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

Form 10-Q

☒ Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the Quarterly Period Ended November 30, 2020

☐ Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Commission File No. 814-00732

SARATOGA INVESTMENT CORP.

(Exact name of registrant as specified in its charter)

Maryland	**20-8700615**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification Number)**

535 Madison Avenue
New York, New York 10022
(Address of principal executive offices)

(212) 906-7800
(Registrant's telephone number, including area code)

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value $0.001 per share	SAR	The New York Stock Exchange
6.25% Notes due 2025	SAF	The New York Stock Exchange
7.25% Notes due 2025	SAK	The New York Stock Exchange

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

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

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

Large accelerated filer	☐	Accelerated filer	☒
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

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

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

The number of outstanding common shares of the registrant as of January 6, 2021 was 11,170,028.

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PART I. FINANCIAL INFORMATION

Item 1. Consolidated Financial Statements

Saratoga Investment Corp.
Consolidated Statements of Assets and Liabilities

	November 30, 2020 (unaudited)	February 29, 2020
ASSETS		
Investments at fair value		
Non-control/Non-affiliate investments (amortized cost of $463,588,455 and $418,006,725, respectively)	$ 456,552,179	$ 420,442,928
Affiliate investments (amortized cost of $28,338,471 and $23,998,917, respectively)	21,403,802	18,485,854
Control investments (amortized cost of $65,055,003 and $44,293,619, respectively)	68,987,521	46,703,192
Total investments at fair value (amortized cost of $556,981,929 and $486,299,261, respectively)	546,943,502	485,631,974
Cash and cash equivalents	21,060,224	24,598,905
Cash and cash equivalents, reserve accounts	12,836,663	14,851,447
Interest receivable (net of reserve of $1,982,033 and $1,238,049, respectively)	4,192,177	4,810,456
Management fee receivable	284,256	272,207
Other assets	740,361	701,007
Total assets	$ 586,057,183	$ 530,865,996
LIABILITIES		
Revolving credit facility	$ -	$ -
Deferred debt financing costs, revolving credit facility	(674,638)	(512,628)
SBA debentures payable	176,000,000	150,000,000
Deferred debt financing costs, SBA debentures payable	(2,725,309)	(2,561,495)
6.25% Notes Payable 2025	60,000,000	60,000,000
Deferred debt financing costs, 6.25% notes payable 2025	(1,766,709)	(2,046,735)
7.25% Notes Payable 2025	43,125,000	-
Deferred debt financing costs, 7.25% notes payable 2025	(1,480,977)	-
7.75% Notes Payable 2025	5,000,000	-
Deferred debt financing costs, 7.75% notes payable 2025	(252,746)	-
Base management and incentive fees payable	4,775,801	15,800,097
Deferred tax liability	1,434,505	1,347,363
Accounts payable and accrued expenses	1,514,585	1,713,157
Interest and debt fees payable	931,938	2,234,042
Directors fees payable	44,500	61,500
Due to manager	278,343	543,842
Total liabilities	286,204,293	226,579,143
Commitments and contingencies (See Note 8)		
NET ASSETS		
Common stock, par value $0.001, 100,000,000 common shares authorized, 11,170,028 and 11,217,545 common shares issued and outstanding, respectively	11,170	11,218
Capital in excess of par value	288,590,554	289,476,991
Total distributable earnings	11,251,166	14,798,644
Total net assets	299,852,890	304,286,853
Total liabilities and net assets	$ 586,057,183	$ 530,865,996
NET ASSET VALUE PER SHARE	$ 26.84	$ 27.13

See accompanying notes to consolidated financial statements.

Saratoga Investment Corp.
Consolidated Statements of Operations
(unaudited)

	For the three months ended		For the nine months ended	
	November 30, 2020	November 30, 2019	November 30, 2020	November 30, 2019
INVESTMENT INCOME				
Interest from investments				
Interest income:				
Non-control/Non-affiliate investments	$ 10,422,586	$ 9,749,294	$ 30,585,868	$ 26,862,643
Affiliate investments	418,418	356,958	1,204,840	873,816
Control investments	1,654,359	1,300,923	4,037,915	4,627,395
Payment-in-kind interest income:				
Non-control/Non-affiliate investments	214,422	198,984	1,125,306	530,728
Affiliate investments	49,333	42,397	143,574	123,812
Control investments	44,896	1,250,824	117,449	3,226,060
Total interest from investments	12,804,014	12,899,380	37,214,952	36,244,454
Interest from cash and cash equivalents	770	119,539	14,176	316,691
Management fee income	623,817	629,671	1,883,825	1,888,932
Structuring and advisory fee income*	545,354	511,500	1,798,660	1,875,225
Other income*	308,802	35,665	523,862	509,850
Total investment income	14,282,757	14,195,755	41,435,475	40,835,152
OPERATING EXPENSES				
Interest and debt financing expenses	3,559,870	3,896,968	9,452,193	11,628,266
Base management fees	2,324,564	2,146,214	6,694,144	5,955,623
Incentive management fees expense (benefit)	2,295,000	3,102,139	1,966,367	7,300,794
Professional fees	502,979	401,010	1,257,420	1,181,010
Administrator expenses	693,750	556,250	1,852,083	1,575,000
Insurance	67,010	63,936	202,463	193,174
Directors fees and expenses	60,000	60,000	195,000	217,500
General & administrative	278,734	395,024	963,372	1,036,498
Income tax expense (benefit)	29,748	(1,001,089)	28,304	(1,464,878)
Total operating expenses	9,811,655	9,620,452	22,611,346	27,622,987
NET INVESTMENT INCOME	4,471,102	4,575,303	18,824,129	13,212,165
REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS				
Net realized gain (loss) from investments:				
Non-control/Non-affiliate investments	1,798	10,739,678	22,207	12,609,767
Net realized gain (loss) from investments	1,798	10,739,678	22,207	12,609,767
Income tax (provision) benefit from realized gain on investments	(3,895,354)	-	(3,895,354)	-
Net change in unrealized appreciation (depreciation) on investments:				
Non-control/Non-affiliate investments	4,348,888	(4,322,305)	(9,472,477)	(1,563,573)
Affiliate investments	385,414	(41,295)	(1,421,606)	859,953
Control investments	1,264,528	3,827,449	1,522,945	5,614,471
Net change in unrealized appreciation (depreciation) on investments	5,998,830	(536,151)	(9,371,138)	4,910,851
Net change in provision for deferred taxes on unrealized (appreciation) depreciation on investments	(210,057)	(1,061,608)	(58,838)	(1,786,801)
Net realized and unrealized gain (loss) on investments	1,895,217	9,141,919	(13,303,123)	15,733,817
NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS	$ 6,366,319	$ 13,717,222	$ 5,521,006	$ 28,945,982
WEIGHTED AVERAGE - BASIC AND DILUTED EARNINGS (LOSS) PER COMMON SHARE	$ 0.57	$ 1.37	$ 0.49	$ 3.33
WEIGHTED AVERAGE COMMON SHARES OUTSTANDING - BASIC AND DILUTED	11,169,817	10,036,086	11,198,287	8,702,190

* Certain prior period amounts have been reclassified to conform to current period presentation.

See accompanying notes to consolidated financial statements.

Saratoga Investment Corp.
Consolidated Statements of Changes in Net Assets
(unaudited)

	For the nine months ended November 30, 2020	For the nine months ended November 30, 2019
INCREASE (DECREASE) FROM OPERATIONS:		
Net investment income	$ 18,824,129	$ 13,212,165
Net realized gain from investments	22,207	12,609,767
Income tax (provision) benefit from realized gain on investments	(3,895,354)	-
Net change in unrealized appreciation (depreciation) on investments	(9,371,138)	4,910,851
Net change in provision for deferred taxes on unrealized (appreciation) depreciation on investments	(58,838)	(1,786,801)
Net increase (decrease) in net assets resulting from operations	5,521,006	28,945,982
DECREASE FROM SHAREHOLDER DISTRIBUTIONS:		
Total distributions to shareholders	(9,068,484)	(13,835,741)
Net decrease in net assets from shareholder distributions	(9,068,484)	(13,835,741)
CAPITAL SHARE TRANSACTIONS:		
Proceeds from issuance of common stock	-	85,228,325
Stock dividend distribution	1,580,919	2,188,811
Repurchases of common stock	(2,464,661)	-
Repurchase fees	(2,743)	-
Offering costs	-	(1,222,214)
Net increase in net assets from capital share transactions	(886,485)	86,194,922
Total increase (decrease) in net assets	(4,433,963)	101,305,163
Net assets at beginning of period	304,286,853	180,875,187
Net assets at end of period	$ 299,852,890	$ 282,180,350

See accompanying notes to consolidated financial statements.

Saratoga Investment Corp.
Consolidated Statements of Cash Flows
(unaudited)

	For the nine months ended	
	November 30, 2020	November 30, 2019
Operating activities		
NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS	$ 5,521,006	$ 28,945,982
ADJUSTMENTS TO RECONCILE NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:		
Payment-in-kind and other adjustments to cost	1,402,751	(3,082,715)
Net accretion of discount on investments	(964,524)	(888,292)
Amortization of deferred debt financing costs	992,592	1,037,764
Income tax expense (benefit)	28,304	-
Net realized (gain) loss from investments	(22,207)	(12,609,767)
Net change in unrealized (appreciation) depreciation on investments	9,371,138	(4,910,851)
Net change in provision for deferred taxes on unrealized appreciation (depreciation) on investments	58,838	1,786,801
Proceeds from sales and repayments of investments	50,928,681	97,152,448
Purchases of investments	(122,027,366)	(160,672,062)
(Increase) decrease in operating assets:		
Interest receivable	618,279	(1,009,242)
Due from affiliate	-	1,673,747
Management and incentive fee receivable	(12,049)	255,374
Other assets	(59,043)	826
Deferred tax asset	-	(1,464,878)
Increase (decrease) in operating liabilities:		
Base management and incentive fees payable	(11,024,296)	3,791,110
Accounts payable and accrued expenses	(198,572)	(162,098)
Interest and debt fees payable	(1,302,104)	(1,314,274)
Directors fees payable	(17,000)	(60,500)
Due to manager	(265,499)	61,580
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(66,971,071)	(51,469,047)
Financing activities		
Borrowings on debt	26,000,000	20,200,000
Paydowns on debt	-	(20,200,000)
Issuance of notes	48,125,000	-
Payments of deferred debt financing costs	(2,752,425)	(745,133)
Proceeds from issuance of common stock	-	84,064,237
Payments of cash dividends	(7,487,565)	(11,646,930)
Repurchases of common stock	(2,464,661)	-
Repurchases fees	(2,743)	-
Payments of offering costs	-	(1,184,892)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	61,417,606	70,487,282
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS AND CASH AND CASH EQUIVALENTS, RESERVE ACCOUNTS	(5,553,465)	19,018,235
CASH AND CASH EQUIVALENTS AND CASH AND CASH EQUIVALENTS, RESERVE ACCOUNTS, BEGINNING OF PERIOD	39,450,352	62,094,394
CASH AND CASH EQUIVALENTS AND CASH AND CASH EQUIVALENTS, RESERVE ACCOUNTS, END OF PERIOD	$ 33,896,887	$ 81,112,629
Supplemental information:		
Interest paid during the period	$ 9,761,705	$ 11,904,776
Cash paid for taxes	4,103,200	18,153
Supplemental non-cash information:		
Payment-in-kind interest income	(1,402,751)	3,082,715
Net accretion of discount on investments	964,524	888,292
Amortization of deferred debt financing costs	992,592	1,037,764
Stock dividend distribution	1,580,919	2,188,811

See accompanying notes to consolidated financial statements.

Saratoga Investment Corp.
Consolidated Schedule of Investments
November 30, 2020
(unaudited)

Company	Industry	Investment Interest Rate/ Maturity	Original Acquisition Date	Principal/ Number of Shares	Cost	Fair Value (c)	% of Net Assets
Non-control/Non-affiliate investments - 152.3% (b)							
CoConstruct, LLC	Construction Management Services	First Lien Term Loan (3M USD LIBOR+7.50%), 10.00% Cash, 7/5/2024	7/5/2019	$ 14,200,000	14,077,075	14,134,680	4.7%
CoConstruct, LLC (j)	Construction Management Services	Delayed Draw Term Loan (3M USD LIBOR+7.50%), 10.00% Cash, 7/5/2024	7/5/2019	$ -	-	-	0.0%
		Total Construction Management Services			14,077,075	14,134,680	4.7%
Targus Holdings, Inc. (d), (h)	Consumer Products	Common Stock	12/31/2009	210,456	1,589,630	392,270	0.1%
		Total Consumer Products			1,589,630	392,270	0.1%
My Alarm Center, LLC (k)	Consumer Services	Preferred Equity Class A Units 8.00% PIK	7/14/2017	2,227	2,357,879	-	0.0%
My Alarm Center, LLC (h)	Consumer Services	Preferred Equity Class B Units	7/14/2017	1,797	1,796,880	-	0.0%
My Alarm Center, LLC (h)	Consumer Services	Preferred Equity Class Z Units	9/12/2018	676	712,343	305,911	0.1%
My Alarm Center, LLC (h)	Consumer Services	Common Stock	7/14/2017	96,224	-	-	0.0%
		Total Consumer Services			4,867,102	305,911	0.1%
Passageways, Inc.	Corporate Governance	First Lien Term Loan (3M USD LIBOR+7.00%), 8.75% Cash, 7/5/2023	7/5/2018	$ 5,000,000	4,968,225	5,060,000	1.7%
Passageways, Inc. (j)	Corporate Governance	Delayed Draw Term Loan (3M USD LIBOR+7.00%), 8.75% Cash, 7/5/2023	1/3/2020	$ 2,000,000	1,992,775	2,024,000	0.6%
Passageways, Inc. (h)	Corporate Governance	Series A Preferred Stock	7/5/2018	2,027,205	1,000,000	2,438,010	0.8%
		Total Corporate Governance			7,961,000	9,522,010	3.1%
New England Dental Partners	Dental Practice Management	First Lien Term Loan (3M USD LIBOR+8.00%), 8.50% Cash, 11/25/2025	11/25/2020	$ 6,555,000	6,489,677	6,489,450	2.2%
New England Dental Partners (j)	Dental Practice Management	Delayed Draw Term Loan (3M USD LIBOR+8.00%), 8.50% Cash, 11/25/2025	11/25/2020	$ -	-	-	0.0%
		Total Dental Practice Management			6,489,677	6,489,450	2.2%
PDDS Buyer, LLC	Dental Practice Management Software	First Lien Term Loan (3M USD LIBOR+7.00%), 9.50% Cash, 7/15/2024	7/15/2019	$ 14,000,000	13,887,080	13,953,800	4.7%
PDDS Buyer, LLC	Dental Practice Management Software	Delayed Draw Term Loan (3M USD LIBOR+7.00%), 9.50% Cash, 7/15/2024	7/15/2019	$ 7,000,000	6,933,884	6,976,900	2.3%
PDDS Buyer, LLC (h)	Dental Practice Management Software	Series A-1 Preferred Shares	8/10/2020	1,755,831	2,000,000	2,000,000	0.7%
		Total Dental Practice Management Software			22,820,964	22,930,700	7.7%

See accompanying notes to consolidated financial statements.

Company	Industry	Investment Interest Rate/ Maturity	Original Acquisition Date	Principal/ Number of Shares	Cost	Fair Value (c)	% of Net Assets
C2 Educational Systems (d)	Education Services	First Lien Term Loan (3M USD LIBOR+7.00%), 8.50% Cash, 5/31/2021	5/31/2017	$ 16,000,000	15,993,296	12,987,200	4.3%
Texas Teachers of Tomorrow, LLC (h), (i)	Education Services	Common Stock	12/2/2015	750	750,000	789,168	0.3%
Texas Teachers of Tomorrow, LLC (d)	Education Services	First Lien Term Loan (3M USD LIBOR+7.25%), 9.75% Cash, 6/28/2024	6/28/2019	$ 18,709,024	18,564,444	18,581,803	6.2%
		Total Education Services			35,307,740	32,358,171	10.8%
Destiny Solutions Inc. (d)	Education Software	First Lien Term Loan (3M USD LIBOR+7.50%), 9.50% Cash, 10/24/2024	5/16/2018	$ 38,000,000	37,731,402	37,730,200	12.6%
Destiny Solutions Inc. (h), (i)	Education Software	Limited Partner Interests	5/16/2018	2,342	2,468,464	3,010,778	1.0%
Identity Automation Systems (d)	Education Software	First Lien Term Loan (3M USD LIBOR+9.24%), 10.99% Cash, 5/8/2024	8/25/2014	$ 17,291,250	17,287,446	17,180,585	5.7%
Identity Automation Systems (h)	Education Software	Common Stock Class A-2 Units	8/25/2014	232,616	232,616	697,848	0.2%
Identity Automation Systems (h)	Education Software	Common Stock Class A-1 Units	3/6/2020	43,715	171,571	181,935	0.1%
GoReact	Education Software	First Lien Term Loan (3M USD LIBOR+7.50%), 9.50% Cash, 1/17/2025	1/17/2020	$ 5,000,000	4,937,712	5,076,000	1.7%
GoReact (j)	Education Software	Delayed Draw Term Loan (3M USD LIBOR+7.50%), 9.50% Cash, 1/17/2025	1/17/2020	$ -	-	-	0.0%
Kev Software Inc. (a)	Education Software	First Lien Term Loan (1M USD LIBOR+8.63%), 9.63% Cash, 9/13/2023	9/13/2018	$ 21,070,667	20,954,138	20,735,644	6.9%
		Total Education Software			83,783,349	84,612,990	28.2%
Davisware, LLC	Field Service Management	First Lien Term Loan (3M USD LIBOR+7.00%), 9.00% Cash, 7/31/2024	9/6/2019	$ 3,000,000	2,975,581	2,980,500	1.0%
Davisware, LLC (j)	Field Service Management	Delayed Draw Term Loan (3M USD LIBOR+7.00%), 9.00% Cash, 7/31/2024	9/6/2019	$ 977,790	969,611	971,434	0.3%
		Total Field Service Management			3,945,192	3,951,934	1.3%
GDS Software Holdings, LLC (h)	Financial Services	Common Stock Class A Units	8/23/2018	250,000	250,000	424,507	0.1%
		Total Financial Services			250,000	424,507	0.1%
Ohio Medical, LLC (h)	Healthcare Products Manufacturing	Common Stock	1/15/2016	5,000	500,000	852,968	0.3%
Ohio Medical, LLC	Healthcare Products Manufacturing	Senior Subordinated Note 12.00% Cash, 6/30/2022	1/15/2016	$ 7,300,000	7,285,925	7,300,000	2.4%
		Total Healthcare Products Manufacturing			7,785,925	8,152,968	2.7%
Axiom Parent Holdings, LLC (h)	Healthcare Services	Common Stock Class A Units	6/19/2018	400,000	400,000	1,443,763	0.5%
Axiom Purchaser, Inc. (d)	Healthcare Services	First Lien Term Loan (3M USD LIBOR+6.00%), 7.75% Cash, 6/19/2023	6/19/2018	$ 10,000,000	9,948,656	10,018,000	3.3%
Axiom Purchaser, Inc. (d)	Healthcare Services	Delayed Draw Term Loan (3M USD LIBOR+6.00%), 7.75% Cash, 6/19/2023	6/19/2018	$ 4,000,000	3,974,808	4,007,200	1.3%
ComForCare Health Care	Healthcare Services	First Lien Term Loan (3M USD LIBOR+7.50%), 8.50% Cash, 1/31/2022	1/31/2017	$ 15,000,000	14,955,975	15,000,000	5.0%
		Total Healthcare Services			29,279,439	30,468,963	10.1%

See accompanying notes to consolidated financial statements.

Company	Industry	Investment Interest Rate/ Maturity	Original Acquisition Date	Principal/ Number of Shares	Cost	Fair Value (c)	% of Net Assets
TRC HemaTerra, LLC (h)	Healthcare Software	Class D Membership Interests	4/15/2019	2,000,000	2,000,000	2,471,900	0.8%
HemaTerra Holding Company, LLC	Healthcare Software	First Lien Term Loan (3M USD LIBOR+6.75%), 9.25% Cash, 4/15/2024	4/15/2019	$ 6,000,000	5,952,752	6,072,600	2.0%
HemaTerra Holding Company, LLC (d), (j)	Healthcare Software	Delayed Draw Term Loan (3M USD LIBOR+6.75%), 9.25% Cash, 4/15/2024	4/15/2019	$ 12,000,000	11,907,646	12,145,200	4.1%
Procurement Partners, LLC	Healthcare Software	First Lien Term Loan (3M USD LIBOR+6.50%), 7.50% Cash, 11/12/2025	11/12/2020	$ 8,000,000	7,921,058	7,920,000	2.6%
Procurement Partners, LLC (j)	Healthcare Software	Delayed Draw Term Loan (3M USD LIBOR+6.50%), 7.50% Cash, 11/12/2025	11/12/2020	$ -	-	-	0.0%
Procurement Partners Holdings LLC (h)	Healthcare Software	Class A Units	11/12/2020	300,000	300,000	300,000	0.1%
		Total Healthcare Software			28,081,456	28,909,700	9.6%
Roscoe Medical, Inc. (d), (h)	Healthcare Supply	Common Stock	3/26/2014	5,081	508,077	138,107	0.0%
Roscoe Medical, Inc. (k)	Healthcare Supply	Second Lien Term Loan 11.25% Cash, 3/28/2021	3/26/2014	$ 4,200,000	4,200,000	4,200,000	1.4%
		Total Healthcare Supply			4,708,077	4,338,107	1.4%
Knowland Group, LLC	Hospitality/Hotel	Second Lien Term Loan (3M USD LIBOR+8.00%), 10.00% Cash, 5/9/2024	11/9/2018	$ 15,767,918	15,767,918	12,117,645	3.9%
Sceptre Hospitality Resources, LLC	Hospitality/Hotel	First Lien Term Loan (1M USD LIBOR+9.00%), 10.00% Cash, 4/27/2025	4/27/2020	$ 3,000,000	2,972,698	2,970,000	1.0%
		Total Hospitality/Hotel			18,740,616	15,087,645	4.9%
Granite Comfort, LP	HVAC Services and Sales	First Lien Term Loan (1M USD LIBOR+9.00%), 10.00% Cash, 11/16/2025	11/16/2020	$ 7,000,000	6,930,701	6,930,000	2.3%
Granite Comfort, LP (j)	HVAC Services and Sales	Delayed Draw Term Loan (1M USD LIBOR+9.00%), 10.00% Cash, 11/16/2025	11/16/2020	$ -	-	-	0.0%
		Total HVAC Services and Sales			6,930,701	6,930,000	2.3%
Vector Controls Holding Co., LLC (d)	Industrial Products	First Lien Term Loan 11.50% (9.75% Cash/1.75% PIK), 3/6/2022	3/6/2013	$ 7,590,846	7,590,236	7,544,542	2.5%
Vector Controls Holding Co., LLC (d), (h)	Industrial Products	Warrants to Purchase Limited Liability Company Interests, Expires 11/30/2027	5/31/2015	343	-	1,957,083	0.7%
		Total Industrial Products			7,590,236	9,501,625	3.2%
CLEO Communications Holding, LLC (d)	IT Services	First Lien Term Loan (3M USD LIBOR+8.00%), 9.00% Cash/2.00% PIK, 3/31/2022	3/31/2017	$ 14,003,828	13,991,467	14,136,865	4.7%
CLEO Communications Holding, LLC (d), (j)	IT Services	Delayed Draw Term Loan (3M USD LIBOR+8.00%), 9.00% Cash/2.00% PIK, 3/31/2022	3/31/2017	$ 20,349,838	20,270,501	20,543,161	6.9%
Erwin, Inc. (d)	IT Services	Second Lien Term Loan (3M USD LIBOR+10.75%), 12.75% Cash/1.00% PIK, 8/28/2021	2/29/2016	$ 16,172,271	16,143,067	16,172,270	5.4%
LogicMonitor, Inc.	IT Services	First Lien Term Loan (3M USD LIBOR+5.00), 6.00% Cash, 5/17/2023	3/20/2020	$ 18,000,000	17,889,800	17,847,000	6.0%
		Total IT Services			68,294,835	68,699,296	23.0%
inMotionNow, Inc.	Marketing Services	First Lien Term Loan (3M USD LIBOR+7.50), 10.00% Cash, 5/15/2024	5/15/2019	$ 12,200,000	12,108,936	12,200,000	4.1%
inMotionNow, Inc.	Marketing Services	Delayed Draw Term Loan (3M USD LIBOR+7.50) 10.00% Cash, 5/15/2024	5/15/2019	$ 5,000,000	4,957,043	5,000,000	1.7%
		Total Marketing Services			17,065,979	17,200,000	5.8%

See accompanying notes to consolidated financial statements.

Company	Industry	Investment Interest Rate/ Maturity	Original Acquisition Date	Principal/ Number of Shares	Cost	Fair Value (c)	% of Net Assets
Omatic Software, LLC	Non-profit Services	First Lien Term Loan (3M USD LIBOR+8.00%), 9.75% Cash, 5/29/2023	5/29/2018	$ 5,500,000	5,467,123	5,525,300	1.8%
		Total Non-profit Services			5,467,123	5,525,300	1.8%
Emily Street Enterprises, L.L.C.	Office Supplies	Senior Secured Note (3M USD LIBOR+8.50%), 10.00% Cash, 12/31/2020	12/28/2012	$ 3,300,000	3,300,000	3,278,880	1.1%
Emily Street Enterprises, L.L.C. (h)	Office Supplies	Warrant Membership Interests Expires 12/28/2022	12/28/2012	49,318	400,000	247,814	0.1%
		Total Office Supplies			3,700,000	3,526,694	1.2%
Apex Holdings Software Technologies, LLC	Payroll Services	First Lien Term Loan (3M USD LIBOR+8.00%), 9.00% Cash, 9/21/2021	9/21/2016	$ 18,000,000	17,973,081	17,620,200	5.9%
Apex Holdings Software Technologies, LLC	Payroll Services	Delayed Draw Term Loan (3M USD LIBOR+8.00%), 9.00% Cash, 9/21/2021	10/1/2018	$ 1,500,000	1,495,547	1,468,350	0.5%
		Total Payroll Services			19,468,628	19,088,550	6.4%
Village Realty Holdings LLC	Property Management	First Lien Term Loan (3M USD LIBOR+6.50%), 8.75% Cash, 10/8/2024	10/8/2019	$ 7,250,000	7,186,815	7,264,500	2.4%
Village Realty Holdings LLC (j)	Property Management	Delayed Draw Term Loan (3M USD LIBOR+6.50%), 8.75% Cash, 10/8/2024	10/8/2019	$ 4,876,322	4,835,575	4,886,075	1.7%
V Rental Holdings LLC (h)	Property Management	Class A-1 Membership Units	10/8/2019	122,578	365,914	822,228	0.3%
		Total Property Management			12,388,304	12,972,803	4.4%
Buildout, Inc.	Real Estate Services	First Lien Term Loan (3M USD LIBOR+7.75%), 9.25% Cash, 7/9/2025	7/9/2020	$ 14,000,000	13,867,762	13,860,000	4.6%
Buildout, Inc. (h), (i)	Real Estate Services	Limited Partner Interests	7/9/2020	999	999,000	999,000	0.4%
		Total Real Estate Services			14,866,762	14,859,000	5.0%
TMAC Acquisition Co., LLC (k)	Restaurant	Unsecured Term Loan 8.00% PIK, 9/01/2023	3/1/2018	$ 2,261,017	2,261,017	1,984,653	0.7%
		Total Restaurant			2,261,017	1,984,653	0.7%
ArbiterSports, LLC (d)	Sports Management	First Lien Term Loan (3M USD LIBOR+6.50%), 8.25% Cash, 2/21/2025	2/21/2020	$ 26,000,000	25,793,049	23,613,200	7.9%
ArbiterSports, LLC (d)	Sports Management	Delayed Draw Term Loan (3M USD LIBOR+6.50%), 8.25% Cash, 2/21/2025	2/21/2020	$ 1,000,000	1,000,000	908,200	0.3%
		Total Sports Management			26,793,049	24,521,400	8.3%
Avionte Holdings, LLC (h)	Staffing Services	Class A Units	1/8/2014	100,000	100,000	693,452	0.2%
		Total Staffing Services			100,000	693,452	0.2%

See accompanying notes to consolidated financial statements.

Company	Industry	Investment Interest Rate/ Maturity	Original Acquisition Date	Principal/ Number of Shares	Cost	Fair Value (c)	% of Net Assets
National Waste Partners (d)	Waste Services	Second Lien Term Loan 10.00% Cash, 2/13/2022	2/13/2017	$ 9,000,000	8,974,579	8,969,400	3.0%
		Total Waste Services			8,974,579	8,969,400	3.0%
Sub Total Non-control/Non-affiliate investments					**463,588,455**	**456,552,179**	**152.3%**
Affiliate investments - 7.1% (b)							
GreyHeller LLC (f)	Cyber Security	First Lien Term Loan (3M USD LIBOR+11.00%), 12.00% Cash, 11/16/2021	11/17/2016	$ 7,000,000	6,982,889	6,983,200	2.4%
GreyHeller LLC (d), (f)	Cyber Security	Delayed Draw Term Loan (3M USD LIBOR+11.00%), 12.00% Cash, 11/16/2021	10/19/2020	$ 2,250,000	2,229,956	2,244,600	0.7%
GreyHeller LLC (f), (h)	Cyber Security	Series A Preferred Units	11/17/2016	850,000	850,000	3,640,200	1.2%
		Total Cyber Security			10,062,845	12,868,000	4.3%
Top Gun Pressure Washing, LLC (f)	Facilities Maintenance	First Lien Term Loan (3M USD LIBOR+7.00%), 9.50% Cash, 8/12/2024	8/12/2019	$ 5,000,000	4,959,412	4,644,000	1.5%
Top Gun Pressure Washing, LLC (f), (j)	Facilities Maintenance	Delayed Draw Term Loan (3M USD LIBOR+7.00%), 9.50% Cash, 8/12/2024	8/12/2019	$ 1,825,000	1,809,473	1,695,060	0.6%
TG Pressure Washing Holdings, LLC (f), (h)	Facilities Maintenance	Preferred Equity	8/12/2019	488,148	488,149	199,100	0.1%
		Total Facilities Maintenance			7,257,034	6,538,160	2.2%
Elyria Foundry Company, L.L.C. (d), (f)	Metals	Second Lien Term Loan 15.00% PIK, 8/10/2022	7/30/2010	$ 1,333,565	1,333,564	1,267,154	0.4%
Elyria Foundry Company, L.L.C. (d), (f), (h)	Metals	Common Stock	7/30/2010	60,000	9,685,028	730,488	0.2%
		Total Metals			11,018,592	1,997,642	0.6%
Sub Total Affiliate investments					**28,338,471**	**21,403,802**	**7.1%**
Control investments - 23.0% (b)							
Netreo Holdings, LLC (g)	IT Services	First Lien Term Loan (3M USD LIBOR +6.25%), 9.00% Cash/2.75% PIK, 7/3/2023	7/3/2018	$ 5,271,157	5,238,302	5,272,738	1.8%
Netreo Holdings, LLC (g)	IT Services	Delayed Draw Term Loan (3M USD LIBOR +6.25%), 9.00% Cash/2.75% PIK, 7/3/2023	5/26/2020	$ 1,217,338	1,206,896	1,217,703	0.4%
Netreo Holdings, LLC (g), (h)	IT Services	Common Stock Class A Unit	7/3/2018	3,150,000	3,150,000	6,365,883	2.2%
		Total IT Services			9,595,198	12,856,324	4.4%
Saratoga Investment Corp. CLO 2013-1, Ltd. (a), (e), (g)	Structured Finance Securities	Other/Structured Finance Securities 22.02%, 1/20/2030	1/22/2008	$ 69,500,000	20,459,805	21,536,355	7.2%
Saratoga Investment Corp. CLO 2013-1, Ltd. Class F-R-2 Note (a), (g)	Structured Finance Securities	Other/Structured Finance Securities (3M USD LIBOR+8.75%), 8.98%, 1/20/2030	12/14/2018	$ 2,500,000	2,500,000	2,435,250	0.7%
Saratoga Investment Corp. CLO 2013-1, Ltd. Class G-R-2 Note (a), (g)	Structured Finance Securities	Other/Structured Finance Securities (3M USD LIBOR+10.00%), 10.23%, 1/20/2030	12/14/2018	$ 7,500,000	7,500,000	7,327,500	2.4%
Saratoga Investment Corp. CLO 2013-1 Warehouse 2, Ltd. (a), (g)	Structured Finance Securities	Unsecured Loan (3M USD LIBOR+4.46%), 4.69%, 8/20/2021	2/18/2020	$ 25,000,000	25,000,000	24,832,092	8.3%
		Total Structured Finance Securities			55,459,805	56,131,197	18.6%
Sub Total Control investments					**65,055,003**	**68,987,521**	**23.0%**
TOTAL INVESTMENTS - 182.4% (b)					**$ 556,981,929**	**$ 546,943,502**	**182.4%**

See accompanying notes to consolidated financial statements.

	Number of Shares	Cost	Fair Value	% of Net Assets
Cash and cash equivalents and cash and cash equivalents, reserve accounts - 11.3% (b)				
U.S. Bank Money Market (l)	33,896,887	$ 33,896,887	$ 33,896,887	11.3%
Total cash and cash equivalents and cash and cash equivalents, reserve accounts	**33,896,887**	**$ 33,896,887**	**$ 33,896,887**	**11.3%**

(a) Represents an ineligible investment as defined under Section 55(a) of the Investment Company Act of 1940, as amended. As of November 30, 2020 non-qualifying assets represent 14.1% of the Company's portfolio at fair value. As a BDC, the Company can only invest 30% of its portfolio in non-qualifying assets.

(b) Percentages are based on net assets of $299,852,890 as of November 30, 2020.

(c) Because there is no readily available market value for these investments, the fair values of these investments were determined using significant unobservable inputs and approved in good faith by our board of directors. These investments have been included as Level 3 in the Fair Value Hierarchy (see Note 3 to the consolidated financial statements).

(d) These securities are either fully or partially pledged as collateral under a senior secured revolving credit facility (see Note 7 to the consolidated financial statements).

(e) This investment does not have a stated interest rate that is payable thereon. As a result, the 22.02% interest rate in the table above represents the effective interest rate currently earned on the investment cost and is based on the current cash interest and other income generated by the investment.

(f) As defined in the Investment Company Act, this portfolio company is an Affiliate as we own between 5.0% and 25.0% of the voting securities. Transactions during the nine months ended November 30, 2020 in which the issuer was an Affiliate are as follows:

Company	Purchases	Sales	Total Interest from Investments	Management Fee Income	Net Realized Gain (Loss) from Investments	Net Change in Unrealized Appreciation (Depreciation)
Elyria Foundry Company, L.L.C.	$ -	$ -	$ 143,574	$ -	$ -	$ (1,275,722)
GreyHeller LLC	2,227,500	-	701,592	-	-	644,761
Top Gun Pressure Washing, LLC	1,806,750	-	503,248	-	-	(501,596)
TG Pressure Washing Holdings, LLC	138,148	-	-	-	-	(289,049)
Total	$ 4,219,898	$ -	$ 1,348,414	$ -	$ -	$ (1,421,606)

(g) As defined in the Investment Company Act, we "Control" this portfolio company because we own more than 25% of the portfolio company's outstanding voting securities. Transactions during the nine months ended November 30, 2020 in which the issuer was both an Affiliate and a portfolio company that we Control are as follows:

Company	Purchases	Sales	Total Interest from Investments	Management Fee Income	Net Realized Gain (Loss) from Investments	Net Change in Unrealized Appreciation (Depreciation)
Netreo Holdings, LLC	$ 1,188,000	$ -	$ 541,309	$ -	$ -	$ (494,344)
Saratoga Investment Corp. CLO 2013-1, Ltd.	-	-	2,426,007	1,883,825	-	2,039,738
Saratoga Investment Corp. CLO 2013-1, Ltd. Class F-R-2 Notes	-	-	182,964	-	-	(42,750)
Saratoga Investment Corp. CLO 2013-1, Ltd. Class G-R-2 Notes	-	-	620,508	-	-	(107,250)
Saratoga Investment Corp. CLO 2013-1 Warehouse 2, Ltd. (j)	22,500,000	-	384,576	-	-	127,551
Total	$ 23,688,000	$ -	$ 4,155,364	$ 1,883,825	$ -	$ 1,522,945

(h) Non-income producing at November 30, 2020.

(i) Includes securities issued by an affiliate of the Company.

(j) All or a portion of this investment has an unfunded commitment as of November 30, 2020. (see Note 8 to the consolidated financial statements).

(k) As of November 30, 2020, the investment was on non-accrual status. The fair value of these investments was approximately $6.2 million, which represented 1.1% of the Company's portfolio (see Note 2 to the consolidated financial statements).

(l) Included within cash and cash equivalents and cash and cash equivalents, reserve accounts in the Company's consolidated statements of assets and liabilities as of November 30, 2020.

LIBOR - London Interbank Offered Rate

1M USD LIBOR - The 1 month USD LIBOR rate as of November 30, 2020 was 0.15%.
3M USD LIBOR - The 3 month USD LIBOR rate as of November 30, 2020 was 0.23%.
PIK - Payment-in-Kind (see Note 2 to the consolidated financial statements).

See accompanying notes to consolidated financial statements.

Saratoga Investment Corp.
Consolidated Schedule of Investments
February 29, 2020

Company	Industry	Investment Interest Rate/ Maturity	Original Acquisition Date	Principal/ Number of Shares	Cost	Fair Value (c)	% of Net Assets
Non-control/Non-affiliate investments - 138.2% (b)							
CoConstruct, LLC	Construction Management Services	First Lien Term Loan (3M USD LIBOR+7.50%), 10.00% Cash, 7/5/2024	7/5/2019	$ 4,200,000	4,161,917	4,284,000	1.4%
CoConstruct, LLC (j)	Construction Management Services	Delayed Draw Term Loan (3M USD LIBOR+7.50%), 10.00% Cash, 7/5/2024	7/5/2019	$ -	-	-	0.0%
		Total Construction Management Services			4,161,917	4,284,000	1.4%
Targus Holdings, Inc. (h)	Consumer Products	Common Stock	12/31/2009	210,456	1,589,630	417,619	0.1%
		Total Consumer Products			1,589,630	417,619	0.1%
My Alarm Center, LLC (k)	Consumer Services	Preferred Equity Class A Units 8.00% PIK	7/14/2017	2,227	2,357,879	-	0.0%
My Alarm Center, LLC (h)	Consumer Services	Preferred Equity Class B Units	7/14/2017	1,797	1,796,880	-	0.0%
My Alarm Center, LLC (h)	Consumer Services	Preferred Equity Class Z Units	9/12/2018	676	712,343	1,997,158	0.6%
My Alarm Center, LLC (h)	Consumer Services	Common Stock	7/14/2017	96,224	-	-	0.0%
		Total Consumer Services			4,867,102	1,997,158	0.60%
Passageways, Inc.	Corporate Governance	First Lien Term Loan (3M USD LIBOR+7.00%), 8.75% Cash, 7/5/2023	7/5/2018	$ 5,000,000	4,961,214	5,034,500	1.7%
Passageways, Inc. (j)	Corporate Governance	Delayed Draw Term Loan (3M USD LIBOR+7.00%), 8.75% Cash, 7/5/2023	1/3/2020	$ 2,000,000	1,991,001	2,013,800	0.7%
Passageways, Inc. (h)	Corporate Governance	Series A Preferred Stock	7/5/2018	2,027,205	1,000,000	2,042,180	0.8%
		Total Corporate Governance			7,952,215	9,090,480	0.03
C2 Educational Systems (d)	Education Services	First Lien Term Loan (3M USD LIBOR+7.00%), 8.50% Cash, 5/31/2020	5/31/2017	$ 16,000,000	15,981,853	16,000,000	5.3%
Texas Teachers of Tomorrow, LLC (h), (i)	Education Services	Common Stock	12/2/2015	750,000	750,000	703,910	0.2%
Texas Teachers of Tomorrow, LLC (d)	Education Services	First Lien Term Loan (3M USD LIBOR+7.25%), 9.75% Cash, 6/28/2024	6/28/2019	$ 19,661,200	19,483,213	19,661,200	6.5%
		Total Education Services			36,215,066	36,365,110	12.0%
Destiny Solutions Inc. (d)	Education Software	First Lien Term Loan (3M USD LIBOR+7.25%), 9.25% Cash, 10/23/2024	5/16/2018	$ 36,000,000	35,686,318	35,888,400	11.8%
Destiny Solutions Inc. (h), (i)	Education Software	Limited Partner Interests	5/16/2018	2,342	2,468,464	2,805,839	0.9%
Identity Automation Systems (h)	Education Software	Common Stock Class A Units	8/25/2014	232,616	232,616	860,269	0.4%
Identity Automation Systems (d)	Education Software	First Lien Term Loan (3M USD LIBOR+9.24%), 10.99% Cash, 5/8/2024	8/25/2014	$ 15,422,500	15,389,090	15,524,289	5.1%
EMS LINQ, Inc.	Education Software	First Lien Term Loan (1M USD LIBOR+8.50%), 10.02% Cash, 8/9/2024	8/9/2019	$ 14,925,000	14,780,293	14,823,510	4.8%
GoReact	Education Software	First Lien Term Loan (3M USD LIBOR+7.50%), 9.50% Cash, 1/17/2025	1/17/2020	$ 5,000,000	4,930,819	4,950,000	1.6%
GoReact (j)	Education Software	Delayed Draw Term Loan (3M USD LIBOR+7.50%), 9.50% Cash, 1/17/2025	1/17/2020	$ -	-	-	0.0%
Kev Software Inc. (a)	Education Software	First Lien Term Loan (1M USD LIBOR+8.63%), 10.15% Cash, 9/13/2023	9/13/2018	$ 21,231,923	21,086,573	21,202,198	7.0%
		Total Education Software			94,574,173	96,054,505	31.6%
Davisware, LLC	Field Service Management	First Lien Term Loan (3M USD LIBOR+7.00%), 9.00% Cash, 7/31/2024	9/6/2019	$ 3,000,000	2,971,896	2,970,000	1.0%
Davisware, LLC (j)	Field Service Management	Delayed Draw Term Loan (3M USD LIBOR+7.00%), 9.00% Cash, 7/31/2024	9/6/2019	$ -	-	-	0.0%
		Total Field Service Management			2,971,896	2,970,000	1.0%

See accompanying notes to consolidated financial statements.

Company	Industry	Investment Interest Rate/ Maturity	Original Acquisition Date	Principal/ Number of Shares	Cost	Fair Value (c)	% of Net Assets
GDS Holdings US, Inc. (d)	Financial Services	First Lien Term Loan (3M USD LIBOR+7.00%), 8.50% Cash, 8/23/2023	8/23/2018	$ 7,500,000	7,444,170	7,650,000	2.5%
GDS Holdings US, Inc. (d)	Financial Services	Delayed Draw Term Loan (3M USD LIBOR+7.00%), 8.50% Cash, 8/23/2023	8/23/2018	$ 1,000,000	990,526	1,020,000	0.3%
GDS Software Holdings, LLC (h)	Financial Services	Common Stock Class A Units	8/23/2018	250,000	250,000	421,291	0.1%
FMG Suite Holdings, LLC (d)	Financial Services	Second Lien Term Loan (1M USD LIBOR+8.00%), 9.52% Cash, 11/16/2023	5/16/2018	$ 23,000,000	22,863,835	23,000,000	7.6%
		Total Financial Services			31,548,531	32,091,291	10.5%
Ohio Medical, LLC (h)	Healthcare Products Manufacturing	Common Stock	1/15/2016	5,000	500,000	416,550	0.1%
Ohio Medical, LLC	Healthcare Products Manufacturing	Senior Subordinated Note 12.00% Cash, 7/15/2021	1/15/2016	$ 7,300,000	7,274,482	7,300,000	2.4%
		Total Healthcare Products Manufacturing			7,774,482	7,716,550	2.5%
Axiom Parent Holdings, LLC (h)	Healthcare Services	Common Stock Class A Units	6/19/2018	400,000	400,000	428,706	0.1%
Axiom Purchaser, Inc. (d)	Healthcare Services	First Lien Term Loan (3M USD LIBOR+6.00%), 7.75% Cash, 6/19/2023	6/19/2018	$ 10,000,000	9,936,612	9,944,000	3.3%
Axiom Purchaser, Inc. (d), (j)	Healthcare Services	Delayed Draw Term Loan (3M USD LIBOR+6.00%), 7.75% Cash, 6/19/2023	6/19/2018	$ 3,000,000	2,977,619	2,983,200	1.0%
ComForCare Health Care	Healthcare Services	First Lien Term Loan (3M USD LIBOR+7.50%), 8.96% Cash, 1/31/2022	1/31/2017	$ 15,000,000	14,929,216	15,099,000	5.0%
		Total Healthcare Services			28,243,447	28,454,906	9.4%
HemaTerra Holding Company, LLC	Healthcare Software	First Lien Term Loan (3M USD LIBOR+6.75%), 9.25% Cash, 4/15/2024	4/15/2019	$ 6,000,000	5,944,473	6,120,000	2.0%
HemaTerra Holding Company, LLC (j)	Healthcare Software	Delayed Draw Term Loan (3M USD LIBOR+6.75%), 9.25% Cash, 4/15/2024	4/15/2019	$ 10,000,000	9,912,295	10,200,000	3.4%
TRC HemaTerra, LLC (h)	Healthcare Software	Class D Membership Interests	4/15/2019	2,000,000	2,000,000	2,259,190	0.7%
PDDS Buyer, LLC	Healthcare Software	First Lien Term Loan (3M USD LIBOR+7.00%), 9.50% Cash, 7/15/2024	7/15/2019	$ 12,000,000	11,888,585	12,184,800	4.0%
PDDS Buyer, LLC (j)	Healthcare Software	Delayed Draw Term Loan (3M USD LIBOR+7.00%), 9.50% Cash, 7/15/2024	7/15/2019	$ -	-	-	0.0%
		Total Healthcare Software			29,745,353	30,763,990	10.1%
Roscoe Medical, Inc. (h)	Healthcare Supply	Common Stock	3/26/2014	5,081	508,077	-	0.0%
Roscoe Medical, Inc. (k)	Healthcare Supply	Second Lien Term Loan 11.25% Cash, 3/28/2021	3/26/2014	$ 4,200,000	4,200,000	2,136,960	0.7%
		Total Healthcare Supply			4,708,077	2,136,960	0.7%
Knowland Group, LLC	Hospitality/Hotel	Second Lien Term Loan (3M USD LIBOR+8.00%), 10.00% Cash, 5/9/2024	11/9/2018	$ 15,000,000	15,000,000	14,893,500	4.9%
		Total Hospitality/Hotel			15,000,000	14,893,500	4.9%
Vector Controls Holding Co., LLC (d)	Industrial Products	First Lien Term Loan 10.50% (9.00% Cash/1.50% PIK), 3/6/2022	3/6/2013	$ 7,849,846	7,849,846	7,928,345	2.6%
Vector Controls Holding Co., LLC (h)	Industrial Products	Warrants to Purchase Limited Liability Company Interests, Expires 11/30/2027	5/31/2015	343	-	2,850,231	0.9%
		Total Industrial Products			7,849,846	10,778,576	3.5%
CLEO Communications Holding, LLC	IT Services	First Lien Term Loan (3M USD LIBOR+8.00%), 9.46% Cash/2.00% PIK, 3/31/2022	3/31/2017	$ 13,791,686	13,773,206	14,048,211	4.6%
CLEO Communications Holding, LLC	IT Services	Delayed Draw Term Loan (3M USD LIBOR+8.00%), 9.46% Cash/2.00% PIK, 3/31/2022	3/31/2017	$ 20,041,560	19,919,746	20,414,333	6.7%
Erwin, Inc. (d)	IT Services	Second Lien Term Loan (3M USD LIBOR+11.50%), 12.96% Cash/1.00% PIK, 8/28/2021	2/29/2016	$ 16,049,804	15,990,286	16,049,804	5.3%
		Total IT Services			49,683,238	50,512,348	16.6%
inMotionNow, Inc.	Marketing Services	First Lien Term Loan (3M USD LIBOR+7.25), 9.75% Cash, 5/15/2024	5/15/2019	$ 12,200,000	12,094,364	12,200,000	4.1%
inMotionNow, Inc. (j)	Marketing Services	Delayed Draw Term Loan (3M USD LIBOR+7.25) 9.75% Cash, 5/15/2024	5/15/2019	$ 2,000,000	1,981,329	2,000,000	0.0%
		Total Marketing Services			14,075,693	14,200,000	4.1%
Omatic Software, LLC	Non-profit Services	First Lien Term Loan (3M USD LIBOR+8.00%), 9.75% Cash, 5/29/2023	5/29/2018	$ 5,500,000	5,459,192	5,554,999	1.9%

See accompanying notes to consolidated financial statements.

Company	Industry	Investment Interest Rate/ Maturity	Original Acquisition Date	Principal/ Number of Shares	Cost	Fair Value (c)	% of Net Assets
Omatic Software, LLC (j)	Non-profit Services	Delayed Draw Term Loan (3M USD LIBOR+8.00%), 9.75% Cash, 5/29/2023	5/29/2018	$ -	-	-	0.0%
		Total Non-profit Services			5,459,192	5,554,999	1.9%
Emily Street Enterprises, L.L.C.	Office Supplies	Senior Secured Note (3M USD LIBOR+8.50%), 10.00% Cash, 4/22/2020	12/28/2012	$ 3,300,000	3,299,987	3,300,000	1.1%
Emily Street Enterprises, L.L.C. (h)	Office Supplies	Warrant Membership Interests Expires 12/28/2022	12/28/2012	49,318	400,000	499,464	0.2%
		Total Office Supplies			3,699,987	3,799,464	1.3%
Apex Holdings Software Technologies, LLC	Payroll Services	First Lien Term Loan (3M USD LIBOR+8.00%), 9.46% Cash, 9/21/2021	9/21/2016	$ 18,000,000	$ 17,951,463	$ 17,589,600	5.8%
Apex Holdings Software Technologies, LLC	Payroll Services	Delayed Draw Term Loan (3M USD LIBOR+8.00%), 9.46% Cash, 9/21/2021	10/1/2018	$ 1,500,000	1,491,938	1,465,800	0.5%
		Total Payroll Services			19,443,401	19,055,400	6.3%
Village Realty Holdings LLC	Property Management	First Lien Term Loan (3M USD LIBOR+6.50%), 8.75% Cash, 10/8/2024	10/8/2019	$ 7,250,000	7,180,560	7,264,500	2.4%
Village Realty Holdings LLC (j)	Property Management	Delayed Draw Term Loan (3M USD LIBOR+6.50%), 8.75% Cash, 10/8/2024	10/8/2019	$ 3,876,322	3,838,783	3,884,075	1.4%
V Rental Holdings LLC (h)	Property Management	Class A-1 Membership Units	10/8/2019	116,700	338,229	354,280	0.1%
		Total Property Management			11,357,572	11,502,855	3.9%
TMAC Acquisition Co., LLC	Restaurant	Unsecured Term Loan 8.00% PIK, 9/01/2023	3/1/2018	$ 2,261,017	2,261,017	2,140,880	0.7%
		Total Restaurant			2,261,017	2,140,880	0.7%
ArbiterSports, LLC	Sports Management	First Lien Term Loan (3M USD LIBOR+6.50%), 8.25% Cash, 2/21/2025	2/21/2020	$ 26,000,000	25,765,288	25,740,000	8.6%
Arbiter Sports, LLC (j)	Sports Management	Delayed Draw Term Loan (3M USD LIBOR+6.50%), 8.25% Cash, 2/21/2025	2/21/2020	$ -	-	-	0.0%
		Total Sports Management			25,765,288	25,740,000	8.6%
Avionte Holdings, LLC (h)	Staffing Services	Class A Units	1/8/2014	100,000	100,000	922,337	0.3%
		Total Staffing Services			100,000	922,337	0.3%
National Waste Partners (d)	Waste Services	Second Lien Term Loan 10.00% Cash, 2/13/2022	2/13/2017	$ 9,000,000	8,959,602	9,000,000	3.0%
		Total Waste Services			8,959,602	9,000,000	3.0%
Sub Total Non-control/Non-affiliate investments					**418,006,725**	**420,442,928**	**138.2%**
Affiliate investments - 6.0% (b)							
GreyHeller LLC (f)	Cyber Security	First Lien Term Loan (3M USD LIBOR+11.00%), 12.46% Cash, 11/16/2021	11/17/2016	$ 7,000,000	6,971,109	7,000,000	2.2%
GreyHeller LLC (f), (h)	Cyber Security	Series A Preferred Units	11/17/2016	850,000	850,000	2,981,503	1.0%
		Total Cyber Security			7,821,109	9,981,503	3.2%
Top Gun Pressure Washing, LLC (f)	Facililties Maintenance	First Lien Term Loan (3M USD LIBOR+7.00%), 9.50% Cash, 8/12/2024	8/12/2019	$ 5,000,000	4,952,729	5,024,500	1.7%
Top Gun Pressure Washing, LLC (f), (j)	Facililties Maintenance	Delayed Draw Term Loan (3M USD LIBOR+7.00%), 9.50% Cash, 8/12/2024	8/12/2019	$ -	-	-	0.0%
TG Pressure Washing Holdings, LLC (f), (h)	Facililties Maintenance	Preferred Equity	8/12/2019	350,000	350,000	350,000	0.1%
		Total Facililties Maintenance			5,302,729	5,374,500	1.8%
Elyria Foundry Company, L.L.C. (f), (h)	Metals	Common Stock	7/30/2010	60,000	9,685,028	1,939,800	0.6%
Elyria Foundry Company, L.L.C. (d), (f)	Metals	Second Lien Term Loan 15.00% PIK, 8/10/2022	7/30/2010	$ 1,190,051	1,190,051	1,190,051	0.4%
		Total Metals			10,875,079	3,129,851	1.0%
Sub Total Affiliate investments					**23,998,917**	**18,485,854**	**6.0%**
Control investments - 15.4% (b)							
Netreo Holdings, LLC (g)	IT Services	First Lien Term Loan (3M USD LIBOR +6.25%), 9.00% Cash/2.00% PIK, 7/3/2023	7/3/2018	$ 5,162,734	5,123,191	5,265,989	1.7%
Netreo Holdings, LLC (g), (h)	IT Services	Common Stock Class A Unit	7/3/2018	3,150,000	3,150,000	6,762,672	2.3%
		Total IT Services			8,273,191	12,028,661	4.0%
Saratoga Investment Corp. CLO 2013-1, Ltd. (a), (e), (g)	Structured Finance Securities	Other/Structured Finance Securities 10.97%, 1/20/2030	1/22/2008	$ 69,500,000	23,520,428	22,557,240	7.4%
Saratoga Investment Corp. CLO 2013-1, Ltd. Class F-R-2 Note (a), (g)	Structured Finance Securities	Other/Structured Finance Securities (3M USD LIBOR+8.75%), 10.21%, 1/20/2030	12/14/2018	$ 2,500,000	2,500,000	2,478,000	0.8%

See accompanying notes to consolidated financial statements.

Company	Industry	Investment Interest Rate/ Maturity	Original Acquisition Date	Principal/ Number of Shares	Cost	Fair Value (c)	% of Net Assets
Saratoga Investment Corp. CLO 2013-1, Ltd. Class G-R-2 Note (a), (g)	Structured Finance Securities	Other/Structured Finance Securities (3M USD LIBOR+10.00%), 11.46%, 1/20/2030	12/14/2018	$ 7,500,000	7,500,000	7,434,750	2.4%
Saratoga Investment Corp. CLO 2013-1 Warehouse 2, Ltd. (a), (g), (j)	Structured Finance Securities	Unsecured Loan (3M USD LIBOR+7.50%), 8.96%, 8/20/2021	2/18/2020	$ 2,500,000	2,500,000	2,204,541	0.8%
		Total Structured Finance Securities			36,020,428	34,674,531	11.4%
Sub Total Control investments					**44,293,619**	**46,703,192**	**15.4%**
TOTAL INVESTMENTS - 159.6% (b)					**$ 486,299,261**	**$ 485,631,974**	**159.6%**

	Number of Shares	Cost	Fair Value	% of Net Assets
Cash and cash equivalents and cash and cash equivalents, reserve accounts - 13.0% (b)				
U.S. Bank Money Market (l)	39,450,352	$ 39,450,352	$ 39,450,352	13.0%
Total cash and cash equivalents and cash and cash equivalents, reserve accounts	**39,450,352**	**$ 39,450,352**	**$ 39,450,352**	**13.0%**

* Certain reclassifications have been made to previously reported industry groupings to show results on a consistent basis across periods.

(a) Represents a non-qualifying investment as defined under Section 55(a) of the Investment Company Act of 1940, as amended. As of February 29, 2020, non-qualifying assets represent 11.5% of the Company's portfolio at fair value. As a BDC, the Company can only invest 30% of its portfolio in non-qualifying assets.

(b) Percentages are based on net assets of $304,286,853 as of February 29, 2020.

(c) Because there is no readily available market value for these investments, the fair values of these investments were determined using significant unobservable inputs and approved in good faith by our board of directors. These investments have been included as Level 3 in the Fair Value Hierarchy (see Note 3 to the consolidated financial statements).

(d) These securities are either fully or partially pledged as collateral under a senior secured revolving credit facility (see Note 7 to the consolidated financial statements).

(e) This investment does not have a stated interest rate that is payable thereon. As a result, the 10.97% interest rate in the table above represents the effective interest rate currently earned on the investment cost and is based on the current cash interest and other income generated by the investment.

(f) As defined in the Investment Company Act, this portfolio company is an Affiliate as we own between 5.0% and 25.0% of the voting securities. Transactions during the year ended February 29, 2020 in which the issuer was an Affiliate are as follows:

Company	Purchases	Sales	Total Interest from Investments	Management Fee Income	Net Realized Gain (Loss) from Investments	Net Change in Unrealized Appreciation (Depreciation)
GreyHeller LLC	$ -	$ -	$ 961,322	$ -	$ -	$ 1,331,201
Elyria Foundry Company, L.L.C.	-	-	167,835	-	-	135,600
Top Gun Pressure Washing, LLC	4,950,000	-	269,257	-	-	71,771
TG Pressure Washing Holdings, LLC	350,000	-	-	-	-	-
Total	$ 5,300,000	$ -	$ 1,398,414	$ -	$ -	$ 1,538,572

See accompanying notes to consolidated financial statements.

(g) As defined in the Investment Company Act, we “Control” this portfolio company because we own more than 25% of the portfolio company’s outstanding voting securities. Transactions during the year ended February 29, 2020 in which the issuer was both an Affiliate and a portfolio company that we Control are as follows:

Company	Purchases	Sales	Total Interest from Investments	Management Fee Income	Net Realized Gain (Loss) from Investments	Net Change in Unrealized Appreciation (Depreciation)
Easy Ice, LLC	$ -	$ (65,219,080)	$ 3,335,320	$ -	$ 31,225,165	$ (3,816,610)
Easy Ice Masters, LLC	-	(4,169,121)	382,066	-	-	(51,436)
Netreo Holdings, LLC	-	-	578,617	-	-	1,654,603
Saratoga Investment Corp. CLO 2013-1, Ltd.	-	-	4,058,715	2,503,804	-	(2,840,298)
Saratoga Investment Corp. CLO 2013-1, Ltd. Class F-R-2 Notes	-	-	280,689	-	-	(5,500)
Saratoga Investment Corp. CLO 2013-1, Ltd. Class G-R-2 Notes	-	-	937,378	-	-	(15,750)
Saratoga Investment Corp. CLO 2013-1 Warehouse 2, Ltd (j)	2,500,000	-	7,642	-	-	(295,459)
Total	$ 2,500,000	$ (69,388,201)	$ 9,580,427	$ 2,503,804	$ 31,225,165	$ (5,370,450)

(h) Non-income producing at February 29, 2020.
(i) Includes securities issued by an affiliate of the Company.
(j) All or a portion of this investment has an unfunded commitment as of February 29, 2020. (see Note 8 to the consolidated financial statements).
(k) As of February 29, 2020, the investment was on non-accrual status. The fair value of these investments was approximately $2.1 million, which represented 0.4% of the Company’s portfolio (see Note 2 to the consolidated financial statements).
(l) Included within cash and cash equivalents and cash and cash equivalents, reserve accounts in the Company’s consolidated statements of assets and liabilities as of February 29, 2020.

LIBOR - London Interbank Offered Rate

1M USD LIBOR - The 1 month USD LIBOR rate as of February 29, 2020 was 1.52%.
3M USD LIBOR - The 3 month USD LIBOR rate as of February 29, 2020 was 1.46%.
PIK - Payment-in-Kind (see Note 2 to the consolidated financial statements).

See accompanying notes to consolidated financial statements.

Note 1. Organization

Saratoga Investment Corp. (the "Company", "we", "our" and "us") is a non-diversified closed end management investment company incorporated in Maryland that has elected to be treated and is regulated as a business development company ("BDC") under the Investment Company Act of 1940, as amended (the "1940 Act"). The Company commenced operations on March 23, 2007 as GSC Investment Corp. and completed its initial public offering ("IPO") on March 28, 2007. The Company has elected to be treated as a regulated investment company ("RIC") under subchapter M of the Internal Revenue Code of 1986, as amended (the "Code"). The Company expects to continue to qualify and to elect to be treated, for tax purposes, as a RIC. The Company's investment objective is to generate current income and, to a lesser extent, capital appreciation from its investments.

GSC Investment, LLC (the "LLC") was organized in May 2006 as a Maryland limited liability company. As of February 28, 2007, the LLC had not yet commenced its operations and investment activities.

On March 21, 2007, the Company was incorporated and concurrently therewith the LLC was merged with and into the Company, with the Company as the surviving entity, in accordance with the procedure for such merger in the LLC's limited liability company agreement and Maryland law. In connection with such merger, each outstanding limited liability company interest of the LLC was converted into a share of common stock of the Company.

On July 30, 2010, the Company changed its name from "GSC Investment Corp." to "Saratoga Investment Corp." in connection with the consummation of a recapitalization transaction.

The Company is externally managed and advised by the investment adviser, Saratoga Investment Advisors, LLC (the "Manager" or "Saratoga Investment Advisors"), pursuant to an investment advisory and management agreement (the "Management Agreement"). Prior to July 30, 2010, the Company was managed and advised by GSCP (NJ), L.P.

The Company has established wholly-owned subsidiaries, SIA-Avionte, Inc., SIA-GH, Inc., SIA-MAC, Inc., SIA-PP, Inc., SIA-TG, Inc., SIA-TT, Inc., SIA-Vector, Inc. and SIA-VR, Inc., which are structured as Delaware entities, or tax blockers ("Taxable Blockers"), to hold equity or equity-like investments in portfolio companies organized as limited liability companies, or LLCs (or other forms of pass through entities). Tax Blockers are consolidated for accounting purposes, but are not consolidated for U.S. federal income tax purposes and may incur U.S. federal income tax expenses as a result of their ownership of portfolio companies.

On February 11, 2020, the Company entered into an unsecured loan agreement ("CLO 2013-1 Warehouse 2 Loan") with Saratoga Investment Corp. CLO 2013-1 Warehouse 2, Ltd. ("CLO 2013-1 Warehouse 2"), a wholly-owned subsidiary of Saratoga Investment Corp. CLO 2013-1, Ltd. ("Saratoga CLO"), pursuant to which CLO 2013-1 Warehouse 2 may borrow from time to time up to $20.0 million from the Company in order to provide capital necessary to support warehouse activities. On October 23, 2020, the CLO 2013-1 Warehouse 2 Loan was increased to $25.0 million availability, which was immediately fully drawn and, which expires on August 20, 2021. The interest rate was also amended to be based on a pricing grid, starting at an annual rate of 3M USD LIBOR + 4.46%. As of November 30, 2020, the Company's investment in the CLO 2013-1 Warehouse 2 had a fair value of $24.8 million.

On March 28, 2012, our wholly-owned subsidiary, Saratoga Investment Corp. SBIC, LP ("SBIC LP"), received a Small Business Investment Company ("SBIC") license from the Small Business Administration ("SBA"). On August 14, 2019, our wholly-owned subsidiary, Saratoga Investment Corp. SBIC II LP ("SBIC II LP"), also received an SBIC license from the SBA. The new license will provide up to $175.0 million in additional long-term capital in the form of SBA debentures.

Note 2. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying consolidated financial statements have been prepared on the accrual basis of accounting in conformity with U.S. generally accepted accounting principles ("U.S. GAAP"), are stated in U.S. Dollars and include the accounts of the Company and its special purpose financing subsidiaries, Saratoga Investment Funding, LLC (previously known as GSC Investment Funding LLC), SBIC LP, SBIC II LP, SIA-Avionte, Inc., SIA-GH, Inc., SIA-MAC, Inc., SIA-PP, Inc., SIA-TG, Inc., SIA-TT, Inc., SIA-Vector, Inc. and SIA-VR, Inc. All intercompany accounts and transactions have been eliminated in consolidation. All references made to the "Company," "we," and "us" herein include Saratoga Investment Corp. and its consolidated subsidiaries, except as stated otherwise.

The Company, SBIC LP and SBIC II LP are all considered to be investment companies for financial reporting purposes and have applied the guidance in the Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) Topic 946, “*Financial Services — Investment Companies*” (“ASC 946”). There have been no changes to the Company, SBIC LP or SBIC II LP’s status as investment companies during the three months ended November 30, 2020.

Use of Estimates in the Preparation of Financial Statements

The preparation of the accompanying consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements, and income, gains (losses) and expenses during the period reported. Actual results could differ materially from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents include short-term, liquid investments in a money market fund. Cash and cash equivalents are carried at cost which approximates fair value. Per section 12(d)(1)(A) of the 1940 Act, the Company may not invest in another registered investment company such as a money market fund if such investment would cause the Company to exceed any of the following limitations:

- we were to own more than 3.0% of the total outstanding voting stock of the money market fund;
- we were to hold securities in the money market fund having an aggregate value in excess of 5.0% of the value of our total assets, except as allowed pursuant to Rule 12d1-1 of Section 12(d)(1) of the 1940 Act which is designed to permit “cash sweep” arrangements rather than investments directly in short-term instruments; or
- we were to hold securities in money market funds and other registered investment companies and BDCs having an aggregate value in excess of 10.0% of the value of our total assets.

As of November 30, 2020, the Company did not exceed any of these limitations.

Cash and Cash Equivalents, Reserve Accounts

Cash and cash equivalents, reserve accounts include amounts held in designated bank accounts in the form of cash and short-term liquid investments in money market funds, representing payments received on secured investments or other reserved amounts associated with the Company’s $45.0 million senior secured revolving credit facility with Madison Capital Funding LLC. The Company is required to use these amounts to pay interest expense, reduce borrowings, or pay other amounts in accordance with the terms of the senior secured revolving credit facility.

In addition, cash and cash equivalents, reserve accounts also include amounts held in designated bank accounts, in the form of cash and short-term liquid investments in money market funds, within our wholly-owned subsidiaries, SBIC LP and SBIC II LP.

The statements of cash flows explain the change during the period in the total of cash, cash equivalents and amounts generally described as restricted cash and restricted cash equivalents when reconciling the beginning-of-period and end-of-period total amounts.

The following table provides a reconciliation of cash and cash equivalents and cash and cash equivalents, reserve accounts reported within the consolidated statements of assets and liabilities that sum to the total of the same such amounts shown in the consolidated statements of cash flows:

	November 30, 2020	November 30, 2019
Cash and cash equivalents	$ 21,060,224	$ 51,646,844
Cash and cash equivalents, reserve accounts	12,836,663	29,465,785
Total cash and cash equivalents and cash and cash equivalents, reserve accounts	$ 33,896,887	$ 81,112,629

Investment Classification

The Company classifies its investments in accordance with the requirements of the 1940 Act. Under the 1940 Act, "Control Investments" are defined as investments in companies in which we own more than 25.0% of the voting securities or maintain greater than 50.0% of the board representation. Under the 1940 Act, "Affiliated Investments" are defined as those non-control investments in companies in which we own between 5.0% and 25.0% of the voting securities. Under the 1940 Act, "Non-affiliated Investments" are defined as investments that are neither Control Investments nor Affiliated Investments.

Investment Valuation

The Company accounts for its investments at fair value in accordance with the FASB ASC Topic 820, *Fair Value Measurement* ("ASC 820"). ASC 820 defines fair value, establishes a framework for measuring fair value, establishes a fair value hierarchy based on the quality of inputs used to measure fair value and enhances disclosure requirements for fair value measurements. ASC 820 requires the Company to assume that its investments are to be sold or its liabilities are to be transferred at the balance sheet date in the principal market to independent market participants, or in the absence of a principal market, in the most advantageous market, which may be a hypothetical market. Market participants are defined as buyers and sellers in the principal or most advantageous market that are independent, knowledgeable, and willing and able to transact.

Investments for which market quotations are readily available are fair valued at such market quotations obtained from independent third-party pricing services and market makers subject to any decision by our board of directors to approve a fair value determination to reflect significant events affecting the value of these investments. We value investments for which market quotations are not readily available at fair value as approved, in good faith, by our board of directors based on input from our Manager, the audit committee of our board of directors and a third-party independent valuation firm. Determinations of fair value may involve subjective judgments and estimates. The types of factors that may be considered in determining the fair value of our investments include the nature and realizable value of any collateral, the portfolio company's ability to make payments, market yield trend analysis, the markets in which the portfolio company does business, comparison to publicly traded companies, discounted cash flow and other relevant factors.

The Company undertakes a multi-step valuation process each quarter when valuing investments for which market quotations are not readily available, as described below:

- Each investment is initially valued by the responsible investment professionals of the Manager and preliminary valuation conclusions are documented, reviewed and discussed with our senior management; and

- An independent valuation firm engaged by our board of directors independently reviews a selection of these preliminary valuations each quarter so that the valuation of each investment for which market quotes are not readily available is reviewed by the independent valuation firm at least once each fiscal year.

In addition, all our investments are subject to the following valuation process:

- The audit committee of our board of directors reviews and approves each preliminary valuation and our Manager and independent valuation firm (if applicable) will supplement the preliminary valuation to reflect any comments provided by the audit committee; and

- Our board of directors discusses the valuations and approves the fair value of each investment, in good faith, based on the input of our Manager, independent valuation firm (to the extent applicable) and the audit committee of our board of directors.

The Company's investment in Saratoga Investment Corp. CLO 2013-1, Ltd. ("Saratoga CLO") is carried at fair value, which is based on a discounted cash flow model that utilizes prepayment, re-investment and loss assumptions based on historical experience and projected performance, economic factors, the characteristics of the underlying cash flow, and comparable yields for equity interests in collateralized loan obligation funds similar to Saratoga CLO, when available, as determined by our Manager and recommended to our board of directors. Specifically, we use Intex cash flow models, or an appropriate substitute, to form the basis for the valuation of our investment in Saratoga CLO. The models use a set of assumptions including projected default rates, recovery rates, reinvestment rates and prepayment rates in order to arrive at estimated valuations. The assumptions are based on available market data and projections provided by third parties as well as management estimates. The Company uses the output from the Intex models (i.e., the estimated cash flows) to perform a discounted cash flow analysis on expected future cash flows to determine the valuation for our investment in Saratoga CLO.

Because such valuations, and particularly valuations of private investments and private companies, are inherently uncertain, they may fluctuate over short periods of time and may be based on estimates. The determination of fair value may differ materially from the values that would have been used if a ready market for these investments existed. The Company's net asset value could be materially affected if the determinations regarding the fair value of our investments were materially higher or lower than the values that we ultimately realize upon the disposal of such investments.

Derivative Financial Instruments

The Company accounts for derivative financial instruments in accordance with FASB ASC Topic 815, *Derivatives and Hedging* ("ASC 815"). ASC 815 requires recognizing all derivative instruments as either assets or liabilities on the consolidated statements of assets and liabilities at fair value. The Company values derivative contracts at the closing fair value provided by the counterparty. Changes in the values of derivative contracts are included in the consolidated statements of operations.

Investment Transactions and Income Recognition

Purchases and sales of investments and the related realized gains or losses are recorded on a trade-date basis. Interest income, adjusted for amortization of premium and accretion of discount, is recorded on an accrual basis to the extent that such amounts are expected to be collected. The Company stops accruing interest on its investments when it is determined that interest is no longer collectible. Discounts and premiums on investments purchased are accreted/amortized using the effective yield method. The amortized cost of investments represents the original cost adjusted for the accretion of discounts over the life of the investment and amortization of premiums on investments up to the earliest call date.

Loans are generally placed on non-accrual status when there is reasonable doubt that principal or interest will be collected. Accrued interest is generally reserved when a loan is placed on non-accrual status. Interest payments received on non-accrual loans may be recognized as a reduction in principal depending upon management's judgment regarding collectability. Non-accrual loans are restored to accrual status when past due principal and interest is paid and, in management's judgment, are likely to remain current, although we may make exceptions to this general rule if the loan has sufficient collateral value and is in the process of collection. At November 30, 2020, certain investments in three portfolio companies, including preferred equity interests, were on non-accrual status with a fair value of approximately $6.2 million, or 1.1% of the fair value of our portfolio. At February 29, 2020, certain investments in two portfolio companies, including preferred equity interests, were on non-accrual status with a fair value of approximately $2.1 million, or 0.4% of the fair value of our portfolio.

Interest income on our investment in Saratoga CLO is recorded using the effective interest method in accordance with the provisions of ASC Topic 325, *Investments-Other, Beneficial Interests in Securitized Financial Assets*, ("ASC 325"), based on the anticipated yield and the estimated cash flows over the projected life of the investment. Yields are revised when there are changes in actual or estimated cash flows due to changes in prepayments and/or re-investments, credit losses or asset pricing. Changes in estimated yield are recognized as an adjustment to the estimated yield over the remaining life of the investment from the date the estimated yield was changed.

Payment-in-Kind Interest

The Company holds debt and preferred equity investments in its portfolio that contain a payment-in-kind ("PIK") interest provision. The PIK interest, which represents contractually deferred interest added to the investment balance that is generally due at maturity, is generally recorded on the accrual basis to the extent such amounts are expected to be collected. The Company stops accruing PIK interest if it is expected that the issuer will not be able to pay all principal and interest when due.

Structuring and Advisory Fee Income

Structuring and advisory fee income represents various fee income earned and received performing certain investment structuring and advisory activities during the closing of new investments.

Other Income

Other income includes dividends received, prepayment income fees, and origination, monitoring, administration and amendment fees and is recorded in the consolidated statements of operations when earned.

Deferred Debt Financing Costs

Financing costs incurred in connection with our credit facility and notes are deferred and amortized using the straight-line method over the life of the respective facility and debt securities. Financing costs incurred in connection with our SBA debentures are deferred and amortized using the straight-line method over the life of the debentures.

The Company presents deferred debt financing costs on the balance sheet as a contra-liability as a direct deduction from the carrying amount of that debt liability, consistent with debt discounts.

Contingencies

In the ordinary course of business, the Company may enter into contracts or agreements that contain indemnifications or warranties. Future events could occur that lead to the execution of these provisions against the Company. Based on its history and experience, management feels that the likelihood of such an event is remote. Therefore, the Company has not accrued any liabilities in connection with such indemnifications.

In the ordinary course of business, the Company may directly or indirectly be a defendant or plaintiff in legal actions with respect to bankruptcy, insolvency or other types of proceedings. Such lawsuits may involve claims that could adversely affect the value of certain financial instruments owned by the Company.

Income Taxes

The Company has elected to be treated for tax purposes as a RIC under the Code and, among other things, intends to make the requisite distributions to its stockholders which will relieve the Company from federal income taxes. Therefore, no provision has been recorded for federal income taxes, except as related to the Taxable Blockers and long-term capital gains, when applicable.

In order to qualify as a RIC, among other requirements, the Company is required to timely distribute to its stockholders at least 90.0% of its investment company taxable income, as defined by the Code, for each fiscal tax year. The Company will be subject to a nondeductible U.S. federal excise tax of 4.0% on undistributed income if it does not distribute at least 98.0% of its ordinary income in any calendar year and 98.2% of its capital gain net income for each one-year period ending on October 31.

Depending on the level of taxable income earned in a tax year, the Company may choose to carry forward taxable income in excess of current year dividend distributions into the next tax year and pay a 4.0% excise tax on such income, as required. To the extent that the Company determines that its estimated current year annual taxable income will be in excess of estimated current year dividend distributions for excise tax purposes, the Company accrues excise tax, if any, on estimated excess taxable income as taxable income is earned.

In accordance with certain applicable U.S. Treasury regulations and private letter rulings issued by the Internal Revenue Service (“IRS”), a RIC may treat a distribution of its own stock as fulfilling its RIC distribution requirements if each stockholder may elect to receive his or her entire distribution in either cash or stock of the RIC subject to a limitation on the aggregate amount of cash to be distributed to all stockholders, which limitation must be at least 20.0% of the aggregate declared distribution. If too many stockholders elect to receive cash, each stockholder electing to receive cash will receive a pro rata amount of cash (with the balance of the distribution paid in stock). In no event will any stockholder, electing to receive cash, receive less than 20.0% of his or her entire distribution in cash. If these and certain other requirements are met, for U.S. federal income tax purposes, the amount of the dividend paid in stock will be equal to the amount of cash that could have been received instead of stock.

The Company may utilize wholly-owned holding companies taxed under Subchapter C of the Code or tax blockers, when making equity investments in portfolio companies taxed as pass-through entities to meet its source-of-income requirements as a RIC. Taxable Blockers are consolidated in the Company’s U.S. GAAP financial statements and may result in current and deferred federal and state income tax expense with respect to income derived from those investments. Such income, net of applicable income taxes, is not included in the Company’s tax-basis net investment income until distributed by the Taxable Blocker, which may result in timing and character differences between the Company’s U.S. GAAP and tax-basis net investment income and realized gains and losses. Income tax expense or benefit from Taxable Blockers related to net investment income are included in total operating expenses, while any expense or benefit related to federal or state income tax originated for capital gains and losses are included together with the applicable net realized or unrealized gain or loss line item. Deferred tax assets of the Taxable Blockers are reduced by a valuation allowance when, in the opinion of management, it is more-likely than-not that some portion or all of the deferred tax assets will not be realized.

FASB ASC Topic 740, *Income Taxes*, (“ASC 740”), provides guidance for how uncertain tax positions should be recognized, measured, presented and disclosed in the financial statements. ASC 740 requires the evaluation of tax positions taken or expected to be taken in the course of preparing the Company’s tax returns to determine whether the tax positions are “more-likely-than-not” of being sustained by the applicable tax authority. Tax positions deemed to meet a “more-likely-than-not” threshold would be recorded as a tax benefit or expense in the current period. The Company recognizes interest and penalties, if any, related to unrecognized tax benefits as income tax expense on the consolidated statements of operations. During the fiscal year ended February 29, 2020, the Company did not incur any interest or penalties. Although we file federal and state tax returns, our major tax jurisdiction is federal. The 2017, 2018 and 2019 federal tax years for the Company remain subject to examination by the IRS. As of November 30, 2020 and February 29, 2020, there were no uncertain tax positions. The Company is not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will change significantly in the next 12 months.

Dividends

Dividends to common stockholders are recorded on the ex-dividend date. The amount to be paid out as a dividend is determined by the board of directors. Net realized capital gains, if any, are generally distributed at least annually, although we may decide to retain such capital gains for reinvestment.

We have adopted a dividend reinvestment plan (“DRIP”) that provides for reinvestment of our dividend distributions on behalf of our stockholders unless a stockholder elects to receive cash. As a result, if our board of directors authorizes, and we declare, a cash dividend, then our stockholders who have not “opted out” of the DRIP by the dividend record date will have their cash dividends automatically reinvested into additional shares of our common stock, rather than receiving the cash dividends. We have the option to satisfy the share requirements of the DRIP through the issuance of new shares of common stock or through open market purchases of common stock by the DRIP plan administrator.

Capital Gains Incentive Fee

The Company records an expense accrual on the consolidated statements of operations, relating to the capital gains incentive fee payable on the consolidated statements of assets and liabilities, by the Company to the Manager when the net realized and unrealized gain on its investments exceed all net realized and unrealized capital losses on its investments given the fact that a capital gains incentive fee would be owed to the Manager if the Company were to liquidate its investment portfolio at such time.

The actual incentive fee payable to the Company's Manager related to capital gains will be determined and payable in arrears at the end of each fiscal year and only reflected those realized capital gains net of realized and unrealized losses for the period.

New Accounting Pronouncements

In March 2020, the FASB issued ASU 2020-04, *Reference Rate Reform* ("ASU 2020-04"). The amendments in ASU 2020-04 provide optional expedients and exceptions for applying GAAP to contracts, hedging relationships, and other transactions affected by reference rate reform if certain criteria are met. The standard is effective as of March 12, 2020 through December 31, 2022. Management does not believe this optional guidance has a material impact on the Company's consolidated financial statements and disclosures.

SEC Rule 12b-2 Update

In March 2020, the SEC adopted a final rule under SEC Release No. 34-88365 (the "Final Rule"), amending the accelerated filer and large accelerated filer definitions in Exchange Act Rule 12b-2. The amendments include a provision under which a BDC will be excluded from the "accelerated filer" and "large accelerated filer" definitions if the BDC has (1) a public float of $75 million or more, but less than $700 million, and (2) has annual investment income of less than $100 million. In addition, BDCs are subject to the same transition provisions for accelerated filer and large accelerated filer status as other issuers, but instead substituting investment income for revenue. The amendments will reduce the number of issuers required to comply with the auditor attestation on the internal control over financial reporting requirement provided under Section 404(b) of the Sarbanes-Oxley Act of 2002. The Final Rule applies to annual report filings due on or after April 27, 2020. The Company has assessed the Final Rule, and believes that effective February 28, 2021, it will no longer be an accelerated filer. As a result, the Company will file its Annual Report on Form 10-K for the fiscal year ending February 28, 2021 as a non-accelerated filer.

Risk Management

In the ordinary course of its business, the Company manages a variety of risks, including market risk and credit risk. Market risk is the risk of potential adverse changes to the value of investments because of changes in market conditions such as interest rate movements and volatility in investment prices.

Credit risk is the risk of default or non-performance by portfolio companies, equivalent to the investment's carrying amount. The Company is also exposed to credit risk related to maintaining all of its cash and cash equivalents, including those in reserve accounts, at a major financial institution and credit risk related to any of its derivative counterparties.

The Company has investments in lower rated and comparable quality unrated high yield bonds and bank loans. Investments in high yield investments are accompanied by a greater degree of credit risk. The risk of loss due to default by the issuer is significantly greater for holders of high yield securities, because such investments are generally unsecured and are often subordinated to other creditors of the issuer.

Note 3. Investments

As noted above, the Company values all investments in accordance with ASC 820. ASC 820 requires enhanced disclosures about assets and liabilities that are measured and reported at fair value. As defined in ASC 820, fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

ASC 820 establishes a hierarchal disclosure framework which prioritizes and ranks the level of market price observability of inputs used in measuring investments at fair value. Market price observability is affected by a number of factors, including the type of investment and the characteristics specific to the investment. Investments with readily available active quoted prices or for which fair value can be measured from actively quoted prices generally will have a higher degree of market price observability and a lesser degree of judgment used in measuring fair value.

Based on the observability of the inputs used in the valuation techniques, the Company is required to provide disclosures on fair value measurements according to the fair value hierarchy. The fair value hierarchy ranks the observability of the inputs used to determine fair values. Investments carried at fair value are classified and disclosed in one of the following three categories:

- Level 1—Valuations based on quoted prices in active markets for identical assets or liabilities that the Company has the ability to access.
- Level 2— Pricing inputs are other than quoted prices in active markets, which are either directly or indirectly observable as of the reporting date. Such inputs may be quoted prices for similar assets or liabilities, quoted markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full character of the financial instrument, or inputs that are derived principally from, or corroborated by, observable market information. Investments which are generally included in this category include illiquid debt securities and less liquid, privately held or restricted equity securities, for which some level of recent trading activity has been observed.
- Level 3— Pricing inputs are unobservable for the investment and includes situations where there is little, if any, market activity for the investment. The inputs may be based on the Company's own assumptions about how market participants would price the asset or liability or may use Level 2 inputs, as adjusted, to reflect specific investment attributes relative to a broader market assumption. These inputs into the determination of fair value may require significant management judgment or estimation. Even if observable market data for comparable performance or valuation measures (earnings multiples, discount rates, other financial/valuation ratios, etc.) are available, such investments are grouped as Level 3 if any significant data point that is not also market observable (private company earnings, cash flows, etc.) is used in the valuation methodology.

In addition to using the above inputs in investment valuations, the Company continues to employ the valuation policy approved by the board of directors that is consistent with ASC 820 and the 1940 Act (see Note 2). Consistent with our valuation policy, we evaluate the source of inputs, including any markets in which our investments are trading, in determining fair value.

The following table presents fair value measurements of investments, by major class, as of November 30, 2020 (dollars in thousands), according to the fair value hierarchy:

	Fair Value Measurements			
	Level 1	**Level 2**	**Level 3**	**Total**
First lien term loans	$ -	$ -	$ 407,699	$ 407,699
Second lien term loans	-	-	50,027	50,027
Unsecured term loans	-	-	26,817	26,817
Structured finance securities	-	-	31,299	31,299
Equity interests	-	-	31,102	31,102
Total	$ -	$ -	$ 546,944	$ 546,944

The following table presents fair value measurements of investments, by major class, as of February 29, 2020 (dollars in thousands), according to the fair value hierarchy:

	Fair Value Measurements			
	Level 1	**Level 2**	**Level 3**	**Total**
First lien term loans	$ -	$ -	$ 346,233	$ 346,233
Second lien term loans	-	-	73,570	73,570
Unsecured term loans	-	-	4,346	4,346
Structured finance securities	-	-	32,470	32,470
Equity interests	-	-	29,013	29,013
Total	$ -	$ -	$ 485,632	$ 485,632

The following table provides a reconciliation of the beginning and ending balances for investments that use Level 3 inputs for the nine months ended November 30, 2020 (dollars in thousands):

	First lien term loans	Second lien term loans	Unsecured term loans	Structured finance securities	Equity interests	Total
Balance as of February 29, 2020	$ 346,233	$ 73,570	$ 4,346	$ 32,470	$ 29,013	$ 485,632
Payment-in-kind and other adjustments to cost	625	1,034	-	(3,061)	-	(1,402)
Net accretion of discount on investments	772	193	-	-	-	965
Net change in unrealized appreciation (depreciation) on investments	(7,915)	(1,770)	(29)	1,890	(1,547)	(9,371)
Purchases	95,891	-	22,500	-	3,636	122,027
Sales and repayments	(27,929)	(23,000)	-	-	-	(50,929)
Net realized gain (loss) from investments	22	-	-	-	-	22
Balance as of November 30, 2020	$ 407,699	$ 50,027	$ 26,817	$ 31,299	$ 31,102	$ 546,944
Net change in unrealized appreciation (depreciation) for the period relating to those Level 3 assets that were still held by the Company at the end of the period	$ (7,636)	$ (1,722)	$ (29)	$ 1,889	$ (1,546)	$ (9,044)

Purchases and other adjustments to cost include purchases of new investments at cost, effects of refinancing/restructuring, accretion/amortization of income from discount/premium on debt securities, and PIK interests.

Sales and repayments represent net proceeds received from investments sold, and principal paydowns received during the period.

Transfers and restructurings, if any, are recognized at the beginning of the period in which they occur. There were no transfers or restructures in or out of Levels 1, 2 or 3 during the nine months ended November 30, 2020.

The following table provides a reconciliation of the beginning and ending balances for investments that use Level 3 inputs for the nine months ended November 30, 2019 (dollars in thousands):

	First lien term loans	Second lien term loans	Unsecured term loans	Structured finance securities	Equity interests	Total
Balance as of February 28, 2019	$ 202,846	$ 125,786	$ 2,100	$ 35,328	$ 35,960	$ 402,020
Payment-in-kind and other adjustments to cost	488	2,716	-	751	(872)	3,083
Net accretion of discount on investments	641	247	-	-	-	888
Net change in unrealized appreciation (depreciation) on investments	(672)	350	(27)	(1,773)	7,033	4,911
Purchases	155,588	-	-	-	5,084	160,672
Sales and repayments	(56,178)	(28,000)	-	-	(12,975)	(97,153)
Net realized gain (loss) from investments	60	-	-	-	12,550	12,610
Balance as of November 30, 2019	$ 302,773	$ 101,099	$ 2,073	$ 34,306	$ 46,780	$ 487,031
Net change in unrealized appreciation (depreciation) for the year relating to those Level 3 assets that were still held by the Company at the end of the period	$ (558)	$ 196	$ (27)	$ (1,773)	$ 8,422	$ 6,260

Transfers and restructurings, if any, are recognized at the beginning of the period in which they occur. There were no transfers or restructures in or out of Levels 1, 2 or 3 during the nine months ended November 30, 2019.

The valuation techniques and significant unobservable inputs used in recurring Level 3 fair value measurements of assets as of November 30, 2020 were as follows (dollars in thousands):

	Fair Value	Valuation Technique	Unobservable Input	Range	Weighted Average*
First lien term loans		Market Comparables	Market Yield (%)	6.4% - 53.9%	11.3%
	$ 407,699		EBITDA Multiples (x)	0.0x	0.0x
Second lien term loans		Market Comparables	Market Yield (%)	10.3% - 19.4%	14.1%
	50,027		EBITDA Multiples (x)	5.0x	5.0x
Unsecured term loans		Market Comparables	Market Yield (%)	22.0% - 25.5%	22.3%
	26,817		EBITDA Multiples (x)	5.2x	5.2x
Structured finance securities		Discounted Cash Flow	Discount Rate (%)	10.75% - 22.0%	19.0%
			Recovery Rate (%)	35% - 70%	70.0%
	31,299		Prepayment Rate (%)	20.0%	20.0%
Equity interests		Market Comparables	EBITDA Multiples (x)	4.0x - 14.0x	9.6x
	31,102		Revenue Multiples (x)	0.5x - 38.3x	4.9x
Total	$ 546,944				

* The weighted average in the table above is calculated based on each investment's fair value weighting, using the applicable unobservable input.

The valuation techniques and significant unobservable inputs used in recurring Level 3 fair value measurements of assets as of February 29, 2020 were as follows (dollars in thousands):

	Fair Value	Valuation Technique	Unobservable Input	Range	Weighted Average*
First lien term loans		Market Comparables	Market Yield (%)	7.8% - 12.5%	9.7%
	$ 346,233		EBITDA Multiples (x)	0.0x	0.0x
Second lien term loans		Market Comparables	Market Yield (%)	9.5% - 85.1%	13.0%
	73,570		EBITDA Multiples (x)	5.0x	5.0x
Unsecured term loans		Market Comparables	Market Yield (%)	18.3% - 21.3%	19.8%
	4,346		EBITDA Multiples (x)	5.2x	5.2x
Structured finance securities		Discounted Cash Flow	Discount Rate (%)	9.25% - 16.00%	14.2%
			Recovery Rate (%)	35.0% - 70.0%	70.0%
	32,470		Prepayment Rate (%)	20.0%	20.0%
Equity interests		Market Comparables	EBITDA Multiples (x)	4.0x - 14.0x	6.5x
	29,013		Revenue Multiples (x)	1.0x - 40.7x	7.3x
Total	$ 485,632				

* The weighted average in the table above is calculated based on each investment's fair value weighting, using the applicable unobservable input.

For investments utilizing a market comparables valuation technique, a significant increase (decrease) in the market yield, in isolation, would result in a significantly lower (higher) fair value measurement, and a significant increase (decrease) in any of the earnings before interest, tax, depreciation and amortization ("EBITDA") or revenue valuation multiples, in isolation, would result in a significantly higher (lower) fair value measurement. For investments utilizing a discounted cash flow valuation technique, a significant increase (decrease) in the discount rate and prepayment rate, in isolation, would result in a significantly lower (higher) fair value measurement while a significant increase (decrease) in recovery rate, in isolation, would result in a significantly higher (lower) fair value measurement. For investments utilizing a market quote in deriving a value, a significant increase (decrease) in the market quote, in isolation, would result in a significantly higher (lower) fair value measurement.

The composition of our investments as of November 30, 2020 at amortized cost and fair value was as follows (dollars in thousands):

	Investments at Amortized Cost	Amortized Cost Percentage of Total Portfolio	Investments at Fair Value	Fair Value Percentage of Total Portfolio
First lien term loans	$ 412,481	74.1%	$ 407,699	74.5%
Second lien term loans	53,704	9.6	50,027	9.2
Unsecured term loans	27,261	4.9	26,817	4.9
Structured finance securities	30,460	5.5	31,299	5.7
Equity interests	33,076	5.9	31,102	5.7
Total	$ 556,982	100.0%	$ 546,944	100.0%

The composition of our investments as of February 29, 2020 at amortized cost and fair value was as follows (dollars in thousands):

	Investments at Amortized Cost	Amortized Cost Percentage of Total Portfolio	Investments at Fair Value	Fair Value Percentage of Total Portfolio
First lien term loans	$ 343,100	70.5%	$ 346,233	71.3%
Second lien term loans	75,478	15.5	73,570	15.1
Unsecured term loans	4,761	1.0	4,346	0.9
Structured finance securities	33,521	6.9	32,470	6.7
Equity interests	29,439	6.1	29,013	6.0
Total	$ 486,299	100.0%	$ 485,632	100.0%

For loans and debt securities for which market quotations are not available, we determine their fair value based on third party indicative broker quotes, where available, or the assumptions that a hypothetical market participant would use to value the security in a current hypothetical sale using a market yield valuation methodology. In applying the market yield valuation methodology, we determine the fair value based on such factors as market participant assumptions including synthetic credit ratings, estimated remaining life, current market yield and interest rate spreads of similar securities as of the measurement date. If, in our judgment, the market yield methodology is not sufficient or appropriate, we may use additional methodologies such as an asset liquidation or expected recovery model.

For equity securities of portfolio companies and partnership interests, we determine the fair value based on the market approach with value then attributed to equity or equity like securities using the enterprise value waterfall valuation methodology. Under the enterprise value waterfall valuation methodology, we determine the enterprise fair value of the portfolio company and then waterfall the enterprise value over the portfolio company's securities in order of their preference relative to one another. To estimate the enterprise value of the portfolio company, we weigh some or all of the traditional market valuation methods and factors based on the individual circumstances of the portfolio company in order to estimate the enterprise value. The methodologies for performing investments may be based on, among other things: valuations of comparable public companies, recent sales of private and public comparable companies, discounting the forecasted cash flows of the portfolio company, third party valuations of the portfolio company, considering offers from third parties to buy the company, estimating the value to potential strategic buyers and considering the value of recent investments in the equity securities of the portfolio company. For non-performing investments, we may estimate the liquidation or collateral value of the portfolio company's assets and liabilities. We also take into account historical and anticipated financial results.

Our investment in Saratoga CLO is carried at fair value, which is based on a discounted cash flow model that utilizes prepayment, re-investment and loss assumptions based on historical experience and projected performance, economic factors, the characteristics of the underlying cash flow, and comparable yields for equity interests in collateralized loan obligation funds similar to Saratoga CLO, when available, as determined by our Manager and recommended to our board of directors. Specifically, we use Intex cash flow models, or an appropriate substitute, to form the basis for the valuation of our investment in Saratoga CLO. The models use a set of assumptions including projected default rates, recovery rates, reinvestment rates and prepayment rates in order to arrive at estimated valuations. The assumptions are based on available market data and projections provided by third parties as well as management estimates. In connection with the refinancing of the Saratoga CLO liabilities, we ran Intex models based on assumptions about the refinanced Saratoga CLO's structure, including capital structure, cost of liabilities and reinvestment period. We use the output from the Intex models (i.e., the estimated cash flows) to perform a discounted cash flow analysis on expected future cash flows to determine a valuation for our investment in Saratoga CLO at November 30, 2020. The inputs at November 30, 2020 for the valuation model include:

- Default rate: 2.0%
- Recovery rate: 35% -70%
- Discount rate: 22.0%
- Prepayment rate: 20.0%
- Reinvestment rate / price: L+365bps / $99.00

Investment Concentration

Set forth is a brief description of each portfolio company in which the fair value of our investment represents greater than 5% of our total assets as of November 30, 2020.

CLEO Communications Holding, LLC

CLEO Communications Holding, LLC ("Cleo") is a provider of technology enabled data communication and integration platform for daily business transactions. Cleo's platform allows for the automation of business-to-business transaction information for customers operating in the retail, manufacturing, logistics and the healthcare verticals. The platform also allows for internal application-to-application communication, allowing customers' core enterprise software applications to easily share and transfer data.

Destiny Solutions Inc.

Destiny Solutions provides a SaaS-based student lifecycle management ("SLM") software solution used by higher education institutions to manage their continuing education ("CE") and non-degree educational programs for "non-traditional" students who fall outside of the "traditional" student profile. Traditional students are full-time students working toward an undergraduate, graduate, or doctorate degree. Destiny's software acts as the ERP, CRM, e-commerce platform, and student information management system for non-traditional student programs.

Saratoga Investment Corp. CLO 2013-1, Ltd.

The Company has a collateral management agreement with Saratoga CLO, pursuant to which the Company acts as its collateral manager. The Saratoga CLO invests primarily in senior secured first lien term loans. The Company also holds an investment in the subordinated note and Class F-R-2 and G-R-2 notes of the Saratoga CLO. In addition, the Company entered into an unsecured loan agreement with CLO 2013-1 Warehouse 2, a wholly-owned subsidiary of Saratoga CLO, in order to provide capital necessary to support warehouse activities.

Note 4. Investment in Saratoga Investment Corp. CLO 2013-1, Ltd. ("Saratoga CLO")

On January 22, 2008, the Company entered into a collateral management agreement with Saratoga CLO, pursuant to which the Company acts as its collateral manager. The Saratoga CLO was initially refinanced in October 2013 with its reinvestment period extended to October 2016. On November 15, 2016, the Company completed a second refinancing of the Saratoga CLO with its reinvestment period extended to October 2018.

On December 14, 2018, the Company completed a third refinancing and upsize of the Saratoga CLO (the "2013-1 Reset CLO Notes"). The third Saratoga CLO refinancing, among other things, extended its reinvestment period to January 2021, and extended its legal maturity date to January 2030. A non-call period ending January 2020 was also added. Following this refinancing, the Saratoga CLO portfolio increased from approximately $300.0 million in aggregate principal amount to approximately $500.0 million of predominantly senior secured first lien term loans. In addition to refinancing its liabilities, the Company invested an additional $13.8 million in all of the newly issued subordinated notes of the Saratoga CLO and also purchased $2.5 million in aggregate principal amount of the Class F-R-2 and $7.5 million aggregate principal amount of the Class G-R-2 notes tranches at par, with a coupon of 3M USD LIBOR plus 8.75% and 3M USD LIBOR plus 10.00%, respectively. As part of this refinancing, the Company also redeemed our existing $4.5 million aggregate amount of the Class F notes tranche at par.

On February 11, 2020, the Company entered into an unsecured loan agreement with Saratoga Investment Corp. CLO 2013-1 Warehouse 2, Ltd., a wholly-owned subsidiary of Saratoga Investment Corp. CLO 2013-1, Ltd. Pursuant to which CLO 2013-1 Warehouse 2 may borrow from time to time up to $20.0 million from the Company in order to provide capital necessary to support warehouse activities. On October 23, 2020, the CLO 2013-1 Warehouse 2 Loan was increased to $25.0 million availability, which was immediately fully drawn and, which expires on August 20, 2021. The interest rate was also amended to be based on a pricing grid, starting at an annual rate of 3M USD LIBOR + 4.46%. As of November 30, 2020, the Company's investment in the CLO 2013-1 Warehouse 2 had a fair value of $24.8 million.

The Saratoga CLO remains 100.0% owned and managed by the Company. We receive a base management fee of 0.10% per annum and a subordinated management fee of 0.40% per annum of the outstanding principal amount of Saratoga CLO's assets, paid quarterly to the extent of available proceeds. Following the third refinancing and the issuance of the 2013-1 Reset CLO Notes on December 14, 2018, we are no longer entitled to an incentive management fee equal to 20.0% of excess cash flow to the extent the Saratoga CLO subordinated notes receive an internal rate of return paid in cash equal to or greater than 12.0%.

For the three months ended November 30, 2020 and November 30, 2019, we accrued management fee income of $0.6 million and $0.6 million, respectively, and interest income of $1.1 million and $1.0 million, respectively, from the Saratoga CLO.

For the nine months ended November 30, 2020 and November 30, 2019, we accrued management fee income of $1.9 million and $1.9 million, respectively, and interest income of $2.4 million and $3.2 million, respectively, from the Saratoga CLO.

As of November 30, 2020, the aggregate principal amounts of the Company's investments in the subordinated notes, Class F-R-2 Notes and Class G-R-2 Notes of the Saratoga CLO was $69.5 million, $2.5 million and $7.5 million, respectively, which had a corresponding fair value of $21.5 million, $2.4 million and $7.3 million, respectively. The Company determines the fair value of its investment in the subordinated notes of Saratoga CLO based on the present value of the projected future cash flows of the subordinated notes over the life of Saratoga CLO. As of November 30, 2020, Saratoga CLO had investments with a principal balance of $540.0 million and a weighted average spread over LIBOR of 3.9% and had debt with a principal balance of $509.2 million with a weighted average spread over LIBOR of 2.4%. As a result, Saratoga CLO earns a "spread" between the interest income it receives on its investments and the interest expense it pays on its debt and other operating expenses, which is distributed quarterly to the Company as the holder of its subordinated notes. As of November 30, 2020, the present value of the projected future cash flows of the subordinated notes was approximately $22.0 million, using a 22.0% discount rate. The Company's total investment in the subordinate notes of Saratoga CLO is $43.8 million, which is comprised of the initial investment of $30.0 million in January 2008 plus the additional investment of $13.8 million in December 2018, and to date the Company has since received distributions of $65.7 million, management fees of $24.0 million and incentive fees of $1.2 million. In conjunction with the third refinancing of the 2013-1 Reset CLO Notes on December 14, 2018, the Company is no longer entitled to receive an incentive management fee from Saratoga CLO.

As of February 29, 2020, the Company determined that the fair value of its investment in the subordinated notes of Saratoga CLO was $22.6 million. The Company determines the fair value of its investment in the subordinated notes of Saratoga CLO based on the present value of the projected future cash flows of the subordinated notes over the life of Saratoga CLO. As of February 29, 2020, the fair value of its investment in the Class F-R-2 Notes and G-R-2 Notes of Saratoga CLO was $2.5 million and $7.4 million, respectively. As of February 29, 2020, Saratoga CLO had investments with a principal balance of $528.4 million and a weighted average spread over LIBOR of 4.0% and had debt with a principal balance of $475.1 million with a weighted average spread over LIBOR of 2.2%. As of February 29, 2020, the present value of the projected future cash flows of the subordinated notes was approximately $22.9 million, using a 16.0% discount rate.

Below is certain financial information from the separate financial statements of Saratoga CLO as of November 30, 2020 (unaudited) and February 29, 2020 and for the three and nine months ended November 30, 2020 (unaudited) and November 30, 2019 (unaudited).

Saratoga Investment Corp. CLO 2013-1, Ltd.
Statements of Assets and Liabilities

	November 30, 2020 (unaudited)		February 29, 2020	
ASSETS				
Investments at fair value				
Loans at fair value (amortized cost of $531,770,821 and $523,438,207, respectively)	$	516,568,831	$	500,999,677
Equities at fair value (amortized cost of $141,797 and $2,566,752, respectively)		145,068		257
Total investments at fair value (amortized cost of $531,912,618 and $526,004,959, respectively)		516,713,899		500,999,934
Cash and cash equivalents		20,123,980		9,081,041
Receivable from open trades		1,041,393		10,419,700
Interest receivable (net of reserve of $63,415 and $307,705, respectively)		1,461,247		1,294,523
Prepaid expenses and other assets		116,579		84,526
Total assets	$	539,457,098	$	521,879,724
LIABILITIES				
Interest payable	$	1,482,511	$	2,090,188
Payable from open trades		18,514,109		36,673,471
Accrued base management fee		56,851		54,441
Accrued subordinated management fee		227,405		217,766
Accounts payable and accrued expenses		189,917		81,822
Loan payable, related party		25,000,000		2,500,000
Loan payable, third party		14,161,707		2,600,000
Saratoga Investment Corp. CLO 2013-1, Ltd. Notes:				
Class A-1FL-R-2 Senior Secured Floating Rate Notes		255,000,000		255,000,000
Class A-1FXD-R-2 Senior Secured Fixed Rate Notes		25,000,000		25,000,000
Class-A-2-R-2 Senior Secured Floating Rate Notes		40,000,000		40,000,000
Class B-R-2 Senior Secured Floating Rate Notes		59,500,000		59,500,000
Class C-R-2 Deferrable Mezzanine Floating Rate Notes		22,500,000		22,500,000
Discount on Class C-R-2 Notes		(489,414)		(530,448)
Class D-R-2 Deferrable Mezzanine Floating Rate Notes		31,000,000		31,000,000
Discount on Class D-R-2 Notes		(890,591)		(965,259)
Class E-1-R-2 Deferrable Mezzanine Floating Rate Notes		27,000,000		27,000,000
Class E-2-R-2 Deferrable Mezzanine Fixed Rate Notes		-		-
Class F-R-2 Deferrable Junior Floating Rate Notes		2,500,000		2,500,000
Class G-R-2 Deferrable Junior Floating Rate Notes		7,500,000		7,500,000
Deferred debt financing costs		(2,163,235)		(2,340,764)
Subordinated Notes		69,500,000		69,500,000
Discount on Subordinated Notes		(21,127,928)		(22,899,324)
Total liabilities	$	574,461,332	$	556,981,893
NET ASSETS				
Ordinary equity, par value $1.00, 250 ordinary shares authorized, 250 and 250 common shares issued and outstanding, respectively	$	250	$	250
Total distributable earnings (loss)		(35,004,484)		(35,102,419)
Total net assets		(35,004,234)		(35,102,169)
Total liabilities and net assets	$	539,457,098	$	521,879,724

Saratoga Investment Corp. CLO 2013-1, Ltd.
Consolidated Statements of Operations
(unaudited)

	For the three months ended		For the nine months ended	
	November 30, 2020	November 30, 2019	November 30, 2020	November 30, 2019
INVESTMENT INCOME				
Total interest from investments	$ 6,646,110.0	8,052,668	$ 20,297,400	$ 24,560,867
Interest from cash and cash equivalents	191	39,788	3,692	73,591
Other income	174,585	54,333	469,195	235,301
Total investment income	6,820,886	8,146,789	20,770,287	24,869,759
EXPENSES				
Interest and debt financing expenses	5,773,135	8,136,345	18,831,060	21,303,661
Base management fee	124,763	125,934	376,765	377,786
Subordinated management fee	499,054	503,737	1,507,060	1,511,146
Professional fees	146,170	37,967	329,442	250,679
Trustee expenses	54,706	56,810	160,440	194,825
Other expense	1,935	(1,606)	42,215	42,128
Total expenses	6,599,763	8,859,187	21,246,982	23,680,225
NET INVESTMENT INCOME (LOSS)	221,123	(712,398)	(476,695)	1,189,534
REALIZED AND UNREALIZED LOSS ON INVESTMENTS				
Net realized loss from investments	(3,089,206)	-	(9,231,676)	(2,162,298)
Net change in unrealized depreciation on investments	14,923,956	(7,516,752)	9,806,306	(11,896,807)
Net realized and unrealized gain (loss) on investments	11,834,750.00	(7,516,752)	574,630	(14,059,105)
NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS	$ 12,055,873	$ (8,229,150)	$ 97,935	$ (12,869,571)

Saratoga Investment Corp. CLO 2013-1, Ltd.
Schedule of Investments
November 30, 2020
(unaudited)

Issuer Name	Industry	Asset Name	Asset Type	Reference Rate/Spread		LIBOR Floor	Current Rate (All In)	Maturity Date	Principal/ Number of Shares	Cost	Fair Value
J Jill Common Stock	Retail	Common Stock	Equity	-	0.00%	0.00%	0.00%	-	5,085	$ -	$ 18,344
McDermott International (Americas) Inc.	Construction & Building	McDermott International - Class A C/S (07/20)	Equity	-	0.00%	0.00%	0.00%	-	141,797	141,797	126,724
1011778 B.C. Unlimited Liability Company	Beverage Food & Tobacco	Term Loan B4	Loan	1M USD LIBOR+	1.75%	0.00%	1.90%	11/19/2026	$ 1,488,750	1,449,552	1,445,487
ABB Con-Cise Optical Group LLC	Consumer goods: Non-durable	Term Loan B	Loan	6M USD LIBOR+	5.00%	1.00%	6.00%	6/15/2023	2,065,788	2,050,427	1,817,893
ADMI Corp.	Services: Consumer	Term Loan B	Loan	1M USD LIBOR+	2.75%	0.00%	2.90%	4/30/2025	1,955,276	1,948,516	1,882,305
Advisor Group Holdings Inc	Banking Finance Insurance & Real Estate	Term Loan (7/19)	Loan	1M USD LIBOR+	5.00%	0.00%	5.15%	7/31/2026	496,250	495,154	477,780
Aegis Toxicology Sciences Corporation	Healthcare & Pharmaceuticals	Term Loan	Loan	3M USD LIBOR+	5.50%	1.00%	6.50%	5/9/2025	3,920,000	3,893,791	3,170,300
Agiliti Health Inc.	Healthcare & Pharmaceuticals	Term Loan (1/19)	Loan	1M USD LIBOR+	3.00%	0.00%	3.15%	1/5/2026	492,500	492,500	485,113
Agiliti Health Inc.	Healthcare & Pharmaceuticals	Term Loan (09/20)	Loan	1M USD LIBOR+	3.00%	0.75%	3.75%	1/5/2026	500,000	495,101	496,250
Ahead DB Holdings LLC	Services: Business	Term Loan (10/20)	Loan	3M USD LIBOR+	5.00%	1.00%	6.00%	10/13/2027	3,000,000	2,881,426	2,887,500
AI Convoy (Luxembourg) USD T/L B	Aerospace & Defense		Loan	6M USD LIBOR+	3.50%	1.00%	4.50%	1/15/2027	1,492,500	1,485,717	1,485,978
AI Mistral (Luxembourg) Subco Sarl	High Tech Industries	Term Loan	Loan	1M USD LIBOR+	3.00%	1.00%	4.00%	3/11/2024	482,500	482,500	388,813
AIS Holdco LLC	Services: Business	Term Loan	Loan	3M USD LIBOR+	5.00%	0.00%	5.23%	8/15/2025	4,275,000	4,128,561	3,975,750
Alchemy Copyrights LLC	Media: Diversified & Production	Term Loan B	Loan	1M USD LIBOR+	3.25%	0.75%	4.00%	8/16/2027	500,000	496,407	498,750
Alchemy US Holdco 1 LLC	Metals & Mining	Term Loan	Loan	1M USD LIBOR+	5.50%	0.00%	5.65%	10/10/2025	1,912,500	1,891,043	1,812,094
Alion Science and Technology Corporation	Aerospace & Defense	Term Loan 7/20	Loan	2M USD LIBOR+	3.75%	1.00%	4.75%	7/23/2024	4,000,000	3,982,859	3,995,000
Allen Media T/L B (1/20)	Media: Advertising Printing & Publishing	Term Loan B (1/20)	Loan	3M USD LIBOR+	5.50%	0.00%	5.74%	2/10/2027	2,984,527	2,971,053	2,950,951
Altisource S.a r.l.	Banking Finance Insurance & Real Estate	Term Loan B (03/18)	Loan	3M USD LIBOR+	4.00%	1.00%	5.00%	4/3/2024	1,280,251	1,274,721	928,182
Altra Industrial Motion Corp.	Capital Equipment	Term Loan	Loan	1M USD LIBOR+	2.00%	0.00%	2.15%	10/1/2025	1,582,088	1,579,199	1,554,402
American Greetings Corporation	Media: Advertising Printing & Publishing	Term Loan	Loan	1M USD LIBOR+	4.50%	1.00%	5.50%	4/5/2024	4,595,528	4,592,871	4,526,595
Amerilife Holdings LLC	Banking Finance Insurance & Real Estate	Term Loan	Loan	1M USD LIBOR+	4.00%	0.00%	4.15%	3/18/2027	1,496,383	1,487,246	1,458,973
Amynta Agency Borrower Inc.	Banking Finance Insurance & Real Estate	Term Loan	Loan	1M USD LIBOR+	4.50%	0.00%	4.65%	2/28/2025	3,436,000	3,404,374	3,267,052
Anastasia Parent LLC	Consumer goods: Non-durable	Term Loan	Loan	3M USD LIBOR+	3.75%	0.00%	3.98%	8/11/2025	980,000	976,431	475,457
Anchor Glass Container Corporation	Containers Packaging & Glass	Term Loan (07/17)	Loan	1M USD LIBOR+	2.75%	1.00%	3.75%	12/7/2023	481,331	480,127	379,198

Issuer Name	Industry	Asset Name	Asset Type	Reference Rate/Spread		LIBOR Floor	Current Rate (All In)	Maturity Date	Principal/ Number of Shares	Cost	Fair Value
Anchor Packaging Inc.	Containers Packaging & Glass	Term Loan B	Loan	1M USD LIBOR+	3.75%	0.00%	3.90%	7/20/2026	1,000,000	990,000	992,500
Api Group DE Inc	Services: Business	Term Loan B	Loan	1M USD LIBOR+	2.50%	0.00%	2.65%	10/1/2026	992,500	988,113	975,131
APLP Holdings T/L B (01/20)	Utilities	Term Loan B (01/20)	Loan	1M USD LIBOR+	2.50%	1.00%	3.50%	4/11/2025	1,715,789	1,715,789	1,707,742
Aramark Services Inc.	Services: Consumer	Term Loan	Loan	1M USD LIBOR+	1.75%	0.00%	1.90%	1/15/2027	2,487,500	2,404,586	2,407,278
Arctic Glacier U.S.A. Inc.	Beverage Food & Tobacco	Term Loan (3/18)	Loan	3M USD LIBOR+	3.50%	1.00%	4.50%	3/20/2024	3,350,967	3,335,582	2,881,128
Aretec Group Inc.	Banking Finance Insurance & Real Estate	Term Loan (10/18)	Loan	1M USD LIBOR+	4.25%	0.00%	4.40%	10/1/2025	1,965,000	1,961,394	1,866,750
Aristocrat International PTY Ltd	Hotel Gaming & Leisure	Term Loan (5/20)	Loan	3M USD LIBOR+	3.75%	1.00%	4.75%	10/21/2024	997,500	979,557	998,438
ASG Technologies Group Inc.	High Tech Industries	Term Loan	Loan	1M USD LIBOR+	3.50%	1.00%	4.50%	7/31/2024	462,646	461,303	447,175
Asplundh Tree Expert LLC	Services: Business	Term Loan	Loan	1M USD LIBOR+	2.50%	0.00%	2.65%	9/7/2027	1,000,000	995,111	1,000,890
AssetMark Financial Holdings Inc.	Banking Finance Insurance & Real Estate	Term Loan	Loan	1M USD LIBOR+	3.00%	0.00%	3.15%	11/14/2025	2,237,500	2,235,829	2,231,906
Asurion LLC	Banking Finance Insurance & Real Estate	Term Loan B-4 (Replacement)	Loan	1M USD LIBOR+	3.00%	0.00%	3.15%	8/4/2022	865,408	863,813	861,081
Asurion LLC	Banking Finance Insurance & Real Estate	Term Loan B6	Loan	1M USD LIBOR+	3.00%	0.00%	3.15%	11/3/2023	488,886	486,509	483,489
Athenahealth Inc.	Healthcare & Pharmaceuticals	Term Loan B	Loan	3M USD LIBOR+	4.50%	0.00%	4.73%	2/11/2026	1,970,000	1,939,279	1,955,225
Avaya Inc.	Telecommunications	Term Loan B	Loan	1M USD LIBOR+	4.25%	0.00%	4.40%	12/16/2024	1,413,390	1,397,010	1,410,916
Avaya Inc.	Telecommunications	Term Loan B1	Loan	1M USD LIBOR+	4.25%	0.00%	4.40%	12/15/2027	1,755,766	1,745,581	1,731,993
Avison Young (Canada) Inc.	Services: Business	Term Loan	Loan	3M USD LIBOR+	5.00%	0.00%	5.23%	1/30/2026	3,449,887	3,399,338	3,311,891
Avolon TLB Borrower 1 (US) LLC	Capital Equipment	Term Loan B3	Loan	1M USD LIBOR+	1.75%	0.75%	2.50%	1/15/2025	1,000,000	861,993	979,690
Avolon TLB Borrower 1 (US) LLC	Capital Equipment	Term Loan (11/20)	Loan	3M USD LIBOR+	2.50%	0.75%	3.25%	12/31/2027	500,000	495,000	496,750
Azalea TopCo Inc.	Services: Business	Incremental Term Loan	Loan	3M USD LIBOR+	4.00%	0.75%	4.75%	7/24/2026	500,000	495,091	493,750
B&G Foods Inc.	Beverage Food & Tobacco	Term Loan	Loan	1M USD LIBOR+	2.50%	0.00%	2.65%	10/10/2026	206,458	205,571	205,426
Baldwin Risk Partners LLC	Banking Finance Insurance & Real Estate	Term Loan	Loan	1M USD LIBOR+	4.00%	0.75%	4.75%	10/8/2027	1,000,000	985,182	995,000
Ball Metalpack Finco LLC	Containers Packaging & Glass	Term Loan	Loan	3M USD LIBOR+	4.50%	0.00%	4.73%	7/31/2025	3,914,900	3,900,699	3,780,345
Berry Global Inc.	Chemicals Plastics & Rubber	Term Loan Y	Loan	1M USD LIBOR+	2.00%	0.00%	2.15%	7/1/2026	4,949,906	4,944,854	4,858,234
Blackstone Mortgage Trust Inc.	Banking Finance Insurance & Real Estate	Term Loan B-2	Loan	1M USD LIBOR+	4.75%	1.00%	5.75%	4/23/2026	1,498,750	1,487,375	1,491,256
Blount International Inc.	Forest Products & Paper	Term Loan B (09/18)	Loan	1M USD LIBOR+	3.75%	1.00%	4.75%	4/12/2023	3,427,550	3,425,369	3,428,990
Blucora Inc.	Services: Consumer	Term Loan (11/17)	Loan	6M USD LIBOR+	4.00%	1.00%	5.00%	5/22/2024	2,453,199	2,444,845	2,416,401
Bombardier Recreational Products Inc.	Consumer goods: Durable	Term Loan (1/20)	Loan	1M USD LIBOR+	2.00%	0.00%	2.15%	5/24/2027	987,538	979,627	956,983
Bracket Intermediate Holding Corp.	Healthcare & Pharmaceuticals	Term Loan	Loan	3M USD LIBOR+	4.25%	0.00%	4.48%	9/5/2025	980,000	976,452	964,692
Broadstreet Partners Inc.	Banking Finance Insurance & Real Estate	Term Loan B3	Loan	1M USD LIBOR+	3.25%	0.00%	3.40%	1/27/2027	2,014,491	2,012,881	1,955,728
Brookfield Property REIT Inc.	Banking Finance Insurance & Real Estate	Term Loan B	Loan	1M USD LIBOR+	2.50%	0.00%	2.65%	8/27/2025	3,979,695	3,171,065	3,656,344
Brookfield WEC Holdings Inc.	Energy: Electricity	Term Loan 1/20	Loan	1M USD LIBOR+	3.00%	0.75%	3.75%	8/1/2025	493,719	492,757	488,549
Buckeye Partners L.P.	Utilities: Oil & Gas	Term Loan	Loan	1M USD LIBOR+	2.75%	0.00%	2.90%	11/2/2026	1,995,000	1,979,702	1,976,546
BW Gas & Convenience Holdings LLC	Beverage Food & Tobacco	Term Loan	Loan	1M USD LIBOR+	6.25%	0.00%	6.40%	11/18/2024	2,230,357	2,156,348	2,229,420

Issuer Name	Industry	Asset Name	Asset Type	Reference Rate/Spread		LIBOR Floor	Current Rate (All In)	Maturity Date	Principal/ Number of Shares	Cost	Fair Value
Calceus Acquisition Inc.	Consumer goods: Non-durable	Term Loan B	Loan	3M USD LIBOR+	5.50%	0.00%	5.73%	2/12/2025	956,250	948,027	908,438
Callaway Golf Company	Retail	Term Loan B	Loan	1M USD LIBOR+	4.50%	0.00%	4.65%	1/2/2026	691,875	680,665	691,584
Cardtronics USA Inc	Banking Finance Insurance & Real Estate	Term Loan	Loan	1M USD LIBOR+	4.00%	1.00%	5.00%	6/29/2027	1,498,750	1,492,891	1,495,468
CareerBuilder LLC	Services: Business	Term Loan	Loan	3M USD LIBOR+	6.75%	1.00%	7.75%	7/31/2023	3,393,388	3,215,856	3,059,716
Casa Systems Inc.	Telecommunications	Term Loan	Loan	6M USD LIBOR+	4.00%	1.00%	5.00%	12/20/2023	1,443,750	1,436,852	1,382,838
Castle US Holding Corporation	Media: Advertising Printing & Publishing	Term Loan B (USD)	Loan	3M USD LIBOR+	3.75%	0.00%	3.98%	1/29/2027	497,917	495,740	479,947
CCS-CMGC Holdings Inc.	Healthcare & Pharmaceuticals	Term Loan	Loan	3M USD LIBOR+	5.50%	0.00%	5.73%	10/1/2025	2,456,250	2,437,583	2,329,336
Cengage Learning Inc.	Media: Advertising Printing & Publishing	Term Loan	Loan	6M USD LIBOR+	4.25%	1.00%	5.25%	6/7/2023	1,436,209	1,426,740	1,332,687
CenturyLink Inc.	Telecommunications	Term Loan B (1/20)	Loan	1M USD LIBOR+	2.25%	0.00%	2.40%	3/15/2027	2,977,500	2,974,403	2,908,333
Chemours Company The	Chemicals Plastics & Rubber	Term Loan	Loan	1M USD LIBOR+	1.75%	0.00%	1.90%	4/3/2025	992,366	939,564	968,381
Citadel Securities LP	Banking Finance Insurance & Real Estate	Term Loan (2/20)	Loan	1M USD LIBOR+	2.75%	0.00%	2.90%	2/27/2026	3,985,056	3,961,875	3,967,642
Clarios Global LP	Automotive	Term Loan B	Loan	1M USD LIBOR+	3.50%	0.00%	3.65%	4/30/2026	1,458,214	1,445,963	1,441,022
Claros Mortgage Trust Inc	Banking Finance Insurance & Real Estate	Term Loan B	Loan	1M USD LIBOR+	3.25%	1.00%	4.25%	8/10/2026	1,000,000	973,750	978,750
CNT Holdings I Corp	Retail	Term Loan	Loan	6M USD LIBOR+	3.75%	0.75%	4.50%	11/8/2027	500,000	497,519	495,355
Compass Power Generation L.L.C.	Utilities: Electric	Term Loan B (08/18)	Loan	1M USD LIBOR+	3.50%	1.00%	4.50%	12/20/2024	1,863,647	1,859,980	1,843,855
Concordia International Corp.	Healthcare & Pharmaceuticals	Term Loan	Loan	1M USD LIBOR+	5.50%	1.00%	6.50%	9/6/2024	1,165,440	1,121,243	1,128,810
Connect U.S. Finco LLC	Telecommunications	Term Loan B	Loan	1M USD LIBOR+	4.50%	1.00%	5.50%	12/11/2026	2,985,000	2,833,008	2,976,911
Consolidated Communications Inc.	Telecommunications	Term Loan B (10/20)	Loan	1M USD LIBOR+	4.75%	1.00%	5.75%	10/4/2027	1,000,000	985,197	999,130
Coral-US Co-Borrower LLC	Telecommunications	Term Loan B-5	Loan	1M USD LIBOR+	2.25%	0.00%	2.40%	1/31/2028	2,000,000	2,000,000	1,955,000
CoreCivic Inc.	Banking Finance Insurance & Real Estate	Term Loan (12/19)	Loan	1M USD LIBOR+	4.50%	1.00%	5.50%	12/12/2024	3,500,000	3,447,500	3,395,000
Covia Holdings Corporation (b)	Metals & Mining	Term Loan	Loan	Prime+	5.00%	1.00%	6.00%	6/2/2025	982,500	982,500	785,823
CPI Acquisition Inc	Banking Finance Insurance & Real Estate	Term Loan B (1st Lien)	Loan	6M USD LIBOR+	4.50%	1.00%	5.50%	8/17/2022	1,436,782	1,430,314	1,305,374
CSC Holdings LLC	Media: Broadcasting & Subscription	Term Loan B (03/17)	Loan	1M USD LIBOR+	2.25%	0.00%	2.40%	7/17/2025	1,959,391	1,940,157	1,907,604
CSC Holdings LLC	Media: Broadcasting & Subscription	Term Loan B	Loan	1M USD LIBOR+	2.25%	0.00%	2.40%	1/15/2026	491,250	490,363	477,844
CSC Holdings LLC	Media: Broadcasting & Subscription	Term Loan B-5	Loan	1M USD LIBOR+	2.50%	0.00%	2.65%	4/15/2027	496,250	496,250	484,196
Cushman & Wakefield U.S. Borrower LLC	Construction & Building	Term Loan	Loan	1M USD LIBOR+	2.75%	0.00%	2.90%	8/21/2025	3,925,325	3,911,009	3,797,752
Daseke Companies Inc.	Transportation: Cargo	Replacement Term Loan	Loan	1M USD LIBOR+	5.00%	1.00%	6.00%	2/27/2024	1,940,727	1,933,434	1,921,320
Dealer Tire T/L B-1	Automotive	Term Loan B-1	Loan	1M USD LIBOR+	4.25%	0.00%	4.41%	12/12/2025	2,977,500	2,970,861	2,947,725
Delek US Holdings Inc.	Utilities: Oil & Gas	Term Loan B	Loan	1M USD LIBOR+	2.25%	0.00%	2.40%	3/31/2025	6,397,012	6,339,615	5,975,193
Dell International L.L.C.	High Tech Industries	Term Loan B-1	Loan	1M USD LIBOR+	2.00%	0.75%	2.75%	9/19/2025	3,776,190	3,772,472	3,767,392
Delta 2 (Lux) SARL	Hotel Gaming & Leisure	Term Loan B	Loan	1M USD LIBOR+	2.50%	1.00%	3.50%	2/1/2024	818,289	817,451	795,328
Delta Air Lines Inc.	Transportation: Consumer	Term Loan B (4/20)	Loan	3M USD LIBOR+	4.75%	1.00%	5.75%	5/1/2023	2,249,375	2,245,677	2,270,924
DHX Media Ltd.	Media: Broadcasting & Subscription	Term Loan	Loan	1M USD LIBOR+	4.25%	1.00%	5.25%	12/29/2023	279,282	278,253	271,602

Issuer Name	Industry	Asset Name	Asset Type	Reference Rate/Spread		LIBOR Floor	Current Rate (All In)	Maturity Date	Principal/ Number of Shares	Cost	Fair Value
Diamond Sports Group LLC	Media: Broadcasting & Subscription	Term Loan	Loan	1M USD LIBOR+	3.25%	0.00%	3.40%	8/24/2026	3,452,563	2,901,175	2,865,627
Digital Room Holdings Inc.	Media: Advertising Printing & Publishing	Term Loan	Loan	6M USD LIBOR+	5.00%	0.00%	5.26%	5/21/2026	2,962,500	2,930,017	2,714,391
Dole Food Company Inc.	Beverage Food & Tobacco	Term Loan B	Loan	1M USD LIBOR+	2.75%	1.00%	3.75%	4/8/2024	459,375	458,214	454,717
DRW Holdings LLC	Banking Finance Insurance & Real Estate	Term Loan B	Loan	1M USD LIBOR+	4.25%	0.00%	4.40%	11/27/2026	5,962,500	5,911,294	5,873,063
Eagletree-Carbide Acquisition Corp.	Consumer goods: Durable	Eagletree-Carbide T/L (Corsair Components)	Loan	1M USD LIBOR+	3.75%	1.00%	4.75%	8/28/2024	2,192,140	2,184,935	2,183,919
EIG Investors Corp.	High Tech Industries	Term Loan (06/18)	Loan	3M USD LIBOR+	3.75%	1.00%	4.75%	2/9/2023	2,161,472	2,151,966	2,157,235
Encapsys LLC	Chemicals Plastics & Rubber	Term Loan B2	Loan	1M USD LIBOR+	3.25%	1.00%	4.25%	11/7/2024	493,570	489,678	488,634
Endo Luxembourg Finance Company I S.a.r.l.	Healthcare & Pharmaceuticals	Term Loan B (4/17)	Loan	3M USD LIBOR+	4.25%	0.75%	5.00%	4/29/2024	3,906,740	3,888,518	3,784,655
Energy Acquisition LP	Capital Equipment	Term Loan (6/18)	Loan	1M USD LIBOR+	4.25%	0.00%	4.40%	6/26/2025	1,955,000	1,949,825	1,856,429
Envision Healthcare Corporation	Healthcare & Pharmaceuticals	Term Loan B (06/18)	Loan	1M USD LIBOR+	3.75%	0.00%	3.90%	10/10/2025	4,912,500	4,903,992	3,991,947
EyeCare Partners DD T/L (a)	Healthcare & Pharmaceuticals	Unfunded Commitment	Loan	6M USD LIBOR+	3.75%	0.00%	3.75%	2/18/2027	32,432	32,432	16,083
EyeCare Partners T/L B	Healthcare & Pharmaceuticals	EyeCare Partners T/L B	Loan	6M USD LIBOR+	3.75%	0.00%	4.06%	2/18/2027	1,613,514	1,612,025	1,543,794
FinCo I LLC	Banking Finance Insurance & Real Estate	Term Loan B (9/20)	Loan	1M USD LIBOR+	2.50%	0.00%	2.65%	6/27/2025	826,839	825,204	817,537
First Brands Group LLC	Automotive	Term Loan B-3	Loan	3M USD LIBOR+	7.50%	1.00%	8.50%	2/2/2024	5,102,673	4,986,035	5,086,753
First Eagle Holdings Inc.	Banking Finance Insurance & Real Estate	Refinancing Term Loan	Loan	3M USD LIBOR+	2.50%	0.00%	2.73%	2/1/2027	5,409,125	5,388,372	5,291,639
Fitness International LLC	Services: Consumer	Term Loan B (4/18)	Loan	3M USD LIBOR+	3.25%	0.00%	3.48%	4/18/2025	1,330,058	1,323,836	1,115,028
Franklin Square Holdings L.P.	Banking Finance Insurance & Real Estate	Term Loan	Loan	1M USD LIBOR+	2.25%	0.00%	2.40%	8/1/2025	4,409,994	4,384,204	4,299,744
Froneri US Inc.	Beverage Food & Tobacco	Term Loan B-2	Loan	1M USD LIBOR+	2.25%	0.00%	2.40%	1/29/2027	1,995,000	1,990,637	1,945,444
Fusion Connect Inc.	Telecommunications	Take Back 2nd Out Term Loan	Loan	3M USD LIBOR+	1.00%	2.00%	3.00%	7/14/2025	798,815	780,801	319,526
GBT Group Services B.V.	Hotel Gaming & Leisure	Term Loan	Loan	1M USD LIBOR+	2.50%	0.00%	2.65%	8/13/2025	4,410,000	4,409,116	4,128,863
General Nutrition Centers Inc. (b)	Retail	Term Loan B2	Loan	6M USD LIBOR+	6.00%	0.75%	6.75%	3/4/2021	389,896	389,896	301,000
Genesee & Wyoming Inc.	Transportation: Cargo	Term Loan (11/19)	Loan	3M USD LIBOR+	2.00%	0.00%	2.23%	12/30/2026	1,492,500	1,486,008	1,480,381
GEO Group Inc. The	Banking Finance Insurance & Real Estate	Term Loan Refinance	Loan	1M USD LIBOR+	2.00%	0.75%	2.75%	3/25/2024	3,974,267	3,653,766	3,540,952
GI Chill Acquisition LLC	Services: Business	Term Loan	Loan	3M USD LIBOR+	4.00%	0.00%	4.23%	8/6/2025	2,450,000	2,440,947	2,404,063
Gigamon Inc.	Services: Business	Term Loan B	Loan	6M USD LIBOR+	4.25%	1.00%	5.25%	12/27/2024	2,937,800	2,918,957	2,904,750
Global Tel*Link Corporation	Telecommunications	Term Loan B	Loan	1M USD LIBOR+	4.25%	0.00%	4.40%	11/28/2025	5,012,922	4,766,294	4,470,574
Go Wireless Inc.	Telecommunications	Term Loan	Loan	1M USD LIBOR+	6.50%	1.00%	7.50%	12/22/2024	3,069,156	3,034,740	3,011,609
Goodyear Tire & Rubber Company The	Chemicals Plastics & Rubber	Second Lien Term Loan	Loan	1M USD LIBOR+	0.00%	0.00%	0.00%	3/7/2025	3,000,000	2,929,942	2,925,000
Graham Packaging Company Inc	Containers Packaging & Glass	Initial Term Loan	Loan	1M USD LIBOR+	3.75%	0.75%	4.50%	8/4/2027	1,000,000	992,806	998,380
Greenhill & Co. Inc.	Banking Finance Insurance & Real Estate	Term Loan B	Loan	1M USD LIBOR+	3.25%	0.00%	3.40%	4/12/2024	3,628,846	3,598,386	3,574,413

Issuer Name	Industry	Asset Name	Asset Type	Reference Rate/Spread		LIBOR Floor	Current Rate (All In)	Maturity Date	Principal/ Number of Shares	Cost	Fair Value
Grosvenor Capital Management Holdings LLLP	Banking Finance Insurance & Real Estate	Term Loan B	Loan	1M USD LIBOR+	2.75%	1.00%	3.75%	3/28/2025	1,660,340	1,658,009	1,652,553
Guidehouse LLP	Aerospace & Defense	Term Loan	Loan	1M USD LIBOR+	4.50%	0.00%	4.65%	5/1/2025	3,934,746	3,914,971	3,908,934
Harbor Freight Tools USA Inc.	Retail	Term Loan B (10/20)	Loan	1M USD LIBOR+	3.25%	0.75%	4.00%	10/19/2027	3,000,000	2,974,082	2,976,150
Harland Clarke Holdings Corp.	Media: Advertising Printing & Publishing	Term Loan	Loan	3M USD LIBOR+	4.75%	1.00%	5.75%	11/3/2023	1,640,442	1,634,865	1,409,615
Helix Acquisition Holdings Inc.	Capital Equipment	Term Loan (2019 Incremental)	Loan	3M USD LIBOR+	3.75%	0.00%	3.98%	9/30/2024	2,842,097	2,799,574	2,660,914
Helix Gen Funding LLC	Energy: Electricity	Term Loan B (02/17)	Loan	1M USD LIBOR+	3.75%	1.00%	4.75%	6/3/2024	244,627	244,376	242,256
HLF Financing SaRL LLC	Consumer goods: Non-durable	Term Loan B (08/18)	Loan	1M USD LIBOR+	2.75%	0.00%	2.90%	8/18/2025	3,920,000	3,907,099	3,899,185
Holley Purchaser Inc.	Automotive	Term Loan B	Loan	3M USD LIBOR+	5.00%	0.00%	5.23%	10/24/2025	2,456,250	2,438,060	2,367,211
Hudson River Trading LLC	Banking Finance Insurance & Real Estate	Term Loan B (01/20)	Loan	1M USD LIBOR+	3.00%	0.00%	3.15%	2/18/2027	5,955,000	5,934,142	5,899,202
Hyperion Refinance S.a.r.l.	Banking Finance Insurance & Real Estate	Tem Loan (12/17)	Loan	1M USD LIBOR+	3.50%	1.00%	4.50%	12/20/2024	1,696,696	1,689,952	1,677,608
ICH US Intermediate Holdings II Inc.	Healthcare & Pharmaceuticals	Term Loan B	Loan	6M USD LIBOR+	5.75%	1.00%	6.75%	12/24/2026	4,812,500	4,639,656	4,812,500
Idera Inc.	High Tech Industries	Term Loan B	Loan	6M USD LIBOR+	4.00%	1.00%	5.00%	6/28/2024	3,906,897	3,895,231	3,880,838
Inmar Inc.	Services: Business	Term Loan B	Loan	3M USD LIBOR+	4.00%	1.00%	5.00%	5/1/2024	3,430,451	3,364,343	3,306,646
Innophos Holdings Inc.	Chemicals Plastics & Rubber	Term Loan B	Loan	1M USD LIBOR+	3.50%	0.00%	3.65%	2/5/2027	497,500	495,259	493,147
Intrado Corporation	Telecommunications	Term Loan B (Olympus Merger)	Loan	3M USD LIBOR+	4.00%	1.00%	5.00%	10/10/2024	1,227,904	1,165,633	1,166,362
Intrado Corporation	Telecommunications	Term Loan B	Loan	3M USD LIBOR+	3.50%	1.00%	4.50%	10/10/2024	2,938,625	2,878,000	2,776,530
ION Media Networks Inc.	Media: Broadcasting & Subscription	Term Loan B	Loan	1M USD LIBOR+	3.00%	0.00%	3.15%	12/18/2024	2,987,481	2,942,872	2,970,691
Isagenix International LLC	Beverage Food & Tobacco	Term Loan	Loan	3M USD LIBOR+	5.75%	1.00%	6.75%	6/16/2025	2,671,340	2,632,565	1,471,454
Jane Street Group LLC	Banking Finance Insurance & Real Estate	Term Loan B (1/20)	Loan	3M USD LIBOR+	3.00%	0.00%	3.23%	1/31/2025	1,994,987	1,967,847	1,979,526
Jefferies Finance LLC / JFIN Co-Issuer Corp	Banking Finance Insurance & Real Estate	Term Loan	Loan	1M USD LIBOR+	3.00%	0.00%	3.15%	6/3/2026	3,204,956	3,189,146	3,142,203
Jill Acquisition LLC	Retail	Priming Term Loan	Loan	6M USD LIBOR+	5.00%	1.00%	6.00%	5/8/2024	1,784,383	1,781,768	1,213,381
JP Intermediate B LLC	Consumer goods: Non-durable	Term Loan	Loan	3M USD LIBOR+	5.50%	1.00%	6.50%	11/20/2025	4,491,342	4,451,315	3,963,609
KAR Auction Services Inc.	Automotive	Term Loan B (09/19)	Loan	1M USD LIBOR+	2.25%	0.00%	2.40%	9/21/2026	247,500	246,987	241,313
Kindred Healthcare Inc.	Healthcare & Pharmaceuticals	Term Loan (6/18)	Loan	1M USD LIBOR+	5.00%	0.00%	5.15%	7/2/2025	1,984,810	1,967,031	1,979,848
KREF Holdings X LLC	Banking Finance Insurance & Real Estate	Term Loan	Loan	3M USD LIBOR+	4.75%	1.00%	5.75%	9/1/2027	500,000	487,836	497,500
Lakeland Tours LLC	Hotel Gaming & Leisure	Term Loan B	Loan	3M USD LIBOR+	4.25%	1.00%	5.25%	12/16/2024	1,872,440	1,867,419	748,976
Lakeland Tours LLC	Hotel Gaming & Leisure	Roll Up DIP Term Loan	Loan	3M USD LIBOR+	1.50%	1.25%	2.75%	1/20/2021	572,536	572,217	458,028
Lakeland Tours LLC	Hotel Gaming & Leisure	Priority Exit PIK Term Loan (9/20)	Loan	1M USD LIBOR+	6.00%	1.25%	7.25%	9/25/2023	302,753	292,230	290,643
Lealand Finance Company B.V.	Energy: Oil & Gas	Exit Term Loan	Loan	1M USD LIBOR+	1.00%	0.00%	1.15%	6/30/2025	322,313	322,313	212,727
Learfield Communications LLC	Media: Advertising Printing & Publishing	Initial Term Loan (A-L Parent)	Loan	1M USD LIBOR+	3.25%	1.00%	4.25%	12/1/2023	481,250	480,118	408,610
Lifetime Brands Inc.	Consumer goods: Non-durable	Term Loan B	Loan	1M USD LIBOR+	3.50%	1.00%	4.50%	2/28/2025	2,905,639	2,874,127	2,825,734

Issuer Name	Industry	Asset Name	Asset Type	Reference Rate/Spread		LIBOR Floor	Current Rate (All In)	Maturity Date	Principal/ Number of Shares	Cost	Fair Value
Lightstone Holdco LLC	Energy: Electricity	Term Loan B	Loan	3M USD LIBOR+	3.75%	1.00%	4.75%	1/30/2024	1,322,520	1,321,010	1,191,921
Lightstone Holdco LLC	Energy: Electricity	Term Loan C	Loan	3M USD LIBOR+	3.75%	1.00%	4.75%	1/30/2024	74,592	74,511	67,226
Lindblad Expeditions Inc.	Hotel Gaming & Leisure	US 2018 Term Loan	Loan	1M USD LIBOR+	3.50%	0.75%	4.25%	3/27/2025	392,565	391,927	365,086
Lindblad Expeditions Inc.	Hotel Gaming & Leisure	Cayman Term Loan	Loan	1M USD LIBOR+	3.50%	0.75%	4.25%	3/27/2025	98,141	97,982	91,271
Liquidnet Holdings Inc.	Banking Finance Insurance & Real Estate	Term Loan B	Loan	6M USD LIBOR+	3.25%	1.00%	4.25%	7/15/2024	2,003,392	1,999,416	1,983,358
LogMeIn Inc.	High Tech Industries	Term Loan (8/20)	Loan	1M USD LIBOR+	4.75%	0.00%	4.90%	8/31/2027	3,000,000	2,932,743	2,962,500
LPL Holdings Inc.	Banking Finance Insurance & Real Estate	Term Loan B1	Loan	1M USD LIBOR+	1.75%	0.00%	1.90%	11/11/2026	1,235,873	1,233,250	1,212,318
MA FinanceCo. LLC	High Tech Industries	Term Loan B4	Loan	3M USD LIBOR+	4.25%	1.00%	5.25%	6/5/2025	2,490,625	2,481,708	2,486,466
Marriott Ownership Resorts Inc.	Hotel Gaming & Leisure	Term Loan (11/19)	Loan	1M USD LIBOR+	1.75%	0.00%	1.90%	8/29/2025	1,488,750	1,488,750	1,440,827
Match Group Inc.	Services: Consumer	Term Loan (1/20)	Loan	3M USD LIBOR+	1.75%	0.00%	1.98%	2/15/2027	250,000	249,453	245,833
McAfee LLC	Services: Business	Term Loan B	Loan	1M USD LIBOR+	3.75%	0.00%	3.90%	9/30/2024	2,145,575	2,137,577	2,139,417
McGraw-Hill Global Education Holdings LLC	Media: Advertising Printing & Publishing	Term Loan	Loan	3M USD LIBOR+	4.00%	1.00%	5.00%	5/4/2022	2,918,194	2,674,102	2,751,011
Meredith Corporation	Media: Advertising Printing & Publishing	Term Loan B2	Loan	1M USD LIBOR+	2.50%	0.00%	2.65%	1/31/2025	578,738	577,867	567,886
Messer Industries GMBH	Chemicals Plastics & Rubber	Term Loan B	Loan	3M USD LIBOR+	2.50%	0.00%	2.73%	3/2/2026	3,955,000	3,932,723	3,894,093
Michaels Stores Inc.	Retail	Term Loan B (9/20)	Loan	1M USD LIBOR+	3.50%	0.75%	4.25%	10/1/2027	2,577,875	2,571,175	2,534,051
Midwest Physician Administrative Services LLC	Healthcare & Pharmaceuticals	Term Loan (2/18)	Loan	1M USD LIBOR+	2.75%	0.75%	3.50%	8/15/2024	963,479	960,461	948,228
Milk Specialties Company	Beverage Food & Tobacco	Term Loan (2/17)	Loan	1M USD LIBOR+	4.00%	1.00%	5.00%	8/16/2023	3,841,318	3,800,635	3,785,311
Mitchell International Inc.	Banking Finance Insurance & Real Estate	Term Loan (7/20)	Loan	1M USD LIBOR+	4.25%	0.50%	4.75%	11/29/2024	1,000,000	943,651	983,440
MKS Instruments Inc.	High Tech Industries	Term Loan B6	Loan	1M USD LIBOR+	1.75%	0.00%	1.90%	2/2/2026	880,339	873,475	867,962
MLN US HoldCo LLC	Telecommunications	Term Loan	Loan	1M USD LIBOR+	4.50%	0.00%	4.65%	11/28/2025	982,500	980,984	855,080
MRC Global (US) Inc.	Metals & Mining	Term Loan B2	Loan	1M USD LIBOR+	3.00%	0.00%	3.15%	9/20/2024	486,221	485,447	459,479
Natgasoline LLC	Chemicals Plastics & Rubber	Term Loan	Loan	6M USD LIBOR+	3.50%	0.00%	3.76%	11/14/2025	1,491,250	1,459,645	1,435,328
National Mentor Holdings Inc.	Healthcare & Pharmaceuticals	Term Loan	Loan	1M USD LIBOR+	4.25%	0.00%	4.40%	3/9/2026	1,885,456	1,870,141	1,867,959
National Mentor Holdings Inc.	Healthcare & Pharmaceuticals	Term Loan C	Loan	1M USD LIBOR+	4.25%	0.00%	4.40%	3/9/2026	86,065	85,383	85,266
NeuStar Inc.	Telecommunications	Term Loan B4 (03/18)	Loan	1M USD LIBOR+	3.50%	1.00%	4.50%	8/8/2024	2,641,566	2,609,026	2,514,110
NeuStar Inc.	Telecommunications	Term Loan B-5	Loan	1M USD LIBOR+	4.50%	1.00%	5.50%	8/8/2024	885,162	872,332	848,207
Nexstar Broadcasting Inc.	Media: Broadcasting & Subscription	Term Loan	Loan	1M USD LIBOR+	2.75%	0.00%	2.90%	9/18/2026	1,113,795	1,100,547	1,099,316
NorthPole Newco S.a r.l	Aerospace & Defense	Term Loan	Loan	3M USD LIBOR+	7.00%	0.00%	7.23%	3/3/2025	4,625,000	4,250,051	4,159,633
Novetta Solutions LLC	Aerospace & Defense	Term Loan	Loan	3M USD LIBOR+	5.00%	1.00%	6.00%	10/17/2022	1,904,870	1,898,604	1,863,210
Novetta Solutions LLC	Aerospace & Defense	Second Lien Term Loan	Loan	3M USD LIBOR+	8.50%	1.00%	9.50%	10/16/2023	1,000,000	995,232	965,000
NPC International Inc. (b)	Beverage Food & Tobacco	Term Loan	Loan	3M USD LIBOR+	3.50%	1.00%	4.50%	4/19/2024	487,500	487,124	457,182
Octave Music Group Inc. The	Services: Business	Term Loan B	Loan	1M USD LIBOR+	5.25%	1.00%	6.25%	5/29/2025	3,931,034	3,895,765	3,420,000
Onex Carestream Finance LP	Healthcare & Pharmaceuticals	Term Loan	Loan	3M USD LIBOR+	6.75%	1.00%	7.75%	5/8/2023	2,358,581	2,353,833	2,287,824
Owens & Minor Distribution Inc.	Healthcare & Pharmaceuticals	Term Loan B	Loan	1M USD LIBOR+	4.50%	0.00%	4.65%	4/30/2025	488,750	481,954	481,951

Issuer Name	Industry	Asset Name	Asset Type	Reference Rate/Spread	LIBOR Floor	Current Rate (All In)	Maturity Date	Principal/ Number of Shares	Cost	Fair Value
PAE Incorporated	Aerospace & Defense	Term Loan B (10/20)	Loan	3M USD LIBOR+ 4.50%	0.75%	5.25%	10/14/2027	2,000,000	1,970,258	1,986,660
Pathway Vet Alliance LLC	Services: Business	Term Loan (3/20)	Loan	1M USD LIBOR+ 4.00%	0.00%	4.15%	3/31/2027	460,106	449,175	453,586
Pathway Vet Alliance LLC (a)	Services: Business	Delayed Draw Term Loan (3/20)	Loan	1M USD LIBOR+ 4.00%	0.00%	4.15%	3/31/2027	16,112	16,112	15,579
Patriot Container Corp.	Environmental Industries	Term Loan (3/18)	Loan	1M USD LIBOR+ 3.50%	1.00%	4.50%	3/20/2025	496,183	494,036	483,158
PCI Gaming Authority	Hotel Gaming & Leisure	Term Loan	Loan	1M USD LIBOR+ 2.50%	0.00%	2.65%	5/29/2026	878,269	874,562	859,404
Penn National Gaming Inc.	Hotel Gaming & Leisure	Term Loan B-1	Loan	1M USD LIBOR+ 2.25%	0.75%	3.00%	10/15/2025	1,788,056	1,724,458	1,756,765
Peraton Corp.	Aerospace & Defense	Term Loan	Loan	2M USD LIBOR+ 5.25%	1.00%	6.25%	4/29/2024	1,431,200	1,431,200	1,426,734
PG&E Corporation	Utilities: Electric	Term Loan	Loan	3M USD LIBOR+ 4.50%	1.00%	5.50%	6/23/2025	1,498,750	1,490,608	1,508,117
PGX Holdings Inc.	Services: Consumer	Term Loan	Loan	1M USD LIBOR+ 5.25%	1.00%	6.25%	9/29/2023	3,124,095	3,100,486	2,907,377
PI UK Holdco II Limited	Services: Business	Term Loan B1 (PI UK Holdco II)	Loan	3M USD LIBOR+ 3.50%	1.00%	4.50%	1/3/2025	1,462,500	1,456,844	1,441,542
Pitney Bowes Inc.	Services: Business	Term Loan B	Loan	1M USD LIBOR+ 5.50%	0.00%	5.65%	1/7/2025	2,925,000	2,645,690	2,884,781
Pixelle Specialty Solutions LLC	Forest Products & Paper	Term Loan	Loan	1M USD LIBOR+ 6.50%	1.00%	7.50%	10/31/2024	3,962,121	3,931,283	3,946,035
Plastipak Packaging Inc.	Containers Packaging & Glass	Term Loan B (04/18)	Loan	1M USD LIBOR+ 2.50%	0.00%	2.65%	10/15/2024	2,944,583	2,924,426	2,899,796
Playtika Holding Corp.	High Tech Industries	Trm Loan B (12/19)	Loan	6M USD LIBOR+ 6.00%	1.00%	7.00%	12/10/2024	2,875,316	2,826,817	2,886,415
Polymer Process Holdings Inc	Containers Packaging & Glass	Term Loan	Loan	1M USD LIBOR+ 6.00%	0.00%	6.15%	4/30/2026	2,962,500	2,913,635	2,918,063
Premier Dental Services Inc.	Retail	Term Loan (12/18)	Loan	3M USD LIBOR+ 5.25%	1.00%	6.25%	6/30/2023	425,117	425,604	392,523
Pre-Paid Legal Services Inc.	Services: Business	Incremental Term Loan	Loan	1M USD LIBOR+ 4.00%	0.75%	4.75%	5/1/2025	1,000,000	985,455	985,420
Presidio Holdings Inc.	Services: Business	Term Loan B (1/20)	Loan	3M USD LIBOR+ 3.50%	0.00%	3.73%	1/22/2027	498,750	497,691	492,206
Prime Security Services Borrower LLC	Services: Consumer	Term Loan (Protection One/ADT)	Loan	9M USD LIBOR+ 3.25%	1.00%	4.25%	9/23/2026	3,970,000	3,951,407	3,945,187
Priority Payment Systems Holdings LLC	High Tech Industries	Term Loan	Loan	1M USD LIBOR+ 6.50%	1.00%	7.50%	1/3/2023	1,696,126	1,690,596	1,645,243
Prometric Holdings Inc.	Services: Consumer	Term Loan	Loan	1M USD LIBOR+ 3.00%	1.00%	4.00%	1/29/2025	487,575	486,008	465,839
Pug LLC	Services: Consumer	Term Loan B (02/20)	Loan	1M USD LIBOR+ 3.50%	0.00%	3.65%	2/12/2027	491,263	489,016	458,716
Rackspace Hosting Inc.	High Tech Industries	Term Loan B	Loan	3M USD LIBOR+ 3.00%	1.00%	4.00%	11/3/2023	469,851	467,011	466,548
Radiology Partners Inc.	Healthcare & Pharmaceuticals	Term Loan	Loan	3M USD LIBOR+ 4.25%	0.00%	4.48%	7/9/2025	1,432,727	1,427,203	1,378,699
Redstone Buyer LLC	High Tech Industries	Term Loan	Loan	2M USD LIBOR+ 5.00%	1.00%	6.00%	9/1/2027	1,000,000	980,810	996,250
Research Now Group Inc.	Media: Advertising Printing & Publishing	Term Loan	Loan	6M USD LIBOR+ 5.50%	1.00%	6.50%	12/20/2024	3,897,349	3,801,391	3,765,112
Resolute Investment Managers Inc.	Banking Finance Insurance & Real Estate	Term Loan (10/20)	Loan	2M USD LIBOR+ 3.75%	1.00%	4.75%	2/22/2021	2,658,569	2,658,569	2,635,307
Rexnord LLC	Capital Equipment	Term Loan (11/19)	Loan	1M USD LIBOR+ 1.75%	0.00%	1.90%	8/21/2024	862,069	862,069	858,681
Reynolds Consumer Products T/L	Metals & Mining	Reynolds Group (Pactiv Evergreen) 9/20 TL	Loan	1M USD LIBOR+ 3.25%	0.00%	3.25%	2/5/2026	1,371,288	1,369,770	1,353,927
Reynolds Group Holdings Inc.	Metals & Mining	Term Loan B2	Loan	1M USD LIBOR+ 3.25%	0.00%	3.40%	2/5/2026	2,000,000	1,985,315	1,965,620
Robertshaw US Holding Corp.	Consumer goods: Durable	Term Loan B	Loan	1M USD LIBOR+ 3.50%	1.00%	4.50%	2/28/2025	975,000	973,291	911,625
Rocket Software Inc.	High Tech Industries	Term Loan (11/18)	Loan	1M USD LIBOR+ 4.25%	0.00%	4.40%	11/28/2025	2,942,532	2,932,347	2,890,419
RP Crown Parent LLC	High Tech Industries	Term Loan B (07/20)	Loan	1M USD LIBOR+ 3.00%	1.00%	4.00%	2/2/2026	1,995,000	1,985,571	1,975,050

Issuer Name	Industry	Asset Name	Asset Type	Reference Rate/Spread		LIBOR Floor	Current Rate (All In)	Maturity Date	Principal/ Number of Shares	Cost	Fair Value
Russell Investments US Institutional Holdco Inc.	Banking Finance Insurance & Real Estate	Term Loan (10/20)	Loan	3M USD LIBOR+	3.00%	1.00%	4.00%	5/30/2025	5,637,965	5,588,293	5,581,586
Ryan Specialty Group LLC	Banking Finance Insurance & Real Estate	Term Loan	Loan	1M USD LIBOR+	3.25%	0.75%	4.00%	9/1/2027	500,000	492,741	497,500
Sahara Parent Inc.	High Tech Industries	Term Loan B (11/18)	Loan	3M USD LIBOR+	6.25%	0.00%	6.48%	8/16/2024	1,940,400	1,926,742	1,901,592
Sally Holdings LLC	Retail	Term Loan B	Loan	1M USD LIBOR+	2.25%	0.00%	2.40%	7/5/2024	768,409	766,056	754,962
Sally Holdings LLC	Retail	Term Loan (Fixed)	Loan	Fixed	0.00%	0.00%	0.00%	7/5/2024	810,003	807,788	804,941
Samsonite International S.A.	Consumer goods: Non-durable	Term Loan B2	Loan	1M USD LIBOR+	4.50%	1.00%	5.50%	4/25/2025	997,500	970,130	973,809
Savage Enterprises LLC	Energy: Oil & Gas	Term Loan B (02/20)	Loan	1M USD LIBOR+	3.00%	0.00%	3.15%	8/1/2025	1,831,540	1,815,334	1,813,994
SCS Holdings I Inc.	High Tech Industries	Term Loan 1/20	Loan	1M USD LIBOR+	3.50%	0.00%	3.65%	7/1/2026	1,975,075	1,971,183	1,946,693
Seadrill Operating LP (b)	Energy: Oil & Gas	Term Loan B	Loan	3M USD LIBOR+	0.00%	0.00%	0.00%	2/21/2021	897,442	894,400	82,762
Seadrill Operating LP (b)	Energy: Oil & Gas	PIK Revolver	Loan	3M USD LIBOR+	0.00%	1.00%	1.00%	2/22/2021	25,162	25,076	25,162
Shutterfly Inc.	Media: Advertising Printing & Publishing	Term Loan B	Loan	3M USD LIBOR+	6.00%	1.00%	7.00%	9/25/2026	870,968	833,098	844,839
SMB Shipping Logistics LLC	Transportation: Consumer	Term Loan B	Loan	3M USD LIBOR+	4.00%	1.00%	5.00%	2/2/2024	1,931,951	1,930,449	1,893,312
SMG US Midco 2 Inc.	Services: Business	Term Loan (01/20)	Loan	3M USD LIBOR+	2.50%	0.00%	2.73%	1/23/2025	496,250	496,250	452,416
Sotheby's	Services: Business	Term Loan	Loan	1M USD LIBOR+	5.50%	1.00%	6.50%	1/15/2027	3,298,210	3,237,743	3,283,105
SP PF Buyer LLC	Consumer goods: Durable	Term Loan B	Loan	1M USD LIBOR+	4.50%	0.00%	4.65%	12/19/2025	1,970,000	1,905,459	1,849,692
SRAM LLC	Consumer goods: Durable	Term Loan	Loan	6M USD LIBOR+	2.75%	1.00%	3.75%	3/15/2024	2,502,486	2,499,621	2,480,590
SS&C European Holdings S.A.R.L.	Services: Business	Term Loan B4	Loan	1M USD LIBOR+	1.75%	0.00%	1.90%	4/16/2025	187,832	187,527	184,616
SS&C Technologies Inc.	Services: Business	Term Loan B3	Loan	1M USD LIBOR+	1.75%	0.00%	1.90%	4/16/2025	248,006	247,597	243,760
SS&C Technologies Inc.	Services: Business	Term Loan B-5	Loan	1M USD LIBOR+	1.75%	0.00%	1.90%	4/16/2025	489,872	489,001	482,798
Staples Inc.	Wholesale	Term Loan (03/19)	Loan	3M USD LIBOR+	5.00%	0.00%	5.23%	4/16/2026	2,942,843	2,802,699	2,833,222
Stats Intermediate Holdings LLC	Hotel Gaming & Leisure	Term Loan	Loan	3M USD LIBOR+	5.25%	0.00%	5.48%	7/10/2026	1,985,000	1,943,374	1,945,300
Steak N Shake Operations Inc.	Beverage Food & Tobacco	Term Loan	Loan	1M USD LIBOR+	3.75%	1.00%	4.75%	3/19/2021	816,284	815,695	677,516
Sybil Software LLC	High Tech Industries	Term Loan B (4/18)	Loan	3M USD LIBOR+	2.25%	1.00%	3.25%	9/29/2023	682,747	673,919	678,480
Teneo Holdings LLC	Banking Finance Insurance & Real Estate	Term Loan	Loan	1M USD LIBOR+	5.25%	1.00%	6.25%	7/11/2025	2,475,000	2,394,437	2,410,031
Tenneco Inc.	Capital Equipment	Term Loan B	Loan	1M USD LIBOR+	3.00%	0.00%	3.15%	10/1/2025	1,473,750	1,463,107	1,412,220
Ten-X LLC	Banking Finance Insurance & Real Estate	Term Loan	Loan	1M USD LIBOR+	4.00%	1.00%	5.00%	9/30/2024	1,945,000	1,943,263	1,831,547
Terex Corporation	Capital Equipment	Term Loan	Loan	2M USD LIBOR+	2.75%	0.75%	3.50%	1/31/2024	985,000	982,211	965,300
TGG TS Acquisition Company	Media: Diversified & Production	Term Loan (12/18)	Loan	1M USD LIBOR+	6.50%	0.00%	6.65%	12/15/2025	2,608,602	2,501,015	2,559,691
The Edelman Financial Center LLC	Banking Finance Insurance & Real Estate	Term Loan B (06/18)	Loan	1M USD LIBOR+	3.00%	0.00%	3.15%	7/21/2025	1,228,125	1,223,839	1,202,801
Thor Industries Inc.	Automotive	Term Loan (USD)	Loan	1M USD LIBOR+	3.75%	0.00%	3.90%	2/2/2026	2,935,080	2,870,990	2,913,067
Tivity Health Inc.	Healthcare & Pharmaceuticals	Term Loan A	Loan	1M USD LIBOR+	4.25%	0.00%	4.40%	3/8/2024	1,450,000	1,439,655	1,423,900
Tivity Health Inc.	Healthcare & Pharmaceuticals	Term Loan B	Loan	1M USD LIBOR+	5.25%	0.00%	5.40%	3/6/2026	2,293,751	2,247,426	2,256,477

Issuer Name	Industry	Asset Name	Asset Type	Reference Rate/Spread		LIBOR Floor	Current Rate (All In)	Maturity Date	Principal/ Number of Shares	Cost	Fair Value
Tosca Services LLC	Containers Packaging & Glass	Term Loan B	Loan	1M USD LIBOR+	4.25%	1.00%	5.25%	8/18/2027	500,000	492,774	500,210
Transdigm Inc.	Aerospace & Defense	Term Loan G (02/20)	Loan	1M USD LIBOR+	2.25%	0.00%	2.40%	8/22/2024	4,075,496	4,079,399	3,949,970
Travel Leaders Group LLC	Hotel Gaming & Leisure	Term Loan B (08/18)	Loan	1M USD LIBOR+	4.00%	0.00%	4.15%	1/25/2024	2,443,750	2,441,105	2,199,375
TRC Companies Inc.	Services: Business	Term Loan	Loan	1M USD LIBOR+	3.50%	1.00%	4.50%	6/21/2024	3,315,141	3,306,650	3,219,830
TRC Companies Inc.	Services: Business	Term Loan B	Loan	1M USD LIBOR+	5.00%	1.00%	6.00%	6/21/2024	979,433	967,317	968,414
Truck Hero Inc.	Transportation: Cargo	First Lien Term Loan	Loan	1M USD LIBOR+	3.75%	0.00%	3.75%	4/22/2024	2,904,925	2,891,318	2,833,754
Trugreen Limited Partnership	Services: Consumer	Term Loan	Loan	1M USD LIBOR+	4.00%	0.75%	4.75%	10/29/2027	973,980	966,099	969,110
Twin River Worldwide Holdings Inc.	Hotel Gaming & Leisure	Term Loan B	Loan	1M USD LIBOR+	2.75%	0.00%	2.75%	5/11/2026	987,500	983,430	945,531
Uber Technologies Inc	Transportation: Consumer	Term Loan B (06/18)	Loan	1M USD LIBOR+	3.50%	0.00%	3.50%	7/13/2023	1,994,805	1,941,902	1,983,275
United Natural Foods Inc.	Beverage Food & Tobacco	Term Loan B	Loan	1M USD LIBOR+	4.25%	0.00%	4.25%	10/22/2025	1,973,611	1,875,220	1,958,533
Univar Solutions USA Inc.	Chemicals Plastics & Rubber	Term Loan B3 (11/17)	Loan	1M USD LIBOR+	2.25%	0.00%	2.25%	7/1/2024	1,627,723	1,622,895	1,606,807
Univision Communications Inc.	Media: Broadcasting & Subscription	2020 Replacement Term Loan	Loan	1M USD LIBOR+	3.75%	1.00%	4.75%	3/13/2026	2,523,362	2,514,424	2,495,680
URS Holdco Inc.	Transportation: Cargo	Term Loan (10/17)	Loan	6M USD LIBOR+	5.75%	1.00%	6.75%	8/30/2024	960,422	951,841	859,577
US Ecology Holdings Inc.	Environmental Industries	Term Loan B	Loan	1M USD LIBOR+	2.50%	0.00%	2.50%	11/2/2026	496,250	495,268	491,908
Veregy Consolidated Inc.	High Tech Industries	Term Loan B	Loan	3M USD LIBOR+	6.00%	1.00%	7.00%	11/2/2027	2,000,000	1,940,196	1,945,000
VeriFone Systems Inc.	Banking Finance Insurance & Real Estate	Term Loan (7/18)	Loan	3M USD LIBOR+	4.00%	0.00%	4.00%	8/20/2025	1,400,178	1,393,093	1,325,717
VFH Parent LLC	Banking Finance Insurance & Real Estate	Term Loan B	Loan	1M USD LIBOR+	3.00%	0.00%	3.00%	3/2/2026	3,209,493	3,199,075	3,188,856
Victory Capital Holdings Inc.	Banking Finance Insurance & Real Estate	Term Loan B (01/20)	Loan	3M USD LIBOR+	2.50%	0.00%	2.50%	7/1/2026	1,760,810	1,726,404	1,738,799
Virtus Investment Partners Inc.	Banking Finance Insurance & Real Estate	Term Loan B	Loan	6M USD LIBOR+	2.25%	0.75%	3.00%	6/3/2024	2,416,856	2,416,533	2,408,809
Vistra Operations Company LLC	Utilities: Electric	2018 Incremental Term Loan	Loan	1M USD LIBOR+	1.75%	0.00%	1.75%	12/31/2025	919,879	919,129	909,971
Vizient Inc.	Healthcare & Pharmaceuticals	Term Loan B-6	Loan	1M USD LIBOR+	2.00%	0.00%	2.00%	5/6/2026	492,500	491,579	480,311
VM Consolidated Inc.	Construction & Building	Term Loan B1 (02/20)	Loan	1M USD LIBOR+	3.25%	0.00%	3.25%	2/28/2025	476,694	475,079	468,352
WeddingWire Inc.	Services: Consumer	Term Loan	Loan	3M USD LIBOR+	4.50%	0.00%	4.50%	12/19/2025	3,930,000	3,923,643	3,831,750
Western Digital Corporation	High Tech Industries	Term Loan B-4	Loan	1M USD LIBOR+	1.75%	0.00%	1.75%	4/29/2023	743,135	731,826	739,650
Wirepath LLC	Consumer goods: Non-durable	Term Loan	Loan	6M USD LIBOR+	4.00%	0.00%	4.00%	8/5/2024	2,932,674	2,912,941	2,830,031
WP CityMD Bidco LLC	Services: Consumer	Term Loan B	Loan	6M USD LIBOR+	4.50%	1.00%	5.50%	8/13/2026	3,473,750	3,444,780	3,459,751
Xperi Holding Corporation	High Tech Industries	Term Loan	Loan	1M USD LIBOR+	4.00%	0.00%	4.00%	6/2/2025	3,387,775	3,202,685	3,383,540
YS Garments LLC	Retail	Term Loan	Loan	3M USD LIBOR+	6.00%	0.00%	6.00%	8/9/2024	1,878,750	1,865,342	1,719,056
Zekelman Industries Inc	Metals & Mining	Term Loan (01/20)	Loan	1M USD LIBOR+	2.00%	0.00%	2.00%	1/25/2027	995,000	995,000	975,518
Zep Inc.	Chemicals Plastics & Rubber	Term Loan	Loan	6M USD LIBOR+	4.00%	1.00%	5.00%	8/12/2024	2,425,000	2,417,537	2,275,717
Zest Acquisition Corp.	Healthcare & Pharmaceuticals	Term Loan	Loan	1M USD LIBOR+	3.50%	0.00%	3.50%	3/14/2025	957,262	954,067	900,430
										$ 531,912,618	**$ 516,713,899**

	Number of Shares	Cost	Fair Value
Cash and cash equivalents			
U.S. Bank Money Market (c)	20,123,980	$20,123,980	$20,123,980
Total cash and cash equivalents	**20,123,980**	**$20,123,980**	**$20,123,980**

(a) All or a portion of this investment has an unfunded commitment as of November 30, 2020
(b) As of November 30, 2020, the investment was in default and on non-accrual status.
(c) Included within cash and cash equivalents in Saratoga CLO's Statements of Assets and Liabilities as of November 30, 2020.

LIBOR—London Interbank Offered Rate

1W USD LIBOR—The 1 week USD LIBOR rate as of November 30, 2020 was 0.01%.
1M USD LIBOR—The 1 month USD LIBOR rate as of November 30, 2020 was 0.15%.
2M USD LIBOR—The 2 month USD LIBOR rate as of November 30, 2020 was 0.18%.
3M USD LIBOR—The 3 month USD LIBOR rate as of November 30, 2020 was 0.23%.
6M USD LIBOR—The 6 month USD LIBOR rate as of November 30, 2020 was 0.26%.
Prime—The Prime Rate as of November 30, 2020 was 3.25%.

Saratoga Investment Corp. CLO 2013-1, Ltd.
Schedule of Investments
February 29, 2020

Issuer Name	Industry	Asset Name	Asset Type	Reference Rate/Spread		LIBOR Floor	Current Rate (All In)	Maturity Date	Principal/ Number of Shares	Cost	Fair Value
Education Management II LLC	Services: Consumer	Education Management II A-2 Preferred Shares	Equity	-	0.00%	0.00%	0.00%	-	18,975	$ 1,897,538	$ 190
Education Management II LLC	Services: Consumer	Education Management II A-1 Preferred Shares	Equity	-	0.00%	0.00%	0.00%	-	6,692	669,214	67
1011778 B.C. Unlimited Liability Company	Beverage Food & Tobacco	Term Loan B4	Loan	1M USD LIBOR+	1.75%	0.00%	3.27%	11/19/2026	$ 500,000.00	498,790	491,665
24 Hour Fitness Worldwide Inc.	Services: Consumer	Term Loan (5/18)	Loan	1M USD LIBOR+	3.50%	0.00%	5.02%	5/30/2025	2,959,950	2,949,872	1,943,710
ABB Con-Cise Optical Group LLC	Consumer goods: Non-durable	Term Loan B	Loan	1M USD LIBOR+	5.00%	1.00%	6.52%	6/15/2023	2,081,927	2,062,239	1,969,149
ADMI Corp.	Services: Consumer	Term Loan B	Loan	1M USD LIBOR+	2.75%	0.00%	4.27%	4/30/2025	1,970,000	1,962,286	1,924,848
Advantage Sales & Marketing Inc.	Services: Business	First Lien Term Loan	Loan	1M USD LIBOR+	3.25%	1.00%	4.77%	7/23/2021	2,371,131	2,370,010	2,286,173
Advantage Sales & Marketing Inc.	Services: Business	Term Loan B Incremental	Loan	1M USD LIBOR+	3.25%	1.00%	4.77%	7/23/2021	489,950	485,523	470,352
Advisor Group Holdings Inc	Banking Finance Insurance & Real Estate	Term Loan (7/19)	Loan	1M USD LIBOR+	5.00%	0.00%	6.52%	7/31/2026	500,000	498,753	486,875
Aegis Toxicology Sciences Corporation	Healthcare & Pharmaceuticals	Term Loan	Loan	3M USD LIBOR+	5.50%	1.00%	6.96%	5/9/2025	3,950,000	3,919,494	3,695,225
Agiliti Health Inc.	Healthcare & Pharmaceuticals	Term Loan (1/19)	Loan	1M USD LIBOR+	3.00%	0.00%	4.52%	1/5/2026	496,250	496,250	486,325
Agrofresh Inc.	Beverage Food & Tobacco	Term Loan	Loan	1M USD LIBOR+	4.75%	1.00%	6.27%	7/30/2021	2,889,487	2,886,790	2,677,601
AI Convoy Bidco Limited	Aerospace & Defense	AI Convoy Bidco T/L B (USD)	Loan	3M USD LIBOR+	3.50%	1.00%	4.96%	1/29/2027	1,500,000	1,492,500	1,483,125
AI Mistral (Luxembourg) Subco Sarl	High Tech Industries	Term Loan	Loan	1M USD LIBOR+	3.00%	1.00%	4.52%	3/11/2024	486,250	486,250	384,138
AIS Holdco LLC	Services: Business	Term Loan	Loan	3M USD LIBOR+	5.00%	0.00%	6.46%	8/15/2025	2,421,875	2,411,617	2,228,125
Alchemy US Holdco 1 LLC	Metals & Mining	Term Loan	Loan	1M USD LIBOR+	5.50%	0.00%	7.02%	10/10/2025	1,950,000	1,925,236	1,945,125
Alion Science and Technology Corporation	Aerospace & Defense	Term Loan B (1st Lien)	Loan	1M USD LIBOR+	4.50%	1.00%	6.02%	8/19/2021	3,377,293	3,373,263	3,373,071
Allen Media LLC	Media: Advertising Printing & Publishing	Allen Media T/L B (1/20)	Loan	3M USD LIBOR+	5.50%	0.00%	6.96%	2/10/2027	3,000,000	2,985,000	2,936,250
Altisource S.a r.l.	Banking Finance Insurance & Real Estate	Term Loan B (03/18)	Loan	3M USD LIBOR+	4.00%	1.00%	5.46%	4/3/2024	1,454,005	1,446,493	1,353,141
Altra Industrial Motion Corp.	Capital Equipment	Term Loan	Loan	1M USD LIBOR+	2.00%	0.00%	3.52%	10/1/2025	1,767,163	1,763,366	1,748,943
American Dental Partners Inc.	Healthcare & Pharmaceuticals	Term Loan B	Loan	3M USD LIBOR+	4.25%	1.00%	5.71%	3/24/2023	990,000	982,019	982,575
American Greetings Corporation	Media: Advertising Printing & Publishing	Term Loan	Loan	1M USD LIBOR+	4.50%	1.00%	6.02%	4/5/2024	4,889,524	4,886,331	4,788,702
American Residential Services LLC	Services: Consumer	Term Loan B	Loan	1M USD LIBOR+	4.00%	1.00%	5.52%	6/30/2022	3,925,767	3,916,564	3,896,324
AmeriLife Group LLC	Banking Finance Insurance & Real Estate	AmeriLife T/L	Loan	3M USD LIBOR+	4.00%	0.00%	5.46%	2/5/2027	838,710	836,613	832,419
AmeriLife Group LLC(a)	Banking Finance Insurance & Real Estate	Unfunded Commitment	Loan	3M USD LIBOR+	4.00%	0.00%	4.00%	2/5/2027	-	-	-
Amex GBT (2/20) T/L	Banking Finance Insurance & Real Estate	Term Loan	Loan	3M USD LIBOR+	4.00%	0.00%	5.46%	2/26/2027	2,993,363	2,933,496	2,926,012
Amex GBT 2/20 D/T/L(a)	Banking Finance Insurance & Real Estate	Unfunded Commitment	Loan	3M USD LIBOR+	4.00%	0.00%	5.46%	2/26/2027	-	-	-
Amynta Agency Borrower Inc.	Banking Finance Insurance & Real Estate	Term Loan	Loan	1M USD LIBOR+	4.50%	0.00%	6.02%	2/28/2025	3,462,357	3,425,731	3,224,320

Issuer Name	Industry	Asset Name	Asset Type	Reference Rate/Spread		LIBOR Floor	Current Rate (All In)	Maturity Date	Principal/ Number of Shares	Cost	Fair Value
Anastasia Parent LLC	Consumer goods: Non-durable	Term Loan	Loan	1M USD LIBOR+	3.75%	0.00%	5.27%	8/11/2025	987,500	983,508	759,141
Anchor Glass Container Corporation	Containers Packaging & Glass	Term Loan (07/17)	Loan	3M USD LIBOR+	2.75%	1.00%	4.21%	12/7/2023	485,063	483,537	354,789
Api Group DE Inc	Services: Business	Term Loan B	Loan	1M USD LIBOR+	2.50%	0.00%	4.02%	10/1/2026	1,000,000	995,123	990,000
APLP Holdings Limited Partnership	Utilities	APLP Holdings T/L B (Atlantic Power)	Loan	1M USD LIBOR+	2.75%	1.00%	4.27%	4/13/2023	2,000,000	2,000,000	1,977,500
Aramark Services Inc.	Services: Consumer	Term Loan	Loan	1M USD LIBOR+	1.75%	0.00%	3.27%	1/15/2027	1,500,000	1,498,209	1,484,070
Arctic Glacier U.S.A. Inc.	Beverage Food & Tobacco	Term Loan (3/18)	Loan	1M USD LIBOR+	3.50%	1.00%	5.02%	3/20/2024	3,350,967	3,332,339	3,225,306
Aretec Group Inc.	Banking Finance Insurance & Real Estate	Term Loan (10/18)	Loan	1M USD LIBOR+	4.25%	0.00%	5.77%	10/1/2025	1,980,000	1,975,743	1,937,093
ASG Technologies Group Inc.	High Tech Industries	Term Loan	Loan	1M USD LIBOR+	3.50%	1.00%	5.02%	7/31/2024	488,775	487,107	476,556
AssetMark Financial Holdings Inc.	Banking Finance Insurance & Real Estate	Term Loan	Loan	3M USD LIBOR+	3.00%	0.00%	4.46%	11/14/2025	1,237,500	1,235,582	1,228,219
Astoria Energy LLC	Energy: Electricity	Term Loan	Loan	1M USD LIBOR+	4.00%	1.00%	5.52%	12/24/2021	1,391,552	1,385,662	1,384,595
Asurion LLC	Banking Finance Insurance & Real Estate	Term Loan B-4 (Replacement)	Loan	1M USD LIBOR+	3.00%	0.00%	4.52%	8/4/2022	1,876,925	1,872,057	1,853,069
Asurion LLC	Banking Finance Insurance & Real Estate	Term Loan B6	Loan	1M USD LIBOR+	3.00%	0.00%	4.52%	11/3/2023	492,773	489,808	485,381
Athenahealth Inc.	Healthcare & Pharmaceuticals	Term Loan B	Loan	1M USD LIBOR+	4.50%	0.00%	6.02%	2/11/2026	1,985,000	1,950,006	1,970,113
Avaya Inc.	Telecommunications	Term Loan B	Loan	1M USD LIBOR+	4.25%	0.00%	5.77%	12/16/2024	3,169,156	3,138,355	3,010,698
Avison Young (Canada) Inc.	Services: Business	Term Loan	Loan	3M USD LIBOR+	5.00%	0.00%	6.46%	1/30/2026	3,476,222	3,418,777	3,406,697
B&G Foods Inc.	Beverage Food & Tobacco	Term Loan	Loan	1M USD LIBOR+	2.50%	0.00%	4.02%	10/10/2026	249,375	248,169	246,881
Ball Metalpack Finco LLC	Containers Packaging & Glass	Term Loan	Loan	3M USD LIBOR+	4.50%	0.00%	5.96%	7/31/2025	3,944,937	3,928,266	3,432,096
Bausch Health Companies Inc.	Healthcare & Pharmaceuticals	Term Loan B (05/18)	Loan	1M USD LIBOR+	3.00%	0.00%	4.52%	6/2/2025	25,355	25,274	25,161
Berry Global Inc.	Chemicals Plastics & Rubber	Term Loan Y	Loan	1M USD LIBOR+	2.00%	0.00%	3.52%	7/1/2026	4,987,500	4,981,754	4,897,974
Blount International Inc.	Forest Products & Paper	Term Loan B (09/18)	Loan	1M USD LIBOR+	3.75%	1.00%	5.27%	4/12/2023	3,453,781	3,450,952	3,432,195
Blucora Inc.	Services: Consumer	Term Loan (11/17)	Loan	2M USD LIBOR+	3.00%	1.00%	4.50%	5/22/2024	955,900	953,639	946,341
Bombardier Recreational Products Inc.	Consumer goods: Durable	Term Loan (1/20)	Loan	1M USD LIBOR+	2.00%	0.00%	3.52%	5/24/2027	995,000	985,847	978,214
Boxer Parent Company Inc.	Services: Business	Term Loan	Loan	1M USD LIBOR+	4.25%	0.00%	5.77%	10/2/2025	2,475,000	2,454,363	2,374,070
Bracket Intermediate Holding Corp.	Healthcare & Pharmaceuticals	Term Loan	Loan	3M USD LIBOR+	4.25%	0.00%	5.71%	9/5/2025	987,500	983,437	987,500
Broadstreet Partners Inc.	Banking Finance Insurance & Real Estate	Term Loan B3	Loan	1M USD LIBOR+	3.25%	0.00%	4.77%	1/27/2027	2,024,614	2,022,736	2,002,687
Brookfield WEC Holdings Inc.	Energy: Electricity	Term Loan 1/20	Loan	1M USD LIBOR+	3.00%	0.75%	4.52%	8/1/2025	497,487	496,370	488,627
Buckeye Partners L.P.	Utilities: Oil & Gas	Term Loan	Loan	1M USD LIBOR+	2.75%	0.00%	4.27%	11/2/2026	1,000,000	995,334	989,170
BW Gas & Convenience Holdings LLC	Beverage Food & Tobacco	Term Loan	Loan	1M USD LIBOR+	6.25%	0.00%	7.77%	11/18/2024	3,000,000	2,884,283	2,992,500
Calceus Acquisition Inc.	Consumer goods: Non-durable	Term Loan B	Loan	1M USD LIBOR+	5.50%	0.00%	7.02%	2/12/2025	975,000	964,353	964,031
Callaway Golf Company	Retail	Term Loan B	Loan	1M USD LIBOR+	4.50%	0.00%	6.02%	1/2/2026	697,500	684,758	696,196
CareerBuilder LLC	Services: Business	Term Loan	Loan	1M USD LIBOR+	6.75%	1.00%	8.27%	7/31/2023	2,266,211	2,232,341	2,223,720
CareStream Health Inc.	High Tech Industries	Term Loan	Loan	1M USD LIBOR+	6.25%	1.00%	7.77%	2/28/2021	2,362,278	2,356,691	2,263,062
Casa Systems Inc.	Telecommunications	Term Loan	Loan	1M USD LIBOR+	4.00%	1.00%	5.52%	12/20/2023	1,455,000	1,446,052	1,236,750
Castle US Holding Corporation	High Tech Industries	Term Loan B (USD)	Loan	1M USD LIBOR+	3.75%	0.00%	5.27%	1/27/2027	500,000	497,509	475,000
CCS-CMGC Holdings Inc.	Healthcare & Pharmaceuticals	Term Loan	Loan	3M USD LIBOR+	5.50%	0.00%	6.96%	10/1/2025	2,475,000	2,453,876	2,338,875
Cengage Learning Inc.	Media: Advertising Printing & Publishing	Term Loan	Loan	1M USD LIBOR+	4.25%	1.00%	5.77%	6/7/2023	1,447,458	1,435,195	1,329,447

Issuer Name	Industry	Asset Name	Asset Type	Reference Rate/Spread		LIBOR Floor	Current Rate (All In)	Maturity Date	Principal/ Number of Shares	Cost	Fair Value
CenturyLink Inc.	Telecommunications	Term Loan B (1/20)	Loan	1M USD LIBOR+	2.25%	0.00%	3.77%	3/15/2027	3,000,000	2,996,438	2,922,180
Citadel Securities LP	Banking Finance Insurance & Real Estate	Term Loan (2/20)	Loan	1M USD LIBOR+	2.75%	0.00%	4.27%	2/27/2026	992,500	991,371	983,816
Clarios Global LP	Automotive	Term Loan B	Loan	1M USD LIBOR+	3.50%	0.00%	5.02%	4/30/2026	1,496,250	1,482,216	1,451,991
Compass Power Generation L.L.C.	Utilities: Electric	Term Loan B (08/18)	Loan	1M USD LIBOR+	3.50%	1.00%	5.02%	12/20/2024	1,891,221	1,886,758	1,855,761
Compuware Corporation	High Tech Industries	Term Loan (08/18)	Loan	1M USD LIBOR+	4.00%	0.00%	5.52%	8/22/2025	495,000	493,979	493,763
Concordia International Corp.	Healthcare & Pharmaceuticals	Term Loan	Loan	3M USD LIBOR+	5.50%	1.00%	6.96%	9/6/2024	1,183,650	1,131,380	1,088,224
Connect U.S. Finco LLC	Telecommunications	Delayed Draw Term Loan B	Loan	1M USD LIBOR+	4.50%	1.00%	6.02%	12/11/2026	2,000,000	1,984,055	1,980,000
Consolidated Communications Inc.	Telecommunications	Term Loan B	Loan	1M USD LIBOR+	3.00%	1.00%	4.52%	10/5/2023	1,475,404	1,464,720	1,395,481
Coral-US Co-Borrower LLC	Telecommunications	Term Loan B-5	Loan	1M USD LIBOR+	2.25%	0.00%	3.77%	1/31/2028	2,000,000	2,000,000	1,976,660
Covia Holdings Corporation	Metals & Mining	Term Loan	Loan	3M USD LIBOR+	4.00%	1.00%	5.46%	6/2/2025	985,000	985,000	711,663
CPI Acquisition Inc	Banking Finance Insurance & Real Estate	Term Loan B (1st Lien)	Loan	6M USD LIBOR+	4.50%	1.00%	5.90%	8/17/2022	1,436,782	1,427,762	1,089,957
Crown Subsea Communications Holding Inc	Construction & Building	Term Loan	Loan	1M USD LIBOR+	6.00%	0.00%	7.52%	11/3/2025	1,655,837	1,640,398	1,649,627
CSC Holdings LLC	Media: Broadcasting & Subscription	Term Loan B (03/17)	Loan	1M USD LIBOR+	2.25%	0.00%	3.77%	7/17/2025	1,974,620	1,952,260	1,941,308
CSC Holdings LLC	Media: Broadcasting & Subscription	Term Loan B-5	Loan	1M USD LIBOR+	2.50%	0.00%	4.02%	4/15/2027	500,000	500,000	492,500
CSC Holdings LLC	Media: Broadcasting & Subscription	Term Loan B	Loan	1M USD LIBOR+	2.25%	0.00%	3.77%	1/15/2026	495,000	493,968	486,031
Cushman & Wakefield U.S. Borrower LLC	Construction & Building	Term Loan	Loan	1M USD LIBOR+	2.75%	0.00%	4.27%	8/21/2025	3,945,050	3,928,487	3,874,789
Daseke Companies Inc.	Transportation: Cargo	Replacement Term Loan	Loan	1M USD LIBOR+	5.00%	1.00%	6.52%	2/27/2024	1,955,694	1,946,628	1,867,688
DaVita Inc.	High Tech Industries	Term Loan B-1	Loan	1M USD LIBOR+	1.75%	0.00%	3.27%	8/12/2026	997,500	995,133	985,859
Dealer Tire LLC	Automotive	Dealer Tire T/L B-1	Loan	1M USD LIBOR+	4.25%	0.00%	5.77%	12/12/2025	3,000,000	2,992,500	2,977,500
Delek US Holdings Inc.	Utilities: Oil & Gas	Term Loan B	Loan	1M USD LIBOR+	2.25%	0.00%	3.77%	3/31/2025	6,446,003	6,379,073	6,317,083
Dell International L.L.C.	High Tech Industries	Term Loan B-1	Loan	1M USD LIBOR+	2.00%	0.75%	3.52%	9/19/2025	3,814,430	3,809,967	3,766,292
Delta 2 (Lux) SARL	Hotel Gaming & Leisure	Term Loan B	Loan	1M USD LIBOR+	2.50%	1.00%	4.02%	2/1/2024	1,318,289	1,315,922	1,275,445
DHX Media Ltd.	Media: Broadcasting & Subscription	Term Loan	Loan	1M USD LIBOR+	4.25%	1.00%	5.77%	12/29/2023	279,282	278,012	267,413
Diamond Sports Group LLC	Media: Broadcasting & Subscription	Term Loan	Loan	1M USD LIBOR+	3.25%	0.00%	4.77%	8/24/2026	997,500	992,773	907,725
Digital Room Holdings Inc.	Media: Advertising Printing & Publishing	Term Loan	Loan	1M USD LIBOR+	5.00%	0.00%	6.52%	5/21/2026	2,985,000	2,944,957	2,790,975
Dole Food Company Inc.	Beverage Food & Tobacco	Term Loan B	Loan	1M USD LIBOR+	2.75%	1.00%	4.27%	4/8/2024	468,750	467,304	461,522
DRW Holdings LLC	Banking Finance Insurance & Real Estate	Term Loan B	Loan	1M USD LIBOR+	4.25%	0.00%	5.77%	11/27/2026	5,000,000	4,950,804	4,962,500
DynCorp International Inc.	Aerospace & Defense	Term Loan B	Loan	1M USD LIBOR+	6.00%	1.00%	7.52%	8/18/2025	2,962,500	2,879,096	2,925,469
Eagletree-Carbide Acquisition Corp.	Consumer goods: Durable	Term Loan	Loan	3M USD LIBOR+	4.25%	1.00%	5.71%	8/28/2024	4,927,385	4,901,606	4,804,200
EIG Investors Corp.	High Tech Industries	Term Loan (06/18)	Loan	3M USD LIBOR+	3.75%	1.00%	5.21%	2/9/2023	2,199,416	2,186,449	2,160,926
Encapsys LLC	Chemicals Plastics & Rubber	Term Loan B2	Loan	1M USD LIBOR+	3.25%	1.00%	4.77%	11/7/2024	497,428	492,831	491,832
Endo Luxembourg Finance Company I S.a.r.l.	Healthcare & Pharmaceuticals	Term Loan B (4/17)	Loan	1M USD LIBOR+	4.25%	0.75%	5.77%	4/29/2024	3,937,025	3,914,795	3,766,985
Energy Acquisition LP	Capital Equipment	Term Loan (6/18)	Loan	3M USD LIBOR+	4.25%	0.00%	5.71%	6/26/2025	1,970,000	1,957,901	1,811,179
Envision Healthcare Corporation	Healthcare & Pharmaceuticals	Term Loan B (06/18)	Loan	1M USD LIBOR+	3.75%	0.00%	5.27%	10/10/2025	4,950,000	4,939,709	3,966,188
EyeCare Partners LLC	Healthcare & Pharmaceuticals	EyeCare Partners T/L B	Loan	1M USD LIBOR+	3.75%	0.00%	5.27%	2/5/2027	1,621,622	1,619,618	1,583,789
EyeCare Partners LLC(a)	Healthcare & Pharmaceuticals	EyeCare Partners Delayed Draw Term Loan	Loan	1M USD LIBOR+	3.75%	0.00%	5.27%	2/5/2027	-	-	-

Issuer Name	Industry	Asset Name	Asset Type	Reference Rate/Spread		LIBOR Floor	Current Rate (All In)	Maturity Date	Principal/ Number of Shares	Cost	Fair Value
FinCo I LLC	Banking Finance Insurance & Real Estate	2018 Term Loan B	Loan	1M USD LIBOR+	2.00%	0.00%	3.52%	12/27/2022	360,538	359,905	356,752
First Eagle Holdings Inc.	Banking Finance Insurance & Real Estate	Refinancing Term Loan	Loan	3M USD LIBOR+	2.50%	0.00%	3.96%	2/1/2027	5,450,000	5,426,720	5,338,275
Fitness International LLC	Services: Consumer	Term Loan B (4/18)	Loan	1M USD LIBOR+	3.25%	0.00%	4.77%	4/18/2025	1,330,058	1,322,900	1,312,103
Franklin Square Holdings L.P.	Banking Finance Insurance & Real Estate	Term Loan	Loan	1M USD LIBOR+	2.25%	0.00%	3.77%	8/1/2025	4,443,748	4,414,007	4,421,530
Froneri International Ltd	Beverage Food & Tobacco	Term Loan B-2	Loan	1M USD LIBOR+	2.25%	0.00%	3.77%	1/29/2027	2,000,000	1,995,162	1,962,500
Fusion Connect Inc.	Telecommunications	Exit Term Loan (1/20)	Loan	3M USD LIBOR+	9.50%	2.00%	11.50%	1/14/2025	1,500,000	1,470,716	1,495,005
Fusion Connect Inc.	Telecommunications	Take Back 2nd Out Term Loan	Loan	6M USD LIBOR+	8.00%	2.00%	10.00%	7/14/2025	757,724	737,560	527,883
GBT Group Services B.V.	Hotel Gaming & Leisure	Term Loan	Loan	3M USD LIBOR+	2.50%	0.00%	3.96%	8/13/2025	4,443,750	4,442,729	4,410,422
GC EOS Buyer Inc.	Automotive	Term Loan B (06/18)	Loan	1M USD LIBOR+	4.50%	0.00%	6.02%	8/1/2025	2,962,500	2,940,820	2,888,438
General Nutrition Centers Inc.	Retail	Term Loan B2	Loan	3M USD LIBOR+	8.75%	0.75%	10.21%	3/4/2021	930,446	929,986	856,010
General Nutrition Centers Inc.	Retail	FILO Term Loan	Loan	1M USD LIBOR+	7.00%	0.00%	8.52%	1/3/2023	585,849	584,748	583,505
Genesee & Wyoming Inc.	Transportation: Cargo	Term Loan (11/19)	Loan	3M USD LIBOR+	2.00%	0.00%	3.46%	12/30/2026	1,500,000	1,492,771	1,489,380
GEO Group Inc. The	Banking Finance Insurance & Real Estate	Term Loan Refinance	Loan	1M USD LIBOR+	2.00%	0.75%	3.52%	3/25/2024	2,000,000	1,911,214	1,846,260
GI Chill Acquisition LLC	Services: Business	Term Loan	Loan	3M USD LIBOR+	4.00%	0.00%	5.46%	8/6/2025	2,468,750	2,458,492	2,450,234
GI Revelation Acquisition LLC	Services: Business	Term Loan	Loan	1M USD LIBOR+	5.00%	0.00%	6.52%	4/16/2025	1,231,867	1,226,730	1,155,652
Gigamon Inc.	Services: Business	Term Loan B	Loan	1M USD LIBOR+	4.25%	1.00%	5.77%	12/27/2024	2,960,000	2,937,550	2,952,600
Global Tel*Link Corporation	Telecommunications	Term Loan B	Loan	1M USD LIBOR+	4.25%	0.00%	5.77%	11/28/2025	3,039,750	3,039,750	2,886,668
Go Wireless Inc.	Telecommunications	Term Loan	Loan	1M USD LIBOR+	6.50%	1.00%	8.02%	12/22/2024	3,202,597	3,161,265	3,005,093
Goodyear Tire & Rubber Company The	Chemicals Plastics & Rubber	Second Lien Term Loan	Loan	1M USD LIBOR+	2.00%	0.00%	3.52%	3/7/2025	2,000,000	2,000,000	1,950,000
Greenhill & Co. Inc.	Banking Finance Insurance & Real Estate	Term Loan B	Loan	1M USD LIBOR+	3.25%	0.00%	4.77%	4/12/2024	3,661,538	3,624,459	3,644,769
Grosvenor Capital Management Holdings LLLP	Banking Finance Insurance & Real Estate	Term Loan B	Loan	1M USD LIBOR+	2.75%	1.00%	4.27%	3/28/2025	898,530	894,831	898,530
Guidehouse LLP	Aerospace & Defense	Term Loan	Loan	1M USD LIBOR+	4.50%	0.00%	6.02%	5/1/2025	3,964,937	3,941,954	3,895,550
Harland Clarke Holdings Corp.	Media: Advertising Printing & Publishing	Term Loan	Loan	3M USD LIBOR+	4.75%	1.00%	6.21%	11/3/2023	1,723,072	1,715,720	1,356,919
HD Supply Waterworks Ltd.	Construction & Building	Term Loan	Loan	3M USD LIBOR+	2.75%	1.00%	4.21%	8/1/2024	488,750	487,883	481,419
Helix Acquisition Holdings Inc.	Capital Equipment	Term Loan (2019 Incremental)	Loan	3M USD LIBOR+	3.75%	0.00%	5.21%	9/30/2024	2,977,500	2,925,219	2,754,188
Helix Gen Funding LLC	Energy: Electricity	Term Loan B (02/17)	Loan	1M USD LIBOR+	3.75%	1.00%	5.27%	6/3/2024	264,030	263,694	253,799
HLF Financing SaRL LLC	Consumer goods: Non-durable	Term Loan B (08/18)	Loan	1M USD LIBOR+	2.75%	0.00%	4.27%	8/18/2025	3,950,000	3,935,111	3,883,364
Holley Purchaser Inc.	Automotive	Term Loan B	Loan	3M USD LIBOR+	5.00%	0.00%	6.46%	10/24/2025	2,475,000	2,454,070	2,301,750
Hudson River Trading LLC	Banking Finance Insurance & Real Estate	Term Loan B (01/20)	Loan	1M USD LIBOR+	3.00%	0.00%	4.52%	2/18/2027	6,000,000	5,975,621	5,955,000
Hyperion Refinance S.a.r.l.	Banking Finance Insurance & Real Estate	Tem Loan (12/17)	Loan	1M USD LIBOR+	3.50%	1.00%	5.02%	12/20/2024	1,709,781	1,701,824	1,691,623
ICH US Intermediate Holdings II Inc.	Healthcare & Pharmaceuticals	Term Loan B	Loan	3M USD LIBOR+	5.75%	1.00%	7.21%	12/24/2026	5,000,000	4,803,288	4,875,000
Idera Inc.	High Tech Industries	Term Loan B	Loan	1M USD LIBOR+	4.00%	1.00%	5.52%	6/28/2024	2,939,742	2,919,274	2,917,694
Informatica LLC	High Tech Industries	Term Loan B (02/20)	Loan	1M USD LIBOR+	3.25%	0.00%	4.77%	2/25/2027	500,000	497,500	489,375
Inmar Inc.	Services: Business	Term Loan B	Loan	3M USD LIBOR+	4.00%	1.00%	5.46%	5/1/2024	3,457,043	3,377,774	3,320,939
Innophos Holdings Inc	Chemicals Plastics & Rubber	Term Loan B	Loan	1M USD LIBOR+	3.75%	0.00%	5.27%	2/4/2027	500,000	497,521	496,250
ION Media Networks Inc.	Media: Broadcasting & Subscription	Term Loan B	Loan	1M USD LIBOR+	3.00%	0.00%	4.52%	12/18/2024	997,500	992,818	982,538

Issuer Name	Industry	Asset Name	Asset Type	Reference Rate/Spread		LIBOR Floor	Current Rate (All In)	Maturity Date	Principal/ Number of Shares	Cost	Fair Value
Isagenix International LLC	Beverage Food & Tobacco	Term Loan	Loan	3M USD LIBOR+	5.75%	1.00%	7.21%	6/16/2025	2,796,876	2,750,718	1,118,750
Jefferies Finance LLC / JFIN Co-Issuer Corp	Banking Finance Insurance & Real Estate	Term Loan	Loan	1M USD LIBOR+	3.25%	0.00%	4.77%	6/3/2026	3,229,359	3,211,489	3,172,846
Jill Holdings LLC	Retail	Term Loan (1st Lien)	Loan	3M USD LIBOR+	5.00%	1.00%	6.46%	5/9/2022	1,800,290	1,796,697	1,458,235
JP Intermediate B LLC	Consumer goods: Non-durable	Term Loan	Loan	3M USD LIBOR+	5.50%	1.00%	6.96%	11/20/2025	4,687,500	4,640,380	2,499,984
KAR Auction Services Inc.	Automotive	Term Loan B (09/19)	Loan	1M USD LIBOR+	2.25%	0.00%	3.77%	9/19/2026	249,375	248,789	247,505
Kindred Healthcare Inc.	Healthcare & Pharmaceuticals	Kindred Healthcare T/L (6/18)	Loan	1M USD LIBOR+	5.00%	0.00%	6.52%	7/2/2025	2,000,000	1,980,000	1,975,000
Lakeland Tours LLC	Hotel Gaming & Leisure	Term Loan B	Loan	3M USD LIBOR+	4.25%	1.00%	5.71%	12/16/2024	2,457,482	2,450,618	2,248,596
Lannett Company Inc.	Healthcare & Pharmaceuticals	Term Loan B	Loan	1M USD LIBOR+	5.38%	1.00%	6.89%	11/25/2022	2,379,293	2,356,101	2,343,175
Learfield Communications LLC	Media: Advertising Printing & Publishing	Initial Term Loan (A-L Parent)	Loan	1M USD LIBOR+	3.25%	1.00%	4.77%	12/1/2023	485,000	483,577	439,531
Lifetime Brands Inc.	Consumer goods: Non-durable	Term Loan B	Loan	1M USD LIBOR+	3.50%	1.00%	5.02%	2/28/2025	2,992,386	2,955,090	2,857,728
Lighthouse Network LLC	Banking Finance Insurance & Real Estate	Term Loan B	Loan	1M USD LIBOR+	4.50%	1.00%	6.02%	12/2/2024	4,129,092	4,115,428	4,123,930
Lightstone Holdco LLC	Energy: Electricity	Term Loan B	Loan	1M USD LIBOR+	3.75%	1.00%	5.27%	1/30/2024	1,322,520	1,320,692	1,164,651
Lightstone Holdco LLC	Energy: Electricity	Term Loan C	Loan	1M USD LIBOR+	3.75%	1.00%	5.27%	1/30/2024	74,592	74,493	65,688
Lindblad Expeditions Inc.	Hotel Gaming & Leisure	US 2018 Term Loan	Loan	1M USD LIBOR+	3.25%	0.00%	4.77%	3/27/2025	394,000	393,227	390,060
Lindblad Expeditions Inc.	Hotel Gaming & Leisure	Cayman Term Loan	Loan	1M USD LIBOR+	3.25%	0.00%	4.77%	3/27/2025	98,500	98,307	97,515
Liquidnet Holdings Inc.	Banking Finance Insurance & Real Estate	Term Loan B	Loan	1M USD LIBOR+	3.25%	1.00%	4.77%	7/15/2024	2,131,268	2,126,212	2,093,970
LPL Holdings Inc.	Banking Finance Insurance & Real Estate	Term Loan B1	Loan	1M USD LIBOR+	1.75%	0.00%	3.27%	11/11/2026	1,245,213	1,242,233	1,243,133
Marriott Ownership Resorts Inc.	Hotel Gaming & Leisure	Term Loan (11/19)	Loan	1M USD LIBOR+	1.75%	0.00%	3.27%	3/12/2026	1,500,000	1,500,000	1,432,500
Match Group Inc.	Services: Consumer	Term Loan (1/20)	Loan	3M USD LIBOR+	1.75%	0.00%	3.21%	2/5/2027	250,000	249,377	248,438
McAfee LLC	Services: Business	Term Loan B	Loan	1M USD LIBOR+	3.75%	0.00%	5.27%	9/30/2024	3,159,418	3,131,317	3,136,165
McDermott International (Americas) Inc.(b)	Construction & Building	Term Loan B	Loan	3M USD LIBOR+	5.00%	1.00%	6.46%	5/12/2025	1,965,000	1,933,938	1,126,928
McGraw-Hill Global Education Holdings LLC	Media: Advertising Printing & Publishing	Term Loan	Loan	1M USD LIBOR+	4.00%	1.00%	5.52%	5/4/2022	956,813	954,867	897,807
Meredith Corporation	Media: Advertising Printing & Publishing	Term Loan B2	Loan	1M USD LIBOR+	2.50%	0.00%	4.02%	1/31/2025	578,738	577,724	572,227
Messer Industries GMBH	Chemicals Plastics & Rubber	Term Loan B	Loan	3M USD LIBOR+	2.50%	0.00%	3.96%	3/2/2026	2,977,500	2,970,753	2,917,950
Michaels Stores Inc.	Retail	Term Loan B	Loan	1M USD LIBOR+	2.50%	1.00%	4.02%	1/30/2023	2,599,163	2,590,493	2,393,387
Midwest Physician Administrative Services LLC	Healthcare & Pharmaceuticals	Term Loan (2/18)	Loan	1M USD LIBOR+	2.75%	0.75%	4.27%	8/15/2024	970,910	967,282	951,492
Milk Specialties Company	Beverage Food & Tobacco	Term Loan (2/17)	Loan	1M USD LIBOR+	4.00%	1.00%	5.52%	8/16/2023	3,899,905	3,848,164	3,696,798
MKS Instruments Inc.	High Tech Industries	Term Loan B6	Loan	1M USD LIBOR+	1.75%	0.00%	3.27%	2/2/2026	887,425	879,526	875,001
MLN US HoldCo LLC	Telecommunications	Term Loan	Loan	1M USD LIBOR+	4.50%	0.00%	6.02%	11/28/2025	990,000	988,165	932,144
MRC Global (US) Inc.	Metals & Mining	Term Loan B2	Loan	1M USD LIBOR+	3.00%	0.00%	4.52%	9/20/2024	490,000	489,047	477,750
NAI Entertainment Holdings LLC	Hotel Gaming & Leisure	Term Loan B	Loan	1M USD LIBOR+	2.50%	1.00%	4.02%	5/8/2025	870,833	869,104	855,594
Natgasoline LLC	Chemicals Plastics & Rubber	Term Loan	Loan	6M USD LIBOR+	3.50%	0.00%	4.90%	11/14/2025	495,000	492,907	491,288
National Mentor Holdings Inc.	Healthcare & Pharmaceuticals	Term Loan	Loan	1M USD LIBOR+	4.00%	0.00%	5.52%	3/9/2026	1,881,215	1,864,059	1,871,809
National Mentor Holdings Inc.	Healthcare & Pharmaceuticals	Term Loan C	Loan	1M USD LIBOR+	4.00%	0.00%	5.52%	3/9/2026	104,662	103,730	104,139
NeuStar Inc.	Telecommunications	Term Loan B4 (03/18)	Loan	1M USD LIBOR+	3.50%	1.00%	5.02%	8/8/2024	2,962,121	2,918,947	2,688,125
NeuStar Inc.	Telecommunications	Term Loan B-5	Loan	1M USD LIBOR+	4.50%	1.00%	6.02%	8/8/2024	992,500	975,477	959,311

Issuer Name	Industry	Asset Name	Asset Type	Reference Rate/Spread		LIBOR Floor	Current Rate (All In)	Maturity Date	Principal/ Number of Shares	Cost	Fair Value
Nexstar Broadcasting Inc.	Media: Broadcasting & Subscription	Term Loan	Loan	1M USD LIBOR+	2.75%	0.00%	4.27%	9/18/2026	249,375	248,222	247,298
NMI Holdings Inc.	Banking Finance Insurance & Real Estate	Term Loan	Loan	1M USD LIBOR+	4.75%	1.00%	6.27%	5/23/2023	3,454,906	3,457,271	3,420,357
NorthPole Newco S.a r.l	Aerospace & Defense	Term Loan	Loan	3M USD LIBOR+	7.00%	0.00%	8.46%	3/3/2025	4,812,500	4,371,041	4,162,813
Novetta Solutions LLC	Aerospace & Defense	Term Loan	Loan	1M USD LIBOR+	5.00%	1.00%	6.52%	10/17/2022	1,919,870	1,911,097	1,878,478
Novetta Solutions LLC	Aerospace & Defense	Second Lien Term Loan	Loan	1M USD LIBOR+	8.50%	1.00%	10.02%	10/16/2023	1,000,000	994,137	973,750
NPC International Inc. (b)	Beverage Food & Tobacco	Term Loan	Loan	3M USD LIBOR+	3.50%	1.00%	4.96%	4/19/2024	487,500	487,124	237,544
Octave Music Group Inc. The	Services: Business	Term Loan B	Loan	2M USD LIBOR+	5.25%	1.00%	6.75%	5/29/2025	5,000,000	4,950,000	4,937,500
Office Depot Inc.	Retail	Term Loan B	Loan	1M USD LIBOR+	5.25%	1.00%	6.77%	11/8/2022	2,456,367	2,445,611	2,464,547
Owens & Minor Distribution Inc.	Healthcare & Pharmaceuticals	Term Loan B	Loan	1M USD LIBOR+	4.50%	0.00%	6.02%	4/30/2025	492,500	484,678	413,700
Patriot Container Corp.	Environmental Industries	Term Loan (3/18)	Loan	1M USD LIBOR+	3.50%	1.00%	5.02%	3/20/2025	500,000	497,500	492,500
PCI Gaming Authority	Hotel Gaming & Leisure	Term Loan	Loan	1M USD LIBOR+	2.50%	0.00%	4.02%	5/29/2026	878,269	874,086	871,682
Peraton Corp.	Aerospace & Defense	Term Loan	Loan	2M USD LIBOR+	5.25%	1.00%	6.75%	4/29/2024	2,447,449	2,437,345	2,386,263
PGX Holdings Inc.	Services: Consumer	Term Loan	Loan	1M USD LIBOR+	5.25%	1.00%	6.77%	9/29/2020	3,564,650	3,555,767	1,782,325
PI UK Holdco II Limited	Services: Business	Term Loan B1 (PI UK Holdco II)	Loan	1M USD LIBOR+	3.25%	1.00%	4.77%	1/3/2025	1,473,750	1,467,204	1,449,802
Pixelle Specialty Solutions LLC	Forest Products & Paper	Term Loan	Loan	1M USD LIBOR+	6.50%	1.00%	8.02%	10/31/2024	2,000,000	1,960,340	1,953,120
Plastipak Packaging Inc	Containers Packaging & Glass	Plastipak Packaging T/L B (04/18)	Loan	1M USD LIBOR+	2.50%	0.00%	4.02%	10/15/2024	2,944,583	2,921,203	2,885,691
Playtika Holding Corp.	High Tech Industries	Trm Loan B (12/19)	Loan	1M USD LIBOR+	6.00%	1.00%	7.52%	12/10/2024	4,000,000	3,922,736	3,988,760
Polymer Process Holdings Inc	Containers Packaging & Glass	Term Loan	Loan	1M USD LIBOR+	6.00%	0.00%	7.52%	4/30/2026	2,985,000	2,930,303	2,921,569
Presidio Inc.	Services: Business	Term Loan B (1/20)	Loan	3M USD LIBOR+	3.50%	0.00%	4.96%	1/22/2027	500,000	498,787	495,000
Prime Security Services Borrower LLC	Services: Consumer	Term Loan (Protection One/ADT)	Loan	1M USD LIBOR+	3.25%	1.00%	4.77%	9/23/2026	2,992,500	2,975,658	2,905,717
Priority Payment Systems Holdings LLC	High Tech Industries	Term Loan	Loan	1M USD LIBOR+	5.00%	1.00%	6.52%	1/3/2023	2,472,719	2,462,039	2,404,720
Project Accelerate Parent LLC	Services: Business	Term Loan	Loan	1M USD LIBOR+	4.25%	1.00%	5.77%	1/2/2025	1,965,000	1,957,491	1,940,438
Prometric Holdings Inc.	Services: Consumer	Term Loan	Loan	1M USD LIBOR+	3.00%	1.00%	4.52%	1/29/2025	491,288	489,418	473,478
Pug LLC	Services: Consumer	Pug T/L B (02/20)	Loan	1M USD LIBOR+	3.50%	0.00%	5.02%	2/12/2027	1,500,000	1,492,500	1,395,000
Rackspace Hosting Inc.	High Tech Industries	Term Loan B	Loan	3M USD LIBOR+	3.00%	1.00%	4.46%	11/3/2023	1,476,064	1,467,715	1,403,486
Radio Systems Corporation	Consumer goods: Durable	Term Loan	Loan	2M USD LIBOR+	2.75%	1.00%	4.25%	5/2/2024	1,462,500	1,462,500	1,449,703
Radiology Partners Inc.	Healthcare & Pharmaceuticals	Term Loan	Loan	2M USD LIBOR+	4.25%	0.00%	5.75%	7/9/2025	1,432,727	1,426,403	1,413,386
Research Now Group Inc.	Media: Advertising Printing & Publishing	Term Loan	Loan	3M USD LIBOR+	5.50%	1.00%	6.96%	12/20/2024	3,927,406	3,816,352	3,868,494
Resolute Investment Managers Inc.	Banking Finance Insurance & Real Estate	Term Loan (10/17)	Loan	3M USD LIBOR+	3.25%	1.00%	4.71%	4/29/2022	2,680,466	2,681,757	2,673,765
Rexnord LLC	Capital Equipment	Term Loan (11/19)	Loan	1M USD LIBOR+	1.75%	0.00%	3.27%	8/21/2024	862,069	862,069	858,431
Reynolds Consumer Products Inc.	Containers Packaging & Glass	Reynolds Consumer Products T/L	Loan	3M USD LIBOR+	1.75%	0.00%	3.21%	2/4/2027	1,500,000	1,498,128	1,483,875
RGIS Services LLC	Services: Business	Term Loan	Loan	3M USD LIBOR+	7.50%	1.00%	8.96%	3/31/2023	482,554	477,839	421,994
Robertshaw US Holding Corp.	Consumer goods: Durable	Term Loan B	Loan	1M USD LIBOR+	3.25%	1.00%	4.77%	2/28/2025	982,500	980,484	884,250
Rocket Software Inc.	High Tech Industries	Term Loan (11/18)	Loan	1M USD LIBOR+	4.25%	0.00%	5.77%	11/28/2025	3,970,000	3,953,381	3,817,393
Russell Investments US Institutional Holdco Inc.	Banking Finance Insurance & Real Estate	Term Loan B	Loan	1M USD LIBOR+	2.75%	1.00%	4.27%	6/1/2023	5,637,965	5,554,276	5,553,396
Sahara Parent Inc.	High Tech Industries	Term Loan B (11/18)	Loan	3M USD LIBOR+	6.25%	0.00%	7.71%	8/16/2024	1,955,250	1,938,956	1,877,040
Sally Holdings LLC	Retail	Term Loan (Fixed)	Loan	1M USD LIBOR+	0.00%	0.00%	0.00%	7/5/2024	1,000,000	996,778	980,000

Issuer Name	Industry	Asset Name	Asset Type	Reference Rate/Spread		LIBOR Floor	Current Rate (All In)	Maturity Date	Principal/ Number of Shares	Cost	Fair Value
Sally Holdings LLC	Retail	Term Loan B	Loan	1M USD LIBOR+	2.25%	0.00%	3.77%	7/5/2024	768,409	765,606	753,041
Savage Enterprises LLC	Energy: Oil & Gas	Term Loan	Loan	1M USD LIBOR+	4.00%	0.00%	5.52%	8/1/2025	3,284,831	3,247,280	3,270,049
SCS Holdings I Inc.	High Tech Industries	Term Loan 1/20	Loan	1M USD LIBOR+	3.50%	0.00%	5.02%	7/1/2026	1,990,000	1,985,537	1,976,329
Seadrill Operating LP	Energy: Oil & Gas	Term Loan B	Loan	3M USD LIBOR+	6.00%	1.00%	7.46%	2/21/2021	905,168	891,491	288,359
Shutterfly Inc.	Media: Advertising Printing & Publishing	Term Loan B	Loan	3M USD LIBOR+	6.00%	1.00%	7.46%	9/25/2026	870,968	829,352	827,968
SMB Shipping Logistics LLC	Transportation: Consumer	Term Loan B	Loan	3M USD LIBOR+	4.00%	1.00%	5.46%	2/2/2024	1,947,873	1,946,123	1,913,785
SMG US Midco 2 Inc.	Services: Business	Term Loan (01/20)	Loan	1M USD LIBOR+	2.50%	0.00%	4.02%	1/23/2025	500,000	500,000	495,000
Snacking Investment BidCo Pty Limited	Beverage Food & Tobacco	Term Loan	Loan	1M USD LIBOR+	4.00%	1.00%	5.52%	12/18/2026	1,000,000	990,193	987,500
Sotheby's	Services: Business	Term Loan	Loan	1M USD LIBOR+	5.50%	1.00%	7.02%	1/15/2027	3,324,994	3,258,223	3,315,285
SP PF Buyer LLC	Consumer goods: Durable	Term Loan B	Loan	1M USD LIBOR+	4.50%	0.00%	6.02%	12/19/2025	1,985,000	1,911,678	1,801,388
SRAM LLC	Consumer goods: Durable	Term Loan	Loan	1M USD LIBOR+	2.75%	1.00%	3.72%	3/15/2024	1,769,661	1,762,426	1,756,388
SS&C European Holdings S.A.R.L.	Services: Business	Term Loan B4	Loan	1M USD LIBOR+	1.75%	0.00%	3.27%	4/16/2025	199,839	199,466	196,841
SS&C Technologies Inc.	Services: Business	Term Loan B-5	Loan	1M USD LIBOR+	1.75%	0.00%	3.27%	4/16/2025	493,682	492,653	486,000
SS&C Technologies Inc.	Services: Business	Term Loan B3	Loan	1M USD LIBOR+	1.75%	0.00%	3.27%	4/16/2025	280,056	279,525	275,855
Staples Inc.	Wholesale	Term Loan (03/19)	Loan	1M USD LIBOR+	5.00%	0.00%	6.52%	4/16/2026	1,960,188	1,960,188	1,928,334
Stats Intermediate Holdings LLC	Hotel Gaming & Leisure	Term Loan	Loan	6M USD LIBOR+	5.25%	0.00%	6.65%	7/10/2026	2,000,000	1,953,068	1,920,000
Steak N Shake Operations Inc.	Beverage Food & Tobacco	Term Loan	Loan	1M USD LIBOR+	3.75%	1.00%	5.27%	3/19/2021	824,991	823,352	662,740
STG-Fairway Holdings LLC	Services: Business	STG Fairway T/L (First Advantage) (Fastball Merger	Loan	1M USD LIBOR+	3.50%	0.00%	5.02%	1/29/2027	500,000	497,500	496,040
Sybil Software LLC	High Tech Industries	Term Loan B (4/18)	Loan	3M USD LIBOR+	2.25%	1.00%	3.71%	9/29/2023	263,565	262,651	261,918
Teneo Holdings LLC	Banking Finance Insurance & Real Estate	Term Loan	Loan	1M USD LIBOR+	5.25%	1.00%	6.77%	7/11/2025	2,493,750	2,401,489	2,381,531
Tenneco Inc	Capital Equipment	Term Loan B	Loan	1M USD LIBOR+	3.00%	0.00%	4.52%	10/1/2025	1,485,000	1,472,625	1,386,619
Ten-X LLC	Banking Finance Insurance & Real Estate	Term Loan	Loan	1M USD LIBOR+	4.00%	1.00%	5.52%	9/30/2024	1,960,000	1,958,142	1,927,327
Terex Corporation	Capital Equipment	Term Loan	Loan	1M USD LIBOR+	2.75%	0.75%	4.27%	1/31/2024	992,500	988,635	991,567
TGG TS Acquisition Company	Media: Diversified & Production	Term Loan (12/18)	Loan	1M USD LIBOR+	6.50%	0.00%	8.02%	12/15/2025	2,766,667	2,639,073	2,711,333
The Edelman Financial Center LLC	Banking Finance Insurance & Real Estate	Term Loan B (06/18)	Loan	1M USD LIBOR+	3.25%	0.00%	4.77%	7/21/2025	1,237,500	1,232,467	1,211,203
The Knot Worldwide Inc	Services: Consumer	Term Loan	Loan	1M USD LIBOR+	4.50%	0.00%	6.02%	12/19/2025	3,960,000	3,952,856	3,890,700
Thor Industries Inc.	Automotive	Term Loan (USD)	Loan	2M USD LIBOR+	3.75%	0.00%	5.25%	2/2/2026	2,031,203	2,018,102	2,000,735
Tivity Health Inc.	Healthcare & Pharmaceuticals	Term Loan B	Loan	1M USD LIBOR+	5.25%	0.00%	6.77%	3/6/2026	2,334,338	2,281,664	2,209,288
Tivity Health Inc.	Healthcare & Pharmaceuticals	Term Loan A	Loan	1M USD LIBOR+	4.25%	0.00%	5.77%	3/8/2024	1,600,000	1,586,231	1,504,000
Transdigm Inc.	Aerospace & Defense	Term Loan G (02/20)	Loan	1M USD LIBOR+	2.25%	0.00%	3.77%	8/22/2024	4,106,293	4,111,126	4,013,901
Travel Leaders Group LLC	Hotel Gaming & Leisure	Term Loan B (08/18)	Loan	1M USD LIBOR+	4.00%	0.00%	5.52%	1/25/2024	2,462,500	2,458,773	2,410,172
TRC Companies Inc.	Services: Business	Term Loan	Loan	1M USD LIBOR+	3.50%	1.00%	5.02%	6/21/2024	3,376,818	3,366,553	3,250,188
TRC Companies Inc.	Services: Business	Term Loan B	Loan	1M USD LIBOR+	5.00%	1.00%	6.52%	6/21/2024	997,500	982,926	980,044
Trico Group LLC	Containers Packaging & Glass	Incremental Term Loan	Loan	3M USD LIBOR+	7.00%	1.00%	8.46%	2/2/2024	4,758,359	4,645,140	4,675,088
Truck Hero Inc.	Transportation: Cargo	First Lien Term Loan	Loan	1M USD LIBOR+	3.75%	0.00%	5.27%	4/22/2024	2,927,444	2,910,795	2,874,984
Trugreen Limited Partnership	Services: Consumer	Term Loan (03/19)	Loan	1M USD LIBOR+	3.75%	1.00%	5.27%	3/19/2026	981,396	972,628	981,396
Twin River Worldwide Holdings Inc.	Hotel Gaming & Leisure	Term Loan B	Loan	1M USD LIBOR+	2.75%	0.00%	4.27%	5/11/2026	995,000	990,418	971,060
United Natural Foods Inc.	Beverage Food & Tobacco	Term Loan B	Loan	1M USD LIBOR+	4.25%	0.00%	5.77%	10/22/2025	3,465,000	3,270,106	2,875,950
Univar Solutions Inc.	Chemicals Plastics & Rubber	Term Loan B3 (11/17)	Loan	1M USD LIBOR+	2.25%	0.00%	3.77%	7/1/2024	1,627,723	1,621,989	1,603,307

Issuer Name	Industry	Asset Name	Asset Type	Reference Rate/Spread	LIBOR Floor	Current Rate (All In)	Maturity Date	Principal/ Number of Shares	Cost	Fair Value
Univision Communications Inc.	Media: Broadcasting & Subscription	Term Loan	Loan	1M USD LIBOR+ 2.75%	1.00%	4.27%	3/15/2024	2,746,369	2,735,251	2,634,565
URS Holdco Inc.	Transportation: Cargo	Term Loan (10/17)	Loan	1M USD LIBOR+ 5.75%	1.00%	7.27%	8/30/2024	984,169	973,856	821,778
US Ecology Inc.	Environmental Industries	Term Loan B	Loan	1M USD LIBOR+ 2.50%	0.00%	4.02%	11/2/2026	500,000	498,859	496,250
VeriFone Systems Inc.	Banking Finance Insurance & Real Estate	Term Loan (7/18)	Loan	3M USD LIBOR+ 4.00%	0.00%	5.46%	8/20/2025	5,431,250	5,403,194	5,214,000
Verra Mobility Corp.	Construction & Building	Term Loan B1 (02/20)	Loan	1M USD LIBOR+ 3.25%	0.00%	4.77%	2/28/2025	491,250	489,331	483,881
VFH Parent LLC	Banking Finance Insurance & Real Estate	Term Loan B	Loan	1M USD LIBOR+ 3.50%	0.00%	5.02%	3/2/2026	3,801,266	3,787,581	3,793,663
Victory Capital Holdings Inc.	Banking Finance Insurance & Real Estate	Term Loan B (01/20)	Loan	1M USD LIBOR+ 2.50%	0.00%	4.02%	7/1/2026	422,273	418,485	415,939
Virtus Investment Partners Inc.	Banking Finance Insurance & Real Estate	Term Loan B	Loan	1M USD LIBOR+ 2.25%	0.75%	3.77%	6/3/2024	3,218,500	3,217,979	3,213,479
Vistra Operations Company LLC	Utilities: Electric	2018 Incremental Term Loan	Loan	1M USD LIBOR+ 1.75%	0.00%	3.27%	12/31/2025	927,500	926,595	919,094
Vizient Inc.	Healthcare & Pharmaceuticals	Term Loan B-6	Loan	1M USD LIBOR+ 2.00%	0.00%	3.52%	5/6/2026	496,250	495,208	491,600
VS Buyer T/L (Veeam Software)	High Tech Industries	Term Loan	Loan	3M USD LIBOR+ 3.25%	0.00%	4.71%	2/28/2027	1,000,000	1,000,000	986,250
Weight Watchers International Inc.	Services: Consumer	Term Loan B	Loan	3M USD LIBOR+ 4.75%	0.75%	6.21%	11/29/2024	1,670,130	1,645,266	1,665,955
West Corporation	Telecommunications	Term Loan B	Loan	1M USD LIBOR+ 3.50%	1.00%	5.02%	10/10/2024	2,961,172	2,889,546	2,319,573
West Corporation	Telecommunications	Term Loan B (Olympus Merger)	Loan	1M USD LIBOR+ 4.00%	1.00%	5.52%	10/10/2024	1,237,374	1,164,156	981,002
Western Dental Services Inc.	Retail	Term Loan (12/18)	Loan	1M USD LIBOR+ 5.25%	1.00%	6.77%	6/30/2023	2,438,722	2,424,403	2,444,819
Western Digital Corporation	High Tech Industries	Term Loan B-4	Loan	1M USD LIBOR+ 1.75%	0.00%	3.27%	4/29/2023	903,135	885,248	892,975
Winter Park Intermediate Inc.	Automotive	Term Loan	Loan	1M USD LIBOR+ 4.75%	0.00%	6.27%	4/4/2025	1,984,953	1,966,855	1,951,864
Wirepath LLC	Consumer goods: Non-durable	Term Loan	Loan	3M USD LIBOR+ 4.00%	1.00%	5.46%	8/5/2024	2,955,118	2,931,790	2,766,730
WP CityMD Bidco LLC	Services: Consumer	Term Loan B	Loan	3M USD LIBOR+ 4.50%	1.00%	5.96%	8/13/2026	3,500,000	3,467,362	3,476,375
YS Garments LLC	Retail	Term Loan	Loan	1W USD LIBOR+ 6.00%	1.00%	7.57%	8/9/2024	1,937,500	1,921,365	1,908,438
Zekelman Industries Inc	Metals & Mining	Term Loan (01/20)	Loan	1M USD LIBOR+ 2.25%	0.00%	3.77%	1/19/2027	1,000,000	1,000,000	977,500
Zep Inc.	Chemicals Plastics & Rubber	Term Loan	Loan	3M USD LIBOR+ 4.00%	1.00%	5.46%	8/12/2024	2,443,750	2,434,999	1,840,461
Zest Acquisition Corp.	Healthcare & Pharmaceuticals	Term Loan	Loan	1M USD LIBOR+ 3.50%	0.00%	5.02%	3/14/2025	982,500	978,750	934,603
									$526,004,959	$500,999,934

	Number of Shares	Cost	Fair Value
Cash and cash equivalents			
U.S. Bank Money Market (c)	9,081,041	$ 9,081,041	$ 9,081,041
Total cash and cash equivalents	**9,081,041**	**$ 9,081,041**	**$ 9,081,041**

(a) All or a portion of this investment has an unfunded commitment as of February 29, 2020 (see Note 6 in Notes to financial statements).
(b) As of February 29, 2020, the investment was in default and on non-accrual status.
(c) Included within cash and cash equivalents in Saratoga CLO’s Statements of Assets and Liabilities as of February 29, 2020.

LIBOR—London Interbank Offered Rate

1W USD LIBOR—The 1 week USD LIBOR rate as of February 29, 2020 was 1.57%.
1M USD LIBOR—The 1 month USD LIBOR rate as of February 29, 2020 was 1.52%.
2M USD LIBOR—The 2 month USD LIBOR rate as of February 29, 2020 was 1.50%.
3M USD LIBOR—The 3 month USD LIBOR rate as of February 29, 2020 was 1.46%.
6M USD LIBOR—The 6 month USD LIBOR rate as of February 29, 2020 was 1.40%.
Prime—The Prime Rate as of February 29, 2020 was 4.75%.

Note 5. Income Taxes

SIA-Avionte, Inc., SIA-GH, Inc., SIA-MAC, Inc., SIA-PP Inc., SIA-TG, Inc., SIA-TT, Inc., SIA-Vector, Inc. and SIA-VR, Inc., each 100% owned by the Company, are each filing standalone C Corporation tax returns for federal and state purposes. As separately regarded entities for tax purposes, these entities are taxed at normal corporate rates. For tax purposes, any distributions by the entities to the parent company would generally need to be distributed to the Company's shareholders. Generally, such distributions of the entities' income to the Company's shareholders will be considered as qualified dividends for tax purposes. The entities taxable net income will differ from U.S. GAAP net income because of deferred tax temporary differences adjustments arising from net operating losses and unrealized appreciation and depreciation of securities held. Deferred tax assets and liabilities are measured using enacted corporate federal and state tax rates expected to apply to taxable income in the years in which those net operating losses are utilized and the unrealized gains and losses are realized. Deferred tax assets and deferred tax liabilities are netted off by entity, as allowed. The recoverability of deferred tax assets is assessed and a valuation allowance is recorded to the extent that it is more likely than not that any portion of the deferred tax asset will not be realized on the basis of a history of operating losses combined with insufficient projected taxable income or other taxable events in the taxable blockers.

The Company may distribute a portion of its realized net long term capital gains in excess of realized net short term capital losses to its stockholders, but may also decide to retain a portion, or all, of its net capital gains and elect to pay federal tax on the net capital gain, potentially in the form of a "deemed distribution" to its stockholders. Income tax (provision) relating to an election to retain its net capital gains, including in the form of a deemed distribution, is included as a component of income tax provision and income tax (provision) on realized gains on investments, depending on the character of the underlying taxable income (ordinary or capital gains), on the consolidated statements of operations. During the three months ended November 30, 2020, the Company paid federal tax of $3.9 million on the undistributed net gains it elected to retain for the tax year ended February 29, 2020.

Deferred tax assets and liabilities, and related valuation allowance as of November 30, 2020 and February 29, 2020 were as follows:

	November 30, 2020	February 29, 2020
Total deferred tax assets	$ (1,965,687)	$ 1,744,879
Total deferred tax liabilities	1,471,324	(1,412,486)
Valuation allowance on net deferred tax assets	1,928,869	(1,679,756)
Net deferred tax liability	$ 1,434,505	$ (1,347,363)

As of November 30, 2020, the valuation allowance on deferred tax assets was $1.9 million, which represents the federal and state tax effect of net operating losses and unrealized losses that we do not believe we will realize through future taxable income. Any adjustments to the Company's valuation allowance will depend on estimates of future taxable income and will be made in the period such determination is made.

Net deferred tax (benefit) expense for the three months ended November 30, 2020 includes $0.2 million net change in unrealized appreciation (depreciation) on investments and $0.0 million net change in total operating expense, in the consolidated statement of operations, respectively. Net deferred tax (benefit) expense for the three months ended November 30, 2019 includes $1.1 million net change in unrealized appreciation (depreciation) on investments and $(1.0) million net change in total operating expense, in the consolidated statement of operations, respectively.

Net deferred tax (benefit) expense for the nine months ended November 30, 2020 includes $0.1 million net change in unrealized appreciation (depreciation) on investments and $0.0 million net change in total operating expense, in the consolidated statement of operations, respectively. Net deferred tax (benefit) expense for the nine months ended November 30, 2019 includes $1.8 million net change in unrealized appreciation (depreciation) on investments and $(1.5) million net change in total operating expense, in the consolidated statement of operations, respectively.

Deferred tax temporary differences may include differences for state taxes and joint venture interests.

Federal and state income tax provisions (benefits) on investments for three and nine months ended November 30, 2020 and November 30, 2019:

	For the three months ended		For the nine months ended	
	November 30, 2020	November 30, 2019	November 30, 2020	November 30, 2019
Current				
Federal	$ -	$ -	$ -	$ -
State	-	-	-	-
Net current expense	-	-	-	-
Deferred				
Federal	195,652	38,486	24,814	252,303
State	44,153	22,033	62,328	69,621
Net deferred expense	239,805	60,519	87,142	321,924
Net tax provision	$ 239,805	$ 60,519	$ 87,142	$ 321,924

Note 6. Agreements and Related Party Transactions

Investment Advisory and Management Agreement

On July 30, 2010, the Company entered into the Management Agreement with our Manager. The initial term of the Management Agreement was two years, with automatic, one-year renewals at the end of each year, subject to certain approvals by our board of directors and/or the Company's stockholders. On July 7, 2020, our board of directors approved the renewal of the Management Agreement for an additional one-year term. Pursuant to the Management Agreement, our Manager implements our business strategy on a day-to-day basis and performs certain services for us, subject to oversight by our board of directors. Our Manager is responsible for, among other duties, determining investment criteria, sourcing, analyzing and executing investments transactions, asset sales, financings and performing asset management duties. Under the Management Agreement, we have agreed to pay our Manager a management fee for investment advisory and management services consisting of a base management fee and an incentive management fee.

Base Management Fee and Incentive Management Fee

The base management fee of 1.75% per year is calculated based on the average value of our gross assets (other than cash or cash equivalents, but including assets purchased with borrowed funds) at the end of the two most recently completed fiscal quarters. The base management fee is paid quarterly following the filing of the most recent 10-Q.

The incentive management fee consists of the following two parts:

The first, payable quarterly in arrears, equals 20.0% of our pre-incentive fee net investment income, expressed as a rate of return on the value of our net assets at the end of the immediately preceding quarter, that exceeds a 1.875% quarterly hurdle rate measured as of the end of each fiscal quarter, subject to a "catch-up" provision. Under this provision, in any fiscal quarter, our Manager receives no incentive fee unless our pre-incentive fee net investment income exceeds the hurdle rate of 1.875%. Our Manager will receive 100.0% of pre-incentive fee net investment income, if any, that exceeds the hurdle rate but is less than or equal to 2.344% in any fiscal quarter; and 20.0% of the amount of our pre-incentive fee net investment income, if any, that exceeds 2.344% in any fiscal quarter. There is no accumulation of amounts on the hurdle rate from quarter to quarter, and accordingly there is no claw back of amounts previously paid if subsequent quarters are below the quarterly hurdle rate, and there is no delay of payment if prior quarters are below the quarterly hurdle rate.

The second part of the incentive fee is determined and payable in arrears as of the end of each fiscal year (or upon termination of the Management Agreement) and equals 20.0% of our "incentive fee capital gains," which equals our realized capital gains on a cumulative basis from May 31, 2010 through the end of the fiscal year, if any, computed net of all realized capital losses and unrealized capital depreciation on a cumulative basis on each investment in the Company's portfolio, less the aggregate amount of any previously paid capital gain incentive fee. Importantly, the capital gains portion of the incentive fee is based on realized gains and realized and unrealized losses from May 31, 2010. Therefore, realized and unrealized losses incurred prior to such time will not be taken into account when calculating the capital gains portion of the incentive fee, and our Manager will be entitled to 20.0% of incentive fee capital gains that arise after May 31, 2010. In addition, for the purpose of the "incentive fee capital gains" calculations, the cost basis for computing realized gains and losses on investments held by us as of May 31, 2010 will equal the fair value of such investments as of such date.

For the three months ended November 30, 2020 and November 30, 2019, the Company incurred $2.3 million and $2.1 million in base management fees, respectively. For the three months ended November 30, 2020 and November 30, 2019, the Company incurred $1.2 million and $1.5 million in incentive fees related to pre-incentive fee net investment income, respectively. For the three months ended November 30, 2020 and November 30, 2019, the Company accrued an expense of $1.1 million and an expense of $1.6 million in incentive fees related to capital gains.

For the nine months ended November 30, 2020 and November 30, 2019, the Company incurred $6.7 million and $6.0 million in base management fees, respectively. For the nine months ended November 30, 2020 and November 30, 2019, the Company incurred $4.0 million and $4.1 million in incentive fees related to pre-incentive fee net investment income, respectively. For the nine months ended November 30, 2020 and November 30, 2019, the Company accrued a (benefit) of $(2.0) million and an expense of $3.2 million in incentive fees related to capital gains, respectively.

The accrual is calculated using both realized and unrealized capital gains for the period. The actual incentive fee related to capital gains will be determined and payable in arrears at the end of the fiscal year and will include only realized capital gains for the period. As of November 30, 2020, the base management fees accrual was $2.3 million and the incentive fees accrual was $2.5 million and is included in base management and incentive fees payable in the accompanying consolidated statements of assets and liabilities. As of February 29, 2020, the base management fees accrual was $2.1 million and the incentive fees accrual was $13.7 million and is included in base management and incentive fees payable in the accompanying consolidated statements of assets and liabilities.

Administration Agreement

On July 30, 2010, the Company entered into a separate administration agreement (the “Administration Agreement”) with our Manager, pursuant to which our Manager, as our administrator, has agreed to furnish us with the facilities and administrative services necessary to conduct our day-to-day operations and provide managerial assistance on our behalf to those portfolio companies to which we are required to provide such assistance. The initial term of the Administration Agreement was two years, with automatic, one-year renewals at the end of each year subject to certain approvals by our board of directors and/or our stockholders. The amount of expenses payable or reimbursable thereunder by the Company was capped at $1.0 million for the initial two-year term of the Administration Agreement and subsequent renewals. On July 8, 2015, our board of directors approved the renewal of the Administration Agreement for an additional one-year term and determined to increase the cap on the payment or reimbursement of expenses by the Company thereunder, which had not been increased since the inception of the agreement, to $1.3 million. On July 7, 2016, our board of directors approved the renewal of the Administration Agreement for an additional one-year term. On October 5, 2016, our board of directors determined to increase the cap on the payment or reimbursement of expenses by the Company under the Administration Agreement, from $1.3 million to $1.5 million, effective November 1, 2016. On July 11, 2017, our board of directors approved the renewal of the Administration Agreement for an additional one-year term and determined to increase the cap on the payment or reimbursement of expenses by the Company from $1.5 million to $1.75 million, effective August 1, 2017. On July 9, 2018, our board of directors approved the renewal of the Administration Agreement for an additional one-year term and determined to increase the cap on the payment or reimbursement of expenses by the Company from $1.75 million to $2.0 million, effective August 1, 2018. On July 9, 2019, our board of directors approved the renewal of the Administration Agreement for an additional one-year term and determined to increase the cap on the payment or reimbursement of expenses by the Company from $2.0 million to $2.225 million effective August 1, 2019. On July 7, 2020, our board of directors approved the renewal of the Administration Agreement for an additional one-year term and determined to increase the cap on the payment or reimbursement of expenses by the Company from $2.225 million to $2.775 million effective August 1, 2020.

For the three months ended November 30, 2020 and November 30, 2019, we recognized $0.7 million and $0.6 million in administrator expenses, respectively, pertaining to bookkeeping, record keeping and other administrative services provided to us in addition to our allocable portion of rent and other overhead related expenses. For the nine months ended November 30, 2020 and November 30, 2019, we recognized $1.9 million and $1.6 million in administrator expenses, respectively, pertaining to bookkeeping, record keeping and other administrative services provided to us in addition to our allocable portion of rent and other overhead related expenses. As of November 30, 2020, $0.3 million of administrator expenses were accrued and included in due to manager in the accompanying consolidated statements of assets and liabilities. As of February 29, 2020, $0.5 million of administrator expenses were accrued and included in due to manager in the accompanying consolidated statements of assets and liabilities.

Saratoga CLO

On August 7, 2018, the Company entered into an unsecured loan agreement with CLO 2013-1 Warehouse, a wholly-owned subsidiary of Saratoga CLO, pursuant to which CLO 2013-1 Warehouse may borrow from time to time up to $25 million from the Company in order to provide capital necessary to support warehouse activities. The CLO 2013-1 Warehouse Loan, which expired on February 7, 2020, bears interest at an annual rate of 3M USD LIBOR + 7.5%.

On December 14, 2018, the Company completed the third refinancing and issuance of the 2013-1 Reset CLO Notes. This refinancing, among other things, extended the Saratoga CLO reinvestment period to January 2021, and extended its legal maturity to January 2030. A non-call period ending January 2020 was also added. In addition, and as part of the refinancing, the Saratoga CLO has also been upsized from $300 million in assets to approximately $500 million. As part of this refinancing and upsizing, the Company invested an additional $13.8 million in all of the newly issued subordinated notes of the Saratoga CLO, and purchased $2.5 million in aggregate principal amount of the Class F-R-2 Notes tranche and $7.5 million in aggregate principal amount of the Class G-R-2 Notes tranche at par. Concurrently, the existing $4.5 million of Class F notes and $20.0 million CLO 2013-1 Warehouse Loan were repaid. The Company also paid $2.0 million of transaction costs related to the refinancing and upsizing on behalf of the Saratoga CLO and was reimbursed by the Saratoga CLO for these costs during the year ended February 29, 2020.

For the three months ended November 30, 2020 and November 30, 2019, we recognized management fee income of $0.6 million and $0.6 million, respectively, related to the Saratoga CLO.

For the nine months ended November 30, 2020 and November 30, 2019, we recognized management fee income of $1.9 million and $1.9 million, respectively, related to the Saratoga CLO.

In conjunction with the third refinancing and issuance of the 2013-1 Reset CLO Notes on December 14, 2018, the Company is no longer entitled to receive an incentive management fee from Saratoga CLO. See Note 4 for additional information.

On February 11, 2020, the Company entered into an unsecured loan agreement with Saratoga Investment Corp. CLO 2013-1 Warehouse 2, Ltd., a wholly-owned subsidiary of Saratoga Investment Corp. CLO 2013-1, Ltd. Pursuant to which CLO 2013-1 Warehouse 2 may borrow from time to time up to $20.0 million from the Company in order to provide capital necessary to support warehouse activities. On October 23, 2020, the CLO 2013-1 Warehouse 2 Loan was increased to $25.0 million availability, which was immediately fully drawn and, which expires on August 20, 2021. The interest rate was also amended to be based on a pricing grid, starting at an annual rate of 3M USD LIBOR + 4.46%. As of November 30, 2020, the Company's investment in the CLO 2013-1 Warehouse 2 had a fair value of $24.8 million.

For the nine months ended November 30, 2020 and November 30, 2019, the Company neither bought nor sold any investments from the Saratoga CLO.

Note 7. Borrowings

Credit Facility

As a BDC, we are only allowed to employ leverage to the extent that our asset coverage, as defined in the 1940 Act, equals at least 200.0% after giving effect to such leverage, or, if we obtain the required approvals from our independent directors and/or stockholders, 150.0%. The amount of leverage that we employ at any time depends on our assessment of the market and other factors at the time of any proposed borrowing. Our asset coverage ratio, as defined in the 1940 Act, was 377.3% as of November 30, 2020 and 607.1% as of February 29, 2020. On April 16, 2018, as permitted by the Small Business Credit Availability Act, which was signed into law on March 23, 2018, our non-interested board of directors approved of our becoming subject to a minimum asset coverage ratio of 150.0% under Sections 18(a)(1) and 18(a)(2) of the Investment Company Act, as amended. The 150.0% asset coverage ratio became effective on April 16, 2019.

On April 11, 2007, we entered into a $100.0 million revolving securitized credit facility (the "Revolving Facility"). On May 1, 2007, we entered into a $25.7 million term securitized credit facility (the "Term Facility" and, together with the Revolving Facility, the "Facilities"), which was fully drawn at closing. In December 2007, we consolidated the Facilities by using a draw under the Revolving Facility to repay the Term Facility. In response to the market wide decline in financial asset prices, which negatively affected the value of our portfolio, we terminated the revolving period of the Revolving Facility effective January 14, 2009 and commenced a two-year amortization period during which all principal proceeds from the collateral were used to repay outstanding borrowings. A significant percentage of our total assets had been pledged under the Revolving Facility to secure our obligations thereunder. Under the Revolving Facility, funds were borrowed from or through certain lenders and interest was payable monthly at the greater of the commercial paper rate and our lender's prime rate plus 4.00% plus a default rate of 2.00% or, if the commercial paper market was unavailable, the greater of the prevailing LIBOR rates and our lender's prime rate plus 6.00% plus a default rate of 3.00%.

On July 30, 2010, we used the net proceeds from (i) the stock purchase transaction and (ii) a portion of the funds available to us under the $45.0 million senior secured revolving credit facility with Madison Capital Funding LLC (the "Credit Facility"), in each case, to pay the full amount of principal and accrued interest, including default interest, outstanding under the Revolving Facility. As a result, the Revolving Facility was terminated in connection therewith. Substantially all of our total assets, other than those held by SBIC LP, have been pledged under the Credit Facility to secure our obligations thereunder.

On February 24, 2012, we amended the Credit Facility to, among other things:

- expand the borrowing capacity under the Credit Facility from $40.0 million to $45.0 million;

- extend the period during which we may make and repay borrowings under the Credit Facility from July 30, 2013 to February 24, 2015 (the "Revolving Period"). The Revolving Period may, upon the occurrence of an event of default, by action of the lenders or automatically, be terminated. All borrowings and other amounts payable under the Credit Facility are due and payable five years after the end of the Revolving Period; and

- remove the condition that we may not acquire additional loan assets without the prior written consent of Madison Capital Funding LLC.

On September 17, 2014, we entered into a second amendment to the Credit Facility to, among other things:

- extend the commitment termination date from February 24, 2015 to September 17, 2017;
- extend the maturity date of the Credit Facility from February 24, 2020 to September 17, 2022 (unless terminated sooner upon certain events);
- reduce the applicable margin rate on base rate borrowings from 4.50% to 3.75%, and on LIBOR borrowings from 5.50% to 4.75%; and
- reduce the floor on base rate borrowings from 3.00% to 2.25%, and on LIBOR borrowings from 2.00% to 1.25%.

On May 18, 2017, we entered into a third amendment to the Credit Facility to, among other things:

- extend the commitment termination date from September 17, 2017 to September 17, 2020;
- extend the final maturity date of the Credit Facility from September 17, 2022 to September 17, 2025 (unless terminated sooner upon certain events);
- reduce the floor on base rate borrowings from 2.25% to 2.00%;
- reduce the floor on LIBOR borrowings from 1.25% to 1.00%; and
- reduce the commitment fee rate from 0.75% to 0.50% for any period during which the ratio of advances outstanding to aggregate commitments, expressed as a percentage, is greater than or equal to 50%.

On April 24, 2020, we entered into a fourth amendment to the Credit Facility to, among other things:

- permit certain amendments related to the Paycheck Protection Program ("Permitted PPP Amendment") to Loan Asset Documents;
- exclude certain debt and interest amounts allowed by the Permitted PPP Amendments from certain calculations related to Net Leverage Ratio, Interest Coverage Ratio and EBITDA; and
- exclude such Permitted PPP Amendments from constituting a Material Modification.

On September 14, 2020, we entered into a fifth amendment to the Credit Facility to, among other things:

- extend the commitment termination date of the Credit Facility from September 17, 2020 to September 17, 2021, with no change to the maturity date of September 17, 2025.
- provide for the transition away from the LIBOR Rate in the market, and
- expand the definition of Eligible Loan Asset to allow investments with certain recurring revenue features to qualify as Collateral and be included in the borrowing base.

In addition to any fees or other amounts payable under the terms of the Credit Facility, an administrative agent fee per annum equal to $0.1 million is payable in equal monthly installments in arrears.

As of November 30, 2020 and February 29, 2020, there were no outstanding borrowings under the Credit Facility. During the applicable periods, the Company was in compliance with all of the limitations and requirements of the Credit Facility. Financing costs of $3.3 million related to the Credit Facility have been capitalized and are being amortized over the term of the facility.

For the three months ended November 30, 2020 and November 30, 2019, we recorded $0.1 million and $0.1 million of interest expense related to the Credit Facility, respectively, which includes commitment and administrative agent fees. For the three months ended November 30, 2020 and November 30, 2019, we recorded $0.03 million and $0.02 million of amortization of deferred financing costs related to the Credit Facility, respectively. Interest expense and amortization of deferred financing costs are reported as interest and debt financing expense on the consolidated statements of operations. During the three months ended November 30, 2019, the weighted average interest rate on the outstanding borrowings under the Credit Facility was 6.72%, and the average dollar amount of outstanding borrowings under the Credit Facility was $2.1 million.

For the nine months ended November 30, 2020 and November 30, 2019, we recorded $0.3 million and $0.4 million of interest expense related to the Credit Facility, respectively, which includes commitment and administrative agent fees. For the nine months ended November 30, 2020 and November 30, 2019, we recorded $0.08 million and $0.07 million of amortization of deferred financing costs related to the Credit Facility, respectively. Interest expense and amortization of deferred financing costs are reported as interest and debt financing expense on the consolidated statements of operations. During the nine months ended November 30, 2019, the weighted average interest rate on the outstanding borrowings under the Credit Facility was 6.67%, and the average dollar amount of outstanding borrowings under the Credit Facility was $0.8 million.

The Credit Facility contains limitations as to how borrowed funds may be used, such as restrictions on industry concentrations, asset size, weighted average life, currency denomination and collateral interests. The Credit Facility also includes certain requirements relating to portfolio performance, the violation of which could result in the limit of further advances and, in some cases, result in an event of default, allowing the lenders to accelerate repayment of amounts owed thereunder. The Credit Facility has an eight-year term, consisting of a three-year period (the "Revolving Period"), under which the Company may make and repay borrowings, and a final maturity five years from the end of the Revolving Period. Availability on the Credit Facility will be subject to a borrowing base calculation, based on, among other things, applicable advance rates (which vary from 50.0% to 75.0% of par or fair value depending on the type of loan asset) and the value of certain "eligible" loan assets included as part of the Borrowing Base. Funds may be borrowed at the greater of the prevailing one-month LIBOR rate and 1.00%, plus an applicable margin of 4.75%. At the Company's option, funds may be borrowed based on an alternative base rate, which in no event will be less than 2.00%, and the applicable margin over such alternative base rate is 3.75%. In addition, the Company will pay the lenders a commitment fee of 0.75% per year (or 0.50% if the ratio of advances outstanding to aggregate commitments is greater than or equal to 50%) on the unused amount of the Credit Facility for the duration of the Revolving Period.

Our borrowing base under the Credit Facility was $46.4 million subject to the Credit Facility cap of $45.0 million at November 30, 2020. For purposes of determining the borrowing base, most assets are assigned the values set forth in our most recent Annual Report on Form 10-K or Quarterly Report on Form 10-Q filed with the U.S. Securities and Exchange Commission ("SEC"). Accordingly, the November 30, 2020 borrowing base relies upon the valuations set forth in the Quarterly Report on Form 10-Q for the period ended August 31, 2020. The valuations presented in this Quarterly Report on Form 10-Q will not be incorporated into the borrowing base until after this Quarterly Report on Form 10-Q is filed with the SEC.

SBA Debentures

Our wholly-owned SBIC subsidiaries are able to borrow funds from the SBA against regulatory capital (which approximates equity capital) that is paid in and is subject to customary regulatory requirements including but not limited to an examination by the SBA.

On August 14, 2019, the Company's wholly-owned subsidiary, SBIC II LP, received an SBIC license from the SBA. The new license provides up to $175.0 million in additional long-term capital in the form of SBA debentures. As a result of the 2016 omnibus spending bill signed into law in December 2015, the maximum amount of SBA-guaranteed debentures that affiliated SBIC funds can have outstanding was increased from $225.0 million to $350.0 million. With this license approval, Saratoga can grow its SBA relationship from $150.0 million to $325.0 million of committed capital.

As of November 30, 2020, we have funded SBIC LP and SBIC II LP with an aggregate total of equity capital of $75.0 million and $69.0 million, respectively, and have $176.0 million in SBA-guaranteed debentures outstanding, of which $150.0 million is held in SBIC LP and $26.0 million held in SBIC II LP. SBA debentures are non-recourse to us, have a 10-year maturity, and may be prepaid at any time without penalty. The interest rate of SBA debentures is fixed at the time of issuance, often referred to as pooling, at a market-driven spread over 10-year U.S. Treasury Notes. SBA current regulations limit the amount that SBIC LP and SBIC II LP may borrow to a maximum of $150.0 million and $175.0 million, respectively, which is up to twice its potential regulatory capital.

SBICs are designed to stimulate the flow of private equity capital to eligible small businesses. Under SBA regulations, SBICs may make loans to eligible small businesses and invest in the equity securities of small businesses. Under present SBA regulations, eligible small businesses include businesses that have a tangible net worth not exceeding $19.5 million and have average annual fully taxed net income not exceeding $6.5 million for the two most recent fiscal years. In addition, an SBIC must devote 25.0% of its investment activity to "smaller" concerns as defined by the SBA. A smaller concern is one that has a tangible net worth not exceeding $6.0 million and has average annual fully taxed net income not exceeding $2.0 million for the two most recent fiscal years. SBA regulations also provide alternative size standard criteria to determine eligibility, which depend on the industry in which the business is engaged and are based on such factors as the number of employees and gross sales. According to SBA regulations, SBICs may make long-term loans to small businesses, invest in the equity securities of such businesses and provide them with consulting and advisory services.

SBIC LP and SBIC II LP are subject to regulation and oversight by the SBA, including requirements with respect to maintaining certain minimum financial ratios and other covenants. Receipt of an SBIC license does not assure that SBIC II LP will receive SBA-guaranteed debenture funding, which is dependent upon SBIC II LP continuing to be in compliance with SBA regulations and policies. The SBA, as a creditor, will have a superior claim to SBIC LP and SBIC II LP assets over our stockholders and debtholders in the event we liquidate SBIC LP and SBIC II LP or the SBA exercises its remedies under the SBA-guaranteed debentures issued by SBIC LP and SBIC II LP upon an event of default.

The Company received exemptive relief from the SEC to permit it to exclude the debt of SBIC subsidiaries guaranteed by the SBA from the definition of senior securities in the asset coverage test under the 1940 Act. This allows the Company increased flexibility under the asset coverage test by permitting it to borrow up to $325.0 million more than it would otherwise be able to absent the receipt of this exemptive relief. On April 16, 2018, as permitted by the Small Business Credit Availability Act, which was signed into law on March 23, 2018, the non-interested board of directors of the Company approved of the Company becoming subject to a minimum asset coverage ratio of 150.0% from 200% under Sections 18(a)(1) and 18(a)(2) of the Investment Company Act, as amended. The 150.0% asset coverage ratio became effective on April 16, 2019.

As noted above, as of November 30, 2020, there was $176.0 million of SBA debentures outstanding and as of February 29, 2020, there was $150.0 million of SBA debentures outstanding. The carrying amount of the amount outstanding of SBA debentures approximates its fair value, which is based on a waterfall analysis showing adequate collateral coverage and would be classified as a Level 3 liability within the fair value hierarchy. Financing costs of $5.0 million and $1.3 million related to the SBA debentures issued by SBIC LP and SBIC II LP, respectively, have been capitalized and are being amortized over the term of the commitment and drawdown.

For the three months ended November 30, 2020 and November 30, 2019, we recorded $1.3 million and $1.2 million of interest expense related to the SBA debentures, respectively. For the three months ended November 30, 2020 and November 30, 2019, we recorded $0.2 million and $0.1 million of amortization of deferred financing costs related to the SBA debentures, respectively. Interest expense and amortization of deferred financing costs are reported as interest and debt financing expense on the consolidated statements of operations. The weighted average interest rate during the three months ended November 30, 2020 and November 30, 2019 on the outstanding borrowings of the SBA debentures was 2.97% and 3.21%, respectively. During the three months ended November 30, 2020 and November 30, 2019, the average dollar amount of SBA debentures outstanding was $170.3 million and $150.0 million, respectively.

For the nine months ended November 30, 2020 and November 30, 2019, we recorded $3.8 million and $3.6 million of interest expense related to the SBA debentures, respectively. For the nine months ended November 30, 2020 and November 30, 2019, we recorded $0.5 million and $0.4 million of amortization of deferred financing costs related to the SBA debentures, respectively. Interest expense and amortization of deferred financing costs are reported as interest and debt financing expense on the consolidated statements of operations. The weighted average interest rate during the nine months ended November 30, 2020 and November 30, 2019 on the outstanding borrowings of the SBA debentures was 4.57% and 3.24%, respectively. During the nine months ended November 30, 2020 and November 30, 2019, the average dollar amount of SBA debentures outstanding was $165.9 million and $150.0 million, respectively.

In December 2015, the 2016 omnibus spending bill approved by Congress and signed into law by the President increased the amount of SBA-guaranteed debentures that affiliated SBIC funds can have outstanding from $225.0 million to $350.0 million, subject to SBA approval. SBA regulations previously limited the amount of SBA-guaranteed debentures that an SBIC may issue to $150.0 million when it has at least $75.0 million in regulatory capital but this has increased to $175.0 million for new licenses when it has at least $87.5 million in regulatory capital. Affiliated SBICs are permitted to issue up to a combined maximum amount of $350.0 million in SBA-guaranteed debentures when they have at least $175.0 million in combined regulatory capital.

Notes

In May 2013, the Company issued $48.3 million in aggregate principal amount of 7.50% fixed-rate notes due 2020 (the “2020 Notes”). The 2020 Notes were redeemed in full on January 13, 2017 and are no longer listed on the NYSE.

On May 29, 2015, the Company entered into a Debt Distribution Agreement with Ladenburg Thalmann & Co. through which the Company may offer for sale, from time to time, up to $20.0 million in aggregate principal amount of the 2020 Notes through an At-the-Market (“ATM”) offering. Prior to the 2020 Notes being redeemed in full, the Company had sold 539,725 bonds with a principal of $13.5 million at an average price of $25.31 for aggregate net proceeds of $13.4 million (net of transaction costs).

On December 21, 2016, the Company issued $74.5 million in aggregate principal amount of our 6.75% fixed-rate notes due 2023 (the “2023 Notes”) for net proceeds of $71.7 million after deducting underwriting commissions of approximately $2.3 million and offering costs of approximately $0.5 million. The net proceeds from the offering were used to repay all of the outstanding indebtedness under the 2020 Notes, which amounted to $61.8 million, and for general corporate purposes in accordance with our investment objective and strategies.

On December 21, 2019 and February 7, 2020, the Company redeemed $50.0 million and $24.5 million, respectively, in aggregate principal amount of the $74.5 million in aggregate principal amount of issued and outstanding 2023 Notes. The 2023 Notes were listed on the NYSE under the trading symbol “SAB” with a par value of $25.00 per share, and have been delisted following the redemption.

On August 28, 2018, the Company issued $40.0 million in aggregate principal amount of our 6.25% fixed-rate notes due 2025 (the “6.25% 2025 Notes”) for net proceeds of $38.7 million after deducting underwriting commissions of approximately $1.3 million. Offering costs incurred were approximately $0.3 million. The issuance included the full exercise of the underwriters’ option to purchase an additional $5.0 million aggregate principal amount of 6.25% 2025 Notes within 30 days. Interest on the 6.25% 2025 Notes is paid quarterly in arrears on February 28, May 31, August 31 and November 30, at a rate of 6.25% per year, beginning November 30, 2018. The 6.25% 2025 Notes mature on August 31, 2025 and commencing August 28, 2021, may be redeemed in whole or in part at any time or from time to time at our option. The net proceeds from the offering were used for general corporate purposes in accordance with our investment objective and strategies. Financing costs of $1.6 million related to the 6.25% 2025 Notes have been capitalized and are being amortized over the term of the 6.25% 2025 Notes.

On February 5, 2019, the Company completed a re-opening and up-sizing of its existing 6.25% 2025 Notes by issuing an additional $20.0 million in aggregate principal amount for net proceeds of $19.2 million after deducting underwriting commissions of approximately $0.6 million and discount of $0.2 million. Offering costs incurred were approximately $0.2 million. The issuance included the full exercise of the underwriters' option to purchase an additional $2.5 million aggregate principal amount of 6.25% 2025 Notes within 30 days. Interest rate, interest payment dates and maturity remain unchanged from the existing 6.25% 2025 Notes issued in August 2018. The net proceeds from this offering were used for general corporate purposes in accordance with our investment objective and strategies. The financing costs and discount of $1.0 million related to the 6.25% 2025 Notes have been capitalized and are being amortized over the term of the 6.25% 2025 Notes.

As of November 30, 2020, the total 6.25% 2025 Notes outstanding was $60.0 million. The 6.25% 2025 Notes are listed on the NYSE under the trading symbol "SAF" with a par value of $25.00 per share.

As of November 30, 2020, the carrying amount and fair value of the 6.25% 2025 Notes was $60.0 million and $62.0 million, respectively. The fair value of the 6.25% 2025 Notes, which are publicly traded, is based upon closing market quotes as of the measurement date and would be classified as a Level 1 liability within the fair value hierarchy. As of February 29, 2020, the carrying amount and fair value of the 6.25% 2025 Notes was $60.0 million and $60.6 million, respectively.

For the three months ended November 30, 2020 and November 30, 2019, we recorded $0.9 million and $0.9 million, respectively, of interest expense and $0.1 million and $0.1 million, respectively, of amortization of deferred financing costs related to the 6.25% 2025 Notes. Interest expense and amortization of deferred financing costs are reported as interest and debt financing expense on the consolidated statements of operations. During the three months ended November 30, 2020 and November 30, 2019, the average dollar amount of 6.25% 2025 Notes outstanding was $60.0 million and $60.0 million, respectively.

For the nine months ended November 30, 2020 and November 30, 2019, we recorded $2.8 million and $2.8 million, respectively, of interest expense and $0.3 million and $0.3 million, respectively, of amortization of deferred financing costs related to the 6.25% 2025 Notes. Interest expense and amortization of deferred financing costs are reported as interest and debt financing expense on the consolidated statements of operations. During the nine months ended November 30, 2020 and November 30, 2019, the average dollar amount of 6.25% 2025 Notes outstanding was $60.0 million and $60.0 million, respectively.

As discussed above, during the fourth quarter of 2020 fiscal year, the Company redeemed $74.45 million in aggregate principal amount of issued outstanding 2023 Notes.

For the three and nine months ended November 30, 2019, we recorded $1.3 million and $3.8 million, respectively, of interest expense and $0.1 million and $0.3 million, respectively, of amortization of deferred financing costs related to the 2023 Notes. Interest expense and amortization of deferred financing costs are reported as interest and debt financing expense on the consolidated statements of options. During the three and nine months ended November 30, 2019 the average dollar amount of 2023 Notes outstanding was $74.5 million and $74.5 million respectively.

On June 24, 2020, the Company issued $37.5 million in aggregate principal amount of our 7.25% fixed-rate notes due 2025 (the "7.25% 2025 Notes") for net proceeds of $36.3 million after deducting underwriting commissions of approximately $1.2 million. Offering costs incurred were approximately $0.3 million. On July 6, 2020, the underwriters exercised their option in full to purchase an additional $5.625 million in aggregate principal amount of its 7.25% 2025 Notes. Net proceeds to the Company were $5.4 million after deducting underwriting commissions of approximately $0.2 million. Interest on the 7.25% 2025 Notes is paid quarterly in arrears on February 28, May 31, August 31 and November 30, at a rate of 7.25% per year, beginning August 31, 2020. The 7.25% 2025 Notes mature on June 30, 2025 and commencing June 24, 2022, may be redeemed in whole or in part at any time or from time to time at our option. The net proceeds from the offering were used for general corporate purposes in accordance with our investment objective and strategies. Financing costs of $1.6 million related to the 7.25% 2025 Notes have been capitalized and are being amortized over the term of the 7.25% 2025 Notes.

As of November 30, 2020, the total 7.25% Notes 2025 outstanding was $43.1 million. The 7.25% 2025 Notes are listed on the NYSE under the trading symbol "SAK" with a par value of $25.00 per share.

As of November 30, 2020, the carrying amount and fair value of the 7.25% 2025 Notes was $43.1 million and $45.0 million, respectively. The fair value of the 7.25% 2025 Notes, which are publicly traded, is based upon closing market quotes as of the measurement date and would be classified as a Level 1 liability within the fair value hierarchy. As of February 29, 2020, the carrying amount and fair value of the 7.25% 2025 Notes was $0.0 million and $0.0 million, respectively.

For the three and nine months ended November 30, 2020, we recorded $0.8 million and $1.4 million, respectively, of interest expense and $0.08 million and $0.1 million, respectively, of amortization of deferred financing costs related to the 7.25% 2025 Notes. Interest expense and amortization of deferred financing costs are reported as interest and debt financing expense on the consolidated statements of operations options. During the three and nine months ended November 30, 2020 the average dollar amount of 7.25% 2025 Notes outstanding was $43.1 million and $43.1 million respectively.

On July 9, 2020, the Company issued $5.0 million aggregate principal amount of our 7.75% fixed-rate Notes due in 2025 (the "7.75% Notes 2025") for net proceeds of $4.8 million after deducting underwriting commissions of approximately $0.2 million. Offering costs incurred were approximately $0.1 million. Interest on the 7.75% Notes 2025 is paid quarterly in arrears on February 28, May 31, August 31 and November 30, at a rate of 7.75% per year, beginning August 31, 2020. The 7.75% Notes 2025 mature on July 9, 2025 and may be redeemed in whole or in part at any time or from time to time at our option. The net proceeds from the offering were used for general corporate purposes in accordance with our investment objective and strategies. Financing costs of $0.3 million related to the 7.75% Notes 2025 have been capitalized and are being amortized over the term of the Notes.

As of November 30, 2020, the total 7.75% Notes 2025 outstanding was $5.0 million The 7.75% 2025 Notes are not listed and have a par value of $25.00 per share. As of November 30, 2020, there was $5.0 million of 7.75% 2025 Notes outstanding and as of February 29, 2020, there was $0.0 million outstanding. The carrying amount of the amount outstanding of 7.75% 2025 Notes approximates its fair value, which is based on a waterfall analysis showing adequate collateral coverage and would be classified as a Level 3 liability within the fair value hierarchy.

For the three and nine months ended November 30, 2020, we recorded $0.1 million and $0.2 million, respectively, of interest expense and $0.0 million and $0.0 million, respectively, of amortization of deferred financing costs related to the 7.75% 2025 Notes. Interest expense and amortization of deferred financing costs are reported as interest and debt financing expense on the consolidated statements of operations. During the three and nine months ended November 30, 2020 the average dollar amount of 7.75% 2025 Notes outstanding was $5.0 million and $5.0 million respectively.

Senior Securities

Information about our senior securities is shown in the following table as of November 30, 2020 for the fiscal year periods indicated in the table, unless otherwise noted.

SENIOR SECURITIES
(dollar amounts in thousands, except per share data)

Class and Year (1)(2)	Total Amount Outstanding Exclusive of Treasury Securities(3)	Asset Coverage per Unit(4)	Involuntary Liquidating Preference per Share(5)	Average Market Value per Share(6)
		(in thousands)		
Credit Facility with Madison Capital Funding				
Fiscal year 2021 (as of November 30, 2020)	$ -	$ 3,773	-	N/A
Fiscal year 2020 (as of February 29, 2020)	$ -	$ 6,071	-	N/A
Fiscal year 2019 (as of February 28, 2019)	$ -	$ 2,345	-	N/A
Fiscal year 2018 (as of February 28, 2018)	$ -	$ 2,930	-	N/A
Fiscal year 2017 (as of February 28, 2017)	$ -	$ 2,710	-	N/A
Fiscal year 2016 (as of February 29, 2016)	$ -	$ 3,025	-	N/A
Fiscal year 2015 (as of February 28, 2015)	$ 9,600	$ 3,117	-	N/A
Fiscal year 2014 (as of February 28, 2014)	$ -	$ 3,348	-	N/A
Fiscal year 2013 (as of February 28, 2013)	$ 24,300	$ 5,421	-	N/A
Fiscal year 2012 (as of February 29, 2012)	$ 20,000	$ 5,834	-	N/A
Fiscal year 2011 (as of February 28, 2011)	$ 4,500	$ 20,077	-	N/A
Fiscal year 2010 (as of February 28, 2010)	$ -	$ -	-	N/A
Fiscal year 2009 (as of February 28, 2009)	$ -	$ -	-	N/A
Fiscal year 2008 (as of February 29, 2008)	$ -	$ -	-	N/A
Fiscal year 2007 (as of February 28, 2007)	$ -	$ -	-	N/A
7.50% Notes due 2020(7)				
Fiscal year 2017 (as of February 28, 2017)	$ -	$ -	-	N/A
Fiscal year 2016 (as of February 29, 2016)	$ 61,793	$ 3,025	-	$ 25.24(8)
Fiscal year 2015 (as of February 28, 2015)	$ 48,300	$ 3,117	-	$ 25.46(8)
Fiscal year 2014 (as of February 28, 2014)	$ 48,300	$ 3,348	-	$ 25.18(8)
Fiscal year 2013 (as of February 28, 2013)	$ -	$ -	-	N/A
Fiscal year 2012 (as of February 29, 2012)	$ -	$ -	-	N/A
Fiscal year 2011 (as of February 28, 2011)	$ -	$ -	-	N/A
Fiscal year 2010 (as of February 28, 2010)	$ -	$ -	-	N/A
Fiscal year 2009 (as of February 28, 2009)	$ -	$ -	-	N/A
Fiscal year 2008 (as of February 29, 2008)	$ -	$ -	-	N/A
Fiscal year 2007 (as of February 28, 2007)	$ -	$ -	-	N/A
6.75% Notes due 2023(9)				
Fiscal year 2020 (as of February 29, 2020)	$ -	$ -	-	N/A
Fiscal year 2019 (as of February 28, 2019)	$ 74,451	$ 2,345	-	$ 25.74(10)
Fiscal year 2018 (as of February 28, 2018)	$ 74,451	$ 2,930	-	$ 26.05(10)
Fiscal year 2017 (as of February 28, 2017)	$ 74,451	$ 2,710	-	$ 25.89(10)
6.25% Notes due 2025				
Fiscal year 2021 (as of November 30, 2020)	$ 60,000	$ 3,773	-	$ 23.87(11)
Fiscal year 2020 (as of February 29, 2020)	$ 60,000	$ 6,071	-	$ 25.75(11)
Fiscal year 2019 (as of February 28, 2019)	$ 60,000	$ 2,345	-	$ 24.97(11)
7.25% Notes due 2025				
Fiscal year 2021 (as of November 30, 2020)	$ 43,125	$ 3,773	-	$ 25.53(11)
7.75% Notes due 2025				
Fiscal year 2021 (as of November 30, 2020)	$ 5,000	$ 3,773	-	$ 25.00(12)

(1) We have excluded our SBA-guaranteed debentures from this table because the SEC has granted us exemptive relief that permits us to exclude such debentures from the definition of senior securities in the 150% asset coverage ratio we are required to maintain under the 1940 Act.

(2) This table does not include the senior securities of our predecessor entity, GSC Investment Corp., relating to a revolving securitized credit facility with Deutsche Bank, in light of the fact that the Company was under different management during the time that such credit facility was outstanding.

(3) Total amount of senior securities outstanding at the end of the period presented.

(4) Asset coverage per unit is the ratio of our total assets, less all liabilities and indebtedness not represented by senior securities, to the aggregate amount of senior securities representing indebtedness. Asset coverage per unit is expressed in terms of dollar amounts per $1,000 of indebtedness, calculated on a total basis.

(5) The amount to which such class of senior security would be entitled upon the involuntary liquidation of the issuer in preference to any security junior to it. The "—" indicates information which the Securities and Exchange Commission expressly does not require to be disclosed for certain types of senior securities.

(6) Not applicable for credit facility because not registered for public trading.

(7) On January 13, 2017, the Company redeemed in full its 2020 Notes. The Company used a portion of the net proceeds from the 2023 Notes offering, which was completed in December 2016, to redeem the 2020 Notes in full.

(8) Based on the average daily trading price of the 2020 Notes on the NYSE.

(9) On December 21, 2019 and February 7, 2020, the Company redeemed $50.0 million and $24.45 million, respectively, in aggregate principal amount of the $74.45 million in aggregate principal amount of issued and outstanding 2023 Notes.
(10) Based on the average daily trading price of the 2023 Notes on the NYSE.
(11) Based on the average daily trading price of the 2025 Notes on the NYSE.
(12) The carrying value of this unlisted security approximates its fair value, based on a waterfall analysis showing adequate collateral coverage.

Note 8. Commitments and Contingencies

Contractual Obligations

The following table shows our payment obligations for repayment of debt and other contractual obligations at November 30, 2020:

		Payment Due by Period			
Long-Term Debt Obligations	**Total**	**Less Than 1 Year**	**1 - 3 Years**	**3 - 5 Years**	**More Than 5 Years**
			($ in thousands)		
Revolving credit facility	$ -	$ -	$ -	$ -	$ -
SBA debentures	176,000	-	40,000	39,000	97,000
6.25% 2025 Notes	60,000	-	-	60,000	-
7.25% 2025 Notes	43,125	-	-	43,125	-
7.75% 2025 Notes	5,000		-	5,000	-
Total Long-Term Debt Obligations	$ 284,125	$ -	$ 40,000	$ 147,125	$ 97,000

Off-Balance Sheet Arrangements

As of November 30, 2020 and February 29, 2020, the Company's off-balance sheet arrangements consisted of $49.8 million and $64.1 million, respectively, of unfunded commitments outstanding to provide debt financing to its portfolio companies or to fund limited partnership interests. Such commitments are generally up to the Company's discretion to approve, or the satisfaction of certain financial and nonfinancial covenants and involve, to varying degrees, elements of credit risk in excess of the amount recognized in the Company's consolidated statements of assets and liabilities and are not reflected in the Company's consolidated statements of assets and liabilities.

A summary of the unfunded commitments outstanding as of November 30, 2020 and February 29, 2020 is shown in the table below (dollars in thousands):

	November 30, 2020	February 29, 2020
At Company's discretion		
CLEO Communications Holding, LLC	$ 630	$ -
inMotionNow, Inc.	-	3,000
Omatic Software, LLC	-	1,000
Passageways, Inc.	5,000	5,000
PDDS Buyer, LLC	-	5,000
Saratoga Investment Corp. CLO 2013-1 Warehouse 2, Ltd.	-	17,500
Top Gun Pressure Washing, LLC	3,175	5,000
Village Realty Holdings LLC	10,000	10,000
	18,805	46,500
At portfolio company's discretion - satisfaction of certain financial and nonfinancial covenants required		
ArbiterSports, LLC	-	1,000
Axiom Purchaser, Inc.	-	1,000
CoConstruct, LLC	6,500	3,500
Davisware, LLC	1,022	2,000
GoReact	2,000	2,000
Granite Comfort, LP	8,000	-
HemaTerra Holding Company, LLC	2,000	4,000
New England Dental Partners	7,445	-
Passageways, Inc.	3,000	3,000
Procurement Partners, LLC	1,000	-
Village Realty Holdings LLC	-	1,124
	30,967	17,624
Total	$ 49,772	$ 64,124

Note 9. Directors Fees

The independent directors receive an annual fee of $70,000. They also receive $3,000 plus reimbursement of reasonable out-of- pocket expenses incurred in connection with attending each board meeting and receive $1,500 plus reimbursement of reasonable out-of- pocket expenses incurred in connection with attending each committee meeting. In addition, the chairman of the Audit Committee receives an annual fee of $12,500 and the chairman of each other committee receives an annual fee of $6,000 for their additional services in these capacities. In addition, we have purchased directors' and officers' liability insurance on behalf of our directors and officers. Independent directors have the option to receive their directors' fees in the form of our common stock issued at a price per share equal to the greater of net asset value or the market price at the time of payment. No compensation is paid to directors who are "interested persons" of the Company (as such term is defined in the 1940 Act). For the three months ended November 30, 2020 and November 30, 2019, we incurred $0.06 million and $0.06 million for directors' fees and expenses, respectively. For the nine months ended November 30, 2020 and November 30, 2019, we incurred $0.2 million and $0.2 million for directors' fees and expenses, respectively. As of November 30, 2020 and February 29, 2020, $0.04 million and $0.06 million in directors' fees and expenses were accrued and unpaid, respectively. As of November 30, 2020, we had not issued any common stock to our directors as compensation for their services.

Note 10. Stockholders' Equity

On May 16, 2006, GSC Group, Inc. capitalized the LLC, by contributing $1,000 in exchange for 67 shares, constituting all of the issued and outstanding shares of the LLC.

On March 20, 2007, the Company issued 95,995.5 and 8,136.2 shares of common stock, priced at $150.00 per share, to GSC Group and certain individual employees of GSC Group, respectively, in exchange for the general partnership interest and a limited partnership interest in GSC Partners CDO III GP, LP, collectively valued at $15.6 million. At this time, the 6.7 shares owned by GSC Group in the LLC were exchanged for 6.7 shares of the Company.

On March 28, 2007, the Company completed its IPO of 725,000 shares of common stock, priced at $150.00 per share, before underwriting discounts and commissions. Total proceeds received from the IPO, net of $7.1 million in underwriter's discount and commissions, and $1.0 million in offering costs, were $100.7 million.

On July 30, 2010, our Manager and its affiliates purchased 986,842 shares of common stock at $15.20 per share. Total proceeds received from this sale were $15.0 million.

On August 12, 2010, we effected a one-for-ten reverse stock split of our outstanding common stock. As a result of the reverse stock split, every ten shares of our common stock were converted into one share of our common stock. Any fractional shares received as a result of the reverse stock split were redeemed for cash. The total cash payment in lieu of shares was $230. Immediately after the reverse stock split, we had 2,680,842 shares of our common stock outstanding.

On September 24, 2014, the Company announced the approval of an open market share repurchase plan that allowed it to repurchase up to 200,000 shares of its common stock at prices below its NAV as reported in its then most recently published consolidated financial statements (the "Share Repurchase Plan"). On October 7, 2015, our board of directors extended the Share Repurchase Plan for another year and increased the number of shares the Company is permitted to repurchase at prices below its NAV, as reported in its then most recently published consolidated financial statements, to 400,000 shares of its common stock. On October 5, 2016, our board of directors extended the Share Repurchase Plan for another year to October 15, 2017 and increased the number of shares the Company is permitted to repurchase at prices below its NAV, as reported in its then most recently published consolidated financial statements, to 600,000 shares of its common stock. On October 10, 2017, January 8, 2019 and January 7, 2020, our board of directors extended the Share Repurchase Plan for another year to October 15, 2018, January 15, 2020 and January 15, 2021, respectively, each time leaving the number of shares unchanged at 600,000 shares of its common stock. On May 4, 2020, our board of directors increased the Share Repurchase Plan to 1.3 million shares of common stock. On January 5, 2021, our board of directors extended the Share Repurchase Plan for another year to January 15, 2022, leaving the number of shares unchanged at 1.3 million shares of common stock. As of November 30, 2020, the Company purchased 358,812 shares of common stock, at the average price of $17.14 for approximately $6.2 million pursuant to the Share Repurchase Plan. During the three months ended November 30, 2020, the Company purchased 50,000 shares of common stock, at the average price of $18.28 for approximately $0.9 million pursuant to the Share Repurchase Plan. During the nine months ended November 30, 2020, the Company purchased 140,321 shares of common stock, at the average price of $17.56 for approximately $2.5 million pursuant to the Share Repurchase Plan.

On March 16, 2017, we entered into an equity distribution agreement with Ladenburg Thalmann & Co. Inc., through which we may offer for sale, from time to time, up to $30.0 million of our common stock through an ATM offering. Subsequent to this, BB&T Capital Markets and B. Riley FBR, Inc. were also added to the agreement. On July 11, 2019, the amount of the common stock to be offered was increased to $70.0 million, and on October 8, 2019, the amount of the common stock to be offered was increased to $130.0 million. As of November 30, 2020, the Company sold 3,992,018 shares for gross proceeds of $97.1 million at an average price of $24.77 for aggregate net proceeds of $95.9 million (net of transaction costs). During the nine months ended November 30, 2020, there was no activity related to the ATM offering.

On July 13, 2018, the Company issued 1,150,000 shares of its common stock priced at $25.00 per share (par value $0.001 per share) at an aggregate total of $28.75 million. The net proceeds, after deducting underwriting commissions of $1.15 million and offering costs of approximately $0.2 million, amounted to approximately $27.4 million. The Company also granted the underwriters a 30-day option to purchase up to an additional 172,500 shares of its common stock, which was not exercised.

The Company adopted Rule 3-04/Rule 8-03(a)(5) under Regulation S-X (Note 2). Pursuant to the regulation, the Company has presented a reconciliation of the changes in each significant caption of stockholders' equity as shown in the tables below:

	Common Stock		Capital in Excess	Total Distributable	
	Shares	**Amount**	**of Par Value**	**Earnings (Loss)**	**Net Assets**
Balance at February 28, 2019	**7,657,156**	**$ 7,657**	**$ 203,552,800**	**$ (22,685,270)**	**$ 180,875,187**
Increase (Decrease) from Operations:					
Net investment income	-	-	-	3,680,788	3,680,788
Net realized gain (loss) from investments	-	-	-	-	-
Net change in unrealized appreciation (depreciation) on investments	-	-	-	3,989,130	3,989,130
Net change in provision for deferred taxes on unrealized (appreciation) depreciation on investments	-	-	-	(20,930)	(20,930)
Decrease from Shareholder Distributions:					
Distributions of investment income – net	-	-	-	(4,176,132)	(4,176,132)
Capital Share Transactions:					
Proceeds from issuance of common stock	76,448	77	1,772,557	-	1,772,634
Stock dividend distribution	31,240	31	667,358	-	667,389
Repurchases of common stock	-	-	-	-	-
Offering costs	-	-	(4,365)	-	(4,365)
Balance at May 31, 2019	**7,764,844**	**$ 7,765**	**$ 205,988,350**	**$ (19,212,414)**	**$ 186,783,701**
Increase (Decrease) from Operations:					
Net investment income	-	-	-	4,956,074	4,956,074
Net realized gain (loss) from investments	-	-	-	1,870,089	1,870,089
Net change in unrealized appreciation (depreciation) on investments	-	-	-	1,457,872	1,457,872
Net change in provision for deferred taxes on unrealized (appreciation) depreciation on investments	-	-	-	(704,263)	(704,263)
Decrease from Shareholder Distributions:					
Distributions of investment income – net	-	-	-	(4,336,226)	(4,336,226)
Capital Share Transactions:					
Proceeds from issuance of common stock	1,371,667	1,371	34,101,012	-	34,102,383
Stock dividend distribution	31,545	32	714,497	-	714,529
Repurchases of common stock	-	-	-	-	-
Offering costs	-	-	(507,592)	-	(507,592)
Balance at August 31, 2019	**9,168,056**	**$ 9,168**	**$ 240,296,267**	**$ (15,968,868)**	**$ 224,336,567**
Increase (Decrease) from Operations:					
Net investment income	-	-	-	4,575,303	4,575,303
Net realized gain (loss) from investments	-	-	-	10,739,678	10,739,678
Net change in unrealized appreciation (depreciation) on investments	-	-	-	(536,151)	(536,151)
Net change in provision for deferred taxes on unrealized (appreciation) depreciation on investments	-	-	-	(1,061,608)	(1,061,608)
Decrease from Shareholder Distributions:					
Distributions of investment income – net	-	-	-	(5,323,383)	(5,323,383)
Capital Share Transactions:					
Proceeds from issuance of common stock	1,952,367	1,951	49,351,357	-	49,353,308
Stock dividend distribution	34,575	36	806,857	-	806,893
Repurchases of common stock	-	-	-	-	-
Offering costs	-	-	(710,257)	-	(710,257)
Balance at November 30, 2019	**11,154,998**	**$ 11,155**	**$ 289,744,224**	**$ (7,575,029)**	**$ 282,180,350**
Increase (Decrease) from Operations:					
Net investment income	-	-	-	66,106	66,106
Net realized gain (loss) from investments	-	-	-	30,267,388	30,267,388
Net change in unrealized appreciation (depreciation) on investments	-	-	-	(5,681,765)	(5,681,765)
Net change in provision for deferred taxes on unrealized (appreciation) depreciation on investments	-	-	-	2,141,150	2,141,150
Decrease from Shareholder Distributions:					
Distributions of investment income – net	-	-	-	(6,261,839)	(6,261,839)
Capital Share Transactions:					
Proceeds from issuance of common stock	26,865	27	676,089	-	676,116
Stock dividend distribution	35,682	36	907,645	-	907,681
Repurchases of common stock	-	-	-	-	-
Offering costs	-	-	(8,334)	-	(8,334)
Tax reclassification of stockholders' equity in accordance with generally accepted accounting principles	-	-	(1,842,633)	1,842,633	-
Balance at February 29, 2020	**11,217,545**	**$ 11,218**	**$ 289,476,991**	**$ 14,798,644**	**$ 304,286,853**

	Common Stock		Capital in Excess of Par Value	Total Distributable Earnings (Loss)	Net Assets
	Shares	Amount			
Increase (Decrease) from Operations:					
Net investment income	-	-	-	9,018,314	9,018,314
Net realized gain (loss) from investments	-	-	-	8,480	8,480
Net change in unrealized appreciation (depreciation) on investments	-	-	-	(31,950,369)	(31,950,369)
Net change in provision for deferred taxes on unrealized (appreciation) depreciation on investments	-	-	-	267,740	267,740
Decrease from Shareholder Distributions:					
Distributions of investment income – net	-	-	-	-	-
Capital Share Transactions:					
Proceeds from issuance of common stock	-	-	-	-	-
Stock dividend distribution	-	-	-	-	-
Repurchases of common stock	-	-	-	-	-
Offering costs	-	-	-	-	-
Balance at May 31, 2020	**11,217,545**	**$ 11,218**	**$ 289,476,991**	**$ (7,857,191)**	**$ 281,631,018**
Increase (Decrease) from Operations:					
Net investment income	-	-	-	5,334,713	5,334,713
Net realized gain (loss) from investments	-	-	-	11,929	11,929
Net change in unrealized appreciation (depreciation) on investments	-	-	-	16,580,401	16,580,401
Net change in provision for deferred taxes on unrealized (appreciation) depreciation on investments	-	-	-	(116,521)	(116,521)
Decrease from Shareholder Distributions:					
Distributions of investment income – net	-	-	-	(4,487,015)	(4,487,015)
Capital Share Transactions:					
Proceeds from issuance of common stock	-	-	-	-	-
Stock dividend distribution	47,098	46	774,944	-	774,990
Repurchases of common stock	(90,321)	(90)	(1,550,327)	-	(1,550,417)
Repurchase fees	-	-	(1,740)	-	(1,740)
Offering costs	-	-	-	-	-
Balance at August 31, 2020	**11,174,322**	**$ 11,174**	**$ 288,699,868**	**$ 9,466,316**	**$ 298,177,358**
Increase (Decrease) from Operations:					
Net investment income	-	-	-	4,471,102	4,471,102
Net realized gain (loss) from investments	-	-	-	1,798	1,798
Income tax (provision) benefit from realized gain on investments				(3,895,354)	(3,895,354)
Net change in unrealized appreciation (depreciation) on investments	-	-	-	5,998,830	5,998,830
Net change in provision for deferred taxes on unrealized (appreciation) depreciation on investments	-	-	-	(210,057)	(210,057)
Decrease from Shareholder Distributions:					
Distributions of investment income – net	-	-	-	(4,581,469)	(4,581,469)
Capital Share Transactions:					
Proceeds from issuance of common stock	-	-	-	-	-
Stock dividend distribution	45,706	46	805,883	-	805,929
Repurchases of common stock	(50,000)	(50)	(914,194)	-	(914,244)
Repurchase fees	-	-	(1,003)	-	(1,003)
Offering costs	-	-	-	-	-
Balance at November 30, 2020	**11,170,028**	**$ 11,170**	**$ 288,590,554**	**$ 11,251,166**	**$ 299,852,890**

Note 11. Earnings Per Share

In accordance with the provisions of FASB ASC Topic 260, "*Earnings per Share*" ("ASC 260"), basic earnings per share is computed by dividing earnings available to common shareholders by the weighted average number of shares outstanding during the period. Other potentially dilutive common shares, and the related impact to earnings, are considered when calculating earnings per share on a diluted basis.

The following information sets forth the computation of the weighted average basic and diluted net increase in net assets resulting from operations per share for the three and nine months ended November 30, 2020 and November 30, 2019 (dollars in thousands except share and per share amounts):

	For the three months ended		For the nine months ended	
Basic and Diluted	**November 30, 2020**	**November 30, 2019**	**November 30, 2020**	**November 30, 2019**
Net increase (decrease) in net assets resulting from operations	$ 6,366	$ 13,717	$ 5,521	$ 28,946
Weighted average common shares outstanding	11,169,817	10,036,086	11,198,287	8,702,190
Weighted average earnings (loss) per common share	$ 0.57	$ 1.37	$ 0.49	$ 3.33

Note 12. Dividend

On October 7, 2020, our board of directors declared a dividend of $0.41 per share, which was paid on November 10, 2020, to common stockholders of record as of October 26, 2020. Shareholders had the option to receive payment of the dividend in cash, or receive shares of common stock, pursuant to the DRIP. Based on shareholder elections, the dividend consisted of approximately $3.8 million in cash and 45,706 newly issued shares of common stock, or 0.4% of our outstanding common stock prior to the dividend payment. The number of shares of common stock comprising the stock portion was calculated based on a price of $17.63 per share, which equaled 95% of the volume weighted average trading price per share of the common stock on October 28, 29, 30 and November 2, 3, 4, 5, 6, 9, and 10, 2020.

On July 7, 2020, our board of directors declared a dividend of $0.40 per share, which was paid on August 12, 2020, to common stockholders of record as of July 27, 2020. Shareholders had the option to receive payment of the dividend in cash, or receive shares of common stock, pursuant to the DRIP. Based on shareholder elections, the dividend consisted of approximately $3.7 million in cash and 47,098 newly issued shares of common stock, or 0.4% of our outstanding common stock prior to the dividend payment. The number of shares of common stock comprising the stock portion was calculated based on a price of $16.45 per share, which equaled 95% of the volume weighted average trading price per share of the common stock on July 30, 31 and August 3, 4, 5, 6, 7, 10, 11 and 12, 2020.

During the three months ended May 31, 2020, there were no dividends declared.

On February 26, 2019, our board of directors declared a dividend of $0.54 per share, which was paid on March 28, 2019, to common stockholders of record as of March 14, 2019. Shareholders had the option to receive payment of the dividend in cash, or receive shares of common stock, pursuant to the DRIP. Based on shareholder elections, the dividend consisted of approximately $3.5 million in cash and 31,240 newly issued shares of common stock, or 0.4% of our outstanding common stock prior to the dividend payment. The number of shares of common stock comprising the stock portion was calculated based on a price of $21.36 per share, which equaled 95% of the volume weighted average trading price per share of the common stock on March 15, 18, 19, 20, 21, 22, 25, 26, 27 and 28, 2019.

The following table summarizes dividends declared for the nine months ended November 30, 2020 (dollars in thousands except per share amounts):

Date Declared	**Record Date**	**Payment Date**	**Amount Per Share**	**Total Amount***
October 6, 2020	October 27, 2020	November 10, 2020	$ 0.41	$ 4,581
July 7, 2020	July 27, 2020	August 12, 2020	0.40	4,487
Total dividends declared			$ 0.81	$ 9,068

* Total amount is calculated based on the number of shares outstanding at the date of record.

The following table summarizes dividends declared for the nine months ended November 30, 2019 (dollars in thousands except per share amounts):

Date Declared	**Record Date**	**Payment Date**	**Amount Per Share**	**Total Amount***
August 27, 2019	September 13, 2019	September 26, 2019	$ 0.56	$ 5,323
May 28, 2019	June 13, 2019	July 27, 2019	0.55	4,336
February 26, 2019	March 14, 2019	March 28, 2019	0.54	4,176
Total dividends declared			$ 1.65	$ 13,835

* Total amount is calculated based on the number of shares outstanding at the date of record.

Note 13. Financial Highlights

The following is a schedule of financial highlights as of and for the nine months ended November 30, 2020 and November 30, 2019:

Per share data	**November 30, 2020**	**November 30, 2019**
Net asset value at beginning of period	$ 27.13	$ 23.62
Net investment income(1)	1.68	1.52
Net realized and unrealized gain and losses on investments(1)	(1.19)	1.81
Net increase in net assets resulting from operations	0.49	3.33
Distributions declared from net investment income	(0.81)	(1.65)
Total distributions to stockholders	(0.81)	(1.65)
Issuance of common stock above net asset value (2)	-	-
Repurchases of common stock(3)	0.11	-
Dilution(4)	(0.08)	-
Net asset value at end of period	$ 26.84	$ 25.30
Net assets at end of period	$ 299,852,890	$ 282,180,350
Shares outstanding at end of period	11,170,028	11,154,998
Per share market value at end of period	$ 22.13	$ 25.10
Total return based on market value(5)(6)	1.24%	17.15%
Total return based on net asset value(5)(7)	3.69%	15.17%
Ratio/Supplemental data:		
Ratio of net investment income to average net assets(8)	8.66%	9.15%
Expenses:		
Ratio of operating expenses to average net assets(9)	5.02%	5.30%
Ratio of incentive management fees to average net assets(5)	0.66%	3.34%
Ratio of interest and debt financing expenses to average net assets(9)	4.24%	7.08%
Ratio of total expenses to average net assets(8)	9.92%	15.72%
Portfolio turnover rate(5)(10)	10.07%	21.77%
Asset coverage ratio per unit(11)	3,773	3,099
Average market value per unit		
Revolving Credit Facility(12)	N/A	N/A
SBA Debentures Payable(12)	N/A	N/A
6.75% Notes Payable 2023(13)	N/A	$ 25.64
6.25% Notes Payable 2025	$ 23.87	$ 25.67
7.25% Notes Payable 2025(14)	$ 25.53	N/A
7.75% Notes Payable 2025(12)	N/A	N/A

(1) Per share amounts are calculated using the weighted average shares outstanding during the period.

(2) The continuous issuance of common stock may cause an incremental increase in net asset value per share due to the sale of shares at the then prevailing public offering price and the receipt of net proceeds per share by the Company in excess of net asset value per share on each subscription closing date. The per share data was derived by computing (i) the sum of (A) the number of shares issued in connection with subscriptions and/or distribution reinvestment on each share transaction date multiplied by (B) the differences between the net proceeds per share and the net asset value per share on each share transaction date, divided by (ii) the total shares outstanding during the period.

(3) Represents the anti-dilutive impact on the net asset value per share ("NAV") of the Company due to the repurchase of common shares. See Note 10, Stockholders' Equity.

(4) Represents the dilutive effect of issuing common stock below net asset value per share during the period in connection with the satisfaction of the Company's annual RIC distribution requirement and may include the impact of the different share amounts used for different items (weighted average basic common shares outstanding for the corresponding year and actual common shares outstanding at the end of the year) in the per common share data calculation and rounding impacts. See Note 12, Dividend.

(5) Ratios are not annualized.

(6) Total investment return is calculated assuming a purchase of common shares at the current market value on the first day and a sale at the current market value on the last day of the periods reported. Dividends and distributions, if any, are assumed for purposes of this calculation to be reinvested at prices obtained under the Company’s DRIP. Total investment return does not reflect brokerage commissions.

(7) Total investment return is calculated assuming a purchase of common shares at the current net asset value on the first day and a sale at the current net asset value on the last day of the periods reported. Dividends and distributions, if any, are assumed for purposes of this calculation to be reinvested at prices obtained under the Company’s DRIP. Total investment return does not reflect brokerage commissions.

(8) Ratios are annualized. Incentive management fees included within the ratio are not annualized.

(9) Ratios are annualized.

(10) Portfolio turnover rate is calculated using the lesser of year-to-date sales or year-to-date purchases over the average of the invested assets at fair value.

(11) Asset coverage ratio per unit is the ratio of the carrying value of our total consolidated assets, less all liabilities and indebtedness not represented by senior securities, to the aggregate amount of senior securities representing indebtedness. Asset coverage ratio per unit is expressed in terms of dollar amounts per $1,000 of indebtedness. Asset coverage ratio per unit does not include unfunded commitments. The inclusion of unfunded commitments in the calculation of the asset coverage ratio per unit would not cause us to be below the required amount of regulatory coverage.

(12) The Revolving Credit Facility, SBA Debentures and 7.75% Notes Payable 2025 are not registered for public trading.

(13) On December 21, 2019 and February 7, 2020, the Company redeemed $50.0 million and $24.5 million, respectively, in aggregate principal amount of the $74.5 million in aggregate principal amount of issued and outstanding 2023 Notes and are no longer listed on the NYSE.

(14) Period from close of business on June 30, 2020 through November 30, 2020.

Note 14. Subsequent Events

The Company has evaluated subsequent events through the filing of this Form 10-Q and determined that there have been no events that have occurred that would require adjustments to the Company's consolidated financial statements and disclosures in the consolidated financial statements except for the following:

On January 5, 2021, the Company declared a dividend of $0.42 per share payable on February 10, 2021, to common stockholders of record on January 26, 2021. Shareholders have the option to receive payment of the dividend in cash, or receive shares of common stock, pursuant to the Company's DRIP.

Subsequent to November 30, 2020, the global outbreak of the coronavirus ("COVID-19") pandemic has adversely affected some of the Company's investments and continues to have adverse consequences on the U.S. and global economies. The ultimate economic fallout from the pandemic, and the long-term impact on economies, markets, industries and individual portfolio companies, remains uncertain. At the time of this filing, there is no indication of a reportable subsequent event impacting the Company's financial statements for the quarter ended November 30, 2020. The Company cannot predict the extent to which its financial condition and results of operations will be adversely affected at this time. The potential impact to our results will depend to a large extent on future developments and new information that may emerge regarding the duration and severity of COVID-19. The Company continues to observe and respond to the evolving COVID-19 environment and its potential impact on areas across its business.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion should be read in conjunction with our consolidated financial statements and related notes and other financial information appearing elsewhere in this Quarterly Report on Form 10-Q. In addition to historical information, the following discussion and other parts of this Quarterly Report contain forward-looking information that involves risks and uncertainties. Our actual results could differ materially from those anticipated by such forward-looking information due to the factors discussed under "Note about Forward-Looking Statements" and Part I, Item 1A. "Risk Factors" in our Annual Report on Form 10-K for the fiscal year ended February 29, 2020.

The forward-looking statements are based on our beliefs, assumptions and expectations of our future performance, taking into account all information currently available to us. These beliefs, assumptions and expectations can change as a result of many possible events or factors, not all of which are known to us or are within our control. If a change occurs, our business, financial condition, liquidity and results of operations may vary materially from those expressed in our forward-looking statements.

The forward-looking statements contained in this Quarterly Report on Form 10-Q involve risks and uncertainties, including statements as to:

- our future operating results and the impact of COVID-19 pandemic thereon;
- the introduction, withdrawal, success and timing of business initiatives and strategies;
- changes in political, economic or industry conditions, the interest rate environment or financial and capital markets, which could result in changes in the value of our assets;
- pandemics or other serious public health events, such as the recent global outbreak of COVID-19;
- the relative and absolute investment performance and operations of our Manager;
- the impact of increased competition;
- our ability to turn potential investment opportunities into transactions and thereafter into completed and successful investments;
- the unfavorable resolution of any future legal proceedings;
- our business prospects and the prospects of our portfolio companies, including our and their ability to achieve our respective objectives as a result of the current COVID-19 pandemic;
- the impact of investments that we expect to make and future acquisitions and divestitures;
- our contractual arrangements and relationships with third parties;
- the dependence of our future success on the general economy and its impact on the industries in which we invest and the impact of the COVID-19 pandemic thereon;
- the ability of our portfolio companies to achieve their objectives;
- our expected financings and investments;
- our regulatory structure and tax status, including our ability to operate as a business development company ("BDC"), or to operate our small business investment company ("SBIC") subsidiaries, and to continue to qualify to be taxed as a regulated investment company ("RIC");
- the adequacy of our cash resources and working capital;
- the timing of cash flows, if any, from the operations of our portfolio companies and the impact of the COVID-19 pandemic thereon;
- the impact of interest rate volatility on our results, particularly because we use leverage as part of our investment strategy;
- the impact of legislative and regulatory actions and reforms and regulatory, supervisory or enforcement actions of government agencies relating to us or our Manager;
- the impact of changes to tax legislation and, generally, our tax position;
- our ability to access capital and any future financings by us;
- the ability of our Manager to attract and retain highly talented professionals; and
- the ability of our Manager to locate suitable investments for us and to monitor and effectively administer our investments and the impacts of the COVID-19 pandemic thereon.

The following statements are not guarantees of future performance and are subject to risks, uncertainties, and other factors, some of which are beyond our control and difficult to predict and could cause actual results to differ materially from those expressed or forecasted in the forward-looking statements, including without limitation:

- changes in laws and regulations, changes in political, economic or industry conditions, and changes in the interest rate environment, including with respect to the anticipated discontinuation of LIBOR, or other conditions affecting the financial and capital markets, including with respect to changes resulting from or in response to, or potentially even the absence of changes as a result of, the impact of the COVID-19 pandemic;

- the length and duration of the COVID-19 outbreak in the United States as well as worldwide, and the magnitude of its impact and time required for economic recovery, including with respect to the impact of travel restrictions and other isolation and quarantine measures on the ability of the Manager's investment professionals to conduct in-person diligence on, and otherwise monitor, existing and future investments;

- an economic downturn and the time period required for robust economic recovery therefrom, including the current economic downturn as a result of the impact of the COVID-19 pandemic, which may have a material impact on our portfolio companies' results of operations and financial condition, which could lead to the loss of some or all of our investments in certain portfolio companies and have a material adverse effect on our results of operations and financial condition;

- a contraction of available credit, an inability or unwillingness of our lenders to fund their commitments to us and/or an inability to access capital markets or additional sources of liquidity, including as a result of the impact and duration of the COVID-19 pandemic, could have a material adverse effect on our results of operations and financial condition and impair our lending and investment activities;

- risks associated with possible disruption in our portfolio companies' operations due to wars and other forms of conflict, terrorist acts, security operations and catastrophic events such as fires, floods, earthquakes, tornadoes, hurricanes and global health epidemics; and

- the risks, uncertainties and other factors we identify in "Risk Factors" in our most recent Annual Report on Form 10-K under Part I, Item 1A, in our quarterly reports on Form 10-Q, including this report, and in our other filings with the SEC that we make from time to time.

Such forward-looking statements may include statements preceded by, followed by or that otherwise include terms such as "anticipate," "believe," "could," "estimate," "expect," "intend," "may," "plan," "potential," "project," "should," "will" and "would" or the negative of these terms or other comparable terminology.

We have based the forward-looking statements included in this quarterly report on Form 10-Q on information available to us on the date of this quarterly report on Form 10-Q, and we assume no obligation to update any such forward-looking statements. Actual results could differ materially from those anticipated in our forward-looking statements, and future results could differ materially from historical performance. We undertake no obligation to revise or update any forward-looking statements, whether as a result of new information, future events or otherwise, unless required by law or SEC rule or regulation. You are advised to consult any additional disclosures that we may make directly to you or through reports that we in the future may file with the SEC, including annual reports on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K.

The following analysis of our financial condition and results of operations should be read in conjunction with our consolidated financial statements and the related notes thereto contained elsewhere in this quarterly report on Form 10-Q.

OVERVIEW

We are a Maryland corporation that has elected to be treated as a BDC under the 1940 Act. Our investment objective is to create attractive risk-adjusted returns by generating current income and long-term capital appreciation from our investments. We invest primarily in senior and unitranche leveraged loans and mezzanine debt issued by private U.S. middle market companies, which we define as companies having earnings before interest, tax, depreciation and amortization ("EBITDA") of between $2 million and $50 million, both through direct lending and through participation in loan syndicates. We may also invest up to 30.0% of the portfolio in opportunistic investments in order to seek to enhance returns to stockholders. Such investments may include investments in distressed debt, which may include securities of companies in bankruptcy, foreign debt, private equity, securities of public companies that are not thinly traded and structured finance vehicles such as collateralized loan obligation funds. Although we have no current intention to do so, to the extent we invest in private equity funds, we will limit our investments in entities that are excluded from the definition of "investment company" under Section 3(c)(1) or Section 3(c)(7) of the 1940 Act, which includes private equity funds, to no more than 15.0% of its net assets. We have elected and qualified to be treated as a RIC under Subchapter M of the Code.

COVID-19 Update

On March 11, 2020, the World Health Organization declared the novel coronavirus, or COVID-19, as a pandemic, and on March 13, 2020 the United States declared a national emergency with respect to COVID-19. The outbreak of COVID-19 has severely impacted global economic activity and caused significant volatility and negative pressure in financial markets. The global impact of the outbreak has been rapidly evolving and many countries, including the United States, have reacted by instituting quarantines, restricting travel and hospitality, and temporarily closing or limiting operations at many corporate offices, retail stores, restaurants, fitness clubs and manufacturing facilities and factories in affected jurisdictions. Such actions are creating disruption in global supply chains and adversely impacting a number of industries. The outbreak could have a continued adverse impact on economic and market conditions and trigger a period of global economic slowdown. The rapid development and fluidity of this situation precludes any prediction as to the ultimate adverse impact of COVID-19. Nevertheless, COVID-19 presents material uncertainty and risks with respect to the underlying value of the Company's portfolio companies, the Company's business, financial condition, results of operations and cash flows, such as the potential negative impact to financing arrangements, company decisions to delay, defer and/or modify the character of dividends in order to preserve liquidity, increased costs of operations, changes in law and/or regulation, and uncertainty regarding government and regulatory policy.

We have evaluated subsequent events from December 1, 2020 through January 6, 2021. However, as the discussion in this Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations relates to the Company's financial statements for the quarter-ended November 30, 2020, the analysis contained herein may not fully account for impacts relating to the COVID-19 pandemic. In that regard, for example, as of November 30, 2020, the Company valued its portfolio investments in conformity with U.S. GAAP based on the facts and circumstances known by the Company at that time, or reasonably expected to be known at that time. Due to the overall volatility that the COVID-19 pandemic has caused during the months that followed our November 30, 2020 valuation, any valuations conducted now or in the future in conformity with U.S. GAAP could result in a lower fair value of our portfolio. The potential impact to our results going forward will depend to a large extent on future developments and new information that may emerge regarding the duration and severity of COVID- 19 and the actions taken by authorities and other entities to contain the coronavirus or treat its impact, all of which are beyond our control. Accordingly, the Company cannot predict the extent to which its financial condition and results of operations will be affected at this time.

Corporate History

We commenced operations, at the time known as GSC Investment Corp., on March 23, 2007 and completed an initial public offering of shares of common stock on March 28, 2007. Prior to July 30, 2010, we were externally managed and advised by GSCP (NJ), L.P., an entity affiliated with GSC Group, Inc. In connection with the consummation of a recapitalization transaction on July 30, 2010, as described below we engaged Saratoga Investment Advisors to replace GSCP (NJ), L.P. as our investment adviser and changed our name to Saratoga Investment Corp.

As a result of the event of default under a revolving securitized credit facility with Deutsche Bank we previously had in place, in December 2008 we engaged the investment banking firm of Stifel, Nicolaus & Company to evaluate strategic transaction opportunities and consider alternatives for us. On April 14, 2010, GSC Investment Corp. entered into a stock purchase agreement with Saratoga Investment Advisors and certain of its affiliates and an assignment, assumption and novation agreement with Saratoga Investment Advisors, pursuant to which GSC Investment Corp. assumed certain rights and obligations of Saratoga Investment Advisors under a debt commitment letter Saratoga Investment Advisors received from Madison Capital Funding LLC, which indicated Madison Capital Funding's willingness to provide GSC Investment Corp. with a $40.0 million senior secured revolving credit facility, subject to the satisfaction of certain terms and conditions. In addition, GSC Investment Corp. and GSCP (NJ), L.P. entered into a termination and release agreement, to be effective as of the closing of the transaction contemplated by the stock purchase agreement, pursuant to which GSCP (NJ), L.P., among other things, agreed to waive any and all accrued and unpaid deferred incentive management fees up to and as of the closing of the transaction contemplated by the stock purchase agreement but continued to be entitled to receive the base management fees earned through the date of the closing of the transaction contemplated by the stock purchase agreement.

On July 30, 2010, the transactions contemplated by the stock purchase agreement with Saratoga Investment Advisors and certain of its affiliates were completed, the private sale of 986,842 shares of our common stock for $15.0 million in aggregate purchase price to Saratoga Investment Advisors and certain of its affiliates closed, the Company entered into the Credit Facility, and the Company began doing business as Saratoga Investment Corp.

We used the net proceeds from the private sale transaction and a portion of the funds available to us under the Credit Facility to pay the full amount of principal and accrued interest, including default interest, outstanding under our revolving securitized credit facility with Deutsche Bank. The revolving securitized credit facility with Deutsche Bank was terminated in connection with our payment of all amounts outstanding thereunder on July 30, 2010.

On August 12, 2010, we effected a one-for-ten reverse stock split of our outstanding common stock. As a result of the reverse stock split, every ten shares of our common stock were converted into one share of our common stock. Any fractional shares received as a result of the reverse stock split were redeemed for cash. The total cash payment in lieu of shares was $230. Immediately after the reverse stock split, we had 2,680,842 shares of our common stock outstanding.

In January 2011, we registered for public resale of the 986,842 shares of our common stock issued to Saratoga Investment Advisors and certain of its affiliates.

On March 28, 2012, our wholly-owned subsidiary, Saratoga Investment Corp. SBIC, LP ("SBIC LP"), received an SBIC license from the Small Business Administration ("SBA"). On August 14, 2019, our wholly-owned subsidiary, Saratoga Investment Corp. SBIC II LP ("SBIC II LP"), also received an SBIC license from the SBA.

In May 2013, we issued $48.3 million in aggregate principal amount of our 7.50% fixed-rate unsecured notes due 2020 (the "2020 Notes") for net proceeds of $46.1 million after deducting underwriting commissions of $1.9 million and offering costs of $0.3 million. The proceeds included the underwriters' full exercise of their overallotment option. The 2020 Notes were listed on the NYSE under the trading symbol "SAQ" with a par value of $25.00 per share. The 2020 Notes were redeemed in full on January 13, 2017 and are no longer listed on the NYSE.

On May 29, 2015, we entered into a Debt Distribution Agreement with Ladenburg Thalmann & Co. through which we may offer for sale, from time to time, up to $20.0 million in aggregate principal amount of the 2020 Notes through an At-the-Market ("ATM") offering. Prior to the 2020 Notes being redeemed in full, the Company sold 539,725 bonds with a principal of $13.5 million at an average price of $25.31 for aggregate net proceeds of $13.4 million (net of transaction costs).

On December 21, 2016, we issued $74.5 million in aggregate principal amount of our 6.75% fixed-rate unsecured notes due 2023 (the "2023Notes") for net proceeds of $71.7 million after deducting underwriting commissions of approximately $2.3 million and offering costs of approximately $0.5 million. The issuance included the exercise of substantially all of the underwriters' option to purchase an additional $9.8 million aggregate principal amount of 2023 Notes within 30 days. The 2023 Notes were listed on the NYSE under the trading symbol "SAB" with a par value of $25.00 per share. On December 21, 2019 and February 7, 2020, the Company redeemed $50.0 million and $24.5 million, respectively, in aggregate principal amount of the $74.5 million in aggregate principal amount of issued and outstanding 2023 Notes.

On March 16, 2017, we entered into an equity distribution agreement with Ladenburg Thalmann & Co. Inc., through which we may offer for sale, from time to time, up to $30.0 million of our common stock through an ATM offering. Subsequent to this, BB&T Capital Markets and B. Riley FBR, Inc. were also added to the agreement. On July 11, 2019, the amount of the common stock to be offered through this offering was increased to $70.0 million, and on October 8, 2019, the amount of the common stock to be offered was increased to $130.0 million. As of November 30, 2020, the Company sold 3,922,018 shares for gross proceeds of $97.1 million at an average price of $24.77 for aggregate net proceeds of $95.9 million (net of transaction costs). During the nine months ended November 30, 2020, there was no activity related to the ATM offering.

On July 13, 2018, the Company issued 1,150,000 shares of its common stock priced at $25.00 per share (par value $0.001 per share) at an aggregate total of $28.75 million. The net proceeds, after deducting underwriting commissions of $1.15 million and offering costs of approximately $0.2 million, amounted to approximately $27.4 million. The Company also granted the underwriters a 30-day option to purchase up to an additional 172,500 shares of its common stock, which was not exercised.

On August 28, 2018, the Company issued $40.0 million in aggregate principal amount of our 6.25% fixed-rate notes due 2025 (the "6.25% 2025 Notes") for net proceeds of $38.7 million after deducting underwriting commissions of approximately $1.3 million. Offering costs incurred were approximately $0.3 million. The issuance included the full exercise of the underwriters' option to purchase an additional $5.0 million aggregate principal amount of 6.25% 2025 Notes within 30 days. Interest on the 6.25% 2025 Notes is paid quarterly in arrears on February 28, May 31, August 31 and November 30, at a rate of 6.25% per year, beginning November 30, 2018. The 6.25% 2025 Notes mature on August 31, 2025 and commencing August 28, 2021, may be redeemed in whole or in part at any time or from time to time at our option. The net proceeds from the offering were used for general corporate purposes in accordance with our investment objective and strategies. Financing costs of $1.6 million related to the 6.25% 2025 Notes have been capitalized and are being amortized over the term of the 6.25% 2025 Notes.

On December 14, 2018, the Company completed the third refinancing of the Saratoga CLO (the "2013-1 Reset CLO Notes"). This refinancing, among other things, extended the Saratoga CLO reinvestment period to January 2021, and extended its legal maturity to January 2030. A non-call period of January 2020 was also added. In addition to and as part of the refinancing, the Saratoga CLO has also been upsized from $300 million in assets to approximately $500 million. As part of this refinancing and upsizing, the Company invested an additional $13.8 million in all of the newly issued subordinated notes of the Saratoga CLO, and purchased $2.5 million in aggregate principal amount of the Class F-R-2 Notes tranche and $7.5 million in aggregate principal amount of the Class G-R-2 Notes tranche at par. Concurrently, the existing $4.5 million of Class F notes were repaid.

On February 5, 2019, the Company completed a re-opening and up-sizing of its existing 6.25% 2025 Notes by issuing an additional $20.0 million in aggregate principal amount for net proceeds of $19.2 million after deducting underwriting commissions of approximately $0.6 million and discount of $0.2 million. Offering costs incurred were approximately $0.2 million. The issuance included the full exercise of the underwriters' option to purchase an additional $2.5 million aggregate principal amount of 6.25% 2025 Notes within 30 days. Interest rate, interest payment dates and maturity remain unchanged from the existing 6.25% 2025 Notes issued in August 2018. The net proceeds from this offering were used for general corporate purposes in accordance with our investment objective and strategies. The financing costs and discount of $1.0 million related to the 6.25% 2025 Notes have been capitalized and are being amortized over the term of the 6.25% 2025 Notes. As of November 30, 2020, the total 6.25% 2025 Notes outstanding was $60.0 million. The 6.25% 2025 Notes are listed on the NYSE under the trading symbol "SAF" with a par value of $25.00 per share.

On August 14, 2019, our wholly-owned subsidiary, Saratoga Investment Corp. SBIC II LP ("SBIC II LP"), also received an SBIC license from the SBA. The new license will provide up to $175.0 million in additional long-term capital in the form of SBA debentures.

On February 11, 2020, the Company entered into an unsecured loan agreement with Saratoga Investment Corp. CLO 2013-1 Warehouse 2, Ltd., a wholly-owned subsidiary of Saratoga Investment Corp. CLO 2013-1, Ltd. Pursuant to which CLO 2013-1 Warehouse 2 may borrow from time to time up to $20.0 million from the Company in order to provide capital necessary to support warehouse activities. On October 23, 2020, the CLO 2013-1 Warehouse 2 Loan was increased to $25.0 million availability, which was immediately fully drawn and, which expires on August 20, 2021. The interest rate was also amended to be based on a pricing grid, starting at an annual rate of 3M USD LIBOR + 4.46%. As of November 30, 2020, the Company's investment in the CLO 2013-1 Warehouse 2 had a fair value of $24.8 million.

On June 24, 2020, the Company issued $37.5 million in aggregate principal amount of our 7.25% fixed-rate notes due 2025 (the "7.25% 2025 Notes") for net proceeds of $36.3 million after deducting underwriting commissions of approximately $1.2 million. Offering costs incurred were approximately $0.3 million. On July 6, 2020, the underwriters exercised their option in full to purchase an additional $5.625 million in aggregate principal amount of its 7.25% unsecured notes due 2025. Net proceeds to the Company were $5.4 million after deducting underwriting commissions of approximately $0.2 million. Interest on the 7.25% 2025 Notes is paid quarterly in arrears on February 28, May 31, August 31 and November 30, at a rate of 7.25% per year, beginning August 31, 2020. The 7.25% 2025 Notes mature on June 30, 2025 and commencing June 24, 2022, may be redeemed in whole or in part at any time or from time to time at our option. The net proceeds from the offering were used for general corporate purposes in accordance with our investment objective and strategies. Financing costs of $1.6 million related to the 7.25% 2025 Notes have been capitalized and are being amortized over the term of the 7.25% 2025 Notes. The Company has received an investment grade private rating of "BBB" from Egan-Jones Ratings Company, an independent, unaffiliated rating agency. As of November 30, 2020, the total 7.25% 2025 Notes outstanding was $43.1 million. The 7.25% 2025 Notes are listed on the NYSE under the trading symbol "SAK" with a par value of $25.00 per share.

On July 9, 2020, the Company issued $5.0 million aggregate principal amount of our 7.75% fixed-rate Notes due in 2025 (the "7.75% 2025 Notes") for net proceeds of $4.8 million after deducting underwriting commissions of approximately $0.2 million. Offering costs incurred were approximately $0.1 million. Interest on the 7.75% Notes 2025 is paid quarterly in arrears on February 28, May 31, August 31 and November 30, at a rate of 7.75% per year, beginning August 31, 2020. The 7.75% Notes 2025 mature on July 9, 2025 and may be redeemed in whole or in part at any time or from time to time at our option. The net proceeds from the offering were used for general corporate purposes in accordance with our investment objective and strategies. Financing costs of $0.3 million related to the 7.75% Notes 2025 have been capitalized and are being amortized over the term of the Notes. As of November 30, 2020, the total 7.25% 2025 Notes outstanding was $5.0 million. The 7.75% 2025 Notes are unlisted and has a par value of $25.00 per share.

Critical Accounting Policies

Basis of Presentation

The preparation of financial statements in accordance with U.S. generally accepted accounting principles ("U.S. GAAP") requires management to make certain estimates and assumptions affecting amounts reported in the Company's consolidated financial statements. We have identified investment valuation, revenue recognition and the recognition of capital gains incentive fee expense as our most critical accounting estimates. We continuously evaluate our estimates, including those related to the matters described below. These estimates are based on the information that is currently available to us and on various other assumptions that we believe to be reasonable under the circumstances. Actual results could differ materially from those estimates under different assumptions or conditions. A discussion of our critical accounting policies follows.

Investment Valuation

The Company accounts for its investments at fair value in accordance with the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 820, *Fair Value Measurement and Disclosures* ("ASC 820"). ASC 820 defines fair value, establishes a framework for measuring fair value, establishes a fair value hierarchy based on the quality of inputs used to measure fair value and enhances disclosure requirements for fair value measurements. ASC 820 requires the Company to assume that its investments are to be sold or its liabilities are to be transferred at the balance sheet date in the principal market to independent market participants, or in the absence of a principal market, in the most advantageous market, which may be a hypothetical market. Market participants are defined as buyers and sellers in the principal or most advantageous market that are independent, knowledgeable, and willing and able to transact.

Investments for which market quotations are readily available are fair valued at such market quotations obtained from independent third-party pricing services and market makers subject to any decision by our board of directors to approve a fair value determination to reflect significant events affecting the value of these investments. We value investments for which market quotations are not readily available at fair value as approved, in good faith, by our board of directors based on input from Saratoga Investment Advisors, the audit committee of our board of directors and a third party independent valuation firm. Determinations of fair value may involve subjective judgments and estimates. The types of factors that may be considered in determining the fair value of our investments include the nature and realizable value of any collateral, the portfolio company's ability to make payments, market yield trend analysis, the markets in which the portfolio company does business, comparison to publicly traded companies, discounted cash flow and other relevant factors.

We undertake a multi-step valuation process each quarter when valuing investments for which market quotations are not readily available, as described below:

- Each investment is initially valued by the responsible investment professionals of Saratoga Investment Advisors and preliminary valuation conclusions are documented and discussed with our senior management; and

- An independent valuation firm engaged by our board of directors independently reviews a selection of these preliminary valuations each quarter so that the valuation of each investment for which market quotes are not readily available is reviewed by the independent valuation firm at least once each fiscal year. We use a third-party independent valuation firm to value our investment in the subordinated notes of Saratoga CLO and the Class F-R-2 Notes and Class G-R-2 Notes tranches of the Saratoga CLOs every quarter.

In addition, all our investments are subject to the following valuation process:

- The audit committee of our board of directors reviews and approves each preliminary valuation and Saratoga Investment Advisors and an independent valuation firm (if applicable) will supplement the preliminary valuation to reflect any comments provided by the audit committee; and

- Our board of directors discusses the valuations and approves the fair value of each investment, in good faith, based on the input of Saratoga Investment Advisors, independent valuation firm (to the extent applicable) and the audit committee of our board of directors.

Our investment in Saratoga CLO is carried at fair value, which is based on a discounted cash flow model that utilizes prepayment, re-investment and loss assumptions based on historical experience and projected performance, economic factors, the characteristics of the underlying cash flow, and comparable yields for equity interests in collateralized loan obligation funds similar to Saratoga CLO, when available, as determined by Saratoga Investment Advisors and recommended to our board of directors. Specifically, we use Intex cash flow models, or an appropriate substitute, to form the basis for the valuation of our investment in Saratoga CLO. The models use a set of assumptions including projected default rates, recovery rates, reinvestment rate and prepayment rates in order to arrive at estimated valuations. The assumptions are based on available market data and projections provided by third parties as well as management estimates. We use the output from the Intex models (i.e., the estimated cash flows) to perform a discounted cash flow analysis on expected future cash flows to determine a valuation for our investment in Saratoga CLO.

Revenue Recognition

Income Recognition

Interest income, adjusted for amortization of premium and accretion of discount, is recorded on an accrual basis to the extent that such amounts are expected to be collected. The Company stops accruing interest on its investments when it is determined that interest is no longer collectible. Discounts and premiums on investments purchased are accreted/amortized over the life of the respective investment using the effective yield method. The amortized cost of investments represents the original cost adjusted for the accretion of discounts and amortization of premiums on investments.

Loans are generally placed on non-accrual status when there is reasonable doubt that principal or interest will be collected. Accrued interest is generally reserved when a loan is placed on non-accrual status. Interest payments received on non-accrual loans may be recognized as a reduction in principal depending upon management's judgment regarding collectability. Non-accrual loans are restored to accrual status when past due principal and interest is paid and, in management's judgment, are likely to remain current, although we may make exceptions to this general rule if the loan has sufficient collateral value and is in the process of collection.

Payment-in-Kind Interest

The Company holds debt and preferred equity investments in its portfolio that contain a payment-in-kind ("PIK") interest provision. The PIK interest, which represents contractually deferred interest added to the investment balance that is generally due at maturity, is generally recorded on the accrual basis to the extent such amounts are expected to be collected. We stop accruing PIK interest if we do not expect the issuer to be able to pay all principal and interest when due.

Revenues

We generate revenue in the form of interest income and capital gains on the debt investments that we hold and capital gains, if any, on equity interests that we may acquire. We expect our debt investments, whether in the form of leveraged loans or mezzanine debt, to have terms of up to ten years, and to bear interest at either a fixed or floating rate. Interest on debt will be payable generally either quarterly or semi-annually. In some cases, our debt or preferred equity investments may provide for a portion or all of the interest to be PIK. To the extent interest is PIK, it will be payable through the increase of the principal amount of the obligation by the amount of interest due on the then-outstanding aggregate principal amount of such obligation. The principal amount of the debt and any accrued but unpaid interest will generally become due at the maturity date. In addition, we may generate revenue in the form of commitment, origination, structuring or diligence fees, fees for providing managerial assistance or investment management services and possibly consulting fees. Any such fees will be generated in connection with our investments and recognized as earned. We may also invest in preferred equity or common equity securities that pay dividends on a current basis.

On January 22, 2008, we entered into a collateral management agreement with Saratoga CLO, pursuant to which we act as its collateral manager. The Saratoga CLO was initially refinanced in October 2013 with its reinvestment period extended to October 2016. On November 15, 2016, we completed a second refinancing of the Saratoga CLO with its reinvestment period extended to October 2018.

On December 14, 2018, we completed a third refinancing and upsize of the Saratoga CLO. The third Saratoga CLO refinancing, among other things, extended its reinvestment period to January 2021, and extended its legal maturity date to January 2030. A non-call period of January 2020 was also added. Following this refinancing, the Saratoga CLO portfolio increased from approximately $300.0 million in aggregate principal amount to approximately $500.0 million of predominantly senior secured first lien term loans. In addition to refinancing its liabilities, we invested an additional $13.8 million in all of the newly issued subordinated notes of the Saratoga CLO and also purchased $2.5 million in aggregate principal amount of the Class F-R-2 and $7.5 million in aggregate principal amount of the Class G-R-2 notes tranches at par, with a coupon of LIBOR plus 8.75% and LIBOR plus 10.00%, respectively. As part of this refinancing, we also redeemed our existing $4.5 million aggregate amount of the Class F notes tranche at par.

On February 11, 2020, the Company entered into an unsecured loan agreement (“CLO 2013-1 Warehouse 2 Loan”) with Saratoga Investment Corp. CLO 2013-1 Warehouse 2, Ltd. (“CLO 2013-1 Warehouse 2”), a wholly-owned subsidiary of Saratoga Investment Corp. CLO 2013-1, Ltd. (“Saratoga CLO”), pursuant to which CLO 2013-1 Warehouse 2 may borrow from time to time up to $20.0 million from the Company in order to provide capital necessary to support warehouse activities. On October 23, 2020, the CLO 2013-1 Warehouse 2 Loan was increased to $25.0 million availability, which was immediately fully drawn and, which expires on August 20, 2021. The interest rate was also amended to be based on a pricing grid, starting at an annual rate of 3M USD LIBOR + 4.46%. As of November 30, 2020, the Company’s investment in the CLO 2013-1 Warehouse 2 had a fair value of $24.8 million.

The Saratoga CLO remains effectively 100% owned and managed by Saratoga Investment Corp. We receive a base management fee of 0.10% per annum and a subordinated management fee of 0.40% per annum of the outstanding principal amount of Saratoga CLO’s assets, paid quarterly to the extent of available proceeds. Prior to the second refinancing and the issuance of the 2013-1 Amended CLO Notes, we received a base management fee of 0.25% per annum and a subordinated management fee of 0.25% per annum of the outstanding principal amount of Saratoga CLO’s assets, paid quarterly to the extent of available proceeds.

Following the third refinancing and the issuance of the 2013-1 Reset CLO Notes on December 14, 2018, we are no longer entitled to an incentive management fee equal to 20.0% of excess cash flow to the extent the Saratoga CLO subordinated notes receive an internal rate of return paid in cash equal to or greater than 12.0%.

Interest income on our investment in Saratoga CLO is recorded using the effective interest method in accordance with the provisions of ASC Topic 325-40, *Investments-Other, Beneficial Interests in Securitized Financial Assets* (“ASC 325-40”), based on the anticipated yield and the estimated cash flows over the projected life of the investment. Yields are revised when there are changes in actual or estimated cash flows due to changes in prepayments and/or re-investments, credit losses or asset pricing. Changes in estimated yield are recognized as an adjustment to the estimated yield over the remaining life of the investment from the date the estimated yield was changed.

Expenses

Our primary operating expenses include the payment of investment advisory and management fees, professional fees, directors and officers insurance, fees paid to independent directors and administrator expenses, including our allocable portion of our administrator’s overhead. Our investment advisory and management fees compensate our Manager for its work in identifying, evaluating, negotiating, closing and monitoring our investments. We bear all other costs and expenses of our operations and transactions, including those relating to:

- organization;
- calculating our net asset value (including the cost and expenses of any independent valuation firm);

- expenses incurred by our Manager payable to third parties, including agents, consultants or other advisers, in monitoring our financial and legal affairs and in monitoring our investments and performing due diligence on our prospective portfolio companies;

- expenses incurred by our Manager payable for travel and due diligence on our prospective portfolio companies;

- interest payable on debt, if any, incurred to finance our investments;

- offerings of our common stock and other securities;

- investment advisory and management fees;

- fees payable to third parties, including agents, consultants or other advisers, relating to, or associated with, evaluating and making investments;

- transfer agent and custodial fees;

- federal and state registration fees;

- all costs of registration and listing our common stock on any securities exchange;

- federal, state and local taxes;

- independent directors' fees and expenses;

- costs of preparing and filing reports or other documents required by governmental bodies (including the U.S. Securities and Exchange Commission ("SEC") and the SBA);

- costs of any reports, proxy statements or other notices to common stockholders including printing costs;

- our fidelity bond, directors and officers errors and omissions liability insurance, and any other insurance premiums;

- direct costs and expenses of administration, including printing, mailing, long distance telephone, copying, secretarial and other staff, independent auditors and outside legal costs; and

- administration fees and all other expenses incurred by us or, if applicable, the administrator in connection with administering our business (including payments under the Administration Agreement based upon our allocable portion of the administrator's overhead in performing its obligations under an Administration Agreement, including rent and the allocable portion of the cost of our officers and their respective staffs (including travel expenses)).

Pursuant to the investment advisory and management agreement that we had with GSCP (NJ), L.P., our former investment adviser and administrator, we had agreed to pay GSCP (NJ), L.P. as investment adviser a quarterly base management fee of 1.75% of the average value of our total assets (other than cash or cash equivalents but including assets purchased with borrowed funds) at the end of the two most recently completed fiscal quarters and an incentive fee.

The incentive fee had two parts:

- A fee, payable quarterly in arrears, equal to 20.0% of our pre-incentive fee net investment income, expressed as a rate of return on the value of the net assets at the end of the immediately preceding quarter, that exceeded a 1.875% quarterly hurdle rate measured as of the end of each fiscal quarter. Under this provision, in any fiscal quarter, our former investment adviser received no incentive fee unless our pre-incentive fee net investment income exceeded the hurdle rate of 1.875%. Amounts received as a return of capital were not included in calculating this portion of the incentive fee. Since the hurdle rate was based on net assets, a return of less than the hurdle rate on total assets could still have resulted in an incentive fee.

- A fee, payable at the end of each fiscal year, equal to 20.0% of our net realized capital gains, if any, computed net of all realized capital losses and unrealized capital depreciation, in each case on a cumulative basis on each investment in the Company's portfolio, less the aggregate amount of capital gains incentive fees paid to our former investment adviser through such date.

We deferred cash payment of any incentive fee otherwise earned by our former investment adviser if, during the then most recent four full fiscal quarters ending on or prior to the date such payment was to be made, the sum of (a) our aggregate distributions to our stockholders and (b) our change in net assets (defined as total assets less liabilities) (before taking into account any incentive fees payable during that period) was less than 7.5% of our net assets at the beginning of such period. These calculations were appropriately pro-rated for the first three fiscal quarters of operation and adjusted for any share issuances or repurchases during the applicable period. Such incentive fee would become payable on the next date on which such test had been satisfied for the most recent four full fiscal quarters or upon certain terminations of the investment advisory and management agreement. We commenced deferring cash payment of incentive fees during the quarterly period ended August 31, 2007 and continued to defer such payments through the quarterly period ended May 31, 2010. As of July 30, 2010, the date on which GSCP (NJ), L.P. ceased to be our investment adviser and administrator, we owed GSCP (NJ), L.P. $2.9 million in fees for services previously provided to us; of which $0.3 million has been paid by us. GSCP (NJ), L.P. agreed to waive payment by us of the remaining $2.6 million in connection with the consummation of the stock purchase transaction with Saratoga Investment Advisors and certain of its affiliates described elsewhere in this Quarterly Report.

The terms of the investment advisory and management agreement with Saratoga Investment Advisors, our current investment adviser, are substantially similar to the terms of the investment advisory and management agreement we had entered into with GSCP (NJ), L.P., our former investment adviser, except for the following material distinctions in the fee terms:

- The capital gains portion of the incentive fee was reset with respect to gains and losses from May 31, 2010, and therefore losses and gains incurred prior to such time will not be taken into account when calculating the capital gains fee payable to Saratoga Investment Advisors and, as a result, Saratoga Investment Advisors will be entitled to 20.0% of net gains that arise after May 31, 2010. In addition, the cost basis for computing realized gains and losses on investments held by us as of May 31, 2010 equal the fair value of such investment as of such date. Under the investment advisory and management agreement with our former investment adviser, GSCP (NJ), L.P., the capital gains fee was calculated from March 21, 2007, and the gains were substantially outweighed by losses.

- Under the “catch up” provision, 100.0% of our pre-incentive fee net investment income with respect to that portion of such pre-incentive fee net investment income that exceeds 1.875% but is less than or equal to 2.344% in any fiscal quarter is payable to Saratoga Investment Advisors. This will enable Saratoga Investment Advisors to receive 20.0% of all net investment income as such amount approaches 2.344% in any quarter, and Saratoga Investment Advisors will receive 20.0% of any additional net investment income. Under the investment advisory and management agreement with our former investment adviser, GSCP (NJ), L.P. only received 20.0% of the excess net investment income over 1.875%.

- We will no longer have deferral rights regarding incentive fees in the event that the distributions to stockholders and change in net assets is less than 7.5% for the preceding four fiscal quarters.

Capital Gains Incentive Fee

The Company records an expense accrual relating to the capital gains incentive fee payable by the Company to its Manager when the unrealized gains on its investments exceed all realized capital losses on its investments given the fact that a capital gains incentive fee would be owed to the Manager if the Company were to liquidate its investment portfolio at such time. The actual incentive fee payable to the Company’s Manager related to capital gains will be determined and payable in arrears at the end of each fiscal year and will include only realized capital gains for the period.

New Accounting Pronouncements

In March 2020, the FASB issued ASU 2020-04, *Reference Rate Reform* (“ASU 2020-04”). The amendments in ASU 2020-04 provide optional expedients and exceptions for applying GAAP to contracts, hedging relationships, and other transactions affected by reference rate reform if certain criteria are met. The standard is effective as of March 12, 2020 through December 31, 2022. Management does not believe this optional guidance has a material impact on the Company’s consolidated financial statements and disclosures.

SEC Rule 12b-2 Update

In March 2020, the SEC adopted a final rule under SEC Release No. 34-88365 (the “Final Rule”), amending the accelerated filer and large accelerated filer definitions in Exchange Act Rule 12b-2. The amendments include a provision under which a BDC will be excluded from the “accelerated filer” and “large accelerated filer” definitions if the BDC has (1) a public float of $75 million or more, but less than $700 million, and (2) has annual investment income of less than $100 million. In addition, BDCs are subject to the same transition provisions for accelerated filer and large accelerated filer status as other issuers, but instead substituting investment income for revenue. The amendments will reduce the number of issuers required to comply with the auditor attestation on the internal control over financial reporting requirement provided under Section 404(b) of the Sarbanes-Oxley Act of 2002. The Final Rule applies to annual report filings due on or after April 27, 2020. The Company has assessed the Final Rule, and believes that effective February 28, 2021, it will no longer be an accelerated filer. As a result, the Company will file its Annual Report on Form 10-K for the fiscal year ending February 28, 2021 as a non-accelerated filer.

Portfolio and Investment Activity

Investment Portfolio Overview

	November 30, 2020	February 29, 2020
	($ in millions)	
Number of investments(1)	83	74
Number of portfolio companies(2)	42	35
Average investment per portfolio company(2)	$ 11.7	$ 12.9
Average investment size(1)	$ 6.3	$ 6.3
Weighted average maturity(3)	2.6 yrs	3.1 yrs
Number of industries	32	28
Non-performing or delinquent investments (fair value)	$ 6.2	$ 2.1
Fixed rate debt (% of interest earning portfolio)(3)	$ 31.3(6.3)%	$ 29.7(6.8)%
Fixed rate debt (weighted average current coupon)(3)	8.8%	9.3%
Floating rate debt (% of interest earning portfolio)(3)	$ 463.0(93.7)%	$ 404.4(93.2)%
Floating rate debt (weighted average current spread over LIBOR)(3)(4)	7.5%	8.0%

(1) Excludes our investment in the subordinated notes of Saratoga CLO.

(2) Excludes our investment in the subordinated notes of Saratoga CLO, Class F-R-2 Notes and Class G-R-2 Notes tranches of Saratoga CLO and loan to Saratoga Investment Corp. CLO 2013-1 Warehouse 2, Ltd.

(3) Excludes our investment in the subordinated notes of Saratoga CLO and equity interests.

(4) Calculation uses either 1-month or 3-month LIBOR, depending on the contractual terms, and after factoring in any existing LIBOR floors.

During the three months ended November 30, 2020, we invested $51.3 million in new or existing portfolio companies and had $18.3 million in aggregate amount of exits and repayments resulting in net investments of $33.0 million for the period. During the three months ended November 30, 2019, we invested $40.8 million in new or existing portfolio companies and had $51.2 million in aggregate amount of exits and repayments resulting in net exits and repayments of $10.4 million for the period.

During the nine months ended November 30, 2020, we invested $122.0 million in new or existing portfolio companies and had $50.9 million in aggregate amount of exits and repayments resulting in net investments of $71.1 million for the period. During the nine months ended November 30, 2019, we invested $160.7 million in new or existing portfolio companies and had $97.2 million in aggregate amount of exits and repayments resulting in net investments of $63.5 million for the period.

Portfolio Composition

Our portfolio composition at November 30, 2020 and February 29, 2020 at fair value was as follows:

	November 30, 2020		February 29, 2020	
	Percentage of Total Portfolio	Weighted Average Current Yield	Percentage of Total Portfolio	Weighted Average Current Yield
First lien term loans	74.5%	9.5%	71.3%	9.6%
Second lien term loans	9.2	11.5	15.1	10.7
Unsecured term loans	4.9	4.4	0.9	9.3
Structured finance securities	5.7	17.6	6.7	11.4
Equity interests	5.7	-	6.0	-
Total	100.0%	9.4%	100.0%	9.3%

At November 30, 2020, our investment in the subordinated notes of Saratoga CLO, a collateralized loan obligation fund, had a fair value of $21.6 million and constituted 3.9% of our portfolio. This investment constitutes a first loss position in a portfolio that, as of November 30, 2020 and February 29, 2020, was composed of $540.0 million and $528.4 million, respectively, in aggregate principal amount of primarily senior secured first lien term loans. In addition, as of November 30, 2020, we also own $2.5 million in aggregate principal of the F-R-2 Notes and $7.5 million in aggregate principal of the G-R-2 Notes in the Saratoga CLO, that only rank senior to the subordinated notes. At November 30, 2020, our investment in CLO 2013-1 Warehouse 2, a wholly-owned subsidiary of Saratoga CLO, had a fair value of $24.8 million and constituted 4.5% of our portfolio.

This investment is subject to unique risks. (See “Part 1. Item 1A. Risk Factors—Our investment in Saratoga CLO constitutes a leveraged investment in a portfolio of predominantly senior secured first lien term loans and is subject to additional risks and volatility” in our Annual Report on Form 10-K for the fiscal year ended February 29, 2020).

We do not consolidate the Saratoga CLO portfolio in our consolidated financial statements. Accordingly, the metrics below do not include the underlying Saratoga CLO portfolio investments. However, at November 30, 2020, $512.7 million or 99.2% of the Saratoga CLO portfolio investments in terms of market value had a CMR (as defined below) color rating of green or yellow and five Saratoga CLO portfolio investments were in default with a fair value of $1.7 million. At February 29, 2020, $494.2 million or 98.6% of the Saratoga CLO portfolio investments in terms of market value had a CMR (as defined below) color rating of green or yellow and two Saratoga CLO portfolio investments were in default with a fair value of $1.4 million. For more information relating to the Saratoga CLO, see the audited financial statements for Saratoga in our Annual Report on Form 10-K for the fiscal year ended February 29, 2020.

Saratoga Investment Advisors normally grades all of our investments using a credit and monitoring rating system (“CMR”). The CMR consists of a single component: a color rating. The color rating is based on several criteria, including financial and operating strength, probability of default, and restructuring risk. The color ratings are characterized as follows: (Green)—performing credit; (Yellow)—underperforming credit; (Red)—in principal payment default and/or expected loss of principal.

Portfolio CMR distribution

The CMR distribution for our investments at November 30, 2020 and February 29, 2020 was as follows:

Saratoga Investment Corp.

	November 30, 2020		February 29, 2020	
Color Score	**Investments at Fair Value**	**Percentage of Total Portfolio**	**Investments at Fair Value**	**Percentage of Total Portfolio**
	($ in thousands)			
Green	$ 458,469	83.8%	$ 429,784	88.5%
Yellow	35,836	6.6	2,141	0.5
Red	-	0.0	2,137	0.4
N/A(1)	52,639	9.6	51,570	10.6
Total	$ 546,944	100.0%	$ 485,632	100.0%

(1) Comprised of our investment in the subordinated notes of Saratoga CLO and equity interests.

The change in reserve from $1.2 million as of February 29, 2020 to $2.0 million as of November 30, 2020 was primarily related to the additional interest accruals reserved on My Alarm Center, LLC, Roscoe Medical, Inc. and TMAC Acquisition Co., LLC.

The CMR distribution of Saratoga CLO investments at November 30, 2020 and February 29, 2020 was as follows:

Saratoga CLO

	November 30, 2020		February 29, 2020	
Color Score	**Investments at Fair Value**	**Percentage of Total Portfolio**	**Investments at Fair Value**	**Percentage of Total Portfolio**
	($ in thousands)			
Green	$ 439,472	85.0%	$ 456,767	91.1%
Yellow	73,185	14.2	37,446	7.5
Red	3,912	0.8	6,787	1.4
N/A(1)	145	0.0	0	0.0
Total	$ 516,714	100.0%	$ 501,000	100.0%

(1) Comprised of Saratoga CLO's equity interests.

Portfolio composition by industry grouping at fair value

The following table shows our portfolio composition by industry grouping at fair value at November 30, 2020 and February 29, 2020:

Saratoga Investment Corp.

	November 30, 2020		February 29, 2020*	
	Investments At Fair Value	Percentage of Total Portfolio	Investments At Fair Value	Percentage of Total Portfolio
	($ in thousands)			
Education Software	$ 84,613	15.5%	$ 96,055	19.8%
IT Services	81,556	14.9	62,541	12.9
Structured Finance Securities(1)	56,131	10.3	34,675	7.1
Education Services	32,358	5.9	36,365	7.5
Healthcare Services	30,468	5.4	28,455	5.9
Healthcare Software	28,910	5.3	30,764	6.3
Sports Management	24,521	4.5	25,740	5.3
Dental Practice Management Software	22,931	4.2	-	0.0
Payroll Services	19,089	3.5	19,055	3.9
Marketing Services	17,200	3.1	14,200	2.9
Hospitality/Hotel	15,088	2.8	14,894	3.1
Real Estate Services	14,859	2.7	-	0.0
Construction Management Services	14,135	2.6	4,284	0.9
Property Management	12,973	2.4	11,503	2.4
Cyber Security	12,868	2.4	9,982	2.1
Corporate Governance	9,522	1.7	9,090	1.9
Industrial Products	9,502	1.7	10,779	2.2
Waste Services	8,969	1.6	9,000	1.9
Healthcare Products Manufacturing	8,153	1.5	7,717	1.6
HVAC Services and Sales	6,930	1.3	-	0.0
Facililties Maintenance	6,538	1.2	5,375	1.1
Dental Practice Management	6,489	1.2	-	0.0
Non-profit Services	5,525	1.0	5,555	1.1
Healthcare Supply	4,338	0.8	2,137	0.4
Field Service Management	3,952	0.7	2,970	0.6
Office Supplies	3,527	0.6	3,799	0.8
Metals	1,998	0.4	3,130	0.6
Restaurant	1,985	0.4	2,140	0.4
Staffing Services	693	0.1	922	0.2
Financial Services	425	0.1	32,090	6.6
Consumer Products	392	0.1	418	0.1
Consumer Services	306	0.1	1,997	0.4
Total	$ 546,944	100.0%	$ 485,632	100.0%

* Certain reclassifications have been made to previously reported industry groupings to show results on a consistent basis across periods.

(1) Comprised of our investment in the subordinated notes, Class F-R-2 Notes and Class G-R-2 Notes of Saratoga CLO and Saratoga Investment Corp. CLO 2013-1 Warehouse 2, Ltd.

The following table shows Saratoga CLO's portfolio composition by industry grouping at fair value at November 30, 2020 and February 29, 2020:

Saratoga CLO

	November 30, 2020		February 29, 2020	
	Investments at Fair Value	Percentage of Total Portfolio	Investments at Fair Value	Percentage of Total Portfolio
	($ in thousands)			
Banking Finance Insurance & Real Estate	$ 96,062	18.6%	$ 87,957	17.6%
Services: Business	44,988	8.7	45,735	9.1
Healthcare & Pharmaceuticals	38,770	7.5	39,978	8.0
High Tech Industries	38,413	7.4	32,897	6.6
Telecommunications	29,327	5.8	28,317	5.6
Services: Consumer	24,105	4.7	28,327	5.6
Aerospace & Defense	23,741	4.6	25,093	5.0
Media: Advertising Printing & Publishing	21,752	4.2	19,808	4.0
Chemicals Plastics & Rubber	18,945	3.7	14,689	2.9
Beverage Food & Tobacco	17,512	3.4	21,637	4.3
Consumer goods: Non-durable	17,694	3.4	15,700	3.1
Hotel Gaming & Leisure	17,024	3.3	16,883	3.4
Automotive	14,997	2.9	13,820	2.8
Containers Packaging & Glass	12,467	2.4	15,753	3.1
Media: Broadcasting & Subscription	12,573	2.4	7,959	1.6
Retail	11,901	2.3	14,538	2.9
Capital Equipment	10,784	2.1	9,551	1.9
Consumer goods: Durable	8,383	1.6	11,674	2.3
Utilities: Oil & Gas	7,952	1.5	7,306	1.5
Transportation: Cargo	7,095	1.4	7,054	1.4
Forest Products & Paper	7,375	1.4	5,385	1.1
Metals & Mining	7,352	1.4	4,112	0.8
Transportation: Consumer	6,148	1.2	1,914	0.4
Construction & Building	4,393	0.9	7,617	1.5
Utilities: Electric	4,262	0.8	4,752	1.0
Media: Diversified & Production	3,058	0.6	2,711	0.5
Wholesale	2,833	0.5	1,928	0.4
Energy: Oil & Gas	2,135	0.4	3,559	0.7
Energy: Electricity	1,990	0.4	3,357	0.7
Utilities	1,708	0.3	-	0.0
Environmental Industries	975	0.2	989	0.2
Total	$ 516,714	100.0%	$ 501,000	100.0%

Portfolio composition by geographic location at fair value

The following table shows our portfolio composition by geographic location at fair value at November 30, 2020 and February 29, 2020. The geographic composition is determined by the location of the corporate headquarters of the portfolio company.

	November 30, 2020		February 29, 2020	
	Investments at Fair Value	Percentage of Total Portfolio	Investments at Fair Value	Percentage of Total Portfolio
	($ in thousands)			
Southeast	$ 170,188	31.1%	$ 165,353	34.0%
West	130,903	23.9	99,390	20.5
Midwest	101,415	18.5	75,528	15.5
Other	76,867	14.1	55,877	11.5
Northeast	22,968	4.2	18,047	3.7
Northwest	12,868	2.4	9,981	2.1
Southwest(1)	31,735	5.8	61,456	12.7
Total	$ 546,944	100.0%	$ 485,632	100.0%

(1) Comprised of our investment in the subordinated notes, Class F-R-2 Notes and Class G-R-2 Notes of Saratoga CLO, Saratoga Investment Corp. CLO 2013-1 Warehouse 2, Ltd and foreign investments.

Results of operations

Operating results for the three and nine months ended November 30, 2020 and November 30, 2019 was as follows:

	For the three months ended		For the nine months ended	
	November 30, 2020	November 30, 2019	November 30, 2020	November 30, 2019
	($ in thousands)			
Total investment income	$ 14,283	$ 14,196	$ 41,435	$ 40,835
Total operating expenses	9,812	9,621	22,611	27,623
Net investment income	4,471	4,575	18,824	13,212
Net realized gain (loss) from investments	2	10,740	22	12,610
Income tax (provision) benefit from realized gain on investments	(3,895)	-	(3,895)	-
Net change in unrealized appreciation (depreciation) on investments	5,999	(536)	(9,371)	4,911
Net change in provision for deferred taxes on unrealized (appreciation) depreciation on investments	(210)	(1,062)	(59)	(1,787)
Net increase (decrease) in net assets resulting from operations	$ 6,367	$ 13,717	$ 5,521	$ 28,946

Investment income

The composition of our investment income for three and nine months ended November 30, 2020 and November 30, 2019 was as follows:

	For the three months ended		For the nine months ended	
	November 30, 2020	November 30, 2019	November 30, 2020	November 30, 2019
	($ in thousands)			
Interest from investments	$ 12,804	$ 12,899	$ 37,215	$ 36,244
Interest from cash and cash equivalents	1	120	14	317
Management fee income	624	630	1,884	1,889
Structuring and advisory fee income*	545	511	1,798	1,875
Other income*	309	36	524	510
Total investment income	$ 14,283	$ 14,196	$ 41,435	$ 40,835

* Certain prior period amounts have been reclassified to conform to current period presentation.

For the three months ended November 30, 2020, total investment income increased $0.1 million, or 0.6% to $14.3 million from $14.2 million for the three months ended November 30, 2019. Interest income from investments decreased $0.1 million, or 0.7%, to $12.8 million for the three months ended November 30, 2020 from $12.9 million for the three months ended November 30, 2019. This reflects the impact of the increase of $59.9 million, or 12.3% in total investments at November 30, 2020 from $487.0 million at November 30, 2019, offset by the reduction in LIBOR during this same period. At November 30, 2020, the weighted average current yield on investments was 9.4% compared to 9.8% at November 30, 2019, which offset most of the increase in investments.

For the nine months ended November 30, 2020, total investment income increased $0.6 million, or 1.5% to $41.4 million from $40.8 million for the nine months ended November 30, 2019. Interest income from investments increased $1.0 million, or 2.7%, to $37.2 million for the nine months ended November 30, 2020 from $36.2 million for the nine months ended November 30, 2019. This reflects the partial period impact of the increase of $59.9 million, or 12.3% in total investments at November 30, 2020 from $487.0 million at November 30, 2019, offset by the reduction in LIBOR during the same period.

For the three months ended November 30, 2020 and November 30, 2019, total PIK income was $0.3 million and $1.5 million, respectively. For the nine months ended November 30, 2020 and November 30, 2019, total PIK income was $1.4 million and $3.9 million, respectively. This decrease was primarily due to the sale of our investment in Easy Ice, LLC during the fourth quarter of the fiscal year ended February 29, 2020, which primarily generated PIK income.

Management fee income reflects the fee income received for managing the Saratoga CLO. For the three months ended November 30, 2020 and November 30, 2019, total management fee income was $0.6 million and $0.6 million, respectively. For the nine months ended November 30, 2020 and November 30, 2019, total management fee income was $1.9 million and $1.9 million, respectively.

Operating expenses

The composition of our operating expenses for the three and nine months ended November 30, 2020 and November 30, 2019 was as follows:

	For the three months ended		For the nine months ended	
	November 30, 2020	November 30, 2019	November 30, 2020	November 30, 2019
	($ in thousands)			
Interest and debt financing expenses	$ 3,560	$ 3,897	$ 9,452	$ 11,628
Base management fees	2,324	2,147	6,694	5,956
Incentive management fees expense (benefit)	2,295	3,102	1,966	7,301
Professional fees	503	401	1,258	1,181
Administrator expenses	694	556	1,852	1,575
Insurance	67	64	203	193
Directors fees and expenses	60	60	195	218
General & administrative and other expenses	279	395	963	1,036
Income tax expense (benefit)	30	(1,001)	28	(1,465)
Total operating expenses	$ 9,812	$ 9,621	$ 22,611	$ 27,623

For the three months ended November 30, 2020, total operating expenses increased $0.2 million, or 2.0% compared to the three months ended November 30, 2019. For the nine months ended November 30, 2020, total operating expenses decreased $5.0 million, or 18.1% compared to the nine months ended November 30, 2019.

For the three months ended November 30, 2020, interest and debt financing expenses decreased $0.3 million, or 8.7% compared to the three months ended November 30, 2019. The decrease is primarily attributable to a decrease in average outstanding debt from $286.6 million for the three months ended November 30, 2019 to $278.4 million for the three months ended November 30, 2020, primarily reflecting the redemption of our 2023 Notes during the fiscal quarter ended February 29, 2020.

For the nine months ended November 30, 2020, interest and debt financing expenses decreased $2.2 million, or 18.7% compared to the nine months ended November 30, 2019. The decrease is primarily attributable to a decrease in average outstanding debt from $284.6 million for the nine months ended November 30, 2019 to $253.6 million for the nine months ended November 30, 2020, primarily reflecting the redemption of our 2023 Notes during the fiscal quarter ended February 29, 2020.

For the three months ended November 30, 2020, the weighted average interest rate on our outstanding indebtedness was 4.42% compared to 4.79% for the three months ended November 30, 2019. The decrease in weighted average interest rate was primarily driven by the redemption of the 2023 Notes during the fiscal quarter ended February 29, 2020 which carried a fixed rate of 6.75%.

For the nine months ended November 30, 2020, the weighted average interest rate on our outstanding indebtedness was 6.41% compared to 4.81% for the nine months ended November 30, 2019. The decrease in weighted average interest rate was primarily driven by the redemption of the 2023 Notes during the fiscal quarter ended February 29, 2020 which carried a fixed rate of 6.75%.

As of November 30, 2020 and February 29, 2020, the SBA debentures represented 61.9% and 71.4% of overall debt, respectively.

For the three months ended November 30, 2020, base management fees increased $0.2 million, or 8.3% from $2.1 million to $2.3 million compared to the three months ended November 30, 2019. The increase in base management fees results from the 8.0% increase in the average value of our total assets, less cash and cash equivalents, from $493.3 million for the three months ended November 30, 2019 to $532.8 million for the three months ended November 30, 2020. For the nine months ended November 30, 2020, base management fees increased $0.7 million, or 12.4% from $6.0 million to $6.7 million compared to the nine months ended November 30, 2019. The increase in base management fees results from the 12.1% increase in the average value of our total assets, less cash and cash equivalents, from $452.9 million for the nine months ended November 30, 2019 to $507.7 million for the nine months ended November 30, 2020.

For the three months ended November 30, 2020, incentive management fees decreased $0.8 million, or 26.0%, compared to the three months ended November 30, 2019. The first part of the incentive management fees decreased from $1.5 million for the three months ended November 30, 2019 to $1.2 million for the three months ended November 30, 2020, as net equity increased by 32.9% during this period resulting in an increase to the net investment income hurdle rate pursuant to the Management Agreement. The incentive management fees related to capital gains decreased from a $1.6 million expense for the three months ended November 30, 2019 to a $1.1 million expense for the three months ended November 30, 2020, with the incentive fee expense on unrealized gains on the Company's Censis and Easy Ice investments last year offsetting the incentive fee expense on this quarter's unrealized appreciation across numerous investments.

For the nine months ended November 30, 2020, incentive management fees decreased $5.3 million, or 73.1%, compared to the nine months ended November 30, 2019. The first part of the incentive management fees decreased from $4.1 million for the nine months ended November 30, 2019 to $4.0 million for the nine months ended November 30, 2020, as higher average net equity during this period resulted in an increase to the net investment income hurdle rate pursuant to the Management Agreement. The incentive management fees related to capital gains decreased from a $3.2 million expense for the nine months ended November 30, 2019 to a $(2.0) million benefit for the nine months ended November 30, 2020, reflecting a reversal of incentive fee accrual due to an increase in unrealized depreciation on investments during the nine months ended November 30, 2020.

For the three and nine months ended November 30, 2020, professional fees increased $0.1 million, or 25.4%, and increased $0.08 million, or 6.5%, respectively, compared to the three and nine months ended November 30, 2019.

For the three and nine months ended November 30, 2020, administrator expenses increased $0.1 million, or 24.7%, and increased $0.3 million, or 17.6%, respectively, compared to the three and nine months ended November 30, 2019. These increases during the period are primarily attributable to an increase to the cap on the payment or reimbursements of expenses by the Company from $2.0 million to $2.225 million, effective August 1, 2019, and from $2.225 million to $2.775 million, effective August 1, 2020.

As discussed above, the decrease in interest and debt financing expenses for the three months ended November 30, 2020 compared to the three months ended November 30, 2019 is primarily attributable to a decrease in the average dollar amount of outstanding debt. During the three months ended November 30, 2020 and November 30, 2019, the average borrowings outstanding under the Credit Facility was $0.0 million and $2.1 million, respectively. For the three months ended November 30, 2020 and November 30, 2019, the average borrowings outstanding of SBA debentures was $170.3 million and $150.0 million, respectively. For the three months ended November 30, 2020 and November 30, 2019, the weighted average interest rate on the outstanding borrowings of the SBA debentures was 2.97% and 3.21%, respectively. During the three months ended November 30, 2020 and November 30, 2019, the average dollar amount of our 6.25% fixed-rate 2025 Notes outstanding was $60.0 million and $60.0 million, respectively. During the three months ended November 30, 2020 and November 30, 2019, the weighted average dollar amount of our 7.25% fixed-rate 2025 Notes outstanding was $43.1 million and $0.0 million, respectively. During the three months ended November 30, 2020 and November 30, 2019, the weighted average dollar amount of our 7.75% fixed-rate 2025 Notes outstanding was $5.0 million and $0.0 million, respectively. During the three months ended November 30, 2020 and November 30, 2019, the average dollar amount of our 6.75% fixed-rate 2023 Notes outstanding was $0.0 million and $74.5 million, respectively.

As discussed above, the decrease in interest and debt financing expenses for the nine months ended November 30, 2020 compared to the nine months ended November 30, 2019 is primarily attributable to a decrease in the average dollar amount of outstanding debt. During the nine months ended November 30, 2020 and November 30, 2019, the average borrowings outstanding under the Credit Facility was $0.0 million and $0.8 million, respectively. For the nine months ended November 30, 2020 and November 30, 2019, the average borrowings outstanding of SBA debentures was $165.9 million and $150.0 million, respectively. For the nine months ended November 30, 2020 and November 30, 2019, the weighted average interest rate on the outstanding borrowings of the SBA debentures was 4.57% and 3.24%, respectively. During the nine months ended November 30, 2020 and November 30, 2019, the average dollar amount of our 6.25% fixed-rate 2025 Notes outstanding was $60.0 million and $60.0 million, respectively. During the nine months ended November 30, 2020 and November 30, 2019, the weighted average dollar amount of our 7.25% fixed-rate 2025 Notes outstanding was $43.1 million and $0.0 million, respectively. During the nine months ended November 30, 2020 and November 30, 2019, the weighted average dollar amount of our 7.75% fixed-rate 2025 Notes outstanding was $5.0 million and $0.0 million, respectively. During the nine months ended November 30, 2020 and November 30, 2019, the average dollar amount of our 6.75% fixed-rate 2023 Notes outstanding was $0.0 million and $74.5 million, respectively.

For the three months ended November 30, 2020 and November 30, 2019, there were income tax expense (benefits) of $0.03 million and $1.0 million, respectively. For the nine months ended November 30, 2020 and November 30, 2019, there were income tax expense (benefits) of $0.03 million and $1.5 million, respectively. This relates to net deferred federal and state income tax expense (benefit) with respect to operating gains and losses and income derived from equity investments held in the taxable blockers.

Net realized gains (losses) on sales of investments

For the three months ended November 30, 2020, the Company had $18.3 million of sales, repayments, exits or restructurings resulting in $0.0 million of net realized gains. For the nine months ended November 30, 2020, the Company had $50.9 million of sales, repayments, exits or restructurings resulting in $0.02 million of net realized gains. In addition, for the three and nine months ended November 30, 2020, the Company recognized an income tax expense of $3.9 million representing federal tax paid on the Company’s undistributed net realized capital gains as of February 29, 2020.

For the three months ended November 30, 2019, the Company had $51.2 million of sales, repayments, exits or restructurings resulting in $10.7 million of net realized gains. For the nine months ended November 30, 2019, the Company had $97.2 million of sales, repayments, exits or restructurings resulting in $12.6 million of net realized gains. The most significant realized gains and losses during the nine months ended November 30, 2019 were as follows (dollars in thousands):

Nine Months ended November 30, 2019

Issuer	Asset Type	Gross Proceeds	Cost	Net Realized Gain
Censis Technologies, Inc.	Equity Interests	$ 12,280	$ 999	$ 11,281
Fancy Chap, Inc.	First Lien Term Loan & Equity Interests	8,175	6,865	1,310

Net change in unrealized appreciation (depreciation) on investments

For the three months ended November 30, 2020, our investments had a net change in unrealized appreciation of $6.0 million versus a net change in unrealized depreciation of $0.5 million for the three months ended November 30, 2019. For the nine months ended November 30, 2020, our investments had a net change in unrealized depreciation of $9.4 million versus a net change in unrealized appreciation of $4.9 million for the nine months ended November 30, 2019. The most significant cumulative net change in unrealized appreciation (depreciation) for the nine months ended November 30, 2020 were the following (dollars in thousands):

Nine Months ended November 30, 2020

Issuer	Asset Type	Cost	Fair Value	Total Unrealized Appreciation (Depreciation)	YTD Change in Unrealized Appreciation (Depreciation)
Knowland Group, LLC	Second Lien Term Loan	$ 15,768	$ 12,118	$ (3,650)	$ (3,544)
C2 Educational Systems	First Lien Term Loan	15,993	12,987	(3,006)	(3,024)
ArbiterSports, LLC	First Lien Term Loan	26,793	24,521	(2,272)	(2,246)
Roscoe Medical, Inc.	Second Lien Term Loan & Equity Interests	4,708	4,338	(370)	2,201
My Alarm Center, LLC	Equity Interests	4,867	306	(4,561)	(1,691)
Elyria Foundry Company, L.L.C.	Second Lien Term Loan & Equity Interests	11,019	1,998	(9,021)	(1,276)

The net changes in unrealized depreciation for the nine months ended November 30, 2020 noted above primarily relate to the impact of COVID-19, resulting in changes to market spreads, EBITDA multiples and/or revised portfolio company performance, following the events since March 2020.

The most significant cumulative net change in unrealized appreciation for the nine months ended November 30, 2019 were the following (dollars in thousands):

Nine Months ended November 30, 2019

Issuer	Asset Type	Cost	Fair Value	Total Unrealized Appreciation	YTD Change in Unrealized Appreciation
Easy Ice, LLC	Second Term Lien Loan & Equity Interests	$ 37,822	$ 47,316	$ 9,494	$ 5,626
Saratoga Investment Corp. CLO 2013-1, Ltd.	Structured Finance Securities	24,268	24,497	229	(1,648)

The $5.6 million net change in unrealized appreciation in our investment in Easy Ice, LLC was driven by a continued increase in the scale and earnings of the business.

The $1.6 million net change in unrealized depreciation in our investment in Saratoga Investment Corp., CLO 2013-1, Ltd. was driven by the actual cash distribution received by the Company in the quarter ended November 30, 2019, coupled with an increase in the discount rate.

Changes in net assets resulting from operations

For the three months ended November 30, 2020, we recorded a net increase in net assets resulting from operations of $6.4 million. Based on 11,169,817 weighted average common shares outstanding as of November 30, 2020, our per share net increase in net assets resulting from operations was $0.57 for the three months ended November 30, 2020. For the three months ended November 30, 2019, we recorded a net increase in net assets resulting from operations of $13.7 million, or $1.37 per share based on 10,036,086 weighted average common shares outstanding as of November 30, 2019.

For the nine months ended November 30, 2020, we recorded a net increase in net assets resulting from operations of $5.5 million. Based on 11,198,287 weighted average common shares outstanding as of November 30, 2020, our per share net increase in net assets resulting from operations was $0.49 for the nine months ended November 30, 2020. For the nine months ended November 30, 2019, we recorded a net increase in net assets resulting from operations of $28.9 million, or $3.33 per share based on 8,702,190 weighted average common shares outstanding as of November 30, 2019.

FINANCIAL CONDITION, LIQUIDITY AND CAPITAL RESOURCES

We intend to continue to generate cash primarily from cash flows from operations, including interest earned from our investments in debt in middle market companies, interest earned from the temporary investment of cash in U.S. government securities and other high-quality debt investments that mature in one year or less, future borrowings and future offerings of securities.

Although we expect to fund the growth of our investment portfolio through the net proceeds from future equity offerings, including our dividend reinvestment plan (“DRIP”), and issuances of senior securities or future borrowings, to the extent permitted by the 1940 Act, we cannot assure you that our plans to raise capital will be successful. In this regard, because our common stock has historically traded at a price below our current net asset value per share and we are limited in our ability to sell our common stock at a price below net asset value per share, we have been and may continue to be limited in our ability to raise equity capital.

In addition, we intend to distribute to our stockholders substantially all of our operating taxable income in order to satisfy the distribution requirement applicable to RICs under the Code. In satisfying this distribution requirement, in accordance with certain applicable provisions of the Code and the Treasury regulations and a revenue procedure issued by the Internal Revenue Service (“IRS”), a RIC may treat a distribution of its own stock as fulfilling its RIC distribution requirements if each stockholder may elect to receive his or her entire distribution in either cash or stock of the RIC subject to a limitation that the aggregate amount of cash to be distributed to all stockholders must be at least 20% of the aggregate declared distribution. We may rely on the revenue procedure in future periods to satisfy our RIC distribution requirement.

Also, as a BDC, we generally are required to meet a coverage ratio of total assets, less liabilities and indebtedness not represented by senior securities, to total senior securities, which include all of our borrowings and any outstanding preferred stock, of at least 200.0%, reduced to 150.0% effective April 16, 2019 following the approval received from the non-interested board of directors on April 16, 2018. This requirement limits the amount that we may borrow. Our asset coverage ratio, as defined in the 1940 Act, was 377.3% as of November 30, 2020 and 607.1% as of February 29, 2020. To fund growth in our investment portfolio in the future, we anticipate needing to raise additional capital from various sources, including the equity markets and other debt-related markets, which may or may not be available on favorable terms, if at all.

Consequently, we may not have the funds or the ability to fund new investments, to make additional investments in our portfolio companies, to fund our unfunded commitments to portfolio companies, to pay dividends or to repay borrowings. Also, the illiquidity of our portfolio investments may make it difficult for us to sell these investments when desired and, if we are required to sell these investments, we may realize significantly less than their recorded value.

Madison revolving credit facility

Below is a summary of the terms of the senior secured revolving credit facility we entered into with Madison Capital Funding LLC (the "Credit Facility") on June 30, 2010, which was most recently amended on September 14, 2020. (See Recent Developments).

Availability. The Company can draw up to the lesser of (i) $40.0 million (the "Facility Amount") and (ii) the product of the applicable advance rate (which varies from 50.0% to 75.0% depending on the type of loan asset) and the value, determined in accordance with the Credit Facility (the "Adjusted Borrowing Value"), of certain "eligible" loan assets pledged as security for the loan (the "Borrowing Base"), in each case less (a) the amount of any undrawn funding commitments the Company has under any loan asset and which are not covered by amounts in the Unfunded Exposure Account referred to below (the "Unfunded Exposure Amount") and outstanding borrowings. Each loan asset held by the Company as of the date on which the Credit Facility was closed was valued as of that date and each loan asset that the Company acquires after such date will be valued at the lowest of its fair value, its face value (excluding accrued interest) and the purchase price paid for such loan asset. Adjustments to the value of a loan asset will be made to reflect, among other things, changes in its fair value, a default by the obligor on the loan asset, insolvency of the obligor, acceleration of the loan asset, and certain modifications to the terms of the loan asset.

The Credit Facility contains limitations on the type of loan assets that are "eligible" to be included in the Borrowing Base and as to the concentration level of certain categories of loan assets in the Borrowing Base such as restrictions on geographic and industry concentrations, asset size and quality, payment frequency, status and terms, average life, and collateral interests. In addition, if an asset is to remain an "eligible" loan asset, the Company may not make changes to the payment, amortization, collateral and certain other terms of the loan assets without the consent of the administrative agent that will either result in subordination of the loan asset or be materially adverse to the lenders.

Collateral. The Credit Facility is secured by substantially all of the assets of the Company (other than assets held by our SBIC subsidiary) and includes the subordinated notes ("CLO Notes") issued by Saratoga CLO and the Company's rights under the CLO Management Agreement (as defined below).

Interest Rate and Fees. Under the Credit Facility, funds are borrowed from or through certain lenders at the greater of the prevailing LIBOR rate and 1.00%, plus an applicable margin of 4.75%. At the Company's option, funds may be borrowed based on an alternative base rate, which in no event will be less than 2.00%, and the applicable margin over such alternative base rate is 3.75%. In addition, the Company pays the lenders a commitment fee of 0.75% per year on the unused amount of the Credit Facility for the duration of the Revolving Period (defined below). Accrued interest and commitment fees are payable monthly. The Company was also obligated to pay certain other fees to the lenders in connection with the closing of the Credit Facility.

Revolving Period and Maturity Date. The Company may make and repay borrowings under the Credit Facility for a period of three years following the closing of the Credit Facility (the "Revolving Period"). The Revolving Period may be terminated at an earlier time by the Company or, upon the occurrence of an event of default, by action of the lenders or automatically. All borrowings and other amounts payable under the Credit Facility are due and payable in full five years after the end of the Revolving Period.

Collateral Tests. It is a condition precedent to any borrowing under the Credit Facility that the principal amount outstanding under the Credit Facility, after giving effect to the proposed borrowings, not exceed the lesser of the Borrowing Base or the Facility Amount (the "Borrowing Base Test"). In addition to satisfying the Borrowing Base Test, the following tests must also be satisfied (together with Borrowing Base Test, the "Collateral Tests"):

- *Interest Coverage Ratio.* The ratio (expressed as a percentage) of interest collections with respect to pledged loan assets, less certain fees and expenses relating to the Credit Facility, to accrued interest and commitment fees and any breakage costs payable to the lenders under the Credit Facility for the last 6 payment periods must equal at least 175.0%.

- *Overcollateralization Ratio.* The ratio (expressed as a percentage) of the aggregate Adjusted Borrowing Value of "eligible" pledged loan assets plus the fair value of certain ineligible pledged loan assets and the CLO Notes (in each case, subject to certain adjustments) to outstanding borrowings under the Credit Facility plus the Unfunded Exposure Amount must equal at least 200.0%.

- *Weighted Average FMV Test.* The aggregate adjusted or weighted value of "eligible" pledged loan assets as a percentage of the aggregate outstanding principal balance of "eligible" pledged loan assets must be equal to or greater than 72.0% and 80.0% during the one-year periods prior to the first and second anniversary of the closing date, respectively, and 85.0% at all times thereafter.

The Credit Facility also requires payment of outstanding borrowings or replacement of pledged loan assets upon the Company's breach of its representation and warranty that pledged loan assets included in the Borrowing Base are "eligible" loan assets. Such payments or replacements must equal the lower of the amount by which the Borrowing Base is overstated as a result of such breach or any deficiency under the Collateral Tests at the time of repayment or replacement. Compliance with the Collateral Tests is also a condition to the discretionary sale of pledged loan assets by the Company.

Priority of Payments. During the Revolving Period, the priority of payments provisions of the Credit Facility require, after payment of specified fees and expenses and any necessary funding of the Unfunded Exposure Account, that collections of principal from the loan assets and, to the extent that these are insufficient, collections of interest from the loan assets, be applied on each payment date to payment of outstanding borrowings if the Borrowing Base Test, the Overcollateralization Ratio and the Interest Coverage Ratio would not otherwise be met. Similarly, following termination of the Revolving Period, collections of interest are required to be applied, after payment of certain fees and expenses, to cure any deficiencies in the Borrowing Base Test, the Interest Coverage Ratio and the Overcollateralization Ratio as of the relevant payment date.

Reserve Account. The Credit Facility requires the Company to set aside an amount equal to the sum of accrued interest, commitment fees and administrative agent fees due and payable on the next succeeding three payment dates (or corresponding to three payment periods). If for any monthly period during which fees and other payments accrue, the aggregate Adjusted Borrowing Value of "eligible" pledged loan assets which do not pay cash interest at least quarterly exceeds 15.0% of the aggregate Adjusted Borrowing Value of "eligible" pledged loan assets, the Company is required to set aside such interest and fees due and payable on the next succeeding six payment dates. Amounts in the reserve account can be applied solely to the payment of administrative agent fees, commitment fees, accrued and unpaid interest and any breakage costs payable to the lenders.

Unfunded Exposure Account. With respect to revolver or delayed draw loan assets, the Company is required to set aside in a designated account (the "Unfunded Exposure Account") 100.0% of its outstanding and undrawn funding commitments with respect to such loan assets. The Unfunded Exposure Account is funded at the time the Company acquires a revolver or delayed draw loan asset and requests a related borrowing under the Credit Facility. The Unfunded Exposure Account is funded through a combination of proceeds of the requested borrowing and other Company funds, and if for any reason such amounts are insufficient, through application of the priority of payment provisions described above.

Operating Expenses. The priority of payments provision of the Credit Facility provides for the payment of certain operating expenses of the Company out of collections on principal and interest during the Revolving Period and out of collections on interest following the termination of the Revolving Period in accordance with the priority established in such provision. The operating expenses payable pursuant to the priority of payment provisions is limited to $350,000 for each monthly payment date or $2.5 million for the immediately preceding period of twelve consecutive monthly payment dates. This ceiling can be increased by the lesser of 5.0% or the percentage increase in the fair market value of all the Company's assets only on the first monthly payment date to occur after each one-year anniversary following the closing of the Credit Facility. Upon the occurrence of a Manager Event (described below), the consent of the administrative agent is required in order to pay operating expenses through the priority of payments provision.

Events of Default. The Credit Facility contains certain negative covenants, customary representations and warranties and affirmative covenants and events of default. The Credit Facility does not contain grace periods for breach by the Company of certain covenants, including, without limitation, preservation of existence, negative pledge, change of name or jurisdiction and separate legal entity status of the Company covenants and certain other customary covenants. Other events of default under the Credit Facility include, among other things, the following:

- an Interest Coverage Ratio of less than 150.0%;
- an Overcollateralization Ratio of less than 175.0%;
- the filing of certain ERISA or tax liens;
- the occurrence of certain "Manager Events" such as:
  - failure by Saratoga Investment Advisors and its affiliates to maintain collectively, directly or indirectly, a cash equity investment in the Company in an amount equal to at least $5.0 million at any time prior to the third anniversary of the closing date;
  - failure of the Management Agreement between Saratoga Investment Advisors and the Company to be in full force and effect;
  - indictment or conviction of Saratoga Investment Advisors or any "key person" for a felony offense, or any fraud, embezzlement or misappropriation of funds by Saratoga Investment Advisors or any "key person" and, in the case of "key persons," without a reputable, experienced individual reasonably satisfactory to Madison Capital Funding appointed to replace such key person within 30 days;

- resignation, termination, disability or death of a “key person” or failure of any “key person” to provide active participation in Saratoga Investment Advisors’ daily activities, all without a reputable, experienced individual reasonably satisfactory to Madison Capital Funding appointed within 30 days; or

- occurrence of any event constituting “cause” under the Collateral Management Agreement between the Company and Saratoga CLO (the “CLO Management Agreement”), delivery of a notice under Section 12(c) of the CLO Management Agreement with respect to the removal of the Company as collateral manager or the Company ceases to act as collateral manager under the CLO Management Agreement.

Conditions to Acquisitions and Pledges of Loan Assets. The Credit Facility imposes certain additional conditions to the acquisition and pledge of additional loan assets. Among other things, the Company may not acquire additional loan assets without the prior written consent of the administrative agent until such time that the administrative agent indicates in writing its satisfaction with Saratoga Investment Advisors’ policies, personnel and processes relating to the loan assets.

Fees and Expenses. The Company paid certain fees and reimbursed Madison Capital Funding LLC for the aggregate amount of all documented, out-of-pocket costs and expenses, including the reasonable fees and expenses of lawyers, incurred by Madison Capital Funding LLC in connection with the Credit Facility and the carrying out of any and all acts contemplated thereunder up to and as of the date of closing of the stock purchase transaction with Saratoga Investment Advisors and certain of its affiliates. These amounts totaled $2.0 million.

On February 24, 2012, we entered into a first amendment to the Credit Facility to, among other things:

- expand the borrowing capacity under the Credit Facility from $40.0 million to $45.0 million;

- extend the period during which we may make and repay borrowings under the Credit Facility from July 30, 2013 to February 24, 2015 (the “Revolving Period”). The Revolving Period may, upon the occurrence of an event of default, by action of the lenders or automatically, be terminated. All borrowings and other amounts payable under the Credit Facility are due and payable five years after the end of the Revolving Period; and

- remove the condition that we may not acquire additional loan assets without the prior written consent of the administrative agent.

On September 17, 2014, we entered into a second amendment to the Credit Facility, among other things:

- extend the commitment termination date from February 24, 2015 to September 17, 2017;

- extend the maturity date of the Revolving Facility from February 24, 2020 to September 17, 2022 (unless terminated sooner upon certain events);

- reduce the applicable margin rate on base rate borrowings from 4.50% to 3.75%, and on LIBOR borrowings from 5.50% to 4.75%; and

- reduce the floor on base rate borrowings from 3.00% to 2.25%; and on LIBOR borrowings from 2.00% to 1.25%.

On May 18, 2017, we entered into a third amendment to the Credit Facility to, among other things:

- extend the commitment termination date from September 17, 2017 to September 17, 2020;

- extend the final maturity date of the Credit Facility from September 17, 2022 to September 17, 2025;

- reduce the floor on base rate borrowings from 2.25% to 2.00%;

- reduce the floor on LIBOR borrowings from 1.25% to 1.00%; and

- reduce the commitment fee rate from 0.75% to 0.50% for any period during which the ratio of advances outstanding to aggregate commitments, expressed as a percentage, is greater than or equal to 50%.

On April 24, 2020, we entered into a fourth amendment to the Credit Facility to, among other things:

- permit certain amendments related to the Paycheck Protection Program (“Permitted PPP Amendment”) to Loan Asset Documents;

- exclude certain debt and interest amounts allowed by the Permitted PPP Amendments from certain calculations related to Net Leverage Ratio, Interest Coverage Ratio and EBITDA; and

- exclude such Permitted PPP Amendments from constituting a Material Modification.

On September 14, 2020, we entered into a fifth amendment to the Credit Facility to, among other things:

- extend the commitment termination date of the Credit Facility from September 17, 2020 to September 17, 2021, with no change to the maturity date of September 17, 2025.

- provide for the transition away from the LIBOR Rate in the market, and

- expand the definition of "Eligible Loan Asset" to allow investments with certain recurring revenue features to qualify as Collateral and be included in the borrowing base.

As of November 30, 2020, we had no outstanding borrowings under the Credit Facility and $176.0 million of SBA-guaranteed debentures outstanding (which are discussed below). As of February 29, 2020, we had no outstanding borrowings under the Credit Facility and $150.0 million of SBA-guaranteed debentures outstanding. Our borrowing base under the Credit Facility at November 30, 2020 and February 29, 2020 was $46.4 million and $35.6 million, respectively.

Our asset coverage ratio, as defined in the 1940 Act, was 377.3% as of November 30, 2020 and 607.1% as of February 29, 2020.

SBA-guaranteed debentures

In addition, we, through two wholly-owned subsidiaries, sought and obtained licenses from the SBA to operate an SBIC. In this regard, on March 28, 2012, our wholly-owned subsidiary, Saratoga Investment Corp. SBIC LP, received a license from the SBA to operate as an SBIC under Section 301(c) of the Small Business Investment Act of 1958 and on August 14, 2019, our wholly-owned subsidiary, Saratoga Investment Corp. SBIC II LP, also received a license. SBICs are designated to stimulate the flow of private equity capital to eligible small businesses. Under SBA regulations, SBICs may make loans to eligible small businesses and invest in the equity securities of small businesses.

The SBIC licenses allows our SBIC subsidiaries to obtain leverage by issuing SBA-guaranteed debentures. SBA-guaranteed debentures are non-recourse, interest only debentures with interest payable semi-annually and have a ten-year maturity. The principal amount of SBA-guaranteed debentures is not required to be paid prior to maturity but may be prepaid at any time without penalty. The interest rate of SBA-guaranteed debentures is fixed on a semi-annual basis at a market-driven spread over U.S. Treasury Notes with 10-year maturities.

SBA regulations previously limited the amount that our SBIC subsidiary may borrow to a maximum of $150.0 million when it has at least $75.0 million in regulatory capital, receives a capital commitment from the SBA and has been through an examination by the SBA subsequent to licensing. This maximum has been increased by SBA regulators for new licenses to $175.0 million of SBA debentures when it has at least $87.5 million in regulatory capital. The new license will provide up to $175.0 million in additional long-term capital in the form of SBA-guaranteed debentures. The SBIC LP and SBIC II LP are regulated by the SBA. As a result of the 2016 omnibus spending bill signed into law in December 2015, the maximum amount of SBA-guaranteed debentures that affiliated SBIC funds can have outstanding was increased from $225.0 million to $350.0 million. Our wholly-owned SBIC subsidiaries are able to borrow funds from the SBA against regulatory capital (which approximates equity capital) that is paid in and is subject to customary regulatory requirements including but not limited to an examination by the SBA. With this license approval, Saratoga can grow its SBA relationship from $150.0 million to $325.0 million of committed capital.

We received exemptive relief from the SEC to permit us to exclude the debt of our SBIC subsidiaries guaranteed by the SBA from the definition of senior securities in the asset coverage test under the 1940 Act. This allows us increased flexibility under the asset coverage test by permitting us to borrow up to $325.0 million more than we would otherwise be able to absent the receipt of this exemptive relief. On April 16, 2018, as permitted by the Small Business Credit Availability Act, which was signed into law on March 23, 2018, our non-interested board of directors approved of our becoming subject to a minimum asset coverage ratio of 150.0% from 200% under Sections 18(a)(1) and 18(a)(2) of the Investment Company Act, as amended. The 150.0% asset coverage ratio became effective on April 16, 2019.

As of November 30, 2020, our SBIC LP subsidiary had $75.0 million in regulatory capital and $150.0 million in SBA-guaranteed debentures outstanding and our SBIC II LP subsidiary had $69.0 million in regulatory capital and $26.0 million in SBA-guaranteed debentures outstanding.

Unsecured notes

In May 2013, the Company issued $48.3 million in aggregate principal amount of 7.50% fixed-rate notes due 2020 (the “2020 Notes”). The 2020 Notes were redeemed in full on January 13, 2017 and are no longer listed on the NYSE.

On May 29, 2015, we entered into a Debt Distribution Agreement with Ladenburg Thalmann & Co. through which we may offer for sale, from time to time, up to $20.0 million in aggregate principal amount of the 2020 Notes through an ATM offering. Prior to the 2020 Notes being redeemed in full, the Company had sold 539,725 bonds with a principal of $13.5 million at an average price of $25.31 for aggregate net proceeds of $13.4 million (net of transaction costs).

On December 21, 2016, we issued $74.5 million in aggregate principal amount of our 2023 Notes for net proceeds of $71.7 million after deducting underwriting commissions of approximately $2.3 million and offering costs of approximately $0.5 million. The net proceeds from the offering were used to repay all of the outstanding indebtedness under the 2020 Notes on January 13, 2017, which amounted to $61.8 million, and for general corporate purposes in accordance with our investment objective and strategies. On December 21, 2019 and February 7, 2020, the Company redeemed $50.0 million and $24.5 million, respectively, in aggregate principal amount of the $74.5 million in aggregate principal amount of issued and outstanding 2023 Notes and are no longer listed on the NYSE.

On August 28, 2018, the Company issued $40.0 million in aggregate principal amount of our 6.25% fixed-rate notes due 2025 (the “6.25% 2025 Notes”) for net proceeds of $38.7 million after deducting underwriting commissions of approximately $1.3 million. Offering costs incurred were approximately $0.3 million. The issuance included the full exercise of the underwriters’ option to purchase an additional $5.0 million aggregate principal amount of 6.25% 2025 Notes within 30 days. Interest on the 6.25% 2025 Notes is paid quarterly in arrears on February 28, May 31, August 31 and November 30, at a rate of 6.25% per year, beginning November 30, 2018. The 6.25% 2025 Notes mature on August 31, 2025 and commencing August 28, 2021, may be redeemed in whole or in part at any time or from time to time at our option. The net proceeds from the offering were used for general corporate purposes in accordance with our investment objective and strategies. Financing costs of $1.6 million related to the 6.25% 2025 Notes have been capitalized and are being amortized over the term of the 6.25% 2025 Notes. The 6.25% 2025 Notes are listed on the NYSE under the trading symbol “SAF” with a par value of $25.00 per share.

On February 5, 2019, the Company completed a re-opening and up-sizing of its existing 6.25% 2025 Notes by issuing an additional $20.0 million in aggregate principal amount for net proceeds of $19.2 million after deducting underwriting commissions of approximately $0.6 million and discount of $0.2 million. Offering costs incurred were approximately $0.2 million. The issuance included the full exercise of the underwriters’ option to purchase an additional $2.5 million aggregate principal amount of 6.25% 2025 Notes within 30 days. Interest rate, interest payment dates and maturity remain unchanged from the existing 6.25% 2025 Notes issued in August 2018. The net proceeds from this offering were used for general corporate purposes in accordance with our investment objective and strategies. The financing costs and discount of $1.0 million related to the 6.25% 2025 Notes have been capitalized and are being amortized over the term of the 6.25% 2025 Notes.

At November 30, 2020, the total 6.25% 2025 Notes outstanding was $60.0 million.

In connection with the issuance of the 6.25% 2025 Notes, we agreed to the following covenants for the period of time during which the notes are outstanding:

- we will not violate (whether or not we are subject to) Section 18(a)(1)(A) as modified by Section 61(a)(1) of the 1940 Act or any successor provisions, but giving effect to any exemptive relief granted to us by the SEC. These provisions generally prohibit us from making additional borrowings, including through the issuance of additional debt or the sale of additional debt securities, unless our asset coverage, as defined in the 1940 Act, equals at least 200% after such borrowings, or, if we obtain the required approvals from our independent directors and/or stockholders, 150% (after deducting the amount of such dividend, distribution or purchase price, as the case may be).

- we will not declare any dividend (except a dividend payable in our stock), or declare any other distribution, upon a class of our capital stock, or purchase any such capital stock, unless, in every such case, at the time of the declaration of any such dividend or distribution, or at the time of any such purchase, we have an asset coverage (as defined in the 1940 Act) of at least 150.0%, as such obligation may be amended or superseded, after deducting the amount of such dividend, distribution or purchase price, as the case may be, and in each case giving effect to (i) any exemptive relief granted to us by the SEC, and (ii) any SEC no-action relief granted by the SEC to another BDC (or to us if we determine to seek such similar no-action or other relief) permitting the BDC to declare any cash dividend or distribution notwithstanding the prohibition contained in Section 18(a)(1)(B) as modified by such provisions of Section 61(a) of the 1940 Act as may be applicable to us from time to time, as such obligation may be amended or superseded, in order to maintain such BDC’s status as a regulated investment company under Subchapter M of the Code.

- if, at any time, we are not subject to the reporting requirements of Sections 13 or 15(d) of the Securities Exchange Act of 1934, or the Exchange Act, to file any periodic reports with the SEC, we agree to furnish to holders of the 6.25% 2025 Notes and the Trustee, for the period of time during which the 6.25% 2025 Notes are outstanding, our audited annual consolidated financial statements, within 90 days of our fiscal year end, and unaudited interim consolidated financial statements, within 45 days of our fiscal quarter end (other than our fourth fiscal quarter). All such financial statements will be prepared, in all material respects, in accordance with applicable United States generally accepted accounting principles.

On June 24, 2020, the Company issued $37.5 million in aggregate principal amount of our 7.25% fixed-rate notes due 2025 (the “7.25% 2025 Notes”) for net proceeds of $36.3 million after deducting underwriting commissions of approximately $1.2 million. Offering costs incurred were approximately $0.3 million. On July 6, 2020, the underwriters exercised their option in full to purchase an additional $5.625 million in aggregate principal amount of its 7.25% unsecured notes due 2025. Net proceeds to the Company were $5.4 million after deducting underwriting commissions of approximately $0.2 million. Interest on the 7.25% 2025 Notes is paid quarterly in arrears on February 28, May 31, August 31 and November 30, at a rate of 7.25% per year, beginning August 31, 2020. The 7.25% 2025 Notes mature on June 30, 2025 and commencing June 24, 2022, may be redeemed in whole or in part at any time or from time to time at our option. The net proceeds from the offering were used for general corporate purposes in accordance with our investment objective and strategies. Financing costs of $1.6 million related to the 7.25% 2025 Notes have been capitalized and are being amortized over the term of the 7.25% 2025 Notes. The Company has received an investment grade private rating of “BBB” from Egan-Jones Ratings Company, an independent, unaffiliated rating agency. The 7.25% 2025 Notes are listed on the NYSE under the trading symbol “SAK” with a par value of $25.00 per share. At November 30, 2020, the total 7.25% 2025 Notes outstanding was $43.1 million.

On July 9, 2020, the Company issued $5.0 million aggregate principal amount of our 7.75% fixed-rate Notes due in 2025 (the “7.75% 2025 Notes”) for net proceeds of $4.8 million after deducting underwriting commissions of approximately $0.2 million. Offering costs incurred were approximately $0.1 million. Interest on the 7.75% Notes 2025 is paid quarterly in arrears on February 28, May 31, August 31 and November 30, at a rate of 7.75% per year, beginning August 31, 2020. The 7.75% Notes 2025 mature on July 9, 2025 and may be redeemed in whole or in part at any time or from time to time at our option. The net proceeds from the offering were used for general corporate purposes in accordance with our investment objective and strategies. Financing costs of $0.3 million related to the 7.75% Notes 2025 have been capitalized and are being amortized over the term of the Notes. The 7.75% 2025 Notes are unlisted and have a par value of $25.00 per share.

At November 30, 2020, the total 7.75% 2025 Notes outstanding was $5.0 million.

On July 13, 2018, the Company issued 1,150,000 shares of its common stock priced at $25.00 per share (par value $0.001 per share) at an aggregate total of $28.75 million. The net proceeds, after deducting underwriting commissions of $1.15 million and offering costs of approximately $0.2 million, amounted to approximately $27.4 million. The Company also granted the underwriters a 30-day option to purchase up to an additional 172,500 shares of its common stock, which was not exercised.

At November 30, 2020 and February 29, 2020, the fair value of investments, cash and cash equivalents and cash and cash equivalents, reserve accounts were as follows:

	November 30, 2020		February 29, 2020	
	Fair Value	**Percentage of Total**	**Fair Value**	**Percentage of Total**
	($ in thousands)			
Cash and cash equivalents	$ 21,060	3.6%	$ 24,599	4.7%
Cash and cash equivalents, reserve accounts	12,837	2.3	14,851	2.8
First lien term loans	407,698	70.1	346,233	66.0
Second lien term loans	50,027	8.6	73,570	14.0
Unsecured term loans	26,817	4.6	4,346	0.8
Structured finance securities	31,299	5.4	32,470	6.2
Equity interests	31,102	5.4	29,013	5.5
Total	$ 580,840	100.0%	$ 525,082	100.0%

On March 16, 2017, we entered into an equity distribution agreement with Ladenburg Thalmann & Co. Inc., through which we may offer for sale, from time to time, up to $30.0 million of our common stock through an ATM offering. Subsequent to this, BB&T Capital Markets and B. Riley FBR, Inc. were also added to the agreement. On July 11, 2019, the amount of the common stock to be offered through this offering was increased to $70.0 million, and on October 8, 2019, the amount of the common stock to be offered was increased to $130.0 million. As of November 30, 2020, the Company sold 3,922,018 shares for gross proceeds of $97.1 million at an average price of $24.77 for aggregate net proceeds of $95.9 million (net of transaction costs). During the nine months ended November 30, 2020, there was no activity related to the ATM offering.

On September 24, 2014, the Company announced the approval of an open market share repurchase plan that allowed it to repurchase up to 200,000 shares of its common stock at prices below its NAV as reported in its then most recently published consolidated financial statements (the "Share Repurchase Plan"). On October 7, 2015, our board of directors extended the Share Repurchase Plan for another year and increased the number of shares the Company is permitted to repurchase at prices below its NAV, as reported in its then most recently published consolidated financial statements, to 400,000 shares of its common stock. On October 5, 2016, our board of directors extended the Share Repurchase Plan for another year to October 15, 2017 and increased the number of shares the Company is permitted to repurchase at prices below its NAV, as reported in its then most recently published consolidated financial statements, to 600,000 shares of its common stock. On October 10, 2017, January 8, 2019 and January 7, 2020, our board of directors extended the Share Repurchase Plan for another year to October 15, 2018, January 15, 2020 and January 15, 2021, respectively, each time leaving the number of shares unchanged at 600,000 shares of its common stock. On May 4, 2020, our board of directors increased the Share Repurchase Plan to 1.3 million shares of common stock. On January 5, 2021, our board of directors extended the Share Repurchase Plan for another year to January 15, 2022, leaving the number of shares unchanged at 1.3 million shares of common stock. As of November 30, 2020, the Company purchased 358,812 shares of common stock, at the average price of $17.14 for approximately $6.2 million pursuant to the Share Repurchase Plan. During the three months ended November 30, 2020, the Company purchased 50,000 shares of common stock, at the average price of $18.28 for approximately $0.9 million pursuant to the Share Repurchase Plan. During the nine months ended November 30, 2020, the Company purchased 140,321 shares of common stock, at the average price of $17.56 for approximately $2.5 million pursuant to the Share Repurchase Plan.

On October 7, 2020, our board of directors declared a dividend of $0.41 per share, which was paid on November 10, 2020, to common stockholders of record as of October 26, 2020. Shareholders had the option to receive payment of the dividend in cash, or receive shares of common stock, pursuant to the DRIP. Based on shareholder elections, the dividend consisted of approximately $3.8 million in cash and 45,706 newly issued shares of common stock, or 0.4% of our outstanding common stock prior to the dividend payment. The number of shares of common stock comprising the stock portion was calculated based on a price of $17.63 per share, which equaled 95% of the volume weighted average trading price per share of the common stock on October 28, 29, 30 and November 2, 3, 4, 5, 6, 9 and 10, 2020.

On July 7, 2020, the Company declared a dividend of $0.40 per share payable on August 12, 2020, to common stockholders of record on July 27, 2020. Shareholders have the option to receive payment of the dividend in cash, or receive shares of common stock, pursuant to the Company's DRIP. Based on shareholder elections, the dividend consisted of approximately $3.7 million in cash and 47,098 newly issued shares of common stock, or 0.4% of our outstanding common stock prior to the dividend payment. The number of shares of common stock comprising the stock portion was calculated based on a price of $16.45 per share, which equaled 95.0% of the volume weighted average trading price per share of the common stock on July 30, 31 and August 3, 4, 5, 6, 7, 10, 11 and 12, 2020.

On January 7, 2020, the Company declared a dividend of $0.56 per share, which was paid on February 6, 2020, to common stockholders of record on January 24, 2020. Shareholders had the option to receive payment of the dividend in cash, or receive shares of common stock, pursuant to the Company's DRIP. Based on shareholder elections, the dividend consisted of approximately $5.4 million in cash and 35,682 newly issued shares of common stock, or 0.3% of our outstanding common stock prior to the dividend payment. The number of shares of common stock comprising the stock portion was calculated based on a price of $25.44 per share, which equaled 95.0% of the volume weighted average trading price per share of the common stock on January 24, 27, 28, 29, 30, 31 and February 3, 4, 5 and 6, 2020.

On August 27, 2019, the Company declared a dividend of $0.56 per share, which was paid on September 26, 2019, to common stockholders of record on September 13, 2019. Shareholders had the option to receive payment of the dividend in cash, or receive shares of common stock, pursuant to the Company's DRIP. Based on shareholder elections, the dividend consisted of approximately $4.5 million in cash and 34,575 newly issued shares of common stock, or 0.4% of our outstanding common stock prior to the dividend payment. The number of shares of common stock comprising the stock portion was calculated based on a price of $23.34 per share, which equaled 95.0% of the volume weighted average trading price per share of the common stock on September 13, 16, 17, 18, 19, 20, 23, 24, 25 and 26, 2019.

On May 28, 2019, our board of directors declared a dividend of $0.55 per share, which was paid on June 27, 2019, to common stockholders of record as of June 13, 2019. Shareholders had the option to receive payment of the dividend in cash, or receive shares of common stock, pursuant to the DRIP. Based on shareholder elections, the dividend consisted of approximately $3.6 million in cash and 31,545 newly issued shares of common stock, or 0.4% of our outstanding common stock prior to the dividend payment. The number of shares of common stock comprising the stock portion was calculated based on a price of $22.65 per share, which equaled 95% of the volume weighted average trading price per share of the common stock on June 14, 17, 18, 19, 20, 21, 24, 25, 26 and 27, 2019.

On February 26, 2019, our board of directors declared a dividend of $0.54 per share, which was paid on March 28, 2019, to common stockholders of record as of March 14, 2019. Shareholders had the option to receive payment of the dividend in cash, or receive shares of common stock, pursuant to the DRIP. Based on shareholder elections, the dividend consisted of approximately $3.5 million in cash and 31,240 newly issued shares of common stock, or 0.4% of our outstanding common stock prior to the dividend payment. The number of shares of common stock comprising the stock portion was calculated based on a price of $21.36 per share, which equaled 95% of the volume weighted average trading price per share of the common stock on March 15, 18, 19, 20, 21, 22, 25, 26, 27 and 28, 2019.

On November 27, 2018, our board of directors declared a dividend of $0.53 per share, which was paid on January 2, 2019, to common stockholders of record on December 17, 2018. Shareholders had the option to receive payment of the dividend in cash, or receive shares of common stock, pursuant to the Company's DRIP. Based on shareholder elections, the dividend consisted of approximately $3.4 million in cash and 30,796 newly issued shares of common stock, or 0.4% of our outstanding common stock prior to the dividend payment. The number of shares of common stock comprising the stock portion was calculated based on a price of $18.88 per share, which equaled 95.0% of the volume weighted average trading price per share of the common stock on December 18, 19, 20, 21, 24, 26, 27, 28, 31, 2018 and January 2, 2019.

On August 28, 2018, our board of directors declared a dividend of $0.52 per share, which was paid on September 27, 2018, to common stockholders of record as of September 17, 2018. Shareholders had the option to receive payment of the dividend in cash, or receive shares of common stock, pursuant to the DRIP. Based on shareholder elections, the dividend consisted of approximately $3.3 million in cash and 25,862 newly issued shares of common stock, or 0.3% of our outstanding common stock prior to the dividend payment. The number of shares of common stock comprising the stock portion was calculated based on a price of $22.35 per share, which equaled 95.0% of the volume weighted average trading price per share of the common stock on September 14, 17, 18, 19, 20, 21, 24, 25, 26 and 27, 2018.

On May 30, 2018, our board of directors declared a dividend of $0.51 per share, which was paid on June 27, 2018, to common stockholders of record as of June 15, 2018. Shareholders had the option to receive payment of the dividend in cash, or receive shares of common stock, pursuant to the DRIP. Based on shareholder elections, the dividend consisted of approximately $2.7 million in cash and 21,562 newly issued shares of common stock, or 0.3% of our outstanding common stock prior to the dividend payment. The number of shares of common stock comprising the stock portion was calculated based on a price of $23.72 per share, which equaled 95.0% of the volume weighted average trading price per share of the common stock on June 14, 15, 18, 19, 20, 21, 22, 25, 26 and 27, 2018.

On February 26, 2018, our board of directors declared a dividend of $0.50 per share, which was paid on March 26, 2018, to common stockholders of record as of March 14, 2018. Shareholders had the option to receive payment of the dividend in cash, or receive shares of common stock, pursuant to the DRIP. Based on shareholder elections, the dividend consisted of approximately $2.6 million in cash and 25,354 newly issued shares of common stock, or 0.4% of our outstanding common stock prior to the dividend payment. The number of shares of common stock comprising the stock portion was calculated based on a price of $19.91 per share, which equaled 95% of the volume weighted average trading price per share of the common stock on March 13, 14, 15, 16, 19, 20, 21, 22, 23 and 26, 2018.

On November 29, 2017, our board of directors declared a dividend of $0.49 per share, which was paid on December 27, 2017, to common stockholders of record on December 15, 2017. Shareholders had the option to receive payment of the dividend in cash, or receive shares of common stock, pursuant to the DRIP. Based on shareholder elections, the dividend consisted of approximately $2.5 million in cash and 25,435 newly issued shares of common stock, or 0.4% of our outstanding common stock prior to the dividend payment. The number of shares of common stock comprising the stock portion was calculated based on a price of $21.14 per share, which equaled 95% of the volume weighted average trading price per share of the common stock on December 13, 14, 15, 18, 19, 20, 21, 22, 26 and 27, 2017.

On August 28, 2017, our board of directors declared a dividend of $0.48 per share, which was paid on September 26, 2017, to common stockholders of record on September 15, 2017. Shareholders had the option to receive payment of the dividend in cash, or receive shares of common stock, pursuant to the DRIP. Based on shareholder elections, the dividend consisted of approximately $2.2 million in cash and 33,551 newly issued shares of common stock, or 0.6% of our outstanding common stock prior to the dividend payment. The number of shares of common stock comprising the stock portion was calculated based on a price of $20.19 per share, which equaled 95% of the volume weighted average trading price per share of the common stock on September 13, 14, 15, 18, 19, 20, 21, 22, 25 and 26, 2017.

On May 30, 2017, our board of directors declared a dividend of $0.47 per share, which was paid on June 27, 2017, to common stockholders of record on June 15, 2017. Shareholders had the option to receive payment of the dividend in cash, or receive shares of common stock, pursuant to the DRIP. Based on shareholder elections, the dividend consisted of approximately $2.3 million in cash and 26,222 newly issued shares of common stock, or 0.4% of our outstanding common stock prior to the dividend payment. The number of shares of common stock comprising the stock portion was calculated based on a price of $20.04 per share, which equaled 95% of the volume weighted average trading price per share of the common stock on June 14, 15, 16, 19, 20, 21, 22, 23, 26 and 27, 2017.

On February 28, 2017, our board of directors declared a dividend of $0.46 per share, which was paid on March 28, 2017, to common stockholders of record as of March 15, 2017. Shareholders had the option to receive payment of the dividend in cash, or receive shares of common stock, pursuant to the DRIP. Based on shareholder elections, the dividend consisted of approximately $2.0 million in cash and 29,096 newly issued shares of common stock, or 0.5% of our outstanding common stock prior to the dividend payment. The number of shares of common stock comprising the stock portion was calculated based on a price of $21.38 per share, which equaled 95% of the volume weighted average trading price per share of the common stock on March 15, 16, 17, 20, 21, 22, 23, 24, 27 and 28, 2017.

On January 12, 2017, our board of directors declared a dividend of $0.45 per share, which was paid on February 9, 2017, to common stockholders of record as of January 31, 2017. Shareholders had the option to receive payment of the dividend in cash, or receive shares of common stock, pursuant to the DRIP. Based on shareholder elections, the dividend consisted of approximately $1.6 million in cash and 50,453 newly issued shares of common stock, or 0.9% of our outstanding common stock prior to the dividend payment. The number of shares of common stock comprising the stock portion was calculated based on a price of $20.25 per share, which equaled 95% of the volume weighted average trading price per share of the common stock on January 27, 30, 31 and February 1, 2, 3, 6, 7, 8 and 9, 2017.

On October 5, 2016, our board of directors declared a dividend of $0.44 per share, which was paid on November 9, 2016, to common stockholders of record as of October 31, 2016. Shareholders had the option to receive payment of the dividend in cash, or receive shares of common stock, pursuant to the DRIP. Based on shareholder elections, the dividend consisted of approximately $1.5 million in cash and 58,548 newly issued shares of common stock, or 1.0% of our outstanding common stock prior to the dividend payment. The number of shares of common stock comprising the stock portion was calculated based on a price of $17.12 per share, which equaled 95% of the volume weighted average trading price per share of the common stock on October 27, 28, 31 and November 1, 2, 3, 4, 7, 8 and 9, 2016.

On August 8, 2016, our board of directors declared a special dividend of $0.20 per share, which was paid on September 5, 2016, to common stockholders of record as of August 24, 2016. Shareholders had the option to receive payment of the dividend in cash, or receive shares of common stock, pursuant to the DRIP. Based on shareholder elections, the dividend consisted of approximately $0.7 million in cash and 24,786 newly issued shares of common stock, or 0.4% of our outstanding common stock prior to the dividend payment. The number of shares of common stock comprising the stock portion was calculated based on a price of $17.06 per share, which equaled 95% of the volume weighted average trading price per share of the common stock on August 22, 23, 24, 25, 26, 29, 30, 31 and September 1 and 2, 2016.

On July 7, 2016, our board of directors declared a dividend of $0.43 per share, which was paid on August 9, 2016, to common stockholders of record as of July 29, 2016. Shareholders had the option to receive payment of the dividend in cash, or receive shares of common stock, pursuant to the DRIP. Based on shareholder elections, the dividend consisted of approximately $1.5 million in cash and 58,167 newly issued shares of common stock, or 1.0% of our outstanding common stock prior to the dividend payment. The number of shares of common stock comprising the stock portion was calculated based on a price of $16.32 per share, which equaled 95% of the volume weighted average trading price per share of the common stock on July 27, 28, 29 and August 1, 2, 3, 4, 5, 8 and 9, 2016.

On March 31, 2016, our board of directors declared a dividend of $0.41 per share, which was paid on April 27, 2016, to common stockholders of record as of April 15, 2016. Shareholders had the option to receive payment of the dividend in cash, or receive shares of common stock, pursuant to the DRIP. Based on shareholder elections, the dividend consisted of approximately $1.5 million in cash and 56,728 newly issued shares of common stock, or 1.0% of our outstanding common stock prior to the dividend payment. The number of shares of common stock comprising the stock portion was calculated based on a price of $15.43 per share, which equaled 95% of the volume weighted average trading price per share of the common stock on April 14, 15, 18, 19, 20, 21, 22, 25, 26 and 27, 2016.

On January 12, 2016, our board of directors declared a dividend of $0.40 per share, which was paid on February 29, 2016, to common stockholders of record as of February 1, 2016. Shareholders had the option to receive payment of the dividend in cash, or receive shares of common stock, pursuant to the DRIP. Based on shareholder elections, the dividend consisted of approximately $1.4 million in cash and 66,765 newly issued shares of common stock, or 1.2% of our outstanding common stock prior to the dividend payment. The number of shares of common stock comprising the stock portion was calculated based on a price of $13.11 per share, which equaled 95% of the volume weighted average trading price per share of the common stock on February 16, 17, 18, 19, 22, 23, 24, 25, 26 and 29, 2016.

On October 7, 2015, our board of directors declared a dividend of $0.36 per share, which was paid on November 30, 2015, to common stockholders of record as of November 2, 2015. Shareholders had the option to receive payment of the dividend in cash, or receive shares of common stock, pursuant to the DRIP. Based on shareholder elections, the dividend consisted of approximately $1.1 million in cash and 61,029 newly issued shares of common stock, or 1.1% of our outstanding common stock prior to the dividend payment. The number of shares of common stock comprising the stock portion was calculated based on a price of $14.53 per share, which equaled 95% of the volume weighted average trading price per share of the common stock on November 16, 17, 18, 19, 20, 23, 24, 25, 27 and 30, 2015.

On July 8, 2015, our board of directors declared a dividend of $0.33 per share, which was paid on August 31, 2015, to common stockholders of record as of August 3, 2015. Shareholders had the option to receive payment of the dividend in cash, or receive shares of common stock, pursuant to the DRIP. Based on shareholder elections, the dividend consisted of approximately $1.1 million in cash and 47,861 newly issued shares of common stock, or 0.9% of our outstanding common stock prior to the dividend payment. The number of shares of common stock comprising the stock portion was calculated based on a price of $15.28 per share, which equaled 95% of the volume weighted average trading price per share of the common stock on August 18, 19, 20, 21, 24, 25, 26, 27, 28 and 31, 2015.

On May 14, 2015, our board of directors declared a special dividend of $1.00 per share, which was paid on June 5, 2015, to common stockholders of record on as of May 26, 2015. Shareholders had the option to receive payment of the dividend in cash, or receive shares of common stock, pursuant to the DRIP. Based on shareholder elections, the dividend consisted of approximately $3.4 million in cash and 126,230 newly issued shares of common stock, or 2.3% of our outstanding common stock prior to the dividend payment. The number of shares of common stock comprising the stock portion was calculated based on a price of $16.47 per share, which equaled 95% of the volume weighted average trading price per share of the common stock on May 22, 26, 27, 28, 29 and June 1, 2, 3, 4 and 5, 2015.

On April 9, 2015, our board of directors declared a dividend of $0.27 per share, which was paid on May 29, 2015, to common stockholders of record as of May 4, 2015. Shareholders had the option to receive payment of the dividend in cash, or receive shares of common stock, pursuant to the DRIP. Based on shareholder elections, the dividend consisted of approximately $0.9 million in cash and 33,766 newly issued shares of common stock, or 0.6% of our outstanding common stock prior to the dividend payment. The number of shares of common stock comprising the stock portion was calculated based on a price of $16.78 per share, which equaled 95% of the volume weighted average trading price per share of the common stock on May 15, 18, 19, 20, 21, 22, 26, 27, 28 and 29, 2015.

On September 24, 2014, our board of directors declared a dividend of $0.22 per share, which was paid on February 27, 2015, to common stockholders of record on February 2, 2015. Shareholders have the option to receive payment of the dividend in cash, or receive shares of common stock, pursuant to the DRIP. Based on shareholder elections, the dividend consisted of approximately $0.8 million in cash and 26,858 newly issued shares of common stock, or 0.5% of our outstanding common stock prior to the dividend payment. The number of shares of common stock comprising the stock portion was calculated based on a price of $14.97 per share, which equaled 95% of the volume weighted average trading price per share of the common stock on February 13, 17, 18, 19, 20, 23, 24, 25, 26 and 27, 2015.

Also, on September 24, 2014, our board of directors declared a dividend of $0.18 per share, which was paid on November 28, 2014, to common stockholders of record on November 3, 2014. Shareholders had the option to receive payment of the dividend in cash or receive shares of common stock pursuant to the DRIP. Based on shareholder elections, the dividend consisted of approximately $0.6 million in cash and 22,283 newly issued shares of common stock, or 0.4% of our outstanding common stock prior to the dividend payment. The number of shares of common stock comprising the stock portion was calculated based on a price of $14.37 per share, which equaled 95% of the volume weighted average trading price per share of the common stock on November 14, 17, 18, 19, 20, 21, 24, 25, 26 and 28, 2014.

On October 30, 2013, our board of directors declared a dividend of $2.65 per share, which was paid on December 27, 2013, to common stockholders of record as of November 13, 2013. Shareholders had the option to receive payment of the dividend in cash, shares of common stock, or a combination of cash and shares of common stock, provided that the aggregate cash payable to all shareholders was limited to approximately $2.5 million or $0.53 per share. This dividend was declared in reliance on certain private letter rulings issued by the IRS concluding that a RIC may treat a distribution of its own stock as fulfilling its RIC distribution requirements if each stockholder may elect to receive his or her entire distribution in either cash or stock of the RIC subject to a limitation on the aggregate amount of cash to be distributed to all stockholders, which limitation must be at least 20.0% of the aggregate declared distribution. Based on shareholder elections, the dividend consisted of approximately $2.5 million in cash and 649,500 shares of common stock, or 13.7% of our outstanding common stock prior to the dividend payment. The amount of cash elected to be received was greater than the cash limit of 20.0% of the aggregate dividend amount, thus resulting in the payment of a combination of cash and stock to shareholders who elected to receive cash. The number of shares of common stock comprising the stock portion was calculated based on a price of $15.439 per share, which 95% of equaled the volume weighted average trading price per share of the common stock on December 11, 13, and 16, 2013.

On November 9, 2012, our board of directors declared a dividend of $4.25 per share, which was paid on December 31, 2012, to common stockholders of record as of November 20, 2012. Shareholders had the option to receive payment of the dividend in cash, shares of common stock, or a combination of cash and shares of common stock, provided that the aggregate cash payable to all shareholders was limited to approximately $3.3 million or $0.85 per share. Based on shareholder elections, the dividend consisted of $3.3 million in cash and 853,455 shares of common stock, or 22.0% of our outstanding common stock prior to the dividend payment. The amount of cash elected to be received was greater than the cash limit of 20.0% of the aggregate dividend amount, thus resulting in the payment of a combination of cash and stock to shareholders who elected to receive cash. The number of shares of common stock comprising the stock portion was calculated based on a price of $15.444 per share, which equaled 95% of the volume weighted average trading price per share of the common stock on December 14, 17 and 19, 2012.

On November 15, 2011, our board of directors declared a dividend of $3.00 per share, which was paid on December 30, 2011, to common stockholders of record as of November 25, 2011. Shareholders had the option to receive payment of the dividend in cash, shares of common stock, or a combination of cash and shares of common stock, provided that the aggregate cash payable to all shareholders was limited to $2.0 million or $0.60 per share. Based on shareholder elections, the dividend consisted of $2.0 million in cash and 599,584 shares of common stock, or 18.0% of our outstanding common stock prior to the dividend payment. The amount of cash elected to be received was greater than the cash limit of 20.0% of the aggregate dividend amount, thus resulting in the payment of a combination of cash and stock to shareholders who elected to receive cash. The number of shares of common stock comprising the stock portion was calculated based on a price of $13.117067 per share, which equaled 95% of the volume weighted average trading price per share of the common stock on December 20, 21 and 22, 2011.

On November 12, 2010, our board of directors declared a dividend of $4.40 per share to shareholders payable in cash or shares of our common stock, in accordance with the provisions of the IRS Revenue Procedure 2010-12, which allows a publicly-traded regulated investment company to satisfy its distribution requirements with a distribution paid partly in common stock provided that at least 10.0% of the distribution is payable in cash. The dividend was paid on December 29, 2010 to common shareholders of record on November 19, 2010. Based on shareholder elections, the dividend consisted of $1.2 million in cash and 596,235 shares of common stock, or 22.0% of our outstanding common stock prior to the dividend payment. The amount of cash elected to be received was greater than the cash limit of 10.0% of the aggregate dividend amount, thus resulting in the payment of a combination of cash and stock to shareholders who elected to receive cash. The number of shares of common stock comprising the stock portion was calculated based on a price of $17.8049 per share, which equaled 95% of the volume weighted average trading price per share of the common stock on December 20, 21 and 22, 2010.

On November 13, 2009, our board of directors declared a dividend of $18.25 per share, which was paid on December 31, 2009, to common stockholders of record as of November 25, 2009. Shareholders had the option to receive payment of the dividend in cash, shares of common stock, or a combination of cash and shares of common stock, provided that the aggregate cash payable to all shareholders was limited to $2.1 million or $0.25 per share. Based on shareholder elections, the dividend consisted of $2.1 million in cash and 864,872.5 shares of common stock, or 104.0% of our outstanding common stock prior to the dividend payment. The amount of cash elected to be received was greater than the cash limit of 13.7% of the aggregate dividend amount, thus resulting in the payment of a combination of cash and stock to shareholders who elected to receive cash. The number of shares of common stock comprising the stock portion was calculated based on a price of $1.5099 per share, which equaled 95% of the volume weighted average trading price per share of the common stock on December 24 and 28, 2009.

We cannot provide any assurance that these measures will provide sufficient sources of liquidity to support our operations and growth.

Contractual obligations

The following table shows our payment obligations for repayment of debt and other contractual obligations at November 30, 2020:

		Payment Due by Period			
Long-Term Debt Obligations	**Total**	**Less Than 1 Year**	**1 - 3 Years**	**3 - 5 Years**	**More Than 5 Years**
			($ in thousands)		
Revolving credit facility	$ -	$ -	$ -	$ -	$ -
SBA debentures	176,000	-	40,000	39,000	97,000
6.25% 2025 Notes	60,000	-	-	60,000	-
7.25% 2025 Notes	43,125	-	-	43,125	-
7.75% 2025 Notes	5,000		-	5,000	-
Total Long-Term Debt Obligations	$ 284,125	$ -	$ 40,000	$ 147,125	$ 97,000

Off-balance sheet arrangements

As of November 30, 2020 and February 29, 2020, the Company's off-balance sheet arrangements consisted of $49.8 million and $64.1 million, respectively, of unfunded commitments outstanding to provide debt financing to its portfolio companies or to fund limited partnership interests. Such commitments are generally up to the Company's discretion to approve, or the satisfaction of certain financial and nonfinancial covenants and involve, to varying degrees, elements of credit risk in excess of the amount recognized in the Company's consolidated statements of assets and liabilities and are not reflected in the Company's consolidated statements of assets and liabilities.

A summary of the unfunded commitments outstanding as of November 30, 2020 and February 29, 2020 is shown in the table below (dollars in thousands):

	November 30, 2020	February 29, 2020
At Company's discretion		
CLEO Communications Holding, LLC	$ 630	$ -
inMotionNow, Inc.	-	3,000
Omatic Software, LLC	-	1,000
Passageways, Inc.	5,000	5,000
PDDS Buyer, LLC	-	5,000
Saratoga Investment Corp. CLO 2013-1 Warehouse 2, Ltd.	-	17,500
Top Gun Pressure Washing, LLC	3,175	5,000
Village Realty Holdings LLC	10,000	10,000
	18,805	46,500
At portfolio company's discretion - satisfaction of certain financial and nonfinancial covenants required		
ArbiterSports, LLC	-	1,000
Axiom Purchaser, Inc.	-	1,000
CoConstruct, LLC	6,500	3,500
Davisware, LLC	1,022	2,000
GoReact	2,000	2,000
Granite Comfort, LP	8,000	-
HemaTerra Holding Company, LLC	2,000	4,000
New England Dental Partners	7,445	-
Passageways, Inc.	3,000	3,000
Procurement Partners, LLC	1,000	-
Village Realty Holdings LLC	-	1,124
	30,967	17,624
Total	$ 49,772	$ 64,124

Recent Developments

On January 5, 2021, the Company declared a dividend of $0.42 per share payable on February 10, 2021, to common stockholders of record on January 26, 2021. Shareholders have the option to receive payment of the dividend in cash, or receive shares of common stock, pursuant to the Company's DRIP.

Subsequent to November 30, 2020, the global outbreak of the COVID-19 pandemic has adversely affected some of the Company's investments and continues to have adverse consequences on the U.S. and global economies. The ultimate economic fallout from the pandemic, and the long-term impact on economies, markets, industries and individual portfolio companies, remains uncertain. At the time of this filing, there is no indication of a reportable subsequent event impacting the Company's financial statements for the quarter ended November 30, 2020. The Company cannot predict the extent to which its financial condition and results of operations will be adversely affected at this time. The potential impact to our results will depend to a large extent on future developments and new information that may emerge regarding the duration and severity of COVID-19. The Company continues to observe and respond to the evolving COVID-19 environment and its potential impact on areas across its business.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Our business activities contain elements of market risk. We consider our principal market risk to be the fluctuation in interest rates. Managing this risk is essential to our business. Accordingly, we have systems and procedures designed to identify and analyze our risks, to establish appropriate policies and thresholds and to continually monitor this risk and thresholds by means of administrative and information technology systems and other policies and processes. In addition, U.S. and global capital markets and credit markets have experienced a higher level of stress due to the global COVID-19 pandemic, which has resulted in an increase in the level of volatility across such markets and a general decline in value of the securities held by us.

Interest rate risk is defined as the sensitivity of our current and future earnings to interest rate volatility, including relative changes in different interest rates, variability of spread relationships, the difference in re-pricing intervals between our assets and liabilities and the effect that interest rates may have on our cash flows. Changes in the general level of interest rates can affect our net interest income, which is the difference between the interest income earned on interest earning assets and our interest expense incurred in connection with our interest-bearing debt and liabilities. Changes in interest rates can also affect, among other things, our ability to acquire leveraged loans, high yield bonds and other debt investments and the value of our investment portfolio.

Our investment income is affected by fluctuations in various interest rates, including LIBOR and the prime rate. A large portion of our portfolio is, and we expect will continue to be, comprised of floating rate investments that utilize LIBOR. In connection with the COVID-19 pandemic, the U.S. Federal Reserve and other central banks have reduced certain interest rates and LIBOR has decreased. A prolonged reduction in interest rates will reduce our gross investment income and could result in a decrease in our net investment income if such decreases in LIBOR are not offset by a corresponding increase in the spread over LIBOR that we earn on any portfolio investments, a decrease in in our operating expenses, including with respect to our income incentive fee, or a decrease in the interest rate of our floating interest rate liabilities tied to LIBOR. Our interest expense is affected by fluctuations in LIBOR only on our revolving credit facility. At November 30, 2020, we had $284.0 million of borrowings outstanding. There were no borrowings outstanding on the revolving credit facility as of November 30, 2020.

We have analyzed the potential impact of changes in interest rates on interest income from investments. Assuming that our investments as of November 30, 2020 were to remain constant for a full fiscal year and no actions were taken to alter the existing interest rate terms, a hypothetical change of a 1.0% increase in interest rates would cause a corresponding increase of approximately $0.7 million to our interest income. Conversely, a hypothetical change of a 1.0% decrease in interest rates would cause a corresponding decrease of approximately $0.08 million to our interest income.

Changes in interest rates would have no impact to our current interest and debt financing expense, as all our borrowings except for our credit facility are fixed rate, and our credit facility is currently undrawn.

Although management believes that this measure is indicative of our sensitivity to interest rate changes, it does not adjust for potential changes in credit quality, size and composition of the assets on the statements of assets and liabilities and other business developments that could magnify or diminish our sensitivity to interest rate changes, nor does it account for divergences in LIBOR and the commercial paper rate, which have historically moved in tandem but, in times of unusual credit dislocations, have experienced periods of divergence. Accordingly, no assurances can be given that actual results would not materially differ from the potential outcome simulated by this estimate.

For further information, the following table shows the approximate annualized increase or decrease in the components of net investment income due to hypothetical base rate changes in interest rates, assuming no changes in our investments and borrowings as of November 30, 2020.

Basis Point Change	Increase (Decrease) in Interest Income	(Increase) Decrease in Interest Expense	Increase (Decrease) in Net Investment Income	Increase (Decrease) in Net Investment Income per Share
		($ in thousands)		
-100	$ (80)	$ -	$ (80)	$ (0.01)
-50	(80)	-	(80)	(0.01)
-25	(80)	-	(80)	(0.01)
25	88	-	88	0.01
50	190	-	190	0.02
100	727	-	727	0.06
200	3,379	-	3,379	0.30
300	7,824	-	7,824	0.70
400	12,567	-	12,567	1.12

ITEM 4. CONTROLS AND PROCEDURES

(a) As of the end of the period covered by this report, we carried out an evaluation, under the supervision and with the participation of our management, including our chief executive officer and our chief financial officer, of the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rule 13a-15(e) and 15d-15(e) of the Securities Exchange Act of 1934). Based on that evaluation, our chief executive officer and our chief financial officer have concluded that our current disclosure controls and procedures are effective in facilitating timely decisions regarding required disclosure of any material information relating to us that is required to be disclosed by us in the reports we file or submit under the Securities Exchange Act of 1934. However, in evaluating the disclosure controls and procedures, management recognized that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and management necessarily was required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

(b) There have been no changes in the Company’s internal control over financial reporting (as defined in Rule 13a-15(f) of Exchange Act) that occurred during the quarter ended November 30, 2020 that have materially affected, or are reasonably likely to materially affect, the Company’s internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

Neither we nor our wholly-owned subsidiaries, Saratoga Investment Funding LLC and Saratoga Investment Corp. SBIC LP and Saratoga Investment Corp. SBIC II LP, are currently subject to any material legal proceedings.

Item 1A. Risk Factors

In addition to information set forth in this report, you should carefully consider the “Risk Factors” discussed in our most recent Annual Report on Form 10-K filed with the SEC, which could materially affect our business, financial condition and/or operating results. Other than as set forth below, there have been no material changes during the nine months ended November 30, 2020 to the risk factors discussed in “Item 1A. Risk Factors” of our Annual Report on Form 10-K. Additional risks or uncertainties not currently known to us or that we currently deem to be immaterial also may materially affect our business, financial condition and/or operating results.

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

LIBOR, the London Interbank Offered Rate, is the basic rate of interest used in lending transactions between banks on the London interbank market and is widely used as a reference for setting the interest rate on loans globally. We typically use LIBOR as a reference rate in floating-rate loans we extend to portfolio companies such that the interest due to us pursuant to a term loan extended to a portfolio company is calculated using LIBOR. The terms of our debt investments generally include minimum interest rate floors which are calculated based on LIBOR. Further, the borrowings of the Credit Facility typically use LIBOR as a reference rate.

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

Actions by the ICE Benchmark Administration, regulators or law enforcement agencies as a result of these or future events, may result in changes to the manner in which LIBOR is determined. Potential changes, or uncertainty related to such potential changes may adversely affect the market for LIBOR-based securities, including our portfolio of LIBOR-indexed, floating-rate debt securities. In addition, any further changes or reforms to the determination or supervision of LIBOR may result in a sudden or prolonged increase or decrease in reported LIBOR, which could have an adverse impact on the market for LIBOR-based securities or the value of our portfolio of LIBOR-indexed, floating-rate debt securities, loans, and other financial obligations or extensions of credit held by or due to us.

On July 27, 2017, the U.K. Financial Conduct Authority (the “FCA”), which regulates LIBOR, announced that it intends to stop persuading or compelling banks to submit LIBOR rates after 2021. In addition, on March 25, 2020, the FCA stated that although the central assumption that firms cannot rely on LIBOR being published after the end of 2021 has not changed, the outbreak of COVID-19 has impacted the timing of many firms’ transition planning, and the FCA will continue to assess the impact of the COVID-19 pandemic on transition timelines and update the marketplace as soon as possible. It is unclear if after 2021 LIBOR will cease to exist or if new methods of calculating LIBOR will be established such that it continues to exist after 2021. We have exposure to LIBOR, including in financial instruments that mature after 2021. Our exposure arises from the value of our portfolio of LIBOR-indexed, floating-rate debt securities.

In the United States, the Federal Reserve Board and the Federal Reserve Bank of New York, in conjunction with the Alternative Reference Rates Committee, a steering committee comprised of large U.S. financial institutions, is considering replacing U.S. dollar LIBOR with a new index calculated by short-term repurchase agreements, backed by Treasury securities called the Secured Overnight Financing Rate (“SOFR”). The Federal Reserve Bank of New York began publishing SOFR in April 2018. Whether or not SOFR attains market traction as a LIBOR replacement remains a question and the future of LIBOR at this time is uncertain, including whether the COVID-19 pandemic will have further effect on LIBOR transition plans.

The elimination of LIBOR or any other changes or reforms to the determination or supervision of LIBOR could have an adverse impact on the market for or value of any LIBOR-indexed, floating-rate debt securities, loans, and other financial obligations or extensions of credit held by or due to us or on our overall financial condition or results of operations. If LIBOR ceases to exist, we may need to renegotiate the credit agreements extending beyond 2021 with our portfolio companies that utilize LIBOR as a factor in determining the interest rate to replace LIBOR with the new standard that is established. In the event that the LIBOR Rate is no longer available or published on a current basis or no longer made available or used for determining the interest rate of loans, our administrative agent that manages our loans will generally select a comparable successor rate; provided that (i) to the extent a comparable or successor rate is approved by the administrative agent, the approved rate shall be applied in a manner consistent with market practice; and (ii) to the extent such market practice is not administratively feasible for the administrative agent, such approved rate shall be applied as otherwise reasonably determined by the administrative agent.

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

Not applicable.

Item 3. Defaults Upon Senior Securities

Not applicable.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

Item 5.03. Amendments to Articles of Incorporation or Bylaws; Change in Fiscal Year.

Effective January 5, 2021, our board of directors amended and restated the Company’s Second Amended and Restated Bylaws (the “Third Amended and Restated Bylaws”) to change the stockholder vote requirement to elect directors to the Company’s board of directors. Previously, the affirmative vote of the holders of a majority of the shares of the Company’s stock outstanding and entitled to vote thereon was required to elect a director to our board of directors. The Third Amended and Restated Bylaws modify such requirement to provide that a plurality of the votes cast at a meeting of the Company’s stockholders duly called and at which a quorum is present will be required to elect a director to the Company’s board of directors.

The foregoing description of the Third Amended and Restated Bylaws is qualified in its entirety by reference to the complete text of the Third Amended and Restated Bylaws, a copy of which is attached as Exhibit 3.2 to this Quarterly Report on Form 10-Q.

ITEM 6. EXHIBITS

Listed below are the exhibits which are filed as part of this report (according to the number assigned to them in Item 601 of Regulation S-K):

EXHIBIT INDEX

Exhibit Number	Description
3.1(a)	Articles of Incorporation of Saratoga Investment Corp. (incorporated by reference to Saratoga Investment Corp.'s Form 10-Q for the quarterly period ended May 31, 2007).
3.1(b)	Articles of Amendment of Saratoga Investment Corp. (incorporated by reference to Saratoga Investment Corp.'s Current Report on Form 8-K filed August 3, 2010).
3.1(c)	Articles of Amendment of Saratoga Investment Corp. (incorporated by reference to Saratoga Investment Corp.'s Current Report on Form 8-K filed August 13, 2010).
3.2*	Third Amended and Restated Bylaws of Saratoga Investment Corp.
4.1	Specimen certificate of Saratoga Investment Corp.'s common stock, par value $0.001 per share. (incorporated by reference to Saratoga Investment Corp.'s Registration Statement on Form N-2, File No. 333-169135, filed on September 1, 2010).
4.2	Registration Rights Agreement dated July 30, 2010 between GSC Investment Corp., GSC CDO III L.L.C., and the investors party thereto (incorporated by reference to Saratoga Investment Corp.'s Current Report on Form 8-K filed on August 3, 2010).
4.3	Dividend Reinvestment Plan (incorporated by reference to Saratoga Investment Corp.'s Current Report on Form 8-K filed on September 24, 2014).
4.4	Form of Indenture by and between the Company and U.S. Bank National Association, as trustee (incorporated by reference to Saratoga Investment Corp.'s Pre-Effective Amendment No. 2 to the Registration Statement on Form N-2, File No. 333-186323 filed April 30, 2013).
4.5	Form of Second Supplemental Indenture between the Company and U.S. Bank National Association (incorporated by reference to Amendment No. 2 to Saratoga Investment Corp.'s Registration Statement on Form N-2, File No. 333-214182, filed on December 12, 2016).
4.6	Form of Global Note (incorporated by reference to Exhibit 4.5 hereto, and Exhibit A therein).
4.7	Form of Third Supplemental Indenture between the Company and U.S. Bank National Association (incorporated by reference to Post-Effective Amendment No. 9 to the Registrant's Registration Statement on Form N-2, File No. 333-216344, filed on August 28, 2018).
4.8	Form of Global Note (incorporated by reference to Exhibit 4.7 hereto, and Exhibit A therein).
4.9	Form of Articles Supplementary Establishing and Fixing the Rights and Preferences of Preferred Stock (incorporated by reference to Saratoga Investment Corp.'s registration statement on Form N-2 Pre-Effective Amendment No. 1, File No. 333-196526, filed on December 5, 2014).
4.10	Description of Securities. (incorporated by reference to Saratoga Investment Corp.'s Annual Report on Form 10-K filed on May 6, 2020).

4.11	Fourth Supplemental Indenture between the Company and U.S. Bank National Association, as trustee, relating to the 7.25% Note due 2025 (incorporated by reference to Exhibit 4.2 to the Registrant's Current Report on Form 8-K (File No. 814-00732) filed on June 24, 2020).
4.12	Form of 7.25% Notes due 2025 (incorporated by reference to Exhibit 4.11 hereto).
10.1	Investment Advisory and Management Agreement dated July 30, 2010 between GSC Investment Corp. and Saratoga Investment Advisors, LLC (incorporated by reference to Saratoga Investment Corp.'s Current Report on Form 8-K filed on August 3, 2010).
10.2	Custodian Agreement dated March 21, 2007 between GSC Investment LLC and U.S. Bank National Association (incorporated by reference to Saratoga Investment Corp.'s Form 10-Q for the quarterly period ended May 31, 2007).
10.3	Administration Agreement dated July 30, 2010 between GSC Investment Corp. and Saratoga Investment Advisors, LLC (incorporated by reference to Saratoga Investment Corp.'s Current Report on Form 8-K filed on August 3, 2010).
10.4	Trademark License Agreement dated July 30, 2010 between Saratoga Investment Advisors, LLC and GSC Investment Corp. (incorporated by reference to Saratoga Investment Corp.'s Current Report on Form 8-K filed on August 3, 2010).
10.5	Credit, Security and Management Agreement dated July 30, 2010 by and among GSC Investment Funding LLC, Saratoga Investment Corp., Saratoga Investment Advisors, LLC, Madison Capital Funding LLC and U.S. Bank National Association (incorporated by reference to Saratoga Investment Corp.'s Current Report on Form 8-K filed on August 3, 2010).
10.6	Form of Indemnification Agreement between Saratoga Investment Corp. and each officer and director of Saratoga Investment Corp. (incorporated by reference to Amendment No. 2 to Saratoga Investment Corp.'s Registration Statement on Form N-2 filed on January 12, 2007).
10.7	Amendment No. 1 to Credit, Security and Management Agreement dated February 24, 2012 by and among Saratoga Investment Funding LLC, Saratoga Investment Corp., Saratoga Investment Advisors, LLC, Madison Capital Funding LLC and U.S. Bank National Association (incorporated by reference to Saratoga Investment Corp.'s Current Report on Form 8-K filed on February 29, 2012).
10.8	Amended and Restated Indenture, dated as of November 15, 2016, among Saratoga Investment Corp. CLO 2013-1, Ltd., Saratoga Investment Corp. CLO 2013-1, Inc. and U.S. Bank National Association. (incorporated by reference to Saratoga Investment Corp.'s Registration Statement on Form N-2, File No. 333-216344, filed on February 28, 2017).
10.9	Amended and Restated Collateral Management Agreement, dated October 17, 2013, by and between Saratoga Investment Corp. and Saratoga Investment Corp. CLO 2013-1, Ltd. (incorporated by reference to Saratoga Investment Corp.'s Registration Statement on Form N-2, File No. 333-196526, filed on December 5, 2014).
10.10	Amendment No. 2 to Credit, Security and Management Agreement dated September 17, 2014 by and among Saratoga Investment Funding LLC, Saratoga Investment Corp., Saratoga Investment Advisors, LLC, Madison Capital Funding LLC and U.S. Bank National Association (incorporated by reference to Saratoga Investment Corp.'s Current Report on Form 8-K filed on September 18, 2014).
10.11	Amendment No. 3 to Credit, Security and Management Agreement, dated May 18, 2017, by and among Saratoga Investment Funding LLC, Saratoga Investment Corp., Saratoga Investment Advisors, LLC, Madison Capital Funding LLC and U.S. Bank National Association (incorporated by reference to Saratoga Investment Corp.'s Current Report on Form 8-K filed on May 18, 2017).
10.12	Equity Distribution Agreement dated March 16, 2017, by and among Saratoga Investment Corp., Saratoga Investment Advisors, LLC, Ladenburg Thalmann and Co. Inc. and BB&T Capital Markets, a division of BB&T Securities, LLC (incorporated by reference to Saratoga Investment Corp.'s Post-Effective Amendment No. 1 to the Registration Statement on Form N-2, File No. 333-216344, filed on March 16, 2017).

10.13	Amendment No. 1 to the Equity Distribution Agreement dated October 12, 2017, by and among Saratoga Investment Corp., Saratoga Investment Advisors, LLC, Ladenburg Thalmann and Co. Inc., BB&T Capital Markets, a division of BB&T Securities, LLC, and FBR Capital Markets & Co. (incorporated by reference to Saratoga Investment Corp.'s Post-Effective Amendment No. 2 to the Registration Statement on Form N-2, File No. 333-216344, filed on October 12, 2017).
10.14	Amendment No. 2 to the Equity Distribution Agreement dated January 11, 2018, by and among Saratoga Investment Corp., Saratoga Investment Advisors, LLC, Ladenburg Thalmann and Co. Inc., BB&T Capital Markets, a division of BB&T Securities, LLC, and FBR Capital Markets & Co. (incorporated by reference to Saratoga Investment Corp.'s Post-Effective Amendment No. 3 to Saratoga Investment Corp.'s Registration Statement on Form N-2, File No. 333-216344, filed on January 11, 2018).
10.15	Amendment No. 3 to the Equity Distribution Agreement dated October 16, 2018, by and among Saratoga Investment Corp., Saratoga Investment Advisors, LLC, Ladenburg Thalmann and Co. Inc., BB&T Capital Markets, a division of BB&T Securities, LLC, and B. Riley FBR, Inc. (incorporated by reference to Post-Effective Amendment No. 1 to the registrant's Registration Statement on Form N-2, File No. 333-227116, filed on October 16, 2018).
10.16	Amendment No. 4 to the Equity Distribution Agreement dated July 11, 2019, by and among Saratoga Investment Corp., Saratoga Investment Advisors, LLC, Ladenburg Thalmann and Co. Inc., BB&T Capital Markets, a division of BB&T Securities, LLC, and B. Riley FBR, Inc. (incorporated by reference to Post-Effective Amendment No. 5 to the registrant's Registration Statement on Form N-2, File No. 333-227116, filed on July 12, 2019).
10.17	Amendment No. 5 to the Equity Distribution Agreement dated October 10, 2019, by and among Saratoga Investment Corp., Saratoga Investment Advisors, LLC, Ladenburg Thalmann and Co. Inc., BB&T Capital Markets, a division BB&T Securities, LLC, and B. Riley FBR, Inc. (incorporated by reference to Saratoga Investment Corp.'s Current Report on Form 8-K filed on October 10, 2019).
10.18	Amendment No. 4 to Credit, Security and Management Agreement, dated April 24, 2020, by and among Saratoga Investment Funding LLC, Saratoga Investment Corp., Saratoga Investment Advisors, LLC, Madison Capital Funding LLC and U.S. Bank National Association (incorporated by reference to Saratoga Investment Corp.'s Current Report on Form 8-K filed on April 29, 2020).
10.19	Amendment No. 5 to Credit, Security and Management Agreement, dated September 14, 2020, by and among Saratoga Investment Funding LLC, Saratoga Investment Corp., Saratoga Investment Advisors, LLC, Madison Capital Funding LLC and U.S. Bank National Association (incorporated by reference to Saratoga Investment Corp.'s Current Report on Form 8-K filed on September 17, 2020).
11	Computation of Per Share Earnings (included in Note 11 to the consolidated financial statements contained in this report).
14	Code of Ethics of the Company adopted under Rule 17j-1 (incorporated by reference to Amendment No.7 to Saratoga Investment Corp.'s Registration Statement on Form N-2, File No. 333-138051, filed on March 22, 2007).
21.1	List of Subsidiaries (incorporated by reference to Saratoga Investment Corp.'s Annual Report on Form 10-K filed on May 6, 2020).
31.1*	Certification of Chief Executive Officer Pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934
31.2*	Certification of Chief Financial Officer Pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934
32.1*	Certification of Chief Executive Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C.1350)
32.2*	Certification of Chief Financial Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. 1350)

* Filed herewith

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

		SARATOGA INVESTMENT CORP.
Date: January 6, 2021	By:	/s/ CHRISTIAN L. OBERBECK
		Christian L. Oberbeck *Chief Executive Officer*
	By:	/s/ HENRI J. STEENKAMP
		Henri J. Steenkamp *Chief Financial Officer and Chief Compliance Officer*

SARATOGA INVESTMENT CORP.

THIRD AMENDED AND RESTATED BYLAWS

ARTICLE I

OFFICES

Section 1. PRINCIPAL OFFICE. The principal office of the Corporation in the State of Maryland shall be located at such place as the Board of Directors may designate.

Section 2. ADDITIONAL OFFICES. The Corporation may have additional offices, including a principal executive office, at such places as the Board of Directors may from time to time determine or the business of the Corporation may require.

ARTICLE II

MEETINGS OF STOCKHOLDERS

Section 1. PLACE. All meetings of stockholders shall be held at the principal executive office of the Corporation or at such other place as shall be set by the Board of Directors and stated in the notice of the meeting.

Section 2. ANNUAL MEETING. An annual meeting of the stockholders for the election of directors and the transaction of any business within the powers of the Corporation shall be held on a date and at the time set by the Board of Directors.

Section 3. SPECIAL MEETINGS.

(a) General. The chairman of the board, chief executive officer, president or Board of Directors may call a special meeting of the stockholders. Subject to subsection (b) of this Section 3, a special meeting of stockholders shall also be called by the secretary of the Corporation upon the written request of stockholders entitled to cast not less than a majority of all the votes entitled to be cast at such meeting. Notwithstanding the foregoing sentence, if no directors remain in office, a special meeting of stockholders for the purpose of electing directors shall be called by the secretary of the Corporation upon the written request of stockholders entitled to cast at least ten percent of all the votes entitled to be cast at such meeting.

(b) Stockholder Requested Special Meetings.

(1) Any stockholder of record seeking to have stockholders request a special meeting shall, by sending written notice to the secretary (the “Record Date Request Notice”) by registered mail, return receipt requested, request the Board of Directors to fix a record date to determine the stockholders entitled to request a special meeting (the “Request Record Date”). The Record Date Request Notice shall set forth the purpose of the meeting and the matters proposed to be acted on at it, shall be signed by one or more stockholders of record as of the date of signature (or their agents duly authorized in a writing accompanying the Record Date Request Notice), shall bear the date of signature of each such stockholder (or such agent) and shall set forth all information relating to each such stockholder that must be disclosed in solicitations of proxies for election of directors in an election contest (even if an election contest is not involved), or is otherwise required, in each case pursuant to Regulation 14A (or any successor provision) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”). Upon receiving the Record Date Request Notice, the Board of Directors may fix a Request Record Date. The Request Record Date shall not precede and shall not be more than ten days after the close of business on the date on which the resolution fixing the Request Record Date is adopted by the Board of Directors. If the Board of Directors, within ten days after the date on which a valid Record Date Request Notice is received, fails to adopt a resolution fixing the Request Record Date, the Request Record Date shall be the close of business on the tenth day after the first date on which the Record Date Request Notice is received by the secretary.

(2) In order for any stockholder to request a special meeting, one or more written requests for a special meeting signed by stockholders of record (or their agents duly authorized in a writing accompanying the request) as of the Request Record Date entitled to cast not less than a majority (the "Special Meeting Percentage") of all of the votes entitled to be cast at such meeting (the "Special Meeting Request") shall be delivered to the secretary. In addition, the Special Meeting Request (a) shall set forth the purpose of the meeting and the matters proposed to be acted on at it (which shall be limited to those lawful matters set forth in the Record Date Request Notice received by the secretary), (b) shall bear the date of signature of each such stockholder (or such agent) signing the Special Meeting Request, (c) shall set forth the name and address, as they appear in the Corporation's books, of each stockholder signing such request (or on whose behalf the Special Meeting Request is signed), the class, series and number of all shares of stock of the Corporation which are owned by each such stockholder, and the nominee holder for, and number of, shares owned by such stockholder beneficially but not of record, (d) shall be sent to the secretary by registered mail, return receipt requested, and (e) shall be received by the secretary within 60 days after the Request Record Date. Any requesting stockholder (or agent duly authorized in a writing accompanying the revocation or the Special Meeting Request) may revoke his, her or its request for a special meeting at any time by written revocation delivered to the secretary.

(3) The secretary shall inform the requesting stockholders of the reasonably estimated cost of preparing and mailing the notice of meeting (including the Corporation's proxy materials). The secretary shall not be required to call a special meeting upon stockholder request and such meeting shall not be held unless, in addition to the documents required by paragraph (2) of this Section 3(b), the secretary receives payment of such reasonably estimated cost prior to the preparation and mailing of any notice of the meeting.

(4) Except as provided in the next sentence, any special meeting shall be held at such place, date and time as may be designated by the chairman of the board, chief executive officer, president or Board of Directors, whoever has called the meeting. In the case of any special meeting called by the secretary upon the request of stockholders (a "Stockholder Requested Meeting"), such meeting shall be held at such place, date and time as may be designated by the Board of Directors; provided, however, that the date of any Stockholder Requested Meeting shall be not more than 90 days after the record date for such meeting (the "Meeting Record Date"); and provided further that if the Board of Directors fails to designate, within ten days after the date that a valid Special Meeting Request is actually received by the secretary (the "Delivery Date"), a date and time for a Stockholder Requested Meeting, then such meeting shall be held at 2:00 p.m. local time on the 90th after the Meeting Record Date or, if such 90th day is not a Business Day (as defined below), on the first preceding Business Day; and provided further that in the event that the Board of Directors fails to designate a place for a Stockholder Requested Meeting within ten days after the Delivery Date, then such meeting shall be held at the principal executive office of the Corporation. In fixing a date for any special meeting, the chairman of the board, chief executive officer, president or Board of Directors may consider such factors as he, she or it deems relevant within the good faith exercise of business judgment, including, without limitation, the nature of the matters to be considered, the facts and circumstances surrounding any request for the meeting and any plan of the Board of Directors to call an annual meeting or a special meeting. In the case of any Stockholder Requested Meeting, if the Board of Directors fails to fix a Meeting Record Date that is a date within 30 days after the Delivery Date, then the close of business on the 30th day after the Delivery Date shall be the Meeting Record Date. The Board of Directors may revoke the notice for any Stockholder Requested Meeting in the event that the requesting stockholders fail to comply with the provisions of paragraph (3) of this Section 3(b).

(5) If written revocations of the Special Meeting Request have been delivered to the secretary and the result is that stockholders of record (or their agents duly authorized in writing), as of the Request Record Date, entitled to cast less than the Special Meeting Percentage have delivered, and not revoked, requests for a special meeting to the secretary, the secretary shall: (i) if the notice of meeting has not already been mailed, refrain from mailing the notice of the meeting and send to all requesting stockholders who have not revoked such requests written notice of any revocation of a request for the special meeting, or (ii) if the notice of meeting has been mailed and if the secretary first sends to all requesting stockholders who have not revoked requests for a special meeting written notice of any revocation of a request for the special meeting and written notice of the secretary's intention to revoke the notice of the meeting, revoke the notice of the meeting at any time before ten days before the commencement of the meeting. Any request for a special meeting received after a revocation by the secretary of a notice of a meeting shall be considered a request for a new special meeting.

(6) The chairman of the board, chief executive officer, president or Board of Directors may appoint regionally or nationally recognized independent inspectors of elections to act as the agent of the Corporation for the purpose of promptly performing a ministerial review of the validity of any purported Special Meeting Request received by the secretary. For the purpose of permitting the inspectors to perform such review, no such purported request shall be deemed to have been delivered to the secretary until the earlier of (i) five Business Days after receipt by the secretary of such purported request and (ii) such date as the independent inspectors certify to the Corporation that the valid requests received by the secretary represent, as of the Request Record Date, stockholders of record entitled to cast not less than a majority of the votes that would be entitled to be cast at such meeting. Nothing contained in this paragraph (6) shall in any way be construed to suggest or imply that the Corporation or any stockholder shall not be entitled to contest the validity of any request, whether during or after such five Business Day period, or to take any other action (including, without limitation, the commencement, prosecution or defense of any litigation with respect thereto, and the seeking of injunctive relief in such litigation).

(7) For purposes of these Bylaws, "Business Day" shall mean any day other than a Saturday, a Sunday or a day on which banking institutions in the State of New York are authorized or obligated by law or executive order to close.

Section 4. NOTICE. Not less than ten nor more than 90 days before each meeting of stockholders, the secretary shall give to each stockholder entitled to vote at such meeting and to each stockholder not entitled to vote who is entitled to notice of the meeting written or printed notice stating the time and place of the meeting and, in the case of a special meeting or as otherwise may be required by any statute, the purpose for which the meeting is called, either by mail, by presenting it to such stockholder personally, by leaving it at the stockholder's residence or usual place of business or by any other means permitted by Maryland law. If mailed, such notice shall be deemed to be given when deposited in the United States mail addressed to the stockholder at the stockholder's address as it appears on the records of the Corporation, with postage thereon prepaid. Failure to give notice of any meeting to one or more stockholders, or any irregularity in such notice, shall not affect the validity of any meeting fixed in accordance with this Article II, or the validity of any proceedings at any such meeting.

Subject to Section 11(a) of this Article II, any business of the Corporation may be transacted at an annual meeting of stockholders without being specifically designated in the notice, except such business as is required by any statute to be stated in such notice. No business shall be transacted at a special meeting of stockholders except as specifically designated in the notice. The Corporation may postpone or cancel a meeting of stockholders by making a "public announcement" (as defined in Section 11(c)(3)) of such postponement or cancellation prior to the meeting.

Section 5. ORGANIZATION AND CONDUCT. Every meeting of stockholders shall be conducted by an individual appointed by the Board of Directors to be chairman of the meeting or, in the absence of such appointment, by the chairman of the board or, in the case of a vacancy in the office or absence of the chairman of the board, by one of the following officers present at the meeting: the vice chairman of the board, if there be one, the president, the vice presidents in their order of rank and seniority, or, in the absence of such officers, a chairman chosen by the stockholders by the vote of a majority of the votes cast by stockholders present in person or by proxy. The secretary, or, in the secretary's absence, an assistant secretary, or in the absence of both the secretary and assistant secretaries, an individual appointed by the Board of Directors or, in the absence of such appointment, an individual appointed by the chairman of the meeting shall act as secretary. In the event that the secretary presides at a meeting of the stockholders, an assistant secretary, or in the absence of assistant secretaries, an individual appointed by the Board of Directors or the chairman of the meeting, shall record the minutes of the meeting. The order of business and all other matters of procedure at any meeting of stockholders shall be determined by the chairman of the meeting. The chairman of the meeting may prescribe such rules, regulations and procedures and take such action as, in the discretion of such chairman, are appropriate for the proper conduct of the meeting, including, without limitation, (a) restricting admission to the time set for the commencement of the meeting; (b) limiting attendance at the meeting to stockholders of record of the Corporation, their duly authorized proxies and other such individuals as the chairman of the meeting may determine; (c) limiting participation at the meeting on any matter to stockholders of record of the Corporation entitled to vote on such matter, their duly authorized proxies and other such individuals as the chairman of the meeting may determine; (d) limiting the time allotted to questions or comments by participants; (e) determining when the polls should be opened and closed; (f) maintaining order and security at the meeting; (g) removing any stockholder or any other individual who refuses to comply with meeting procedures, rules or guidelines as set forth by the chairman of the meeting; (h) concluding a meeting or recessing or adjourning the meeting (whether or not a quorum is present) to a later date and time and at a place announced at the meeting; and (i) complying with any state and local laws and regulations concerning safety and security. Unless otherwise determined by the chairman of the meeting, meetings of stockholders shall not be required to be held in accordance with the rules of parliamentary procedure.

Section 6. QUORUM. The presence in person or by proxy of the holders of shares of stock of the Corporation entitled to cast a majority of the votes entitled to be cast (without regard to class) shall constitute a quorum at any meeting of the stockholders, except with respect to any such matter that, under applicable statutes or regulatory requirements, requires approval by a separate vote of one or more classes of stock, in which case the presence in person or by proxy of the holders of shares entitled to cast a majority of the votes entitled to be cast by each such class on such matter shall constitute a quorum. This section shall not affect any requirement under any statute or the charter of the Corporation (the "Charter") for the vote necessary for the adoption of any measure. If, however, such quorum shall not be present at any meeting of the stockholders, the chairman of the meeting shall have the power to adjourn the meeting from time to time to a date not more than 120 days after the original record date without notice other than announcement at the meeting. At such adjourned meeting at which a quorum shall be present, any business may be transacted which might have been transacted at the meeting as originally notified.

The stockholders present either in person or by proxy, at a meeting which has been duly called and convened, may continue to transact business until adjournment, notwithstanding the withdrawal of enough stockholders to leave less than a quorum.

Section 7. VOTING. Directors shall be elected by the affirmative vote of the holders of a plurality of the votes cast at a meeting of stockholders duly called and at which a quorum is present. Each share may be voted for as many individuals as there are directors to be elected and for whose election the share is entitled to be voted. A majority of the votes cast at a meeting of stockholders duly called and at which a quorum is present shall be sufficient to approve any other matter which may properly come before the meeting, unless more than a majority of the votes cast is required by statute, including, without limitation, the Investment Company Act of 1940, as amended, and the rules promulgated thereunder (the "Investment Company Act"), or by the Charter. Unless otherwise provided by statute or by the Charter, each outstanding share, regardless of class, shall be entitled to one vote on each matter submitted to a vote at a meeting of stockholders. Voting on any question or in any election may be viva voce unless the chairman of the meeting shall order that voting be by ballot.

Section 8. PROXIES. A stockholder may cast the votes entitled to be cast by the holder of the shares of stock owned of record by the stockholder in person or by proxy executed by the stockholder or by the stockholder's duly authorized agent in any manner permitted by law. Such proxy or evidence of authorization of such proxy shall be filed with the secretary of the Corporation before or at the meeting. No proxy shall be valid more than eleven months after its date unless otherwise provided in the proxy.

Section 9. VOTING OF STOCK BY CERTAIN HOLDERS. Stock of the Corporation registered in the name of a corporation, partnership, trust or other entity, if entitled to be voted, may be voted by the president or a vice president, a general partner or trustee thereof, as the case may be, or a proxy appointed by any of the foregoing individuals, unless some other person who has been appointed to vote such stock pursuant to a bylaw or a resolution of the governing body of such corporation or other entity or agreement of the partners of a partnership presents a certified copy of such bylaw, resolution or agreement, in which case such person may vote such stock. Any director or other fiduciary may vote stock registered in his or her name in his or her capacity as such fiduciary, either in person or by proxy.

Shares of stock of the Corporation directly or indirectly owned by it shall not be voted at any meeting and shall not be counted in determining the total number of outstanding shares entitled to be voted at any given time, unless they are held by it in a fiduciary capacity, in which case they may be voted and shall be counted in determining the total number of outstanding shares at any given time.

The Board of Directors may adopt by resolution a procedure by which a stockholder may certify in writing to the Corporation that any shares of stock registered in the name of the stockholder are held for the account of a specified person other than the stockholder. The resolution shall set forth the class of stockholders who may make the certification, the purpose for which the certification may be made, the form of certification and the information to be contained in it; if the certification is with respect to a record date or closing of the stock transfer books, the time after the record date or closing of the stock transfer books within which the certification must be received by the Corporation; and any other provisions with respect to the procedure which the Board of Directors considers necessary or desirable. On receipt of such certification, the person specified in the certification shall be regarded as, for the purposes set forth in the certification, the stockholder of record of the specified stock in place of the stockholder who makes the certification.

Section 10. INSPECTORS. The Board of Directors or the chair of the meeting may appoint, before or at the meeting, one or more inspectors for the meeting and any successor thereto. The inspectors, if any, shall (i) determine the number of shares of stock represented at the meeting, in person or by proxy and the validity and effect of proxies, (ii) receive and tabulate all votes, ballots or consents, (iii) report such tabulation to the chair of the meeting, (iv) hear and determine all challenges and questions arising in connection with the right to vote, and (v) do such acts as are proper to conduct the election or vote with fairness to all stockholders. Each such report shall be in writing and signed by him or her or by a majority of them if there is more than one inspector acting at such meeting. If there is more than one inspector, the report of a majority shall be the report of the inspectors. The report of the inspector or inspectors on the number of shares represented at the meeting and the results of the voting shall be prima facie evidence thereof.

Section 11. ADVANCE NOTICE OF STOCKHOLDER NOMINEES FOR DIRECTOR AND OTHER STOCKHOLDER PROPOSALS.

(a) Annual Meetings of Stockholders.

(1) Nominations of individuals for election to the Board of Directors and the proposal of other business to be considered by the stockholders may be made at an annual meeting of stockholders (i) pursuant to the Corporation's notice of meeting, (ii) by or at the direction of the Board of Directors or (iii) by any stockholder of the Corporation who was a stockholder of record both at the time of giving of notice by the stockholder as provided for in this Section 11(a) and at the time of the annual meeting, who is entitled to vote at the meeting and who has complied with this Section 11(a).

(2) For nominations or other business to be properly brought before an annual meeting by a stockholder pursuant to clause (iii) of paragraph (a)(1) of this Section 11, the stockholder must have given timely notice thereof in writing to the secretary of the Corporation and such other business must otherwise be a proper matter for action by the stockholders. To be timely, a stockholder's notice shall set forth all information required under this Section 11 and shall be delivered to the secretary at the principal executive office of the Corporation not earlier than the 150th day nor later than 5:00 p.m., Eastern Time, on the 120th day prior to the first anniversary of the date of the proxy statement for the preceding year's annual meeting; provided, however, that in the event that the date of the annual meeting is advanced or delayed by more than 30 days from the first anniversary of the date of the preceding year's annual meeting, notice by the stockholder to be timely must be so delivered not earlier than the 150th day prior to the date of such annual meeting and not later than 5:00 p.m., Eastern Time, on the later of the 120th day prior to the date of such annual meeting or the tenth day following the day on which public announcement of the date of such meeting is first made. The public announcement of a postponement or adjournment of an annual meeting shall not commence a new time period for the giving of a stockholder's notice as described above. Such stockholder's notice shall set forth (i) as to each individual whom the stockholder proposes to nominate for election or reelection as a director, (A) the name, age, business address and residence address of such individual, (B) the class, series and number of any shares of stock of the Corporation that are beneficially owned by such individual, (C) the date such shares were acquired and the investment intent of such acquisition, (D) whether such stockholder believes any such individual is, or is not, an "interested person" of the Corporation as defined in the Investment Company Act or is, or is not, "independent" as set forth in the requirements established by the NASDAQ National Market or any other exchange or automated quotation service on which the Corporation's securities are listed, and information regarding such individual that is sufficient, in the discretion of the Board of Directors or any authorized officer of the Corporation, to make either such determination and (E) all other information relating to such individual that is required to be disclosed in solicitations of proxies for election of directors in an election contest (even if an election contest is not involved), or is otherwise required, in each case pursuant to Regulation 14A (or any successor provision) under the Exchange Act and the rules thereunder (including such individual's written consent to being named in the proxy statement as a nominee and to serving as a director if elected); (ii) as to any other business that the stockholder proposes to bring before the meeting, a description of such business, the reasons for proposing such business at the meeting and any material interest in such business of such stockholder and any Stockholder Associated Person (as defined below), individually or in the aggregate, including any anticipated benefit to the stockholder and the Stockholder Associated Person therefrom and all other information relating to such proposal that is required pursuant to Regulation 14A (or any successor provision) under the Exchange Act and the rules thereunder; (iii) as to the stockholder giving the notice and any Stockholder Associated Person, the class, series and number of all shares of stock of the Corporation which are owned by such stockholder and by such Stockholder Associated Person, if any, and the nominee holder for, and number of, shares owned beneficially but not of record by such stockholder and by any such Stockholder Associated Person; (iv) as to the stockholder giving the notice and any Stockholder Associated Person covered by clauses (ii) or (iii) of this paragraph (2) of this Section 11(a), the name and address of such stockholder, as they appear on the Corporation's stock ledger and current name and address, if different, and of such Stockholder Associated Person; and (v) to the extent known by the stockholder giving the notice, the name and address of any other stockholder supporting the nominee for election or reelection as a director or the proposal of other business on the date of such stockholder's notice.

(3) Notwithstanding anything in this subsection (a) of this Section 11 to the contrary, in the event the Board of Directors increases or decreases the maximum or minimum number of directors in accordance with Article III, Section 2 of these Bylaws, and there is no public announcement of such action at least 130 days prior to the first anniversary of the date of the proxy statement for the preceding year's annual meeting, a stockholder's notice required by this Section 11(a) shall also be considered timely, but only with respect to nominees for any new positions created by such increase, if it shall be delivered to the secretary at the principal executive office of the Corporation not later than 5:00 p.m., Eastern Time, on the tenth day following the day on which such public announcement is first made by the Corporation.

(4) For purposes of this Section 11, "Stockholder Associated Person" of any stockholder shall mean (i) any person controlling, directly or indirectly, or acting in concert with, such stockholder, (ii) any beneficial owner of shares of stock of the Corporation owned of record or beneficially by such stockholder and (iii) any person controlling, controlled by or under common control with such Stockholder Associated Person.

(b) Special Meetings of Stockholders. Only such business shall be conducted at a special meeting of stockholders as shall have been brought before the meeting pursuant to the Corporation's notice of meeting. Nominations of individuals for election to the Board of Directors may be made at a special meeting of stockholders at which directors are to be elected (i) pursuant to the Corporation's notice of meeting, (ii) by or at the direction of the Board of Directors, (iii) provided that the Board of Directors has determined that directors shall be elected at such special meeting, by any stockholder of the Corporation who is a stockholder of record both at the time of giving of notice provided for in this Section 11 and at the time of the special meeting, who is entitled to vote at the meeting and who complied with the notice procedures set forth in this Section 11 or (iv) provided that such special meeting has been called for the purpose of electing directors when no directors remain in office, by any stockholder of the Corporation who is entitled to vote at the meeting. In the event the Corporation calls a special meeting of stockholders for the purpose of electing one or more individuals to the Board of Directors, any such stockholder may nominate an individual or individuals (as the case may be) for election as a director specified in the Corporation's notice of meeting, if the stockholder's notice required by paragraph (2) of this Section 11(a) shall be delivered to the secretary at the principal executive office of the Corporation not earlier than the 150th day prior to such special meeting and not later than 5:00 p.m., Eastern Time on the later of the 120th day prior to such special meeting or the tenth day following the day on which public announcement is first made of the date of the special meeting and of the nominees proposed by the Board of Directors to be elected at such meeting. The public announcement of a postponement or adjournment of a special meeting shall not commence a new time period for the giving of a stockholder's notice as described above.

(c) General.

(1) If information submitted pursuant to this Section 11 by any stockholder proposing a nominee for election as a director or any proposal for other business at a meeting of stockholders shall be inaccurate to a material extent, such information may be deemed not to have been provided in accordance with this Section 11. Upon written request by the Secretary or the Board of Directors, any stockholder proposing a nominee for election as a director or any proposal for other business at a meeting of stockholders shall provide, within five Business Days of delivery of such request (or such other period as may be specified in such request), (A) written verification, satisfactory, in the discretion of the Board of Directors or any authorized officer of the Corporation, to demonstrate the accuracy of any information submitted by the stockholder pursuant to this Section 11, and (B) a written update of any information submitted by the stockholder pursuant to this Section 11 as of an earlier date. If a stockholder fails to provide such written verification or written update within such period, the information as to which written verification or a written update was requested may be deemed not to have been provided in accordance with this Section 11.

(2) Only such individuals who are nominated in accordance with this Section 11 shall be eligible for election by stockholders as directors, and only such business shall be conducted at a meeting of stockholders as shall have been brought before the meeting in accordance with this Section 11. The chairman of the meeting shall have the power to determine whether a nomination or any other business proposed to be brought before the meeting was made or proposed, as the case may be, in accordance with this Section 11.

(3) "Public announcement" shall mean disclosure (i) in a press release reported by the Dow Jones News Service, Associated Press, Business Wire, PR Newswire or other widely circulated news or wire service or (ii) in a document publicly filed by the Corporation with the Securities and Exchange Commission pursuant to the Exchange Act.

(4) Notwithstanding the foregoing provisions of this Section 11, a stockholder shall also comply with all applicable requirements of state law and of the Exchange Act and the rules and regulations thereunder with respect to the matters set forth in this Section 11. Nothing in this Section 11 shall be deemed to affect any right of a stockholder to request inclusion of a proposal in, nor the right of the Corporation to omit a proposal from, the Corporation's proxy statement pursuant to Rule 14a-8 (or any successor provision) under the Exchange Act.

Section 12. CONTROL SHARE ACQUISITION ACT. Notwithstanding any other provision of the Charter or these Bylaws, Title 3, Subtitle 7 of the Maryland General Corporation Law (the "MGCL") (or any successor statute) shall not apply to any acquisition by any person of shares of stock of the Corporation. This section may be repealed, in whole or in part, at any time, whether before or after an acquisition of control shares and, upon such repeal, may, to the extent provided by any successor bylaw, apply to any prior or subsequent control share acquisition.

ARTICLE III

DIRECTORS

Section 1. GENERAL POWERS. The business and affairs of the Corporation shall be managed under the direction of its Board of Directors.

Section 2. NUMBER, TENURE AND QUALIFICATIONS. At any regular meeting or at any special meeting called for that purpose, a majority of the entire Board of Directors may establish, increase or decrease the number of directors, provided that the number thereof shall never be less than three, nor more than eleven, and further provided that the tenure of office of a director shall not be affected by any decrease in the number of directors.

Section 3. ANNUAL AND REGULAR MEETINGS. An annual meeting of the Board of Directors shall be held immediately after and at the same place as the annual meeting of stockholders, no notice other than this Bylaw being necessary. In the event such meeting is not so held, the meeting may be held at such time and place as shall be specified in a notice given as hereinafter provided for special meetings of the Board of Directors. The Board of Directors may provide, by resolution, the time and place for the holding of regular meetings of the Board of Directors without other notice than such resolution.

Section 4. SPECIAL MEETINGS. Special meetings of the Board of Directors may be called by or at the request of the chairman of the board, the chief executive officer, the president or by a majority of the directors then in office. The person or persons authorized to call special meetings of the Board of Directors may fix any place as the place for holding any special meeting of the Board of Directors called by them. The Board of Directors may provide, by resolution, the time and place for the holding of special meetings of the Board of Directors without other notice than such resolution.

Section 5. NOTICE. Notice of any special meeting of the Board of Directors shall be delivered personally or by telephone, electronic mail, facsimile transmission, United States mail or courier to each director at his or her business or residence address. Notice by personal delivery, telephone, electronic mail or facsimile transmission shall be given at least 24 hours prior to the meeting. Notice by United States mail shall be given at least three days prior to the meeting. Notice by courier shall be given at least two days prior to the meeting. Telephone notice shall be deemed to be given when the director or his or her agent is personally given such notice in a telephone call to which the director or his or her agent is a party. Electronic mail notice shall be deemed to be given upon transmission of the message to the electronic mail address given to the Corporation by the director. Facsimile transmission notice shall be deemed to be given upon completion of the transmission of the message to the number given to the Corporation by the director and receipt of a completed answer-back indicating receipt. Notice by United States mail shall be deemed to be given when deposited in the United States mail properly addressed, with postage thereon prepaid. Notice by courier shall be deemed to be given when deposited with or delivered to a courier properly addressed. Neither the business to be transacted at, nor the purpose of, any annual, regular or special meeting of the Board of Directors need be stated in the notice, unless specifically required by statute or these Bylaws.

Section 6. QUORUM. A majority of the directors shall constitute a quorum for transaction of business at any meeting of the Board of Directors, provided that, if less than a majority of such directors are present at said meeting, a majority of the directors present may adjourn the meeting from time to time without further notice, and provided further that if, pursuant to applicable law, the Charter or these Bylaws, the vote of a majority or other percentage of a particular group of directors is required for action, a quorum must also include a majority of such group.

The directors present at a meeting which has been duly called and convened may continue to transact business until adjournment, notwithstanding the withdrawal of enough directors to leave less than a quorum.

Section 7. VOTING. The action of the majority of the directors present at a meeting at which a quorum is present shall be the action of the Board of Directors, unless the concurrence of a greater proportion is required for such action by applicable law, the Charter or these Bylaws. If enough directors have withdrawn from a meeting to leave less than a quorum but the meeting is not adjourned, the action of the majority of that number of directors necessary to constitute a quorum at such meeting shall be the action of the Board of Directors, unless the concurrence of a greater proportion is required for such action by applicable law, the Charter or these Bylaws.

Section 8. CHAIRMAN OF THE BOARD. The Board of Directors may designate a chairman of the board and/or a vice chairman of the board. The chairman of the board or vice chairman of the board, as applicable, shall preside over the meetings of the Board of Directors and of the stockholders at which he or she shall be present. The chairman of the board or vice chairman of the board shall perform such other duties as may be assigned to him or her by the Board of Directors. Neither the Chairman of the Board nor any Vice Chairman of the Board shall be deemed to be officers of the Company.

Section 9. ORGANIZATION. At each meeting of the Board of Directors, the chairman of the board or, in the absence of the chairman, the vice chairman of the board, if any, shall act as chairman of the meeting. In the absence of both the chairman and vice chairman of the board, the chief executive officer or in the absence of the chief executive officer, the president or in the absence of the president, a director chosen by a majority of the directors present, shall act as chairman of the meeting. The secretary or, in his or her absence, an assistant secretary of the Corporation, or in the absence of the secretary and all assistant secretaries, a person appointed by the Chairman, shall act as secretary of the meeting.

Section 10. TELEPHONE MEETINGS. Directors may participate in a meeting by means of a conference telephone or other communications equipment if all persons participating in the meeting can hear each other at the same time; provided however, this Section 10 does not apply to any action of the directors pursuant to any provision of the Investment Company Act applicable to the Corporation that requires the vote of the directors to be cast in person at a meeting. Participation in a meeting by these means shall constitute presence in person at the meeting.

Section 11. CONSENT BY DIRECTORS WITHOUT A MEETING. Any action required or permitted to be taken at any meeting of the Board of Directors may be taken without a meeting, if a consent in writing or by electronic transmission to such action is given by each director and is filed with the minutes of proceedings of the Board of Directors; provided however, this Section 11 does not apply to any action of the directors pursuant to any provision of the Investment Company Act applicable to the Corporation that requires the vote of the directors to be cast in person at a meeting.

Section 12. VACANCIES. If for any reason any or all the directors cease to be directors, such event shall not terminate the Corporation or affect these Bylaws or the powers of the remaining directors hereunder (even if fewer than three directors remain). Until such time as the Corporation becomes subject to Section 3-804(c) of the MGCL, any vacancy on the Board of Directors for any cause other than an increase in the number of directors shall be filled by a majority of the remaining directors, even if such majority is less than a quorum; any vacancy in the number of directors created by an increase in the number of directors may be filled by a majority vote of the entire Board of Directors; and any individual so elected as director shall serve until the next annual meeting of stockholders and until his or her successor is elected and qualifies. At such time as the Corporation becomes subject to Section 3-804(c) of the MGCL, subject to applicable requirements of the Investment Company Act and except as may be provided by the Board of Directors in setting the terms of any class or series of stock, any vacancy on the Board of Directors may be filled only by a majority of the remaining directors, even if the remaining directors do not constitute a quorum, and any director elected to fill a vacancy shall serve for the remainder of the full term of the class in which the vacancy occurred and until a successor is elected and qualifies.

Section 13. COMPENSATION. Directors shall not receive any stated salary for their services as directors but, by resolution of the Board of Directors, may receive compensation per year and/or per meeting of the Board of Directors or of any committee of the Board of Directors and for any service or activity they performed or engaged in as directors. Directors may be reimbursed for expenses of attendance, if any, at each annual, regular or special meeting of the Board of Directors or of any committee thereof and for their expenses, if any, in connection with each property visit and any other service or activity they performed or engaged in as directors; but nothing herein contained shall be construed to preclude any directors from serving the Corporation in any other capacity and receiving compensation therefor.

Section 14. LOSS OF DEPOSITS. No director shall be liable for any loss which may occur by reason of the failure of the bank, trust company, savings and loan association, or other institution with whom moneys or stock have been deposited.

Section 15. SURETY BONDS. Unless required by law, no director shall be obligated to give any bond or surety or other security for the performance of any of his or her duties.

Section 16. RELIANCE. Each director and officer of the Corporation shall, in the performance of his or her duties with respect to the Corporation, be entitled to rely on any information, opinion, report or statement, including any financial statement or other financial data, prepared or presented by an officer or employee of the Corporation whom the director or officer reasonably believes to be reliable and competent in the matters presented, by a lawyer, certified public accountant or other person, as to a matter which the director or officer reasonably believes to be within the person's professional or expert competence, or, with respect to a director, by a committee of the Board of Directors on which the director does not serve, as to a matter within its designated authority, if the director reasonably believes the committee to merit confidence.

Section 17. RATIFICATION. The Board of Directors or the stockholders may ratify and make binding on the Corporation any action or inaction by the Corporation or its officers to the extent that the Board of Directors or the stockholders could have originally authorized the matter. Moreover, any action or inaction questioned in any stockholders' derivative proceeding or any other proceeding on the ground of lack of authority, defective or irregular execution, adverse interest of a director, officer or stockholder, non-disclosure, miscomputation, the application of improper principles or practices of accounting, or otherwise, may be ratified, before or after judgment, by the Board of Directors or by the stockholders, and if so ratified, shall have the same force and effect as if the questioned action or inaction had been originally duly authorized, and such ratification shall be binding upon the Corporation and its stockholders and shall constitute a bar to any claim or execution of any judgment in respect of such questioned action or inaction.

Section 18 . EMERGENCY PROVISIONS. Notwithstanding any other provision in the Charter or these Bylaws, this Section 18 shall apply during the existence of any catastrophe, or other similar emergency condition, as a result of which a quorum of the Board of Directors under Article III of these Bylaws cannot readily be obtained (an "Emergency"). During any Emergency, unless otherwise provided by the Board of Directors: (i) a meeting of the Board of Directors or a committee thereof may be called by any director or officer by any means feasible under the circumstances; (ii) notice of any meeting of the Board of Directors during such an Emergency may be given less than 24 hours prior to the meeting to as many directors and by such means as it may be feasible at the time, including publication, television or radio; and (iii) the number of directors necessary to constitute a quorum shall be one-third of the entire Board of Directors.

ARTICLE IV

COMMITTEES

Section 1. NUMBER, TENURE AND QUALIFICATIONS. The Board of Directors may appoint from among its members an Audit Committee, a Nominating Committee and other committees, composed of one or more directors, to serve at the pleasure of the Board of Directors.

Section 2. POWERS. The Board of Directors may delegate to committees appointed under Section 1 of this Article any of the powers of the Board of Directors, except as prohibited by law.

Section 3. MEETINGS. Notice of committee meetings shall be given in the same manner as notice for special meetings of the Board of Directors. A majority of the members of the committee shall constitute a quorum for the transaction of business at any meeting of the committee. The act of a majority of the committee members present at a meeting shall be the act of such committee. The Board of Directors may designate a chairman of any committee, and such chairman or, in the absence of a chairman, any two members of any committee (if there are at least two members of the committee) may fix the time and place of its meeting unless the Board shall otherwise provide. In the absence of any member of any such committee, the members thereof present at any meeting, whether or not they constitute a quorum, may appoint another director to act in the place of such absent member. Each committee shall keep minutes of its proceedings.

Section 4. TELEPHONE MEETINGS. Members of a committee of the Board of Directors may participate in a meeting by means of a conference telephone or other communications equipment if all persons participating in the meeting can hear each other at the same time; provided, however, this Section 4 does not apply to any action of the committee pursuant to any provision of the Investment Company Act applicable to the Corporation that requires the vote of the committee to be cast in person at the meeting. Participation in a meeting by these means shall constitute presence in person at the meeting.

Section 5. CONSENT BY COMMITTEES WITHOUT A MEETING. Any action required or permitted to be taken at any meeting of a committee of the Board of Directors may be taken without a meeting, if a consent in writing or by electronic transmission to such action is given by each member of the committee and is filed with the minutes of proceedings of such committee.

Section 6. VACANCIES. Subject to the provisions hereof, the Board of Directors shall have the power at any time to change the membership of any committee, to fill all vacancies, to designate alternate members to replace any absent or disqualified member or to dissolve any such committee. Subject to the power of the Board of Directors, the members of the committee shall have the power to fill any vacancies on the committee.

ARTICLE V

OFFICERS

Section 1. GENERAL PROVISIONS. The officers of the Corporation shall include a president, a secretary and a treasurer and may include a chief executive officer, one or more vice presidents, a chief operating officer, a chief financial officer, one or more assistant secretaries and one or more assistant treasurers. In addition, the Board of Directors may from time to time elect such other officers with such powers and duties as they shall deem necessary or desirable. The Board of Directors may designate a chairman of the board and a vice chairman of the board, who shall not be officers of the Corporation but shall have such powers and duties as determined by the Board of Directors from time to time. The officers of the Corporation shall be elected annually by the Board of Directors, except that the chief executive officer or president may from time to time appoint one or more vice presidents, assistant secretaries and assistant treasurers or other officers. Each officer shall hold office until his or her successor is elected and qualifies or until his or her death, or his or her resignation or removal in the manner hereinafter provided. Any two or more offices except president and vice president may be held by the same person. Election of an officer or agent shall not of itself create contract rights between the Corporation and such officer or agent.

Section 2. REMOVAL AND RESIGNATION. Any officer or agent of the Corporation may be removed, with or without cause, by the Board of Directors if in its judgment the best interests of the Corporation would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Any officer of the Corporation may resign at any time by giving written notice of his or her resignation to the Board of Directors, the chairman of the board, the president or the secretary. Any resignation shall take effect immediately upon its receipt or at such later time specified in the notice of resignation. The acceptance of a resignation shall not be necessary to make it effective unless otherwise stated in the resignation. Such resignation shall be without prejudice to the contract rights, if any, of the Corporation.

Section 3. VACANCIES. A vacancy in any office may be filled by the Board of Directors for the balance of the term.

Section 4. CHIEF EXECUTIVE OFFICER. The Board of Directors may designate a chief executive officer. The chief executive officer shall have general responsibility for implementation of the policies of the Corporation, as determined by the Board of Directors, and for the management of the business and affairs of the Corporation. He or she may execute any deed, mortgage, bond, contract or other instrument, except in cases where the execution thereof shall be expressly delegated by the Board of Directors or by these Bylaws to some other officer or agent of the Corporation or shall be required by law to be otherwise executed; and in general shall perform all duties incident to the office of chief executive officer and such other duties as may be prescribed by the Board of Directors from time to time.

Section 5. CHIEF OPERATING OFFICER. The Board of Directors may designate a chief operating officer. The chief operating officer shall have the responsibilities and duties as set forth by the Board of Directors or the chief executive officer.

Section 6. CHIEF FINANCIAL OFFICER. The Board of Directors may designate a chief financial officer. The chief financial officer shall have the responsibilities and duties as set forth by the Board of Directors or the chief executive officer.

Section 7. PRESIDENT. In the absence of a chief executive officer, the president shall in general supervise and control all of the business and affairs of the Corporation. In the absence of a designation of a chief operating officer by the Board of Directors, the president shall be the chief operating officer. He or she may execute any deed, mortgage, bond, contract or other instrument, except in cases where the execution thereof shall be expressly delegated by the Board of Directors or by these Bylaws to some other officer or agent of the Corporation or shall be required by law to be otherwise executed; and in general shall perform all duties incident to the office of president and such other duties as may be prescribed by the Board of Directors from time to time.

Section 8. VICE PRESIDENTS. In the absence of the president or in the event of a vacancy in such office, the vice president (or in the event there be more than one vice president, the vice presidents in the order designated at the time of their election or, in the absence of any designation, then in the order of their election) shall perform the duties of the president and when so acting shall have all the powers of and be subject to all the restrictions upon the president; and shall perform such other duties as from time to time may be assigned to such vice president by the president or by the Board of Directors. The Board of Directors may designate one or more vice presidents as executive vice president, senior vice president, or as vice president for particular areas of responsibility.

Section 9. SECRETARY. The secretary shall (a) keep the minutes of the proceedings of the stockholders, the Board of Directors and committees of the Board of Directors in one or more books provided for that purpose; (b) see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; (c) be custodian of the corporate records and of the seal of the Corporation; (d) keep a register of the post office address of each stockholder which shall be furnished to the secretary by such stockholder; (e) have general charge of the stock transfer books of the Corporation; and (f) in general perform such other duties as from time to time may be assigned to him by the chief executive officer, the president or by the Board of Directors.

Section 10. TREASURER. The treasurer shall have the custody of the funds and securities of the Corporation and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Corporation and shall deposit all moneys and other valuable effects in the name and to the credit of the Corporation in such depositories as may be designated by the Board of Directors. In the absence of a designation of a chief financial officer by the Board of Directors, the treasurer shall be the chief financial officer of the Corporation.

The treasurer shall disburse the funds of the Corporation as may be ordered by the Board of Directors, taking proper vouchers for such disbursements, and shall render to the president and Board of Directors, at the regular meetings of the Board of Directors or whenever it may so require, an account of all his or her transactions as treasurer and of the financial condition of the Corporation.

If required by the Board of Directors, the treasurer shall give the Corporation a bond in such sum and with such surety or sureties as shall be satisfactory to the Board of Directors for the faithful performance of the duties of his or her office and for the restoration to the Corporation, in case of his or her death, resignation, retirement or removal from office, of all books, papers, vouchers, moneys and other property of whatever kind in his or her possession or under his or her control belonging to the Corporation.

Section 11. ASSISTANT SECRETARIES AND ASSISTANT TREASURERS. The assistant secretaries and assistant treasurers, in general, shall perform such duties as shall be assigned to them by the secretary or treasurer, respectively, or by the president or the Board of Directors. The assistant treasurers shall, if required by the Board of Directors, give bonds for the faithful performance of their duties in such sums and with such surety or sureties as shall be satisfactory to the Board of Directors.

ARTICLE VI

CONTRACTS, LOANS, CHECKS AND DEPOSITS

Section 1. CONTRACTS. The Board of Directors or any manager of the Company approved by the Board of Directors and acting within the scope of its authority pursuant to a management agreement with the Company may authorize any officer or agent to enter into any contract or to execute and deliver any instrument in the name of and on behalf of the Corporation and such authority may be general or confined to specific instances. Any agreement, deed, mortgage, lease or other document shall be valid and binding upon the Corporation when executed by an authorized person and duly authorized or ratified by action of the Board of Directors or a manager acting within the scope of its authority pursuant to a management agreement.

Section 2. CHECKS AND DRAFTS. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation shall be signed by such officer or agent of the Corporation in such manner as shall from time to time be determined by the Board of Directors.

Section 3. DEPOSITS. All funds of the Corporation not otherwise employed shall be deposited or invested from time to time to the credit of the Corporation as the Board of Directors, the chief executive officer, the chief financial officer, or any other officer designated by the Board of Directors may determine.

ARTICLE VII

STOCK

Section 1. CERTIFICATES; REQUIRED INFORMATION. The Corporation may issue some or all of the shares of any or all of the Corporation's classes or series of stock without certificates if authorized by the Board of Directors. In the event that the Corporation issues shares of stock represented by certificates, such certificates shall be signed by the officers of the Corporation in the manner permitted by the MGCL and contain the statements and information required by the MGCL. In the event that the Corporation issues shares of stock without certificates, to the extent then required by the MGCL, the Corporation shall provide to the record holders of such shares a written statement of the information required by the MGCL to be included on stock certificates. There shall be no differences in the rights and obligations of stockholders based on whether or not their shares are evidenced by certificates. If a class or series of stock is authorized by the Board of Directors to be issued without certificates, no stockholder shall be entitled to a certificate or certificates representing any shares of such class or series of stock held by such stockholder unless otherwise determined by the Board of Directors and then only upon written request by such stockholder to the secretary of the Corporation.

Section 2. TRANSFERS WHEN CERTIFICATES ISSUED. All transfers of shares of stock shall be made on the books of the Corporation, by the holder of the shares, in person or by his or her attorney, in such manner as the Board of Directors or any officer of the Corporation may prescribe and, if such shares are certificated, upon surrender of certificates duly endorsed. The issuance of a new certificate upon the transfer of certificated shares is subject to the determination of the Board of Directors that such shares shall no longer be evidenced by certificates. Upon the transfer of uncertificated shares, to the extent then required by the MGCL, the Corporation shall provide to record holders of such shares a written statement of the information required by the MGCL to be included on stock certificates.

The Corporation shall be entitled to treat the holder of record of any share of stock as the holder in fact thereof and, accordingly, shall not be bound to recognize any equitable or other claim to or interest in such share or on the part of any other person, whether or not it shall have express or other notice thereof, except as otherwise provided by the laws of the State of Maryland.

Notwithstanding the foregoing, transfers of shares of any class or series of stock will be subject in all respects to the Charter and all of the terms and conditions contained therein.

Section 3. REPLACEMENT CERTIFICATE. Any officer of the Corporation may direct a new certificate or certificates to be issued in place of any certificate or certificates theretofore issued by the Corporation alleged to have been lost, destroyed, stolen or mutilated, upon the making of an affidavit of that fact by the person claiming the certificate to be lost, destroyed, stolen or mutilated; provided, however, if such shares have ceased to be certificated, no new certificate shall be issued unless requested in writing by such stockholder and the Board of Directors has determined such certificates may be issued. Unless otherwise determined by an officer of the Corporation, the owner of such lost, destroyed, stolen or mutilated certificate or certificates, or his or her legal representative, shall be required, as a condition precedent to the issuance of a new certificate or certificates, to give the Corporation a bond in such sums as it may direct as indemnity against any claim that may be made against the Corporation.

Section 4. FIXING OF RECORD DATE. The Board of Directors may set, in advance, a record date for the purpose of determining stockholders entitled to notice of or to vote at any meeting of stockholders or determining stockholders entitled to receive payment of any dividend or the allotment of any other rights, or in order to make a determination of stockholders for any other proper purpose. Such date, in any case, shall not be prior to the close of business on the day the record date is fixed and shall be not more than 90 days and, in the case of a meeting of stockholders, not less than ten days, before the date on which the meeting or particular action requiring such determination of stockholders of record is to be held or taken.

When a determination of stockholders entitled to vote at any meeting of stockholders has been made as provided in this section, such determination shall apply to any adjournment or postponement thereof, except when the meeting is adjourned or postponed to a date more than 120 days after the record date fixed for the original meeting, in which case a new record date shall be determined as set forth herein.

Section 5. STOCK LEDGER. The Corporation shall maintain at its principal office or at the office of its counsel, accountants or transfer agent, an original or duplicate share ledger containing the name and address of each stockholder and the number of shares of each class held by such stockholder.

Section 6. FRACTIONAL STOCK; ISSUANCE OF UNITS. The Board of Directors may issue fractional stock or provide for the issuance of scrip, all on such terms and under such conditions as they may determine. Notwithstanding any other provision of the Charter or these Bylaws, the Board of Directors may issue units consisting of different securities of the Corporation. Any security issued in a unit shall have the same characteristics as any identical securities issued by the Corporation, except that the Board of Directors may provide that for a specified period securities of the Corporation issued in such unit may be transferred on the books of the Corporation only in such unit.

ARTICLE VIII

ACCOUNTING YEAR

The Board of Directors shall have the power, from time to time, to fix the fiscal year of the Corporation by a duly adopted resolution.

ARTICLE IX

DISTRIBUTIONS

Section 1. AUTHORIZATION. Dividends and other distributions upon the stock of the Corporation may be authorized by the Board of Directors, subject to the provisions of law and the Charter. Dividends and other distributions may be paid in cash, property or stock of the Corporation, subject to the provisions of law and the Charter.

Section 2. CONTINGENCIES. Before payment of any dividends or other distributions, there may be set aside out of any assets of the Corporation available for dividends or other distributions such sum or sums as the Board of Directors may from time to time, in its absolute discretion, think proper as a reserve fund for contingencies, for equalizing dividends or other distributions, for repairing or maintaining any property of the Corporation or for such other purpose as the Board of Directors shall determine to be in the best interest of the Corporation, and the Board of Directors may modify or abolish any such reserve.

ARTICLE X

SEAL

Section 1. SEAL. The Board of Directors may authorize the adoption of a seal by the Corporation. The seal shall contain the name of the Corporation and the year of its incorporation and the words "Incorporated Maryland." The Board of Directors may authorize one or more duplicate seals and provide for the custody thereof.

Section 2. AFFIXING SEAL. Whenever the Corporation is permitted or required to affix its seal to a document, it shall be sufficient to meet the requirements of any law, rule or regulation relating to a seal to place the word "(SEAL)" adjacent to the signature of the person authorized to execute the document on behalf of the Corporation.

ARTICLE XI

INDEMNIFICATION AND ADVANCE OF EXPENSES

To the maximum extent permitted by Maryland law and the Investment Company Act, in effect from time to time, the Corporation shall indemnify and, without requiring a preliminary determination of the ultimate entitlement to indemnification, shall pay or reimburse reasonable expenses in advance of final disposition of a proceeding to (a) any individual who is a present or former director or officer of the Corporation and who is made or threatened to be made a party to the proceeding by reason of his or her service in that capacity or (b) any individual who, while a director or officer of the Corporation and at the request of the Corporation, serves or has served as a director, officer, partner or trustee of such corporation, real estate investment trust, partnership, joint venture, trust, employee benefit plan or other enterprise and who is made or threatened to be made a party to the proceeding by reason of his or her service in that capacity. The Corporation may, with the approval of its Board of Directors or any duly authorized committee thereof, provide such indemnification and advance for expenses to a person who served a predecessor of the Corporation in any of the capacities described in (a) or (b) above and to any employee or agent of the Corporation or a predecessor of the Corporation. The indemnification and payment of expenses provided in these Bylaws shall not be deemed exclusive of or limit in any way other rights to which any person seeking indemnification or payment of expenses may be or may become entitled under any bylaw, regulation, insurance, agreement or otherwise.

Neither the amendment nor repeal of this Article, nor the adoption or amendment of any other provision of these Bylaws or the Charter inconsistent with this Article, shall apply to or affect in any respect the applicability of the preceding paragraph with respect to any act or failure to act which occurred prior to such amendment, repeal or adoption.

ARTICLE XII

WAIVER OF NOTICE

Whenever any notice is required to be given pursuant to the Charter or these Bylaws or pursuant to applicable law, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice. Neither the business to be transacted at nor the purpose of any meeting need be set forth in the waiver of notice, unless specifically required by statute. The attendance of any person at any meeting shall constitute a waiver of notice of such meeting, except where such person attends a meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened.

ARTICLE XIII

INSPECTION OF RECORDS

A stockholder that is otherwise eligible under applicable law to inspect the Corporation's books of account, stock ledger, or other specified documents of the Corporation shall have no right to make such inspection if the Board of Directors determines that such stockholder has an improper purpose for requesting such inspection.

ARTICLE XIV

INVESTMENT COMPANY ACT

If and to the extent that any provision of the MGCL, including, without limitation, Subtitle 6 and, if then applicable, Subtitle 7 of Title 3 of the MGCL, or any provision of the Charter or these Bylaws conflicts with any provision of the Investment Company Act applicable to the Corporation, the applicable provision of the Investment Company Act shall control.

ARTICLE XV

AMENDMENT OF BYLAWS

The Board of Directors shall have the exclusive power to adopt, alter or repeal any provision of these Bylaws and to make new Bylaws.

Exhibit 31.1

CERTIFICATION PURSUANT TO
RULE 13a-14(a) and 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED

I, Christian L. Oberbeck, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Saratoga Investment Corp.;

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

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

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

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

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

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

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

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

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

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

Date: January 6, 2021

/s/ CHRISTIAN L. OBERBECK

Christian L. Oberbeck
Chief Executive Officer

Exhibit 31.2

**CERTIFICATION PURSUANT TO
RULE 13a-14(a) and 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED**

I, Henri J. Steenkamp, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Saratoga Investment Corp.;

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

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

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

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

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

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

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

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

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

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

Date: January 6, 2021

/s/ HENRI J. STEENKAMP

Name: Henri J. Steenkamp
Chief Financial Officer and Chief Compliance Officer

Exhibit 32.1

CERTIFICATION PURSUANT TO
SECTION 1350, CHAPTER 63 OF TITLE 18, UNITED STATES CODE,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

The certification set forth below is being submitted in connection with the accompanying Quarterly Report of Saratoga Investment Corp. on Form 10-Q (the “Report”) for the purpose of complying with Rule 13a-14(b) or Rule 15d-14(b) of the Securities Exchange Act of 1934 (the “Exchange Act”) and Section 1350 of Chapter 63 of Title 18 of the United States Code.

Christian L. Oberbeck, the Chief Executive Officer, certifies that, to the best of his knowledge:

1. the Report fully complies with the requirements of Section 13(a) or 15(d) of the Exchange Act; and

2. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Saratoga Investment Corp.

Date: January 6, 2021

/s/ CHRISTIAN L. OBERBECK
Christian L. Oberbeck
Chief Executive Officer

Exhibit 32.2

CERTIFICATION PURSUANT TO
SECTION 1350, CHAPTER 63 OF TITLE 18, UNITED STATES CODE,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

The certification set forth below is being submitted in connection with the accompanying Quarterly Report of Saratoga Investment Corp. on Form 10-Q (the "Report") for the purpose of complying with Rule 13a-14(b) or Rule 15d-14(b) of the Securities Exchange Act of 1934 (the "Exchange Act") and Section 1350 of Chapter 63 of Title 18 of the United States Code.

Henri J. Steenkamp, the Chief Financial Officer, Chief Compliance Officer and Secretary of Saratoga Investment Corp. certifies that, to the best of his knowledge:

1. the Report fully complies with the requirements of Section 13(a) or 15(d) of the Exchange Act; and

2. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Saratoga Investment Corp.

Date: January 6, 2021

/s/ HENRI J. STEENKAMP
Name: Henri J. Steenkamp
Chief Financial Officer and Chief Compliance Officer