

TCP Capital Corp.
Form 497
March 13, 2015

Use these links to rapidly review the document

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

[INDEX TO FINANCIAL STATEMENTS](#)

[TABLE OF CONTENTS](#)

[INDEX TO FINANCIAL STATEMENTS](#)

[TABLE OF CONTENTS](#)

[TABLE OF CONTENTS](#)

[Table of Contents](#)

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

PROSPECTUS SUPPLEMENT

(To Prospectus dated July 2, 2014)

Up to \$100,000,000

Common Stock

We are a holding company (the "Holding Company") with no direct operations of our own, and currently our only business and sole asset is our ownership of all of the common limited partner interests in Special Value Continuation Partners, LP (the "Operating Company"), which represents approximately 100% of the common equity and 86.1% of the combined common equity, preferred equity and general partner interests in the Operating Company as of December 31, 2014. We and the Operating Company are externally managed, closed-end, non-diversified management investment companies that have elected to be treated as business development companies under the Investment Company Act of 1940 (the "1940 Act"). Our and the Operating Company's investment objective is to achieve high total returns through current income and capital appreciation, with an emphasis on principal protection. Both we and the Operating Company seek to achieve this investment objective primarily through investments in debt securities of middle-market companies as well as small businesses. Our primary investment focus is investing in and originating leveraged loans to performing middle-market companies as well as small businesses.

Tennenbaum Capital Partners, LLC (the "Advisor") serves as our and the Operating Company's investment advisor. The Advisor is a leading investment manager and specialty lender to middle-market companies that had approximately \$6.0 billion in capital commitments from investors ("committed capital") under management as of December 31, 2014, approximately 25% of which consists of our committed capital. SVOF/MM, LLC, an affiliate of the Advisor, is the Operating Company's general partner and provides the administrative services necessary for us to operate.

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

through the Agents, as our agents.

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

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

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

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

This prospectus supplement and the accompanying prospectus contain important information you should know before investing in our common stock. Please read it carefully before you invest and keep it for future reference. We file annual, quarterly and current reports, proxy statements and other information about us with the Securities and Exchange Commission (the "SEC"). A Statement of Additional Information, dated March 13, 2015, containing additional information about the Holding Company and the Operating Company has been filed with the SEC and is incorporated by reference in its entirety into this prospectus supplement. The Advisor maintains a website at <http://www.tennenbaumcapital.com>, and we make all of our annual, quarterly and current reports, proxy statements and other publicly filed information available, free of charge, on or through this website. You may also obtain free copies of our annual and quarterly reports, request a free copy of the Statement of Additional Information, the table of contents of which is on page S-41 of this prospectus supplement, and make stockholder inquiries by contacting us at Tennenbaum Capital Partners, LLC, c/o Investor Relations, 2951 28th Street, Suite 1000, Santa Monica, California 90405 or by calling us collect at (310) 566-1094. The SEC maintains a website at <http://www.sec.gov> where such information is available without charge upon request. Information contained on our website is not incorporated by reference into this prospectus supplement or the accompanying prospectus, and you should not consider information contained on our website to be part of this prospectus supplement or the accompanying prospectus.

The debt securities in which we typically invest are either rated below investment grade by independent rating agencies or would be rated below investment grade if such securities were rated by rating agencies. Below investment

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

Shares of closed-end investment companies, including business development companies, frequently trade at a discount from their net asset value. If our shares trade at a discount to our net asset value, it will likely increase the risk of loss for purchasers in the offerings. Investing in our common stock involves a high degree of risk, including credit risk and the risk of the use of leverage. Before buying any shares of our common stock, you should read the discussion of the material risks of investing in our common stock in "Risks" beginning on page S-10 of this prospectus supplement and on page 23 of the accompanying prospectus.

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

Raymond James
Prospectus Supplement dated March 13, 2015

Cantor Fitzgerald & Co.

Table of Contents

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

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

the introduction, withdrawal, success and timing of business initiatives and strategies;

changes in political, economic or industry conditions, the interest rate environment or financial and capital markets, which could result in changes in the value of our assets;

the valuation of our investments in portfolio companies, particularly those having no liquid trading market;

the relative and absolute investment performance and operations of the Advisor;

the impact of increased competition;

the impact of future acquisitions and divestitures;

the unfavorable resolution of legal proceedings;

our business prospects and the financial condition and prospects of our portfolio companies;

the adequacy of our cash resources and working capital;

the timing of cash flows, if any, from the operations of our portfolio companies;

the impact of legislative and regulatory actions and reforms and regulatory, supervisory or enforcement actions of government agencies relating to us, the Advisor or our portfolio companies;

the ability of the Advisor to identify suitable investments for us and to monitor and administer our investments;

our contractual arrangements and relationships with third parties;

any future financings and investments by us;

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

Edgar Filing: TCP Capital Corp. - Form 497

fluctuations in interest rates or foreign currency exchange rates; and

the impact of changes to tax legislation and, generally, our tax position.

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

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

S-i

Table of Contents

the Securities Exchange Act of 1934 (the "Securities Exchange Act"). Actual results could differ materially from those anticipated in forward-looking statements and future results could differ materially from historical performance. Statistical and market data used in this prospectus supplement has been obtained from governmental and independent industry sources and publications. We have not independently verified the data obtained from these sources. Forward-looking information obtained from these sources is subject to the same qualifications and the additional uncertainties regarding the other forward-looking statements contained in this prospectus supplement, for which the safe harbor provided in Section 27A of the Securities Act and Section 21E of the Securities Exchange Act is not available.

You should rely only on the information contained in this prospectus supplement, the accompanying prospectus, the Statement of Additional Information, dated March 13, 2015, or SAI, incorporated by reference in its entirety in the accompanying prospectus, and the documents incorporated by reference herein or therein. We have not, and the Agents have not, authorized any other person to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. We are not, and the Agents are not, making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. You should assume that the information in this prospectus supplement and the accompanying prospectus is accurate only as of the date on the front of this prospectus supplement and of the accompanying prospectus, respectively, and the information in the SAI and the documents incorporated by reference herein or in the accompanying prospectus or the SAI is accurate only as of their respective dates. Our business, financial condition and prospects may have changed since that date. To the extent required by applicable law, we will update this prospectus supplement, the accompanying prospectus and the SAI during the offering period to reflect material changes to the disclosure herein.

Table of Contents

TABLE OF CONTENTS

PROSPECTUS SUPPLEMENT

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

PROSPECTUS

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

Table of Contents

PROSPECTUS SUMMARY

This summary highlights some of the information in this prospectus supplement. This summary is not complete and may not contain all of the information that you may want to consider before investing in our common stock. You should read the entire prospectus supplement, the accompanying prospectus, including "Risks," and the Statement of Additional Information dated March 13, 2015 (the "SAI").

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

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

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

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

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

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

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

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

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

Table of Contents

The Company

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

Our investment objective is to achieve high total returns through current income and capital appreciation, with an emphasis on principal protection. We seek to achieve our investment objective primarily through investments in debt securities of middle-market companies, which we typically define as those with enterprise values between \$100 million and \$1.5 billion as well as small businesses which meet the "small" enterprise definition of the rules and regulations of the Small Business Administration (the "SBA"). While we primarily focus on privately negotiated investments in debt of middle-market companies, we make investments of all kinds and at all levels of the capital structure, including in equity interests such as preferred or common stock and warrants or options received in connection with our debt investments. Our investment activities benefit from what we believe are the competitive advantages of the Advisor, including its diverse in-house skills, proprietary deal flow, and consistent and rigorous investment process focused on established, middle-market companies. We expect to generate returns through a combination of the receipt of contractual interest payments on debt investments and origination and similar fees, and, to a lesser extent, equity appreciation through options, warrants, conversion rights or direct equity investments. Substantially all of our operating history and performance results have been achieved through our predecessor, Special Value Continuation Fund, LLC, which was a registered investment company but was neither a business development company nor a publicly traded company. There are no material operating differences between us and our predecessor, however, as a BDC we are deemphasizing distressed debt investments, which may adversely affect our investment returns. See the accompanying prospectus "Prospectus Summary Company History and BDC Conversion".

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

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

As described in the accompanying prospectus under "Prospectus Summary Company History and BDC Conversion," we have no employees of our own and currently our only business and sole asset is the ownership of all of the common limited partner interests of the

Table of Contents

Operating Company. Our investment activities are externally managed by the Advisor. Additionally, the Holding Company expects that it will continue to seek to qualify as a regulated investment company, or RIC, under Subchapter M of the Internal Revenue Code (the "Code").

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

Recent Developments

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

On February 24, 2015, the Company's board of directors approved a stock repurchase plan (the "Company 10b5-1 Plan") to acquire up to \$50 million in the aggregate of the Company's common stock at prices at certain thresholds below the Company's net asset value per share, in accordance with the guidelines specified in Rule 10b-18 and Rule 10b5-1 of the Securities Exchange Act of 1934.

The Company 10b5-1 Plan is designed to allow TCPC to repurchase its common stock at times when it otherwise might be prevented from doing so under insider trading laws. The Company 10b5-1 Plan will require an agent selected by TCPC to repurchase shares of common stock on TCPC's behalf if and when the market price per share is at certain thresholds below the most recently reported net asset value per share. Under the plan, the agent will increase the volume of purchases made if the price of TCPC's common stock declines, subject to volume restrictions. The timing and amount of any stock repurchases will depend on the terms and conditions of the Company 10b5-1 Plan, the market price of the common stock and trading volumes, and no assurance can be given that any particular amount of common stock will be repurchased.

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

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

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

Table of Contents

Determinations of Net Asset Value In Connection with the Offering

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

Company Information

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

Presentation of Historical Financial Information

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

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

Table of Contents**FEES AND EXPENSES**

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

Stockholder Transaction Expenses:

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

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

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

(1)

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

(2)

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

(3)

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

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

(5) Base management fees are paid quarterly in arrears. The base management fee of 1.5% per year is calculated based on the value of our total assets (excluding cash and cash equivalents) at the end of the most recently completed calendar quarter. The percentage shown in the table, which assumes all capital and leverage is invested at the maximum level, is calculated by determining the ratio that the aggregate base management fee bears to our net assets attributable to common stock and not to our total assets. We make this conversion because all of our interest and preferred stock dividend payments are indirectly borne by our common stockholders. If we borrow money or issue preferred stock and invest the proceeds other than in cash and cash equivalents, our base management fees will increase. The base management fee for any partial quarter is appropriately pro-rated. See the accompanying prospectus "Management of the Company Investment Management Agreements."

Table of Contents

(6)

Under the investment management agreements and the amended and restated limited partnership agreement of the Operating Company dated April 2, 2012, (the "Amended and Restated Limited Partnership Agreement"), no incentive compensation was incurred until after January 1, 2013. The incentive compensation has two components, ordinary income and capital gains. Each component is payable quarterly in arrears (or upon termination of the Advisor as the investment manager or the General Partner as of the termination date) and is calculated based on the cumulative return for periods beginning January 1, 2013 and ending on the relevant calculation date.

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

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

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

(7)

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

(8)

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

(9)

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

Example

The following example demonstrates the projected dollar amount of total cumulative expenses (including stockholder transaction expenses and annual expenses) that would be incurred over various periods with respect to a hypothetical investment in our common stock.

S-6

Table of Contents

In calculating the following expense amounts, we have assumed that our annual operating expenses remain at the levels set forth in the table above.

	1 year	3 years	5 years	10 years
You would pay the following expenses on a \$1000 investment assuming a 5% annual return	\$ 78	\$ 186	\$ 292	\$ 553

While the example assumes, as required by the SEC, a 5% annual return, our performance will vary and may result in a return greater or less than 5%. There is no incentive compensation either on income or on capital gains under our investment management agreements and the Amended and Restated Limited Partnership Agreement assuming a 5% annual return and therefore it is not included in the example. If we achieve sufficient returns on our investments, including through the realization of capital gains, to trigger an incentive compensation of a material amount, our distributions to our common stockholders and our expenses would likely be higher. In addition, while the example assumes reinvestment of all dividends and distributions at net asset value, participants in our dividend reinvestment plan will receive a number of shares of our common stock, determined by dividing the total dollar amount of the dividend or distribution payable to a participant by the market price per share of our common stock at the close of trading on the valuation date for the dividend. See "Dividend Reinvestment Plan" in the SAI for additional information regarding our dividend reinvestment plan.

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

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

SELECTED FINANCIAL DATA

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

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

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

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

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

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

Assets and Liabilities Data:

Edgar Filing: TCP Capital Corp. - Form 497

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

Investment Activity

Data:

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

*

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

Table of Contents

RISKS

Investing in our common stock involves a high degree of risk. You should carefully consider the risks described below and in the accompanying prospectus on page 23, together with all of the other information included in this prospectus supplement and in the accompanying prospectus, before you decide whether to make an investment in our common stock. The risks set forth below and in the accompanying prospectus are not the only risks we face. If any of the adverse events or conditions described below or in the accompanying prospectus occur, our business, financial condition and results of operations could be materially adversely affected. In such case, our net asset value, or NAV, and the trading price of our common stock could decline, we could reduce or eliminate our dividend and you could lose all or part of your investment.

Our board of directors most recently approved NAV on December 31, 2014 and our quarterly NAV when calculated effective March 31, 2015 may be higher or lower.

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

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

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

Illustration. The following table illustrates the effect of leverage on returns from an investment in our common stock assuming various annual returns, net of expenses and preferred dividends. The calculations in the table below are hypothetical and actual returns may be higher or lower than those appearing below. The calculation is based on our level of leverage at December 31, 2014, which represented borrowings and preferred stock equal to 38.4% of our total assets. On such date, we also had \$1,206 million in total assets; an average cost of funds of 2.86%; \$462.7 million aggregate principal amount of debt and liquidation preference of the Preferred Interests outstanding; and \$731.1 million of total net assets. In order to compute the "Corresponding Return to Common Stockholders," the "Assumed Return on Portfolio (Net of Expenses Other than Interest)" is multiplied by the total value of our investment portfolio at December 31, 2014 to obtain an assumed return to us. From this amount, the interest expense and preferred dividends calculated by multiplying the blended interest and dividend rate of 2.86% by the \$462.7 million of debt and preferred stock is subtracted to determine the return available to common stockholders. The return available to common stockholders is then divided by the total value of our net assets at December 31,

Table of Contents

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

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

	10%	5%	0%	5%	10%
Corresponding Return to Common Stockholders	17%	0%	2%	6%	14%

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

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

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

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

Table of Contents

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

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

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

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

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

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

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

Table of Contents

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

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

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

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

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

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

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

Table of Contents

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

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

Overview

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

The SBIC was organized as a Delaware limited partnership in June 2013. On April 22, 2014, the SBIC received a license from the United States Small Business Administration (the "SBA") to operate as a small business investment company under the provisions of Section 301(c) of the Small Business Investment Act of 1958.

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

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

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

Table of Contents

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

To qualify as a RIC, we must, among other things, meet certain source-of-income and asset diversification requirements and timely distribute to our stockholders generally at least 90% of our investment company taxable income, as defined by the Internal Revenue Code of 1986, as amended, for each year. Pursuant to this election, we generally will not have to pay corporate level taxes on any income that we distribute to our stockholders provided that we satisfy those requirements.

Investments

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

As a BDC, we are required to comply with certain regulatory requirements. For instance, we generally have to invest at least 70% of our total assets in "qualifying assets," including securities and indebtedness of private U.S. companies, public U.S. operating companies whose securities are not listed on a national securities exchange or registered under the Securities Exchange Act of 1934, as amended, public domestic operating companies having a market capitalization of less than \$250 million, cash, cash equivalents, U.S. government securities and high-quality debt investments that mature in one year or less. We are also permitted to make certain follow-on investments in companies that were eligible portfolio companies at the time of initial investment but that no longer meet the definition. As of December 31, 2014, 90.2% of our total assets were invested in qualifying assets.

Revenues

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

Expenses

Our primary operating expenses include the payment of a base management fee and, depending on our operating results, incentive compensation, expenses reimbursable under the management agreement, administration fees and the allocable portion of overhead under the administration agreement. The base management fee and incentive compensation

Edgar Filing: TCP Capital Corp. - Form 497

Table of Contents

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

our organization;

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

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

costs of future offerings of our common stock and other securities, if any;

the base management fee and any incentive compensation;

dividends and distributions on our preferred shares, if any, and common shares;

administration fees payable under the administration agreement;

fees payable to third parties relating to, or associated with, making investments;

transfer agent and custodial fees;

registration fees;

listing fees;

taxes;

director fees and expenses;

costs of preparing and filing reports or other documents with the SEC;

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

our fidelity bond;

Edgar Filing: TCP Capital Corp. - Form 497

directors and officers/errors and omissions liability insurance, and any other insurance premiums;

indemnification payments;

direct costs and expenses of administration, including audit and legal costs; and

all other expenses reasonably incurred by us and the Administrator in connection with administering our business, such as the allocable portion of overhead under the administration agreement, including rent and other allocable portions of the cost of certain of our officers and their respective staffs.

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

S-16

Table of Contents

management fee is calculated based on the value of our total assets (excluding cash and cash equivalents) at the end of the most recently completed calendar quarter.

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

Critical accounting policies

Our discussion and analysis of our financial condition and results of operations are based upon our financial statements, which have been prepared in accordance with GAAP. The preparation of these financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses. Changes in the economic environment, financial markets and any other parameters used in determining such estimates could cause actual results to differ. Management considers the following critical accounting policies important to understanding the financial statements. In addition to the discussion below, our critical accounting policies are further described in the notes to our financial statements.

Valuation of portfolio investments

We value our portfolio investments at fair value based upon the principles and methods of valuation set forth in policies adopted by our board of directors. Fair value is defined as the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. Market participants are buyers and sellers in the principal (or most advantageous) market for the asset that (i) are independent of us, (ii) are knowledgeable, having a reasonable understanding about the asset based on all available information (including information that might be obtained through due diligence efforts that are usual and customary), (iii) are able to transact for the asset, and (iv) are willing to transact for the asset or liability (that is, they are motivated but not forced or otherwise compelled to do so).

Investments for which market quotations are readily available are valued at such market quotations unless the quotations are deemed not to represent fair value. We generally obtain market quotations from recognized exchanges, market quotation systems, independent pricing services or one or more broker-dealers or market makers. However, short term debt investments with remaining maturities within 90 days are generally valued at amortized cost, which approximates fair value. Debt and equity securities for which market quotations are not readily available, which is the case for many of our investments, or for which market quotations are deemed not to represent fair value, are valued at fair value using a consistently applied valuation process in accordance with our documented valuation policy that has been reviewed and approved by our board of directors, who also approve in good faith the valuation of such securities as of the end of each quarter. Due to the inherent uncertainty and

Table of Contents

subjectivity of determining the fair value of investments that do not have a readily available market value, the fair value of our investments may differ significantly from the values that would have been used had a readily available market value existed for such investments and may differ materially from the values that we may ultimately realize. In addition, changes in the market environment and other events may have differing impacts on the market quotations used to value some of our investments than on the fair values of our investments for which market quotations are not readily available. Market quotations may be deemed not to represent fair value in certain circumstances where we believe that facts and circumstances applicable to an issuer, a seller or purchaser, or the market for a particular security cause current market quotations to not reflect the fair value of the security. Examples of these events could include cases where a security trades infrequently causing a quoted purchase or sale price to become stale, where there is a "forced" sale by a distressed seller, where market quotations vary substantially among market makers, or where there is a wide bid-ask spread or significant increase in the bid-ask spread.

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

The investment professionals of the Advisor provide recent portfolio company financial statements and other reporting materials to independent valuation firms approved by our board of directors.

Such firms evaluate this information along with relevant observable market data to conduct independent appraisals each quarter, and their preliminary valuation conclusions are documented and discussed with senior management of the Advisor.

The fair value of smaller investments comprising in the aggregate less than 5% of our total capitalization may be determined by the Advisor in good faith in accordance with our valuation policy without the employment of an independent valuation firm.

The audit committee of the board of directors discusses the valuations, and the board of directors approves the fair value of the investments in our portfolio in good faith based on the input of the Advisor, the respective independent valuation firms (to the extent applicable) and the audit committee of the board of directors.

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

Table of Contents

When valuing all of our investments, we strive to maximize the use of observable inputs and minimize the use of unobservable inputs. Inputs refer broadly to the assumptions that market participants would use in pricing an asset, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing an asset or liability developed based on market data obtained from sources independent of us. Unobservable inputs are inputs that reflect our assumptions about the assumptions market participants would use in pricing an asset or liability developed based on the best information available in the circumstances.

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

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

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

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

As of December 31, 2014, 0.0% of our investments were categorized as Level 1, 18.5% were categorized as Level 2, 80.9% were Level 3 investments valued based on valuations by independent third party sources, and 0.6% were Level 3 investments valued based on valuations by the Advisor.

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

Revenue recognition

Interest and dividend income, including income paid in kind, is recorded on an accrual basis to the extent that such amounts are determined to be collectible. Origination, structuring, closing, commitment and other upfront fees earned with respect to capital commitments are generally amortized or accreted into interest income over the life of the respective debt investment. Other fees, including certain amendment fees, prepayment fees and commitment fees on broken deals, are recognized as earned. Prepayment fees and similar income received upon the early repayment of a loan or debt security are included in interest income.

Certain of our debt investments are purchased at a considerable discount to par as a result of the underlying credit risks and financial results of the issuer, as well as general market factors that influence the financial markets as a whole. GAAP generally requires that discounts on the acquisition of corporate bonds, municipal bonds and treasury bonds be amortized using the effective-interest or constant-yield method. GAAP also requires that we consider the collectability of interest when making accruals. Accordingly, when accounting for purchase discounts, we recognize discount accretion income when it is probable that such amounts will be collected.

Table of Contents

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

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

Portfolio and investment activity

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

At December 31, 2014, our investment portfolio of \$1,146.5 million (at fair value) consisted of 84 portfolio companies and was invested 97% in debt investments, of which 100% was in senior secured debt. In aggregate, our investment portfolio was invested 82% in senior secured loans, 15% in senior secured notes, and 3% in equity investments. Our average portfolio company investment at fair value was approximately \$13.6 million. Our largest portfolio company investment by value was approximately \$41.8 million and our five largest portfolio company investments by value comprised approximately 14% of our portfolio at December 31, 2014.

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

Table of Contents

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

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

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

Table of Contents

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

Results of operations

Investment income

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

Expenses

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

Net investment income

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

Table of Contents

Net realized and unrealized gain or loss

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

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

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

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

Income tax expense, including excise tax

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

Depending on the level of taxable income earned in a tax year, we may choose to carry forward taxable income in excess of current year dividend distributions from such current

Table of Contents

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

Dividends to preferred equity holders

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

Incentive compensation

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

Net increase or decrease in net assets resulting from operations

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

Liquidity and capital resources

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

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

Edgar Filing: TCP Capital Corp. - Form 497

Table of Contents

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

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

The following table summarizes the total shares issued and proceeds received in the public offering of the Company's common stock net of underwriting discounts and offering costs as well as shares issued in connection with the Company's dividend reinvestment plan for the year ended December 31, 2013:

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

*
Weighted-average price per share.

On October 3, 2014, we entered into an at-the-market equity offering program (the "ATM Program") with Raymond James & Associates Inc. and Cantor Fitzgerald & Co. through which we may offer and sell, by means of at-the-market offerings, from time to time, shares of our common stock having an aggregate offering price of up to \$100,000,000. During the year ended December 31, 2014, we sold 400,225 shares of our common stock at an average price of \$16.04 per share under the ATM Program, raising \$6,420,426 in net proceeds.

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

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

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

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

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

Edgar Filing: TCP Capital Corp. - Form 497

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

S-25

Table of Contents

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

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

The Revolving Facilities are secured by substantially all of the assets in our portfolio, including cash and cash equivalents, and are subject to compliance with customary affirmative and negative covenants, including the maintenance of a minimum shareholders' equity, the maintenance of a ratio of not less than 200% of total assets (less total liabilities other than indebtedness) to the sum of total preferred equity and indebtedness, and restrictions on certain payments and issuance of debt. Unfavorable economic conditions may result in a decrease in the value of our investments, which would affect both the asset coverage ratios and the value of the collateral securing the Revolving Facilities, and may therefore impact our ability to borrow under the Revolving Facilities. In addition to regulatory restrictions that restrict our ability to raise capital, the Leverage Program contains various covenants which, if not complied with, could accelerate repayment of debt or require redemption of the Preferred Interests, thereby materially and adversely affecting our liquidity, financial condition and results of operations. At December 31, 2014, we were in compliance with all financial and operational covenants required by the Leverage Program.

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

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

Table of Contents

Contractual obligations

In addition to obligations under our Leverage Program, we have entered into several contracts under which we have future commitments. Pursuant to an investment management agreement, the Advisor manages our day-to-day operations and provides investment advisory services to us. Payments under the investment management agreement will be equal to a percentage of the value of our gross assets (excluding cash and cash equivalents) and an incentive compensation, plus reimbursement of certain expenses incurred by the Advisor. Under our administration agreement, the Administrator provides us with administrative services, facilities and personnel. Payments under the administration agreement are equal to an allocable portion of overhead and other expenses incurred by the Administrator in performing its obligations to us, and may include rent and our allocable portion of the cost of certain of our officers and their respective staffs. We are responsible for reimbursing the Advisor for due diligence and negotiation expenses, fees and expenses of custodians, administrators, transfer and distribution agents, counsel and directors, insurance, filings and registrations, proxy expenses, expenses of communications to investors, compliance expenses, interest, taxes, portfolio transaction expenses, costs of responding to regulatory inquiries and reporting to regulatory authorities, costs and expenses of preparing and maintaining our books and records, indemnification, litigation and other extraordinary expenses and such other expenses as are approved by the directors as being reasonably related to our organization, offering, capitalization, operation or administration and any portfolio investments, as applicable. The Advisor is not responsible for any of the foregoing expenses and such services are not investment advisory services under the 1940 Act. Either party may terminate each of the investment management agreement and administration agreement without penalty upon not less than 60 days' written notice to the other.

Distributions

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

Edgar Filing: TCP Capital Corp. - Form 497

Table of Contents

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

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

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

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

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

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

98% of our ordinary income (not taking into account any capital gains or losses) for the calendar year;

98.2% of the amount by which our capital gains exceed our capital losses (adjusted for certain ordinary losses) for the one-year period generally ending on October 31 of the calendar year; and

Edgar Filing: TCP Capital Corp. - Form 497

certain undistributed amounts from previous years on which we paid no U.S. federal income tax.

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

S-28

Table of Contents

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

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

In order to satisfy the annual distribution requirement applicable to RICs, we have the ability to declare a large portion of a dividend in shares of our common stock instead of in cash. As long as a portion of such dividend is paid in cash and certain requirements are met, the entire distribution would be treated as a dividend for U.S. federal income tax purposes.

Related Parties

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

Each of the Holding Company, the Operating Company, TCPC Funding, and the SBIC has entered into an investment management agreement with the Advisor.

The Administrator provides us with administrative services necessary to conduct our day-to-day operations. For providing these services, facilities and personnel, the Administrator may be reimbursed by us for expenses incurred by the Administrator in performing its obligations under the administration agreement, including our allocable portion of the cost of certain of our officers and the Administrator's administrative staff and providing, at our request and on our behalf, significant managerial assistance to our portfolio companies to which we are required to provide such assistance.

We have entered into a royalty-free license agreement with the Advisor, pursuant to which the Advisor has agreed to grant us a non-exclusive, royalty-free license to use the name "TCP."

Pursuant to its limited partnership agreement, the general partner of the Operating Company is SVOF/MM, LLC. SVOF/MM, LLC is an affiliate of the Advisor and the general partners or managing member of certain other funds managed by the Advisor.

The Advisor and its affiliates, employees and associates currently do and in the future may manage other funds and accounts. The Advisor and its affiliates may determine that an investment is appropriate for us and for one or more of those other funds or accounts. Accordingly, conflicts may arise regarding the allocation of investments or opportunities among us and those accounts. In general, the Advisor will allocate investment opportunities pro rata among us and the other funds and accounts (assuming the investment satisfies the

Table of Contents

objectives of each) based on the amount of committed capital each then has available. The allocation of certain investment opportunities in private placements is subject to independent director approval pursuant to the terms of the co-investment exemptive order applicable to us. In certain cases, investment opportunities may be made other than on a pro rata basis. For example, we may desire to retain an asset at the same time that one or more other funds or accounts desire to sell it or we may not have additional capital to invest at a time the other funds or accounts do. If the Advisor is unable to manage our investments effectively, we may be unable to achieve our investment objective. In addition, the Advisor may face conflicts in allocating investment opportunities between us and certain other entities that could impact our investment returns. While our ability to enter into transactions with our affiliates is restricted under the 1940 Act, we have received an exemptive order from the SEC permitting certain affiliated investments subject to certain conditions. As a result, we may face conflict of interests and investments made pursuant to the exemptive order conditions which could in certain circumstances affect adversely the price paid or received by us or the availability or size of the position purchased or sold by us.

Recent Developments

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

On February 24, 2015, the Company's board of directors approved a stock repurchase plan (the "Company 10b5-1 Plan") to acquire up to \$50 million in the aggregate of the Company's common stock at prices at certain thresholds below the Company's net asset value per share, in accordance with the guidelines specified in Rule 10b-18 and Rule 10b5-1 of the Securities Exchange Act of 1934.

The Company 10b5-1 Plan is designed to allow TCPC to repurchase its common stock at times when it otherwise might be prevented from doing so under insider trading laws. The Company 10b5-1 Plan will require an agent selected by TCPC to repurchase shares of common stock on TCPC's behalf if and when the market price per share is at certain thresholds below the most recently reported net asset value per share. Under the plan, the agent will increase the volume of purchases made if the price of TCPC's common stock declines, subject to volume restrictions. The timing and amount of any stock repurchases will depend on the terms and conditions of the Company 10b5-1 Plan, the market price of the common stock and trading volumes, and no assurance can be given that any particular amount of common stock will be repurchased.

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

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

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

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

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

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

Based on our December 31, 2014 balance sheet, the following table shows the annual impact on net income (excluding the related incentive compensation impact) of base rate changes in interest rates (considering interest rate floors for variable rate instruments) assuming no changes in our investment and borrowing structure:

Basis Point Change	Interest income	Interest Expense	Net Income
Up 300 basis points	\$ 21,387,577	\$ (10,710,000)	\$ 10,677,577
Up 200 basis points	12,382,495	(7,140,000)	5,242,495
Up 100 basis points	3,622,612	(3,570,000)	52,612
Down 100 basis points	(370,769)	877,149	506,380
Down 200 basis points	(370,769)	877,149	506,380
Down 300 basis points	(370,769)	877,149	506,380

S-31

USE OF PROCEEDS

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

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

As of March 12, 2015, we had \$99 million outstanding under the Operating Company Facility, with advances generally bearing interest at LIBOR plus 2.50%, subject to certain limitations. The Operating Company Facility matures July 31, 2016.

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

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

PRICE RANGE OF COMMON STOCK

Our common stock began trading on April 5, 2012 and is currently traded on The Nasdaq Global Select Market under the symbol "TCPC." The following table lists the high and low closing sale price for our common stock, the premium (discount) of the related closing sale price as a percentage of NAV and quarterly distributions per share since shares of our common stock began being regularly quoted on The Nasdaq Global Select Market.

	Stock Price			Premium (Discount)	Premium (Discount)	Declared Distributions
	NAV(1)	High(2)	Low(2)	of High Sales Price to NAV(3)	of Low Sales Price to NAV(3)	
Fiscal year ended December 31, 2013						
First Quarter	\$ 14.91	\$ 16.16	\$ 14.64	8.4%	(1.8)%	\$ 0.40 ⁽⁴⁾
Second Quarter	\$ 14.94	\$ 16.77	\$ 15.01	12.2%	0.5%	\$ 0.36
Third Quarter	\$ 15.06	\$ 16.80	\$ 14.99	11.6%	(0.5)%	\$ 0.36
Fourth Quarter	\$ 15.18	\$ 17.42	\$ 15.98	14.8%	5.3%	\$ 0.41 ⁽⁴⁾
Fiscal year ended December 31, 2014						
First Quarter	\$ 15.32	\$ 17.97	\$ 16.36	17.3%	6.8%	\$ 0.36
Second Quarter	\$ 15.31	\$ 18.31	\$ 15.80	19.6%	3.2%	\$ 0.41 ⁽⁴⁾
Third Quarter	\$ 15.43	\$ 18.31	\$ 16.07	18.7%	4.1%	\$ 0.36
Fourth Quarter	\$ 15.01	\$ 17.47	\$ 15.25	16.4%	1.6%	\$ 0.41 ⁽⁴⁾

- (1) NAV per share is determined as of the last day in the relevant quarter and therefore may not reflect the NAV per share on the date of the high and low sales prices. The NAVs shown are based on outstanding shares at the end of each period.
- (2) The High/Low Stock Price is calculated as of the closing price on a given day in the applicable quarter.
- (3) Calculated as the respective High/Low Stock Price minus the quarter end NAV, divided by the quarter end NAV.
- (4) Includes a special dividend of \$0.05 per share.

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

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

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

Table of Contents**CAPITALIZATION**

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

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

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

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

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

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

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

Table of Contents**SENIOR SECURITIES**

Information about our senior securities is shown in the following table as of the end of each fiscal year ended since the Company commenced operations. The information in the senior securities table below as of the end of each fiscal year has been audited by our independent registered public accounting firm.

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

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

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

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

(4)

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

(5)

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

S-35

Table of Contents

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

- (6) The amount to which such class of senior security would be entitled upon the voluntary liquidation of the issuer in preference to any security junior to it. The " " in this column indicates that the SEC expressly does not require this information to be disclosed for certain types of senior securities.
- (7) Not applicable because our senior securities are not registered for public trading.

Table of Contents

SUPPLEMENT TO U.S. FEDERAL INCOME TAX MATTERS

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

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

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

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

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

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

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

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

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

Table of Contents

PLAN OF DISTRIBUTION

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

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

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

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

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

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

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

Table of Contents

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

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

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

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

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

Other Relationships

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

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

Principal Business Address

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

Table of Contents

LEGAL MATTERS

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

ADDITIONAL INFORMATION

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

We file with or submit to the SEC annual, quarterly and current periodic reports, proxy statements and other information meeting the informational requirements of the Securities Exchange Act. You may obtain free copies of this information, request a free copy of the SAI, the table of contents of which is on page S-41 of this prospectus supplement, and make stockholder inquiries by contacting us at Tennenbaum Capital Partners, LLC, c/o Investor Relations, 2951 28th Street, Suite 1000, Santa Monica, California 90405 or by calling us collect at (310) 566-1094. You may also inspect and copy these reports, proxy statements and other information, as well as the registration statement of which the accompanying prospectus forms a part and the related exhibits and schedules, at the Public Reference Room of the SEC at 100 F Street, N.E., Washington, D.C. 20549. You may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330. Copies of these reports, proxy and information statements and other information may be obtained, after paying a duplicating fee, by electronic request at the following e-mail address: publicinfo@sec.gov, or by writing the SEC's Public Reference Section, 100 F Street, N.E., Washington, D.C. 20549-0102. In addition, the SEC maintains an Internet website that contains reports, proxy and information statements and other information filed electronically by us with the SEC at <http://www.sec.gov>.

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

Table of Contents

TABLE OF CONTENTS OF STATEMENT OF ADDITIONAL INFORMATION

A SAI dated as of March 13, 2015, has been filed with the SEC and is incorporated by reference in this prospectus supplement. An SAI and the material incorporated therein by reference may be obtained without charge by writing to us at Tennenbaum Capital Partners, LLC, c/o Investor Relations, 2951 28th Street, Suite 1000, Santa Monica, California 90405 or by calling us at (310) 566-1094. The Table of Contents of the SAI is as follows:

	Page
<u>The Company</u>	<u>SAI-3</u>
<u>Management of the Company</u>	<u>SAI-5</u>
<u>Distributions</u>	<u>SAI-19</u>
<u>Determination of Net Asset Value</u>	<u>SAI-19</u>
<u>Dividend Reinvestment Plan</u>	<u>SAI-23</u>
<u>Regulation</u>	<u>SAI-24</u>
<u>Brokerage Allocations and Other Practices</u>	<u>SAI-30</u>
	S-41

Table of Contents

INDEX TO FINANCIAL STATEMENTS

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

Financial Statements

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

Special Value Continuation Partners, LP

Financial Statements

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

S-F-1

Table of Contents

Report of Independent Registered Public Accounting Firm

The Board of Directors and Shareholders of
TCP Capital Corp.

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

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

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

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

/s/ Ernst & Young LLP

Los Angeles, California
March 9, 2015

S-F-2

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

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

Edgar Filing: TCP Capital Corp. - Form 497

Composition of net assets applicable to common shareholders

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

See accompanying notes.

S-F-3

Table of Contents

TCP Capital Corp.

Consolidated Statement of Investments

December 31, 2014

Showing Percentage of Total Cash and Investments of the Company

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

Edgar Filing: TCP Capital Corp. - Form 497

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

Edgar Filing: TCP Capital Corp. - Form 497

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

S-F-4

Table of Contents

TCP Capital Corp.

Consolidated Statement of Investments (Continued)

December 31, 2014

Showing Percentage of Total Cash and Investments of the Company

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

Edgar Filing: TCP Capital Corp. - Form 497

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

Edgar Filing: TCP Capital Corp. - Form 497

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

S-F-5

Table of Contents

TCP Capital Corp.

Consolidated Statement of Investments (Continued)

December 31, 2014

Showing Percentage of Total Cash and Investments of the Company

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

Edgar Filing: TCP Capital Corp. - Form 497

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

Table of Contents

TCP Capital Corp.

Consolidated Statement of Investments (Continued)

December 31, 2014

Showing Percentage of Total Cash and Investments of the Company

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

Edgar Filing: TCP Capital Corp. - Form 497

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

Edgar Filing: TCP Capital Corp. - Form 497

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

S-F-7

Table of Contents

TCP Capital Corp.

Consolidated Statement of Investments (Continued)

December 31, 2014

Showing Percentage of Total Cash and Investments of the Company

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

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

Edgar Filing: TCP Capital Corp. - Form 497

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

S-F-8

Table of Contents

TCP Capital Corp.

Consolidated Statement of Investments (Continued)

December 31, 2014

Showing Percentage of Total Cash and Investments of the Company

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

Edgar Filing: TCP Capital Corp. - Form 497

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

S-F-9

Table of Contents

TCP Capital Corp.

Consolidated Statement of Investments (Continued)

December 31, 2014

Showing Percentage of Total Cash and Investments of the Company

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

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

Notes to Consolidated Statement of Investments:

- (A) Investments in bank debt generally are bought and sold among institutional investors in transactions not subject to registration under the Securities Act of 1933. Such transactions are generally subject to contractual restrictions, such as approval of the agent or borrower.
- (B) Non-controlled affiliate as defined under the Investment Company Act of 1940 (ownership of between 5% and 25% of the outstanding voting securities of this issuer). See Consolidated Schedule of Changes in Investments in Affiliates.
- (C) Non-income producing security.
- (D) Principal amount denominated in foreign currency. Amortized cost and fair value converted from foreign currency to US dollars. (See Note 2)
- (E) Restricted security. (See Note 2)
- (F) Controlled issuer as defined under the Investment Company Act of 1940 (ownership of 25% or more of the outstanding voting securities of this issuer). Investment is not more than 50% owned nor deemed to be a significant subsidiary. See Consolidated Schedule of Changes in Investments in Affiliates.
- (G) Investment has been segregated to collateralize certain unfunded commitments.
- (H)

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

- (I) Deemed an investment company under Section 3(c) of the Investment Company Act and as a result the investment is not a qualifying asset under Section 55(a) of the Investment Company Act. Under the Investment Company Act, the Company may not acquire any non-qualifying asset unless, at the time such acquisition is made, qualifying assets represent at least 70% of the Company's total assets.
- (J) Publicly traded company with a market capitalization greater than \$250 million and as a result the investment is not a qualifying asset under Section 55(a) of the Investment Company Act. Under the Investment Company Act, the Company may not acquire any non-qualifying asset unless, at the time such acquisition is made, qualifying assets represent at least 70% of the Company's total assets.
- (K) Negative balances relate to an unfunded commitment that was acquired and valued at a discount.
- (L) In addition to the stated coupon, investment has a back-end fee payable upon repayment of the loan in the amount of 4.0% for Soraa, 8.0% for VitAg, 1.5% for Enerwise, 2.5% for NEXTracker, and 7.0% for Green Biologics.
- (M) All cash and investments, except those referenced in Notes G above, are pledged as collateral under certain debt as described in Note 4 to the Consolidated Financial Statements.

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

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

Aggregate acquisitions and aggregate dispositions of investments, other than government securities, totaled \$669,515,626, and \$266,008,974 respectively, for the twelve months ended December 31, 2014. Aggregate acquisitions includes investment assets received as payment in kind. Aggregate dispositions includes principal paydowns on and maturities of debt investments. The total value of restricted securities and bank debt as of December 31, 2014 was \$1,146,535,883, or 97.7% of total cash and investments of the Company.

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

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

See accompanying notes.

S-F-11

Table of Contents

TCP Capital Corp.

Consolidated Statement of Investments

December 31, 2013

Showing Percentage of Total Cash and Investments of the Company

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

Converted Paper Products Manufacturing

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

Computer Systems Design and Related Services

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

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

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

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

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

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

Data Processing, Hosting, and Related Services

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

Electric Power Generation, Transmission and Distribution

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

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

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

Electrical Equipment and Component Manufacturing

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

Fabricated Metal Product Manufacturing

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

Financial Investment Activities

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

S-F-12

Table of Contents

TCP Capital Corp.

Consolidated Statement of Investments (Continued)

December 31, 2013

Showing Percentage of Total Cash and Investments of the Company

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

Edgar Filing: TCP Capital Corp. - Form 497

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

Merchant Wholesalers

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

Metal Ore Mining

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

Motion Picture and Video Industries

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

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

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

Newspaper, Periodical, Book, and Directory Publishers

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

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

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

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

Nondepository Credit Intermediation

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

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

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

Nonresidential Building Construction

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

Nonscheduled Air Transportation

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

Oil and Gas Extraction

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

Other Telecommunications

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

Table of Contents

TCP Capital Corp.

Consolidated Statement of Investments (Continued)

December 31, 2013

Showing Percentage of Total Cash and Investments of the Company

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

Satellite Telecommunications

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

Scheduled Air Transportation

Aircraft Leased to Delta Air Lines, Inc.

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

Aircraft Leased to United Airlines, Inc.

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

Edgar Filing: TCP Capital Corp. - Form 497

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

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

Scientific Research and Development Services

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

Semiconductor and Other Electronic Component Manufacturing

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

Software Publishers

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

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

S-F-14

Table of Contents

TCP Capital Corp.

Consolidated Statement of Investments (Continued)

December 31, 2013

Showing Percentage of Total Cash and Investments of the Company

Suer	Instrument	Ref	Floor	Spread	Maturity	Principal	Cost	Value	% of Portfolio	Not
Debt Investments (continued)										
Specialty Hospitals										
ABC Healthcare Analytics, Inc.	First Lien Term Loan	LIBOR (Q)	1.00%	9.00%	7/1/2018	\$ 5,526,021	\$ 5,498,391	\$ 5,559,177	0.70%	
Advantage Oncology, LLC	Senior Secured Notes			9.50%	6/15/2017	\$ 5,000,000	5,000,000	5,137,500	0.65%	E
							10,498,391	10,696,677	1.35%	
Structured Note Funds										
Magnolia Finance plc (Cayman Islands)	Asset-Backed Credit Linked Notes	Fixed		13.125%	8/2/2021	\$ 15,000,000	15,000,000	15,000,000	1.90%	E/J
Textile Furnishings Mills										
Exmark Carpet Mills, Inc.	First Lien Term Loan	LIBOR (Q)	1.00%	10.00%	9/30/2018	\$ 16,351,467	15,942,680	16,392,346	2.08%	
Wired Telecommunications Carriers										
Integra Telecom Holdings, Inc.	Second Lien Term Loan	LIBOR (Q)	1.25%	8.50%	2/22/2020	\$ 15,000,000	14,701,027	15,459,375	1.96%	
Wireless Telecommunications Carriers										
Alpheus Communications, LLC	First Lien Delayed FILO Term Loan	LIBOR (Q)	1.00%	6.92%	5/31/2018	\$	(11,183)	(8,437)		M
Alpheus Communications, LLC	First Lien FILO Term Loan	LIBOR (Q)	1.00%	6.92%	5/31/2018	\$ 8,248,124	8,166,127	8,186,263	1.04%	
Globalive Wireless Management Corp. (Canada)	First Lien Term Loan	LIBOR (Q)		10.90%	4/30/2014	\$ 3,037,292	2,933,872	3,067,665	0.39%	J
Logo, LLC	First Lien Term Loan	LIBOR (Q)	1.50%	9.75%	6/21/2017	\$ 19,587,428	18,707,700	21,252,360	2.69%	
							29,796,516	32,497,851	4.12%	
Total Debt Investments							720,651,321	726,514,593	92.05%	

Table of Contents

TCP Capital Corp.

Consolidated Statement of Investments (Continued)

December 31, 2013

Showing Percentage of Total Cash and Investments of the Company

Issuer	Instrument	Ref	Floor	Spread	Maturity	Shares	Cost	Value	% of Portfolio	Notes
Equity Securities										
Architectural, Engineering, and Related Services										
ESP Holdings, Inc.	Cumulative Preferred 15%					20,297	\$ 2,249,930	\$ 3,947,862	0.51%	B/C/E
ESP Holdings, Inc., Common Stock	Common Stock					88,670	9,311,782	2,856,346	0.36%	B/C/E
							11,561,712	6,804,208	0.87%	
Business Support Services										
STG-Fairway Holdings	Class A Units					841,479	1,174,225	1,722,508	0.22%	C/E
Wasserstein Cosmos Co-Invest, L.P.	Limited Partnership Units					5,000,000	5,000,000	5,000,000	0.64%	B/C/E
							6,174,225	6,722,508	0.86%	
Data Processing, Hosting, and Related Services										
Anacomp, Inc.	Class A Common Stock					1,255,527	26,711,048	1,004,422	0.13%	B/C/E
Depository Credit Intermediation										
Doral Financial Corporation	Common Stock					53,890	11,699,417	843,913	0.11%	C/L
Financial Investment Activities										
Marsico Holdings, LLC	Common Interest Units					168,698	172,694	4,302		C/E/K
Full-Service Restaurants										
RM Holdco, LLC	Membership Units					13,161,000	2,010,777			B/C/E
Machine Shops; Turned Product; and Screw, Nut, and Bolt Manufacturing										
Precision Holdings, LLC	Class C Membership Interests					33		41,645	0.01%	C/E
Nonmetallic Mineral Mining and Quarrying										
EPMC HoldCo, LLC	Membership Units					1,312,720		1,562,137	0.20%	B/E
Nonscheduled Air Transportation										

Edgar Filing: TCP Capital Corp. - Form 497

Flight Options Holdings I, Inc.	Warrants to Purchase Common Stock	1,843	1,274,000	1,268,904	0.16% C/E
Radio and Television Broadcasting					
SiTV, Inc.	Warrants to Purchase Common Stock	233,470	300,322	354,874	0.04% C/E
Retail					
Shop Holding, LLC	Class A Unit	490,037	462,576	532,919	0.07% C/E
Shop Holding, LLC	Warrants to Purchase Class A Unit	326,691		38,258	C/E
			462,576	571,177	0.07%
Scheduled Air Transportation					
Aircraft Leased to Delta Air Lines, Inc.					
N913DL	Trust Beneficial Interests	727	97,376	125,970	0.02% E/F
N918DL	Trust Beneficial Interests	623	109,938	142,970	0.02% E/F
N954DL	Trust Beneficial Interests	591	133,027	68,000	0.01% E/F
N955DL	Trust Beneficial Interests	576	133,868	113,560	0.01% E/F
N956DL	Trust Beneficial Interests	580	133,907	108,800	0.01% E/F
N957DL	Trust Beneficial Interests	576	134,785	109,650	0.01% E/F
N959DL	Trust Beneficial Interests	573	135,658	110,500	0.01% E/F
N960DL	Trust Beneficial Interests	563	139,173	109,650	0.01% E/F
N961DL	Trust Beneficial Interests	570	138,350	103,870	0.01% E/F
N976DL	Trust Beneficial Interests	654	113,413	103,033	0.01% E/F

Edgar Filing: TCP Capital Corp. - Form 497

Aircraft Leased to
United Airlines, Inc.

N510UA	Trust Beneficial Interests	54	197,409	465,625	0.06% B/E
N512UA	Trust Beneficial Interests	53	193,046	458,277	0.06% B/E
N536UA	Trust Beneficial Interests	81	396,289	656,766	0.08% B/E
N545UA	Trust Beneficial Interests	67	348,071	641,840	0.08% B/E
N585UA	Trust Beneficial Interests	53	214,737	571,706	0.07% B/E
United N659UA-767, LLC (N659UA)	Trust Beneficial Interests	412	2,097,640	2,840,323	0.36% E/F
United N661UA-767, LLC (N661UA)	Trust Beneficial Interests	400	2,066,062	2,852,677	0.36% E/F
			6,782,749	9,583,217	1.19%

S-F-16

Table of Contents

TCP Capital Corp.

Consolidated Statement of Investments (Continued)

December 31, 2013

Showing Percentage of Total Cash and Investments of the Company

Issuer	Instrument	RefFloor	Spread	Maturity	Shares	Cost	Value	% of Portfolio	Notes
Equity Securities (continued)									
Resin, Synthetic Rubber, and Artificial Synthetic Fibers and Filaments Manufacturing									
KAGY Holding Company, Inc.	Series A Preferred Stock				9,778	\$ 1,091,200	\$ 662,134	0.08%	B/C/E
Semiconductor and Other Electronic Component Manufacturing									
AIP/IS Holdings, LLC	Membership Units				352		229,504	0.03%	C/E
Software Publishers									
SLS Breeze Intermediate Holdings, Inc.	Warrants to Purchase Common Stock				1,232,731	522,678	561,632	0.07%	C/E
Wired Telecommunications Carriers									
Integra Telecom, Inc.	Common Stock				1,274,522	8,433,884	5,583,686	0.72%	C/E
Integra Telecom, Inc.	Warrants				346,939	19,920	194,050	0.02%	C/E
V Telecom Investment S.C.A (Luxembourg)	Common Shares				1,393	3,236,256	3,756,053	0.48%	C/D/E/J
						11,690,060	9,533,789	1.22%	
Total Equity Securities						80,453,458	39,748,366	5.04%	
Total Investments						801,104,779	766,262,959		
Cash and Cash Equivalents									
Wells Fargo & Company	Overnight Repurchase Agreement	Fixed	0.09%	1/2/2014			10,501,688	1.33%	
Union Bank of California	Commercial Paper	Fixed	0.10%	1/2/2014			8,499,976	1.07%	
							121,389	0.02%	

Cash Denominated in Foreign Currencies		0.00%
Cash Denominated in Foreign Currencies		0.00%
Cash Held on Account at Various Institutions	3,861,129	0.49%
Cash and Cash Equivalents	22,984,182	2.91%
Total Cash and Investments	\$ 789,247,141	100.00%I

Notes to Consolidated Statement of Investments:

- (A) Investments in bank debt generally are bought and sold among institutional investors in transactions not subject to registration under the Securities Act of 1933. Such transactions are generally subject to contractual restrictions, such as approval of the agent or borrower.
- (B) Non-controlled affiliate as defined under the Investment Company Act of 1940 (ownership of between 5% and 25% of the outstanding voting securities of this issuer). See Consolidated Schedule of Changes in Investments in Affiliates.
- (C) Non-income producing security.
- (D) Principal amount denominated in foreign currency. Amortized cost and fair value converted from foreign currency to US dollars. (See Note 2)
- (E) Restricted security. (See Note 2)
- (F) Controlled issuer as defined under the Investment Company Act of 1940 (ownership of 25% or more of the outstanding voting securities of this issuer). Investment is not more than 50% owned nor deemed to be a significant subsidiary. See Consolidated Schedule of Changes in Investments in Affiliates.
- (G)

Investment has been segregated to collateralize certain unfunded commitments.

- (H) \$2,000,000 principal amount of this investment has been segregated to collateralize certain unfunded commitments.
- (I) All cash and investments, except those referenced in Notes G and H above, are pledged as collateral under the Revolving Facilities as described in Note 4 to the Consolidated Financial Statements.
- (J) Non-U.S. company or principal place of business outside the U.S. and as a result the investment is not a qualifying asset under Section 55(a) of the Investment Company Act. Under the Investment Company Act, the Company may not acquire any non-qualifying asset unless, at the time such acquisition is made, qualifying assets represent at least 70% of the Company's total assets.
- (K) Deemed an investment company under Section 3(c) of the Investment Company Act and as a result the investment is not a qualifying asset under Section 55(a) of the Investment Company Act. Under the Investment Company Act, the Company may not acquire any non-qualifying asset unless, at the time such acquisition is made, qualifying assets represent at least 70% of the Company's total assets.
- (L) Publicly traded company with a market capitalization greater than \$250 million and as a result the investment is not a qualifying asset under Section 55(a) of the Investment Company Act. Under the Investment Company Act, the Company may not acquire any non-qualifying asset unless, at the time such acquisition is made, qualifying assets represent at least 70% of the Company's total assets.

Table of Contents**TCP Capital Corp.****Consolidated Statement of Investments (Continued)****December 31, 2013****Showing Percentage of Total Cash and Investments of the Company**

(M)

Negative balances relate to an unfunded commitment that was acquired at a discount.

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

Aggregate acquisitions and aggregate dispositions of investments, other than government securities, totaled \$471,087,319, and \$235,641,665, respectively for the year ended December 31, 2013. Aggregate acquisitions includes investment assets received as payment in kind. Aggregate dispositions includes principal paydowns on and maturities of debt investments. The total value of restricted securities and bank debt as of December 31, 2013 was \$765,419,046, or 97.0% of total cash and investments of the Company.

Options and Swaps at December 31, 2013 were as follows:

Investment	Notional Amount	Fair Value
Interest Rate Cap, 4%, expires 5/15/2016	\$ 25,000,000	\$ 14,139
Euro/US Dollar Cross-Currency Basis Swap, Pay Euros/Receive USD, Expires 3/31/17	\$ 4,289,019	\$ (331,183)

See accompanying notes.

S-F-18

Table of Contents

TCP Capital Corp.

Consolidated Statements of Operations

	Year Ended December 31,		
	2014	2013	2012 (1)
Investment income			
Interest income:			
Companies less than 5% owned	\$ 94,632,495	\$ 60,323,117	\$ 42,139,023
Companies 5% to 25% owned	5,394,075	5,445,021	5,850,394
Companies more than 25% owned	896,695	1,210,926	1,253,915
Dividend income:			
Companies 5% to 25% owned	1,968,748		1,811,189
Lease income:			
Companies 5% to 25% owned	320,277	420,375	332,964
Companies more than 25% owned	1,014,053	701,239	490,066
Other income:			
Companies less than 5% owned	2,328,980	1,470,116	289,073
Companies 5% to 25% owned	26,125	38,252	26,135
Total investment income	106,581,448	69,609,046	52,192,759
Operating expenses			
Management and advisory fees	13,646,064	8,820,229	6,908,942
Interest expense	7,010,215	1,194,158	190,702
Amortization of deferred debt issuance costs	1,926,040	852,618	441,495
Administrative expenses	1,421,863	849,228	
Legal fees, professional fees and due diligence expenses	1,355,370	797,568	1,165,318
Commitment fees	885,496	292,671	225,560
Director fees	357,050	288,336	199,333
Insurance expense	288,156	189,139	130,140
Custody fees	229,254	149,860	99,947
Professional fees relating to the Conversion			411,523
Other operating expenses	1,360,564	867,353	619,461
Total operating expenses	28,480,072	14,301,160	10,392,421
Net investment income before taxes	78,101,376	55,307,886	41,800,338
Excise tax expense	808,813	977,624	1,479,978
Net investment income	77,292,563	54,330,262	40,320,360
Net realized and unrealized gain (loss) on investments and foreign currency			
Net realized loss:			
Investments in companies less than 5% owned	(16,370,638)	(40,379,889)	(29,574,293)
Investments in companies 5% to 25% owned	(4,748,229)	(7,004,857)	13,584,105

Edgar Filing: TCP Capital Corp. - Form 497

Net realized loss	(21,118,867)	(47,384,746)	(15,990,188)
Net change in net unrealized appreciation/depreciation	(6,185,711)	56,456,107	3,205,937
Net realized and unrealized gain (loss)	(27,304,578)	9,071,361	(12,784,251)
Dividends on Series A preferred equity facility	(1,444,634)	(1,516,585)	(1,542,932)
Net change in accumulated dividends on Series A preferred equity facility	6,462	22,033	(59,867)
Distributions of incentive allocation to the General Partner from:			
Net investment income	(15,170,877)	(10,567,142)	
Net realized gains		(645,691)	
Net change in reserve for incentive allocation	1,168,583	(1,168,583)	
Net increase in net assets applicable to common shareholders resulting from operations	\$ 34,547,519	\$ 49,525,655	\$ 25,933,310

Basic and diluted earnings per common share	\$ 0.88	\$ 1.91	\$ 1.21
--	----------------	----------------	----------------

Basic and diluted weighted average common shares outstanding	39,395,671	25,926,493	21,475,847
---	-------------------	-------------------	-------------------

(1) Prior to the Conversion on April 2, 2012, the Company's portfolio had different objectives.

See accompanying notes.

S-F-19

Table of Contents

TCP Capital Corp.

Consolidated Statements of Changes in Net Assets

	Common Stock			Paid in	Accumulated	Accumulated	Accumulated	Total
	Shares	Par Amount	Capital in Excess of Par	Net Investment Income	Net Realized Losses	Net Unrealized Depreciation	Non-controlling Interest	Net Assets
Balance at December 31, 2011	418,956	\$ 419	\$ 364,742,957	\$ 13,515,239	\$ (45,411,498)	\$ (94,976,243)		\$ 237,870,874
Retirement of old common stock in the Conversion	(418,956)	(419)	419					
Issuance of common stock in the Conversion	15,725,635	15,726	(15,726)					
Issuance of common stock in public offering	5,750,000	5,750	80,956,005					80,961,755
Issuance of common stock from dividend reinvestment plan	1,993	2	30,383					30,385
Net investment income				40,320,360				40,320,360
Realized and unrealized gains (losses)					(15,990,188)	3,205,937		(12,784,251)
Dividends on Series A preferred equity facility				(1,602,799)				(1,602,799)
General Partner incentive allocation								
Regular dividends paid to common				(27,734,951)				(27,734,951)

Edgar Filing: TCP Capital Corp. - Form 497

shareholders							
Special dividends paid to common shareholders				(1,073,823)			(1,073,823)
Tax reclassification of stockholders' equity in accordance with generally accepted accounting principles			(1,479,978)	(897,847)	2,377,825		
Balance at December 31, 2012	21,477,628	\$ 21,478	\$ 444,234,060	\$ 22,526,179	\$ (59,023,861)	\$ (91,770,306)	\$ 315,987,550
Issuance of common stock in public offering, net	14,720,000	14,720	224,548,170				224,562,890
Issuance of common stock from dividend reinvestment plan	2,288	2	37,414				37,416
Net investment income				54,330,262			54,330,262
Realized and unrealized gains (losses)					(47,384,746)	56,456,107	9,071,361
Dividends on Series A preferred equity facility				(1,494,552)			(1,494,552)
General Partner incentive allocation				(10,567,142)	(645,691)	(1,168,583)	(12,381,416)
Regular dividends paid to common shareholders				(37,877,134)			(37,877,134)
Special dividends paid to common shareholders				(2,625,122)			(2,625,122)
			(977,624)	(276,396)	1,254,020		

Edgar Filing: TCP Capital Corp. - Form 497

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

Balance at December 31, 2013	36,199,916	\$ 36,200	\$ 667,842,020	\$ 24,016,095	\$ (105,800,278)	\$ (35,314,199)	\$ (1,168,583)	\$ 549,611,255
Issuance of common stock in public offering, net	12,110,000	12,110	201,127,367					201,139,477
Issuance of common stock from at the market offerings, net	400,255	400	6,420,026					6,420,426
Issuance of common stock from dividend reinvestment plan	456		7,687					7,687
Issuance of convertible debt			2,515,594					2,515,594
Net investment income				77,292,563				77,292,563
Realized and unrealized gains (losses)					(21,118,867)	(6,185,711)		(27,304,578)
Dividends on Series A preferred equity facility				(1,438,172)				(1,438,172)
General Partner incentive allocation				(15,170,877)			1,168,583	(14,002,294)
Regular dividends paid to common shareholders				(58,867,403)				(58,867,403)
Special dividends paid				(4,245,526)				(4,245,526)

to common shareholders								
Tax reclassification of stockholders' equity in accordance with generally accepted accounting principles		(808,813)	297,701	511,112				
Balance at December 31, 2014	48,710,627	\$ 48,710	\$ 877,103,880	\$ 21,884,381	\$ (126,408,033)	\$ (41,499,910)	\$	\$ 731,129,028

See accompanying notes.

S-F-20

TCP Capital Corp.

Consolidated Statements of Cash Flows

	Year Ended December 31,		
	2014	2013	2012
Operating activities			
Net increase in net assets applicable to common shareholders resulting from operations	\$ 34,547,519	\$ 49,525,655	\$ 25,933,310
Adjustments to reconcile net increase in net assets applicable to common shareholders resulting from operations to net cash used in operating activities:			
Net realized loss	21,118,867	47,384,746	15,990,188
Net change in unrealized appreciation/depreciation of investments	6,085,664	(55,997,303)	(3,450,486)
Dividends paid on Series A preferred equity facility	1,444,634	1,516,585	1,542,932
Net change in accumulated dividends on Series A preferred equity facility	(6,462)	(22,033)	59,867
Net change in reserve for incentive allocation	(1,168,583)	1,168,583	
Accretion of original issue discount on investments	(4,843,641)	(2,017,458)	(1,176,644)
Net accretion of market discount/premium	(1,162,316)	(2,007,794)	(2,287,656)
Accretion of original issue discount on convertible debt	212,424		
Interest and dividend income paid in kind	(6,045,878)	(2,620,046)	(2,769,478)
Amortization of deferred debt issuance costs	1,926,040	852,618	441,495
Changes in assets and liabilities:			
Purchases of investment securities	(663,469,748)	(468,467,273)	(356,251,448)
Proceeds from sales, maturities and paydowns of investments	266,008,974	235,641,665	211,216,033
Decrease (increase) in accrued interest income companies less than 5% owned	(2,939,648)	(2,243,204)	1,466,278
Decrease (increase) in accrued interest income companies 5% to 25% owned	161,074	67,573	300,741
Decrease (increase) in accrued interest income companies more than 25% owned	13,241	11,833	(53,524)
Decrease (increase) in receivable for investments sold	(7,355,405)	4,121,451	(3,430,145)
Decrease (increase) in prepaid expenses and other assets	(1,423,449)	(408,046)	1,419,558
Increase (decrease) in payable for investments purchased	(12,657,424)	(7,107,877)	21,546,908
Increase (decrease) in payable to the Investment Manager	(661,281)	1,011,908	(116,900)
Decrease in management and advisory fees payable			(565,599)
Increase in interest payable	1,080,012	311,736	43,565
Increase in incentive allocation payable	984,140	3,318,900	
Increase (decrease) in accrued expenses and other liabilities	83,773	450,995	1,704,082
Net cash used in operating activities	(368,067,473)	(195,506,786)	(88,436,923)

Financing activities			
Borrowings	671,500,000	283,000,000	184,000,000
Repayments of debt	(435,500,000)	(262,000,000)	(139,000,000)
Payments of debt issuance costs	(6,657,943)	(3,125,685)	
Dividends paid on Series A preferred equity facility	(1,444,634)	(1,516,585)	(1,542,932)
Regular dividends paid to common shareholders	(58,867,403)	(37,877,134)	(27,734,951)
Special dividends paid to common shareholders	(4,245,526)	(2,625,122)	(1,073,823)
Proceeds from shares issued in connection with dividend reinvestment plan	7,687	37,416	30,385
Proceeds from common shares sold, net of underwriting and offering costs	207,559,903	224,562,890	80,961,755
Net cash provided by financing activities	372,352,084	200,455,779	95,640,434
Net increase in cash and cash equivalents	4,284,610	4,948,993	7,203,511
Cash and cash equivalents at beginning of period	22,984,182	18,035,189	10,831,678
Cash and cash equivalents at end of period	\$ 27,268,792	\$ 22,984,182	\$ 18,035,189

Supplemental cash flow information

Interest payments	\$ 5,717,779	\$ 352,084	\$ 147,137
Excise tax payments	938,460	969,946	502,978

See accompanying notes.

S-F-21

Table of Contents

TCP Capital Corp.

Notes to Consolidated Financial Statements

December 31, 2014

1. Organization and Nature of Operations

TCP Capital Corp. (the "Company") is a Delaware corporation formed on April 2, 2012 as an externally managed, closed-end, non-diversified management investment company. The Company elected to be treated as a business development company ("BDC") under the Investment Company Act of 1940, as amended (the "1940 Act"). The Company's investment objective is to achieve high total returns through current income and capital appreciation, with an emphasis on principal protection. The Company invests primarily in the debt of middle-market companies as well as small businesses, including senior secured loans, junior loans, mezzanine debt and bonds. Such investments may include an equity component, and, to a lesser extent, the Company may make equity investments directly.

The Company was formed through the conversion on April 2, 2012 of the Company's predecessor, Special Value Continuation Fund, LLC ("SVCF"), from a limited liability company to a corporation in a non-taxable transaction, leaving the Company as the surviving entity (the "Conversion"). At the time of the Conversion, all limited liability company interests were exchanged for 15,725,635 shares of common stock in the Company. As a result of the Conversion, the books and records of SVCF have become the books and records of the surviving entity. On April 3, 2012, the Company completed its initial public offering. For periods prior to April 2, 2012, the consolidated financial statements and related footnotes reflect the performance of SVCF. Per share amounts prior to the conversion are not considered useful and have been marked as "N/A" in the consolidated financial statements.

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

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

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

S-F-22

Table of Contents

TCP Capital Corp.

Notes to Consolidated Financial Statements (Continued)

December 31, 2014

1. Organization and Nature of Operations (continued)

Company management consists of the Investment Manager and the Board of Directors. Partnership management consists of the General Partner and the Board of Directors. The Investment Manager and the General Partner direct and execute the day-to-day operations of the Company and the Partnership, respectively, subject to oversight from the respective Board of Directors, which sets the broad policies of the Company and performs certain functions required by the 1940 Act in the case of the Partnership.

The Board of Directors of the Partnership has delegated investment management of the Partnership's assets to the Investment Manager. Each Board of Directors consists of five persons, three of whom are independent. If the Company or the Partnership has preferred equity interests outstanding, as the Partnership currently does, the holders of the preferred interests voting separately as a class are entitled to elect two of the Directors. The remaining directors will be subject to election by holders of the common shares and preferred interests voting together as a single class.

2. Summary of Significant Accounting Policies

Basis of Presentation

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

Reclassifications

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

Use of Estimates

The preparation of the financial statements 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, as well as the reported amounts of revenues and expenses during the reporting period. Although management believes these estimates and assumptions to be reasonable, actual results could differ from those estimates and differences could be material.

Investment Valuation

The Company's investments are generally held by the Partnership, TCPC Funding, or the SBIC. Management values investments at fair value in accordance with GAAP, based upon the principles and methods of valuation set forth in policies adopted by the Partnership's Board of Directors and in conformity with procedures set forth in the Revolving Facilities and the statement of preferences for the Preferred Interests, as defined in Note 4, below.

Table of Contents

TCP Capital Corp.

Notes to Consolidated Financial Statements (Continued)

December 31, 2014

2. Summary of Significant Accounting Policies (continued)

Fair value is generally defined as the amount for which an investment would be sold in an orderly transaction between market participants at the measurement date.

All investments are valued at least quarterly based on affirmative pricing or quotations from independent third-party sources, with the exception of investments priced directly by the Investment Manager which together comprise, in total, less than 5% of the capitalization of the Partnership. Investments listed on a recognized exchange or market quotation system, whether U.S. or foreign, are valued for financial reporting purposes as of the last business day of the reporting period using the closing price on the date of valuation. Liquid investments not listed on a recognized exchange or market quotation system are valued using prices provided by a nationally recognized pricing service or by using quotations from broker-dealers. Investments not priced by a pricing service or for which market quotations are either not readily available or are determined to be unreliable are valued using affirmative valuations performed by independent valuation services or, for investments aggregating less than 5% of the total capitalization of the Partnership, directly by the Investment Manager.

Fair valuations of investments are determined under our documented valuation policy that has been reviewed and approved by the Boards of Directors of the Company and the Partnership, and are subject to their approval in good faith. Generally, to increase objectivity in valuing the investments, the Investment Manager will utilize external measures of value, such as public markets or third-party transactions, whenever possible. The Investment Manager's valuation is not based on long-term work-out value, immediate liquidation value, nor incremental value for potential changes that may take place in the future. The values assigned to investments that are valued by the Investment Manager are based on available information and do not necessarily represent amounts that might ultimately be realized, as these amounts depend on future circumstances and cannot reasonably be determined until the individual investments are actually liquidated. The foregoing policies apply to all investments, including those in companies and groups of affiliated companies aggregating more than 5% of the Company's assets.

Fair valuations of investments in each asset class are determined using one or more methodologies including the market approach, income approach, or, in the case of recent investments, the cost approach, as appropriate. The market approach uses prices and other relevant information generated by market transactions involving identical or comparable assets. The income approach uses valuation techniques to convert future amounts (for example, cash flows or earnings) to a single present value amount (discounted). The measurement is based on the value indicated by current market expectations about those future amounts. In following these approaches, the types of factors that may be taken into account include, as relevant: available current market data, including relevant and applicable market trading and transaction comparables, applicable market yields and multiples, security covenants, call protection provisions, information rights, the nature and realizable value of any collateral, the portfolio company's ability to make payments, its earnings and discounted cash flows, the markets in which the portfolio company does business, comparisons of financial ratios of peer companies that are public, merger and acquisition comparables, the principal market in which the investment trades and enterprise values, among other factors.

Table of Contents

TCP Capital Corp.

Notes to Consolidated Financial Statements (Continued)

December 31, 2014

2. Summary of Significant Accounting Policies (continued)

Unobservable inputs used in the fair value measurement of Level 3 investments as of December 31, 2014 included the following:

Asset Type	Fair Value	Valuation Technique	Unobservable Input	Range (Weighted Avg.)
Bank Debt	\$ 600,260,796	Market rate approach	Market yields	4.2% - 21.4%
			Indicative bid/ask	(11.8%)
	213,981,543	Market quotations	quotes	1 - 2 (1)
	15,192,545	Market comparable companies	Revenue multiples	0.4x (0.4x)
	11,103,295	Market comparable companies	EBITDA multiples	6.5x - 7.8x (7.0x)
Other Corporate Debt	67,691	Market rate approach	Market yields	19.8% (19.8%)
			Indicative bid/ask	
	47,536,522	Market quotations	quotes	1 - 6 (2)
	13,628,940	Market comparable companies	EBITDA multiples	7.8x - 10.5x (8.7x)
Equity	7,329,504	Market rate approach	Market yields	6.0% - 18.0%
			Indicative bid/ask	(7.7%)
	4,463,532	Market quotations	quotes	1 - 2 (1)
	916,535	Market comparable companies	Revenue multiples	0.4x - 1.1x (1.1x)
	20,233,200	Market comparable companies	EBITDA multiples	4.6x - 8.0x (6.6x)
	\$ 934,714,103			

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

Input	Impact to Value if Input Increases	Impact to Value if Input Decreases
Market yields	Decrease	Increase
Revenue multiples	Increase	Decrease
EBITDA multiples	Increase	Decrease

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

between levels are recognized as of the beginning of the reporting period.

S-F-25

Table of Contents

TCP Capital Corp.

Notes to Consolidated Financial Statements (Continued)

December 31, 2014

2. Summary of Significant Accounting Policies (continued)

At December 31, 2014, the Company's investments were categorized as follows:

Level	Basis for Determining Fair Value	Bank Debt	Other Corporate Debt	Equity Securities
1	Quoted prices in active markets for identical assets	\$	\$	\$
2	Other observable market inputs *	131,946,338	79,875,445	
3	Independent third-party pricing sources that employ significant unobservable inputs	840,538,179	56,621,975	30,618,142
3	Investment Manager valuations with significant unobservable inputs		4,611,178	2,324,629
Total		\$ 972,484,517	\$ 141,108,598	\$ 32,942,771

*

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

Changes in investments categorized as Level 3 during the year ended December 31, 2014 were as follows:

	Bank Debt	Other Corporate Debt	Equity Securities
Beginning balance	\$ 515,953,643	\$ 53,334,634	\$ 36,066,746
Net realized and unrealized gains (losses)	(16,044,779)	(6,935,629)	(2,582,999)
Acquisitions	567,677,189	7,470,587	7,136,219
Dispositions	(171,906,580)	(22,549,239)	(9,646,950)
Transfers out of Level 3	(59,202,094)		
Transfers into Level 3		25,301,622	
Reclassifications within Level 3 §	4,060,800		(354,874)
Ending balance	\$ 840,538,179	\$ 56,621,975	\$ 30,618,142
Net change in unrealized appreciation/ depreciation during the period on investments still held at period end (included in net realized and unrealized gains/losses, above)	\$ (8,158,271)	\$ (5,915,319)	\$ (779,140)

Comprised of six investments that transferred to Level 2 due to increased observable market activity.

Comprised of two investments that transferred from Level 2 due to reduced trading volumes.

§

Comprised of one investment that reclassified from Investment Manager Valuation and one that reclassified to Investment Manager Valuation.

S-F-26

Table of Contents

TCP Capital Corp.

Notes to Consolidated Financial Statements (Continued)

December 31, 2014

2. Summary of Significant Accounting Policies (continued)

	Investment Manager Valuation		
		Other Corporate Debt	Equity Securities
	Bank Debt		
Beginning balance	\$ 4,060,800	\$ 7,631,335	\$ 2,837,707
Net realized and unrealized losses		(506,374)	(101,443)
Acquisitions		4,585,133	230,939
Dispositions		(7,098,916)	(997,448)
Reclassifications within Level 3 **	(4,060,800)		354,874
Ending balance	\$	\$ 4,611,178	\$ 2,324,629
Net change in unrealized appreciation/ depreciation during the period on investments still held at period end (included in net realized and unrealized gains/losses, above)	\$	\$ 164,526	\$ (1,098,891)

**

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

There were no transfers between Level 1 and 2 during the year ended December 31, 2014.

At December 31, 2013, the Company's investments were categorized as follows:

Level	Basis for Determining Fair Value	Bank Debt	Other Corporate Debt	Equity Securities
1	Quoted prices in active markets for identical assets	\$	\$	\$ 843,913
2	Other observable market inputs *	68,221,814	77,312,367	
3	Independent third-party pricing sources that employ significant unobservable inputs	515,953,643	53,334,634	36,066,746
3	Investment Manager valuations with significant unobservable inputs	4,060,800	7,631,335	2,837,707
Total		\$ 588,236,257	\$ 138,278,336	\$ 39,748,366

*

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

S-F-27

Table of Contents

TCP Capital Corp.

Notes to Consolidated Financial Statements (Continued)

December 31, 2014

2. Summary of Significant Accounting Policies (continued)

Changes in investments categorized as Level 3 during the year ended December 31, 2013 were as follows:

	Independent Third-Party Valuation		
	Bank Debt	Other Corporate Debt	Equity Securities
Beginning balance	\$ 359,343,326	\$ 17,171,637	\$ 32,675,370
Net realized and unrealized gains (losses)	1,250,413	7,294,073	(4,419,997)
Acquisitions	303,602,832	38,349,618	18,222,765
Dispositions	(138,765,762)	(15,172,634)	(8,258,531)
Transfers out of Level 3	(58,651,283)	(10,300,000)	
Transfers into Level 3	49,174,117	15,991,940	
Reclassifications within Level 3 §			(2,152,861)
Ending balance	\$ 515,953,643	\$ 53,334,634	\$ 36,066,746
Net change in unrealized appreciation/ depreciation during the period on investments still held at period end (included in net realized and unrealized gains/losses, above)	\$ 3,649,723	\$ 1,090,962	\$ 745,675

Comprised of nine investments that transferred to Level 2 due to increased observable market activity.

Comprised of six investments that transferred from Level 2 due to reduced trading volumes.

§

Comprised of one investment that was reclassified to Investment Manager Valuation.

	Investment Manager Valuation		
	Bank Debt	Other Corporate Debt	Equity Securities
Beginning balance	\$	\$ 7,167,458	\$ 1,424,764
Net realized and unrealized gains (losses)	520,800	323,658	904,068
Acquisitions	3,540,000	140,219	
Dispositions			(1,643,986)
Reclassifications within Level §			2,152,861
Ending balance	\$ 4,060,800	\$ 7,631,335	\$ 2,837,707

Net change in unrealized appreciation/ depreciation during the period on investments still held at period end (included in net realized and unrealized gains/losses, above)	\$	520,800	\$	323,658	\$	(659,522)
---	----	---------	----	---------	----	-----------

§

Comprised of one investment that was reclassified from Independent Third-Party Valuation.

There were no transfers between Level 1 and 2 during the year ended December 31, 2013.

S-F-28

Table of Contents

TCP Capital Corp.

Notes to Consolidated Financial Statements (Continued)

December 31, 2014

2. Summary of Significant Accounting Policies (continued)

Investment Transactions

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

Cash and Cash Equivalents

Cash consists of amounts held in accounts with brokerage firms and the custodian bank. Cash equivalents consist of highly liquid investments with an original maturity of generally three months or less.

Repurchase Agreements

In connection with transactions in repurchase agreements, it is the Company's policy that the custodian take possession of the underlying collateral, the fair value of which is required to exceed the principal amount of the repurchase transaction, including accrued interest, at all times. If the seller defaults, and the fair value of the collateral declines, realization of the collateral may be delayed or limited.

Restricted Investments

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

Foreign Investments

The Company may invest in instruments traded in foreign countries and denominated in foreign currencies. Foreign currency denominated investments comprised approximately 1.7% and 2.7% of total investments at December 31, 2014 and December 31, 2013, respectively. Such positions were converted at the respective closing rate in effect at December 31, 2014 and December 31, 2013 and reported in U.S. dollars. Purchases and sales of investments and income and expense items denominated in foreign currencies, when they occur, are translated into U.S. dollars on the respective dates of such transactions. The portion of gains and losses on foreign investments resulting from fluctuations in foreign currencies is included in net realized and unrealized gain or loss from investments.

Table of Contents**TCP Capital Corp.****Notes to Consolidated Financial Statements (Continued)****December 31, 2014****2. Summary of Significant Accounting Policies (continued)**

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

Derivatives

In order to mitigate certain currency exchange and interest rate risks, the Partnership has entered into certain swap and option transactions. All derivatives are recognized as either assets or liabilities in the Consolidated Statement of Assets and Liabilities. The transactions entered into are accounted for using the mark-to-market method with the resulting change in fair value recognized in earnings for the current period. Risks may arise upon entering into these contracts from the potential inability of counterparties to meet the terms of their contracts and from unanticipated movements in interest rates and the value of foreign currency relative to the U.S. dollar.

The Partnership did not enter into any new derivative transactions during the year ended December 31, 2014. At December 31, 2014, the Partnership held an interest rate cap with a notional amount of \$25,000,000 and a cross currency basis swap with a notional amount of \$4,289,019. Gains and losses from derivatives during the year ended December 31, 2014 were included in net realized and unrealized loss on investments in the Consolidated Statement of Operations as follows:

Instrument	Realized Gains (Losses)	Unrealized Gains (Losses)
Cross currency basis swap	\$	\$ 2,048,793
Interest rate cap		(13,642)

During the year ended December 31, 2013, the Partnership purchased an interest rate cap with a notional amount of \$25,000,000. During the year ended December 31, 2013, the Partnership exited a cross currency basis swap with a notional amount of \$6,040,944, and entered into a new cross currency basis swap with a notional amount of \$4,289,019. Gains and losses from derivatives during the year ended December 31, 2013 were included in net realized and unrealized loss on investments in the Consolidated Statement of Operations as follows:

Instrument	Realized Gains (Losses)	Unrealized Gains (Losses)
Cross currency basis swap	\$	\$ (331,183)
Interest rate cap		(37,611)

S-F-30

Table of Contents

TCP Capital Corp.

Notes to Consolidated Financial Statements (Continued)

December 31, 2014

2. Summary of Significant Accounting Policies (continued)

Valuations of derivatives held at December 31, 2014 and December 31, 2013 were determined using observable market inputs other than quoted prices in active markets for identical assets and, accordingly, are classified as Level 2 in the GAAP valuation hierarchy.

Debt Issuance Costs

Costs of approximately \$1.5 million were incurred during 2013 in connection with the extension of the Partnership's revolving credit facility (see Note 4). Costs of approximately \$1.6 million and \$1.8 million were incurred during 2013 and 2014 in connection with placing and extending TCPC Funding's revolving credit facility (see Note 4), respectively. Costs of approximately \$3.4 million were incurred in June 2014 in connection with placing the Company's unsecured convertible notes (see Note 4). Costs of approximately \$1.5 million were incurred during 2014 in connection with placing TCPC SBIC's SBA debentures (see Note 4). These costs were deferred and are being amortized on a straight-line basis over the estimated life of the respective instruments. The impact of utilizing the straight-line amortization method versus the effective-interest method is not material to the operations of the Company or the Partnership.

Revenue Recognition

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

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

Income Taxes

The Company intends to comply with the applicable provisions of the Internal Revenue Code of 1986, as amended, pertaining to regulated investment companies and to make distributions of taxable income sufficient to relieve it from substantially all federal income taxes. Accordingly, no provision for income taxes is required in the consolidated financial statements. The income or loss of the Partnership, TCPC Funding and the SBIC is reported in the respective partners' income tax returns. In accordance with ASC Topic 740 *Income Taxes*, the Company recognizes in its consolidated financial statements the effect of a tax position when it is determined that such position is more likely than not, based on the technical

Table of Contents**TCP Capital Corp.****Notes to Consolidated Financial Statements (Continued)****December 31, 2014****2. Summary of Significant Accounting Policies (continued)**

merits, to be sustained upon examination. As of December 31, 2014, all tax years of the Company, the Partnership, TCPC Funding and the SBIC since January 1, 2011 remain subject to examination by federal tax authorities. No such examinations are currently pending.

During the year ended December 31, 2014, the Company accrued \$808,813 in excise taxes related to income earned in 2014 and paid \$938,460 in excise taxes related to income earned in 2013. During the year ended December 31, 2013, the Company paid \$969,946 in excise taxes related to income earned in 2012. During the year ended December 31, 2012, the Company paid \$502,978 in excise taxes related to income earned in 2011.

Income and capital gain distributions are determined in accordance with income tax regulations, which may differ from GAAP. Capital accounts within the financial statements are adjusted at year end for permanent book and tax differences. At December 31, 2014, the Company reclassified \$808,813 in excise tax expenses from accumulated net investment income to paid-in capital, \$17,846 in foreign currency gains from accumulated net realized losses to accumulated net investment income, and \$528,959 in certain investment income from accumulated net investment income to accumulated net realized losses. At December 31, 2013, the Company reclassified \$977,624 in excise tax expenses from accumulated net investment income to paid-in capital, \$47,326 in foreign currency losses from accumulated net realized losses to accumulated net investment income, and \$1,206,694 in certain investment income from accumulated net investment income to accumulated net realized losses. At December 31, 2012, the Company reclassified \$2,377,825 in foreign currency losses from accumulated net realized losses to accumulated net investment income and \$1,479,978 in excise tax expenses from accumulated net investment income to paid-in capital. Temporary differences are primarily attributable to differing book and tax treatments for the timing of the recognition of gains and losses on certain investment transactions, and will reverse in subsequent periods.

The tax-basis components of distributable earnings (accumulated deficit) applicable to the common shareholders of the Company and the cost and unrealized appreciation and depreciation of investments (including derivatives) for U.S. federal income tax purposes at December 31, 2014 and December 31, 2013 were as follows:

	December 31, 2014	December 31, 2013
Undistributed ordinary income	\$ 23,253,013	\$ 24,219,834
Capital loss carryforwards	(109,786,977)	(60,301,810)
Post-October capital loss deferrals	(16,301,455)	(45,178,866)
Unrealized appreciation	\$ 32,342,656	\$ 31,095,792
Unrealized depreciation	(73,638,935)	(66,306,406)
Net unrealized depreciation	(41,296,279)	(35,210,614)
Cost	\$ 1,189,550,272	\$ 801,156,529

The Company's capital loss carryforwards may be used to offset capital gains in succeeding taxable years. Of the carryforwards, \$2,987,224 and \$34,759,833 will expire after 2017 and 2018, respectively. The remaining \$72,039,920 will carry forward indefinitely until

Table of Contents

TCP Capital Corp.

Notes to Consolidated Financial Statements (Continued)

December 31, 2014

2. Summary of Significant Accounting Policies (continued)

used. Distributions to holders of the Series A Preferred are treated, on an accrual basis, as distributions of ordinary income for federal tax purposes.

3. Management Fees, Incentive Compensation and Other Expenses

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

Incentive compensation is only paid to the extent the total performance of the Company exceeds a cumulative 8% annual return since January 1, 2013 (the "Total Return Hurdle"). Beginning January 1, 2013, the incentive compensation equals 20% of net investment income (reduced by preferred dividends) and 20% of net realized gains (reduced by any net unrealized losses), subject to the Total Return Hurdle. The incentive compensation is payable quarterly in arrears as an allocation and distribution to the General Partner and is calculated as the difference between cumulative incentive compensation earned since January 1, 2013 and cumulative incentive compensation paid since January 1, 2013. No incentive compensation was incurred prior to January 1, 2013. A reserve for incentive compensation is accrued based on the amount of additional incentive compensation that would have been distributable to the General Partner assuming a hypothetical liquidation of the Company at net asset value on the balance sheet date. At December 31, 2014 and December 31, 2013, the General Partner's equity interest in the Partnership was comprised entirely of such reserve amount, if any, and is reported as a non-controlling interest in the consolidated financial statements of the Company.

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

4. Leverage

Leverage is comprised of convertible senior unsecured notes issued by the Company (the "Convertible Notes"), amounts outstanding under senior secured revolving credit facilities issued by the Partnership (the "Partnership Facility") and TCPC Funding (the "TCPC Funding Facility," and, together with the Partnership Facility, the "Revolving Facilities"), debentures guaranteed by the SBA (the "SBA Debentures"), and amounts outstanding under a preferred

Table of Contents**TCP Capital Corp.****Notes to Consolidated Financial Statements (Continued)****December 31, 2014****4. Leverage (continued)**

equity facility issued by the Partnership (the "Preferred Interests"), at December 31, 2014 as follows:

	Maturity	Rate	Carrying Value**	Available	Total Capacity
Operating Company Facility	2017	L+2.5%*	\$ 70,000,000	\$ 46,000,000	\$ 116,000,000
TCPC Funding Facility	2017	L+2.5%*	125,000,000	125,000,000	250,000,000
Convertible Notes (\$108 million par)	2019	5.25%	105,696,830		105,696,830
SBA Program	2024 - 2025	3.015%	28,000,000	47,000,000	75,000,000
Preferred Interests	2016	L+0.85%*	134,000,000		134,000,000
Total leverage			\$ 462,696,830	\$ 218,000,000	\$ 680,696,830

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

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

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

Total leverage outstanding and available at December 31, 2013 were as follows:

	Maturity	Rate	Carrying Value	Available	Total Capacity
Operating Company Facility	2016	L+0.44%*	\$ 45,000,000	\$ 71,000,000	\$ 116,000,000
TCPC Funding Facility	2016	L+2.75%*	50,000,000	50,000,000	100,000,000
Preferred Interests	2016	L+0.85%*	134,000,000		134,000,000
Total leverage			\$ 229,000,000	\$ 121,000,000	\$ 350,000,000

*

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

The combined weighted-average interest and dividend rates on total leverage outstanding at December 31, 2014 and December 31, 2013 were 2.86% and 1.38%, respectively.

Total expenses related to our debt include:

	Year Ended December 31,		
	2014	2013	2012
Interest expense	\$ 7,010,215	\$ 1,194,158	\$ 190,702
Amortization of deferred debt issuance costs	1,926,040	852,618	441,495
Commitment fees	885,496	292,671	225,560
 Total	 \$ 9,821,751	 \$ 2,339,447	 \$ 857,757

Amounts outstanding under the Revolving Facilities, the Convertible Notes and the SBA Debentures are carried at amortized cost in the Statement of Assets and Liabilities. As of December 31, 2014, the estimated fair value of the Partnership Facility and the SBA

S-F-34

Table of Contents

TCP Capital Corp.

Notes to Consolidated Financial Statements (Continued)

December 31, 2014

4. Leverage (continued)

Debentures approximated its carrying value, and the TCPC Funding Facility and Convertible Notes had estimated fair values of \$126.4 million and \$108.2 million, respectively. The estimated fair values of the Revolving Facilities, the Convertible Notes and the SBA Debentures are determined by discounting projected remaining payments using market interest rates for our borrowings and entities with similar credit risks at the measurement date. At December 31, 2014, the fair values of the Revolving Facilities, the Convertible Notes and the SBA Debentures as prepared for disclosure purposes were deemed to be Level 3 in the GAAP valuation hierarchy.

Convertible Notes

On June 11, 2014, the Company issued \$108 million of convertible senior unsecured notes that mature on December 15, 2019, unless previously converted or repurchased in accordance with their terms. The Convertible Notes are general unsecured obligations of the Company, and rank structurally junior to the Revolving Facilities and Preferred Interests. The Company does not have the right to redeem the Convertible Notes prior to maturity. The Convertible Notes bear interest at an annual rate of 5.25%, payable semi-annually. In certain circumstances, the Convertible Notes will be convertible into cash, shares of the Company's common stock or a combination of cash and shares of common stock (such combination to be at the Company's election), at an initial conversion rate of 50.9100 shares of common stock per one thousand dollar principal amount of the Convertible Notes, which is equivalent to an initial conversion price of approximately \$19.64 per share of common stock, subject to customary anti-dilution adjustments. The initial conversion price was approximately 12.5% above the \$17.46 per share closing price of the Company's common stock on June 11, 2014. At December 31, 2014, the principal amount of the Convertible Notes exceeded the value of the conversion rate multiplied by the per share closing price of the Company's common stock. Therefore, no additional shares have been added to the calculation of diluted earnings per common share and weighted average common shares outstanding.

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

The Convertible Notes are accounted for in accordance with ASC Topic 470-20 *Debt with Conversion and Other Options*. Upon conversion of any Convertible Note, the Company intends to pay the outstanding principal amount in cash and to the extent that the conversion value exceeds the principal amount, has the option to pay the excess amount in cash or shares of our common stock (or a combination of cash and shares), subject to the requirements of the Indenture. The Company has determined that the embedded conversion option in the Convertible Notes is not required to be separately accounted for as a derivative under GAAP. At the time of issuance the estimated values of the debt and equity components

Table of Contents**TCP Capital Corp.****Notes to Consolidated Financial Statements (Continued)****December 31, 2014****4. Leverage (continued)**

of the Convertible Notes were approximately 97.7% and 2.3%, respectively. The original issue discount equal to the equity component of the Convertible Notes was recorded in "paid-in-capital in excess of par" in the accompanying Consolidated Statement of Assets and Liabilities. As a result, the Company will record interest expense comprised of both stated interest and accretion of the original issue discount. At the time of issuance, the equity component was \$2,515,594. As of December 31, 2014, the components of the carrying value of the Convertible Notes were as follows:

Principal amount of debt	\$	108,000,000
Original issue discount, net of accretion		(2,303,170)
Carrying value of debt	\$	105,696,830

For the year ended December 31, 2014, the components of interest expense for the Convertible Notes were as follows:

Stated interest expense	\$	3,039,750
Accretion of original issue discount		212,424
Total interest expense	\$	3,252,174

The estimated effective interest rate of the debt component of the Convertible Notes, equal to the stated interest of 5.25% plus the accretion of the original issue discount, was approximately 5.75% for the year ended December 31, 2014.

Partnership Facility

The Partnership Facility provides for amounts to be drawn up to \$116 million, subject to certain collateral and other restrictions. The Partnership Facility matures on July 31, 2016. Most of the cash and investments held directly by the Partnership, as well as the net assets of TCPC Funding and the SBIC, are included in the collateral for the facility.

Advances under the Partnership Facility through July 31, 2014 bore interest at an annual rate equal to 0.44% plus either LIBOR or the lender's cost of funds (subject to a cap of LIBOR plus 20 basis points). Advances under the Partnership Facility for periods from July 31, 2014 through the maturity date of the facility bear interest at an annual rate equal to 2.5% plus either LIBOR or the lender's cost of funds (subject to a cap of LIBOR plus 20 basis points). In addition to amounts due on outstanding debt, the facility accrues commitment fees of 0.20% per annum on the unused portion of the facility, or 0.25% per annum when less than \$46.4 million in borrowings are outstanding. The facility may be terminated, and any outstanding amounts thereunder may become due and payable, should the Partnership fail to satisfy certain financial or other covenants. As of December 31, 2014, the Partnership was in full compliance with such covenants.

Table of Contents**TCP Capital Corp.****Notes to Consolidated Financial Statements (Continued)****December 31, 2014****4. Leverage (continued)*****SBA Debentures***

As of December 31, 2014 the SBIC is able to issue up to \$75 million in SBA Debentures, subject to funded regulatory capital and other customary regulatory requirements. As of December 31, 2014, the Partnership had committed \$75 million of regulatory capital to the SBIC, \$31.5 million of which had been funded. SBA Debentures are non-recourse and may be prepaid at any time without penalty. Once drawn, the SBIC debentures bear an interim interest rate of LIBOR plus 30 basis points. The rate then becomes fixed at the time of SBA pooling, which occurs twice each year, and is set to the then-current 10-year treasury rate plus a spread and an annual SBA charge.

SBA Debentures outstanding as of December 31, 2014 were as follows:

Issuance Date	Maturity	Debtenture Amount	Fixed Interest Rate	SBA Annual Charge
September 24, 2014	September 1, 2024	\$ 18,500,000	3.015%	0.355%
December 11, 2014	March 25, 2015	9,500,000	0.555%*	0.355%
		\$ 28,000,000		

*

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

TCPC Funding Facility

The TCPC Funding Facility, issued on May 15, 2013, provides for amounts to be drawn up to \$250 million, subject to certain collateral and other restrictions. The TCPC Funding Facility matures on May 15, 2017, subject to extension by the lender at the request of TCPC Funding. The facility contains an accordion feature which allows for expansion of the facility up to \$300 million subject to consent from the lender and other customary conditions. The cash and investments of TCPC Funding are included in the collateral for the facility.

As of December 31, 2014, borrowings under the TCPC Funding Facility bore interest at a rate of LIBOR plus 2.50% per annum. In addition to amounts due on outstanding debt, the facility accrues commitment fees of 0.75% per annum on the unused portion of the facility, or 1.00% per annum when the unused portion is greater than 33% of the total facility. The facility may be terminated, and any outstanding amounts thereunder may become due and payable, should TCPC Funding fail to satisfy certain financial or other covenants. As of December 31, 2014, TCPC Funding was in full compliance with such covenants.

Preferred Interests

At December 31, 2014, the Preferred Interests were comprised of 6,700 Series A preferred limited partner interests issued and outstanding with a liquidation preference of \$20,000 per interest. The Preferred Interests accrue dividends at an annual rate equal to 0.85% plus either LIBOR or the interestholder's cost of funds (subject to a cap of LIBOR plus 20 basis points). The Preferred Interests are redeemable at the option

of the Partnership, subject to certain

S-F-37

Table of Contents**TCP Capital Corp.****Notes to Consolidated Financial Statements (Continued)****December 31, 2014****4. Leverage (continued)**

conditions. Additionally, under certain conditions, the Partnership may be required to either redeem certain of the Preferred Interests or repay indebtedness, at the Partnership's option. Such conditions would include a failure by the Partnership to maintain adequate collateral as required by its credit facility agreement or by the Statement of Preferences of the Preferred Interests or a failure by the Partnership to maintain sufficient asset coverage as required by the 1940 Act. As of December 31, 2014, the Partnership was in full compliance with such requirements.

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

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

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

The Consolidated Statement of Investments includes certain revolving loan facilities and other commitments held by the Partnership with unfunded balances at December 31, 2014 as follows:

Revolving Loan Facilities	\$	46,769,163
Delayed Draw Loans and Notes		28,426,687
Letters of Credit		9,379,246
Total Unfunded Commitments	\$	84,575,096

6. Related Parties

The Company, the Partnership, TCPC Funding, the SBIC, the Investment Manager, the General Partner and their members and affiliates may be considered related parties. From time to time, the Partnership advances payments to third parties on behalf of the Company which are reimbursable through deductions from distributions to the Company. At December 31, 2014, no such amounts were outstanding. From time to time, the Investment Manager advances payments to third parties on behalf of the Company and the Partnership and receives reimbursement from the Company and the Partnership. At December 31, 2014, amounts reimbursable to the Investment Manager totaled \$459,827, as reflected in the Consolidated Statement of Assets and Liabilities.

Table of Contents**TCP Capital Corp.****Notes to Consolidated Financial Statements (Continued)****December 31, 2014****6. Related Parties (continued)**

Pursuant to administration agreements between the Administrator and each of the Company and the Partnership (the "Administration Agreements"), the Administrator may be reimbursed for costs and expenses incurred by the Administrator for office space rental, office equipment and utilities allocable to the Company or the Partnership, as well as costs and expenses incurred by the Administrator or its affiliates relating to any administrative, operating, or other non-investment advisory services provided by the Administrator or its affiliates to the Company or the Partnership. For the years ended December 31, 2014 and 2013, expenses allocated pursuant to the Administration Agreements totaled \$1,421,863 and \$849,228, respectively. The Administrator waived reimbursement of all administrative expenses prior to January 1, 2013.

On November 25, 2014, the Company and the Partnership obtained an exemptive order (the "Exemptive Order") from the Securities and Exchange Commission permitting the Company and the Partnership to purchase certain investments from affiliated investment companies at fair value. The Exemptive Order exempts the Company and the Partnership from provisions of Sections 17(a) and 57(a) of the 1940 Act which would otherwise restrict such transfers. All such purchases are subject to the conditions set forth in the Exemptive Order, which among others include certain procedures to verify that each purchase is done at the current fair value of the respective investment. During the year ended December 31, 2014, the Company purchased approximately \$26.5 million of investments from affiliates (as defined in the 1940 Act), which were classified as Level 2 in the GAAP valuation hierarchy at the time of the transfer and the selling party has no continuing involvement in the transferred assets. All of the transfers were consummated in accordance with the provisions of the Exemptive Order and were accounted for as a purchase in accordance with ASC 860, Transfers and Servicing.

7. Stockholders' Equity and Dividends

The following table summarizes the total shares issued and proceeds received in the public offering of the Company's common stock net of underwriting discounts and offering costs as well as shares issued in connection with the Company's dividend reinvestment plan for the year ended December 31, 2014.

	Shares Issued	Price Per Share	Net Proceeds
August 1, 2014 public offering	6,210,000	\$ 17.33	\$ 103,940,721
November 26, 2014 public offering	5,900,000	17.05	97,198,756
At-the-market offerings	400,225	16.04*	6,420,426
Shares issued from dividend reinvestment plan	456	16.86*	7,687

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

S-F-39

Table of Contents**TCP Capital Corp.****Notes to Consolidated Financial Statements (Continued)****December 31, 2014****7. Stockholders' Equity and Dividends (continued)**

costs as well as shares issued in connection with the Company's dividend reinvestment plan for the year ended December 31, 2013:

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

*

Weighted-average price per share.

The Company's dividends are recorded on the ex-dividend date. The following table summarizes the Company's dividends declared for the year ended December 31, 2014:

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

The following table summarizes the Company's dividends declared for the year ended December 31, 2013:

Date Declared	Record Date	Payment Date	Type	Amount Per Share	Total Amount
March 7, 2013	March 18, 2013	March 29, 2013	Regular	\$ 0.35	\$ 7,517,170
March 7, 2013	March 18, 2013	March 29, 2013	Special	0.05	1,073,881
May 8, 2013	June 7, 2013	June 28, 2013	Regular	0.36	9,595,344
August 8, 2013	September 9, 2014	September 30, 2013	Regular	0.36	9,595,692
November 7, 2013	December 10, 2013	December 31, 2013	Regular	0.36	11,168,929

Edgar Filing: TCP Capital Corp. - Form 497

November 7, 2013	December 10, 2013	December 31, 2013	Special	0.05	1,551,240
				\$ 1.53	\$ 40,502,256

S-F-40

Table of Contents**TCP Capital Corp.****Notes to Consolidated Financial Statements (Continued)****December 31, 2014****8. Earnings Per Share**

The following information sets forth the computation of the net increase in net assets per share resulting from operations for the years ended December 31, 2014, December 31, 2013 and December 31, 2012:

	Year Ended December 31, 2014	Year Ended December 31, 2013	Year Ended December 31, 2012
Net increase in net assets applicable to common shareholders resulting from operations	\$ 34,547,519	\$ 49,525,655	\$ 25,933,310
Weighted average shares outstanding	39,395,671	25,926,493	21,475,847
Earnings per share	\$ 0.88	\$ 1.91	\$ 1.21

9. Subsequent Events

On February 24, 2015, the Company's Board of Directors approved a stock repurchase plan (the "Company 10b5-1 Plan") to acquire up to \$50 million in the aggregate of the Company's common stock at prices at certain thresholds below the Company's net asset value per share, in accordance with the guidelines specified in Rule 10b-18 and Rule 10b5-1 of the Securities Exchange Act of 1934.

The Company Repurchase Plan is designed to allow TCPC to repurchase its common stock at times when it otherwise might be prevented from doing so under insider trading laws. The Company Repurchase Plan will require an agent selected by TCPC to repurchase shares of common stock on TCPC's behalf if and when the market price per share is at certain thresholds below the most recently reported net asset value per share. Under the plan, the agent will increase the volume of purchases made if the price of TCPC's common stock declines, subject to volume restrictions. The timing and amount of any stock repurchases will depend on the terms and conditions of the Company Repurchase Plan, the market price of the common stock and trading volumes, and no assurance can be given that any particular amount of common stock will be repurchased.

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

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

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

S-F-41

Table of Contents**TCP Capital Corp.****Notes to Consolidated Financial Statements (Continued)****December 31, 2014****10. Financial Highlights**

The financial highlights below show the Company's results of operations for the years ended December 31, 2014, December 31, 2013 and December 31, 2012. Per share amounts are calculated assuming the common shares issued in the Conversion on April 2, 2012 and those sold in the initial public offering on April 3, 2012 had been issued as of the beginning of the year.

	Year Ended December 31,		
	2014	2013	2012
<i>Per Common Share</i>			
Per share NAV at beginning of period (1)	\$ 15.18	\$ 14.71	\$ 14.84
Investment operations:			
Net investment income before income taxes	1.98	2.13	1.95
Excise taxes	(0.02)	(0.03)	(0.07)
Net investment income	1.96	2.10	1.88
Net realized and unrealized gain	(0.69)	0.35	(0.60)
Dividends on Series A preferred equity facility	(0.04)	(0.06)	(0.07)
Incentive allocation reserve and distributions	(0.35)	(0.48)	
Total from investment operations	0.88	1.91	1.21
Issuance of common stock	0.43	0.09	
Issuance of convertible debt	0.06		
Distributions to common shareholders from:			
Net investment income	(1.54)	(1.53)	(1.34)
Per share NAV at end of period	\$ 15.01	\$ 15.18	\$ 14.71
Per share market price at end of period	\$ 16.78	\$ 16.78	\$ 14.74
Total return based on market value (1), (2)	9.2%	24.2%	9.0%
Total return based on net asset value (1)	9.0%	13.6%	8.2%
Shares outstanding at end of period	48,710,627	36,199,916	21,477,628

S-F-42

Table of Contents

TCP Capital Corp.

Notes to Consolidated Financial Statements (Continued)

December 31, 2014

10. Financial Highlights (continued)

	Year Ended December 31,			
	2014	2013	2012	2011
Ratios to average common equity: (3)				
Net investment income (4)	10.2%	10.9%	13.6%	17.6%
Expenses (5)	4.7%	3.6%	3.5%	3.6%
Expenses and incentive allocation (6)	7.2%	6.5%	N/A	N/A
Ending common shareholder equity	\$ 731,129,028	\$ 549,553,354	\$ 315,987,550	\$ 237,870,874
Portfolio turnover rate	28.4%	38.9%	48.3%	42.8%
Weighted-average debt outstanding	\$ 209,095,352	\$ 88,471,233	\$ 25,374,317	\$ 42,038,356
Weighted-average interest rate on debt	3.4%	1.3%	0.7%	80.0%
Weighted-average number of common shares	39,395,671	25,926,493	21,475,847	N/A
Average debt per share	\$ 5.31	\$ 3.44	\$ 1.18	N/A

Asset Coverage:

	As of December 31,			
	2014	2013	2012	2012
Series A Preferred Equity Facility:				
Interests outstanding	6,700	6,700	6,700	6,700
Involuntary liquidation value per interest	\$ 20,074	\$ 20,075	\$ 20,079	\$ 20,070
Asset coverage per interest	\$ 51,592	\$ 68,125	\$ 50,475	\$ 49,251
Revolving Facilities				
Debt outstanding	\$ 328,696,830	\$ 95,000,000	\$ 74,000,000	\$ 29,000,000
Asset coverage per \$1,000 of debt outstanding	\$ 8,973	\$ 8,176	\$ 7,077	\$ 13,803

- (1) 2012 total return calculated assuming the Conversion and the initial public offering occurred on January 1, 2012.
- (2) 2012 total return is based on an initial public offering price of \$14.75.
- (3) These ratios include interest expense but do not reflect the effect of dividends on the preferred equity facility.
- (4) Net of incentive allocation and excise taxes.

(5)

Excludes excise taxes.

(6)

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

S-F-43

Table of Contents**TCP Capital Corp.****Notes to Consolidated Financial Statements (Continued)****December 31, 2014****11. Select Quarterly Data (Unaudited)**

	2014			
	Q4	Q3	Q2	Q1
Total investment income	\$ 32,135,038	\$ 27,190,466	\$ 24,587,300	\$ 22,668,644
Net investment income before taxes	22,684,324	19,200,190	18,426,208	17,790,654
Excise taxes	808,813			
Net investment income	21,875,511	19,200,190	18,426,208	17,790,654
Net realized and unrealized gain	(24,967,480)	(4,505,178)	(3,011,938)	5,180,018
Preferred dividends	(360,303)	(362,169)	(357,060)	(358,640)
Incentive allocation reserve and distributions	(3,601,876)	(2,866,569)	(3,011,442)	(4,522,407)
Net increase in net assets resulting from operations	\$ (7,054,148)	\$ 11,466,274	\$ 12,045,768	\$ 18,089,625
Basic and diluted earnings per common share	\$ (0.16)	\$ 0.29	\$ 0.33	\$ 0.50
	2013			
	Q4	Q3	Q2	Q1
Total investment income	\$ 20,985,737	\$ 17,288,371	\$ 14,469,195	\$ 16,865,743
Net investment income before taxes	16,262,265	13,587,979	11,461,529	13,996,113
Excise taxes	977,624			
Net investment income	15,284,641	13,587,979	11,461,529	13,996,113
Net realized and unrealized gain	3,120,563	2,937,047	658,362	2,355,389
Preferred dividends	(355,610)	(387,982)	(373,558)	(377,402)
Incentive allocation reserve and distributions	(3,609,920)	(3,227,409)	(2,349,267)	(3,194,820)
Net increase in net assets resulting from operations	\$ 14,439,674	\$ 12,909,635	\$ 9,397,066	\$ 12,779,280
Basic and diluted earnings per common share	\$ 0.46	\$ 0.48	\$ 0.40	\$ 0.60

Table of Contents

TCP Capital Corp.

Consolidated Schedule of Change in Investments in Affiliates (1)

Year Ended December 31, 2014

Security	Dividends or Interest (2)	Fair Value at January 1, 2014	Acquisitions (3)	Dispositions (4)	Fair Value at December 31, 2014
AGY Holding Corp., Senior Secured Term Loan, 12%, due 9/15/16	\$ 327,716	\$ 2,056,927	\$ 2,812,650	\$	\$ 4,869,577
AGY Holding Corporation, Senior Secured 2nd Lien Notes, 11%, due 11/15/16	1,019,480	9,268,000		(250,236)	9,017,764
Anacomp, Inc., Class A Common Stock		1,004,422		(87,887)	916,535
EPMC HoldCo, LLC, Membership Units		1,562,137	969,968	(1,849,491)	682,614
ESP Holdings, Inc., Cumulative Preferred 15%	1,968,748	3,947,862	239,170	(4,187,032)	
ESP Holdings, Inc., Common Stock	289,315	2,856,346	6,981,836	(9,838,181)	
ESP Holdings, Inc., Junior Unsecured Subordinated Promissory Notes, 6% Cash + 10% PIK, due 12/31/19	205,175	7,959,369		(7,959,369)	
Globecomm Systems Inc., Senior Secured 1st Lien Term Loan, LIBOR + 7.625%, 1.25% LIBOR Floor, due 12/11/18	1,344,702	15,097,500	1,500	(442,050)	14,656,950
KAGY Holding Company, Inc., Series A Preferred Stock		662,134		(540,159)	121,975
N510UA Aircraft Secured Mortgage, 20%, due 10/26/16	52,092	404,605		(404,605)	
N512UA Aircraft Secured Mortgage, 20%, due 10/26/16	53,275	414,010		(414,010)	
N536UA Aircraft Secured Mortgage, 16%, due 9/29/14	4,678	114,000		(114,000)	
N545UA Aircraft Secured Mortgage, 16%, due 8/29/15	25,964	275,405		(275,405)	
N585UA Aircraft Secured Mortgage, 20%, due 10/25/16	27,571	486,115		(486,115)	
N659UA Aircraft Secured Mortgage, 12%, due 2/28/16	262,962	2,948,986		(1,289,983)	1,659,003
N661UA Aircraft Secured Mortgage, 12%, due 5/4/16	274,461	3,171,026		(1,271,076)	1,899,950
N510UA Equipment Trust Beneficial Interests	86,342	465,625	285,805	(751,430)	
N512UA Equipment Trust Beneficial	85,549	458,277	281,999	(740,276)	

Edgar Filing: TCP Capital Corp. - Form 497

Interests

N536UA Equipment Trust Beneficial Interests	40,259	656,766	80,397	(737,163)	
N545UA Equipment Trust Beneficial Interests	107,483	641,840	163,935	(805,775)	
N585UA Equipment Trust Beneficial Interests	31,098	571,706	322,126	(893,832)	
N913DL Aircraft Secured Mortgage, 8%, due 3/15/17	19,714	296,820		(87,652)	209,168
N918DL Aircraft Secured Mortgage, 8%, due 8/15/18	28,023	397,290		(76,850)	320,440
N954DL Aircraft Secured Mortgage, 8%, due 3/20/19	37,801	524,620		(86,941)	437,679
N955DL Aircraft Secured Mortgage, 8%, due 6/20/19	39,443	543,320		(83,062)	460,258
N956DL Aircraft Secured Mortgage, 8%, due 5/20/19	39,309	542,640		(84,738)	457,902
N957DL Aircraft Secured Mortgage, 8%, due 6/20/19	39,787	548,250		(83,967)	464,283
N959DL Aircraft Secured Mortgage, 8%, due 7/20/19	40,262	553,520		(82,919)	470,601
N960DL Aircraft Secured Mortgage, 8%, due 10/20/19	42,013	574,430		(81,172)	493,258
N961DL Aircraft Secured Mortgage, 8%, due 8/20/19	41,423	568,310		(83,402)	484,908
N976DL Aircraft Secured Mortgage, 8%, due 2/15/18	28,046	404,600		(90,012)	314,588
N913DL Equipment Trust Beneficial Interests	18,477	125,970	85,559	(94,032)	117,497
N918DL Equipment Trust Beneficial Interests	14,907	142,970	82,257	(89,336)	135,890
N954DL Equipment Trust Beneficial Interests	14,119	68,000	112,356	(107,752)	72,604
N955DL Equipment Trust Beneficial Interests	13,186	113,560	103,886	(106,436)	111,010
N956DL Equipment Trust Beneficial Interests	13,244	108,800	105,904	(107,904)	106,800
N957DL Equipment Trust Beneficial Interests	12,996	109,650	105,488	(107,456)	107,682
N959DL Equipment Trust Beneficial Interests	12,756	110,500	105,095	(107,016)	108,579
N960DL Equipment Trust Beneficial Interests	11,868	109,650	104,892	(106,676)	107,865
N961DL Equipment Trust Beneficial Interests	12,161	103,870	107,504	(108,548)	102,826
N976DL Equipment Trust Beneficial Interests	13,666	103,033	101,533	(102,560)	102,006
RM Holdco, LLC, Equity Participation					
RM Holdco, LLC, Membership Units					
RM Holdco, LLC, Subordinated Convertible Term Loan, 1.12% PIK,	58,663	2,197,621	3,026,338	(5,223,959)	

Edgar Filing: TCP Capital Corp. - Form 497

due 3/21/18					
RM OpCo, LLC, Senior Secured 1st Lien Term Loan Tranche A, 7%, due 3/21/16	400,651	3,626,947	465,190	(192,112)	3,900,025
RM OpCo, LLC, Senior Secured 2nd Lien Term Loan Tranche B, 8.5%, due 3/30/18	1,349,228	6,825,328	1,327,860	(1,695,863)	6,457,325
RM OpCo, LLC, Senior Secured 2nd Lien Term Loan Tranche B-1, 8.5%, due 3/30/18	444,445	2,150,088	437,146	(19,517)	2,567,717
RM OpCo, LLC, Convertible 2nd Lien Term Loan Tranche B-1, 8.5%, due 3/30/18	279,505	1,370,199	274,827	(8,712)	1,636,314
		S-F-45			

Table of Contents

TCP Capital Corp.

Consolidated Schedule of Change in Investments in Affiliates (1) (Continued)

Year Ended December 31, 2014

Security	Dividends or Interest (2)	Fair Value at January 1, 2014	Acquisitions (3)	Dispositions (4)	Fair Value at December 31, 2014
RM OpCo, LLC, Senior Convertible 2nd Lien Term Loan B, 8.5%, due 3/30/18	6,107		631,164		631,164
United N659UA-767, LLC (N659UA)	443,575	2,840,323	1,126,014	(788,515)	3,177,822
United N661UA-767, LLC (N661UA)	436,533	2,852,677	1,092,004	(865,758)	3,078,923
Wasserstein Cosmos Co-Invest, L.P., Limited Partnership Units		5,000,000		(825,000)	4,175,000

Notes to Consolidated Schedule of Changes in Investments in Affiliates:

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

S-F-46

Table of Contents

TCP Capital Corp.

Consolidated Schedule of Changes in Investments in Affiliates (1)

Year Ended December 31, 2013

Security	Dividends or Interest (2)	Fair Value at January 1, 2013	Acquisitions (3)	Dispositions (4)	Fair Value at December 31, 2013
AGY Holding Corp., Senior Secured Term Loan, 12%, due 9/15/16	\$ 128,215	\$	\$ 2,056,927	\$	\$ 2,056,927
AGY Holding Corporation, Senior Secured 2nd Lien Notes, 11%, due 11/15/16	640,007		9,268,000		9,268,000
Anacomp, Inc., Class A Common Stock		1,255,527		(251,105)	1,004,422
EPMC HoldCo, LLC, Membership Units		2,730,458	1,481,930	(2,650,251)	1,562,137
ESP Holdings, Inc., Cumulative Preferred 15%		3,643,088	304,776		3,947,862
ESP Holdings, Inc., Common Stock	32,627	2,263,124	593,222		2,856,346
ESP Holdings, Inc., Junior Unsecured Subordinated Promissory Notes, 6% Cash + 10% PIK, due 12/31/19	1,199,575	7,134,137	825,232		7,959,369
Globecomm Systems Inc., Senior Secured 1st Lien Term Loan, LIBOR + 7.625%, 1.25% LIBOR Floor, due 12/11/18	83,281		15,097,500		15,097,500
International Wire Group Holdings, Inc., Senior Secured Notes, 8.5%, due 10/15/17	443,715	15,450,000	759,750	(16,209,750)	
KAGY Holding Company, Inc., Series A Preferred Stock			8,096,057	(7,433,923)	662,134
N510UA Aircraft Secured Mortgage, 20%, due 10/26/16	74,646	548,340		(143,735)	404,605
N512UA Aircraft Secured Mortgage, 20%, due 10/26/16	75,593	556,225		(142,215)	414,010
N536UA Aircraft Secured Mortgage, 16%, due 9/29/14	29,100	277,780		(163,780)	114,000
N545UA Aircraft Secured Mortgage, 16%, due 8/29/15	50,422	436,810		(161,405)	275,405
N585UA Aircraft Secured Mortgage, 20%, due 10/25/16	88,705	653,220		(167,105)	486,115
N659UA Aircraft Secured Mortgage, 12%, due 2/28/16	390,117	4,264,148		(1,315,162)	2,948,986
N661UA Aircraft Secured Mortgage, 12%, due 5/4/16	401,041	4,351,424		(1,180,398)	3,171,026
N510UA Equipment Trust Beneficial Interests	72,866	479,682	81,562	(95,619)	465,625
N512UA Equipment Trust Beneficial Interests	72,497	473,761	79,808	(95,292)	458,277
N536UA Equipment Trust Beneficial Interests	104,929	624,746	143,097	(111,077)	656,766
N545UA Equipment Trust Beneficial Interests	92,525	616,897	128,359	(103,415)	641,840
N585UA Equipment Trust Beneficial Interests	80,203	583,392	93,707	(105,392)	571,706
N913DL Aircraft Secured Mortgage, 8%, due 3/15/17	26,248	367,370	6,959	(77,509)	296,820

S-F-47

Table of Contents

TCP Capital Corp.

Consolidated Schedule of Changes in Investments in Affiliates (1) (Continued)

Year Ended December 31, 2013

Security	Dividends or Interest (2)	Fair Value at January 1, 2013	Acquisitions	Dispositions (4)	Fair Value at December 31, 2013
N918DL Aircraft Secured Mortgage, 8%, due 8/15/18	33,806	454,580	11,322	(68,612)	397,290
N954DL Aircraft Secured Mortgage, 8%, due 3/20/19	44,415	597,720	5,725	(78,825)	524,620
N955DL Aircraft Secured Mortgage, 8%, due 6/20/19	45,803	612,000	7,144	(75,824)	543,320
N956DL Aircraft Secured Mortgage, 8%, due 5/20/19	45,775	612,850	6,875	(77,085)	542,640
N957DL Aircraft Secured Mortgage, 8%, due 6/20/19	46,204	617,440	7,297	(76,487)	548,250
N959DL Aircraft Secured Mortgage, 8%, due 7/20/19	46,629	622,030	7,386	(75,896)	553,520
N960DL Aircraft Secured Mortgage, 8%, due 10/20/19	48,285	640,730	8,476	(74,776)	574,430
N961DL Aircraft Secured Mortgage, 8%, due 8/20/19	47,846	636,990	7,902	(76,582)	568,310
N976DL Aircraft Secured Mortgage, 8%, due 2/15/18	34,759	473,280	10,967	(79,647)	404,600
N913DL Equipment Trust Beneficial Interests	12,045	111,520	108,482	(94,032)	125,970
N918DL Equipment Trust Beneficial Interests	9,213	120,530	111,778	(89,338)	142,970
N954DL Equipment Trust Beneficial Interests	7,578	113,390	78,825	(124,215)	68,000
N955DL Equipment Trust Beneficial Interests	6,891	160,650	75,824	(122,914)	113,560
N956DL Equipment Trust Beneficial Interests	6,845	163,200	77,085	(131,485)	108,800
N957DL Equipment Trust Beneficial Interests	6,648	163,880	76,487	(130,717)	109,650
N959DL Equipment Trust Beneficial Interests	6,456	164,390	75,896	(129,785)	110,500
N960DL Equipment Trust Beneficial Interests	5,662	169,660	74,776	(134,786)	109,650
N961DL Equipment Trust Beneficial Interests	5,805	171,360	76,582	(144,072)	103,870
N967DL Equipment Trust Beneficial Interests	7,056	83,300	122,293	(102,560)	103,033
RM Holdco, LLC, Membership Units		849,478		(849,478)	
RM Holdco, LLC, Subordinated Convertible Term Loan, 1.12% PIK, due 3/21/18	57,992	5,106,805	57,991	(2,967,175)	2,197,621
RM OpCo, LLC, Senior Secured 1st Lien Term Loan Tranche A, 11%, due 3/19/16	413,430	3,759,156	16,974	(149,183)	3,626,947
RM OpCo, LLC, Senior Secured 1st Lien Term Loan Tranche B, 12% Cash + 7% PIK, due 3/19/16	1,258,016	6,258,122	567,206		6,825,328

S-F-48

Table of Contents

TCP Capital Corp.

Consolidated Schedule of Changes in Investments in Affiliates (1) (Continued)

Year Ended December 31, 2013

Security	Dividends or Interest (2)	Fair Value at January 1, 2013	Acquisitions	Dispositions (4)	Fair Value at December 31, 2013
RM OpCo, LLC, Senior Secured 1st Lien Term Loan Tranche B-1, 12% Cash + 7% PIK, due 3/19/16	410,004	1,976,470	186,901	(13,283)	2,150,088
RM OpCo, LLC, Convertible 1st Lien Term Loan Tranche B-1, 12% Cash + 7% PIK, due 3/21/16	182,711		1,370,199		1,370,199
United N659UA-767, LLC (N659UA)	316,842	2,771,428	999,280	(930,385)	2,840,323
United N661UA-767, LLC (N661UA)	313,627	2,789,809	969,098	(906,231)	2,852,677
Wasserstein Cosmos Co-Invest, L.P., Limited Partnership Units			5,000,000		5,000,000

Notes to Schedule of Changes in Investments in Affiliates:

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

Table of Contents**TCP Capital Corp.****Consolidated Schedule of Restricted Securities of Unaffiliated Issuers****December 31, 2014**

Investment	Acquisition Date
Avanti Communications Group, PLC, Senior Secured Notes, 10%, due 10/1/19	9/26/13
BlackLine Intermediate, Inc., Warrants to Purchase Common Stock	9/25/13
BPA Laboratories, Inc., Senior Secured Notes, 12.25%, due 4/1/17	3/5/12
Caribbean Financial Group, Senior Secured Notes, 11.5%, due 11/15/19	10/19/12
Carolina Beverage Group, LLC, Secured Notes, 10.625%, due 8/1/18	7/26/13
Constellation Enterprises, LLC, Senior Secured 1st Lien Notes, 10.625%, due 2/1/16	1/20/11
Findly Talent, LLC, Membership Units	1/1/14
Flight Options Holdings I, Inc., Warrants to Purchase Common Stock	12/4/13
Green Biologics, Inc., Warrants to purchase Stock	12/22/14
Hunt Companies, Inc., Senior Secured Notes, 9.625%, due 3/1/21	2/25/14
Ichor Systems Holdings, LLC, Membership Units	Var. 2009 & 2010
Integra Telecom, Inc., Common Stock	11/19/09
Integra Telecom, Inc., Warrants	11/19/09
Iracore International, Inc., Senior Secured Notes, 9.5%, due 6/1/18	5/8/13
Magnolia Finance V plc, Asset-Backed Credit Linked Notes, 13.125%, due 8/2/21	8/1/13
Marsico Holdings, LLC Common Interest Units	9/10/12
NEXTracker, Inc., Series B Preferred Stock	12/17/14
NEXTracker, Inc., Warrants to purchase Stock	12/17/14
Precision Holdings, LLC, Class C Membership Interests	Var. 2010 & 2011
Rightside Group, Ltd, Warrants	8/6/14
Shop Holdings, LLC, Convertible Promissory Note, 5%, due 8/5/15	2/5/14
Shop Holding, LLC, Class A Units	6/2/11
Shop Holding, LLC, Warrants to Purchase Class A Units	6/2/11
SiTV, Inc., Senior Secured Notes, 10.375%, due 7/1/19	6/18/14
SiTV, Inc., Warrants to Purchase Common Stock	8/3/12
Soraa, Inc., Warrants to Purchase Common Stock	8/29/14
STG-Fairway Holdings, LLC, Class A Units	12/30/10
The Telx Group, Inc., Senior Notes, 13.5% PIK, due 7/9/21	4/9/14
Trade Finance Funding I, Ltd., Secured Class B Notes, 10.75%, due 11/13/18	11/13/13
V Telecom Investment S.C.A, Common Shares	11/9/12

S-F-50

Table of Contents**TCP Capital Corp.****Consolidated Schedule of Restricted Securities of Unaffiliated Issuers****December 31, 2013**

Investment	Acquisition Date
AIP/IS Holdings, LLC, Membership Units	Var. 2009 & 2010
Avanti Communications Group, PLC, Senior Secured Notes, 10%, due 10/1/19	9/26/13
BPA Laboratories, Inc., Senior Secured Notes, 12.25%, due 4/1/17	3/5/12
Caribbean Financial Group, Senior Secured Notes, 11.5%, due 11/15/19	10/19/12
Carolina Beverage Group, LLC, Secured Notes, 10.625%, due 8/1/18	7/26/13
Constellation Enterprises, LLC, Senior Secured 1st Lien Notes, 10.625%, due 2/1/16	1/20/11
Flight Options Holdings I, Inc., Warrants to Purchase Common Stock	12/4/13
Integra Telecom, Inc., Common Stock	11/19/09
Integra Telecom, Inc., Warrants	11/19/09
Iracore International, Inc., Senior Secured Notes, 9.5%, due 6/1/18	5/8/13
Magnolia Finance V plc, Asset-Backed Credit Linked Notes, 13.125%, due 8/2/21	8/1/13
Marsico Holdings, LLC Common Interest Units	9/10/12
Precision Holdings, LLC, Class C Membership Interests	Var. 2010 & 2011
Shop Holding, LLC, Class A Units	6/2/11
Shop Holding, LLC, Warrants to Purchase Class A Units	6/2/11
SiTV, Inc., Warrants to Purchase Common Stock	8/3/12
SLS Breeze Intermediate Holdings, Inc., Warrants to Purchase Common Stock	9/25/13
St Barbara Ltd., 1st Priority Senior Secured Notes, 8.875%, due 4/15/18	3/22/13
STG-Fairway Holdings, LLC, Class A Units	12/30/10
The Telx Group, Inc., Senior Unsecured Notes, 10% Cash + 2% PIK, due 9/26/19	9/26/11
Trade Finance Funding I, Ltd., Secured Class B Notes, 10.75%, due 11/13/18	11/13/13
V Telecom Investment S.C.A, Common Shares	11/9/12
Vantage Oncology, LLC, Senior Secured Notes, 9.5%, due 6/15/17	6/6/13

S-F-51

Table of Contents**TCP Capital Corp.****Consolidating Statement of Assets and Liabilities**

December 31, 2014

	TCP Capital Corp. Standalone	Special Value Continuation Partners, LP Consolidated	Eliminations	TCP Capital Corp. Consolidated
Assets				
Investments:				
Companies less than 5% owned	\$	\$ 1,081,901,384	\$	\$ 1,081,901,384
Companies 5% to 25% owned		48,716,425		48,716,425
Companies more than 25% owned		15,918,077		15,918,077
Investment in subsidiary	833,816,090		(833,816,090)	
Total investments	833,816,090	1,146,535,886	(833,816,090)	1,146,535,886
Cash and cash equivalents		27,268,792		27,268,792
Receivable for investment securities sold		10,961,369		10,961,369
Accrued interest income		9,504,438		9,504,438
Deferred debt issuance costs	3,058,913	4,642,075		7,700,988
Unrealized appreciation on swaps		1,717,610		1,717,610
Options (cost \$51,750)		497		497
Receivable from subsidiary	1,031,498		(1,031,498)	
Prepaid expenses and other assets	176,692	2,000,525		2,177,217
Total assets	838,083,193	1,202,631,192	(834,847,588)	1,205,866,797
Liabilities				
Debt	105,696,830	223,000,000		328,696,830
Incentive allocation payable		4,303,040		4,303,040
Payable for investment securities purchased		2,049,518		2,049,518
Interest payable	247,917	1,263,064		1,510,981
Payable to the Investment Manager	130,967	328,860		459,827
Payable to parent		1,031,498	(1,031,498)	
Accrued expenses and other liabilities	878,451	2,341,332		3,219,783
Total liabilities	106,954,165	234,317,312	(1,031,498)	340,239,979
Preferred equity facility				
Series A preferred limited partner interests		134,000,000		134,000,000
Accumulated dividends on Series A preferred equity facility		497,790		497,790
Total preferred limited partner interests		134,497,790		134,497,790

Non-controlling interest

General Partner interest in Special Value

Continuation Partners, LP

Net assets	\$ 731,129,028	\$ 833,816,090	\$ (833,816,090)	\$ 731,129,028
-------------------	-----------------------	-----------------------	-------------------------	-----------------------

Composition of net assets

Common stock	\$ 48,710	\$	\$	\$ 48,710
--------------	-----------	----	----	-----------

Additional paid-in capital	877,103,880	978,731,888	(978,731,888)	877,103,880
----------------------------	-------------	-------------	---------------	-------------

Accumulated deficit	(146,023,562)	(144,915,798)	144,915,798	(146,023,562)
---------------------	---------------	---------------	-------------	---------------

Non-controlling interest

Net assets	\$ 731,129,028	\$ 833,816,090	\$ (833,816,090)	\$ 731,129,028
-------------------	-----------------------	-----------------------	-------------------------	-----------------------

S-F-52

Table of Contents

TCP Capital Corp.

Consolidating Statement of Assets and Liabilities
December 31, 2013

	TCP Capital Corp. Standalone	Special Value Continuation Partners, LP Consolidated	Eliminations	TCP Capital Corp. Consolidated
Assets				
Investments:				
Companies less than 5% owned	\$	\$ 678,326,915	\$	\$ 678,326,915
Companies 5% to 25% owned		69,068,808		69,068,808
Companies more than 25% owned		18,867,236		18,867,236
Investment in subsidiary	551,095,042		(551,095,042)	
Total investments	551,095,042	766,262,959	(551,095,042)	766,262,959
Cash and cash equivalents		22,984,182		22,984,182
Accrued interest income		6,739,105		6,739,105
Receivable for investments sold		3,605,964		3,605,964
Deferred debt issuance costs		2,969,085		2,969,085
Interest rate cap option		14,139		14,139
Receivable from subsidiary	531,717		(531,717)	
Prepaid expenses and other assets	30,493	723,275		753,768
Total assets	551,657,252	803,298,709	(551,626,759)	803,329,202
Liabilities				
Debt		95,000,000		95,000,000
Payable for investment securities purchased		14,706,942		14,706,942
Incentive allocation payable		3,318,900		3,318,900
Payable to the Investment Manager	833,737	287,371		1,121,108
Interest payable		430,969		430,969
Unrealized depreciation on swaps		331,183		331,183
Payable to parent		531,717	(531,717)	
Accrued expenses and other liabilities	1,212,260	1,923,750		3,136,010
Total liabilities	2,045,997	116,530,832	(531,717)	118,045,112
Preferred equity facility				
Series A preferred limited partner interests		134,000,000		134,000,000
Accumulated dividends on Series A preferred equity facility		504,252		504,252
Total preferred limited partner interests		134,504,252		134,504,252
Non-controlling interest				
General Partner interest in Special Value Continuation Partners, LP			1,168,583	1,168,583
Net assets	\$ 549,611,255	\$ 552,263,625	\$ (552,263,625)	\$ 549,611,255

Edgar Filing: TCP Capital Corp. - Form 497

Composition of net assets					
Common stock	\$	36,200	\$	\$	36,200
Additional paid-in capital		667,842,020	666,530,318	(666,530,318)	667,842,020
Accumulated deficit		(118,266,965)	(114,266,693)	115,435,276	(117,098,382)
Non-controlling interest				(1,168,583)	(1,168,583)
Net assets	\$	549,611,255	\$	552,263,625	\$ (552,263,625) \$ 549,611,255

S-F-53

Table of Contents**TCP Capital Corp.****Consolidating Statement of Operations**

Year Ended December 31, 2014

	TCP Capital Corp. Standalone	Special Value Continuation Partners, LP Consolidated	Eliminations	TCP Capital Corp. Consolidated
Investment income				
Interest income:				
Companies less than 5% owned	\$	\$ 94,632,495	\$	\$ 94,632,495
Companies 5% to 25% owned		5,394,075		5,394,075
Companies more than 25% owned		896,695		896,695
Dividend income:				
Companies 5% to 25% owned		1,968,748		1,968,748
Lease income:				
Companies 5% to 25% owned		320,277		320,277
Companies more than 25% owned		1,014,053		1,014,053
Other income:				
Companies less than 5% owned		2,328,980		2,328,980
Companies 5% to 25% owned		26,125		26,125
Total interest and related investment income		106,581,448		106,581,448
Operating expenses				
Management and advisory fees		13,646,064		13,646,064
Interest expense	3,252,174	3,758,041		7,010,215
Amortization of deferred debt issuance costs	372,487	1,553,553		1,926,040
Administration expenses		1,421,863		1,421,863
Legal fees, professional fees and due diligence expenses	402,086	953,284		1,355,370
Commitment fees		885,496		885,496
Director fees	117,943	239,107		357,050
Insurance expense	95,988	192,168		288,156
Custody fees	3,500	225,754		229,254
Other operating expenses	803,544	557,020		1,360,564
Total expenses	5,047,722	23,432,350		28,480,072
Net investment income (loss) before income taxes	(5,047,722)	83,149,098		78,101,376
Excise tax expense	808,813			808,813

Net investment income (loss)	(5,856,535)	83,149,098	77,292,563
Net realized and unrealized gain (loss) on investments and foreign currency			
Net realized gain (loss):			
Investments in companies less than 5% owned	(16,370,638)		(16,370,638)
Investments in companies 5% to 25% owned	(4,748,229)		(4,748,229)
Net realized loss	(21,118,867)		(21,118,867)
Net change in unrealized appreciation/depreciation	(6,185,711)		(6,185,711)
Net realized and unrealized gain	(27,304,578)		(27,304,578)
Interest in earnings of subsidiary	40,404,054	(40,404,054)	
Dividends paid on Series A preferred equity facility	(1,444,634)		(1,444,634)
Net change in accumulated dividends on Series A preferred equity facility	6,462		6,462
Distributions of incentive allocation to the General Partner from net investment income		(15,170,877)	(15,170,877)
Net change in reserve for incentive allocation		1,168,583	1,168,583
Net increase in net assets resulting from operations	\$ 34,547,519	\$ 54,406,348	\$ (54,406,348) \$ 34,547,519

TCP Capital Corp.

Consolidating Statement of Operations

Year Ended December 31, 2013

	TCP Capital Corp. Standalone	Special Value Continuation Partners, LP Consolidated	Eliminations	TCP Capital Corp. Consolidated
Investment income				
Interest income:				
Companies less than 5% owned	\$	\$ 60,323,117	\$	\$ 60,323,117
Companies 5% to 25% owned		5,445,021		5,445,021
Companies more than 25% owned		1,210,926		1,210,926
Lease income:				
Companies 5% to 25% owned		420,375		420,375
Companies more than 25% owned		701,239		701,239
Other income:				
Companies less than 5% owned		1,470,116		1,470,116
Companies 5% to 25% owned		38,252		38,252
Companies more than 25% owned				
Total interest and related investment income		69,609,046		69,609,046
Operating expenses				
Management and advisory fees		8,820,229		8,820,229
Interest expense		1,194,158		1,194,158
Amortization of deferred debt issuance costs		852,618		852,618
Administration expenses		849,228		849,228
Legal fees, professional fees and due diligence expenses	397,529	400,039		797,568
Commitment fees		292,671		292,671
Director fees	95,926	192,410		288,336
Insurance expense	62,901	126,238		189,139
Custody fees	3,500	146,360		149,860
Other operating expenses	472,481	394,872		867,353
Total expenses	1,032,337	13,268,823		14,301,160
Net investment income (loss) before income taxes	(1,032,337)	56,340,223		55,307,886
Excise tax expense	977,624			977,624
Net investment income (loss)	(2,009,961)	56,340,223		54,330,262
Net realized and unrealized gain (loss) on investments and foreign currency				
Net realized loss:				
Investments in companies less than 5% owned		(40,379,889)		(40,379,889)
Investments in companies 5% to 25% owned		(7,004,857)		(7,004,857)

Net change in unrealized appreciation/depreciation	56,456,107	56,456,107
Net realized and unrealized gain	9,071,361	9,071,361
Interest in earnings of subsidiary	51,535,616	(51,535,616)
Dividends paid on Series A preferred equity facility	(1,516,585)	(1,516,585)
Net change in accumulated dividends on Series A preferred equity facility	22,033	22,033
Distributions of incentive allocation to the General Partner from net investment income		(10,567,142) (10,567,142)
Distributions of incentive allocation to the General Partner from net realized gains		(645,691) (645,691)
Net change in reserve for incentive allocation		1,168,583) (1,168,583)
Net increase in net assets resulting from operations	\$ 49,525,655	\$ 63,917,032 \$ 63,917,032) \$ 49,525,655

TCP Capital Corp.

Consolidating Statement of Operations

Year Ended December 31, 2012

	TCP Capital Corp. Standalone	Special Value Continuation Partners, LP	Eliminations	TCP Capital Corp. Consolidated
Investment income				
Interest income:				
Companies less than 5% owned		\$ 42,139,023		\$ 42,139,023
Companies 5% to 25% owned		5,850,394		5,850,394
Companies more than 25% owned		1,253,915		1,253,915
Dividend income:				
Companies 5% to 25% owned		1,811,189		1,811,189
Lease income:				
Companies 5% to 25% owned		332,964		332,964
Companies more than 25% owned		490,066		490,066
Other income:				
Companies less than 5% owned		289,073		289,073
Companies 5% to 25% owned		26,135		26,135
Total interest and related investment income		52,192,759		52,192,759
Operating expenses				
Management and advisory fees	1,292	6,907,650		6,908,942
Professional fees relating to the Conversion		411,523		411,523
Amortization of deferred debt issuance costs		441,495		441,495
Legal fees, professional fees and due diligence expenses	376,309	789,009		1,165,318
Commitment fees		225,560		225,560
Director fees	66,444	132,889		199,333
Interest expense		190,702		190,702
Insurance expense	43,279	86,861		130,140
Custody fees	3,500	96,447		99,947
Other operating expenses	181,971	437,490		619,461
Total operating expenses	672,795	9,719,626		10,392,421
Net investment income (loss) before income taxes	(672,795)	42,473,133		41,800,338
Excise tax expense	1,479,978			1,479,978
Net investment income (loss)	(2,152,772)	42,473,133		40,320,360
Net realized and unrealized gain (loss) on investments and foreign currency				
Net realized gain (loss):				
Investments in companies less than 5% owned		(29,574,293)		(29,574,293)
Investments in companies 5% to 25% owned		13,584,105		13,584,105
Net realized loss		(15,990,188)		(15,990,188)
Net change in unrealized appreciation/depreciation	28,086,083	3,205,937	(28,086,083)	3,205,937
Net realized and unrealized gain (loss)	28,086,083	(12,784,251)	(28,086,083)	(12,784,251)
Dividends paid on Series A preferred equity facility		(1,542,932)		(1,542,932)
		(59,867)		(59,867)

Edgar Filing: TCP Capital Corp. - Form 497

Net change in accumulated dividends on Series A preferred equity facility

Net increase in net assets resulting from operations	\$	25,933,310	\$	28,086,083	\$	(28,086,083)	\$	25,933,310
---	----	------------	----	------------	----	--------------	----	------------

S-F-56

Table of Contents

Report of Independent Registered Public Accounting Firm

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

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

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

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

/s/ Ernst & Young LLP

Los Angeles, California
March 9, 2015

S-F-57

Special Value Continuation Partners, LP
(A Delaware Limited Partnership)

Consolidated Statements of Assets and Liabilities

	December 31, 2014	December 31, 2013
Assets		
Investments, at fair value:		
Companies less than 5% owned (cost of \$1,097,181,753 and \$684,569,508, respectively)	\$ 1,081,900,591	\$ 678,326,915
Companies 5% to 25% owned (cost of \$52,103,511 and \$73,946,547, respectively)	48,717,218	69,068,808
Companies more than 25% owned (cost of \$40,213,258 and \$42,588,724 respectively)	15,918,077	18,867,236
Total investments (cost of \$1,189,498,522 and \$801,104,779, respectively)	1,146,535,886	766,262,959
Cash and cash equivalents	27,268,792	22,984,182
Receivable for investments sold	10,961,369	3,605,964
Accrued interest income:		
Companies less than 5% owned	9,222,001	6,282,353
Companies 5% to 25% owned	253,987	415,061
Companies more than 25% owned	28,450	41,691
Deferred debt issuance costs	4,642,075	2,969,085
Unrealized appreciation on swaps	1,717,610	
Options (cost \$51,750)	497	14,139
Prepaid expenses and other assets	2,000,525	723,275
Total assets	1,202,631,192	803,298,709
Liabilities		
Debt	223,000,000	95,000,000
Incentive allocation payable	4,303,040	3,318,900
Payable for investments purchased	2,049,518	14,706,942
Interest payable	1,263,064	430,969
Payable to parent	1,031,498	531,717
Payable to the Investment Manager	328,860	287,371
Unrealized depreciation on swaps		331,183
Accrued expenses and other liabilities	2,341,332	1,923,750
Total liabilities	234,317,312	116,530,832
Commitments and contingencies (Note 5)		
Preferred equity facility		
Series A preferred limited partner interests in Special Value Continuation Partners, LP; \$20,000/interest liquidation preference; 6,700 interests authorized, issued and outstanding	134,000,000	134,000,000
Accumulated dividends on Series A preferred equity facility	497,790	504,252
Total preferred limited partner interests	134,497,790	134,504,252
Net assets applicable to common limited and general partners	\$ 833,816,090	\$ 552,263,625
Composition of net assets applicable to common limited and general partners		
Paid-in capital in excess of par	978,731,888	666,530,318

Edgar Filing: TCP Capital Corp. - Form 497

Accumulated net investment income	22,994,510	26,850,149
Accumulated net realized losses	(126,410,399)	(105,802,644)
Accumulated net unrealized depreciation	(41,499,909)	(35,314,198)
Net assets applicable to common shareholders	\$ 833,816,090	\$ 552,263,625

See accompanying notes.

S-F-58

Table of Contents

Special Value Continuation Partners, LP
(A Delaware Limited Partnership)

Consolidated Statement of Investments

December 31, 2014

Showing Percentage of Total Cash and Investments of the Partnership

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

Edgar Filing: TCP Capital Corp. - Form 497

								70,979,214	71,990,577	6.12%
Large Manufacturing										
Ma Beverage LLC	Secured Notes	Fixed		10.63%	10.63%	8/1/2018	\$ 4,780,000	4,780,000	4,851,700	0.41%
Business Support Services										
ise Global Technologies, Inc.	Sr Secured Revolving Loan	LIBOR (Q)	0.23%	8.52%	8.75%	11/30/2017	\$	(106,405)	(60,000)	(0.01)%
ise Global Technologies, Inc.	Sr Secured Term Loan	LIBOR (Q)	0.23%	9.27%	9.50%	11/30/2019	\$ 17,500,000	17,158,899	17,360,000	1.48%
airway Positions, Inc.	Second Lien Term Loan	LIBOR (Q)	1.25%	9.25%	10.50%	8/28/2019	\$ 14,643,455	14,036,428	14,863,107	1.27%
								31,088,922	32,163,107	2.74%
Medical Manufacturing										
oma	Term Loan B	LIBOR (Q)	1.25%	8.25%	9.50%	9/30/2018	\$ 19,896,228	19,593,258	19,747,006	1.68%
Communications Equipment Manufacturing										
omm ns, Inc.	First Lien Term Loan	LIBOR (Q)	1.25%	7.63%	8.88%	12/11/2018	\$ 14,850,000	14,701,500	14,656,950	1.25%
Computer Equipment Manufacturing										
ouch ns, Inc.	Second Lien Term Loan	LIBOR (Q)	1.50%	10.50%	12.00%	12/1/2018	\$ 12,000,000	11,638,008	11,520,000	0.98%
Computer Systems Design and Related Services										
ert, LLC	First Lien Term Loan	LIBOR (Q)	0.25%	4.75% Cash + 4% PIK	9.00%	3/31/2019	\$ 30,926,035	30,399,049	31,080,665	2.65%
coat ns, Inc.	First Lien Revolver	LIBOR (Q)	1.00%	3.50%	4.50%	5/31/2018	\$	(727,290)	(660,240)	(0.06)%
coat ns, Inc.	Second Lien Term Loan	LIBOR (Q)	1.00%	8.50%	9.50%	6/28/2020	\$ 15,000,000	14,878,125	14,775,000	1.26%
Software ration	Second Lien Term Loan	LIBOR (M)	1.00%	7.50%	8.50%	5/29/2021	\$ 11,993,035	11,880,123	11,753,175	1.00%
nterprise ns, Ltd. (la)	First Lien Term Loan B	LIBOR (Q)		8.00%	8.23%	9/3/2018	\$ 2,361,467	2,361,467	2,341,394	0.20%
nterprise ns, Ltd. (la)	First Lien Term Loan	LIBOR (Q)		7.00%	7.23%	9/3/2018	\$ 10,533,333	10,415,821	10,259,467	0.87%
USA, LLC				8.00%	8.23%	9/3/2018	\$ 4,722,933	4,722,933	4,682,788	0.40%

Edgar Filing: TCP Capital Corp. - Form 497

	First Lien Term Loan B	LIBOR (Q)									
USA, LLC	First Lien Term Loan	LIBOR (Q)	7.00%	8.00%	7.23%	9/3/2018	\$ 5,266,667	5,211,626	5,129,733	0.44%	
nix, LLC	First Lien Revolver	LIBOR (Q)	0.50%	8.00%	8.50%	12/4/2018	\$	(5,809)		0.00%	
nix, LLC	First Lien Term Loan	LIBOR (M)	0.50%	8.00%	8.50%	12/4/2018	\$ 6,535,333	6,466,509	6,551,671	0.56%	
nse, Inc.	Second Lien Term Loan	LIBOR (Q)	1.00%	7.25%	8.25%	12/27/2020	\$ 7,200,000	7,164,000	6,930,000	0.59%	
								92,766,554	92,843,653	7.91%	
S-F-59											

Table of Contents

Special Value Continuation Partners, LP
(A Delaware Limited Partnership)

Consolidated Statement of Investments (Continued)

December 31, 2014

Showing Percentage of Total Cash and Investments of the Partnership

Issuer	Instrument	Ref	Floor	Spread	All-In Rate	Maturity	Principal	Cost	Value	% of Portfolio Noted
Debt Investments (continued)										
Textile and Sew Apparel Manufacturing										
Textiles and Apparel, LLC	First Lien FILO Term Loan	LIBOR (M)	1.00%	9.60%	10.60%	4/8/2019	\$ 14,329,403	\$ 14,202,296	\$ 14,429,709	1.23%
Data Processing, Hosting, and Related Services										
Asset International, Inc.	Delayed Draw Term Loan	LIBOR (M)	1.00%	7.00%	8.00%	7/31/2020	\$	(42,880)	(29,158)	0.00% K
Asset International, Inc.	Revolver	LIBOR (M)	1.00%	7.00%	8.00%	7/31/2020	\$ 484,752	475,358	477,885	0.04%
Asset International, Inc.	First Lien Term Loan	LIBOR (M)	1.00%	7.00%	8.00%	7/31/2020	\$ 8,191,755	8,037,946	8,122,125	0.69%
Lightside Group, Ltd.	Second Lien Term Loan	LIBOR (Q)	0.50%	8.75%	9.25%	8/6/2019	\$ 5,000,000	4,042,549	4,775,000	0.41%
One Telx Group, Inc.	Senior Notes	Fixed		13.5% PIK	13.50%	7/9/2021	\$ 4,446,651	4,446,651	4,611,177	0.39% E
United TLD Holdco, Ltd. (Cayman Islands)	Second Lien Term Loan	LIBOR (Q)	0.50%	8.75%	9.25%	8/6/2019	\$ 10,000,000	8,085,098	9,550,000	0.81% H
								25,044,722	27,507,029	2.34%
Electrical Equipment and Component Manufacturing										
EXTracker, Inc.	Sr Secured Revolver	LIBOR (M)		8.00%	8.00%	7/1/2016	\$ 2,500,000	508,086	1,126,250	0.10%
EXTracker, Inc.	Sr Secured Term Loan	LIBOR (M)		9.50%	9.50%	12/16/2016	\$ 2,500,000	2,216,771	2,303,750	0.20% L
Illadium Energy, Inc.	First Lien Term Loan	LIBOR (Q)	1.00%	9.00%	10.00%	12/26/2017	\$ 16,153,317	15,942,351	16,234,084	1.38%
								18,667,208	19,664,084	1.68%
Electrical Equipment Manufacturing										
API Technologies Corp.	First Lien Term Loan	LIBOR (Q)	1.50%	7.50%	9.00%	2/6/2018	\$ 6,687,055	6,631,621	6,610,154	0.56%
Fabricated Metal Product Manufacturing										
		Fixed		10.63%	10.63%	2/1/2016	\$ 2,900,000	2,858,907	2,392,500	0.20% E

Edgar Filing: TCP Capital Corp. - Form 497

Constellation Enterprises, LLC	First Lien Notes										
Financial Investment Activities											
Institutional Shareholder Services, Inc.	Second Lien Term Loan	LIBOR (Q)	1.00%	7.50%	8.50%	4/30/2022	\$ 6,471,492	6,411,582	6,374,420	0.54%	
Parisco Capital Management	First Lien Term Loan	LIBOR (M)		5.00%	5.25%	12/31/2022	\$ 10,500,040	13,220,948	2,274,991	0.19%	I
								19,632,530	8,649,411	0.73%	
Full-Service Restaurants											
M OpCo, LLC	Convertible Second Lien Term Loan Tranche B-1	Fixed		8.50%	8.50%	3/30/2018	\$ 1,636,314	1,614,711	1,636,314	0.14%	B
M OpCo, LLC	First Lien Term Loan Tranche A	Fixed		7.00%	7.00%	3/21/2016	\$ 3,900,025	3,898,911	3,900,025	0.33%	B
M OpCo, LLC	Second Lien Term Loan Tranche B	Fixed		8.50%	8.50%	3/30/2018	\$ 8,153,188	8,153,188	6,457,325	0.55%	B
M OpCo, LLC	Second Lien Term Loan Tranche B-1	Fixed		8.50%	8.50%	3/30/2018	\$ 2,567,717	2,546,166	2,567,717	0.22%	B
M OpCo, LLC	Sr Convertible Second Lien Term Loan B	Fixed		8.50%	8.50%	3/30/2018	\$ 631,164	631,164	631,164	0.05%	B
								16,844,140	15,192,545	1.29%	
Gaming Industries											
P Gaming I, LLC	First Lien Revolver	LIBOR (Q)		8.25%	8.41%	12/20/2018	\$ 5,000,000	2,931,716	2,812,500	0.24%	
P Gaming I, LLC	First Lien Term Loan B	LIBOR (Q)	1.00%	8.25%	9.25%	12/20/2020	\$ 14,850,000	14,450,326	14,850,000	1.27%	
								17,382,042	17,662,500	1.51%	
General Medical and Surgical Hospitals											
RegionalCare Hospital Partners, Inc.	Second Lien Term Loan	LIBOR (M)	1.00%	9.50%	10.50%	10/23/2019	\$ 21,017,525	20,729,782	20,964,981	1.79%	
Grocery Stores											
Shas, Inc.	First Lien FILO Term	LIBOR (M)	1.50%	7.00%	8.50	10/8/2019	\$ 10,632,845	10,592,167	10,616,895	0.90%	

Edgar Filing: TCP Capital Corp. - Form 497

Loan										
the Great	Term Loan	LIBOR	1.00%	8.85%	9.85%	9/17/2019	\$ 20,966,890	20,619,519	20,945,923	1.78%
Atlantic & Pacific	Tranche B	(M)								
ea										
company, Inc.										
								31,211,686	31,562,818	2.68%

S-F-60

Table of Contents

Special Value Continuation Partners, LP
(A Delaware Limited Partnership)

Consolidated Statement of Investments (Continued)

December 31, 2014

Showing Percentage of Total Cash and Investments of the Partnership

Investor	Instrument	Ref	Floor	Spread	All-In Rate	Maturity	Principal	Cost	Value	% of Portfolio
Investments (continued)										
Insurance Carriers										
Insurance, LLC	Second Lien Additional Notes	LIBOR (Q)	1.00%	10.50%	11.50%	3/31/2020	\$ 2,520,198	\$ 2,391,227	\$ 2,527,200	0.22%
Insurance, LLC	Second Lien Notes	LIBOR (Q)	1.00%	10.50%	11.50%	3/31/2020	\$ 29,288,298	28,725,701	29,317,586	2.50%
Apple, LLC	First Lien Term Loan	LIBOR (Q)	0.50%	11.50%	12.00%	8/29/2019	\$ 20,000,000	19,247,507	19,940,000	1.70%
								50,364,435	51,784,786	4.42%
Insurance Related Activities										
Seguros, LLC	Second Lien Term Loan	LIBOR (M)	1.25%	9.00%	10.25%	5/8/2019	\$ 7,861,809	7,776,100	7,859,372	0.67%
Investors of Nonfinancial Intangible Assets										
Intermediate Holdings 2, LLC	Second Lien Term Loan	LIBOR (S)	1.00%	8.00%	9.00%	5/27/2022	\$ 15,990,714	15,838,253	16,110,644	1.37%
Investors of Real Estate										
Real Estate Companies, Inc.	Senior Secured Notes	Fixed		9.63%	9.63%	3/1/2021	\$ 13,084,000	12,935,462	13,476,520	1.15%
Investors of Management, Scientific, and Technical Consulting Services										
Big Data & Analytics, LLC	First Lien Term Loan	LIBOR (Q)	1.00%	8.75%	9.75%	10/31/2019	\$ 27,923,077	27,174,478	27,853,269	2.37%
Investors of Merchant Wholesalers										
Acquisition Company, LLC	Second Lien Term Loan	LIBOR (Q)	1.00%	8.75%	9.75%	11/4/2021	\$ 9,079,011	8,914,869	9,044,964	0.77%
Investors of Motion Picture and Video Industries										
Entertainment, Inc.	First Lien Term Loan	Fixed		9.00%	9.00%	6/21/2017	\$ 9,462,231	9,402,044	8,203,755	0.70%
Entertainment, Inc.	Second Lien Term Loan	Fixed		13.50%	13.50%	6/21/2018	\$ 7,569,785	7,518,166	6,233,718	0.53%

							16,920,210	14,437,473	1.23%	
Newspaper, Periodical, Book, and Directory Publishers										
Media A, Inc.	First Lien Revolver	LIBOR (Q)	6.75%	6.99%	5/20/2018	\$ 3,875,000	3,065,963	3,596,543	0.31%	
Media A, Inc.	First Lien Term Loan	LIBOR (Q)	1.25%	6.75%	8.00%	11/20/2018	\$ 9,591,911	9,372,798	9,376,093	0.80%
							12,438,761	12,972,636	1.11%	
Depository Credit Intermediation										
bbbean Financial Group (Cayman Islands)	Sr Secured Notes	Fixed	11.50%	11.50%	11/15/2019	\$ 10,000,000	9,846,274	10,300,000	0.88%	
le Finance Holding I, Ltd. (Cayman Islands)	Secured Class B Notes	Fixed	10.75%	10.75%	11/13/2018	\$ 15,084,000	15,084,000	15,008,580	1.28%	
							24,930,274	25,308,580	2.16%	
Scheduled Air Transportation										
Sky Light, LLC	Second Lien Term Loan	Fixed	12% Cash + 3% PIK	15.00%	6/3/2019	\$ 18,660,646	17,417,637	19,220,465	1.64%	
Oil and Gas Extraction										
erson Gulf Coast Energy Partners, LLC	First Lien Term Loan B	LIBOR (M)	1.00%	8.00%	9.00%	2/27/2018	\$ 14,962,500	14,824,074	14,289,188	1.22%
America Energy, LLC	Second Lien Term Loan	LIBOR (Q)	1.00%	8.50%	9.50%	8/4/2019	\$ 10,000,000	9,533,785	9,600,000	0.82%
							24,357,859	23,889,188	2.04%	
Other Information Services										
H-2 Holdings, LLC	Second Lien Term Loan	LIBOR (M)	1.00%	7.75%	8.75%	11/6/2021	\$ 19,988,392	19,704,946	19,288,799	1.64%
Other Telecommunications										
urus Technologies, Inc.	Second Lien Term Loan	LIBOR (Q)	1.25%	7.75%	9.00%	4/30/2021	\$ 14,000,000	13,860,000	13,790,000	1.17%
Petroleum and Coal Products Manufacturing										
merang e, LLC	Second Lien Term Loan	LIBOR (Q)	1.50%	9.50%	11.00%	10/11/2017	\$ 3,825,453	3,778,669	3,318,581	0.28%
Chemicals Products Manufacturing										
ore International, Inc.	Sr Secured Notes	Fixed	9.50%	9.50%	6/1/2018	\$ 13,600,000	13,600,000	8,194,000	0.70%	

S-F-61

Table of Contents

Special Value Continuation Partners, LP
(A Delaware Limited Partnership)

Consolidated Statement of Investments (Continued)

December 31, 2014

Showing Percentage of Total Cash and Investments of the Partnership

Owner	Instrument	Ref	Floor	Spread	All-In Rate	Maturity	Principal	Cost	Value	% of Portfolio	Notes
Real Estate Investments (continued)											
Radio and Television Broadcasting											
TV, Inc.	Sr Secured Notes	Fixed		10.38%	10.38%	7/1/2019	\$ 7,312,000	\$ 7,312,000	\$ 6,818,440	0.58%	E/G
Te Tennis Channel, Inc.	First Lien Term Loan	LIBOR (Q)		8.50%	8.75%	5/29/2017	\$ 18,250,825	17,914,285	18,369,455	1.56%	
								25,226,285	25,187,895	2.14%	
Real Estate											
nneth Cole Productions, Inc.	First Lien FILO Term Loan	LIBOR (M)	1.00%	10.40%	11.40%	9/25/2017	\$ 10,590,909	10,434,633	10,643,863	0.91%	
nnexity, Inc.	Second Lien Term Loan	LIBOR (Q)		12.50%	12.73%	3/31/2016	\$ 6,630,353	6,536,895	6,600,516	0.56%	
op Holding, LLC	Convertible Promissory Note	Fixed		5.00%	5.00%	8/5/2015	\$ 73,140	73,140	67,691	0.01%	E
								17,044,668	17,312,070	1.48%	
Satellite Telecommunications											
anti Communications Group, PLC (United Kingdom)	Sr Secured Notes	Fixed		10.00%	10.00%	10/1/2019	\$ 9,914,000	9,914,000	9,492,655	0.81%	E/G
Scheduled Air Transportation											
Aircraft Leased to Delta Air Lines, Inc.	Aircraft Secured Mortgage	Fixed		8.00%	8.00%	3/15/2017	\$ 205,106	205,106	209,168	0.02%	F
18DL	Aircraft Secured Mortgage	Fixed		8.00%	8.00%	8/15/2018	\$ 313,694	313,694	320,440	0.03%	F

Edgar Filing: TCP Capital Corp. - Form 497

54DL	Aircraft Secured Mortgage	Fixed	8.00%	8.00%	3/20/2019	\$ 429,007	429,007	437,679	0.04%	F	
55DL	Aircraft Secured Mortgage	Fixed	8.00%	8.00%	6/20/2019	\$ 451,165	451,165	460,258	0.04%	F	
56DL	Aircraft Secured Mortgage	Fixed	8.00%	8.00%	5/20/2019	\$ 448,792	448,792	457,902	0.04%	F	
57DL	Aircraft Secured Mortgage	Fixed	8.00%	8.00%	6/20/2019	\$ 455,112	455,112	464,283	0.04%	F	
59DL	Aircraft Secured Mortgage	Fixed	8.00%	8.00%	7/20/2019	\$ 461,378	461,378	470,601	0.04%	F	
60DL	Aircraft Secured Mortgage	Fixed	8.00%	8.00%	10/20/2019	\$ 483,873	483,873	493,258	0.04%	F	
61DL	Aircraft Secured Mortgage	Fixed	8.00%	8.00%	8/20/2019	\$ 475,489	475,489	484,908	0.04%	F	
76DL	Aircraft Secured Mortgage	Fixed	8.00%	8.00%	2/15/2018	\$ 308,103	308,103	314,588	0.03%	F	
Aircraft Leased to United Airlines, Inc.											
59UA	Aircraft Secured Mortgage	Fixed	12.00%	12.00%	2/28/2016	\$ 1,582,136	1,582,136	1,659,003	0.14%	F	
61UA	Aircraft Secured Mortgage	Fixed	12.00%	12.00%	5/4/2016	\$ 1,788,182	1,788,181	1,899,950	0.16%	F	
esa Air Group, Inc.	Acquisition Delayed Draw Loan	LIBOR (M)	7.25%	N/A	7/15/2022	\$	(271,500)	(135,750)	(0.01)%	K	
esa Air Group, Inc.	Acquisition Loan	LIBOR (M)	7.25%	7.44%	7/15/2022	\$ 17,810,658	17,469,814	17,632,552	1.50%		
							24,600,350	25,168,840	2.15%		
Scientific Research and Development Services											
RA Laboratories, Inc.	Senior Secured Notes	Fixed	12.25%	12.25%	4/1/2017	\$ 38,932,000	39,001,750	41,754,570	3.56%	E/G	
Semiconductor and Other Electronic Component Manufacturing											
raa, Inc.	Sr Secured Term Loan	LIBOR (M)	0.23%	10.27%	10.50%	9/1/2017	\$ 22,500,000	21,822,817	21,633,750	1.84%	L
nEdison, Inc.	Senior Secured	Fixed	3.75%	N/A	2/28/2017	\$	(1,031,717)	(750,340)	(0.06)%	J/K	

Letters of
Credit

S-F-62	20,791,100	20,883,410	1.78%
--------	------------	------------	-------

Table of Contents

Special Value Continuation Partners, LP
(A Delaware Limited Partnership)

Consolidated Statement of Investments (Continued)

December 31, 2014

Showing Percentage of Total Cash and Investments of the Partnership

	Instrument	Ref	Floor	Spread	All-In Rate	Maturity	Principal	Cost	Value	% of Portfolio
Investments (continued)										
Media Publishers										
Media Publishers Media Publishers GmbH (Germany)	First Lien Term Loan	LIBOR (Q)	1.00%	13.00%	14.00%	2/21/2017	\$ 30,634,068	\$ 30,429,609	\$ 28,949,194	2.47%
Media Publishers Media Publishers LLC	Second Lien Term Loan	LIBOR (Q)	0.50%	8.50%	9.00%	1/31/2020	\$ 30,000,000	29,439,740	30,015,000	2.57%
Media Publishers Media Publishers, Inc.	First Lien Term Loan	LIBOR (Q)	1.50%	0.4% Cash + 7.6% PIK	9.50%	9/25/2018	\$ 13,577,457	12,859,373	13,781,119	1.17%
Media Publishers Media Publishers, LLC	First Lien Term Loan	LIBOR (Q)	1.00%	3.75% Cash + 5% PIK	9.75%	9/4/2018	\$ 14,257,231	14,028,252	13,865,157	1.18%
Media Publishers Media Publishers, Inc.	Second Lien Term Loan	LIBOR (Q)	1.25%	8.75%	10.00%	10/10/2019	\$ 15,000,000	14,831,408	15,099,975	1.29%
Media Publishers Media Publishers, Inc.	Second Lien Term Loan	LIBOR (Q)	1.50%	9.75%	11.25%	5/17/2019	\$ 21,500,000	21,361,215	11,287,500	0.96%
								122,949,597	112,997,945	9.64%
Healthcare Hospitals										
Healthcare Healthcare, LLC	Second Lien Term Loan	LIBOR (Q)	1.00%	10.00%	11.00%	4/10/2020	\$ 11,000,000	10,786,339	10,945,000	0.93%
Healthcare Healthcare, Inc.	First Lien Term Loan	LIBOR (Q)	1.00%	9.00%	10.00%	7/1/2018	\$ 4,401,081	4,379,076	4,390,078	0.37%
								15,165,415	15,335,078	1.30%
Structured Note Funds										
Structured Note Funds Structured Note Funds (Cayman)	Asset-Backed Credit Linked Notes			13.13%	13.13%	8/2/2021	\$ 15,000,000	15,000,000	15,123,000	1.29%

S-F-63

Table of Contents

Special Value Continuation Partners, LP
(A Delaware Limited Partnership)

Consolidated Statement of Investments (Continued)

December 31, 2014

Showing Percentage of Total Cash and Investments of the Partnership

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

Science &
Technology
Investment

Chemical Manufacturing

Biologics, Inc.	Warrants to Purchase Stock	376,147	272,594	276,882	0.029
-----------------	----------------------------	---------	---------	---------	-------

Business Support Services

Valent, LLC	Membership Units	708,229	230,938	162,184	0.019
Airway Investments, LLC	Class A Units	841,479	943,287	2,917,492	0.259

1,174,225 3,079,676 0.269

Communications Equipment Manufacturing

Stein Cosmos Fund, L.P.	Limited Partnership Units	5,000,000	5,000,000	4,175,000	0.369
-------------------------	---------------------------	-----------	-----------	-----------	-------

Processing, Hosting, and Related Services

Up, Inc.	Class A Common Stock	1,255,527	26,711,048	916,535	0.089
Tele Group, Ltd.	Warrants	498,855	2,778,622	693,748	0.069

29,489,670 1,610,283 0.149

Medical Equipment and Component Manufacturing

Knacker, Inc.	Series B Preferred Stock	268,817	999,999	999,999	0.099
Knacker, Inc.	Warrants to Purchase Stock	357,022	370,118	385,013	0.039

1,370,117 1,385,012 0.129

Real Estate Investment Activities

Investments, LLC	Common Interest Units	168,698	172,694	16,870	
------------------	-----------------------	---------	---------	--------	--

Service Restaurants

Foodco, LLC	Equity Participation	24		792	
Foodco, LLC	Membership Units	13,161,000	2,010,777		

2,010,777 792

175

Machine Shops; Turned Product; and Screw, Nut, and Bolt Manufacturing

Company Name	Class C	33	1,469
Company Name, LLC	Membership Interest		

Metallic Mineral Mining and Quarrying

Company Name, LLC	Membership Units	1,312,720	682,614	0.069
-------------------	------------------	-----------	---------	-------

S-F-64

Table of Contents

Special Value Continuation Partners, LP
(A Delaware Limited Partnership)

Consolidated Statement of Investments (Continued)

December 31, 2014

Showing Percentage of Total Cash and Investments of the Partnership

Issuer	Instrument	Ref	Floor	Spread	Principal or Maturity	Shares	Cost	Value	% Portfolio	Notes
<u>Equity Securities (continued)</u>										
Nonscheduled Air Transportation										
Flight Options Holdings I, Inc.	Warrants to Purchase Common Stock				\$ 1,843		\$ 1,274,000	\$ 3,311,430	0.28%	C/E
Radio and Television Broadcasting										
SiTV, Inc.	Warrants to Purchase Common Stock				233,470		300,322	331,527	0.03%	C/E
Retail										
Shop Holding, LLC	Class A Units				507,167		480,049	379,665	0.03%	C/E
Shop Holding, LLC	Warrants to Purchase Class A Units				326,691			3		C/E
							480,049	379,668	0.03%	
Scheduled Air Transportation										
Aircraft Leased to Delta Air Lines, Inc.										
N913DL	Trust Beneficial Interests				1,009		87,287	117,497	0.01%	E/F
N918DL	Trust Beneficial Interests				829		94,907	135,890	0.01%	E/F
N954DL	Trust Beneficial Interests				775		110,643	72,604	0.01%	E/F
N955DL	Trust Beneficial Interests				749		109,549	111,010	0.01%	E/F

Edgar Filing: TCP Capital Corp. - Form 497

	Trust Beneficial Interests				
N956DL	Trust Beneficial Interests	756	109,486	106,801	0.01% E/F
N957DL	Trust Beneficial Interests	749	110,163	107,682	0.01% E/F
N959DL	Trust Beneficial Interests	743	110,838	108,579	0.01% E/F
N960DL	Trust Beneficial Interests	726	113,477	107,865	0.01% E/F
N961DL	Trust Beneficial Interests	737	112,742	102,826	0.01% E/F
N976DL	Trust Beneficial Interests	883	97,111	102,006	0.01% E/F
Aircraft Leased to United Airlines, Inc.					
United N659UA-767, LLC (N659UA)	Trust Beneficial Interests	525	2,548,939	3,177,822	0.27% E/F
United N661UA-767, LLC (N661UA)	Trust Beneficial Interests	509	2,495,032	3,078,923	0.26% E/F
			6,100,174	7,329,505	0.63%

S-F-65

Table of Contents

Special Value Continuation Partners, LP
(A Delaware Limited Partnership)

Consolidated Statement of Investments (Continued)

December 31, 2014

Showing Percentage of Total Cash and Investments of the Partnership

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

Cash and Cash Equivalents

Union Bank of California	Commercial Fixed Paper	0.03%	1/2/2015	6,999,994	0.60%
Cash Denominated in Foreign Currencies				192,187	0.02%
Cash Held on Account at Various Institutions				20,076,611	1.70%
Cash and Cash Equivalents				27,268,792	2.32%
Total Cash and Investments				\$ 1,173,804,678	100.00% M

Notes to Consolidated Statement of Investments:

- (A) Investments in bank debt generally are bought and sold among institutional investors in transactions not subject to registration under the Securities Act of 1933. Such transactions are generally subject to contractual restrictions, such as approval of the agent or borrower.
- (B) Non-controlled affiliate as defined under the Investment Company Act of 1940 (ownership of between 5% and 25% of the outstanding voting securities of this issuer). See Consolidated Schedule of Changes in Investments in Affiliates.
- (C) Non-income producing security.
- (D) Principal amount denominated in foreign currency. Amortized cost and fair value converted from foreign currency to US dollars. (See Note 2)
- (E) Restricted security. (See Note 2)
- (F) Controlled issuer as defined under the Investment Company Act of 1940 (ownership of 25% or more of the outstanding voting securities of this issuer). Investment is not more than 50% owned nor deemed to be a significant subsidiary. See Consolidated Schedule of Changes in Investments in Affiliates.
- (G)

Investment has been segregated to collateralize certain unfunded commitments.

- (H) Non-U.S. company or principal place of business outside the U.S. and as a result the investment is not a qualifying asset under Section 55(a) of the Investment Company Act. Under the Investment Company Act, the Partnership may not acquire any non-qualifying asset unless, at the time such acquisition is made, qualifying assets represent at least 70% of the Partnership's total assets.
- (I) Deemed an investment company under Section 3(c) of the Investment Company Act and as a result the investment is not a qualifying asset under Section 55(a) of the Investment Company Act. Under the Investment Company Act, the Partnership may not acquire any non-qualifying asset unless, at the time such acquisition is made, qualifying assets represent at least 70% of the Partnership's total assets.
- (J) Publicly traded company with a market capitalization greater than \$250 million and as a result the investment is not a qualifying asset under Section 55(a) of the Investment Company Act. Under the Investment Company Act, the Partnership may not acquire any non-qualifying asset unless, at the time such acquisition is made, qualifying assets represent at least 70% of the Partnership's total assets.
- (K) Negative balances relate to an unfunded commitment that was acquired and valued at a discount.
- (L) In addition to the stated coupon, investment has a back-end fee payable upon repayment of the loan in the amount of 4.0% for Soraa, 8.0% for VitAg, 1.5% for Enerwise, 2.5% for NEXTracker, and 7.0% for Green Biologics.

Table of Contents

Special Value Continuation Partners, LP
(A Delaware Limited Partnership)

Consolidated Statement of Investments (Continued)

December 31, 2014

Showing Percentage of Total Cash and Investments of the Partnership

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

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

Aggregate acquisitions and aggregate dispositions of investments, other than government securities, totaled \$669,515,626, and \$266,008,974 respectively, for the twelve months ended December 31, 2014. Aggregate acquisitions includes investment assets received as payment in kind. Aggregate dispositions includes principal paydowns on and maturities of debt investments. The total value of restricted securities and bank debt as of December 31, 2014 was \$1,146,535,883, or 97.7% of total cash and investments of the Partnership.

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

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

See accompanying notes.

S-F-67

Table of Contents

Special Value Continuation Partners, LP
(A Delaware Limited Partnership)

Consolidated Statement of Investments

December 31, 2013

Showing Percentage of Total Cash and Investments of the Partnership

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

Edgar Filing: TCP Capital Corp. - Form 497

Archroma	Term Loan B	LIBOR (Q)	1.25%	8.25%	9/30/2018	\$ 17,456,250	17,107,125	17,401,699	2.20%
Communications Equipment Manufacturing									
Globecom Systems Inc.	First Lien Term Loan	LIBOR (Q)	1.25%	7.625%	12/11/2018	\$ 15,000,000	14,850,000	15,097,500	1.91% B
Computer Equipment Manufacturing									
ELO Touch Solutions, Inc.	Second Lien Term Loan	LIBOR (Q)	1.50%	10.50%	12/1/2018	\$ 10,000,000	9,666,672	9,100,000	1.15%
Converted Paper Products Manufacturing									
Ranpak Corp.	Second Lien Term Loan	LIBOR (Q)	1.25%	7.25%	4/23/2020	\$ 3,469,573	3,434,877	3,573,660	0.45%
Computer Systems Design and Related Services									
Blue Coat Systems	First Lien Revolver	LIBOR (Q)	1.00%	3.50%	5/31/2018	\$ 4,500,000	3,540,000	4,060,800	0.51% L
Blue Coat Systems	Second Lien Term Loan	LIBOR (Q)	1.00%	8.50%	6/28/2020	\$ 15,000,000	14,878,125	15,300,000	1.94%
OnX Enterprise Solutions, Ltd.	First Lien Term Loan	LIBOR (Q)		7.00%	9/3/2018	\$ 10,640,000	10,483,300	10,709,160	1.36%
OnX USA, LLC	First Lien Term Loan	LIBOR (Q)		7.00%	9/3/2018	\$ 5,320,000	5,244,790	5,354,580	0.68%
Websense, Inc.	Second Lien Term Loan	LIBOR (Q)	1.00%	7.25%	12/27/2020	\$ 7,200,000	7,164,000	7,218,000	0.91%
							41,310,215	42,642,540	5.40%
Data Processing, Hosting, and Related Services									
The Telx Group, Inc.	Senior Unsecured Notes	Fixed		10% Cash + 2% PIK	9/26/2019	\$ 7,098,916	6,960,435	7,631,335	0.97% E
Electric Power Generation, Transmission and Distribution									
Panda Sherman Power, LLC	First Lien Term Loan	LIBOR (Q)	1.50%	7.50%	9/14/2018	\$ 11,070,172	10,932,474	11,402,277	1.44%
Panda Temple Power II, LLC	First Lien Term Loan	LIBOR (Q)	1.25%	6.00%	4/3/2019	\$ 5,892,970	5,834,041	6,069,759	0.77%
							16,766,515	17,472,036	2.21%
Electrical Equipment and Component Manufacturing									
Palladium Energy, Inc.	First Lien Term Loan	LIBOR (Q)	1.00%	9.00%	12/26/2027	\$ 16,500,317	16,225,541	16,426,066	2.08%
Fabricated Metal Product Manufacturing									
Constellation Enterprises, LLC	First Lien Notes	Fixed		10.625%	2/1/2016	\$ 12,500,000	12,322,875	10,875,000	1.38% E/G

Financial Investment Activities

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

S-F-68

Table of Contents

Special Value Continuation Partners, LP
(A Delaware Limited Partnership)

Consolidated Statement of Investments (Continued)

December 31, 2013

Showing Percentage of Total Cash and Investments of the Partnership

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

Loan

Inland Water Transportation

US Shipping Corp	First Lien Term Loan B	LIBOR (Q)	1.25%	7.75%	4/30/2018	\$ 12,603,333	12,477,300	12,965,679	1.64%
------------------	------------------------------	--------------	-------	-------	-----------	---------------	------------	------------	-------

Insurance Related Activities

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

Merchant Wholesalers

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

Metal Ore Mining

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

Motion Picture and Video Industries

CORE Entertainment, Inc.	First Lien Term Loan	Fixed		9.00%	6/21/2017	\$ 9,462,231	9,381,116	8,610,631	1.09%
CORE Entertainment, Inc.	Second Lien Term Loan	Fixed		13.50%	6/21/2018	\$ 7,569,785	7,502,054	6,858,225	0.88%

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

Newspaper, Periodical, Book, and Directory Publishers

Hanley-Wood, LLC	First Lien FILO Term Loan	LIBOR (Q)	1.25%	6.75%	7/15/2018	\$ 16,707,600	16,707,600	16,699,246	2.13%
MediMedia USA, Inc.	First Lien Revolver	LIBOR (M)		6.75%	5/20/2018	\$ 4,960,000	3,797,500	4,523,908	0.57%
MediMedia USA, Inc.	First Lien Term Loan	LIBOR (M)	1.25%	6.75%	11/20/2018	\$ 9,701,250	9,433,029	9,458,719	1.20%

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

Nondepository Credit Intermediation

Caribbean Financial Group (Cayman Islands)	Senior Secured Notes	Fixed		11.50%	11/15/2019	\$ 10,000,000	9,824,072	10,700,000	1.35% E
Trade Finance Funding I, Ltd. (Cayman Islands)	Secured Class B Notes	Fixed		10.75%	11/13/2018	\$ 15,000,000	15,000,000	14,962,500	1.90% E/J

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

Nonresidential Building Construction

Edgar Filing: TCP Capital Corp. - Form 497

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

Nonscheduled Air Transportation

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

Oil and Gas Extraction

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

Other Telecommunications

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

S-F-69

Table of Contents

Special Value Continuation Partners, LP
(A Delaware Limited Partnership)

Consolidated Statement of Investments (Continued)

December 31, 2013

Showing Percentage of Total Cash and Investments of the Partnership

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

Retail

Edgar Filing: TCP Capital Corp. - Form 497

Kenneth Cole Productions, Inc.	First Lien FILO Term Loan	LIBOR (M)	1.00%	10.40%	9/25/2017	\$ 11,272,727	11,051,496	11,329,090	1.44%
Shopzilla, Inc.	Second Lien Term Loan	LIBOR (Q)		9.50%	3/31/2016	\$ 6,710,057	6,525,027	6,683,216	0.85%

17,576,523 18,012,306 2.29%

Satellite Telecommunications

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

Scheduled Air Transportation

Aircraft Leased to Delta Air Lines, Inc.

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

Aircraft Leased to United

Edgar Filing: TCP Capital Corp. - Form 497

Airlines, Inc.

N510UA	Aircraft Secured Mortgage	Fixed	20.00%	10/26/2016	\$ 328,848	328,848	404,605	0.05% B
N512UA	Aircraft Secured Mortgage	Fixed	20.00%	10/26/2016	\$ 334,535	334,535	414,010	0.05% B
N536UA	Aircraft Secured Mortgage	Fixed	16.00%	9/29/2014	\$ 108,845	108,845	114,000	0.01% B
N545UA	Aircraft Secured Mortgage	Fixed	16.00%	8/29/2015	\$ 249,695	249,695	275,405	0.03% B
N585UA	Aircraft Secured Mortgage	Fixed	20.00%	10/25/2016	\$ 392,794	392,794	486,115	0.06% B
N659UA	Aircraft Secured Mortgage	Fixed	12.00%	2/28/2016	\$ 2,708,150	2,708,150	2,948,986	0.37% F
N661UA	Aircraft Secured Mortgage	Fixed	12.00%	5/4/2016	\$ 2,880,186	2,880,186	3,171,026	0.40% F

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

Scientific Research and Development Services

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

S-F-70

Table of Contents

Special Value Continuation Partners, LP
(A Delaware Limited Partnership)

Consolidated Statement of Investments (Continued)

December 31, 2013

Showing Percentage of Total Cash and Investments of the Partnership

Issuer	Instrument	Ref	Floor	Spread	Maturity	Principal	Cost	Value	% of Portfolio
Not Investments (continued)									
Semiconductor and Other Electronic Component Manufacturing									
Intel Corporation	Senior Secured Term Loan B	LIBOR (Q)	1.00%	8.25%	11/29/2018	\$ 14,583,333	\$ 14,366,560	\$ 14,729,167	1.87%
Software Publishers									
BlackLine Systems, Inc.	First Lien Term Loan	LIBOR (Q)	1.50%	0.4% Cash + 7.6% PIK	9/25/2018	\$ 12,579,747	11,811,044	12,183,485	1.56%
Perone Technologies, LLC	First Lien Term Loan	LIBOR (Q)	1.00%	3.75% Cash + 5% PIK	9/14/2018	\$ 13,556,801	13,243,533	13,455,125	1.72%
NetScout, Inc.	Second Lien Term Loan	LIBOR (Q)	1.25%	8.75%	10/10/2019	\$ 15,000,000	14,805,253	15,300,000	1.94%
Protonet, Inc.	Second Lien Term Loan	LIBOR (Q)	1.50%	9.75%	5/17/2019	\$ 15,000,000	14,748,486	15,112,500	1.91%
							54,608,316	56,051,110	7.13%
Specialty Hospitals									
Healthcare Analytics, Inc.	First Lien Term Loan	LIBOR (Q)	1.00%	9.00%	7/1/2018	\$ 5,526,021	5,498,391	5,559,177	0.70%
Imageology, LLC	Senior Secured Notes			9.50%	6/15/2017	\$ 5,000,000	5,000,000	5,137,500	0.65%
							10,498,391	10,696,677	1.35%
Structured Note Funds									
Ignolia Finance plc (Cayman Islands)	Asset-Backed Fixed Credit Linked Notes			13.125%	8/2/2021	\$ 15,000,000	15,000,000	15,000,000	1.90%

Textile Furnishings Mills

Mark Carpet s, Inc.	First Lien Term Loan	LIBOR (Q)	1.00%	10.00%	9/30/2018	\$ 16,351,467	15,942,680	16,392,346	2.08%
------------------------	-------------------------	--------------	-------	--------	-----------	---------------	------------	------------	-------

Fixed Telecommunications Carriers

egra Telecom dings, Inc.	Second Lien Term Loan	LIBOR (Q)	1.25%	8.50%	2/22/2020	\$ 15,000,000	14,701,027	15,459,375	1.96%
-----------------------------	--------------------------	--------------	-------	-------	-----------	---------------	------------	------------	-------

Wireless Telecommunications Carriers

heus mmunications, LLC	First Lien Delayed FILO Term Loan	LIBOR (Q)	1.00%	6.92%	5/31/2018	\$	(11,183)	(8,437)	M
---------------------------	--	--------------	-------	-------	-----------	----	----------	---------	---

heus mmunications, LLC	First Lien FILO Term Loan	LIBOR (Q)	1.00%	6.92%	5/31/2018	\$ 8,248,124	8,166,127	8,186,263	1.04%
---------------------------	---------------------------------	--------------	-------	-------	-----------	--------------	-----------	-----------	-------

lobalive Wireless nagement Corp. nada)	First Lien Term Loan	LIBOR (Q)		10.90%	4/30/2014	\$ 3,037,292	2,933,872	3,067,665	0.39%J
--	-------------------------	--------------	--	--------	-----------	--------------	-----------	-----------	--------

go, LLC	First Lien Term Loan	LIBOR (Q)	1.50%	9.75%	6/21/2017	\$ 19,587,428	18,707,700	21,252,360	2.69%
---------	-------------------------	--------------	-------	-------	-----------	---------------	------------	------------	-------

29,796,516 32,497,851 4.12%

Total Debt

estments							720,651,321	726,514,593	92.05%
----------	--	--	--	--	--	--	-------------	-------------	--------

S-F-71

Table of Contents

Special Value Continuation Partners, LP
(A Delaware Limited Partnership)

Consolidated Statement of Investments (Continued)

December 31, 2013

Showing Percentage of Total Cash and Investments of the Partnership

Issuer	Instrument	ReFloorSpread	Maturity	Shares	Cost	Value	% of Portfolio	Notes
<u>Equity Securities</u>								
Architectural, Engineering, and Related Services								
ESP Holdings, Inc.	Cumulative Preferred 15%			20,297	\$ 2,249,930	\$ 3,947,862	0.51%	B/C/E
ESP Holdings, Inc., Common Stock	Common Stock			88,670	9,311,782	2,856,346	0.36%	B/C/E
					11,561,712	6,804,208	0.87%	
Business Support Services								
STG-Fairway Holdings	Class A Units			841,479	1,174,225	1,722,508	0.22%	C/E
Wasserstein Cosmos Co-Invest, L.P.	Limited Partnership Units			5,000,000	5,000,000	5,000,000	0.64%	B/C/E
					6,174,225	6,722,508	0.86%	
Data Processing, Hosting, and Related Services								
Anacomp, Inc.	Class A Common Stock			1,255,527	26,711,048	1,004,422	0.13%	B/C/E
Depository Credit Intermediation								
Doral Financial Corporation	Common Stock			53,890	11,699,417	843,913	0.11%	C/L
Financial Investment Activities								
Marsico Holdings, LLC	Common Interest Units			168,698	172,694	4,302		C/E/K
Full-Service Restaurants								
RM Holdco, LLC	Membership Units			13,161,000	2,010,777			B/C/E
Machine Shops; Turned Product; and Screw, Nut, and Bolt Manufacturing								

Edgar Filing: TCP Capital Corp. - Form 497

Precision Holdings, LLC	Class C Membership Interests	33		41,645	0.01% C/E
-------------------------	------------------------------	----	--	--------	-----------

Nonmetallic Mineral Mining and Quarrying

EPMC HoldCo, LLC	Membership Units	1,312,720		1,562,137	0.20% B/E
------------------	------------------	-----------	--	-----------	-----------

Nonscheduled Air Transportation

Flight Options Holdings I, Inc.	Warrants to Purchase Common Stock	1,843	1,274,000	1,268,904	0.16% C/E
---------------------------------	-----------------------------------	-------	-----------	-----------	-----------

Radio and Television Broadcasting

SiTV, Inc.	Warrants to Purchase Common Stock	233,470	300,322	354,874	0.04% C/E
------------	-----------------------------------	---------	---------	---------	-----------

Retail

Shop Holding, LLC	Class A Unit	490,037	462,576	532,919	0.07% C/E
Shop Holding, LLC	Warrants to Purchase Class A Unit	326,691		38,258	C/E

			462,576	571,177	0.07%
--	--	--	---------	---------	-------

Scheduled Air Transportation

Aircraft Leased to Delta Air Lines, Inc.					
N913DL	Trust Beneficial Interests	727	97,376	125,970	0.02% E/F
N918DL	Trust Beneficial Interests	623	109,938	142,970	0.02% E/F
N954DL	Trust Beneficial Interests	591	133,027	68,000	0.01% E/F
N955DL	Trust Beneficial Interests	576	133,868	113,560	0.01% E/F
N956DL	Trust Beneficial Interests	580	133,907	108,800	0.01% E/F
N957DL	Trust Beneficial Interests	576	134,785	109,650	0.01% E/F
N959DL	Trust Beneficial Interests	573	135,658	110,500	0.01% E/F

Edgar Filing: TCP Capital Corp. - Form 497

	Interests				
N960DL	Trust Beneficial Interests	563	139,173	109,650	0.01% E/F
N961DL	Trust Beneficial Interests	570	138,350	103,870	0.01% E/F
N976DL	Trust Beneficial Interests	654	113,413	103,033	0.01% E/F
Aircraft Leased to United Airlines, Inc.					
N510UA	Trust Beneficial Interests	54	197,409	465,625	0.06% B/E
N512UA	Trust Beneficial Interests	53	193,046	458,277	0.06% B/E
N536UA	Trust Beneficial Interests	81	396,289	656,766	0.08% B/E
N545UA	Trust Beneficial Interests	67	348,071	641,840	0.08% B/E
N585UA	Trust Beneficial Interests	53	214,737	571,706	0.07% B/E
United N659UA-767, LLC (N659UA)	Trust Beneficial Interests	412	2,097,640	2,840,323	0.36% E/F
United N661UA-767, LLC (N661UA)	Trust Beneficial Interests	400	2,066,062	2,852,677	0.36% E/F
			6,782,749	9,583,217	1.19%

S-F-72

Table of Contents

Special Value Continuation Partners, LP
(A Delaware Limited Partnership)

Consolidated Statement of Investments (Continued)

December 31, 2013

Showing Percentage of Total Cash and Investments of the Partnership

Issuer	Instrument	RefFlooßspread	Maturity	Shares	Cost	Value	% of Portfolio	Notes
<u>Equity Securities (continued)</u>								
Resin, Synthetic Rubber, and Artificial Synthetic Fibers and Filaments Manufacturing								
KAGY Holding Company, Inc.	Series A Preferred Stock			9,778	\$ 1,091,200	\$ 662,134	0.08%	B/C/E
Semiconductor and Other Electronic Component Manufacturing								
AIP/IS Holdings, LLC	Membership Units			352		229,504	0.03%	C/E
Software Publishers								
SLS Breeze Intermediate Holdings, Inc.	Warrants to Purchase Common Stock			1,232,731	522,678	561,632	0.07%	C/E
Wired Telecommunications Carriers								
Integra Telecom, Inc.	Common Stock			1,274,522	8,433,884	5,583,686	0.72%	C/E
Integra Telecom, Inc.	Warrants			346,939	19,920	194,050	0.02%	C/E
V Telecom Investment S.C.A (Luxembourg)	Common Shares			1,393	3,236,256	3,756,053	0.48%	C/D/E/J
					11,690,060	9,533,789	1.22%	
Total Equity Securities					80,453,458	39,748,366	5.04%	
Total Investments					801,104,779	766,262,959		

Cash and Cash Equivalents

Wells Fargo & Company	Overnight Repurchase Agreement	Fixed	0.09%	1/2/2014	10,501,688	1.33%
Union Bank of California	Commercial Paper	Fixed	0.10%	1/2/2014	8,499,976	1.07%
Cash					121,389	0.02%
Denominated in Foreign Currencies						
Cash						0.00%
Denominated in Foreign Currencies						
Cash Held on Account at Various Institutions					3,861,129	0.49%

Cash and Cash Equivalents

22,984,182 2.91%

Total Cash and Investments

\$ 789,247,141 100.00%I

Notes to Consolidated Statement of Investments:

- (A) Investments in bank debt generally are bought and sold among institutional investors in transactions not subject to registration under the Securities Act of 1933. Such transactions are generally subject to contractual restrictions, such as approval of the agent or borrower.
- (B) Non-controlled affiliate as defined under the Investment Company Act of 1940 (ownership of between 5% and 25% of the outstanding voting securities of this issuer). See Consolidated Schedule of Changes in Investments in Affiliates.
- (C) Non-income producing security.
- (D) Principal amount denominated in foreign currency. Amortized cost and fair value converted from foreign currency to US dollars. (See Note 2)
- (E)

Restricted security. (See Note 2)

- (F) Controlled issuer as defined under the Investment Company Act of 1940 (ownership of 25% or more of the outstanding voting securities of this issuer). Investment is not more than 50% owned nor deemed to be a significant subsidiary. See Consolidated Schedule of Changes in Investments in Affiliates.
- (G) Investment has been segregated to collateralize certain unfunded commitments.
- (H) \$2,000,000 principal amount of this investment has been segregated to collateralize certain unfunded commitments.
- (I) All cash and investments, except those referenced in Notes G and H above, are pledged as collateral under the Revolving Facilities as described in Note 4 to the Consolidated Financial Statements.
- (J) Non-U.S. company or principal place of business outside the U.S. and as a result the investment is not a qualifying asset under Section 55(a) of the Investment Company Act. Under the Investment Company Act, the Partnership may not acquire any non-qualifying asset unless, at the time such acquisition is made, qualifying assets represent at least 70% of the Partnership's total assets.
- (K) Deemed an investment company under Section 3(c) of the Investment Company Act and as a result the investment is not a qualifying asset under Section 55(a) of the Investment Company Act. Under the Investment Company Act, the Partnership may not acquire any non-qualifying asset unless, at the time such acquisition is made, qualifying assets represent at least 70% of the Partnership's total assets.
- (L) Publicly traded company with a market capitalization greater than \$250 million and as a result the investment is not a qualifying asset under Section 55(a) of the Investment Company Act. Under the Investment Company Act, the Partnership may not acquire any non-qualifying asset unless, at the time such acquisition is made, qualifying assets represent at least 70% of the Partnership's total assets.

S-F-73

Table of Contents

Special Value Continuation Partners, LP
(A Delaware Limited Partnership)

Consolidated Statement of Investments (Continued)

December 31, 2013

Showing Percentage of Total Cash and Investments of the Partnership

(M)

Negative balances relate to an unfunded commitment that was acquired at a discount.

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

Aggregate acquisitions and aggregate dispositions of investments, other than government securities, totaled \$471,087,319, and \$235,641,665, respectively for the year ended December 31, 2013. Aggregate acquisitions includes investment assets received as payment in kind. Aggregate dispositions includes principal paydowns on and maturities of debt investments. The total value of restricted securities and bank debt as of December 31, 2013 was \$765,419,046, or 97.0% of total cash and investments of the Partnership.

Options and Swaps at December 31, 2013 were as follows:

Investment	Notional Amount	Fair Value
Interest Rate Cap, 4%, expires 5/15/2016	\$ 25,000,000	\$ 14,139
Euro/US Dollar Cross-Currency Basis Swap, Pay Euros/Receive USD, Expires 3/31/17	\$ 4,289,019	\$ (331,183)

See accompanying notes.

S-F-74

Table of Contents

**Special Value Continuation Partners, LP
(A Delaware Limited Partnership)**

Consolidated Statements of Operations

	Year Ended December 31,		
	2014	2013	2012 (1)
Investment income			
Interest income:			
Companies less than 5% owned	\$ 99,423,562	\$ 60,323,117	\$ 42,139,023
Companies 5% to 25% owned	1,306,943	5,445,021	5,850,394
Companies more than 25% owned	192,760	1,210,926	1,253,915
Dividend income:			
Companies 5% to 25% owned	1,968,748		1,811,189
Lease income:			
Companies 5% to 25% owned	320,277	420,375	332,964
Companies more than 25% owned	1,014,053	701,239	490,066
Other income:			
Companies less than 5% owned	2,328,980	1,470,116	289,073
Companies 5% to 25% owned	26,125	38,252	26,135
Total investment income	106,581,448	69,609,046	52,192,759
Operating expenses			
Management and advisory fees	13,646,064	8,820,229	6,907,650
Interest expense	3,758,041	1,194,158	190,702
Amortization of deferred debt issuance costs	1,553,553	852,618	441,495
Administrative expenses	1,421,863	849,228	
Legal fees, professional fees and due diligence expenses	953,284	400,039	789,009
Commitment fees	885,496	292,671	225,560
Director fees	239,107	192,410	132,889
Custody fees	225,754	146,360	96,447
Insurance expense	192,168	126,237	86,861
Professional fees relating to the Conversion			411,523
Other operating expenses	557,020	394,873	437,490
Total operating expenses	23,432,350	13,268,823	9,719,626
Net investment income	83,149,098	56,340,223	42,473,133
Net realized and unrealized gain (loss) on investments and foreign currency			
Net realized gain (loss):			
Investments in companies less than 5% owned	(16,370,638)	(40,379,889)	(29,574,293)
Investments in companies 5% to 25% owned	(4,748,229)	(7,004,857)	13,584,105
Net realized loss	(21,118,867)	(47,384,746)	(15,990,188)
Net change in net unrealized appreciation/depreciation	(6,185,711)	56,456,107	3,205,937
Net realized and unrealized gain (loss)	(27,304,578)	9,071,361	(12,784,251)
Dividends on Series A preferred equity facility	(1,444,634)	(1,516,585)	(1,542,932)
Net change in accumulated dividends on Series A preferred equity facility	6,462	22,033	(59,867)