.

Table of Contents**QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK**

We are subject to financial market risks, including changes in interest rates. At December 31, 2014, 78.3% 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 December 31, 2014, the percentage of our floating rate debt investments that bore interest based on an interest rate floor was 83.1%. Floating rate investments subject to a floor generally reset by reference to the current market index after one to six months only if the index exceeds the floor.

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

Based on our December 31, 2014 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	\$ 21,387,577	\$ (10,710,000)	\$ 10,677,577
Up 200 basis points	12,382,495	(7,140,000)	5,242,495
Up 100 basis points	3,622,612	(3,570,000)	52,612
Down 100 basis points	(370,769)	877,149	506,380
Down 200 basis points	(370,769)	877,149	506,380
Down 300 basis points	(370,769)	877,149	506,380

S-31

## USE OF PROCEEDS

Sales of our common stock, if any, under this prospectus supplement and the accompanying prospectus may be made in negotiated transactions or transactions that are deemed to be "at the market" offerings, including sales made directly on the NASDAQ Global Select Market or sales made to or through a market maker other than on an exchange. There is no guarantee that there will be any sales of our common stock pursuant to this prospectus supplement and the accompanying prospectus. Actual sales, if any, of our common stock under this prospectus supplement and the accompanying prospectus may be less than as set forth in this paragraph depending on, among other things, the market price of our common stock and the net asset value per share of our common stock at the time of any such sale. As a result, the actual net proceeds we receive may be more or less than the amount of net proceeds estimated in this prospectus supplement. However, the offering price per share of our common stock offered by this prospectus supplement and the accompanying prospectus, less the Agents' commissions and discounts payable by us, will not be less than the net asset value per share of our common stock at the time we sell common stock pursuant to this offering. Assuming the sale of shares of common stock having an aggregate offering price of \$93,495,008, the aggregate amount remaining available for sale pursuant to the equity distribution agreement, pursuant to the equity distribution agreement, we estimate that the net proceeds would be approximately \$91.3 million after deducting the estimated Agents' commissions and our estimated offering expenses.

We intend to use the net proceeds from this offering to repay amounts outstanding under the Revolving Facilities, if any, (which will increase the funds under the Revolving Facilities 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 the offering will be invested in accordance with our investment objective within six to twelve months following completion of the 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 March 12, 2015, we had \$99 million outstanding under the Operating Company Facility, with advances generally bearing interest at LIBOR plus 2.50%, subject to certain limitations. The Operating Company Facility matures July 31, 2016.

As of March 12, 2015, we had \$150 million outstanding under the TCPC Funding Facility, with advances generally bearing interest at LIBOR plus 2.50%, subject to certain limitations. The TCPC Funding Facility matures on March 6, 2019, subject to extension by the lender at our request for one 12-month period.

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.

## 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 premium (discount) of the related closing sale price as a percentage of NAV and quarterly distributions per share since shares of our common stock began being regularly quoted on The Nasdaq Global Select Market.

	Stock Price			Premium (Discount)	Premium (Discount)	Declared Distributions
	NAV(1)	High(2)	Low(2)	of High Sales Price to NAV(3)	of Low Sales Price to NAV(3)	
<b>Fiscal year ended December 31, 2013</b>						
First Quarter	\$ 14.91	\$ 16.16	\$ 14.64	8.4%	(1.8)%	\$ 0.40 <sup>(4)</sup>
Second Quarter	\$ 14.94	\$ 16.77	\$ 15.01	12.2%	0.5%	\$ 0.36
Third Quarter	\$ 15.06	\$ 16.80	\$ 14.99	11.6%	(0.5)%	\$ 0.36
Fourth Quarter	\$ 15.18	\$ 17.42	\$ 15.98	14.8%	5.3%	\$ 0.41 <sup>(4)</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>

- (1) NAV per share is determined as of the last day in the relevant quarter and therefore may not reflect the NAV per 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.

On March 12, 2015, the closing price of our common stock was \$16.15 per share. As of March 12, 2015, we had 35 stockholders of record.

The table below sets forth each class of our outstanding securities as of March 12, 2015.

Title of Class	Amount Held by Registrant or for its Account		Amount Outstanding
	Amount Authorized		
Common Stock	200,000,000		48,710,627



Table of Contents**CAPITALIZATION**

The following table sets forth (1) our actual capitalization at December 31, 2014, and (2) our capitalization on an as adjusted basis giving effect to the assumed sale of 5,789,165 shares of our common stock at the public offering price of \$16.15 per share, the last reported closing price of our common stock on March 12, 2015, after deducting the maximum Agents' commissions and estimated 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. There is no guarantee that there will be any sales of our common stock pursuant to this prospectus supplement and the accompanying prospectus.

	<b>As of December 31, 2014</b>	
	<b>Actual</b>	<b>As Adjusted</b>
<b>Assets:</b>		
Cash and cash equivalents	\$ 27,268,792	\$ 27,268,792
Investments	1,146,535,866	1,146,535,866
Other assets	32,062,119	32,062,119
<b>Total assets</b>	<b>\$ 1,205,866,797</b>	<b>\$ 1,205,866,797</b>
<b>Liabilities:</b>		
Operating Company Facility(1)	\$ 70,000,000	\$
TCPC Funding Facility(1)	125,000,000	103,674,892
2019 Notes(2)	105,696,830	105,696,830
SBA Debentures(1)	28,000,000	28,000,000
Other liabilities	11,541,149	11,541,149
<b>Total liabilities</b>	<b>\$ 340,239,979</b>	<b>\$ 248,914,871</b>
<b>Stockholders' equity:</b>		
Preferred Interests(3), \$20,000/share liquidation preference; 6,700 shares authorized, 6,700 preferred interests issued and outstanding, actual; 6,700 preferred interests issued and outstanding, pro forma	\$ 134,000,000	\$ 134,000,000
Accumulated dividends on Preferred Interests	497,780	497,780
General Partner interest in Special Value Continuation Partners, LP		
Common stock, par value \$0.001 per share; 200,000,000 shares of common stock authorized; 48,710,627 shares of common stock issued and outstanding, actual; 54,499,792 shares of common stock issued and outstanding, as adjusted	48,710	54,500
Preferred stock, par value \$0.001 per share; 100,000,000 shares of preferred stock authorized; no shares of preferred stock issued and outstanding, actual; no shares of preferred stock issued and outstanding, pro forma		
Paid-in capital in excess of par value	877,103,880	968,423,199
Accumulated net investment income	21,884,381	21,884,381
Accumulated net realized losses	(126,408,033)	(126,408,033)
Accumulated net unrealized depreciation	(41,499,910)	(41,499,910)
Non-controlling interest		



Net assets applicable to common shareholders \$ 731,129,028 \$ 822,454,136

**Total capitalization** \$ 1,205,866,797 \$ 1,205,866,797

---

(1) As of March 12, 2015, our debt outstanding under the Operating Company Facility, the TCPC Funding Facility and the SBA Debentures was \$99 million, \$150 million and \$28 million, respectively.

(2) In accordance with Accounting Standards Codification ("ASC") 470-20, convertible debt that may be wholly or partially settled in cash is required to be separated into a liability and an equity component, such that interest expense reflects the issuer's non-convertible debt interest rate. Upon issuance, a debt discount will be recognized as a decrease in debt and an increase in equity. The debt component will accrete up to the principal amount over the expected term of the debt. ASC 470-20 does not affect the actual amount that we are required to repay, and the amount shown in the table above for the notes is the aggregate principal amount of the notes and does not reflect any debt discount, fees and expenses that we will be required to recognize.

(3) Preferred Interests are a component of the Leverage Program of the Operating Company.

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 information in the senior securities table below as of the end of each fiscal year has been audited by our independent registered public accounting firm.

<b>Class and Year</b>	<b>Total Amount Outstanding(4)</b>	<b>Asset Coverage Per Unit(5)</b>	<b>Involuntary Liquidating Preference Per Unit(6)</b>	<b>Average Market Value Per Unit(7)</b>
<b>Operating Company Facility<sup>(1)</sup></b>				
Fiscal 2014	\$ 70,000	\$ 5,356	\$	N/A
Fiscal 2013	45,000	8,176		N/A
Fiscal 2012	74,000	7,077		N/A
Fiscal 2011	29,000	13,803		N/A
Fiscal 2010	50,000	8,958		N/A
Fiscal 2009	75,000	5,893		N/A
Fiscal 2008	34,000	10,525		N/A
Fiscal 2007	207,000	3,534		N/A
<b>Preferred Interests<sup>(2)</sup></b>				
Fiscal 2014	\$ 134,000	\$ 51,592	\$ 20,074	N/A
Fiscal 2013	134,000	68,125	20,075	N/A
Fiscal 2012	134,000	50,475	20,079	N/A
Fiscal 2011	134,000	49,251	20,070	N/A
Fiscal 2010	134,000	48,770	20,056	N/A
Fiscal 2009	134,000	42,350	20,055	N/A
Fiscal 2008	134,000	42,343	20,175	N/A
Fiscal 2007	134,000	43,443	20,289	N/A
<b>TCPC Funding Facility<sup>(3)</sup></b>				
Fiscal 2014	\$ 125,000	\$ 5,356	\$	N/A
Fiscal 2013	50,000	8,176		N/A
<b>SBA Debentures</b>				
Fiscal 2014	\$ 28,000	\$ 5,356	\$	N/A
<b>2019 Notes</b>				
Fiscal 2014	\$ 108,000	\$ 3,617	\$	N/A

(1) The Operating Company entered into the Operating Company Facility, pursuant to which amounts may currently be drawn up to \$116 million. The Operating Company Facility matures on July 31, 2016.

(2) At December 31, 2014, the Operating Company had 6,700 Preferred Interests issued and outstanding with a liquidation preference of \$20,000 per interest. The Preferred Interests will be subject to mandatory redemption on July 31, 2016.

(3) TCPC Funding entered into the TCPC Funding Facility, pursuant to which amounts may currently be drawn up to \$300 million. The TCPC Funding Facility matures on March 6, 2019, subject to extension by the lender at our request for one 12-month period.

(4)

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

(5)

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 Revolving Facilities, the asset coverage ratio with respect to indebtedness is multiplied by \$1,000 to determine the Asset Coverage Per Unit. The asset coverage ratio for the Preferred Interests is calculated as our consolidated total assets, less all liabilities and indebtedness not represented by senior securities, divided by the sum of senior securities representing indebtedness and the liquidation preference of the Preferred Interests. For the Preferred Interests, the asset coverage ratio with respect

S-35

---

Table of Contents

to the Preferred Interests is multiplied by their liquidation value of \$20,000 plus accrued dividends to determine the Asset Coverage Per Unit.

- (6) 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.
- (7) Not applicable because our senior securities are not registered for public trading.

Table of Contents

**SUPPLEMENT TO U.S. FEDERAL INCOME TAX MATTERS**

The following summary of U.S. federal income tax matters supplements the discussion set forth under the heading "U.S. Federal Income Tax Matters" and certain related tax disclosures in the accompanying prospectus and is subject to the qualifications and assumptions set forth therein.

The following paragraph replaces the paragraph under the heading "Risks Our stockholders may receive shares of our common stock as dividends, which could result in adverse tax consequences to stockholders." in the accompanying prospectus:

In order to satisfy the annual distribution requirement applicable to RICs, we have the ability to declare a large portion of a dividend in shares of our common stock instead of in cash. As long as a large enough portion of such dividend is paid in cash (there is no definitive guidance as to what percentage of the dividend must be in cash) and certain requirements are met, the entire distribution will be treated as a dividend for U.S. federal income tax purposes. As a result, a stockholder would be taxed on 100% of the dividend in the same manner as a cash dividend, even though most of the dividend was paid in shares of our common stock.

The following paragraph replaces the last paragraph under the heading "Management's Discussion and Analysis of Financial Condition and Results Of Operations Distributions" in the accompanying prospectus:

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

The following paragraph replaces the fourth paragraph under the heading "U.S. Federal Income Tax Matters Taxation of U.S. stockholders" in the accompanying prospectus:

Dividends and other taxable distributions are taxable to you even though they are reinvested in additional shares of our common stock. We have the ability to declare a large portion of a dividend in shares of our stock. As long as a large enough portion of such dividend is paid in cash (there is no definitive guidance as to what percentage of the dividend must be in cash) and certain requirements are met, the entire distribution will be treated as a dividend for U.S. federal income tax purposes. As a result, our stockholders will be taxed on 100% of the dividend in the same manner as a cash dividend, even though most of the dividend was paid in shares of our stock.

The following paragraph replaces the fourth paragraph under the heading "U.S. Federal Income Tax Matters Taxation of non-U.S. stockholders" in the accompanying prospectus:

Under certain legislation, no U.S. source withholding taxes will be imposed on dividends paid by RICs in taxable years beginning before January 1, 2015 to non-U.S. stockholders to the extent the dividends are designated as "interest-related dividends" or "short-term capital gain dividends." Under this exemption, interest-related dividends and short-term capital gain dividends generally represent distributions of interest or short-term capital gain that would not have been subject to U.S. withholding tax at the source if they had been received directly by a non-U.S. stockholder, and that satisfy certain other requirements. As of the date hereof, this provision has expired and, although an extension of this provision has been proposed, unless this extension is enacted, this exception will not apply for any taxable years on or after January 1, 2015. Even if the provision is re-enacted, no assurance can be given that we will distribute any interest-related or short-term capital gain dividends.

Table of Contents

**PLAN OF DISTRIBUTION**

We have entered into an equity distribution agreement, dated as of October 3, 2014 (the "Equity Distribution Agreement"), with each of the Agents under which we may from time to time offer and sell shares of our common stock having an aggregate offering price of up to \$100,000,000. Sales of our shares, if any, under this prospectus supplement and the accompanying prospectus may be made in negotiated transactions or transactions that are deemed to be "at the market" offerings, including sales made directly on the NASDAQ Global Select Market ("Nasdaq") or sales made to or through a market maker other than on an exchange.

Upon its acceptance of written instructions from us, the relevant Agent will use its commercially reasonable efforts, consistent with its sales and trading practices, to solicit offers to purchase our shares under the terms and subject to the conditions set forth in the Equity Distribution Agreement. We will instruct the relevant Agent as to the amount of shares to be sold by it. We may instruct the relevant Agent not to sell shares if the sales cannot be effected at or above the price designated by us in any instruction. The offering price per share of our common stock sold in this offering less the Agents' commissions or discounts payable by us will not be less than the net asset value per share of our common stock at the time we sell common stock pursuant to this offering. Our shares sold pursuant to the Equity Distribution Agreement will be sold through only one of the Agents on any given day. We or either of the Agents may suspend the at the market offerings of shares upon proper notice and subject to other conditions.

The relevant Agent will provide written confirmation to us no later than 9:30 a.m. (New York City time) on the trading day following the trading day in which shares were sold under the Equity Distribution Agreement. Each confirmation will include the number of shares sold on the preceding day, the net proceeds to us and the compensation payable by us to the Agent in connection with the sales.

We will pay each Agent a commission for its services in acting as sales agent and/or principal in the sale of shares. Each Agent will be entitled to compensation that will not exceed, but may be up to, 2.0% of the gross sales price of all shares sold through it under the Equity Distribution Agreement. We estimate that the total expenses for the at the market offerings, excluding compensation payable to the Agents under the terms of the Equity Distribution Agreement, will be approximately \$300,000. In connection with the sale of shares on our behalf, the Agents may be deemed to be "underwriters" within the meaning of the Securities Act, and the compensation paid to the Agents may be deemed to be underwriting commissions and discounts.

Settlement of sales of shares will occur on the third trading day (or such earlier day as is industry practice for regular-way trading) following the date on which any sales are made, or on some other date that is agreed upon by us and the applicable Agent in connection with a particular transaction, in return for payment of the net proceeds to us. There is no arrangement for funds to be received in an escrow, trust or similar arrangement.

We will report at least quarterly the number of shares sold through the Agents under the Equity Distribution Agreement and the net proceeds to us in connection with the sales of shares.

If we or the Agents have reason to believe that the exemptive provisions set forth in Rule 101(c)(1) of Regulation M under the Securities Exchange Act are not satisfied, we or the Agents will promptly notify the other parties, and sales of shares under the Equity Distribution

Table of Contents

Agreement will be suspended until that or other exemptive provisions have been satisfied in the judgment of the Agents and us.

The at the market offerings of shares pursuant to the Equity Distribution Agreement will terminate upon the earlier of (1) the issuance and sale of shares having an aggregate offering price of \$100,000,000 pursuant to the Equity Distribution Agreement and (2) the termination of the Equity Distribution Agreement so that neither Agent remains subject thereto. The Equity Distribution Agreement may be terminated by either Agent as to itself or us at any time upon three days' notice, and by either Agent as to itself at any time in certain circumstances, including our failure to maintain a listing of our shares on the Nasdaq or the occurrence of a material adverse change in the company.

Through March 12, 2015, we have sold 400,255 shares of our common stock pursuant to the equity distribution agreement, having an aggregate offering price of \$6,504,992. As a result, shares of common stock having an aggregate offering price of \$93,495,008, or 5,789,165 shares of common stock based on the last reported closing price for our common stock on March 12, 2015, remain available for sale pursuant to the equity distribution agreement.

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

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

**Other Relationships**

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

In addition, in the ordinary course of their business activities, the Agents and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of ours or our affiliates. The Agents and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

**Principal Business Address**

The principal business address of Raymond James & Associates, Inc. is 880 Carillon Parkway, St. Petersburg, FL 33716. The principal business address of Cantor Fitzgerald & Co. is 499 Park Avenue, New York, NY 10022.

Table of Contents

**LEGAL MATTERS**

Certain legal matters regarding the common stock offered hereby have been passed upon for the Company by Skadden, Arps, Slate, Meagher & Flom LLP, New York, New York, and for the Agents by Proskauer Rose LLP, Los Angeles, California.

**ADDITIONAL INFORMATION**

We have filed with the SEC a shelf registration statement on Form N-2, together with all amendments and related exhibits, with respect to our common stock offered by this prospectus supplement. The registration statement contains additional information about us and the common stock being registered by this prospectus supplement and the accompanying prospectus. 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 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. You may obtain free copies of this information, request a free copy of the SAI, the table of contents of which is on page S-41 of this prospectus supplement, and make stockholder inquiries by contacting us at Tennenbaum Capital Partners, LLC, c/o Investor Relations, 2951 28th Street, Suite 1000, Santa Monica, California 90405 or by calling us collect at (310) 566-1094. You may also inspect and copy these reports, proxy statements and other information, as well as the registration statement of which the accompanying prospectus forms a part and the related exhibits and schedules, at the Public Reference Room of the SEC at 100 F Street, N.E., Washington, D.C. 20549. You may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330. Copies of these reports, proxy and information statements and other information may be obtained, after paying a duplicating fee, by electronic request at the following e-mail address: [publicinfo@sec.gov](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>.

No dealer, salesperson or other individual has been authorized to give any information or to make any representation other than those contained in this prospectus supplement and the accompanying prospectus and, if given or made, such information or representations must not be relied upon as having been authorized by us or the Agents. This prospectus supplement does not constitute an offer to sell or a solicitation of an offer to buy any securities in any jurisdiction in which such an offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so, or to any person to whom it is unlawful to make such offer or solicitation. Neither the delivery of this prospectus supplement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in our affairs or that information contained herein is correct as of any time subsequent to the date hereof.



Table of Contents

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

A SAI dated as of March 13, 2015, has been filed with the SEC and is incorporated by reference in this prospectus supplement. An SAI and the material incorporated therein by reference may be obtained without charge by writing to us at Tennenbaum Capital Partners, LLC, c/o Investor Relations, 2951 28th 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-19</u>
<u>Determination of Net Asset Value</u>	<u>SAI-19</u>
<u>Dividend Reinvestment Plan</u>	<u>SAI-23</u>
<u>Regulation</u>	<u>SAI-24</u>
<u>Brokerage Allocations and Other Practices</u>	<u>SAI-30</u>
	S-41

---

Table of Contents

**INDEX TO FINANCIAL STATEMENTS**

**TCP Capital Corp.**

*(successor to Special Value Continuation Fund, LLC)*

**Financial Statements**

<u>Report of Independent Registered Public Accounting Firm</u>	<u>S-F-2</u>
<u>Consolidated Statements of Assets and Liabilities as of December 31, 2014 and 2013</u>	<u>S-F-3</u>
<u>Consolidated Statements of Investments as of December 31, 2014 and 2013</u>	<u>S-F-4</u>
<u>Consolidated Statements of Operations for the years ended December 31, 2014, 2013 and 2012</u>	<u>S-F-19</u>
<u>Consolidated Statements of Changes in Net Assets for the years ended December 31, 2014, 2013 and 2012</u>	<u>S-F-20</u>
<u>Consolidated Statements of Cash Flows for the years ended December 31, 2014, 2013 and 2012</u>	<u>S-F-21</u>
<u>Notes to Consolidated Financial Statements</u>	<u>S-F-22</u>
<u>Consolidated Schedule of Changes in Investments in Affiliates as of December 31, 2014 and 2013</u>	<u>S-F-45</u>
<u>Consolidated Schedule of Restricted Securities of Unaffiliated Issuers as of December 31, 2014 and 2013</u>	<u>S-F-50</u>
<u>Consolidating Statement of Assets and Liabilities as of December 31, 2014 and 2013</u>	<u>S-F-52</u>
<u>Consolidating Statement of Operations for the years ended December 31, 2014, 2013 and 2012</u>	<u>S-F-54</u>

**Special Value Continuation Partners, LP**

**Financial Statements**

<u>Report of Independent Registered Public Accounting Firm</u>	<u>S-F-57</u>
<u>Consolidated Statements of Assets and Liabilities as of December 31, 2014 and 2013</u>	<u>S-F-58</u>
<u>Consolidated Statements of Investments as of December 31, 2014 and 2013</u>	<u>S-F-59</u>
<u>Consolidated Statements of Operations for the years ended December 31, 2014, 2013 and 2012</u>	<u>S-F-75</u>
<u>Consolidated Statements of Changes in Net Assets for the years ended December 31, 2014, 2013 and 2012</u>	<u>S-F-76</u>
<u>Consolidated Statements of Cash Flows for the years ended December 31, 2014, 2013 and 2012</u>	<u>S-F-78</u>
<u>Notes to Consolidated Financial Statements</u>	<u>S-F-79</u>
<u>Consolidated Schedule of Changes in Investments in Affiliates as of December 31, 2014 and 2013</u>	<u>S-F-97</u>
<u>Consolidated Schedule of Restricted Securities of Unaffiliated Issuers as of December 31, 2014 and 2013</u>	<u>S-F-103</u>

S-F-1

Table of Contents

**Report of Independent Registered Public Accounting Firm**

The Board of Directors and Shareholders of  
TCP Capital Corp.

We have audited the accompanying consolidated statements of assets and liabilities of TCP Capital Corp. (the Company), including the consolidated statement of investments, as of December 31, 2014 and 2013, and the related consolidated statements of operations, changes in net assets and cash flows for each of the three years in the period ended December 31, 2014. Our audits also included the financial statement schedules listed in the Index at Item 15(a). These financial statements and schedules are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements and schedules based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the Company's internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Our procedures included confirmation of securities owned as of December 31, 2014 by correspondence with the custodian and brokers, or by other appropriate auditing procedures where replies from these parties, as applicable, were not received. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of TCP Capital Corp. at December 31, 2014 and 2013 and the consolidated results of its operations, changes in its net assets and its cash flows for each of the three years in the period ended December 31, 2014, in conformity with U.S. generally accepted accounting principles. Also, in our opinion, the related financial statement schedules, when considered in relation to the basic financial statements taken as a whole, present fairly in all material aspects the information set forth therein.

The accompanying consolidating statements of assets and liabilities as of December 31, 2014 and 2013 of the Company and the related consolidating statements of operations for each of the three years in the period ended December 31, 2014 have been subjected to audit procedures performed in conjunction with the audit of Company's consolidated financial statements. Such information is the responsibility of the Company's management. Our audit procedures included determining whether the information reconciles to the financial statements or the underlying accounting and other records, as applicable, and performing procedures to test the completeness and accuracy of the information. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

/s/ Ernst & Young LLP

Los Angeles, California  
March 9, 2015

S-F-2

---

Table of Contents**TCP Capital Corp.****Consolidated Statements of Assets and Liabilities**

	<b>December 31, 2014</b>	<b>December 31, 2013</b>
<b>Assets</b>		
Investments, at fair value:		
Companies less than 5% owned (cost of \$1,097,181,753 and \$684,569,508, respectively)	\$ 1,081,901,384	\$ 678,326,915
Companies 5% to 25% owned (cost of \$52,103,511 and \$73,946,547, respectively)	48,716,425	69,068,808
Companies more than 25% owned (cost of \$40,213,258 and \$42,588,724 respectively)	15,918,077	18,867,236
Total investments (cost of \$1,189,498,522 and \$801,104,779, respectively)	1,146,535,886	766,262,959
Cash and cash equivalents	27,268,792	22,984,182
Receivable for investments sold	10,961,369	3,605,964
Accrued interest income:		
Companies less than 5% owned	9,222,001	6,282,353
Companies 5% to 25% owned	253,987	415,061
Companies more than 25% owned	28,450	41,691
Deferred debt issuance costs	7,700,988	2,969,085
Unrealized appreciation on swaps	1,717,610	
Options (cost \$51,750)	497	14,139
Prepaid expenses and other assets	2,177,217	753,768
Total assets	1,205,866,797	803,329,202
<b>Liabilities</b>		
Debt	328,696,830	95,000,000
Incentive allocation payable	4,303,040	3,318,900
Payable for investments purchased	2,049,518	14,706,942
Interest payable	1,510,981	430,969
Payable to the Investment Manager	459,827	1,121,108
Unrealized depreciation on swaps		331,183
Accrued expenses and other liabilities	3,219,783	3,136,010
Total liabilities	340,239,979	118,045,112
<b>Commitments and contingencies (Note 5)</b>		
<b>Preferred equity facility</b>		
Series A preferred limited partner interests in Special Value Continuation Partners, LP; \$20,000/interest liquidation preference; 6,700 interests authorized, issued and outstanding	134,000,000	134,000,000
Accumulated dividends on Series A preferred equity facility	497,790	504,252
Total preferred limited partner interests	134,497,790	134,504,252
<b>Non-controlling interest</b>		
General Partner interest in Special Value Continuation Partners, LP		1,168,583
<b>Net assets applicable to common shareholders</b>	<b>\$ 731,129,028</b>	<b>\$ 549,611,255</b>

Edgar Filing: TCP Capital Corp. - Form 497

**Composition of net assets applicable to common shareholders**

Common stock, \$0.001 par value; 200,000,000 shares authorized, 48,710,627 and 36,199,916 shares issued and outstanding as of December 31, 2014 and December 31, 2013, respectively			
		48,710	36,200
Paid-in capital in excess of par		877,103,880	667,842,020
Accumulated net investment income		21,884,381	24,016,095
Accumulated net realized losses		(126,408,033)	(105,800,278)
Accumulated net unrealized depreciation		(41,499,910)	(35,314,199)
Non-controlling interest			(1,168,583)
Net assets applicable to common shareholders	\$	731,129,028	\$ 549,611,255
<b>Net assets per share</b>	<b>\$</b>	<b>15.01</b>	<b>\$ 15.18</b>

*See accompanying notes.*

S-F-3

---

Table of Contents

## TCP Capital Corp.

## Consolidated Statement of Investments

December 31, 2014

Showing Percentage of Total Cash and Investments of the Company

Investor	Instrument	Ref	Floor	Spread	All-In Rate	Maturity	Principal	Cost	Value	% of Portfolio	N
<b>Investments (A)</b>											
<b>Accounting, Tax Preparation, Bookkeeping, and Payroll Services</b>											
Investments, Inc.	Holdco PIK Notes	LIBOR (A)	3.00%	10.00%	13.00%	10/3/2018	\$ 57,238	\$ 57,238	\$ 56,237		
Investments, LLC	Second Lien Term Loan	LIBOR (Q)	1.50%	11.00%	12.50%	10/3/2018	\$ 7,124,902	6,959,593	7,096,403	0.60%	
								7,016,831	7,152,640	0.60%	
<b>Activities Related to Real Estate</b>											
Investments, LLC	First Lien Term Loan	LIBOR (Q)	1.00%	8.00%	9.00%	3/26/2021	\$ 16,470,084	16,261,549	16,511,259	1.41%	
<b>Advertising, Public Relations, and Related Services</b>											
Investments (United Kingdom)	First Lien Facility A1 Term Loan	EURIBOR (Q)	1.25%	6.25%	7.50%	3/18/2018	€ 13,165,705	16,791,646	15,450,034	1.32%	D
<b>Artificial Synthetic Fibers and Filaments Manufacturing</b>											
Investment Holding	Sr Secured Term Loan	Fixed		12.00%	12.00%	9/15/2016	\$ 4,869,577	4,869,577	4,869,577	0.41%	B
Investment Holding	Second Lien Notes	Fixed		11.00%	11.00%	11/15/2016	\$ 9,268,000	7,586,318	9,017,764	0.77%	B
								12,455,895	13,887,341	1.18%	
<b>Chemical Manufacturing</b>											
Investment, Inc.	Sr Secured Term Loan	LIBOR (M)	0.23%	9.27%	9.50%	12/1/2017	\$ 25,000,000	24,505,108	25,050,000	2.13%	
Investment Logistics, Inc.	Sr Secured Term Loan	Prime Rate	3.25%	7.75%	11.00%	5/1/2018	\$ 15,000,000	14,503,743	14,730,000	1.25%	L
Investment Chemicals S.A. (Luxembourg)	Sr Secured Term Loan	LIBOR (Q)	0.23%	8.50%	8.73%	3/18/2016	\$ 15,632,077	15,632,077	15,632,077	1.33%	H
Investment xyChem, LLC	First Lien Term Loan	LIBOR (Q)	1.00%	6.50%	7.50%	2/28/2020	\$ 8,932,500	8,783,187	8,932,500	0.76%	
Investment G Investments, LLC	Sr Secured Term Loan	LIBOR (M)	0.23%	10.27%	10.50%	2/1/2018	\$ 7,700,000	7,555,099	7,646,000	0.65%	L
								70,979,214	71,990,577	6.12%	
<b>Plastic Bottle Manufacturing</b>											

Edgar Filing: TCP Capital Corp. - Form 497

lina Beverage p, LLC	Secured Notes	Fixed	10.63%	10.63%	8/1/2018	\$ 4,780,000	4,780,000	4,851,700	0.41%	E
<b>Business Support Services</b>										
wise Global nologies, Inc.	Sr Secured Revolving Loan	LIBOR (Q)	0.23%	8.52%	8.75%	11/30/2017	\$	(106,405)	(60,000)	(0.01)%
wise Global nologies, Inc.	Sr Secured Term Loan	LIBOR (Q)	0.23%	9.27%	9.50%	11/30/2019	\$ 17,500,000	17,158,899	17,360,000	1.48%
-Fairway isitions, Inc.	Second Lien Term Loan	LIBOR (Q)	1.25%	9.25%	10.50%	8/28/2019	\$ 14,643,455	14,036,428	14,863,107	1.27%
								31,088,922	32,163,107	2.74%
<b>Chemical Manufacturing</b>										
roma	Term Loan B	LIBOR (Q)	1.25%	8.25%	9.50%	9/30/2018	\$ 19,896,228	19,593,258	19,747,006	1.68%
<b>Communications Equipment Manufacturing</b>										
ecomm ems, Inc.	First Lien Term Loan	LIBOR (Q)	1.25%	7.63%	8.88%	12/11/2018	\$ 14,850,000	14,701,500	14,656,950	1.25%
<b>Computer Equipment Manufacturing</b>										
Touch tions, Inc.	Second Lien Term Loan	LIBOR (Q)	1.50%	10.50%	12.00%	12/1/2018	\$ 12,000,000	11,638,008	11,520,000	0.98%
<b>Computer Systems Design and Related Services</b>										
alert, LLC	First Lien Term Loan	LIBOR (Q)	0.25%	4.75% Cash + 4% PIK	9.00%	3/31/2019	\$ 30,926,035	30,399,049	31,080,665	2.65%
Coat ems, Inc.	First Lien Revolver	LIBOR (Q)	1.00%	3.50%	4.50%	5/31/2018	\$	(727,290)	(660,240)	(0.06)%
Coat ems, Inc.	Second Lien Term Loan	LIBOR (Q)	1.00%	8.50%	9.50%	6/28/2020	\$ 15,000,000	14,878,125	14,775,000	1.26%
C Software oration	Second Lien Term Loan	LIBOR (M)	1.00%	7.50%	8.50%	5/29/2021	\$ 11,993,035	11,880,123	11,753,175	1.00%
Enterprise tions, Ltd. ada)	First Lien Term Loan B	LIBOR (Q)		8.00%	8.23%	9/3/2018	\$ 2,361,467	2,361,467	2,341,394	0.20%
Enterprise tions, Ltd. ada)	First Lien Term Loan	LIBOR (Q)		7.00%	7.23%	9/3/2018	\$ 10,533,333	10,415,821	10,259,467	0.87%
USA, LLC	First Lien Term Loan B	LIBOR (Q)		8.00%	8.23%	9/3/2018	\$ 4,722,933	4,722,933	4,682,788	0.40%
USA, LLC	First Lien Term Loan	LIBOR (Q)		7.00%	7.23%	9/3/2018	\$ 5,266,667	5,211,626	5,129,733	0.44%
onix, LLC	First Lien Revolver	LIBOR (Q)	0.50%	8.00%	8.50%	12/4/2018	\$	(5,809)		0.00%
onix, LLC	First Lien Term Loan	LIBOR (M)	0.50%	8.00%	8.50%	12/4/2018	\$ 6,535,333	6,466,509	6,551,671	0.56%

Edgar Filing: TCP Capital Corp. - Form 497

sense, Inc.	Second Lien Term Loan	LIBOR (Q)	1.00%	7.25%	8.25%	12/27/2020	\$ 7,200,000	7,164,000	6,930,000	0.59%
								92,766,554	92,843,653	7.91%
<b>and Sew Apparel Manufacturing</b>										
s arel, LLC	First Lien FILO Term Loan	LIBOR (M)	1.00%	9.60%	10.60%	4/8/2019	\$ 14,329,403	14,202,296	14,429,709	1.23%

S-F-4



Table of Contents

## TCP Capital Corp.

## Consolidated Statement of Investments (Continued)

December 31, 2014

Showing Percentage of Total Cash and Investments of the Company

Issuer	Instrument	Ref	Floor	Spread	All-In Rate	Maturity	Principal	Cost	Value	% of Portfolio Not
<b>Debt Investments (continued)</b>										
<b>Data Processing, Hosting, and Related Services</b>										
Asset International, Inc.	Delayed Draw Term Loan	LIBOR (M)	1.00%	7.00%	8.00%	7/31/2020	\$	\$ (42,880)	\$ (29,158)	0.00% K
Asset International, Inc.	Revolver	LIBOR (M)	1.00%	7.00%	8.00%	7/31/2020	\$ 484,752	475,358	477,885	0.04%
Asset International, Inc.	First Lien Term Loan	LIBOR (M)	1.00%	7.00%	8.00%	7/31/2020	\$ 8,191,755	8,037,946	8,122,125	0.69%
Lightside Group, Ltd.	Second Lien Term Loan	LIBOR (Q)	0.50%	8.75%	9.25%	8/6/2019	\$ 5,000,000	4,042,549	4,775,000	0.41%
the Telx Group, Inc.	Senior Notes	Fixed		13.5% PIK	13.50%	7/9/2021	\$ 4,446,651	4,446,651	4,611,177	0.39% E
United TLD Holdco, Ltd. (Cayman Islands)	Second Lien Term Loan	LIBOR (Q)	0.50%	8.75%	9.25%	8/6/2019	\$ 10,000,000	8,085,098	9,550,000	0.81% H
								25,044,722	27,507,029	2.34%
<b>Electrical Equipment and Component Manufacturing</b>										
EXTracker, Inc.	Sr Secured Revolver	LIBOR (M)		8.00%	8.00%	7/1/2016	\$ 2,500,000	508,086	1,126,250	0.10%
EXTracker, Inc.	Sr Secured Term Loan	LIBOR (M)		9.50%	9.50%	12/16/2016	\$ 2,500,000	2,216,771	2,303,750	0.20% L
Fladadium Energy, Inc.	First Lien Term Loan	LIBOR (Q)	1.00%	9.00%	10.00%	12/26/2017	\$ 16,153,317	15,942,351	16,234,084	1.38%
								18,667,208	19,664,084	1.68%
<b>Electrical Equipment Manufacturing</b>										
API Technologies Corp.	First Lien Term Loan	LIBOR (Q)	1.50%	7.50%	9.00%	2/6/2018	\$ 6,687,055	6,631,621	6,610,154	0.56%
<b>Fabricated Metal Product Manufacturing</b>										
Constellation Enterprises, LLC	First Lien Notes	Fixed		10.63%	10.63%	2/1/2016	\$ 2,900,000	2,858,907	2,392,500	0.20% E
<b>Financial Investment Activities</b>										
Institutional Shareholder Services, Inc.	Second Lien Term Loan	LIBOR (Q)	1.00%	7.50%	8.50%	4/30/2022	\$ 6,471,492	6,411,582	6,374,420	0.54%
Marsico Capital Management	First Lien Term Loan	LIBOR (M)		5.00%	5.25%	12/31/2022	\$ 10,500,040	13,220,948	2,274,991	0.19% I

Edgar Filing: TCP Capital Corp. - Form 497

								19,632,530	8,649,411	0.73%
<b>All-Service Restaurants</b>										
M OpCo, LLC	Convertible Second Lien Term Loan Tranche B-1	Fixed		8.50%	8.50%	3/30/2018	\$ 1,636,314	1,614,711	1,636,314	0.14% B
M OpCo, LLC	First Lien Term Loan Tranche A	Fixed		7.00%	7.00%	3/21/2016	\$ 3,900,025	3,898,911	3,900,025	0.33% B
M OpCo, LLC	Second Lien Term Loan Tranche B	Fixed		8.50%	8.50%	3/30/2018	\$ 8,153,188	8,153,188	6,457,325	0.55% B
M OpCo, LLC	Second Lien Term Loan Tranche B-1	Fixed		8.50%	8.50%	3/30/2018	\$ 2,567,717	2,546,166	2,567,717	0.22% B
M OpCo, LLC	Sr Convertible Second Lien Term Loan B	Fixed		8.50%	8.50%	3/30/2018	\$ 631,164	631,164	631,164	0.05% B
								16,844,140	15,192,545	1.29%
<b>Gaming Industries</b>										
P Gaming I, LLC	First Lien Revolver	LIBOR (Q)		8.25%	8.41%	12/20/2018	\$ 5,000,000	2,931,716	2,812,500	0.24%
P Gaming I, LLC	First Lien Term Loan B	LIBOR (Q)	1.00%	8.25%	9.25%	12/20/2020	\$ 14,850,000	14,450,326	14,850,000	1.27%
								17,382,042	17,662,500	1.51%
<b>General Medical and Surgical Hospitals</b>										
RegionalCare Hospital Partners, Inc.	Second Lien Term Loan	LIBOR (M)	1.00%	9.50%	10.50%	10/23/2019	\$ 21,017,525	20,729,782	20,964,981	1.79%
<b>Grocery Stores</b>										
Shas, Inc.	First Lien FILO Term Loan	LIBOR (M)	1.50%	7.00%	8.50%	10/8/2019	\$ 10,632,845	10,592,167	10,616,895	0.90%
The Great Atlantic & Pacific Sea Company, Inc.	Term Loan Tranche B	LIBOR (M)	1.00%	8.85%	9.85%	9/17/2019	\$ 20,966,890	20,619,519	20,945,923	1.78%
								31,211,686	31,562,818	2.68%
<b>Insurance Carriers</b>										
erisure, LLC	Second Lien Additional Notes	LIBOR (Q)	1.00%	10.50%	11.50%	3/31/2020	\$ 2,520,198	2,391,227	2,527,200	0.22%
erisure, LLC	Second Lien Notes	LIBOR (Q)	1.00%	10.50%	11.50%	3/31/2020	\$ 29,288,298	28,725,701	29,317,586	2.50%

Edgar Filing: TCP Capital Corp. - Form 497

S Apple oldco, LLC	First Lien Term Loan	LIBOR (Q)	0.50%	11.50%	12.00%	8/29/2019	\$ 20,000,000	19,247,507	19,940,000	1.70%
								50,364,435	51,784,786	4.42%
<b>Insurance Related Activities</b>										
onfie Seguros olding II Co.	Second Lien Term Loan	LIBOR (M)	1.25%	9.00%	10.25%	5/8/2019	\$ 7,861,809	7,776,100	7,859,372	0.67%
<b>Lessors of Nonfinancial Intangible Assets</b>										
BG Intermediate oldings 2, LLC	Second Lien Term Loan	LIBOR (S)	1.00%	8.00%	9.00%	5/27/2022	\$ 15,990,714	15,838,253	16,110,644	1.37%

S-F-5

Table of Contents

## TCP Capital Corp.

## Consolidated Statement of Investments (Continued)

December 31, 2014

Showing Percentage of Total Cash and Investments of the Company

Suer	Instrument	Ref	Floor	Spread	All-In Rate	Maturity	Principal	Cost	Value	% of Portfolio	Notes
<b>Debt Investments (continued)</b>											
<b>Lessors of Real Estate</b>											
Montgomery Companies, Inc.	Senior Secured Notes	Fixed		9.63%	9.63%	3/1/2021	\$ 13,084,000	\$ 12,935,462	\$ 13,476,520	1.15%	E/G
<b>Management, Scientific, and Technical Consulting Services</b>											
Edge Data & Analytics, LLC	First Lien Term Loan	LIBOR (Q)	1.00%	8.75%	9.75%	10/31/2019	\$ 27,923,077	27,174,478	27,853,269	2.37%	
<b>Merchant Wholesalers</b>											
Acquisition Company, LLC	Second Lien Term Loan	LIBOR (Q)	1.00%	8.75%	9.75%	11/4/2021	\$ 9,079,011	8,914,869	9,044,964	0.77%	
<b>Motion Picture and Video Industries</b>											
Entertainment, Inc.	First Lien Term Loan	Fixed		9.00%	9.00%	6/21/2017	\$ 9,462,231	9,402,044	8,203,755	0.70%	
Entertainment, Inc.	Second Lien Term Loan	Fixed		13.50%	13.50%	6/21/2018	\$ 7,569,785	7,518,166	6,233,718	0.53%	
								16,920,210	14,437,473	1.23%	
<b>Newspaper, Periodical, Book, and Directory Publishers</b>											
Media SA, Inc.	First Lien Revolver	LIBOR (Q)		6.75%	6.99%	5/20/2018	\$ 3,875,000	3,065,963	3,596,543	0.31%	
Media SA, Inc.	First Lien Term Loan	LIBOR (Q)	1.25%	6.75%	8.00%	11/20/2018	\$ 9,591,911	9,372,798	9,376,093	0.80%	
								12,438,761	12,972,636	1.11%	
<b>Nondepository Credit Intermediation</b>											
Caribbean Financial Group (Cayman Islands)	Sr Secured Notes	Fixed		11.50%	11.50%	11/15/2019	\$ 10,000,000	9,846,274	10,300,000	0.88%	E/G
Trade Finance Funding I, Ltd. (Cayman Islands)	Secured Class B Notes	Fixed		10.75%	10.75%	11/13/2018	\$ 15,084,000	15,084,000	15,008,580	1.28%	E/H
								24,930,274	25,308,580	2.16%	
<b>Unscheduled Air Transportation</b>											
One Sky Flight, LLC	Second Lien Term	Fixed		12% Cash +	15.00%	6/3/2019	\$ 18,660,646	17,417,637	19,220,465	1.64%	

Edgar Filing: TCP Capital Corp. - Form 497

	Loan			3%	PIK						
<b>Oil and Gas Extraction</b>											
Jefferson Gulf Coast Energy Partners, LLC	First Lien Term Loan B	LIBOR (M)	1.00%	8.00%	9.00%	2/27/2018	\$ 14,962,500	14,824,074	14,289,188	1.22%	
Mid America Energy, LLC	Second Lien Term Loan	LIBOR (Q)	1.00%	8.50%	9.50%	8/4/2019	\$ 10,000,000	9,533,785	9,600,000	0.82%	
								24,357,859	23,889,188	2.04%	
<b>Other Information Services</b>											
CH-2 Holdings, LLC	Second Lien Term Loan	LIBOR (M)	1.00%	7.75%	8.75%	11/6/2021	\$ 19,988,392	19,704,946	19,288,799	1.64%	
<b>Other Telecommunications</b>											
Curus Technologies, Inc.	Second Lien Term Loan	LIBOR (Q)	1.25%	7.75%	9.00%	4/30/2021	\$ 14,000,000	13,860,000	13,790,000	1.17%	
<b>Petroleum and Coal Products Manufacturing</b>											
Boomerang Tube, LLC	Second Lien Term Loan	LIBOR (Q)	1.50%	9.50%	11.00%	10/11/2017	\$ 3,825,453	3,778,669	3,318,581	0.28%	
<b>Plastics Products Manufacturing</b>											
Core International, Inc.	Sr Secured Notes	Fixed		9.50%	9.50%	6/1/2018	\$ 13,600,000	13,600,000	8,194,000	0.70%	E/G
<b>Radio and Television Broadcasting</b>											
TV, Inc.	Sr Secured Notes	Fixed		10.38%	10.38%	7/1/2019	\$ 7,312,000	7,312,000	6,818,440	0.58%	E/G
Pro Tennis Channel, Inc.	First Lien Term Loan	LIBOR (Q)		8.50%	8.75%	5/29/2017	\$ 18,250,825	17,914,285	18,369,455	1.56%	
								25,226,285	25,187,895	2.14%	
<b>Retail</b>											
Kenneth Cole Productions, Inc.	First Lien FILO Term Loan	LIBOR (M)	1.00%	10.40%	11.40%	9/25/2017	\$ 10,590,909	10,434,633	10,643,863	0.91%	
Connexity, Inc.	Second Lien Term Loan	LIBOR (Q)		12.50%	12.73%	3/31/2016	\$ 6,630,353	6,536,895	6,600,516	0.56%	
Shop Holding, LLC	Convertible Promissory Note	Fixed		5.00%	5.00%	8/5/2015	\$ 73,140	73,140	67,691	0.01%	E
								17,044,668	17,312,070	1.48%	
<b>Satellite Telecommunications</b>											
Avanti Communications Group, PLC (United Kingdom)	Sr Secured Notes	Fixed		10.00%	10.00%	10/1/2019	\$ 9,914,000	9,914,000	9,492,655	0.81%	E/G



Table of Contents

## TCP Capital Corp.

## Consolidated Statement of Investments (Continued)

December 31, 2014

Showing Percentage of Total Cash and Investments of the Company

				All-In						% of
Instrument	Ref	Floor	Spread	Rate	Maturity	Principal	Cost	Value	Portfolio	
<b>Investments (continued)</b>										
<b>Included Air Transportation</b>										
Aircraft Leased to Air Lines, Inc.										
DL	Aircraft Secured Mortgage	Fixed		8.00%	8.00%	3/15/2017	\$ 205,106	\$ 205,106	\$ 209,168	0.02%
DL	Aircraft Secured Mortgage	Fixed		8.00%	8.00%	8/15/2018	\$ 313,694	\$ 313,694	\$ 320,440	0.03%
DL	Aircraft Secured Mortgage	Fixed		8.00%	8.00%	3/20/2019	\$ 429,007	\$ 429,007	\$ 437,679	0.04%
DL	Aircraft Secured Mortgage	Fixed		8.00%	8.00%	6/20/2019	\$ 451,165	\$ 451,165	\$ 460,258	0.04%
DL	Aircraft Secured Mortgage	Fixed		8.00%	8.00%	5/20/2019	\$ 448,792	\$ 448,792	\$ 457,902	0.04%
DL	Aircraft Secured Mortgage	Fixed		8.00%	8.00%	6/20/2019	\$ 455,112	\$ 455,112	\$ 464,283	0.04%
DL	Aircraft Secured Mortgage	Fixed		8.00%	8.00%	7/20/2019	\$ 461,378	\$ 461,378	\$ 470,601	0.04%
DL	Aircraft Secured Mortgage	Fixed		8.00%	8.00%	10/20/2019	\$ 483,873	\$ 483,873	\$ 493,258	0.04%
DL	Aircraft Secured Mortgage	Fixed		8.00%	8.00%	8/20/2019	\$ 475,489	\$ 475,489	\$ 484,908	0.04%
DL	Aircraft Secured Mortgage	Fixed		8.00%	8.00%	2/15/2018	\$ 308,103	\$ 308,103	\$ 314,588	0.03%
Aircraft Leased to United Airlines, Inc.										
UA	Aircraft Secured Mortgage	Fixed		12.00%	12.00%	2/28/2016	\$ 1,582,136	\$ 1,582,136	\$ 1,659,003	0.14%

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

UA	Aircraft Secured Mortgage	Fixed	12.00%	12.00%	5/4/2016	\$ 1,788,182	1,788,181	1,899,950	0.16%	
Air p, Inc.	Acquisition Delayed Draw Loan	LIBOR (M)	7.25%	N/A	7/15/2022	\$	(271,500)	(135,750)	(0.01)%	
Air p, Inc.	Acquisition Loan	LIBOR (M)	7.25%	7.44%	7/15/2022	\$ 17,810,658	17,469,814	17,632,552	1.50%	
							24,600,350	25,168,840	2.15%	
<b>Scientific Research and Development Services</b>										
atories, Inc.	Senior Secured Notes	Fixed	12.25%	12.25%	4/1/2017	\$ 38,932,000	39,001,750	41,754,570	3.56%	
<b>Conductor and Other Electronic Component Manufacturing</b>										
, Inc.	Sr Secured Term Loan	LIBOR (M)	0.23%	10.27%	10.50%	9/1/2017	\$ 22,500,000	21,822,817	21,633,750	1.84%
dison, Inc.	Senior Secured Letters of Credit	Fixed	3.75%	N/A	2/28/2017	\$	(1,031,717)	(750,340)	(0.06)%	
							20,791,100	20,883,410	1.78%	
<b>Software Publishers</b>										
nis International GmbH (Switzerland)	First Lien Term Loan	LIBOR (Q)	1.00%	13.00%	14.00%	2/21/2017	\$ 30,634,068	30,429,609	28,949,194	2.47%
erve ), LLC	Second Lien Term Loan	LIBOR (Q)	0.50%	8.50%	9.00%	1/31/2020	\$ 30,000,000	29,439,740	30,015,000	2.57%
Line ms, Inc.	First Lien Term Loan	LIBOR (Q)	1.50%	0.4% Cash + 7.6% PIK	9.50%	9/25/2018	\$ 13,577,457	12,859,373	13,781,119	1.17%
one nologies, LLC	First Lien Term Loan	LIBOR (Q)	1.00%	3.75% Cash + 5% PIK	9.75%	9/4/2018	\$ 14,257,231	14,028,252	13,865,157	1.18%
k, Inc.	Second Lien Term Loan	LIBOR (Q)	1.25%	8.75%	10.00%	10/10/2019	\$ 15,000,000	14,831,408	15,099,975	1.29%
entum, Inc.	Second Lien Term Loan	LIBOR (Q)	1.50%	9.75%	11.25%	5/17/2019	\$ 21,500,000	21,361,215	11,287,500	0.96%
							122,949,597	112,997,945	9.64%	
<b>Healthcare Hospitals</b>										
entus, LLC	Second Lien Term Loan	LIBOR (Q)	1.00%	10.00%	11.00%	4/10/2020	\$ 11,000,000	10,786,339	10,945,000	0.93%
Healthcare ytics, Inc.	First Lien Term Loan	LIBOR (Q)	1.00%	9.00%	10.00%	7/1/2018	\$ 4,401,081	4,379,076	4,390,078	0.37%
							15,165,415	15,335,078	1.30%	
<b>Structured Note Funds</b>										



Edgar Filing: TCP Capital Corp. - Form 497

Polia Finance (Cayman Is)	Asset-Backed Fixed Credit Linked Notes	13.13%	13.13%	8/2/2021	\$ 15,000,000	15,000,000	15,123,000	1.29%
---------------------------------	--	--------	--------	----------	---------------	------------	------------	-------

S-F-7

---

Table of Contents

## TCP Capital Corp.

## Consolidated Statement of Investments (Continued)

December 31, 2014

Showing Percentage of Total Cash and Investments of the Company

	Instrument	Ref	Floor	Spread	All-In Rate	Maturity	Principal or Shares	Cost	Value	% Portfolio
<b>Investments (continued)</b>										
<b>Furnishings Mills</b>										
Carpet c.	First Lien Term Loan	LIBOR (Q)	1.00%	10.00%	11.00%	12/19/2019	\$ 25,000,000	\$ 25,000,000	\$ 24,925,000	2.12
<b>System Construction</b>										
lar Holdings	Revolving Credit Facility	Fixed		8.00%	8.00%	7/2/2017	\$ 25,000,000	25,000,000	25,000,000	2.13
<b>Telecommunications Carriers</b>										
ications, LLC	Delayed Draw Term Loan	LIBOR (Q)	1.00%	6.92%	7.92%	5/31/2018	\$ 372,616	361,456	371,494	0.03
ications, LLC	First Lien FILO Term Loan	LIBOR (Q)	1.00%	6.92%	7.92%	5/31/2018	\$ 8,145,022	8,064,048	8,136,877	0.70
telecom , Inc.	Second Lien Term Loan	LIBOR (Q)	1.25%	8.50%	9.75%	2/22/2020	\$ 15,000,000	14,737,750	14,943,750	1.28
								23,163,254	23,452,121	2.01
<b>Telecommunications Carriers</b>										
LC	First Lien Term Loan	LIBOR (Q)	1.50%	9.75%	11.25%	6/21/2017	\$ 19,083,140	18,579,398	19,655,634	1.67
LC	First Lien Term Loan	LIBOR (Q)	1.00%	6.50%	7.50%	3/21/2018	\$ 5,510,950	5,414,893	5,345,622	0.46
								23,994,291	25,001,256	2.13
								1,128,140,974	1,113,593,115	94.87
<b>Securities</b>										
<b>Natural, Engineering, and Related Services</b>										
ience & gy ion	Warrants						300		3	
<b>Chemical Manufacturing</b>										
ologics, Inc.	Warrants to Purchase						376,147	272,594	276,882	0.02

Stock					
<b>Support Services</b>					
alent, LLC	Membership Units	708,229	230,938	162,184	0.01
erway, LLC	Class A Units	841,479	943,287	2,917,492	0.25
			1,174,225	3,079,676	0.26
<b>Communications Equipment Manufacturing</b>					
ein Cosmos t, L.P.	Limited Partnership Units	5,000,000	5,000,000	4,175,000	0.36
<b>Processing, Hosting, and Related Services</b>					
o, Inc.	Class A Common Stock	1,255,527	26,711,048	916,535	0.08
e Group, Ltd.	Warrants	498,855	2,778,622	693,748	0.06
			29,489,670	1,610,283	0.14
<b>al Equipment and Component Manufacturing</b>					
cker, Inc.	Series B Preferred Stock	268,817	999,999	999,999	0.09
cker, Inc.	Warrants to Purchase Stock	357,022	370,118	385,013	0.03
			1,370,117	1,385,012	0.12
<b>l Investment Activities</b>					
, LLC	Common Interest Units	168,698	172,694	16,870	
<b>ervice Restaurants</b>					
lco, LLC	Equity Participation	24		792	
lco, LLC	Membership Units	13,161,000	2,010,777		
			2,010,777	792	
<b>Shops; Turned Product; and Screw, Nut, and Bolt Manufacturing</b>					
, LLC	Class C Membership Interest	33		1,469	
<b>allic Mineral Mining and Quarrying</b>					
oldCo, LLC	Membership Units	1,312,720		682,614	0.06
<b>cheduled Air Transportation</b>					
otions I, Inc.	Warrants to Purchase Common Stock	1,843	1,274,000	3,311,430	0.28
<b>and Television Broadcasting</b>					

Edgar Filing: TCP Capital Corp. - Form 497

c.	Warrants to Purchase Common Stock	233,470	300,322	331,527	0.03
----	--	---------	---------	---------	------

S-F-8

---

Table of Contents

## TCP Capital Corp.

## Consolidated Statement of Investments (Continued)

December 31, 2014

Showing Percentage of Total Cash and Investments of the Company

Issuer	Instrument	Ref	Floor	Spread	All-In or Maturity	Principal Shares	Cost	Value	% Portfolio	Notes
<b>Equity Securities (continued)</b>										
<b>Retail</b>										
Shop Holding, LLC	Class A Units					\$ 507,167	\$ 480,049	\$ 379,665	0.03%	C/E
Shop Holding, LLC	Warrants to Purchase Class A Units					326,691		3		C/E
							480,049	379,668	0.03%	
<b>Scheduled Air Transportation</b>										
Aircraft Leased to Delta Air Lines, Inc.										
N913DL	Trust Beneficial Interests					1,009	87,287	117,497	0.01%	E/F
N918DL	Trust Beneficial Interests					829	94,907	135,890	0.01%	E/F
N954DL	Trust Beneficial Interests					775	110,643	72,604	0.01%	E/F
N955DL	Trust Beneficial Interests					749	109,549	111,010	0.01%	E/F
N956DL	Trust Beneficial Interests					756	109,486	106,801	0.01%	E/F
N957DL	Trust Beneficial Interests					749	110,163	107,682	0.01%	E/F
N959DL	Trust Beneficial Interests					743	110,838	108,579	0.01%	E/F
N960DL	Trust Beneficial Interests					726	113,477	107,865	0.01%	E/F

Edgar Filing: TCP Capital Corp. - Form 497

N961DL	Trust Beneficial Interests	737	112,742	102,826	0.01% E/F
N976DL	Trust Beneficial Interests	883	97,111	102,006	0.01% E/F
Aircraft Leased to United Airlines, Inc.					
United N659UA-767, LLC (N659UA)	Trust Beneficial Interests	525	2,548,939	3,177,822	0.27% E/F
United N661UA-767, LLC (N661UA)	Trust Beneficial Interests	509	2,495,032	3,078,923	0.26% E/F
			6,100,174	7,329,505	0.63%

S-F-9

Table of Contents

## TCP Capital Corp.

## Consolidated Statement of Investments (Continued)

December 31, 2014

Showing Percentage of Total Cash and Investments of the Company

Issuer	Instrument	Ref	Flo	o	S	pread	R	a	t	e	Maturity	Shares	Cost	Value	% of Portfolio	Notes
<b>Equity Securities (continued)</b>																
<b>Resin, Synthetic Rubber, and Artificial Synthetic Fibers and Filaments Manufacturing</b>																
KAGY Holding Company, Inc.	Series A Preferred Stock											9,778	\$ 1,091,200	\$ 121,975	0.01%	B/C/E
<b>Semiconductor and Other Electronic Component Manufacturing</b>																
Ichor Systems Holdings, LLC	Membership Units											352		229,504	0.02%	C/E
Soraa, Inc.	Warrants to Purchase Common Stock											315,000	408,987			C/E
													408,987	229,504	0.02%	
<b>Software Publishers</b>																
Blackline Intermediate, Inc.	Warrants to Purchase Common Stock											1,232,731	522,678	789,441	0.07%	C/E
<b>Wired Telecommunications Carriers</b>																
Integra Telecom, Inc.	Common Stock											1,274,522	8,433,885	5,295,511	0.44%	C/E
Integra Telecom, Inc.	Warrants											346,939	19,920	226,482	0.02%	C/E
V Telecom Investment S.C.A. (Luxembourg)	Common Shares											1,393	3,236,256	3,699,127	0.32%	C/D/E/H
													11,690,061	9,221,120	0.78%	
<b>Total Equity Securities</b>													61,357,548	32,942,771	2.81%	
<b>Total Investments</b>													1,189,498,522	1,146,535,886		
<b>Cash and Cash Equivalents</b>																
		Fixed													0.03%	

Union Bank of California	Commercial Paper	1/2/2015	6,999,994	0.60%
Cash Denominated in Foreign Currencies			192,187	0.02%
Cash Held on Account at Various Institutions			20,076,611	1.70%
<b>Cash and Cash Equivalents</b>			<b>27,268,792</b>	<b>2.32%</b>
<b>Total Cash and Investments</b>			<b>\$ 1,173,804,678</b>	<b>100.00% M</b>

---

*Notes to Consolidated Statement of Investments:*

- (A) Investments in bank debt generally are bought and sold among institutional investors in transactions not subject to registration under the Securities Act of 1933. Such transactions are generally subject to contractual restrictions, such as approval of the agent or borrower.
- (B) Non-controlled affiliate as defined under the Investment Company Act of 1940 (ownership of between 5% and 25% of the outstanding voting securities of this issuer). See Consolidated Schedule of Changes in Investments in Affiliates.
- (C) Non-income producing security.
- (D) Principal amount denominated in foreign currency. Amortized cost and fair value converted from foreign currency to US dollars. (See Note 2)
- (E) Restricted security. (See Note 2)
- (F) Controlled issuer as defined under the Investment Company Act of 1940 (ownership of 25% or more of the outstanding voting securities of this issuer). Investment is not more than 50% 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 valued at a discount.
- (L) In addition to the stated coupon, investment has a back-end fee payable upon repayment of the loan in the amount of 4.0% for Soraa, 8.0% for VitAg, 1.5% for Enerwise, 2.5% for NEXTracker, and 7.0% for Green Biologics.
- (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.

Table of Contents**TCP Capital Corp.****Consolidated Statement of Investments (Continued)****December 31, 2014****Showing Percentage of Total Cash and Investments of the Company**

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

Aggregate acquisitions and aggregate dispositions of investments, other than government securities, totaled \$669,515,626, and \$266,008,974 respectively, for the twelve months ended December 31, 2014. 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, 2014 was \$1,146,535,883, or 97.7% of total cash and investments of the Company.

Options and swaps at December 31, 2014 were as follows:

<b>Investment</b>	<b>Notional Amount</b>	<b>Fair Value</b>
Interest Rate Cap, 4%, expires 5/15/2016	\$ 25,000,000	\$ 497
Euro/US Dollar Cross-Currency Basis Swap, Pay Euros/Receive USD, Expires 3/31/2017	\$ 4,289,018	\$ 1,717,610

*See accompanying notes.*

S-F-11

---

Table of Contents

## TCP Capital Corp.

## Consolidated Statement of Investments

December 31, 2013

Showing Percentage of Total Cash and Investments of the Company

Issuer	Instrument	Ref	Floor	Spread	Maturity	Principal	Cost	Value	% of Portfolio	Notes
<b>Debt Investments (A)</b>										
<b>Accounting, Tax Preparation, Bookkeeping, and Payroll Services</b>										
Expert Global Solutions, LLC	First Lien Term Loan	LIBOR (Q)	1.25%	7.25%	4/3/2018	\$ 699,754	\$ 701,280	\$ 703,691	0.09%	
Expert Global Solutions, LLC	Second Lien Term Loan	LIBOR (Q)	1.50%	11.00%	10/3/2018	\$ 7,434,877	7,228,004	7,382,833	0.94%	
							7,929,284	8,086,524	1.03%	
<b>Advertising, Public Relations, and Related Services</b>										
Doubleplay III Limited (United Kingdom)	First Lien Facility A1 Term Loan	EURIBOR (Q)	1.25%	6.25%	3/18/2018	€ 13,165,705	16,428,630	16,736,606	2.12%	D/J
<b>Architectural, Engineering, and Related Services</b>										
ESP Holdings, Inc.	Jr Unsecured Subordinated Promissory Notes	Fixed		6% Cash + 10% PIK	12/31/2019	\$ 7,959,369	7,959,369	7,959,369	1.01%	B/E
<b>Artificial Synthetic Fibers and Filaments Manufacturing</b>										
AGY Holding Corp.	Sr Secured Term Loan	Fixed		12.00%	9/15/2016	\$ 2,056,927	2,056,927	2,056,927	0.26%	B
AGY Holding Corporation	Second Lien Term Loan	Fixed		11.00%	11/15/2016	\$ 9,268,000	7,586,317	9,268,000	1.17%	B/E
							9,643,244	11,324,927	1.43%	
<b>Beverage Manufacturing</b>										
Carolina Beverage Group, LLC	Secured Notes	Fixed		10.625%	8/1/2018	\$ 7,780,000	7,780,000	8,207,900	1.04%	E
<b>Business Support Services</b>										
STG-Fairway Acquisitions, Inc.	Second Lien Term Loan	LIBOR (Q)	1.25%	9.25%	8/28/2019	\$ 14,643,455	13,944,123	14,929,002	1.89%	
<b>Chemical Manufacturing</b>										
Archroma	Term Loan B	LIBOR (Q)	1.25%	8.25%	9/30/2018	\$ 17,456,250	17,107,125	17,401,699	2.20%	
<b>Communications Equipment Manufacturing</b>										
Globecomm Systems Inc.	First Lien Term Loan	LIBOR (Q)	1.25%	7.625%	12/11/2018	\$ 15,000,000	14,850,000	15,097,500	1.91%	B
<b>Computer Equipment Manufacturing</b>										
ELO Touch Solutions, Inc.	Second Lien Term Loan	LIBOR (Q)	1.50%	10.50%	12/1/2018	\$ 10,000,000	9,666,672	9,100,000	1.15%	

**Converted Paper Products Manufacturing**

Ranpak Corp.	Second Lien Term Loan	LIBOR (Q)	1.25%	7.25%	4/23/2020	\$ 3,469,573	3,434,877	3,573,660	0.45%
--------------	--------------------------	--------------	-------	-------	-----------	--------------	-----------	-----------	-------

**Computer Systems Design and Related Services**

Blue Coat Systems	First Lien Revolver	LIBOR (Q)	1.00%	3.50%	5/31/2018	\$ 4,500,000	3,540,000	4,060,800	0.51%L
-------------------	------------------------	--------------	-------	-------	-----------	--------------	-----------	-----------	--------

Blue Coat Systems	Second Lien Term Loan	LIBOR (Q)	1.00%	8.50%	6/28/2020	\$ 15,000,000	14,878,125	15,300,000	1.94%
-------------------	--------------------------	--------------	-------	-------	-----------	---------------	------------	------------	-------

OnX Enterprise Solutions, Ltd.	First Lien Term Loan	LIBOR (Q)		7.00%	9/3/2018	\$ 10,640,000	10,483,300	10,709,160	1.36%
-----------------------------------	-------------------------	--------------	--	-------	----------	---------------	------------	------------	-------

OnX USA, LLC	First Lien Term Loan	LIBOR (Q)		7.00%	9/3/2018	\$ 5,320,000	5,244,790	5,354,580	0.68%
--------------	-------------------------	--------------	--	-------	----------	--------------	-----------	-----------	-------

Websense, Inc.	Second Lien Term Loan	LIBOR (Q)	1.00%	7.25%	12/27/2020	\$ 7,200,000	7,164,000	7,218,000	0.91%
----------------	--------------------------	--------------	-------	-------	------------	--------------	-----------	-----------	-------

41,310,215 42,642,540 5.40%

**Data Processing, Hosting, and Related Services**

The Telx Group, Inc.	Senior Unsecured Notes	Fixed		10% Cash + 2% PIK	9/26/2019	\$ 7,098,916	6,960,435	7,631,335	0.97%E
-------------------------	------------------------------	-------	--	-------------------------	-----------	--------------	-----------	-----------	--------

**Electric Power Generation, Transmission and Distribution**

Panda Sherman Power, LLC	First Lien Term Loan	LIBOR (Q)	1.50%	7.50%	9/14/2018	\$ 11,070,172	10,932,474	11,402,277	1.44%
-----------------------------	-------------------------	--------------	-------	-------	-----------	---------------	------------	------------	-------

Panda Temple Power II, LLC	First Lien Term Loan	LIBOR (Q)	1.25%	6.00%	4/3/2019	\$ 5,892,970	5,834,041	6,069,759	0.77%
-------------------------------	-------------------------	--------------	-------	-------	----------	--------------	-----------	-----------	-------

16,766,515 17,472,036 2.21%

**Electrical Equipment and Component Manufacturing**

Palladium Energy, Inc.	First Lien Term Loan	LIBOR (Q)	1.00%	9.00%	12/26/2027	\$ 16,500,317	16,225,541	16,426,066	2.08%
---------------------------	-------------------------	--------------	-------	-------	------------	---------------	------------	------------	-------

**Fabricated Metal Product Manufacturing**

Constellation Enterprises, LLC	First Lien Notes	Fixed		10.625%	2/1/2016	\$ 12,500,000	12,322,875	10,875,000	1.38%E/G
-----------------------------------	---------------------	-------	--	---------	----------	---------------	------------	------------	----------

**Financial Investment Activities**

Marsico Capital Management	First Lien Term Loan	LIBOR (M)		5.00%	12/31/2022	\$ 10,637,623	13,394,183	3,882,732	0.49%K
-------------------------------	-------------------------	--------------	--	-------	------------	---------------	------------	-----------	--------

S-F-12

Table of Contents

## TCP Capital Corp.

## Consolidated Statement of Investments (Continued)

December 31, 2013

Showing Percentage of Total Cash and Investments of the Company

Issuer	Instrument	Ref	Floor	Spread	Maturity	Principal	Cost	Value	% of Portfolio Notes
<b>Debt Investments (continued)</b>									
<b>Freight Transportation Arrangement</b>									
Livingston International, Inc. (Canada)	Second Lien Term Loan	LIBOR (Q)	1.25%	7.75%	4/18/2020	\$ 3,665,217	\$ 3,597,620	\$ 3,756,848	0.48% J
<b>Full-Service Restaurants</b>									
RM Holdco, LLC	Subordinated Convertible Term Loan	Fixed		1.12% PIK	3/21/2018	\$ 5,164,796	5,164,796	2,197,621	0.28% B
RM OpCo, LLC	Convertible First Lien Term Loan Tranche B-1	Fixed		12% Cash + 7% PIK	3/21/2016	\$ 1,370,199	1,339,883	1,370,199	0.17% B
RM OpCo, LLC	First Lien Term Loan Tranche A	Fixed		11.00%	3/21/2016	\$ 3,626,947	3,626,947	3,626,947	0.46% B
RM OpCo, LLC	First Lien Term Loan Tranche B	Fixed		12% Cash + 7% PIK	3/21/2016	\$ 6,825,328	6,825,328	6,825,328	0.86% B
RM OpCo, LLC	First Lien Term Loan Tranche B-1	Fixed		12% Cash + 7% PIK	3/21/2016	\$ 2,150,088	2,109,019	2,150,088	0.27% B
							19,065,973	16,170,183	2.04%
<b>Gaming Industries</b>									
AP Gaming I, LLC	First Lien Term Loan B	LIBOR (Q)	1.00%	8.25%	12/20/2020	\$ 15,000,000	14,550,000	14,737,500	1.87%
<b>Grocery Stores</b>									
Bashas, Inc.	First Lien FILO Term Loan	LIBOR (M)	1.50%	9.35%	12/28/2015	\$ 14,843,788	14,802,168	15,066,445	1.91%
<b>Inland Water Transportation</b>									
US Shipping Corp	First Lien Term Loan B	LIBOR (Q)	1.25%	7.75%	4/30/2018	\$ 12,603,333	12,477,300	12,965,679	1.64%
<b>Insurance Related Activities</b>									

Edgar Filing: TCP Capital Corp. - Form 497

Confie Seguros Holding II Co.	Second Lien Term Loan	LIBOR (Q)	1.25%	9.00%	5/8/2019	\$ 6,341,809	6,245,733	6,391,370	0.81%
-------------------------------	-----------------------	-----------	-------	-------	----------	--------------	-----------	-----------	-------

**Merchant Wholesalers**

Envision Acquisition Company, LLC	Second Lien Term Loan	LIBOR (Q)	1.00%	8.75%	11/4/2021	\$ 9,079,011	8,897,430	9,192,498	1.16%
-----------------------------------	-----------------------	-----------	-------	-------	-----------	--------------	-----------	-----------	-------

**Metal Ore Mining**

St Barbara Ltd. (Australia)	First Priority Senior Secured Notes	Fixed		8.875%	4/15/2018	\$ 7,359,000	7,326,651	6,144,765	0.78% E
-----------------------------	-------------------------------------	-------	--	--------	-----------	--------------	-----------	-----------	---------

**Motion Picture and Video Industries**

CORE Entertainment, Inc.	First Lien Term Loan	Fixed		9.00%	6/21/2017	\$ 9,462,231	9,381,116	8,610,631	1.09%
--------------------------	----------------------	-------	--	-------	-----------	--------------	-----------	-----------	-------

CORE Entertainment, Inc.	Second Lien Term Loan	Fixed		13.50%	6/21/2018	\$ 7,569,785	7,502,054	6,858,225	0.88%
--------------------------	-----------------------	-------	--	--------	-----------	--------------	-----------	-----------	-------

16,883,170 15,468,856 1.97%

**Newspaper, Periodical, Book, and Directory Publishers**

Hanley-Wood, LLC	First Lien FILO Term Loan	LIBOR (Q)	1.25%	6.75%	7/15/2018	\$ 16,707,600	16,707,600	16,699,246	2.13%
------------------	---------------------------	-----------	-------	-------	-----------	---------------	------------	------------	-------

MediMedia USA, Inc.	First Lien Revolver	LIBOR (M)		6.75%	5/20/2018	\$ 4,960,000	3,797,500	4,523,908	0.57%
---------------------	---------------------	-----------	--	-------	-----------	--------------	-----------	-----------	-------

MediMedia USA, Inc.	First Lien Term Loan	LIBOR (M)	1.25%	6.75%	11/20/2018	\$ 9,701,250	9,433,029	9,458,719	1.20%
---------------------	----------------------	-----------	-------	-------	------------	--------------	-----------	-----------	-------

29,938,129 30,681,873 3.90%

**Nondepository Credit Intermediation**

Caribbean Financial Group (Cayman Islands)	Senior Secured Notes	Fixed		11.50%	11/15/2019	\$ 10,000,000	9,824,072	10,700,000	1.35% E
--	----------------------	-------	--	--------	------------	---------------	-----------	------------	---------

Trade Finance Funding I, Ltd. (Cayman Islands)	Secured Class B Notes	Fixed		10.75%	11/13/2018	\$ 15,000,000	15,000,000	14,962,500	1.90% E/J
--	-----------------------	-------	--	--------	------------	---------------	------------	------------	-----------

24,824,072 25,662,500 3.25%

**Nonresidential Building Construction**

NCM Group Holdings, LLC	First Lien Term Loan	LIBOR (Q)	1.00%	11.50%	8/29/2018	\$ 10,000,000	9,620,619	9,875,000	1.25%
-------------------------	----------------------	-----------	-------	--------	-----------	---------------	-----------	-----------	-------

**Nonscheduled Air Transportation**

One Sky Flight, LLC	Second Lien Term Loan	Fixed		12% Cash + 3% PIK	5/4/2019	\$ 18,200,000	16,929,086	17,708,600	2.24%
---------------------	-----------------------	-------	--	-------------------	----------	---------------	------------	------------	-------

**Oil and Gas Extraction**

Willbros Group, Inc.	First Lien Term Loan	LIBOR (Q)	1.25%	9.75%	8/7/2019	\$ 15,426,118	15,051,713	15,657,510	1.98%
----------------------	----------------------	-----------	-------	-------	----------	---------------	------------	------------	-------

**Other Telecommunications**

Securus Technologies, Inc.	Second Lien Term Loan	LIBOR (Q)	1.25%	7.75%	4/30/2021	\$ 14,000,000	13,860,000	13,925,660	1.76%
----------------------------	-----------------------	-----------	-------	-------	-----------	---------------	------------	------------	-------



Table of Contents

## TCP Capital Corp.

## Consolidated Statement of Investments (Continued)

December 31, 2013

Showing Percentage of Total Cash and Investments of the Company

Issuer	Instrument	Ref	Floor	Spread	Maturity	Principal	Cost	Value	% of Portfolio	Notes
<b>Debt Investments (continued)</b>										
<b>Petroleum and Coal Products Manufacturing</b>										
Boomerang Tube, LLC	Second Lien Term Loan	LIBOR (Q)	1.50%	9.50%	10/11/2017	\$ 7,749,023	\$ 7,563,978	\$ 7,477,807	0.95%	
<b>Plastics Products Manufacturing</b>										
Iracore International, Inc.	Senior Secured Notes	Fixed		9.50%	6/1/2018	\$ 13,600,000	13,600,000	14,426,622	1.83%	E
<b>Professional, Scientific, and Technical Services</b>										
Connolly, LLC	Second Lien Term Loan	LIBOR (Q)	1.25%	9.25%	7/15/2019	\$ 12,000,000	11,829,534	12,270,000	1.55%	
ConvergeOne Holdings	First Lien Term Loan	LIBOR (Q)	1.25%	8.00%	5/8/2019	\$ 12,654,643	12,464,823	12,570,236	1.59%	
							24,294,357	24,840,236	3.14%	
<b>Promoters of Performing Arts, Sports, and Similar Events</b>										
Stadium Management Group	Second Lien Term Loan	LIBOR (M)	1.25%	9.50%	12/7/2018	\$ 11,000,000	10,817,390	11,055,000	1.40%	
<b>Radio and Television Broadcasting</b>										
SiTV, Inc.	First Lien Term Loan	LIBOR (Q)	2.00%	6% Cash + 4% PIK	8/3/2016	\$ 6,995,124	6,648,634	6,774,778	0.86%	
The Tennis Channel, Inc.	First Lien Term Loan	LIBOR (Q)		8.50%	5/29/2017	\$ 17,589,459	17,134,705	17,615,843	2.23%	
							23,783,339	24,390,621	3.09%	
<b>Retail</b>										
Kenneth Cole Productions, Inc.	First Lien FILO Term Loan	LIBOR (M)	1.00%	10.40%	9/25/2017	\$ 11,272,727	11,051,496	11,329,090	1.44%	
Shopzilla, Inc.	Second Lien Term Loan	LIBOR (Q)		9.50%	3/31/2016	\$ 6,710,057	6,525,027	6,683,216	0.85%	
							17,576,523	18,012,306	2.29%	



**Satellite Telecommunications**

Avanti Communications Group, PLC (United Kingdom)	Senior Secured Notes	Fixed	10.00%	10/1/2019	\$ 9,914,000	9,914,000	10,335,345	1.31%	E/H/J
---	----------------------	-------	--------	-----------	--------------	-----------	------------	-------	-------

**Scheduled Air Transportation**

Aircraft Leased to Delta Air Lines, Inc.

N913DL	Aircraft Secured Mortgage	Fixed	8.00%	3/15/2017	\$ 289,048	289,048	296,820	0.04%	F
N918DL	Aircraft Secured Mortgage	Fixed	8.00%	8/15/2018	\$ 388,001	388,001	397,290	0.05%	F
N954DL	Aircraft Secured Mortgage	Fixed	8.00%	3/20/2019	\$ 514,375	514,375	524,620	0.07%	F
N955DL	Aircraft Secured Mortgage	Fixed	8.00%	6/20/2019	\$ 533,283	533,283	543,320	0.07%	F
N956DL	Aircraft Secured Mortgage	Fixed	8.00%	5/20/2019	\$ 532,275	532,275	542,640	0.07%	F
N957DL	Aircraft Secured Mortgage	Fixed	8.00%	6/20/2019	\$ 537,947	537,947	548,250	0.07%	F
N959DL	Aircraft Secured Mortgage	Fixed	8.00%	7/20/2019	\$ 543,573	543,573	553,520	0.07%	F
N960DL	Aircraft Secured Mortgage	Fixed	8.00%	10/20/2019	\$ 564,855	564,855	574,430	0.07%	F
N961DL	Aircraft Secured Mortgage	Fixed	8.00%	8/20/2019	\$ 558,427	558,427	568,310	0.07%	F
N976DL	Aircraft Secured Mortgage	Fixed	8.00%	2/15/2018	\$ 394,360	394,360	404,600	0.05%	F

Aircraft Leased to United Airlines, Inc.

N510UA	Aircraft Secured Mortgage	Fixed	20.00%	10/26/2016	\$ 328,848	328,848	404,605	0.05%	B
N512UA	Aircraft Secured Mortgage	Fixed	20.00%	10/26/2016	\$ 334,535	334,535	414,010	0.05%	B
N536UA	Aircraft Secured Mortgage	Fixed	16.00%	9/29/2014	\$ 108,845	108,845	114,000	0.01%	B

Edgar Filing: TCP Capital Corp. - Form 497

N545UA	Aircraft Secured Mortgage	Fixed	16.00%	8/29/2015	\$ 249,695	249,695	275,405	0.03%	B
N585UA	Aircraft Secured Mortgage	Fixed	20.00%	10/25/2016	\$ 392,794	392,794	486,115	0.06%	B
N659UA	Aircraft Secured Mortgage	Fixed	12.00%	2/28/2016	\$ 2,708,150	2,708,150	2,948,986	0.37%	F
N661UA	Aircraft Secured Mortgage	Fixed	12.00%	5/4/2016	\$ 2,880,186	2,880,186	3,171,026	0.40%	F

11,859,197 12,767,947 1.60%

**Scientific Research and Development Services**

BPA Laboratories, Inc.	Senior Secured Notes	Fixed	12.25%	4/1/2017	\$ 17,200,000	16,536,295	17,630,000	2.23%	E
------------------------	----------------------	-------	--------	----------	---------------	------------	------------	-------	---

**Semiconductor and Other Electronic Component Manufacturing**

Isola USA Corporation	Senior Secured Term Loan B	LIBOR (Q)	1.00%	8.25%	11/29/2018	\$ 14,583,333	14,366,560	14,729,167	1.87%
-----------------------	----------------------------	-----------	-------	-------	------------	---------------	------------	------------	-------

**Software Publishers**

BlackLine Systems, Inc.	First Lien Term Loan	LIBOR (Q)	1.50%	0.4% Cash + 7.6% PIK	9/25/2018	\$ 12,579,747	11,811,044	12,183,485	1.56%
Coreone Technologies, LLC	First Lien Term Loan	LIBOR (Q)	1.00%	3.75% Cash + 5% PIK	9/14/2018	\$ 13,556,801	13,243,533	13,455,125	1.72%
Deltek, Inc.	Second Lien Term Loan	LIBOR (Q)	1.25%	8.75%	10/10/2019	\$ 15,000,000	14,805,253	15,300,000	1.94%
Edmentum, Inc.	Second Lien Term Loan	LIBOR (Q)	1.50%	9.75%	5/17/2019	\$ 15,000,000	14,748,486	15,112,500	1.91%

54,608,316 56,051,110 7.13%

S-F-14

Table of Contents

**TCP Capital Corp.**

**Consolidated Statement of Investments &**