

THL CREDIT, INC.

FORM 40-APP

(Applications under the Investment Company Act other than those reviewed by the Office of Insurance Products)

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U.S. SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

APPLICATION FOR AN ORDER PURSUANT TO SECTIONS 17(d) AND 57(i) OF THE INVESTMENT COMPANY ACT OF 1940 AND RULE 17d-1 UNDER THE ACT TO PERMIT CERTAIN JOINT TRANSACTIONS OTHERWISE PROHIBITED BY SECTIONS 17(d) AND 57(a)(4) OF THE ACT AND RULE 17d-1 UNDER THE ACT

In the Matter of the Application of:

THL CREDIT, INC.
THL CREDIT ADVISORS LLC
THL CREDIT SENIOR LOAN STRATEGIES LLC
THL CREDIT HOLDINGS, INC.
THL CREDIT BANK LOAN SELECT FUND.
THL CREDIT WIND RIVER 2012-1 CLO LTD.
THL CREDIT WIND RIVER 2013-1 CLO LTD.
THL CREDIT WIND RIVER 2013-2 CLO LTD.
THL CREDIT WIND RIVER 2014-1 CLO LTD.
THL CREDIT WIND RIVER 2014-2 CLO LTD.
THL CREDIT WIND RIVER 2014-3 CLO LTD.
THL CREDIT WIND RIVER 2015-1 CLO LTD.
THL CREDIT WIND RIVER 2015-2 CLO LTD.
THL CREDIT WIND RIVER 2016-1 CLO LTD.
THL CREDIT WIND RIVER 2016-2 CLO LTD.
THL CREDIT WIND RIVER 2017-1 CLO LTD.
THL CREDIT WIND RIVER 2017-2 CLO LTD.
THL CREDIT WIND RIVER 2017-3 CLO LTD.
THL CREDIT WIND RIVER 2017-4 CLO LTD.
THL CREDIT LAKE SHORE MM CLO 2017-1, LTD.
THL CREDIT DIRECT LENDING FUND III LLC
THL CREDIT DIRECT LENDING CO-INVEST III (E) LLC
THL CREDIT DIRECT LENDING CO-INVEST III LLC
THL CREDIT DIRECT LENDING FUND III (A) LLC
THL CREDIT BANK LOAN SELECT FUND (OFFSHORE)

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I. INTRODUCTION

A. Requested Relief

THL Credit, Inc. and its related entities, identified in section I.B. below, hereby request an order (the “**Order**”) pursuant to Sections 17(d) and 57(i) of the Investment Company Act of 1940 (the “**Act**”) ¹ and Rule 17d-1 thereunder ² authorizing certain joint transactions that otherwise would be prohibited by either or both of Sections 17(d) and 57(a)(4) as modified by the exemptive rules adopted by the U.S. Securities and Exchange Commission (the “**Commission**”) under the Act.

In particular, the relief requested in this application (the “**Application**”) would allow one or more Regulated Funds (including one or more BDC Downstream Funds) and/or one or more Affiliated Funds to participate in the same investment opportunities where such participation would otherwise be prohibited under Section 17(d) or 57(a)(4) and the rules under the Act. All existing entities that currently intend to rely on the Order have been named as Applicants and any existing or future entities that may rely on the Order in the future will comply with its terms and Conditions set forth in this application.

The Order would supersede an exemptive order issued by the Commission on December 8, 2015 (the “**Prior Order**”) ³ that was granted pursuant to Sections 57(a)(4) and 57(i) and Rule 17d-1, with the result that no person will continue to rely on the Prior Order if the Order is granted.

B. Applicants Seeking Relief

- THL Credit, Inc. (“**TCRD**”), which is an externally managed, closed end, non-diversified management investment company that has elected to be regulated as a BDC (defined below) under the Act;
- THL Credit Holdings, Inc. (the “**TCRD Subsidiary**”), which is a Wholly-Owned Investment Sub (as defined below) of TCRD;
- THL Credit Advisors LLC ⁴ (“**THLCA**”), investment adviser to TCRD and to certain Existing Affiliated Funds (defined below) that are identified in Appendix A, on behalf of itself and its successors ⁵;
- THL Credit Senior Loan Strategies LLC (“**SLS**”), investment adviser to certain Existing Affiliated Funds (defined below) that are identified in Appendix A, on behalf of itself and its successors. SLS and THLCA, with respect to the Affiliated Funds they advise, are referred to as the “**Existing Advisers to Affiliated Funds**”. Each of the Existing Advisers to Affiliated Funds is registered as an investment adviser under the Investment Advisers Act of 1940 (the “**Advisers Act**”); and
- The investment vehicles identified in Appendix A, each of which is a separate and distinct legal entity and each of which would be an investment company but for Section 3(c)(1), 3(c)(5)(C) or 3(c)(7) of the Act (the “**Existing Affiliated Funds**”); together with TCRD, TCRD Subsidiary, THLCA, and SLS, the “**Applicants**”).

C. Defined Terms

“**Adviser**” means THLCA and SLS, together with any future investment adviser that (i) controls, is controlled by or is under common control with THLCA or SLS, as applicable, and (ii) is registered as an investment adviser under the Advisers Act, and (iii) is not a Regulated Fund or a subsidiary of a Regulated Fund.

¹ Unless otherwise indicated, all section references herein are to the Act.

² Unless otherwise indicated, all rule references herein are to rules under the Act

³ See THL Credit Inc., et al. (File No. 812-14256) Investment Company Act Rel. Nos. 31899 (November 10, 2015) (notice) and 31929 (December 8, 2015) (order).

⁴ THLCA also serves as sub-adviser to certain registered investment companies that have not been included as Applicants and do not intend to rely on the Order.

⁵ The term “successor,” as applied to each Adviser, means an entity that results from a reorganization into another jurisdiction or change in the type of business organization.

“**Advisers to Affiliated Funds**” means the Existing Advisers to Affiliated Funds and any other Adviser that, in the future, serves as investment adviser to one or more Affiliated Funds.

“**Advisers to Regulated Funds**” means THLCA, with respect to its management of TCRD, and any other Adviser that, in the future, serves as investment adviser to one or more Regulated Funds.

“**Affiliated Fund**” means any Existing Affiliated Fund or any entity (a) whose investment adviser is an Adviser, (b) that would be an investment company but for Section 3(c)(1), 3(c)(5)(C) or 3(c)(7) of the Act, (c) that intends to participate in the Co-Investment Program and (d) that is not a BDC Downstream Fund. No Existing Affiliated Fund is a BDC Downstream Fund.

“**BDC**” means a business development company under the Act.⁶

“**BDC Downstream Fund**” means, with respect to any Regulated Fund that is a BDC, an entity (i) that the BDC directly or indirectly controls, (ii) that is not controlled by any person other than the BDC (except a person that indirectly controls the entity solely because it controls the BDC), (iii) that would be an investment company but for section 3(c)(1) or 3(c)(7) of the Act, (iv) whose investment adviser is an Adviser, (v) that is not a Wholly-Owned Investment Sub and (vi) is not a Greenway Entity⁷.

“**Board**” means (i) with respect to a Regulated Fund other than a BDC Downstream Fund, the board of directors (or the equivalent) of the Regulated Fund and (ii) with respect to a BDC Downstream Fund, the Independent Party of the BDC Downstream Fund.

“**Board-Established Criteria**” means criteria that the Board of a Regulated Fund may establish from time to time to describe the characteristics of Potential Co-Investment Transactions regarding which the Adviser to the Regulated Fund should be notified under Condition 1. The Board-Established Criteria will be consistent with the Regulated Fund’s Objectives and Strategies. If no Board-Established Criteria are in effect, then the Regulated Fund’s Adviser will be notified of all Potential Co-Investment Transactions that fall within the Regulated Fund’s then-current Objectives and Strategies. Board-Established Criteria will be objective and testable, meaning that they will be based on observable information, such as industry/sector of the issuer, minimum EBITDA of the issuer, asset class of the investment opportunity or required commitment size, and not on characteristics that involve a discretionary assessment. The Adviser to the Regulated Fund may from time to time recommend criteria for the Board’s consideration, but Board-Established Criteria will only become effective if approved by a majority of the Independent Directors. The Independent Directors of a Regulated Fund may at any time rescind, suspend or qualify its approval of any Board-Established Criteria, though Applicants anticipate that, under normal circumstances, the Board would not modify these criteria more often than quarterly.

⁶ Section 2(a)(48) defines a BDC to be any closed-end investment company that operates for the purpose of making investments in securities described in Section 55(a)(1) through 55(a)(3) and makes available significant managerial assistance with respect to the issuers of such securities.

⁷ TCRD manages two limited term investment funds, THL Credit Greenway Fund LLC and THL Credit Greenway Fund II LLC (each, a “**Greenway Entity**,” and together, the “**Greenway Entities**”). TCRD and the Greenway Entities previously agreed to conditions that would apply to any co-investment transactions between them, but the Greenway Entities are not applicants to the Order. Accordingly, the Greenway Entities would not be able to rely on the requested Order to participate in Co-Investment Transactions pursuant to the Order. Moreover, the Greenway Entities will not be making any new or follow-on co-investments with TCRD because the Greenway Entities are fully invested and do not, and will not at any point, have any capital to invest. No Greenway Entity will have an interest in any issuer that is the subject of a Co-Investment Transaction completed pursuant to the Order, and TCRD will not form or manage another entity structured in the same manner as the Greenway Entities. Additionally, THL Credit Logan JV LLC (“**Logan JV**”), a joint venture with TCRD and Perspecta Trust LLC, would not be able to rely on the requested Order and, accordingly, would not participate in Co-Investment Transactions pursuant to the Order. No entity that holds an interest in Logan JV is or would be an affiliated person, or an affiliated person of an affiliated person, of TCRD within the meaning of section 2(a)(3) of the Act, other than by virtue of its ownership interest in Logan JV.

“**Close Affiliate**” means the Advisers, the Regulated Funds, the Affiliated Funds and any other person described in Section 57(b) (after giving effect to Rule 57b-1) in respect of any Regulated Fund (treating any registered investment company or series thereof as a BDC for this purpose) except for limited partners included solely by reason of the reference in Section 57(b) to Section 2(a)(3)(D).

“**Co-Investment Program**” means the proposed co-investment program that would permit one or more Regulated Funds and/or one or more Affiliated Funds to participate in the same investment opportunities where such participation would otherwise be prohibited under Section 57(a)(4) and Rule 17d-1 by (a) co-investing with each other in securities issued by issuers in private placement transactions in which an Adviser negotiates terms in addition to price;⁸ and (b) making Follow-On Investments (as defined below).

“**Co-Investment Transaction**” means any transaction in which a Regulated Fund (or its Wholly-Owned Investment Sub (defined below)) participated together with one or more Affiliated Funds and/or one or more other Regulated Funds in reliance on the Order.

“**Disposition**” means the sale, exchange or other disposition of an interest in a security of an issuer.

“**Eligible Directors**” means, with respect to a Regulated Fund and a Potential Co-Investment Transaction, the members of the Regulated Fund’s Board eligible to vote on that Potential Co-Investment Transaction under Section 57(o) of the Act.

“**Follow-On Investment**” means an additional investment in the same issuer, including, but not limited to, through the exercise of warrants, conversion privileges or other rights to purchase securities of the issuer.

“**Future Regulated Fund**” means a closed-end management investment company (a) that is registered under the Act or has elected to be regulated as a BDC, (b) whose investment adviser is an Adviser and (c) that intends to participate in the Co-Investment Program.

“**Independent Director**” means a member of the Board of any relevant entity who is not an “interested person” as defined in Section 2(a)(19) of the Act. No Independent Director of a Regulated Fund (including any non-interested member of an Independent Party) will have a financial interest in any Co-Investment Transaction, other than indirectly through share ownership in one of the Regulated Funds.

“**Independent Party**” means, with respect to a BDC Downstream Fund, (i) if the BDC Downstream Fund has a board of directors (or the equivalent), the board or (ii) if the BDC Downstream Fund does not have a board of directors (or the equivalent), a transaction committee or advisory committee of the BDC Downstream Fund.

“**JT No-Action Letters**” means SMC Capital, Inc., SEC No-Action Letter (pub. avail. Sept. 5, 1995) and Massachusetts Mutual Life Insurance Company, SEC No-Action Letter (pub. avail. June 7, 2000).

“**Objectives and Strategies**” means (i) with respect to any Regulated Fund other than a BDC Downstream Fund, its investment objectives and strategies, as described in its most current registration statement on Form N-2, other current filings with the Commission under the Securities Act or under the Securities Exchange Act of 1934, as amended, and its most current report to stockholders, and (ii) with respect to any BDC Downstream Fund, those investment objectives and strategies described in its disclosure documents (including private placement memoranda and reports to equity holders) and organizational documents (including operating agreements).

“**Potential Co-Investment Transaction**” means any investment opportunity in which a Regulated Fund (or its Wholly-Owned Investment Sub) could not participate together with one or more Affiliated Funds and/or one or more other Regulated Funds without obtaining and relying on the Order.

“**Pre-Boarding Investments**” are investments in an issuer held by a Regulated Fund as well as one or more Affiliated Funds and/or one or more other Regulated Funds that:

⁸ The term “private placement transactions” means transactions in which the offer and sale of securities by the issuer are exempt from registration under the Securities Act of 1933 (the “**Securities Act**”).

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- (i) were acquired prior to participating in any Co-Investment Transaction;
 - (ii) were acquired in transactions in which the only term negotiated by or on behalf of such funds was price; and
 - (iii) were acquired either: (x) in reliance on one of the JT No-Action Letters; or (y) in transactions occurring at least 90 days apart and without coordination between the Regulated Fund and any Affiliated Fund or other Regulated Fund.

“**Regulated Funds**” means TCRD, the Future Regulated Funds and the BDC Downstream Funds.

“**Related Party**” means (i) any Close Affiliate and (ii) in respect of matters as to which any Adviser has knowledge, any Remote Affiliate.

“**Remote Affiliate**” means any person described in Section 57(e) in respect of any Regulated Fund (treating any registered investment company or series thereof as a BDC for this purpose) and any limited partner holding 5% or more of the relevant limited partner interests that would be a Close Affiliate but for the exclusion in that definition.

“**Required Majority**” means a required majority, as defined in Section 57(o) of the Act.⁹

“**Tradable Security**” means a security that meets the following criteria at the time of Disposition:

- (i) it trades on a national securities exchange or designated offshore securities market as defined in rule 902(b) under the Securities Act;
- (ii) it is not subject to restrictive agreements with the issuer or other security holders; and
- (iii) it trades with sufficient volume and liquidity (findings as to which are documented by the Advisers to any Regulated Funds holding investments in the issuer and retained for the life of the Regulated Fund) to allow each Regulated Fund to dispose of its entire position remaining after the proposed Disposition within a short period of time not exceeding 30 days at approximately the value (as defined by section 2(a)(41) of the Act) at which the Regulated Fund has valued the investment.

“**Wholly-Owned Investment Sub**” means an entity (i) that is wholly-owned by TCRD or a Future Regulated Fund (with such Regulated Fund at all times holding, beneficially and of record, 100% of the voting and economic interests); (ii) whose sole business purpose is to hold one or more investments on behalf of such Regulated Fund; (iii) with respect to which such Regulated Fund’s Board has the sole authority to make all determinations with respect to the entity’s participation under the Conditions to this application; and (iv) that would be an investment company but for Section 3(c)(1) or 3(c)(7) of the Act.

II. **APPLICANTS**

A. THL Credit, Inc.

TCRD is an externally managed, non-diversified closed-end management investment company incorporated in Delaware on May 26, 2009. TCRD has elected to be regulated as a BDC under the Act, has qualified and elected to be treated as a regulated investment company under Subchapter M of the Internal Revenue Code of 1986, as amended, and intends to continue to qualify as a regulated investment company in the future.

⁹ In the case of a Regulated Fund that is a registered closed-end fund, the Board members that make up the Required Majority will be determined as if the Regulated Fund were a BDC subject to Section 57(o). In the case of a BDC Downstream Fund with a board of directors (or the equivalent), the members that make up the Required Majority will be determined as if the BDC Downstream Fund were a BDC subject to Section 57(o). In the case of a BDC Downstream Fund with a transaction committee or advisory committee, the committee members that make up the Required Majority will be determined as if the BDC Downstream Fund were a BDC subject to Section 57(o) and as if the committee members were directors of the fund.

TCRD's investment objective is to generate both current income and capital appreciation, primarily through privately negotiated investments in debt and equity securities of lower middle market companies. TCRD invests primarily in directly originated first lien secured loans, including through unitranche investments, of sponsored issuers in the lower middle market. In certain instances, TCRD may also make second lien secured loans and subordinated or mezzanine debt investments, which may include an associated equity component such as warrants, preferred stock or other similar securities. TCRD targets investments primarily in lower middle market companies with annual EBITDA generally between \$5 million and \$25 million that require capital for growth and acquisitions. In addition, TCRD and its affiliated persons, as defined in Section 2(a)(3)(C) of the Act (" *Affiliates* "), together have the ability to provide "one stop" financing with the ability to hold larger investments than each would be able to hold alone. The ability to hold larger investments benefits TCRD's stockholders by: (i) increasing flexibility, (ii) broadening market relationships and access to deal flow, (iii) allowing TCRD to optimize its portfolio composition, (iv) allowing TCRD to provide capital to lower middle market companies, which TCRD believes currently have limited access to capital from traditional lending sources, and (v) potentially increasing the availability of more favorable investment terms and protections.

TCRD's business and affairs are managed under the direction of a Board, which currently consists of seven directors, five of whom are Independent Directors. TCRD's Board has delegated daily management and investment authority to THLCA pursuant to an investment advisory and management agreement (the " *Investment Advisory Agreement* "). THLCA also serves as TCRD's administrator pursuant to an administration agreement.

TCRD Subsidiary is a wholly-owned subsidiary of TCRD, which is structured as a Delaware corporation to hold equity or equity-like investments in portfolio companies organized as limited liability companies (or other forms of pass-through entities). In reliance on the exclusion from the definition of "investment company" provided by Section 3(c)(7) of the Act, TCRD Subsidiary is not registered under the Act.

B. THL Credit Advisors LLC

THLCA is a Delaware limited liability company that is registered under the Advisers Act and serves as the investment adviser to TCRD pursuant to the Investment Advisory Agreement and to certain Existing Affiliated Funds that intend to participate in the Co-Investment Program. THLCA was formed on June 26, 2009. THLCA is an alternative credit investment manager for both direct lending and broadly syndicated investments through public and private vehicles, collateralized loan obligations (" *CLOs* "), separately managed accounts and co-mingled funds.

Subject to the overall supervision of TCRD's Board, THLCA manages the day-to-day operations of, and provides investment advisory and management services to TCRD. Under the terms of the Investment Advisory Agreement, THLCA (i) determines the composition of TCRD's portfolio, the nature and timing of the changes to TCRD's portfolio, and the manner of implementing such changes, (ii) identifies, evaluates, and negotiates the structure of the investments TCRD makes (including performing due diligence on TCRD's prospective portfolio companies), (iii) closes, monitors and administers the investments TCRD makes, including the exercise of any voting or consent rights, (iv) when and where applicable, restructures the investments TCRD makes, and determines the investments and other assets that TCRD purchases, retains or sells.

THLCA also serves as TCRD's administrator and leases office space to TCRD and provides TCRD with equipment and office services. The tasks of the administrator include overseeing TCRD's financial records, preparing reports to TCRD's stockholders and reports filed with the SEC and generally monitoring the payment of TCRD's expenses and the performance of administrative and professional services rendered to TCRD by others.

C. THL Credit Senior Loan Strategies LLC

SLS is a Delaware limited liability company that is registered as an investment adviser under the Advisers Act. SLS was formed on January 11, 2012 and is a wholly-owned subsidiary of and controlled by THLCA. SLS's current clients focus principally on investing in broadly syndicated senior loans, structured credit, and high-yield securities through CLOs. Currently, SLS serves as investment adviser to certain Affiliated Funds.

D. Existing Affiliated Funds

The Existing Advisers to Affiliated Funds are the investment advisers to the Existing Affiliated Funds. Each of the Existing Advisers to Affiliated Funds is registered as an investment adviser under the Advisers Act. A complete list of the Existing Affiliated Funds and the Existing Advisers to Affiliated Funds is included in Appendix A.

III. ORDER REQUESTED

The Applicants respectfully request an Order of the Commission under Sections 17(d) and 57(i) and Rule 17d-1 thereunder to permit, subject to the terms and conditions set forth below in this Application (the “*Conditions*”), a Regulated Fund and one or more other Regulated Funds and/or one or more Affiliated Funds to enter into Co-Investment Transactions with each other.

The Regulated Funds and the Affiliated Funds seek relief to enter into Co-Investment Transactions because such Co-Investment Transactions would otherwise be prohibited by either or both of Section 17(d) or Section 57(a)(4) and the Rules under the Act. This Application seeks relief in order to (i) enable the Regulated Funds and Affiliated Funds to avoid, among other things, the practical commercial and/or economic difficulties of trying to structure, negotiate and persuade counterparties to enter into transactions while awaiting the granting of the relief requested in individual applications with respect to each Co-Investment Transaction that arises in the future and (ii) enable the Regulated Funds and the Affiliated Funds to avoid the significant legal and other expenses that would be incurred in preparing such individual applications.

Similar to the standard precedent used for the majority of co-investment applications, including the Prior Order (collectively, the “*Standard Precedent*”), the Applicants seek relief that would permit Co-Investment Transactions in the form of initial investments, Follow-On Investments and Dispositions of investments in an issuer. In these cases, the terms and Conditions of this Application would govern the entire lifecycle of an investment with respect to a particular issuer, including both the initial investment and any subsequent transactions. Unlike the Standard Precedent, the Applicants also seek the ability to make Follow-On Investments and to dispose of investments in issuers where the Regulated Funds and Affiliated Funds did not make their initial investments in reliance on the Order. The Applicants seek this flexibility because the Regulated Funds and Affiliated Funds may, at times, invest in the same issuer without engaging in a prohibited joint transaction but then find that subsequent transactions with that issuer would be prohibited under the Act. Through the proposed “onboarding process,” discussed below, the Applicants would, under certain circumstances, be permitted to rely on the Order to complete subsequent Co-Investment Transactions. In Section A.1. below, the Applicants first discuss the overall investment process that would apply to initial investments under the Order as well as subsequent transactions with issuers. In Sections A.3. and A.4. below, the Applicants discuss additional procedures that apply to Follow-On Investments and Dispositions, including the onboarding process that applies when initial investments were made without relying on the Order.

A. Overview

Applicants include advisers that control, are controlled by or are under common control with THLCA. The Advisers manage numerous private credit funds, public funds, separately managed accounts and CLOs with a wide variety of mandates and aggregate assets of \$10.3 billion as of June 30, 2017¹⁰. These clients currently include a BDC and registered investment companies that are regulated under the Act. Each Adviser manages the assets entrusted to it by its clients in accordance with its fiduciary duty to those clients and, in the case of the BDC and the registered investment companies, the Act.

The Advisers are presented with thousands of investment opportunities each year on behalf of their clients and must determine how to allocate those opportunities in a manner that, over time, is fair and equitable to all of their clients, and without violating the prohibitions on joint transactions included in Rule 17d-1 and Section 57(a)(4) of the Act. Such investment opportunities may be joint transactions such that the Advisers may not include a Regulated

¹⁰ Includes (i) total assets managed by TCRD as of March 31, 2017, (ii) total assets of the Greenway Entities and related separate account, which are managed by TCRD, as of March 31, 2017, and (iii) total assets under management including CLOs, separate accounts and various fund formats, including any called and uncalled commitments of private funds, as managed by THLCA or SLS as of June 30, 2017.

Fund in the allocation if another Regulated Fund and/or any Affiliated Fund is participating. Once invested in a security, the Regulated Funds and Affiliated Funds often have the opportunity to either complete an additional investment in the same issuer or exit the investment in a transaction that may be a joint transaction. Currently, if a Regulated Fund and one or more Affiliated Funds are invested in an issuer such funds may not participate in a Follow-On Investment or exit the investment if the terms of the transaction would be a prohibited joint transaction.

As a result, the Regulated Funds and Affiliated Funds are limited in the types of transactions in which they can participate with each other, and the Regulated Funds, which currently represent approximately 7.3% of the Advisers' assets under management, often must forego transactions that would be beneficial to investors in the Regulated Funds. Thus, Applicants are seeking the relief requested by the Application for certain initial investments, Follow-On Investments, and Dispositions as described below.

The Applicants discuss the need for the requested relief in greater detail in Section III.C. below.

The Advisers have established rigorous processes for allocating initial investment opportunities, opportunities for subsequent investments in an issuer and dispositions of securities holdings reasonably designed to treat all clients fairly and equitably. As discussed below, these processes will be extended and modified in a manner reasonably designed to ensure that the additional transactions permitted under the Order will both (i) be fair and equitable to the Regulated Funds and the Affiliated Funds and (ii) comply with the Conditions contained in the Order.

1. The Investment Process

The investment process consists of three stages: (i) the identification and consideration of investment opportunities (including follow-on investment opportunities); (ii) order placement or investment decision and allocation; and (iii) consideration by each applicable Regulated Fund's Board when a Potential Co-Investment Transaction is being considered by one or more Regulated Funds, as provided by the Order.

(a) Identification and Consideration of Investment Opportunities

The Advisers are organized and managed such that teams and investment committees ("*Investment Teams*" and "*Investment Committees*"),¹¹ responsible for evaluating investment opportunities and making investment decisions on behalf of clients are promptly notified of the opportunities.

Opportunities for Potential Co-Investment Transactions may arise when investment advisory personnel of an Adviser become aware of investment opportunities that may be appropriate for one or more Regulated Funds and one or more Affiliated Funds. If the requested Order is granted, the Advisers will establish, maintain and implement policies and procedures reasonably designed to ensure that, when such opportunities arise, the Advisers to the relevant Regulated Funds are promptly notified and receive the same information about the opportunity as any other Advisers considering the opportunity for their clients. In particular, consistent with Condition 1, if a Potential Co-Investment Transaction falls within the then-current Objectives and Strategies and any Board-Established Criteria of a Regulated Fund, the policies and procedures will require that the relevant Investment Teams and/or Investment Committees responsible for that Regulated Fund receive sufficient information to allow the Regulated Fund's Adviser to make its independent determination and recommendations under Conditions 1, 2(a), 6, 7, 8 and 9 (as applicable).¹² In addition, the policies and procedures will specify the individuals or roles responsible for carrying out the policies and procedures, including ensuring that the Advisers receive such information. After receiving notification of a Potential Co-Investment Transaction under Condition 1(a), the Adviser to each applicable Regulated Fund, working through the applicable Investment Committee, will then make an independent

¹¹ Investment Teams and Investment Committees responsible for an area of investment may include investment professionals and senior management from among one or more of the Advisers.

¹² Representatives from each Adviser to a Regulated Fund are members of each Investment Team or Investment Committee, or are otherwise entitled to participate in each meeting of any Investment Team or Investment Committee, that is expected to approve or reject recommended investment opportunities falling within its Regulated Funds' Objectives and Strategies and Board-Established Criteria. Accordingly, the policies and procedures may provide, for example, that the Adviser will receive the information required under Condition 1 in conjunction with its representatives' participation in the relevant Investment Team or Investment Committee.

determination of the appropriateness of the investment for the Regulated Fund in light of the Regulated Fund's then-current circumstances.

Applicants represent that, if the requested Order is granted, the investment advisory personnel of the Advisers to the Regulated Funds will be charged with making sure they identify, and participate in this process with respect to, each investment opportunity that falls within the Objectives and Strategies and Board-Established Criteria of each Regulated Fund. Applicants assert that the Advisers' allocation policies and procedures are structured so that the relevant investment advisory personnel for each Regulated Fund will be promptly notified of all Potential Co-Investment Transactions that fall within the then-current Objectives and Strategies and Board-Established Criteria of such Regulated Fund.

(b) Order Placement or Investment Decision and Allocation

General. If the Adviser to a Regulated Fund deems the Regulated Fund's participation in any Potential Co-Investment Transaction to be appropriate, it will, working through the applicable Investment Committee(s), formulate a recommendation regarding the proposed order amount for the Regulated Fund. In doing so, the Adviser and the applicable Investment Committee(s) may consider such factors, among others, as investment guidelines, issuer, industry and geographical concentration, availability of cash and other opportunities for which cash is needed, tax considerations, leverage covenants, regulatory constraints (such as requirements under the Act), investment horizon, potential liquidity needs, and the Regulated Fund's risk concentration policies.

Allocation Procedure. For each Regulated Fund and Affiliated Fund whose Adviser recommends participating in a Potential Co-Investment Transaction, the Adviser will, if such investment is a broadly syndicated loan submit a proposed order amount to the internal trading function, which is comprised of a group of individual traders who collect and execute trades or if such loan is not a broadly syndicated loan, the Investment Committee will approve an investment amount. Prior to the External Submission (as defined below), each proposed order or investment amount may be reviewed and adjusted, in accordance with the Advisers' written allocation policies and procedures, by the legal and compliance personnel of the Adviser (e.g., tradable credit, or direct lending).¹³ The order of a Regulated Fund or Affiliated Fund resulting from this process is referred to as its "**Internal Order**". The Internal Order will be submitted for approval by the Required Majority of any participating Regulated Funds in accordance with the Conditions and as discussed in Section III.A.1.c. below.

If the aggregate Internal Orders for a Potential Co-Investment Transaction do not exceed the size of the investment opportunity immediately prior to the submission of the orders to the underwriter, broker, dealer or issuer, as applicable (the "**External Submission**"), then each Internal Order will be fulfilled as placed. If, on the other hand, the aggregate Internal Orders for a Potential Co-Investment Transaction exceed the size of the investment opportunity immediately prior to the External Submission, then the allocation of the opportunity will be made pro rata on the basis of the size of the Internal Orders.¹⁴ If, subsequent to such External Submission, the size of the opportunity is increased or decreased, or if the terms of such opportunity, or the facts and circumstances applicable to the Regulated Funds' or the Affiliated Funds' consideration of the opportunity, change, the participants will be permitted to submit revised Internal Orders in accordance with written allocation policies and procedures that the Advisers will establish, implement and maintain; *provided* that, if the size of the opportunity is decreased such that the aggregate of the original Internal Orders would exceed the amount of the remaining investment opportunity, then upon submitting any revised order amount to the Board of a Regulated Fund for approval, the Adviser to the Regulated Fund will also notify the Board promptly of the amount that the Regulated Fund would receive if the remaining investment opportunity were allocated pro rata on the basis of the size of the original Internal Orders. The Board of the Regulated Fund will then either approve or disapprove of the investment opportunity in accordance with Condition 2, 6, 7, 8 or 9, as applicable.

¹³ The reason for any such adjustment to a proposed order amount will be documented in writing and preserved in the records of the Advisers.

¹⁴ The Advisers will maintain records of all proposed order amounts, Internal Orders and External Submissions in conjunction with Potential Co-Investment Transactions. Each applicable Adviser will provide the Eligible Directors with information concerning the Affiliated Funds' and Regulated Funds' order sizes to assist the Eligible Directors with their review of the applicable Regulated Fund's investments for compliance with the Conditions.

Compliance. The Applicants represent that the Advisers' allocation review process is a robust process designed as part of their overall compliance policies and procedures to ensure that every client is treated fairly and that the Advisers are following their allocation policies. The entire allocation process is monitored and reviewed by the legal and compliance team, led by the general counsel and chief compliance officer, and approved by the Board of each Regulated Fund.

(c) Approval of Potential Co-Investment Transactions

A Regulated Fund will enter into a Potential Co-Investment Transaction with one or more other Regulated Funds and/or Affiliated Funds only if, prior to the Regulated Fund's participation in the Potential Co-Investment Transaction, the Required Majority approves it in accordance with the Conditions of this Order.

In the case of a BDC Downstream Fund with an Independent Party consisting of a transaction committee or advisory committee, the individuals on the committee would possess experience and training comparable to that of the directors of the parent Regulated Fund and sufficient to permit them to make informed decisions on behalf of the applicable BDC Downstream Fund. The use of Independent Parties for BDC Downstream Funds results in a standard of approval that Applicants believe is equally as stringent as the standard of approval that a board of directors would apply. Most importantly, Applicants represent that the Independent Parties of the BDC Downstream Funds would be bound (by law or by contract) by fiduciary duties comparable to those applicable to the directors of the parent Regulated Fund, including a duty to act in the best interests of their respective funds when approving transactions. These duties would apply in the case of all Potential Co-Investment Transactions, including transactions that could present a conflict of interest.

Further, Applicants believe that the existence of differing routes of approval between the BDC Downstream Funds and other Regulated Funds would not result in Applicants investing through the BDC Downstream Funds in order to avoid obtaining the approval of a Regulated Fund's Board. Each Regulated Fund and BDC Downstream Fund has its own Objectives and Strategies and may have its own Board-Established Criteria, the implementation of which depends on the specific circumstances of the entity's portfolio at the time an investment opportunity is presented. As noted above, consistent with its duty to its BDC Downstream Funds, the Independent Party must reach a conclusion on whether or not an investment is in the best interest of its relevant BDC Downstream Funds. An investment made solely to avoid an approval requirement at the Regulated Fund level should not be viewed as in the best interest of the entity in question and, thus, would not be approved by the Independent Party.

Applicants represent that the use of Independent Parties has been common practice in institutional funds for many years and sophisticated investors, including global institutional investors, have relied on their presence in fund structures to ensure equitable treatment. Moreover, although a traditional board of directors would not be required to approve Co-Investment Transactions for a BDC Downstream Fund, a Board of a Regulated Fund would be required, as part of the overall duty of care that it owes to that Regulated Fund and its shareholders, to monitor the Co-investment Transaction activity of the Regulated Fund's respective BDC Downstream Funds to ensure that no pattern of abuse was extant.

A Regulated Fund may participate in Pro Rata Dispositions and Pro Rata Follow-On Investments without obtaining prior approval of the Required Majority in accordance with Conditions 6(c)(i) and 8(b)(i).

2. Delayed Settlement

All Regulated Funds and Affiliated Funds participating in a Co-Investment Transaction will invest at the same time, for the same price and with the same terms, conditions, class, registration rights and any other rights, so that none of them receives terms more favorable than any other. However, the settlement date for an Affiliated Fund in a Co-Investment Transaction may occur up to ten business days after the settlement date for the Regulated Fund, and vice versa, for one of two reasons. First, this may occur when the Affiliated Fund or Regulated Fund is not yet fully funded because, when the Affiliated Fund or Regulated Fund desires to make an investment, it must call capital from its investors to obtain the financing to make the investment, and in these instances, the notice requirement to call capital could be as much as ten business days. Accordingly, if a fund has called committed capital from its investors but the investors have not yet funded the capital calls, it may need to delay settlement during the notice period. Second, delayed settlement may also occur where, for tax or regulatory reasons, an Affiliated Fund or

Regulated Fund does not purchase new issuances immediately upon issuance but only after a short seasoning period of up to ten business days. Nevertheless, in all cases, (i) the date on which the commitment of the Affiliated Funds and Regulated Funds is made will be the same even where the settlement date is not and (ii) the earliest settlement date and the latest settlement date of any Affiliated Fund or Regulated Fund participating in the transaction will occur within ten business days of each other.

Applicants believe that an earlier or later settlement date does not create any additional risk for the Regulated Funds. As described above, the date of commitment will be the same and all other terms, including price, will be the same. Further, the investments by the Regulated Funds and the Affiliated Funds will be independent from each other, and a Regulated Fund would never take on the risk of holding more of a given security than it would prefer to hold in the event that an Affiliated Fund or another Regulated Fund did not settle as expected.

3. Permitted Follow-On Investments and Approval of Follow-On Investments

From time to time the Regulated Funds and Affiliated Funds may have opportunities to make Follow-On Investments in an issuer in which a Regulated Fund and one or more other Regulated Funds and/or Affiliated Funds previously have invested and continue to hold an investment. If the Order is granted, Follow-On Investments will be made in a manner that, over time, is fair and equitable to all of the Regulated Funds and Affiliated Funds and in accordance with the proposed procedures discussed above and with the Conditions of the Order.

The Order would divide Follow-On Investments into two categories depending on whether the Regulated Funds and Affiliated Funds holding investments in the issuer previously participated in a Co-Investment Transaction with respect to the issuer and continue to hold any securities acquired in a Co-Investment Transaction for that issuer. If such Regulated Funds and Affiliated Funds have previously participated in a Co-Investment Transaction with respect to the issuer, then the terms and approval of the Follow-On Investment would be subject to the process discussed in Section III.A.3.a. below and governed by Condition 8. These Follow-On Investments are referred to as “Standard Review Follow-Ons.” If such Regulated Funds and Affiliated Funds have not previously participated in a Co-Investment Transaction with respect to the issuer, then the terms and approval of the Follow-On Investment would be subject to the “onboarding process” discussed in Section III.A.3.b. below and governed by Condition 9. These Follow-On Investments are referred to as “Enhanced Review Follow-Ons.”

(a) Standard Review Follow-Ons

A Regulated Fund may invest in Standard Review Follow-Ons either with the approval of the Required Majority using the procedures required under Condition 8(c) or, where certain additional requirements are met, without Board approval under Condition 8(b).

A Regulated Fund may participate in a Standard Review Follow-On without obtaining the prior approval of the Required Majority if it is (i) a Pro Rata Follow-On Investment or (ii) a Non-Negotiated Follow-On Investment.

A “**Pro Rata Follow-On Investment**” is a Follow-On Investment (i) in which the participation of each Affiliated Fund and each Regulated Fund is proportionate to its outstanding investments in the issuer or security, as appropriate,¹⁵ immediately preceding the Follow-On Investment, and (ii) in the case of a Regulated Fund, a majority of the Board has approved the Regulated Fund’s participation in the pro rata Follow-On Investments as being in the best interests of the Regulated Fund. The Regulated Fund’s Board may refuse to approve, or at any time rescind, suspend or qualify, their approval of Pro Rata Follow-On Investments, in which case all subsequent Follow-On Investments will be submitted to the Regulated Fund’s Eligible Directors in accordance with Condition 8(c).

A “**Non-Negotiated Follow-On Investment**” is a Follow-On Investment in which a Regulated Fund participates together with one or more Affiliated Funds and/or one or more other Regulated Funds (i) in which the only term negotiated by or on behalf of the funds is price and (ii) with respect to which, if the transaction were considered on its own, the funds would be entitled to rely on one of the JT No-Action Letters.

Applicants believe that these Pro Rata and Non-Negotiated Follow-On Investments do not present a significant opportunity for overreaching on the part of any Adviser and thus do not warrant the time or the attention

¹⁵ See note 33, below.

of the Board. Pro Rata Follow-On Investments and Non-Negotiated Follow-On Investments remain subject to the Board's periodic review in accordance with Condition 10.

(b) Enhanced Review Follow-Ons

One or more Regulated Funds and/or one or more Affiliated Funds holding Pre-Boarding Investments may have the opportunity to make a Follow-On Investment that is a Potential Co-Investment Transaction in an issuer with respect to which they have not previously participated in a Co-Investment Transaction. In these cases, the Regulated Funds and Affiliated Funds may rely on the Order to make such Follow-On Investment subject to the requirements of Condition 9. These enhanced review requirements constitute an "onboarding process" whereby Regulated Funds and Affiliated Funds may utilize the Order to participate in Co-Investment Transactions even though they already hold Pre-Boarding Investments. For a given issuer, the participating Regulated Funds and Affiliated Funds need to comply with these requirements only for the first Co-Investment Transaction. Subsequent Co-Investment Transactions with respect to the issuer will be governed by Condition 8 under the standard review process.

4. Dispositions

The Regulated Funds and Affiliated Funds may be presented with opportunities to sell, exchange or otherwise dispose of securities in a transaction that would be prohibited by Rule 17d-1 or Section 57(a)(4), as applicable. If the Order is granted, such Dispositions will be made in a manner that, over time, is fair and equitable to all of the Regulated and Affiliated Funds and in accordance with procedures set forth in the proposed Conditions to the Order and discussed below.

The Order would divide these Dispositions into two categories: (i) if the Regulated Funds and Affiliated Funds holding investments in the issuer have previously participated in a Co-Investment Transaction with respect to the issuer and continue to hold any securities acquired in a Co-Investment Transaction for such issuer, then the terms and approval of the Disposition (hereinafter referred to as "Standard Review Dispositions") would be subject to the process discussed in Section III.A.4.a. below and governed by Condition 6; and (ii) if the Regulated Funds and Affiliated Funds have not previously participated in a Co-Investment Transaction with respect to the issuer, then the terms and approval of the Disposition (hereinafter referred to as "Enhanced Review Dispositions") would be subject to the same "onboarding process" discussed in Section III.A.4.b. above and governed by Condition 7.

(a) Standard Review Dispositions

A Regulated Fund may participate in a Standard Review Disposition either with the approval of the Required Majority using the standard procedures required under Condition 6(d) or, where certain additional requirements are met, without Board approval under Condition 6(c).

A Regulated Fund may participate in a Standard Review Disposition without obtaining the prior approval of the Required Majority if (i) the Disposition is a Pro Rata Disposition or (ii) the securities are Tradable Securities and the Disposition meets the other requirements of Condition 6(c)(ii).

A "**Pro Rata Disposition**" is a Disposition (i) in which the participation of each Affiliated Fund and each Regulated Fund is proportionate to its outstanding investment in the security subject to Disposition immediately preceding the Disposition;¹⁶ and (ii) in the case of a Regulated Fund, a majority of the Board has approved the Regulated Fund's participation in pro rata Dispositions as being in the best interests of the Regulated Fund. The Regulated Fund's Board may refuse to approve, or at any time rescind, suspend or qualify, their approval of Pro Rata Dispositions, in which case all subsequent Dispositions will be submitted to the Regulated Fund's Eligible Directors.

¹⁶ See note 30, below.

In the case of a Tradable Security, approval of the required majority is not required for the Disposition if: (x) the Disposition is not to the issuer or any affiliated person of the issuer;¹⁷ and (y) the security is sold for cash in a transaction in which the only term negotiated by or on behalf of the participating Regulated Funds and Affiliated Funds is price. Pro Rata Dispositions and Dispositions of a Tradable Security remain subject to the Board's periodic review in accordance with Condition 10.

(b) Enhanced Review Dispositions

One or more Regulated Funds and one or more Affiliated Funds that have not previously participated in a Co-Investment Transaction with respect to an issuer may have the opportunity to make a Disposition of Pre-Boarding Investments in a Potential Co-Investment Transaction. In these cases, the Regulated Funds and Affiliated Funds may rely on the Order to make such Disposition subject to the requirements of Condition 7. As discussed above, with respect to investment in a given issuer, the participating Regulated Funds and Affiliated Funds need only complete the onboarding process for the first Co-Investment Transaction, which may be an Enhanced Review Follow-On or an Enhanced Review Disposition.¹⁸ Subsequent Co-Investment Transactions with respect to the issuer will be governed by Condition 6 or 8 under the standard review process.

5. Use of Wholly-Owned Investment Subs

TCRD or a Future Regulated Fund may, from time to time, form one or more Wholly-Owned Investment Subs. Such a subsidiary may be prohibited from investing in a Co-Investment Transaction with a Regulated Fund (other than its parent) or any Affiliated Fund because it would be a company controlled by its parent Regulated Entity for purposes of Section 57(a)(4) and Rule 17d-1. Applicants request that each Wholly-Owned Investment Sub be permitted to participate in Co-Investment Transactions in lieu of the Regulated Entity that owns it and that the Wholly-Owned Investment Sub's participation in any such transaction be treated, for purposes of the Order, as though the parent Regulated Fund were participating directly.

Applicants represent that this treatment is justified because a Wholly-Owned Investment Sub would have no purpose other than serving as a holding vehicle for the Regulated Fund's investments and, therefore, no conflicts of interest could arise between the parent Regulated Fund and the Wholly-Owned Investment Sub. The Board of the parent Regulated Fund would make all relevant determinations under the Conditions with regard to a Wholly-Owned Investment Sub's participation in a Co-Investment Transaction, and the Board would be informed of, and take into consideration, any proposed use of a Wholly-Owned Investment Sub in the Regulated Fund's place. If the parent Regulated Fund proposes to participate in the same Co-Investment Transaction with any of its Wholly-Owned Investment Subs, the Board of the parent Regulated Fund will also be informed of, and take into consideration, the relative participation of the Regulated Fund and the Wholly-Owned Investment Sub.

Applicants note that an entity could not be both a Wholly-Owned Investment Sub and a BDC Downstream Fund because, in the former case, the Board of the parent Regulated Fund makes any determinations regarding the subsidiary's investments while, in the latter case, the Independent Party makes such determinations.

6. Warehousing of CLO Assets

¹⁷ In the case of a Tradable Security, Dispositions to the issuer or an affiliated person of the issuer are not permitted so that funds participating in the Disposition do not benefit to the detriment of Regulated Funds that remain invested in the issuer. For example, if a Disposition of a Tradable Security were permitted to be made to the issuer, the issuer may be reducing its short term assets (i.e., cash) to pay down long term liabilities.

¹⁸ However, with respect to an issuer, if a Regulated Fund's first Co-Investment Transaction is an Enhanced Review Disposition, and the Regulated Fund does not dispose of its entire position in the Enhanced Review Disposition, then before such Regulated Fund may complete its first Standard Review Follow-On in such issuer, the Eligible Directors must review the proposed Follow-On Investment not only on a stand-alone basis but also in relation to the total economic exposure in such issuer (i.e., in combination with the portion of the Pre-Boarding Investment not disposed of in the Enhanced Review Disposition), and the other terms of the investments. This additional review is required because such findings were not required in connection with the prior Enhanced Review Disposition, but they would have been required had the first Co-Investment Transaction been an Enhanced Review Follow-On.

A CLO is a vehicle that invests in loans that are securitized into different tranches. The payments received from the loans in the CLO are passed on to the holders of the various tranches based on their applicable pricing and position of priority in a waterfall.

The Existing Advisers to Affiliated Funds currently manage 12 Affiliated Funds that are structured as broadly syndicated open market CLOs (“*BSL CLOs*”). The Existing Advisers to Affiliated Funds intend to expand their management of CLOs to middle market CLOs (“*MM CLOs*”). The underlying investments in such MM CLOs will include middle market loans. Middle market loans are generally made to smaller and mid-sized companies and in some cases may be directly originated by Affiliated Funds and/or Regulated Funds (collectively, “*MM Loans*”). Unlike BSL CLOs, it generally takes a longer period of time to accumulate a pool of MM Loans sufficient to create a MM CLO and generally requires warehousing such MM Loans in a private fund managed by an Adviser (each such fund, a “*Warehousing Fund*”). A Warehousing Fund may later be securitized and become a MM CLO once a sufficient pool of MM Loans has been acquired. Additionally, certain MM CLO structures follow investment guidelines that may require that MM Loans that are “affiliate investments” for the purpose of such investment guidelines be “seasoned” (generally for 30-90 days) before the Warehousing Fund elects to purchase such MM Loans (“*Seasoned Loans*”). Seasoning may take place by a private fund or entity managed by an Adviser (any such seasoning vehicle, a “*Seasoning Fund*”). All Warehousing Funds, Seasoning Funds and the MM CLOs resulting therefrom seeking to participate in the Co-investment Program would meet the definition of an Affiliated Fund.

Seasoned Loans may be acquired in Co-Investment Transactions with one or more Regulated Funds. The transfer of Seasoned Loans from a Seasoning Fund to a Warehousing Fund would comply with the Disposition requirements of the Application; any Regulated Funds that had participated in the Co-Investment Transaction would be offered the opportunity to participate in the Disposition. Because the transfer from a Seasoning Fund to a Warehousing Fund would take place 30 to 90 days after the initial Co-Investment Transaction was completed, it is assumed that the applicable Adviser’s allocation to the Regulated Fund will not have changed and the Regulated Fund would decline to participate in such Disposition.¹⁹ However, after the transfer from the Seasoning Fund to the Warehousing Fund pursuant to the Prior Order, the Regulated Fund and the Warehousing Fund would not be able to complete Follow-On Investments or Dispositions together in compliance with the Conditions because the acquisition of such Seasoned Loans by the Warehousing Fund would not have been made in a Co-Investment Transaction.

Applicants believe that any such transfer of Seasoned Loans that were initially acquired in a Co-Investment Transaction from a Seasoning Fund to a Warehousing Fund should be treated as if they were acquired by the Warehousing Fund in a Co-Investment Transaction in order to enable the Warehousing Fund and the Regulated Funds to rely on the Order for any Follow-On Investments or Dispositions, subject to the Conditions.

Applicants believe that allowing the Warehousing Funds to participate in Follow-On Investments or Dispositions as if they had participated in the initial Co-investment Transaction does not impose any additional risk on the Regulated Funds, and without such ability, a Regulated Fund may be disadvantaged. The transfer of Seasoned Loans from a Seasoning Fund to a Warehousing Fund will not affect a Regulated Fund’s holdings, but rather will only be a transfer of those Seasoned Loans from a Seasoning Fund to a Warehousing Fund based on the then current market value of those Seasoned Loans, but otherwise on the same terms applicable to such Seasoned Loans held by the Seasoning Fund prior to such transfer. Further, a Regulated Fund would never take on the risk of holding more of a given MM Loan than it would prefer to hold because its Adviser would have allocated the initial Co-Investment to the Regulated Fund within the last 30 to 90 days.

If Follow-On Investments and Dispositions were not covered by the Order after the transfer of any such Seasoned Loans from a Seasoning Fund to a Warehousing Fund, then a Regulated Fund could be disadvantaged because a Seasoning Fund may be required to complete these transfers in order for a Warehousing Fund to become a MM CLO. Thus, if a Seasoning Fund must complete a transfer to a Warehousing Fund, and after such transfer the Regulated Fund would not be able to complete Follow-On Investments or Dispositions in such Seasoned Loans with the Warehousing Fund or resulting MM CLO, then it is likely that the Regulated Fund’s Adviser would choose not to have the Regulated Fund co-invest with the Seasoning Fund in order to avoid this limitation. If the applicable

¹⁹ In addition, the Regulated Fund may be prohibited by the 1940 Act from selling a security to an Affiliated Fund unless it can rely on Rule 17a-7 of the 1940 Act.

Adviser determined not to have the Regulated Fund co-invest with the Seasoning Fund, the Adviser would have to follow its investment allocation policy to determine whether to allocate each investment opportunity either to the Regulated Fund or to the Seasoning Fund. This would disadvantage the Regulated Fund because the ability to participate in Co-Investment Transactions that involve committing larger amounts of financing would enable each Regulated Fund to participate with one or more of the Affiliated Funds and the other Regulated Funds in larger financing commitments, which would, in turn, be expected to obtain discounted prices and increase income, expand investment opportunities and provide better access to due diligence information for the Regulated Funds. Indeed, each Regulated Fund's inability to co-invest with one or more of the Affiliated Funds and the other Regulated Funds could potentially result in the loss of beneficial investment opportunities for such Regulated Fund and, in turn, adversely affect such Regulated Fund's shareholders.

B. Applicable Law

1. Section 17(d) and Section 57(a)(4)

Section 17(d) of the Act generally prohibits an affiliated person (as defined in Section 2(a)(3) of the Act), or an affiliated person of such affiliated person, of a registered investment company acting as principal, from effecting any transaction in which the registered investment company is a joint or a joint and several participant, in contravention of such rules as the Commission may prescribe for the purpose of limiting or preventing participation by the registered investment company on a basis different from or less advantageous than that of such other participant.

Similarly, with regard to BDCs, Section 57(a)(4) prohibits certain persons specified in Section 57(b) from participating in a joint transaction with the BDC, or a company controlled by the BDC, in contravention of rules as prescribed by the Commission. In particular, Section 57(a)(4) applies to:

- Any director, officer, employee, or member of an advisory board of a BDC or any person (other than the BDC itself) who is an affiliated person of the forgoing pursuant to Section 2(a)(3)(C); or
- Any investment adviser or promoter of, general partner in, principal underwriter for, or person directly or indirectly either controlling, controlled by, or under common control with, a BDC (except the BDC itself and any person who, if it were not directly or indirectly controlled by the BDC, would not be directly or indirectly under the control of a person who controls the BDC);²⁰ or any person who is an affiliated person of any of the forgoing within the meaning of Section 2(a)(3)(C) or (D).

Pursuant to the foregoing application of Section 57(a)(4), BDC Downstream Funds on the one hand and other Regulated Funds and Affiliated Funds on the other, may not co-invest absent an exemptive order because the BDC Downstream Funds are controlled by a BDC and the Affiliated Funds and other Regulated Funds are included in Section 57(b).

Section 2(a)(3)(C) defines an "affiliated person" of another person to include any person directly or indirectly controlling, controlled by, or under common control with, such other person. Section 2(a)(3)(D) defines "any officer, director, partner, copartner, or employee" of an affiliated person as an affiliated person. Section 2(a)(9) defines "control" as the power to exercise a controlling influence over the management or policies of a company, unless such power is solely the result of an official position with that company. Under Section 2(a)(9) a person who beneficially owns, either directly or through one or more controlled companies, more than 25% of the voting securities of a company is presumed to control such company. The Commission and its staff have indicated on a number of occasions their belief that an investment adviser that provides discretionary investment management services to a fund and that sponsored, selected the initial directors, and provides administrative or other non-advisory services to the fund, controls such fund, absent compelling evidence to the contrary.²¹

²⁰ Also excluded from this category by Rule 57b-1 is any person who would otherwise be included (a) solely because that person is directly or indirectly controlled by a business development company, or (b) solely because that person is, within the meaning of Section 2(a)(3)(C) or (D), an affiliated person of a person described in (a) above.

²¹ See, e.g., SEC Rel. No. IC-4697 (Sept. 8, 1966) ("For purposes of Section 2(a)(3)(C), affiliation based upon control would depend on the facts of the given situation, including such factors as extensive interlocks of officers,

2. Rule 17d-1

Rule 17d-1 generally prohibits an affiliated person (as defined in Section 2(a)(3)), or an affiliated person of such affiliated person, of a registered investment company acting as principal, from effecting any transaction in which the registered investment company, or a company controlled by such registered company, is a joint or a joint and several participant, in contravention of such rules as the Commission may prescribe for the purpose of limiting or preventing participation by the registered investment company on a basis different from or less advantageous than that of such first or second tier affiliate. Rule 17d-1 generally prohibits participation by a registered investment company and an affiliated person (as defined in Section 2(a)(3)) or principal underwriter for that investment company, or an affiliated person of such affiliated person or principal underwriter, in any “joint enterprise or other joint arrangement or profit-sharing plan,” as defined in the rule, without prior approval by the Commission by order upon application.

Rule 17d-1 was promulgated by the Commission pursuant to Section 17(d) and made applicable to persons subject to Sections 57(a) and (d) by Section 57(i) to the extent specified therein. Section 57(i) provides that, until the Commission prescribes rules under Sections 57(a) and (d), the Commission’s rules under Section 17(d) applicable to registered closed-end investment companies will be deemed to apply to persons subject to the prohibitions of Section 57(a) or (d). Because the Commission has not adopted any rules under Section 57(a) or (d), Rule 17d-1 applies to persons subject to the prohibitions of Section 57(a) or (d).

Applicants seek relief pursuant to Rule 17d-1, which permits the Commission to authorize joint transactions upon application. In passing upon applications filed pursuant to Rule 17d-1, the Commission is directed by Rule 17d-1(b) to consider whether the participation of a registered investment company or controlled company thereof in the joint enterprise or joint arrangement under scrutiny is consistent with provisions, policies and purposes of the Act and the extent to which such participation is on a basis different from or less advantageous than that of other participants.

The Commission has stated that Section 17(d), upon which Rule 17d-1 is based, and upon which Section 57(a)(4) was modeled, was designed to protect investment companies from self-dealing and overreaching by insiders. The Commission has also taken notice that there may be transactions subject to these prohibitions that do not present the dangers of overreaching.²² The Court of Appeals for the Second Circuit has enunciated a like rationale for the purpose behind Section 17(d): “The objective of [Section] 17(d) . . . is to prevent . . . injuring the interest of stockholders of registered investment companies by causing the company to participate on a basis different from or less advantageous than that of such other participants.”²³ Furthermore, Congress acknowledged that the protective system established by the enactment of Section 57 is “similar to that applicable to registered investment companies under Section 17, and rules thereunder, but is modified to address concerns relating to unique characteristics presented by business development companies.”²⁴

Applicants believe that the Conditions would ensure that the conflicts of interest that Section 17(d) and Section 57(a)(4) were designed to prevent would be addressed and the standards for an order under Rule 17d-1 and Section 57(i) would be met.

C. Need for Relief

directors or key personnel, common investment advisers or underwriters, etc.”); Lazard Freres Asset Management, SEC No-Action Letter (pub. avail. Jan. 10, 1997) (“While, in some circumstances, the nature of an advisory relationship may give an adviser control over its client’s management or policies, whether an investment company and another entity are under common control is a factual question . . .”).

²² See Protecting Investors: A Half-Century of Investment Company Regulation, 1504 Fed. Sec. L. Rep., Extra Edition (May 29, 1992) at 488 *et seq.*

²³ Securities and Exchange Commission v. Talley Industries, Inc., 399 F.2d 396, 405 (2d Cir. 1968), cert. denied, 393 U.S. 1015 (1969).

²⁴ H.Rep. No. 96-1341, 96th Cong., 2d Sess. 45 (1980) *reprinted in* 1980 U.S.C.C.A.N. 4827.

Co-Investment Transactions are prohibited by either or both of Rule 17d-1 and Section 57(a)(4) without a prior exemptive order of the Commission to the extent that the Affiliated Funds and the Regulated Funds participating in such transactions fall within the category of persons described by Rule 17d-1 and/or Section 57(b), as modified by Rule 57b-1 thereunder, as applicable, vis-à-vis each participating Regulated Fund.

Each of the participating Regulated Funds and Affiliated Funds may be deemed to be affiliated persons vis-à-vis a Regulated Fund within the meaning of Section 2(a)(3) by reason of common control because (i) the Existing Advisers to Affiliated Funds manage, and may be deemed to control, each of the Existing Affiliated Funds and any other Affiliated Fund will be managed by, and may be deemed to be controlled by, an Adviser to Affiliated Funds; (ii) THLCA is the investment adviser to, and may be deemed to control, TCRD and an Adviser to Regulated Funds will be the investment adviser to, and may be deemed to control, any Future Regulated Fund; (iii) each BDC Downstream Fund will be deemed to be controlled by its BDC parent and/or its BDC parent's investment adviser; and (iv) the Advisers to Affiliated Funds and the Advisers to Regulated Funds are under common control. Thus, each of the Affiliated Funds could be deemed to be a person related to the Regulated Funds, including any BDC Downstream Fund, in a manner described by Section 57(b) and related to the other Regulated Funds in a manner described by Rule 17d-1; and therefore the prohibitions of Rule 17d-1 and Section 57(a)(4) would apply respectively to prohibit the Affiliated Funds from participating in Co-Investment Transactions with the Regulated Funds.

D. Precedents

The Commission has issued numerous exemptive orders under the Act permitting registered investment companies and BDCs to co-invest with affiliated persons.²⁵ Although the various precedents involved somewhat different formulae, the Commission has accepted, as a basis for relief from the prohibitions on joint transactions, use of allocation and approval procedures to protect the interests of investors in the BDCs and registered investment companies. Applicants submit that the allocation procedures set forth in the Conditions for relief are consistent with and expand the range of investor protections found in the orders we cite.

Due to Applicant's size, which is continuing to grow, and the increasing complexity of Applicants' operations and projected new products, Applicants believe the Prior Order (despite Applicants' operation pursuant thereto) will preclude Applicants from being able to continue to grow and introduce certain new products and advisory relationships. Applicants also believe that the Prior Order does not provide sufficient flexibility for the Regulated Funds to participate in attractive and appropriate investment opportunities that would be beneficial to their security holders. Thus, for example, Applicants propose to limit the Potential Co-Investment Transactions of which each Adviser would be notified of to those investments that would be consistent with each fund's then-current Objectives and Strategies and Board-Established Criteria, thus reducing unnecessary burdens that would otherwise be imposed on Applicants. In addition, Applicants seek to extend the Standard Precedent to obtain exemptive relief to permit co-investments by BDC Downstream Funds that are not wholly owned subsidiaries of the Regulated Funds, subject to appropriate safeguards built into proposed Conditions.

The Prior Order also does not permit Applicants to participate in Enhanced Review Follow-Ons or Enhanced Review Dispositions.

Apollo Investment Corporation and its affiliates previously received exemptive relief consistent with the relief Applicants are requesting herein. Thus, Applicants based the Application on the application of Apollo Investment

²⁵ See, e.g., Corporate Capital Trust, Inc., et al. (File No. 812-14408) Investment Company Act Rel. Nos. 32642 (May 22, 2017) (notice) and 32683 (June 19, 2017) (order); TICC Capital Corp., et al. (File No. 812-14707) Investment Company Act Rel. Nos. 32641 (May 19, 2017) (notice) and 32680 (June 14, 2017) (order); Solar Capital Ltd., et al. (File No. 812-14735) Investment Company Act Rel. Nos. 32638 (May 17, 2017) (notice) and 32677 (June 13, 2017) (order); Medley Capital Corporation, et al. (File No. 812-14679) Investment Company Act Rel. Nos. 32520 (March 3, 2017) (notice) and 32581 (March 29, 2017) (order); Golub Capital BDC, Inc., et al. (File No. 812-13764) Investment Company Act Rel. Nos. 32461 (January 31, 2017) (notice) and 32509 (February 7, 2017) (order); Owl Rock Capital Corporation, et al. (File No. 812-14568) Investment Company Act Rel. Nos. 32422 (January 11, 2017) (notice) and 32469 (February 7, 2017) (order).

Corporation and its affiliates, for which an order was granted on March 29, 2016 (the “*Apollo Order*”).²⁶ Applicants believe that the relief requested herein is consistent with the policy underlying the Apollo Order as well as co-investment relief granted by the Commission to other BDCs and to registered closed-end funds.

IV. STATEMENT IN SUPPORT OF RELIEF REQUESTED

In accordance with Rule 17d-1 (made applicable to transactions subject to Section 57(a) by Section 57(i)), the Commission may grant the requested relief as to any particular joint transaction if it finds that the participation of the Regulated Funds in the joint transaction is consistent with the provisions, policies and purposes of the Act and is not on a basis different from or less advantageous than that of other participants. Applicants submit that allowing the Co-Investment Transactions described in this Application is justified on the basis of (i) the potential benefits to the Regulated Funds and the shareholders thereof and (ii) the protections found in the Conditions.

As required by Rule 17d-1(b), the Conditions ensure that the terms on which Co-Investment Transactions may be made will be consistent with the participation of the Regulated Funds being on a basis that it is neither different from nor less advantageous than other participants, thus protecting the equity holders of any participant from being disadvantaged. The Conditions ensure that all Co-Investment Transactions are reasonable and fair to the Regulated Funds and their shareholders and do not involve overreaching by any person concerned, including the Advisers.

A. Potential Benefits

In the absence of the relief sought hereby, in many circumstances the Regulated Funds would be limited in their ability to participate in attractive and appropriate investment opportunities. Section 17(d), Section 57(a)(4) and Rule 17d-1 should not prevent BDCs and registered closed-end investment companies from making investments that are in the best interests of their shareholders.

Each Regulated Fund and its shareholders will benefit from the ability to participate in Co-Investment Transactions. The Board, including the Required Majority, of each Regulated Fund has determined that it is in the best interests of the Regulated Fund to participate in Co-Investment Transactions because, among other matters, (i) the Regulated Fund should be able to participate in a larger number and greater variety of transactions; (ii) the Regulated Fund should be able to participate in larger transactions; (iii) the Regulated Fund should be able to participate in all opportunities approved by a Required Majority or otherwise permissible under the Order rather than risk underperformance through rotational allocation of opportunities among the Regulated Funds; (iv) the Regulated Fund and any other Regulated Funds participating in the proposed investment should have greater bargaining power, more control over the investment and less need to bring in other external investors or structure investments to satisfy the different needs of external investors; (v) the Regulated Fund should be able to obtain greater attention and better deal flow from investment bankers and others who act as sources of investments; and (vi) the Conditions are fair to the Regulated Funds and their shareholders.

B. Protective Representations And Conditions

The Conditions ensure that the proposed Co-Investment Transactions are consistent with the protection of each Regulated Fund’s shareholders and with the purposes intended by the policies and provisions of the Act. Specifically, the Conditions incorporate the following critical protections: (i) all Regulated Funds participating in the Co-Investment Transactions will invest at the same time (except that, subject to the limitations in the Conditions, the settlement date for an Affiliated Fund in a Co-Investment Transaction may occur up to ten business days after the settlement date for the Regulated Fund, and vice versa), for the same price and with the same terms, conditions, class, registration rights and any other rights, so that none of them receives terms more favorable than any other; (ii) a Required Majority of each Regulated Fund must approve various investment decisions (not including transactions completed on a pro rata basis pursuant to Conditions 6(c)(i) and 8(b)(i) or otherwise not requiring Board approval) with respect to such Regulated Fund in accordance with the Conditions; and (iii) the Regulated Funds are required to retain and maintain certain records.

²⁶ See Apollo Investment Corporation, et al (File No. 812-13754) Investment Company Act Rel. Nos. 32019 (March 2, 2016) (notice) and 32057 (March 29, 2016) (order).

Applicants believe that participation by the Regulated Funds in Pro Rata Follow-On Investments and Pro Rata Dispositions, as provided in Conditions 6(c)(i) and 8(b)(i), is consistent with the provisions, policies and purposes of the Act and will not be made on a basis different from or less advantageous than that of other participants. A formulaic approach, such as pro rata investment or disposition eliminates the possibility for overreaching and unnecessary prior review by the Board. Applicants note that the Commission has adopted a similar pro rata approach in the context of Rule 23c-2, which relates to the redemption by a closed-end investment company of less than all of a class of its securities, indicating the general fairness and lack of overreaching that such approach provides.

Applicants also believe that the participation by the Regulated Funds in Non-Negotiated Follow-On Investments and in Dispositions of Tradable Securities without the approval of a Required Majority is consistent with the provisions, policies and purposes of the Act as there is no opportunity for overreaching by affiliates.

If an Adviser, its principals, or any person controlling, controlled by, or under common control with the Adviser or its principals, and the Affiliated Funds (collectively, the “ *Holders* ”) own in the aggregate more than 25 percent of the outstanding voting shares of a Regulated Fund (the “ *Shares* ”), then the Holders will vote such Shares as required under Condition 15.

Applicants believe that this condition will ensure that the Independent Directors will act independently in evaluating Co-Investment Transactions, because the ability of the Adviser or its principals to influence the Independent Directors by a suggestion, explicit or implied, that the Independent Directors can be removed if desired by the Holders will be limited significantly. The Independent Directors shall evaluate and approve any independent party, taking into accounts its qualifications, reputation for independence, cost to the shareholders, and other factors that they deem relevant.

In sum, the Applicants believe that the Conditions would ensure that each Regulated Fund that participates in any type of Co-Investment Transaction does not participate on a basis different from, or less advantageous than, that of such other participants for purposes of Section 17(d) or Section 57(a)(4) and the Rules under the Act. As a result, Applicants believe that the participation of the Regulated Funds in Co-Investment Transactions in accordance with the Conditions would be consistent with the provisions, policies, and purposes of the Act, and would be done in a manner that was not different from, or less advantageous than, the other participants.

V. CONDITIONS

Applicants agree that any Order granting the requested relief shall be subject to the following Conditions:

1. Identification and Referral of Potential Co-Investment Transactions

(a) The Advisers will establish, maintain and implement policies and procedures reasonably designed to ensure that each Adviser is promptly notified of all Potential Co-Investment Transactions that fall within the then-current Objectives and Strategies and Board-Established Criteria of any Regulated Fund the Adviser manages.

(b) When an Adviser to a Regulated Fund is notified of a Potential Co-Investment Transaction under Condition 1(a), the Adviser will make an independent determination of the appropriateness of the investment for the Regulated Fund in light of the Regulated Fund’s then-current circumstances.

2. Board Approvals of Co-Investment Transactions

(a) If the Adviser deems a Regulated Fund’s participation in any Potential Co-Investment Transaction to be appropriate for the Regulated Fund, it will then determine an appropriate level of investment for the Regulated Fund.

(b) If the aggregate amount recommended by the Advisers to be invested in the Potential Co-Investment Transaction by the participating Regulated Funds and any participating Affiliated Funds, collectively, exceeds the amount of the investment opportunity, the investment opportunity will be allocated among them pro rata based on the size of the Internal Orders, as described in section III.A.1.b. above. Each Adviser to a participating Regulated Fund will promptly notify and provide the Eligible Directors with information concerning the Affiliated Funds’ and

Regulated Funds' order sizes to assist the Eligible Directors with their review of the applicable Regulated Fund's investments for compliance with these Conditions.

(c) After making the determinations required in Condition 1(b) above, each Adviser to a participating Regulated Fund will distribute written information concerning the Potential Co-Investment Transaction (including the amount proposed to be invested by each participating Regulated Fund and each participating Affiliated Fund) to the Eligible Directors of its participating Regulated Fund(s) for their consideration. A Regulated Fund will enter into a Co-Investment Transaction with one or more other Regulated Funds or Affiliated Funds only if, prior to the Regulated Fund's participation in the Potential Co-Investment Transaction, a Required Majority concludes that:

(i) the terms of the transaction, including the consideration to be paid, are reasonable and fair to the Regulated Fund and its equity holders and do not involve overreaching in respect of the Regulated Fund or its equity holders on the part of any person concerned;

(ii) the transaction is consistent with:

(A) the interests of the Regulated Fund's equity holders; and

(B) the Regulated Fund's then-current Objectives and Strategies;

(iii) the investment by any other Regulated Fund(s) or Affiliated Fund(s) would not disadvantage the Regulated Fund, and participation by the Regulated Fund would not be on a basis different from, or less advantageous than, that of any other Regulated Fund(s) or Affiliated Fund(s) participating in the transaction; provided that the Required Majority shall not be prohibited from reaching the conclusions required by this Condition 2(c)(iii) if:

(A) the settlement date for another Regulated Fund or an Affiliated Fund in a Co-Investment Transaction is later than the settlement date for the Regulated Fund by no more than ten business days or earlier than the settlement date for the Regulated Fund by no more than ten business days, in either case, so long as: (x) the date on which the commitment of the Affiliated Funds and Regulated Funds is made is the same; and (y) the earliest settlement date and the latest settlement date of any Affiliated Fund or Regulated Fund participating in the transaction will occur within ten business days of each other; or

(B) any other Regulated Fund or Affiliated Fund, but not the Regulated Fund itself, gains the right to nominate a director for election to a portfolio company's board of directors, the right to have a board observer or any similar right to participate in the governance or management of the portfolio company so long as: (x) the Eligible Directors will have the right to ratify the selection of such director or board observer, if any; (y) the Adviser agrees to, and does, provide periodic reports to the Regulated Fund's Board with respect to the actions of such director or the information received by such board observer or obtained through the exercise of any similar right to participate in the governance or management of the portfolio company; and (z) any fees or other compensation that any other Regulated Fund or Affiliated Fund or any affiliated person of any other Regulated Fund or Affiliated Fund receives in connection with the right of one or more Regulated Funds or Affiliated Funds to nominate a director or appoint a board observer or otherwise to participate in the governance or management of the portfolio company will be shared proportionately among any participating Affiliated Funds (who may, in turn, share their portion with their affiliated persons) and any participating Regulated Fund(s) in accordance with the amount of each such party's investment; and

(iv) the proposed investment by the Regulated Fund will not involve compensation, remuneration or a direct or indirect²⁷ financial benefit to the Advisers, any other Regulated Fund, the Affiliated Funds or any affiliated person of any of them (other than the parties to the Co-Investment Transaction), except (A) to the extent permitted by Condition 14, (B) to the extent permitted by Section 17(e) or 57(k), as applicable, (C) indirectly, as a result of an interest in the securities issued by one of the parties to the Co-Investment Transaction, or (D) in the case of fees or other compensation described in Condition 2(c)(iii)(B)(z).

²⁷ For example, procuring the Regulated Fund's investment in a Potential Co-Investment Transaction to permit an affiliate to complete or obtain better terms in a separate transaction would constitute an indirect financial benefit.

3. Right to Decline. Each Regulated Fund has the right to decline to participate in any Potential Co-Investment Transaction or to invest less than the amount proposed.

4. General Limitation. Except for Follow-On Investments made in accordance with Conditions 8 and 9 below, ²⁸ a Regulated Fund will not invest in reliance on the Order in any issuer in which a Related Party has an investment.

5. Same Terms and Conditions. A Regulated Fund will not participate in any Potential Co-Investment Transaction unless (i) the terms, conditions, price, class of securities to be purchased, date on which the commitment is entered into and registration rights (if any) will be the same for each participating Regulated

Fund and Affiliated Fund and (ii) the earliest settlement date and the latest settlement date of any participating Regulated Fund or Affiliated Fund will occur as close in time as practicable and in no event more than ten business days apart. The grant to one or more Regulated Funds or Affiliated Funds, but not the respective Regulated Fund, of the right to nominate a director for election to a portfolio company's board of directors, the right to have an observer on the board of directors or similar rights to participate in the governance or management of the portfolio company will not be interpreted so as to violate this Condition 5, if Condition 2(c)(iii)(B) is met.

6. Standard Review Dispositions.

(a) *General*. If any Regulated Fund or Affiliated Fund elects to sell, exchange or otherwise dispose of an interest in a security and one or more Regulated Funds and Affiliated Funds have previously participated in a Co-Investment Transaction ²⁹ with respect to the issuer, then:

(i) the Adviser to such Regulated Fund or Affiliated Fund will notify each Regulated Fund that holds an investment in the issuer of the proposed Disposition at the earliest practical time; and

(ii) the Adviser to each Regulated Fund that holds an investment in the issuer will formulate a recommendation as to participation by such Regulated Fund in the Disposition.

(b) *Same Terms and Conditions*. Each Regulated Fund will have the right to participate in such Disposition on a proportionate basis, at the same price and on the same terms and conditions as those applicable to the Affiliated Funds and any other Regulated Fund.

(c) *No Board Approval Required*. A Regulated Fund may participate in such a Disposition without obtaining prior approval of the Required Majority if:

(i) (A) the participation of each Regulated Fund and Affiliated Fund in such Disposition is proportionate to its then-current holding of the security (or securities) of the issuer that is (or are) the subject of the Disposition; ³⁰ (B) the Board of the Regulated Fund has approved as being in the best interests of the Regulated Fund the ability to participate in such Dispositions on a pro rata basis (as described in greater detail in the Application); and (C) the Board of the Regulated Fund is provided on a quarterly basis with a list of all Dispositions made in accordance with this Condition; or

(ii) each security is a Tradable Security and (A) the Disposition is not to the issuer or any affiliated person of the issuer; and (B) the security is sold for cash in a transaction in which the only term negotiated by or on behalf of the participating Regulated Funds and Affiliated Funds is price.

(d) *Standard Board Approval*. In all other cases, the Adviser will provide its written recommendation as to the Regulated Fund's participation to the Eligible Directors and the Regulated Fund will participate in such Disposition solely to the extent that a Required Majority determines that it is in the Regulated Fund's best interests.

7. Enhanced Review Dispositions.

²⁸ This exception applies only to Follow-On Investments by a Regulated Fund in issuers in which that Regulated Fund already holds investments.

²⁹ For purposes of this Condition, a CLO Private Fund will be deemed to have received the securities that are transferred to it from a Warehousing Fund in a Co-Investment Transaction.

³⁰ In the case of any Disposition, proportionality will be measured by each participating Regulated Fund's and Affiliated Fund's outstanding investment in the security in question immediately preceding the Disposition.

(a) *General* . If any Regulated Fund or Affiliated Fund elects to sell, exchange or otherwise dispose of a Pre-Boarding Investment in a Potential Co-Investment Transaction and the Regulated Funds and Affiliated Funds have not previously participated in a Co-Investment Transaction with respect to the issuer:

(i) the Adviser to such Regulated Fund or Affiliated Fund will notify each Regulated Fund that holds an investment in the issuer of the proposed Disposition at the earliest practical time;

(ii) the Adviser to each Regulated Fund that holds an investment in the issuer will formulate a recommendation as to participation by such Regulated Fund in the Disposition; and

(iii) the Advisers will provide to the Board of each Regulated Fund that holds an investment in the issuer all information relating to the existing investments in the issuer of the Regulated Funds and Affiliated Funds, including the terms of such investments and how they were made, that is necessary for the Required Majority to make the findings required by this Condition.

(b) *Enhanced Board Approval* . The Adviser will provide its written recommendation as to the Regulated Fund's participation to the Eligible Directors, and the Regulated Fund will participate in such Disposition solely to the extent that a Required Majority determines that:

(i) the Disposition complies with Condition 2(c)(i), (ii), (iii)(A), and (iv).

(ii) the making and holding of the Pre-Boarding Investments were not prohibited by Section 57 or Rule 17d-1, as applicable, and records the basis for the finding in the Board minutes.

(c) *Additional Requirements*: The Disposition may only be completed in reliance on the Order if:

(i) *Same Terms and Conditions* . Each Regulated Fund has the right to participate in such Disposition on a proportionate basis, at the same price and on the same terms and Conditions as those applicable to the Affiliated Funds and any other Regulated Fund;

(ii) *Original Investments* . All of the Affiliated Funds' and Regulated Funds' investments in the issuer are Pre-Boarding Investments;

(iii) *Advice of counsel* . Independent counsel to the Board advises that the making and holding of the investments in the Pre-Boarding Investments were not prohibited by Section 57 (as modified by Rule 57b-1) or Rule 17d-1, as applicable;

(iv) *Multiple Classes of Securities*. All Regulated Funds and Affiliated Funds that hold Pre-Boarding Investments in the issuer immediately before the time of completion of the Co-Investment Transaction hold the same security or securities of the issuer. For the purpose of determining whether the Regulated Funds and Affiliated Funds hold the same security or securities, they may disregard any security held by some but not all of them if, prior to relying on the Order, the Required Majority is presented with all information necessary to make a finding, and finds, that: (x) any Regulated Fund's or Affiliated Fund's holding of a different class of securities (including for this purpose a security with a different maturity date) is immaterial³¹ in amount, including immaterial relative to the size of the issuer; and (y) the Board records the basis for any such finding in its minutes. In addition, securities that differ only in respect of issuance date, currency, or denominations may be treated as the same security; and

(v) *No control* . The Affiliated Funds, the other Regulated Funds and their affiliated persons (within the meaning of Section 2(a)(3)(C) of the Act), individually or in the aggregate, do not control the issuer of the securities (within the meaning of Section 2(a)(9) of the Act).

8. Standard Review Follow-Ons .

³¹ In determining whether a holding is "immaterial" for purposes of the Order, the Required Majority will consider whether the nature and extent of the interest in the transaction or arrangement is sufficiently small that a reasonable person would not believe that the interest affected the determination of whether to enter into the transaction or arrangement or the terms of the transaction or arrangement.

(a) *General* . If any Regulated Fund or Affiliated Fund desires to make a Follow-On Investment in an issuer and the Regulated Funds and Affiliated Funds holding investments in the issuer previously participated in a Co-Investment Transaction ³² with respect to the issuer:

(i) the Adviser to each such Regulated Fund or Affiliated Fund will notify each Regulated Fund that holds securities of the portfolio company of the proposed transaction at the earliest practical time; and

(ii) the Adviser to each Regulated Fund that holds an investment in the issuer will formulate a recommendation as to the proposed participation, including the amount of the proposed investment, by such Regulated Fund.

(b) *No Board Approval Required* . A Regulated Fund may participate in the Follow-On Investment without obtaining prior approval of the Required Majority if:

(i) (A) the proposed participation of each Regulated Fund and each Affiliated Fund in such investment is proportionate to its outstanding investments in the issuer or the security at issue, as appropriate, ³³ immediately preceding the Follow-On Investment; and (B) the Board of the Regulated Fund has approved as being in the best interests of the Regulated Fund the ability to participate in Follow-On Investments on a pro rata basis (as described in greater detail in this Application); or

(ii) it is a Non-Negotiated Follow-On Investment.

(c) *Standard Board Approval* . In all other cases, the Adviser will provide its written recommendation as to the Regulated Fund's participation to the Eligible Directors and the Regulated Fund will participate in such Follow-On Investment solely to the extent that a Required Majority makes the determinations set forth in Condition 2(c). If the only previous Co-Investment Transaction with respect to the issuer was an Enhanced Review Disposition the Eligible Directors must complete this review of the proposed Follow-On Investment both on a stand-alone basis and together with the Pre-Boarding Investments in relation to the total economic exposure and other terms of the investment.

(d) *Allocation* . If, with respect to any such Follow-On Investment:

(i) the amount of the opportunity proposed to be made available to any Regulated Fund is not based on the Regulated Funds' and the Affiliated Funds' outstanding investments in the issuer or the security at issue, as appropriate, immediately preceding the Follow-On Investment; and

(ii) the aggregate amount recommended by the Advisers to be invested in the Follow-On Investment by the participating Regulated Funds and any participating Affiliated Funds, collectively, exceeds the amount of the investment opportunity,

then the Follow-On Investment opportunity will be allocated among them pro rata based on the size of the Internal Orders, as described in section III.A.1.b. above.

(e) *Other Conditions* . The acquisition of Follow-On Investments as permitted by this Condition will be considered a Co-Investment Transaction for all purposes and subject to the other Conditions set forth in this application.

9. Enhanced Review Follow-Ons .

³² For purposes of this Condition, a CLO Private Fund will be deemed to have received the securities that are transferred to it from a Warehousing Fund in a Co-Investment Transaction.

³³ To the extent that a Follow-On Investment opportunity is in a security or arises in respect of a security held by the participating Regulated Funds and Affiliated Funds, proportionality will be measured by each participating Regulated Fund's and Affiliated Fund's outstanding investment in the security in question immediately preceding the Follow-On Investment using the most recent available valuation thereof. To the extent that a Follow-On Investment opportunity relates to an opportunity to invest in a security that is not in respect of any security held by any of the participating Regulated Funds or Affiliated Funds, proportionality will be measured by each participating Regulated Fund's and Affiliated Fund's outstanding investment in the issuer immediately preceding the Follow-On Investment using the most recent available valuation thereof.

(a) *General* . If any Regulated Fund or Affiliated Fund desires to make a Follow-On Investment in an issuer that is a Potential Co-Investment Transaction and the Regulated Funds and Affiliated Funds holding investments in the issuer have not previously participated in a Co-Investment Transaction with respect to the issuer:

(i) the Adviser to each such Regulated Fund or Affiliated Fund will notify each Regulated Fund that holds securities of the portfolio company of the proposed transaction at the earliest practical time;

(ii) the Adviser to each Regulated Fund that holds an investment in the issuer will formulate a recommendation as to the proposed participation, including the amount of the proposed investment, by such Regulated Fund; and

(iii) the Advisers will provide to the Board of each Regulated Fund that holds an investment in the issuer all information relating to the existing investments in the issuer of the Regulated Funds and Affiliated Funds, including the terms of such investments and how they were made, that is necessary for the Required Majority to make the findings required by this Condition.

(b) *Enhanced Board Approval* . The Adviser will provide its written recommendation as to the Regulated Fund's participation to the Eligible Directors, and the Regulated Fund will participate in such Follow-On Investment solely to the extent that a Required Majority reviews the proposed Follow-On Investment both on a stand-alone basis and together with the Pre-Boarding Investments in relation to the total economic exposure and other terms and makes the determinations set forth in Condition 2(c). In addition, the Follow-On Investment may only be completed in reliance on the Order if the Required Majority of each participating Regulated Fund determines that the making and holding of the Pre-Boarding Investments were not prohibited by Section 57 (as modified by Rule 57b-1) or Rule 17d-1, as applicable. The basis for the Board's findings will be recorded in its minutes.

(c) *Additional Requirements* . The Follow-On Investment may only be completed in reliance on the Order if:

(i) *Original Investments* . All of the Affiliated Funds' and Regulated Funds' investments in the issuer are Pre-Boarding Investments;

(ii) *Advice of counsel* . Independent counsel to the Board advises that the making and holding of the investments in the Pre-Boarding Investments were not prohibited by Section 57 (as modified by Rule 57b-1) or Rule 17d-1, as applicable;

(iii) *Multiple Classes of Securities* . All Regulated Funds and Affiliated Funds that hold Pre-Boarding Investments in the issuer immediately before the time of completion of the Co-Investment Transaction hold the same security or securities of the issuer. For the purpose of determining whether the Regulated Funds and Affiliated Funds hold the same security or securities, they may disregard any security held by some but not all of them if, prior to relying on the Order, the Required Majority is presented with all information necessary to make a finding, and finds, that: (x) any Regulated Fund's or Affiliated Fund's holding of a different class of securities (including for this purpose a security with a different maturity date) is immaterial in amount, including immaterial relative to the size of the issuer; and (y) the Board records the basis for any such finding in its minutes. In addition, securities that differ only in respect of issuance date, currency, or denominations may be treated as the same security; and

(iv) *No control* . The Affiliated Funds, the other Regulated Funds and their affiliated persons (within the meaning of Section 2(a)(3)(C) of the Act), individually or in the aggregate, do not control the issuer of the securities (within the meaning of Section 2(a)(9) of the Act).

(d) *Allocation* . If, with respect to any such Follow-On Investment:

(i) the amount of the opportunity proposed to be made available to any Regulated Fund is not based on the Regulated Funds' and the Affiliated Funds' outstanding investments in the issuer or the security at issue, as appropriate, immediately preceding the Follow-On Investment; and

(ii) the aggregate amount recommended by the Advisers to be invested in the Follow-On Investment by the participating Regulated Funds and any participating Affiliated Funds, collectively, exceeds the amount of the investment opportunity,

then the Follow-On Investment opportunity will be allocated among them pro rata based on the size of the Internal Orders, as described in section III.A.1.b. above.

(e) *Other Conditions*. The acquisition of Follow-On Investments as permitted by this Condition will be considered a Co-Investment Transaction for all purposes and subject to the other Conditions set forth in this application.

10. Board Reporting, Compliance and Annual Re-Approval

(a) Each Adviser to a Regulated Fund will present to the Board of each Regulated Fund, on a quarterly basis, and at such other times as the Board may request, (i) a record of all investments in Potential Co-Investment Transactions made by any of the other Regulated Funds or any of the Affiliated Funds during the preceding quarter that fell within the Regulated Fund's then-current Objectives and Strategies and Board-Established Criteria that were not made available to the Regulated Fund, and an explanation of why such investment opportunities were not made available to the Regulated Fund; (ii) a record of all Follow-On Investments in and Dispositions of investments in any issuer in which the Regulated Fund holds any investments by any Affiliated Fund or other Regulated Fund during the prior quarter; and (iii) all information concerning Potential Co-Investment Transactions and Co-Investment Transactions, including investments made by other Regulated Funds or Affiliated Funds that the Regulated Fund considered but declined to participate in, so that the Independent Directors, may determine whether all Potential Co-Investment Transactions and Co-Investment Transactions during the preceding quarter, including those investments that the Regulated Fund considered but declined to participate in, comply with the Conditions.

(b) All information presented to the Regulated Fund's Board pursuant to this Condition will be kept for the life of the Regulated Fund and at least two years thereafter, and will be subject to examination by the Commission and its staff.

(c) Each Regulated Fund's chief compliance officer, as defined in rule 38a-1(a)(4), will prepare an annual report for its Board each year that evaluates (and documents the basis of that evaluation) the Regulated Fund's compliance with the terms and Conditions of the application and the procedures established to achieve such compliance. In the case of a BDC Downstream Fund that does not have a chief compliance officer, the chief compliance officer of the BDC that controls the BDC Downstream Fund will prepare the report for the relevant Independent Party.

(d) The Independent Directors (including the non-interested members of each Independent Party) will consider at least annually whether continued participation in new and existing Co-Investment Transactions is in the Regulated Fund's best interests.

11. Record Keeping. Each Regulated Fund will maintain the records required by Section 57(f)(3) of the Act as if each of the Regulated Funds were a BDC and each of the investments permitted under these Conditions were approved by the Required Majority under Section 57(f).

12. Director Independence. No Independent Director (including the non-interested members of any Independent Party) of a Regulated Fund will also be a director, general partner, managing member or principal, or otherwise be an "affiliated person" (as defined in the Act) of any Affiliated Fund.

13. Expenses. The expenses, if any, associated with acquiring, holding or disposing of any securities acquired in a Co-Investment Transaction (including, without limitation, the expenses of the distribution of any such securities registered for sale under the Securities Act) will, to the extent not payable by the Advisers under their respective advisory agreements with the Regulated Funds and the Affiliated Funds, be shared by the Regulated Funds and the participating Affiliated Funds in proportion to the relative amounts of the securities held or being acquired or disposed of, as the case may be.

14. Transaction Fees.³⁴ Any transaction fee (including break-up, structuring, monitoring or commitment fees but excluding brokerage or underwriting compensation permitted by Section 17(e) or 57(k)) received in connection with any Co-Investment Transaction will be distributed to the participants on a pro rata basis based on the amounts they invested or committed, as the case may be, in such Co-Investment Transaction. If any transaction fee is to be held by an Adviser pending consummation of the transaction, the fee will be deposited into an account maintained by the Adviser at a bank or banks having the qualifications prescribed in Section 26(a)(1), and the account will earn a competitive rate of interest that will also be divided pro rata among the participants. None of the Advisers, the Affiliated Funds, the other Regulated Funds or any affiliated person of the Affiliated Funds or the Regulated Funds will receive any additional compensation or remuneration of any kind as a result of or in connection with a Co-Investment Transaction other than (i) in the case of the Regulated Funds and the Affiliated Funds, the pro rata transaction fees described above and fees or other compensation described in Condition 2(c)(iii)(B)(z), (ii) brokerage or underwriting compensation permitted by Section 17(e) or 57(k) or (iii) in the case of the Advisers, investment advisory compensation paid in accordance with investment advisory agreements between the applicable Regulated Fund(s) or Affiliated Fund(s) and its Adviser.

15. Independence. If the Holders own in the aggregate more than 25 percent of the Shares of a Regulated Fund, then the Holders will vote such Shares as directed by an independent third party when voting on (1) the election of directors; (2) the removal of one or more directors; or (3) any other matter under either the Act or applicable State law affecting the Board's composition, size or manner of election.

³⁴ Applicants are not requesting and the Commission is not providing any relief for transaction fees received in connection with any Co-Investment Transaction.

VI. PROCEDURAL MATTERS

A. Communications

Please address all communications concerning this Application and the Notice and Order to:

Sam W. Tillinghast
Christopher J. Flynn
THL Credit, Inc.
100 Federal St., 31st Floor
Boston, MA 02110
(800) 450-4424

Please address any questions, and a copy of any communications, concerning this Application, the Notice and Order to:

Steven B. Boehm, Esq.
Cynthia M. Krus, Esq.
Anne G. Oberndorf, Esq.
Eversheds Sutherland (US) LLP
700 Sixth Street, NW, Suite 700
Washington, DC 20001-3980
Tel: (202) 383-0100
Fax: (202) 637-3593

B. Authorization

All requirements for the execution and filing of this Application in the name and on behalf of each Applicant by the undersigned have been complied with and the undersigned is fully authorized to do so and has duly executed this Application as of this 8th day of August, 2017.

THL CREDIT, INC.
By: /s/ Sam W. Tillinghast
Name: Sam W. Tillinghast
Title: Co-Chief Executive Officer

THL CREDIT ADVISORS LLC
By: /s/ Sam W. Tillinghast
Name: Sam W. Tillinghast
Title: Co-Chief Executive Officer

THL CREDIT SENIOR LOAN STRATEGIES LLC
By: /s/ Sam W. Tillinghast
Name: Sam W. Tillinghast
Title: Co-Chief Executive Officer

THL CREDIT HOLDINGS, INC.
By: /s/ Sam W. Tillinghast
Name: Sam W. Tillinghast
Title: Co-Chief Executive Officer

THL CREDIT BANK LOAN SELECT FUND
By: THL Credit Senior Loan Strategies LLC, its
Investment Manager
By: /s/ Sam W. Tillinghast
Name: Sam W. Tillinghast
Title: Co-Chief Executive Officer

THL CREDIT WIND RIVER 2012-1 CLO LTD.
By: THL Credit Senior Loan Strategies LLC, its
Investment Manager
By: /s/ Sam W. Tillinghast
Name: Sam W. Tillinghast
Title: Co-Chief Executive Officer

THL CREDIT WIND RIVER 2013-1 CLO LTD.
By: THL Credit Senior Loan Strategies LLC, its
Collateral Manager
By: /s/ Sam W. Tillinghast
Name: Sam W. Tillinghast
Title: Co-Chief Executive Officer

THL CREDIT WIND RIVER 2013-2 CLO LTD.
By: THL Credit Advisors LLC, its Investment
Manager
By: /s/ Sam W. Tillinghast
Name: Sam W. Tillinghast
Title: Co-Chief Executive Officer

THL CREDIT WIND RIVER 2014-1 CLO LTD.
By: THL Credit Advisors LLC, its Investment
Manager
By: /s/ Sam W. Tillinghast
Name: Sam W. Tillinghast
Title: Co-Chief Executive Officer

THL CREDIT WIND RIVER 2014-2 CLO LTD.
By: THL Credit Advisors LLC, its Investment
Manager
By: /s/ Sam W. Tillinghast
Name: Sam W. Tillinghast
Title: Co-Chief Executive Officer

THL CREDIT WIND RIVER 2014-3 CLO LTD.
By: THL Credit Senior Loan Strategies LLC, its
Investment Manager
By: /s/ Sam W. Tillinghast
Name: Sam W. Tillinghast
Title: Co-Chief Executive Officer

THL CREDIT WIND RIVER 2015-1 CLO LTD.
By: THL Credit Senior Loan Strategies LLC, its
Investment Manager
By: /s/ Sam W. Tillinghast
Name: Sam W. Tillinghast
Title: Co-Chief Executive Officer

THL CREDIT WIND RIVER 2015-2 CLO LTD.
By: THL Credit Senior Loan Strategies LLC, its
Investment Manager
By: /s/ Sam W. Tillinghast
Name: Sam W. Tillinghast
Title: Co-Chief Executive Officer

THL CREDIT WIND RIVER 2016-1 CLO LTD.
By: THL Credit Senior Loan Strategies LLC, its
Investment Manager
By: /s/ Sam W. Tillinghast
Name: Sam W. Tillinghast
Title: Co-Chief Executive Officer

THL CREDIT WIND RIVER 2016-2 CLO LTD
By: THL Credit Advisors LLC, its Investment
Manager
By: /s/ Sam W. Tillinghast
Name: Sam W. Tillinghast
Title: Co-Chief Executive Officer

THL CREDIT WIND RIVER 2017-1 CLO LTD.
By: THL Credit Advisors LLC, its Investment
Manager
By: /s/ Sam W. Tillinghast
Name: Sam W. Tillinghast
Title: Co-Chief Executive Officer

THL CREDIT WIND RIVER 2017-2 CLO LTD.
By: THL Credit Advisors LLC, its Investment
Manager
By: /s/ Sam W. Tillinghast
Name: Sam W. Tillinghast
Title: Co-Chief Executive Officer

THL CREDIT WIND RIVER 2017-3 CLO LTD.
By: THL Credit Advisors LLC, its Investment
Manager
By: /s/ Sam W. Tillinghast
Name: Sam W. Tillinghast
Title: Co-Chief Executive Officer

THL CREDIT WIND RIVER 2017-4 CLO LTD.

By: THL Credit Advisors LLC, its Investment
Manager

By: /s/ Sam W. Tillinghast

Name: Sam W. Tillinghast

Title: Co-Chief Executive Officer

THL CREDIT LAKE SHORE MM CLO 2017-1, LTD.

By: THL Credit Advisors LLC, its Investment
Manager

By: /s/ Sam W. Tillinghast

Name: Sam W. Tillinghast

Title: Co-Chief Executive Officer

THL CREDIT DIRECT LENDING FUND III LLC

By: THL Credit Direct Lending Management II
LLC, its Manager

By: /s/ Sam W. Tillinghast

Name: Sam W. Tillinghast

Title: Co-Chief Executive Officer

THL CREDIT DIRECT LENDING CO-INVEST
III (E) LLC

By: THL Credit Direct Lending Management II
LLC, its Manager

By: /s/ Sam W. Tillinghast

Name: Sam W. Tillinghast

Title: Co-Chief Executive Officer

THL CREDIT DIRECT LENDING CO-INVEST
III LLC

By: THL Credit Direct Lending Management II
LLC, its Manager

By: /s/ Sam W. Tillinghast

Name: Sam W. Tillinghast

Title: Co-Chief Executive Officer

THL CREDIT DIRECT LENDING CO-INVEST
III (A) LLC

By: THL Credit Direct Lending Management II
LLC, its Manager

By: /s/ Sam W. Tillinghast

Name: Sam W. Tillinghast

Title: Co-Chief Executive Officer

THL CREDIT BANK LOAN SELECT FUND
(OFFSHORE)

By: THL Credit Senior Loan Strategies LLC, its
Investment Manager

By: /s/ Sam W. Tillinghast

Name: Sam W. Tillinghast

STATE OF NEW YORK)
)
COUNTY OF NEW YORK)

The undersigned states that he has duly executed the attached application dated as of August 8, 2017 for and on behalf of THL Credit, Inc., THL Credit Senior Loan Strategies LLC, THL Credit Advisors LLC, THL Credit Holdings, Inc., THL Credit Bank Loan Select Fund, THL Credit Wind River 2012-1 CLO Ltd., THL Credit Wind River 2013-1 CLO Ltd., THL Credit Wind River 2013-2 CLO Ltd., THL Credit Wind River 2014-1 CLO Ltd., THL Credit Wind River 2014-2 CLO Ltd., THL Credit Wind River 2014-3 CLO Ltd., THL Credit Wind River 2015-1 CLO Ltd., THL Credit Wind River 2015-2 CLO Ltd., THL Credit Wind River 2016-1 CLO Ltd., THL Credit Wind River 2016-2 CLO Ltd., THL Credit Wind River 2017-1 CLO Ltd., THL Credit Wind River 2017-2 CLO Ltd., THL Credit Wind River 2017-3 CLO Ltd., THL Credit Wind River 2017-4 CLO Ltd., THL Credit Lake Shore MM CLO 2017-1, Ltd., THL Credit Direct Lending Fund III LLC, THL Credit Direct Lending Co-Invest III (E) LLC, THL Credit Direct Lending Co-Invest III LLC, THL Credit Direct Lending Fund III (A) LLC, and THL Credit Bank Loan Select Fund (Offshore); that he holds the office with each such entity as indicated below; and that all action by officers, directors, and other bodies necessary to authorize the undersigned to execute and file such instrument has been taken. The undersigned further states that he is familiar with such instrument, and the contents thereof, and that the facts therein set forth are true to the best of his knowledge, information and belief.

THL CREDIT, INC.
THL CREDIT SENIOR LOAN STRATEGIES LLC
THL CREDIT ADVISORS LLC
THL CREDIT HOLDINGS, INC.
By: /s/ Sam W. Tillinghast
Name: Sam W. Tillinghast
Title: Co-Chief Executive Officer

THL CREDIT BANK LOAN SELECT FUND
THL CREDIT WIND RIVER 2012-1 CLO LTD.
THL CREDIT WIND RIVER 2014-3 CLO LTD.
THL CREDIT WIND RIVER 2015-1 CLO LTD.
THL CREDIT WIND RIVER 2015-2 CLO LTD.
THL CREDIT WIND RIVER 2016-1 CLO LTD.
THL CREDIT BANK LOAN SELECT FUND (OFFSHORE)
By: THL Credit Senior Loan Strategies LLC, its Investment
Manager
By: /s/ Sam W. Tillinghast
Name: Sam W. Tillinghast
Title: Co-Chief Executive Officer

THL CREDIT WIND RIVER 2013-2 CLO LTD.
THL CREDIT WIND RIVER 2014-1 CLO LTD.
THL CREDIT WIND RIVER 2014-2 CLO LTD.
THL CREDIT WIND RIVER 2016-2 CLO LTD.
THL CREDIT WIND RIVER 2017-1 CLO LTD.
THL CREDIT WIND RIVER 2017-2 CLO LTD.
THL CREDIT WIND RIVER 2017-3 CLO LTD.
THL CREDIT WIND RIVER 2017-4 CLO LTD.
THL CREDIT LAKE SHORE MM CLO 2017-1 LTD.
By: THL Credit Advisors LLC, its Investment
Manager
By: /s/ Sam W. Tillinghast
Name: Sam W. Tillinghast

Title: Co-Chief Executive Officer

THL CREDIT DIRECT LENDING FUND III LLC
THL CREDIT DIRECT LENDING CO-INVEST III (E) LLC
THL CREDIT DIRECT LENDING CO-INVEST III LLC
THL CREDIT DIRECT LENDING FUND III (A)
LLC

By: THL Credit Direct Lending Management II
LLC, its Manager

By: /s/ Sam W. Tillinghast

Name: Sam W. Tillinghast

Title: Co-Chief Executive Officer

THL CREDIT WIND RIVER 2013-1 CLO LTD.

By: THL Credit Senior Loan Strategies LLC, its
Collateral Manager

By: /s/ Sam W. Tillinghast

Name: Sam W. Tillinghast

Title: Co-Chief Executive Officer

Below is a list of the Existing Affiliated Funds. All Existing Affiliated Funds are advised by Existing Advisers to Affiliated Funds:

1. THL Credit Bank Loan Select Fund. This fund is managed by THL Credit Senior Loan Strategies LLC.
2. THL Credit Wind River 2012-1 CLO Ltd. This fund is managed by THL Credit Senior Loan Strategies LLC.
3. THL Credit Wind River 2013-1 CLO Ltd. This fund is managed by THL Credit Senior Loan Strategies LLC.
4. THL Credit Wind River 2013-2 CLO Ltd. This fund is managed by THL Credit Advisors LLC.
5. THL Credit Wind River 2014-1 CLO Ltd. This fund is managed by THL Credit Advisors LLC.
6. THL Credit Wind River 2014-2 CLO Ltd. This fund is managed by THL Credit Advisors LLC.
7. THL Credit Wind River 2014-3 CLO Ltd. This fund is managed by THL Credit Senior Loan Strategies LLC.
8. THL Credit Wind River 2015-1 CLO Ltd. This fund is managed by THL Credit Senior Loan Strategies LLC.
9. THL Credit Wind River 2015-2 CLO Ltd. This fund is managed by THL Credit Senior Loan Strategies LLC.
10. THL Credit Wind River 2016-1 CLO Ltd. This fund is managed by THL Credit Senior Loan Strategies LLC.
11. THL Credit Wind River 2016-2 CLO Ltd. This fund is managed by THL Credit Advisors LLC.
12. THL Credit Wind River 2017-1 CLO Ltd. This fund is managed by THL Credit Advisors LLC.
13. THL Credit Wind River 2017-2 CLO Ltd. This fund is managed by THL Credit Advisors LLC.
14. THL Credit Wind River 2017-3 CLO Ltd. This fund is managed by THL Credit Advisors LLC.
15. THL Credit Wind River 2017-4 CLO Ltd. This fund is managed by THL Credit Advisors LLC.
16. THL Credit Direct Lending Fund III LLC. This fund is managed by THL Credit Advisors LLC.
17. THL Credit Direct Lending Co-Invest III (E) LLC. This fund is managed by THL Credit Advisors LLC.
18. THL Credit Direct Lending Co-Invest III LLC. This fund is managed by THL Credit Advisors LLC.
19. THL Credit Direct Lending Fund III (A) LLC. This fund is managed by THL Credit Advisors LLC.
20. THL Credit Bank Loan Select Fund (Offshore). This fund is managed by THL Credit Senior Loan Strategies LLC.
21. THL Credit Lake Shore MM CLO 2017-1, Ltd. This fund is managed by THL Credit Advisors LLC.

**Resolutions of the Board of Directors of
THL Credit, Inc.**

WHEREAS, the Board of Directors has reviewed the Company's Co-Investment Exemptive Application (the "**Exemptive Application**"), a copy of which is attached hereto as Exhibit A, for an order of the U.S. Securities and Exchange Commission (the "**SEC**") pursuant to Sections 17(d) and 57(i) of the Investment Company Act of 1940, as amended (the "**1940 Act**"), and Rule 17d-1 under the 1940 Act, to permit certain joint transactions that otherwise may be prohibited by Section 17(d) and 57(a)(4) of the 1940 Act and Rule 17d-1 under the 1940 Act;

NOW, THEREFORE, BE IT RESOLVED, that the Authorized Officers (as defined below), shall be, and each of them individually hereby is, authorized, empowered and directed, in the name and on behalf of the Company, to cause to be executed, delivered and filed with the SEC the Exemptive Application, in substantially the form attached hereto as Exhibit A; and

FURTHER RESOLVED, that the Authorized Officers shall be, and each of them individually hereby is, authorized, empowered and directed, in the name and on behalf of the Company, to cause to be made, executed, delivered and filed with the SEC any amendments to the Exemptive Application and any additional applications for exemptive relief as are determined necessary, advisable or appropriate by any such officers in order to effectuate the foregoing, such determination to be conclusively evidenced by the taking of any such action; and

FURTHER RESOLVED, that all acts and things previously done by any of the Authorized Officers, on or prior to the date hereof, in the name and on behalf of the Company in connection with the foregoing resolutions are in all respects authorized, ratified, approved, confirmed and adopted as the acts and deeds by and on behalf of the Company; and

FURTHER RESOLVED, that any officer of the Company be, and each of them hereby is, authorized, empowered and directed to certify and deliver copies of these resolutions to such governmental bodies, agencies, persons, firms or corporations as such officer may deem necessary and to identify by such officer's signature or certificate, or in such form as may be required, the documents and instruments presented to and approved herein and to furnish evidence of the approval, by an officer authorized to give such approval, of any document, instrument or provision or any addition, deletion or change in any document or instrument; and

FURTHER RESOLVED, that for purposes of the foregoing resolutions, the Authorized Officers of the Company shall be the Chief Executive Officer, the President, Chief Compliance Officer & Secretary, and the Chief Financial Officer of the Company (collectively, the "Authorized Officers").

(Adopted on August 1, 2017)