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

FORM 10-K

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2022

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____ to _____

Commission File No. 814-00663

ARES CAPITAL CORPORATION

(Exact name of registrant as specified in its charter)

Maryland	**33-1089684**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

245 Park Avenue, 44th Floor, New York, New York 10167
(Address of principal executive offices) (Zip Code)

(212) 750-7300
(Registrant's telephone number, including area code)

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

Title of each class	Trading Symbol	Name of each exchange on which registered
Common Stock, par value $0.001 per share	ARCC	The NASDAQ Global Select Market

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

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

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

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

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

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

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. Yes ☒ No ☐

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

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

The aggregate market value of the voting stock held by non-affiliates of the registrant on June 30, 2022, based on the closing price on that date of $17.93 on The NASDAQ Global Select Market, was approximately $8,839,437,115. As of February 1, 2023, there were 531,369,291 shares of the registrant's common stock outstanding.

Portions of the registrant's Proxy Statement for its 2023 Annual Meeting of Stockholders to be filed not later than 120 days after the end of the fiscal year covered by this Annual Report on Form 10-K are incorporated by reference into Part III of this Form 10-K.

ARES CAPITAL CORPORATION

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PART I

Item 1. Business

GENERAL

Ares Capital Corporation

Ares Capital Corporation, a Maryland corporation (together with its subsidiaries, where applicable, "Ares Capital" or the "Company," which may also be referred to as "we," "us" or "our"), is a specialty finance company that is a closed-end, non-diversified management investment company. We have elected to be regulated as a business development company ("BDC") under the Investment Company Act of 1940, as amended, and the rules and regulations promulgated thereunder, the "Investment Company Act." We were founded on April 16, 2004, were initially funded on June 23, 2004 and completed our initial public offering ("IPO") on October 8, 2004. As of December 31, 2022, we were the largest publicly traded BDC by market capitalization in the United States with approximately $22.4 billion of total assets.

We are externally managed by Ares Capital Management LLC ("Ares Capital Management" or our "investment adviser"), a subsidiary of Ares Management Corporation (NYSE:ARES) ("Ares Management" or "Ares"), a publicly traded, leading global alternative investment manager, pursuant to our investment advisory and management agreement. Ares Operations LLC ("Ares Operations" or our "administrator"), a subsidiary of Ares Management, provides certain administrative and other services necessary for us to operate.

Our investment objective is to generate both current income and capital appreciation through debt and equity investments. We invest primarily in U.S. middle-market companies, where we believe the supply of primary capital is limited and the investment opportunities are most attractive. However, we may from time to time invest in larger or smaller companies. We generally use the term "middle-market" to refer to companies with annual EBITDA between $10 million and $250 million. As used herein, EBITDA represents net income before net interest expense, income tax expense, depreciation and amortization.

We invest primarily in first lien senior secured loans (including "unitranche" loans, which are loans that combine both senior and subordinated debt, generally in a first lien position), and second lien senior secured loans. In addition to senior secured loans, we also invest in subordinated debt (sometimes referred to as mezzanine debt), which in some cases includes an equity component, and preferred equity. First and second lien senior secured loans generally are senior debt instruments that rank ahead of subordinated debt of a given portfolio company. Subordinated debt and preferred equity are subordinated to senior loans and are generally unsecured. Our investments in corporate borrowers generally range between $30 million and $500 million each. However, the investment sizes may be more or less than these ranges and may vary based on, among other things, our capital availability, the composition of our portfolio and general micro- and macro-economic factors.

To a lesser extent, we also make common equity investments, which have generally been non-control equity investments of less than $20 million (usually in conjunction with a concurrent debt investment). However, we may increase the size or change the nature of these investments.

The proportion of these types of investments will change over time given our views on, among other things, the economic and credit environment in which we are operating. In pursuit of our investment objective we generally seek to self-originate investments and lead the investment process.

The instruments in which we invest typically are not rated by any rating agency, but we believe that if such instruments were rated, they would be below investment grade (rated lower than "Baa3" by Moody's Investors Service, lower than "BBB-" by Fitch Ratings or lower than "BBB-" by Standard & Poor's Ratings Services), which, under the guidelines established by these entities, is an indication of having predominantly speculative characteristics with respect to the issuer's capacity to pay interest and repay principal. Bonds that are rated below investment grade are sometimes referred to as "high yield bonds" or "junk bonds." We may invest without limit in debt or other securities of any rating, as well as debt or other securities that have not been rated by any nationally recognized statistical rating organization.

We believe that our investment adviser, Ares Capital Management, is able to leverage the current investment platform, resources and existing relationships of Ares Management with financial sponsors, financial institutions, hedge funds and other investment firms to provide us with attractive investment opportunities. For purposes of this document, we refer to Ares Management and its affiliated companies (other than portfolio companies of its affiliated funds) as "Ares." In addition to deal flow, the Ares investment platform assists our investment adviser in analyzing, structuring and monitoring investments. Ares has been in existence for over 25 years and its partners have an average of approximately 25 years of experience in leveraged finance, private equity, distressed debt, commercial real estate finance, investment banking and capital markets. We have access to Ares' investment professionals and administrative professionals, who provide assistance in accounting, finance, legal, compliance, operations, information technology and investor relations. As of December 31, 2022, Ares had over 900 investment professionals and over 1,650 administrative professionals.

While our primary focus is to generate current income and capital appreciation through investments in first and second lien senior secured loans and subordinated debt and, to a lesser extent, equity securities of eligible portfolio companies, we also may invest up to 30% of our portfolio in non-qualifying assets, as permitted by the Investment Company Act. Specifically, as part of this 30% basket, we may invest in entities that are not considered "eligible portfolio companies" (as defined in the Investment Company Act), including companies located outside of the United States, entities that are operating pursuant to certain exceptions under the Investment Company Act, and publicly traded entities whose public equity market capitalization exceeds the levels provided for under the Investment Company Act.

Ares Management Corporation

Ares is a publicly traded, leading global alternative investment manager. As of December 31, 2022, Ares had over 2,550 employees in over 30 offices in more than 15 countries. Since its inception in 1997, Ares has adhered to a disciplined investment philosophy that focuses on delivering strong risk-adjusted investment returns throughout market cycles. Ares believes each of its distinct but complementary investment groups in credit, private equity, real estate, secondary solutions and strategic initiatives is a market leader based on assets under management and investment performance. Ares was built upon the fundamental principle that each group benefits from being part of the greater whole.

Ares Capital Management LLC

Ares Capital Management, our investment adviser, is served by an origination, investment and portfolio management team of approximately 150 U.S.-based investment professionals as of December 31, 2022 and led by certain partners of the Ares Credit Group: Kipp deVeer, Mitchell Goldstein and Michael Smith. Ares Capital Management leverages off of Ares' investment platform and benefits from the significant capital markets, trading and research expertise of Ares' investment professionals. Ares Capital Management's investment committee has nine members primarily comprised of certain of the U.S.-based partners of the Ares Credit Group.

MARKET OPPORTUNITY

We believe that current market conditions present attractive opportunities for us to invest in middle-market companies, specifically:

- We believe that many commercial and investment banks have de-emphasized their service and product offerings to middle-market businesses in favor of lending to large corporate clients and managing capital markets transactions. In addition, these lenders may be constrained in their ability to underwrite and hold bank loans and high yield securities for middle-market issuers as they seek to meet existing and future regulatory capital requirements. These factors may result in opportunities for alternative funding sources to middle-market companies and therefore more new-issue market opportunities for us.

- We believe the disruption and volatility that occurs periodically in the credit markets reduces capital available to certain capital providers, causing a reduction in competition. Furthermore, in our view, the stable capital solutions provided by direct lenders is increasingly valuable and, as a result, widens the market opportunity for direct lending.

- We believe that there is a lack of market participants that are willing to hold meaningful amounts of certain middle-market loans. As a result, we believe our ability to minimize syndication risk for a company seeking financing by being able to hold our loans without having to syndicate or sell them is a competitive advantage.

- We believe that middle-market companies have faced difficulty in raising debt through the capital markets. This approach to financing may become more difficult to the extent institutional investors seek to invest in larger, more liquid offerings, leaving less competition and fewer financing alternatives for middle-market companies.

- We believe there is a large pool of un-invested private equity capital for middle-market businesses. We expect private equity firms will seek to leverage their investments by combining equity capital with senior secured loans and subordinated debt from other sources such as us.

- We believe the middle-market represents a significant portion of the overall economy, and exhibits healthy demand for capital. In addition, due to the fragmented nature of the middle-market and the lack of publicly available information, we believe direct lenders have an opportunity to originate and underwrite investments with more favorable terms, including stronger covenant and reporting packages, as well as better call protection and change of control provisions as compared to the large, broadly syndicated loan market.

COMPETITIVE ADVANTAGES

We believe that we have the following competitive advantages over other capital providers to middle-market companies:

The Ares Platform

Ares operates integrated groups across credit, private equity, real assets, secondaries and strategic initiatives. We believe our affiliation with Ares provides a distinct competitive advantage through Ares' originations, due diligence and marketing activities. In particular, we believe that the Ares platform provides us with an advantage through its deal flow generation and investment evaluation process. Ares' asset management platform also provides additional market information, company knowledge and industry insight that benefit our investment and due diligence process. Ares' professionals maintain extensive financial sponsor and intermediary relationships, which provide valuable insight and access to transactions and information.

Seasoned Investment Team

The investment professionals in the Ares Credit Group and members of our investment adviser's investment committee have significant experience investing across market cycles. This experience provides us with a competitive advantage in identifying, originating, investing in and managing a portfolio of investments in middle-market companies.

Broad Origination Strategy

We focus on self-originating most of our investments by pursuing a broad array of investment opportunities in middle-market companies. We also leverage off of the extensive relationships of the broader Ares platform, including relationships with the portfolio companies in the IHAM Vehicles (as defined below), to identify investment opportunities. Additionally, our size and scale provide the opportunity to source attractive investments in some of our existing portfolio companies. Collectively, we believe these advantages allow for enhanced asset selectivity as we believe there is a significant relationship between proprietary deal origination and credit performance. We believe that this allows for asset selectivity and that there is a significant relationship between proprietary deal origination and credit performance. We believe that our focus on generating proprietary deal flow and lead investing also gives us greater control over capital structure, deal terms, pricing and documentation and enables us to actively manage our portfolio investments. Moreover, by leading the investment process, we are often able to secure controlling positions in credit tranches, thereby providing additional control in investment outcomes. We also have originated substantial proprietary deal flow from middle-market intermediaries, which often allows us to act as the sole or principal source of institutional capital to the borrower.

Scale and Flexible Transaction Structuring

We believe that being one of the largest BDCs makes us a more desirable and flexible capital provider, especially in competitive markets. We are flexible with the types of investments we make and the terms associated with those investments. We believe this approach and experience enables our investment adviser to identify attractive investment opportunities throughout economic cycles and across a company's capital structure so we can make investments consistent with our stated investment objective and preserve principal while seeking appropriate risk adjusted returns. In addition, we have the flexibility to provide "one stop" financing with the ability to invest capital across the balance sheet and syndicate and hold larger investments than many of our competitors. We believe that the ability to underwrite, syndicate and hold larger investments benefits our stockholders by (a) potentially increasing net income and earnings through leadership of the investment process and making commitments in excess of our final investment, (b) increasing originated deal flow flexibility, (c) broadening market relationships and deal flow, (d) allowing us to optimize our portfolio composition and (e) allowing us to provide capital to a broader spectrum of middle-market companies, which we believe currently have limited access to capital from traditional lending sources. In addition, we believe that the ability to provide capital at every level of the balance sheet provides a strong value proposition to middle-market borrowers which supports meaningful deal sourcing and relative value analysis capabilities.

Experience with and Focus on Middle-Market Companies

Ares has historically focused on investments in middle-market companies and we benefit from this experience. In sourcing and analyzing deals, our investment adviser benefits from Ares' extensive network of relationships focused on middle-market companies, including management teams, members of the investment banking community, private equity groups and other investment firms with whom Ares has had long-term relationships. We believe this network enables us to identify well-positioned prospective portfolio company investments. The Ares Credit Group works closely with Ares' other investment professionals. As of December 31, 2022, Ares oversaw a portfolio of investments in over 1,750 companies, over 1,100 alternative credit investments and over 510 properties across over 55 industries, which provides access to an extensive network of relationships and insights into industry trends and the state of the capital markets.

Disciplined Investment Philosophy

In making its investment decisions, our investment adviser has adopted Ares' long-standing, consistent, credit-based investment approach that was developed over 25 years ago by its founders. Specifically, our investment adviser's investment philosophy, portfolio construction and portfolio management involve an assessment of the overall macroeconomic environment and financial markets and company-specific research and analysis. Its investment approach emphasizes capital preservation, low volatility and minimization of downside risk. In addition to engaging in extensive due diligence from the perspective of a long-term investor, our investment adviser's approach seeks to reduce risk in investments by focusing on:

- businesses with strong franchises and sustainable competitive advantages;
- industries with positive long-term dynamics;
- businesses and industries with cash flows that are dependable and predictable;
- management teams with demonstrated track records and appropriate economic incentives;
- rates of return commensurate with the perceived risks;
- securities or investments that are structured with appropriate terms and covenants; and
- businesses backed by experienced private equity sponsors.

Extensive Industry Focus

We seek to concentrate our investing activities in industries with a history of predictable and dependable cash flows and in which the Ares investment professionals have had extensive investment experience. Ares investment professionals have developed long-term relationships with management teams and management consultants in over 55 industries, and have accumulated substantial information and identified potential trends within these industries. In turn, we benefit from these relationships, information and identification of potential trends in making investments.

OPERATING AND REGULATORY STRUCTURE

Our investment activities are managed by our investment adviser and supervised by our board of directors, a majority of whom are independent of Ares and its affiliates. Our investment adviser is registered under the Investment Advisers Act of 1940, or the "Advisers Act." Under our Second Amended and Restated Investment Advisory and Management Agreement with Ares Capital Management, referred to herein as our "investment advisory and management agreement," we have agreed to pay our investment adviser base management fees based on our total assets, as defined under the Investment Company Act (other than cash and cash equivalents, but including assets purchased with borrowed funds) ("base management fees"), fees based on our net investment income ("income based fees") and fees based on our net capital gains ("capital gains incentive fees"). See "Investment Advisory and Management Agreement." Ares Operations provides us with certain administrative and other services necessary for us to operate pursuant to an Amended and Restated Administration Agreement, referred to herein as our "administration agreement." See "Administration Agreement."

We have elected to be regulated as a BDC under the Investment Company Act and have elected to be treated as a regulated investment company ("RIC") under the Internal Revenue Code of 1986, as amended (the "Code"). As with other companies regulated by the Investment Company Act, we are required to comply with certain substantive regulatory requirements. For example, we are not generally permitted to co-invest in any portfolio company in which a fund managed by

Ares or any of its downstream affiliates (other than us and our downstream affiliates) is also co-investing. We, our investment adviser and certain of our affiliates have received an order from the Securities and Exchange Commission (the “SEC”) that permits us and other BDCs and registered closed-end management investment companies managed by Ares to co-invest in portfolio companies with each other and with affiliated investment funds (the “Co-Investment Exemptive Order”). Co-investments made under the Co-Investment Exemptive Order are subject to compliance with certain conditions and other requirements, which could limit our ability to participate in a co-investment transaction. We may also otherwise co-invest with funds managed by Ares or any of its downstream affiliates, subject to compliance with an existing regulatory guidance, applicable regulations and our allocation procedures.

Also, while we may borrow funds to make investments, our ability to use debt is limited in certain significant aspects. See “Regulation.” In particular, because we obtained the required approvals under Section 61(a)(2) of the Investment Company Act, we must have at least 150% asset coverage calculated pursuant to the Investment Company Act in order to incur debt or issue preferred stock (which we refer to collectively as “senior securities”) (i.e., we are able to borrow up to two dollars for every dollar we have in assets less all liabilities and indebtedness not represented by senior securities issued by us). See “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Financial Condition, Liquidity and Capital Resources.”

As of December 31, 2022, our asset coverage was 177%.

In addition, as a consequence of our being a RIC under the Code, for U.S. federal income tax purposes, our asset growth is dependent on our ability to raise equity capital through the issuance of common stock. RICs generally must distribute substantially all of their investment company taxable income (as defined under the Code) to stockholders as dividends in order to preserve their status as a RIC and not to be subject to additional U.S. federal corporate-level income taxes. This requirement, in turn, generally prevents us from using our earnings to support our operations, including making new investments.

INVESTMENTS

Ares Capital Corporation Portfolio

We have built an investment portfolio of primarily first and second lien senior secured loans, subordinated debt, preferred equity and, to a lesser extent, common equity investments in private middle-market companies. Our portfolio is well diversified by industry sector and its concentration to any single issuer is limited.

Our debt investments in corporate borrowers generally range between $30 million and $500 million each. However, the sizes of our investments may be more or less than these ranges and may vary based on, among other things, our capital availability, the composition of our portfolio and general micro- and macro-economic factors.

Our common equity investments have generally been non-control equity investments of less than $20 million (usually in conjunction with a concurrent debt investment). However, we may increase the size or change the nature of these investments.

The proportion of these types of investments will change over time given our views on, among other things, the economic and credit environment in which we are operating. In pursuit of our investment objective we generally seek to self-originate investments and lead the investment process, which may result in us making commitments with respect to indebtedness or securities of a potential portfolio company in excess of our expected final hold size. In such situations, while we may initially agree to fund up to a certain dollar amount of an investment, we may subsequently syndicate or sell a portion of such amount (including, without limitation, to vehicles managed by our portfolio company, IHAM), such that we are left with a smaller investment than what was reflected in our original commitment. In addition to originating investments, we may also acquire investments in the secondary market (including purchases of a portfolio of investments).

We make senior secured loans primarily in the form of first lien loans (including “unitranche” loans, which are loans that combine both senior and subordinated debt, generally in a first lien position) and second lien loans. Our senior secured loans generally have terms of three to 10 years and our subordinated debt investments generally have a term of up to 10 years. However, we may invest in loans and securities with any maturity or duration. In connection with our senior secured loans, we generally receive a security interest in certain of the assets of the borrower and consequently such assets serve as collateral in support of the repayment of such senior secured loans. Senior secured loans are generally exposed to the least amount of credit risk because they typically hold a senior position with respect to scheduled interest and principal payments and security interests in assets of the borrower. In connection with our senior secured loans, we may be provided opportunities to invest in equity interests of the borrower, typically in the form of an equity co-investment. However, unlike subordinated debt, senior secured loans typically do not receive any stock, warrants to purchase stock or other yield enhancements. Senior secured loans may include both revolving lines of credit and term loans.

Structurally, subordinated debt usually ranks junior in priority of payment to senior secured loans and is often unsecured. However, subordinated debt ranks senior to preferred and common equity in a borrower's capital structure. Subordinated debt investments generally offer lenders fixed returns in the form of interest payments and will often provide lenders an opportunity to participate in the capital appreciation of a borrower, if any, through an equity interest. This equity interest typically takes the form of preferred equity, an equity co-investment and/or warrants. The preferred equity, equity co-investment and warrants (if any) associated with a subordinated debt investment typically allow lenders to receive repayment of their debt principal on an agreed upon amortization schedule or at maturity while retaining their equity interest in the borrower. Equity issued in connection with subordinated debt also may include a "put" feature, which permits the holder to sell its equity interest back to the borrower at a price determined through an agreed formula.

In making an equity investment, in addition to considering the factors discussed under "—Investment Selection" below, we also consider the anticipated timing of a liquidity event, such as a public offering, sale of the company or redemption of our equity securities.

While our primary focus is to generate current income and capital appreciation through debt and equity investments in eligible portfolio companies, we also may invest up to 30% of our portfolio in non-qualifying assets, as permitted by the Investment Company Act. See "—Regulation." Specifically, as part of this 30% basket, we may invest in entities that are not considered "eligible portfolio companies" (as defined in the Investment Company Act), including companies located outside of the United States, entities that are operating pursuant to certain exceptions under the Investment Company Act, and publicly traded entities whose public equity market capitalization exceeds the levels provided for under the Investment Company Act.

Senior Direct Lending Program

We have established a joint venture with Varagon Capital Partners ("Varagon") to make certain first lien senior secured loans, including certain stretch senior and unitranche loans, primarily to U.S. middle-market companies. Varagon was formed in 2013 as a lending platform by American International Group, Inc. and other partners. The joint venture is called the Senior Direct Lending Program, LLC (d/b/a the "Senior Direct Lending Program" or the "SDLP"). In July 2016, we and Varagon and its clients completed the initial funding of the SDLP. The SDLP may generally commit and hold individual loans of up to $450 million. We may directly co-invest with the SDLP to accommodate larger transactions. The SDLP is capitalized as transactions are completed and all portfolio decisions and generally all other decisions in respect of the SDLP must be approved by an investment committee of the SDLP consisting of representatives of ours and Varagon (with approval from a representative of each required).

We provide capital to the SDLP in the form of subordinated certificates (the "SDLP Certificates"), and Varagon and its clients provide capital to the SDLP in the form of senior notes, intermediate funding notes and SDLP Certificates. As of December 31, 2022, we and a client of Varagon owned 87.5% and 12.5%, respectively, of the outstanding SDLP Certificates. The SDLP Certificates pay a coupon equal to London Interbank Offered Rate ("LIBOR") plus a stated spread and also entitle the holders thereof to receive a portion of the excess cash flow from the loan portfolio, which may result in a return to the holders of the SDLP Certificates that is greater than the stated coupon. The SDLP Certificates are junior in right of payment to the senior notes and intermediate funding notes.

As of December 31, 2022, we and Varagon and its clients had agreed to make capital available to the SDLP of $6.2 billion in the aggregate, of which $1.4 billion is to be made available from us. We will continue to provide capital to the SDLP in the form of SDLP Certificates, and Varagon and its clients will provide capital to the SDLP in the form of senior notes, intermediate funding notes and SDLP Certificates. This capital will only be committed to the SDLP upon approval of transactions by the investment committee of the SDLP as discussed above.

For more information on the SDLP, see "Management's Discussion and Analysis of Financial Condition and Results of Operations—Portfolio and Investment Activity—Senior Direct Lending Program" and Note 4 to our consolidated financial statements for the year ended December 31, 2022.

Ivy Hill Asset Management, L.P.

As of December 31, 2022, our portfolio company, Ivy Hill Asset Management, L.P. ("IHAM"), an asset management services company and an SEC-registered investment adviser, managed 21 vehicles and served as the sub-manager/sub-servicer for one other vehicle (such vehicles are collectively referred to as the "IHAM Vehicles"). As of December 31, 2022, IHAM had assets under management of approximately $13.1 billion. As of December 31, 2022, the amortized cost and fair value of our investment in IHAM was $2.0 billion and $2.2 billion, respectively. In connection with IHAM's registration as a registered investment adviser, on March 30, 2012, we received exemptive relief from the SEC allowing us to, subject to certain conditions, own directly or indirectly up to 100% of IHAM's outstanding equity interests and make additional investments in IHAM. From time to time, IHAM or certain IHAM Vehicles may purchase investments from us or sell investments to us, in each case for a price equal to the fair market value of such investments determined at the time of such transactions.

For more information on IHAM, see "Management's Discussion and Analysis of Financial Condition and Results of Operations—Portfolio and Investment Activity—Ivy Hill Asset Management, L.P." and Note 4 to our consolidated financial statements for the year ended December 31, 2022.

Industry Composition

We generally seek to invest in companies in the industries in which Ares' investment professionals have direct expertise. The industries in the table listed below are where we have focused our investing activities; however, we may invest in other industries if we are presented with attractive opportunities.

The industrial and geographic compositions of our portfolio at fair value as of December 31, 2022 were as follows:

	As of December 31, 2022
Industry	
Software & Services	21.9 %
Diversified Financials(1)	13.3 %
Health Care Services	10.8 %
Commercial & Professional Services	9.5 %
Investment Funds and Vehicles(2)	6.0 %
Insurance Services	5.2 %
Power Generation	4.5 %
Consumer Services	4.2 %
Consumer Durables & Apparel	3.7 %
Capital Goods	3.6 %
Automobiles & Components	2.6 %
Media & Entertainment	2.1 %
Food & Beverage	2.0 %
Energy	2.0 %
Pharmaceuticals, Biotechnology & Life Sciences	1.7 %
Other	6.9 %
Total	100.0 %

(1) Includes our investment in IHAM.

(2) Includes our investment in the SDLP, which had made first lien senior secured loans to 22 different borrowers as of December 31, 2022. The portfolio companies in the SDLP are in industries similar to the companies in our portfolio.

	As of December 31, 2022
Geographic Region	
West(1)	24.5 %
Midwest	23.9
Southeast	17.1
Mid-Atlantic	14.9
Northeast(2)	14.0
International	5.6
Total	100.0 %

(1) Includes our investment in the SDLP, which represented 5.7% of the total investment portfolio at fair value as of December 31, 2022.

(2) Includes our investment in IHAM, which represented 10.1% of the total investment portfolio at fair value as of December 31, 2022.

As of December 31, 2022, loans on non-accrual status represented 1.7% of the total investments at amortized cost (or 1.1% at fair value).

Since our IPO on October 8, 2004 through December 31, 2022, our exited investments resulted in an asset level realized gross internal rate of return to us of approximately 14% (based on original cash invested, net of syndications, of approximately $39.2 billion and total proceeds from such exited investments of approximately $50.4 billion). Internal rate of return is the discount rate that makes the net present value of all cash flows related to a particular investment equal to zero. Internal rate of return is gross of expenses related to investments as these expenses are not allocable to specific investments. Investments are considered to be exited when the original investment objective has been achieved through the receipt of cash and/or non-cash consideration upon the repayment of a debt investment or sale of an investment or through the determination that no further consideration was collectible and, thus, a loss may have been realized. Approximately 58% of these exited investments resulted in an asset level realized gross internal rate of return to us of 10% or greater.

Additionally, since our IPO on October 8, 2004 through December 31, 2022, our realized gains have exceeded our realized losses by approximately $1.1 billion (excluding a one-time gain on the acquisition of Allied Capital Corporation (“Allied Capital”) in April 2010 (the “Allied Acquisition”) and realized gains/losses from the extinguishment of debt and other assets). For the same time period, our average annualized net realized gain rate was approximately 1.0% (excluding a one-time gain on the Allied Acquisition and realized gains/losses from the extinguishment of debt and other assets). Net realized gain/loss rates for a particular period are the amount of net realized gains/losses during such period divided by the average quarterly investments at amortized cost in such period.

Information included herein regarding internal rates of return, realized gains and losses and annualized net realized gain rates are historical results relating to our past performance and are not necessarily indicative of future results, the achievement of which cannot be assured.

INVESTMENT SELECTION

Ares’ investment philosophy was developed over 25 years ago and has remained consistent and relevant throughout a number of economic cycles. We are managed using a similar investment philosophy used by the investment professionals of Ares in respect of its other investment funds.

This investment philosophy involves, among other things:

- an assessment of the overall macroeconomic environment and financial markets and how such assessment may impact industry and asset selection;
- company-specific research and analysis; and
- with respect to each individual company, an emphasis on capital preservation, low volatility and minimization of downside risk.

The foundation of Ares' investment philosophy is intensive credit investment analysis, a portfolio management discipline based on both market technicals and fundamental value-oriented research, and diversification strategy. Ares also recognizes the importance of considering environmental, social and governance ("ESG") factors in the investment-decision making process in accordance with its ESG policy. We follow a rigorous investment process based on:

- a comprehensive analysis of issuer creditworthiness, including a quantitative and qualitative assessment of the issuer's business;
- an evaluation of management and its economic incentives;
- an analysis of business strategy and industry trends; and
- an in-depth examination of capital structure, financial results and projections.

We seek to identify those companies exhibiting superior fundamental risk-reward profiles and strong defensible business franchises while focusing on the relative value of the investment across the industry as well as for the specific company.

Intensive Due Diligence

The process through which an investment decision is made involves extensive research into the target company, its industry, its growth prospects and its ability to withstand adverse conditions. If the senior investment professional responsible for the potential transaction determines that an investment opportunity should be pursued, we will engage in an intensive due diligence process. Approximately 40-50% of the investments initially reviewed by us proceed to this phase. Though each transaction will involve a somewhat different approach, the regular due diligence steps generally undertaken include:

- meeting with the target company's management team to get a detailed review of the business, and to probe for potential weaknesses in business prospects;
- checking management's backgrounds and references;
- performing a detailed review of historical financial performance, including performance through various economic cycles, and the quality of earnings;
- reviewing both short and long term projections of the business, and sensitizing them for both upside and downside risk;
- visiting headquarters and company operations and meeting with top and middle-level executives;
- contacting customers and vendors to assess both business prospects and standard practices;
- conducting a competitive analysis, and comparing the issuer to its main competitors on an operating, financial, market share and valuation basis;
- researching the industry for historic growth trends and future prospects as well as to identify future exit alternatives (including available Wall Street research, industry association literature and general news);
- assessing asset value and the ability of physical infrastructure and information systems to handle anticipated growth; and
- investigating legal risks and financial and accounting systems.

Selective Investment Process

After an investment has been identified and preliminary diligence has been completed, a credit research and analysis report is prepared. This report is reviewed by the senior investment professional in charge of the potential investment. If such senior and other investment professionals are in favor of the potential investment, then it is first presented to the investment committee on a preliminary basis.

After the investment committee approves continued work on the potential investment, a more extensive due diligence process is employed by the transaction team. Additional due diligence with respect to any investment may be conducted on our behalf by attorneys, independent accountants, and other third party consultants and research firms prior to the closing of the investment, as appropriate on a case-by-case basis. Approximately 10-15% of all investments initially reviewed by us will be presented to the investment committee. Approval of an investment for funding requires the approval of the majority of the investment committee of our investment adviser, although unanimous consent is sought.

Issuance of Formal Commitment

Once we have determined that a prospective portfolio company is suitable for investment, we work with the management and/or sponsor of that company and its other capital providers, including senior, junior and equity capital providers, if any, to finalize the structure of the investment. Approximately 3-5% of the investments initially reviewed by us eventually result in the issuance of formal commitments and the closing of such transactions.

Investments

We invest in portfolio companies primarily in the form of first lien senior secured loans (including “unitranche” loans which are loans that combine both senior and subordinated debt, generally in a first lien position), second lien senior secured loans, subordinated debt and preferred equity. The first and second lien senior secured loans generally have terms of three to 10 years. In connection with our first and second lien senior secured loans, we generally receive security interests in certain assets of our portfolio companies that could serve as collateral in support of the repayment of such loans. First and second lien senior secured loans generally have floating interest rates, which may have interest rate floors, and also may provide for some amortization of principal and excess cash flow payments, with the remaining principal balance due at maturity.

We structure our subordinated debt investments primarily as unsecured subordinated loans that provide for relatively higher fixed interest rates. The subordinated debt investments generally have terms of up to 10 years. These loans typically have interest-only payments, with amortization of principal, if any, deferred to the later years of the subordinated debt investment. In some cases, we may enter into loans that, by their terms, convert into equity or additional debt or defer payments of interest (or at least cash interest) for the first few years after our investment. Also, in some cases our subordinated debt will be secured by a subordinated lien on some or all of the assets of the borrower.

In some cases, our debt and preferred equity investments may provide for a portion of the interest or dividends payable to be payment-in-kind (“PIK”). To the extent interest or dividends are PIK, they will be payable through the increase of the principal amount of the loan or preferred equity by the amount of interest or dividend due on the then-outstanding aggregate principal amount of such loan or preferred equity and is generally collected upon repayment of the outstanding principal or redemption of the equity, as applicable.

In the case of our first and second lien senior secured loans, subordinated debt and preferred equity investments, we tailor the terms of the investment to the facts and circumstances of the transaction and the prospective portfolio company, negotiating a structure that aims to protect our rights and manage our risk while creating incentives for the portfolio company to achieve its business plan and improve its profitability. For example, in addition to generally seeking a senior position in the capital structure of our portfolio companies, we will seek, where appropriate, to limit the downside potential of our investments by:

- targeting a total return on our investments (including from both interest and potential equity appreciation) that compensates us for credit risk;
- incorporating call protection and interest rate floors for floating rate loans into the investment structure; and
- negotiating covenants in connection with our investments that afford our portfolio companies as much flexibility in managing their businesses as possible, consistent with preservation of our capital. Such restrictions may include affirmative and negative covenants, default penalties, lien protection, change of control provisions and board rights, including either observation or participation rights.

We generally require financial covenants and terms that require an issuer to reduce leverage, thereby enhancing credit quality. These methods include: (a) maintenance leverage covenants requiring a decreasing ratio of indebtedness to cash flow over time, (b) maintenance cash flow covenants requiring an increasing ratio of cash flow to the sum of interest expense and capital expenditures and (c) indebtedness incurrence prohibitions, limiting a company’s ability to take on additional indebtedness. In addition, by including limitations on asset sales and capital expenditures we may be able to prevent a borrower from changing the nature of its business or capitalization without our consent.

Our subordinated debt investments may include equity features, such as warrants or options to buy a minority interest in the portfolio company. Warrants we receive with our debt investments may require only a nominal cost to exercise, and thus, as a portfolio company appreciates in value, we may achieve additional investment return from this equity interest. We may structure the warrants to provide provisions protecting our rights as a minority-interest holder, as well as puts, or rights to sell such securities back to the portfolio company, upon the occurrence of specified events. In many cases, we also obtain registration rights in connection with these equity interests, which may include demand and "piggyback" registration rights.

We believe that our focus on generating proprietary deal flow and lead investing gives us greater control over the capital structures and investment terms described above and enables us to actively manage our investments. Moreover, by leading the investment process, we are often able to secure controlling positions in loan tranches, thereby providing additional control in investment outcomes.

To a lesser extent, we also make common equity investments, which have generally been non-control equity investments of less than $20 million (usually in conjunction with a concurrent debt investment). However, we may increase the size or change the nature of these investments.

ACQUISITION OPPORTUNITIES

We believe that there may be opportunity for further consolidation in our industry. From time to time, we evaluate potential strategic opportunities, including acquisitions of:

- asset portfolios;
- other private and public finance companies, business development companies and asset managers; and
- selected secondary market assets.

We have been in, and from time to time may engage in, discussions with counterparties in respect of various potential strategic acquisition and investment transactions, including potential acquisitions of other finance companies, business development companies and asset managers. Some of these transactions could be material to our business and, if completed, could be difficult to integrate, result in increased leverage or dilution and/or subject us to unexpected liabilities. However, none of these discussions has progressed to the point at which the completion of any such transaction could be deemed to be probable or reasonably certain as of the date of this Annual Report. Completion of any such transaction would be subject to completion of due diligence, finalization of key business and financial terms (including price) and negotiation of final definitive documentation as well as a number of other factors and conditions including, without limitation, the approval of our board of directors, any required third party consents and, in certain cases, the approval of our stockholders. We cannot predict how quickly the terms of any such transaction could be finalized, if at all. Accordingly, there can be no assurance that such transaction would be completed. In connection with evaluating potential strategic acquisition and investment transactions, we may incur significant expenses for the evaluation and due diligence investigation of these potential transactions.

ON-GOING RELATIONSHIPS WITH AND MONITORING OF PORTFOLIO COMPANIES

We closely monitor each investment we make, maintain a regular dialogue with both the management team and other stakeholders and seek specifically tailored financial reporting. In addition, senior investment professionals may take board seats or obtain board observation rights in connection with our portfolio companies. As of December 31, 2022, of our 466 portfolio companies, we were entitled to board seats or board observation rights on 18% of these companies and these companies represented approximately 34% of our portfolio at fair value.

In addition to covenants and other contractual rights and through board participation, when appropriate, we seek to enhance portfolio company performance post-investment by actively working with management on strategic and operating initiatives where there is an opportunity to do so. We often introduce managers of companies in which we have invested to other portfolio companies to capitalize on complementary business activities and best practices.

We believe that our focus on generating proprietary deal flow gives us greater control over capital structure and investment terms and lead investing enhances our ability to closely monitor each investment we make.

Our investment adviser employs an investment rating system to categorize our investments. In addition to various risk management and monitoring tools, our investment adviser grades the credit risk of all investments on a scale of 1 to 4 no less frequently than quarterly. This system is intended primarily to reflect the underlying risk of a portfolio investment relative to our initial cost basis in respect of such portfolio investment (i.e., at the time of origination or acquisition), although it may also take into account under certain circumstances the performance of the portfolio company's business, the collateral coverage of the investment and other relevant factors. The grade of a portfolio investment may be reduced or increased over time. The following is a description of each investment grade:

Investment grade	Description
4	Involves the least amount of risk to our initial cost basis. The trends and risk factors for this investment since origination or acquisition are generally favorable, which may include the performance of the portfolio company or a potential exit.
3	Involves a level of risk to our initial cost basis that is similar to the risk to our initial cost basis at the time of origination or acquisition. This portfolio company is generally performing as expected and the risk factors to our ability to ultimately recoup the cost of our investment are neutral to favorable. All investments or acquired investments in new portfolio companies are initially assessed a grade of 3.
2	Indicates that the risk to our ability to recoup the initial cost basis of such investment has increased materially since origination or acquisition, including as a result of factors such as declining performance and non-compliance with debt covenants; however, payments are generally not more than 120 days past due. For investments graded 2, our investment adviser enhances its level of scrutiny over the monitoring of such portfolio company.
1	Indicates that the risk to our ability to recoup the initial cost basis of such investment has substantially increased since origination or acquisition, and the portfolio company likely has materially declining performance. For debt investments with an investment grade of 1, most or all of the debt covenants are out of compliance and payments are substantially delinquent. For investments graded 1, it is anticipated that we will not recoup our initial cost basis and may realize a substantial loss of our initial cost basis upon exit. For investments graded 1, our investment adviser enhances its level of scrutiny over the monitoring of such portfolio company.

As of December 31, 2022, the weighted average grade of our portfolio at fair value was 3.2. For more information on our portfolio investment grades, see "Management's Discussion and Analysis of Financial Condition and Results of Operations—Portfolio and Investment Activity."

MANAGERIAL ASSISTANCE

As a BDC, we must offer, and must provide upon request, significant managerial assistance to certain of our portfolio companies. This assistance could involve, among other things, monitoring the operations of our portfolio companies, participating in board and management meetings, consulting with and advising officers of portfolio companies and providing other organizational and financial guidance. Ares Operations may provide all or a portion of this assistance pursuant to our administration agreement, the costs of which will be reimbursed by us. We may receive fees for these services.

COMPETITION

Our primary competitors include public and private funds, commercial and investment banks, commercial finance companies, other BDCs and private equity funds, each of which we compete with for financing opportunities. Some of our competitors are substantially larger and have considerably greater financial and marketing resources than we do. For example, some competitors may have access to funding sources that are not available to us. In addition, some of our competitors may have higher risk tolerances or different risk assessments, which could allow them to consider a wide variety of investments and establish more relationships than us. Furthermore, many of our competitors are not subject to the regulatory restrictions that the Investment Company Act imposes on us as a BDC. In addition, new competitors frequently enter the financing markets in which we operate. For more information concerning the competitive risks we face, see "Risk Factors—Risks Relating to Our Business—We operate in a highly competitive market for investment opportunities."

We believe that the relationships of the members of our investment adviser's investment committee and of the partners of Ares enable us to learn about, and compete effectively for, financing opportunities with attractive middle-market companies in the industries in which we seek to invest. We believe that Ares' professionals' deep and long-standing direct sponsor relationships and the resulting proprietary transaction opportunities that these relationships often present, provide valuable insight and access to transactions and information. We use the industry information of Ares' investment professionals to which we have access to assess investment risks and determine appropriate pricing for our investments in portfolio companies.

STAFFING

We do not currently have any employees and do not expect to have any employees. Services necessary for our business are provided by individuals who are employees or affiliates of our investment adviser, Ares Capital Management, and our administrator, Ares Operations, each of which is a subsidiary of Ares Management, pursuant to the terms of our investment advisory and management agreement and our administration agreement, respectively, each as described below. Each of our executive officers is an employee or affiliate of our investment adviser or our administrator. Our day-to-day investment activities are managed by our investment adviser. Most of the services necessary for the origination of our investment portfolio are provided by investment professionals employed by Ares Capital Management. Ares Capital Management had approximately 150 U.S.-based investment professionals as of December 31, 2022 who focus on origination, transaction development, investment and the ongoing monitoring of our investments. See “Investment Advisory and Management Agreement” below. We reimburse both our investment adviser and our administrator for a certain portion of expenses incurred in connection with such staffing, as described in more detail below. Because we have no employees, Ares Capital does not have a formal employee relations policy.

INVESTMENT ADVISORY AND MANAGEMENT AGREEMENT

Management Services

Ares Capital Management serves as our investment adviser and is registered as an investment adviser under the Advisers Act. Subject to the overall supervision of our board of directors, our investment adviser manages the day-to-day operations of, and provides investment advisory and management services to, Ares Capital. Under the terms of the investment advisory and management agreement, our investment adviser:

- determines the composition of our portfolio, the nature and timing of the changes to our portfolio and the manner of implementing such changes;
- identifies, evaluates and negotiates the structure of the investments we make (including performing due diligence on our prospective portfolio companies);
- closes and monitors the investments we make;
- determines the investments and other assets that we purchase, retain or sell;
- determines the fair value of debt and equity securities that are not publicly traded or whose market prices are not readily available, subject to the oversight of our board of directors; and
- provides us with such other investment advisory and research and related services as we may from time to time reasonably require.

Ares Capital Management’s services to us under the investment advisory and management agreement are not exclusive, and it is free to furnish similar services to other entities. Similarly, our investment adviser or its affiliates may directly or indirectly manage funds or other investment vehicles with investment objectives similar to ours. Accordingly, we may compete with these Ares funds or other investment vehicles managed by our investment adviser and its affiliates for capital and investment opportunities. Ares Capital Management endeavors to allocate investment opportunities in a fair and equitable manner, and in any event consistent with any fiduciary duties owed to Ares Capital. Nevertheless, it is possible that we may not be given the opportunity to participate in certain investments made by investment funds or other investment vehicles managed by our investment adviser or its affiliates. See “Risk Factors—Risks Relating to Our Business—There are significant potential conflicts of interest that could impact our investment returns.”

Base Management Fee

Pursuant to the investment advisory and management agreement and subject to the overall supervision of our board of directors, our investment adviser provides investment advisory and management services to us. For providing these services, our investment adviser receives fees from us consisting of a base management fee, an income based fee and a capital gains incentive fee.

Effective June 21, 2019, in connection with our board of directors’ approval of the modification of the asset coverage requirement applicable to senior securities from 200% to 150%, the investment advisory and management agreement was amended to reduce our annual base management fee rate from 1.5% to 1.0% on all assets financed using leverage over 1.0x debt to equity. For all assets financed using leverage up to 1.0x debt to equity, the annual base management fee rate remains at 1.5%. The base management fee is based on the average value of our total assets (other than cash or cash equivalents but including assets purchased with borrowed funds) at the end of the two most recently completed calendar quarters and is calculated by applying the applicable fee rate. The base management fee is payable quarterly in arrears.

Income Based Fee

The income based fee is calculated and payable quarterly in arrears based on our pre-incentive fee net investment income, as defined in the investment advisory and management agreement, for the quarter. Pre-incentive fee net investment income means interest income, dividend income and any other income (including any other fees such as commitment, origination, structuring, diligence and consulting fees or other fees that we receive from portfolio companies but excluding fees for providing managerial assistance) accrued during the calendar quarter, minus operating expenses for the quarter (including the base management fee, any expenses payable under the administration agreement, and any interest expense and dividends paid on any outstanding preferred stock, but excluding the income based fee and capital gains incentive fee accrued under U.S. generally accepted accounting principles (“GAAP”)). Pre-incentive fee net investment income includes, in the case of investments with a deferred interest feature such as market discount, debt instruments with PIK interest, preferred stock with PIK dividends and zero coupon securities, accrued income that we have not yet received in cash. Our investment adviser is not under any obligation to reimburse us for any part of the income based fees it received that were based on accrued interest that we never actually received. See “Risk Factors—Risks Relating to Our Business—There are significant potential conflicts of interest that could impact our investment returns” and “Risk Factors—Risks Relating to Our Business—We may be obligated to pay our investment adviser certain fees even if we incur a loss.”

Pre-incentive fee net investment income does not include any realized capital gains, realized capital losses, unrealized capital appreciation, unrealized capital depreciation or income tax expense related to realized gains and losses. Because of the structure of the income based fee, it is possible that we may pay such fees in a quarter where we incur a loss. For example, if we receive pre-incentive fee net investment income in excess of the hurdle rate for a quarter, we will pay the applicable income based fee even if we have incurred a loss in that quarter due to realized and/or unrealized capital losses.

Pre-incentive fee net investment income, expressed as a rate of return on the value of our net assets (defined as total assets less indebtedness and before taking into account any income based fees and capital gains incentive fees payable during the period) at the end of the immediately preceding calendar quarter, is compared to a fixed “hurdle rate” of 1.75% per quarter. If market credit spreads rise, we may be able to invest our funds in debt instruments that provide for a higher return, which may increase our pre-incentive fee net investment income and make it easier for our investment adviser to surpass the fixed hurdle rate and receive an income based fee based on such net investment income. To the extent we have retained pre-incentive fee net investment income that has been used to calculate the income based fee, it is also included in the amount of our total assets (other than cash and cash equivalents but including assets purchased with borrowed funds) used to calculate the base management fee.

We pay our investment adviser an income based fee with respect to our pre-incentive fee net investment income in each calendar quarter as follows:

- No income based fee in any calendar quarter in which our pre-incentive fee net investment income does not exceed the hurdle rate;

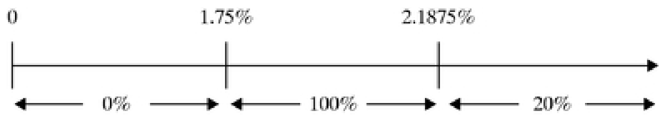
- 100% of our pre-incentive fee net investment income with respect to that portion of such pre-incentive fee net investment income, if any, that exceeds the hurdle rate but is less than 2.1875% in any calendar quarter. We refer to this portion of our pre-incentive fee net investment income (which exceeds the hurdle rate but is less than 2.1875%) as the “catch-up” provision. The “catch-up” is meant to provide our investment adviser with 20% of the pre-incentive fee net investment income as if a hurdle rate did not apply if this net investment income exceeded 2.1875% in any calendar quarter; and

- 20% of the amount of our pre-incentive fee net investment income, if any, that exceeds 2.1875% in any calendar quarter.

The following is a graphical representation of the calculation of the income based fee:

Quarterly Income Based Fee Based on Net Investment Income

Pre-incentive fee net investment income return
(expressed as a percentage of the value of net assets)



Percentage of pre-incentive fee net investment income
allocated to income based fee

These calculations are adjusted for any share issuances or repurchases during the quarter.

Capital Gains Incentive Fee

The capital gains incentive fee is determined and payable in arrears as of the end of each calendar year (or, upon termination of our investment advisory and management agreement, as of the termination date) and is calculated at the end of each applicable year by subtracting (a) the sum of our cumulative aggregate realized capital losses and aggregate unrealized capital depreciation from (b) our cumulative aggregate realized capital gains, in each case calculated from October 8, 2004, (the date we completed our IPO). Realized capital gains and losses include gains and losses on investments and foreign currencies, gains and losses on extinguishment of debt and from other assets, as well as any income tax and other expenses related to cumulative aggregate realized gains and losses. If such amount is positive at the end of such year, then the capital gains incentive fee for such year is equal to 20% of such amount, less the aggregate amount of capital gains incentive fees paid in all prior years. If such amount is negative, then there is no capital gains incentive fee for such year.

The cumulative aggregate realized capital gains are calculated as the sum of the differences, if positive, between (a) the net sales price of each investment in our portfolio when sold and (b) the accreted or amortized cost basis of such investment.

The cumulative aggregate realized capital losses are calculated as the sum of the amounts by which (a) the net sales price of each investment in our portfolio when sold is less than (b) the accreted or amortized cost basis of such investment.

The aggregate unrealized capital depreciation is calculated as the sum of the differences, if negative, between (a) the valuation of each investment in our portfolio as of the applicable capital gains incentive fee calculation date and (b) the accreted or amortized cost basis of such investment.

Notwithstanding the foregoing, if we are required by GAAP to record an investment at its fair value as of the time of acquisition instead of at the actual amount paid for such investment by us (including, for example, as a result of the application of the asset acquisition method of accounting), then solely for the purposes of calculating the capital gains incentive fee, the “accreted or amortized cost basis” of an investment shall be an amount (the “Contractual Cost Basis”) equal to (1) (x) the actual amount paid by us for such investment plus (y) any amounts recorded in our financial statements as required by GAAP that are attributable to the accretion of such investment plus (z) any other adjustments made to the cost basis included in our financial statements, including PIK interest or additional amounts funded (net of repayments) minus (2) any amounts recorded in our financial statements as required by GAAP that are attributable to the amortization of such investment, whether such calculated Contractual Cost Basis is higher or lower than the fair value of such investment (as determined in accordance with GAAP) at the time of acquisition.

We defer cash payment of any income based fee and the capital gains incentive fee otherwise earned by our investment adviser if during the most recent four full calendar quarter period ending on or prior to the date such payment is to be made the sum of (a) the aggregate distributions to our stockholders and (b) the change in net assets (defined as total assets less indebtedness and before taking into account any income based fees and capital gains incentive fees payable during the period) is less than 7.0% of our net assets (defined as total assets less indebtedness) at the beginning of such period. Any deferred income based fees and capital gains incentive fees are carried over for payment in subsequent calculation periods to the extent such payment is payable under our investment advisory and management agreement.

Payment of Our Expenses

The services of all investment professionals and staff of our investment adviser, when and to the extent engaged in providing investment advisory and management services to us and routine overhead expenses of such personnel allocable to such services, are provided and paid for by our investment adviser. Under the investment advisory and management agreement, we bear all other costs and expenses of our operations and transactions, including, but not limited to, those relating to: organization; calculation of our net asset value (including, but not limited to, the cost and expenses of any independent valuation firm); expenses incurred by our investment adviser payable to third parties, including agents, consultants or other advisers, in monitoring our financial and legal affairs and in monitoring our investments (including the cost of consultants hired to develop information technology systems designed to monitor our investments) and performing due diligence on our prospective portfolio companies; interest payable on indebtedness, if any, incurred to finance our investments (including payments to third party vendors for financial information services); cost of rating agencies; offerings of our common stock and other securities; investment advisory and management fees; administration fees; fees payable to third parties, including agents, attorneys, consultants or other advisers, relating to, or associated with, evaluating, negotiating with and making investments in portfolio companies, regardless of whether such transactions are ultimately consummated; transfer agent and custodial fees; registration fees; listing fees; taxes; independent directors' fees and expenses; costs of preparing and filing reports or other documents with the SEC; the costs of any reports, proxy statements or other notices to stockholders, including printing costs; to the extent we are covered by any joint insurance policies, our allocable portion of the insurance premiums for such policies; direct costs and expenses of administration, including auditor and legal costs; and all other expenses incurred by us or our administrator in connection with administering our business as described in more detail under "—Administration Agreement" below.

Duration, Termination and Amendment

At an in-person meeting of our board of directors on May 17, 2022, our board of directors, including a majority of the directors who are not "interested persons" of the Company as defined in the Investment Company Act, voted to approve the continuation of our investment advisory and management agreement, which extended the terms of the agreement until June 6, 2023.

Unless terminated earlier, our investment advisory and management agreement will renew for successive annual periods if approved annually by our board of directors or by the affirmative vote of the holders of a majority of our outstanding voting securities, and, in either case, approval by a majority of our directors who are not "interested persons" of the Company (as defined in the Investment Company Act). Our investment advisory and management agreement will automatically terminate in the event of its assignment (as defined in the Investment Company Act). The investment advisory and management agreement may be terminated by either party without penalty upon 60 days' written notice to the other party.

In voting to approve the investment advisory and management agreement, our independent directors consulted in executive session with their independent legal counsel regarding the approval of such agreement. In reaching a decision to approve the investment advisory and management agreement, our board of directors reviewed a significant amount of information and considered, among other things:

(i) the nature, extent and quality of the services provided to the Company by our investment adviser;

(ii) the advisory fees paid by the Company under the investment advisory and management agreement as compared to the advisory fees paid by other funds and accounts managed by our investment adviser with similar investment strategies as well as the fees and expenses of comparable BDCs;

(iii) the long- and short-term investment performance of the Company and our investment adviser;

(iv) the costs of the services provided by our investment adviser (including the base management fee, the income based fee and the capital gains incentive fee (including the applicable hurdle rates and conditions for the deferral of fee payments) and expense ratios) under the investment advisory and management agreement and comparative data based on publicly available information;

(v) the potential for, and sharing of, economies of scale in investment management given the directly originated nature of the Company's investment portfolio and resources dedicated by our investment adviser thereto;

(vi) our investment adviser's pro forma profitability with respect to managing the Company based on financial information provided by our investment adviser;

(vii) additional benefits to be derived by our investment adviser and its affiliates as a result of our relationship with our investment adviser; and

(viii) various other matters, including the alignment of interests of our stockholders.

In voting to approve the investment advisory and management agreement, our board of directors, including all of the directors who are not "interested persons," of the Company, made the following conclusions:

- **Nature, Extent and Quality of Services.** Our board of directors considered the nature, extent and quality of the investment selection process employed by our investment adviser, including the flow of transaction opportunities resulting from Ares Capital Management's investment professionals' significant capital markets, trading and research expertise, the employment of Ares Capital Management's investment philosophy, diligence procedures, credit recommendation process, investment structuring, and ongoing relationships with and monitoring of portfolio companies, in light of the investment objective of the Company. Our board of directors also considered our investment adviser's personnel and their prior experience in connection with the types of investments made by us, including such personnel's network of relationships with intermediaries focused on U.S. middle-market companies and other companies in which we may make investments. Our board of directors also considered the benefit and increasing costs of our investment adviser continuing to be able to recruit and retain top talent. In addition, our board of directors considered the other terms and conditions of the investment advisory and management agreement, including that the substantive terms of the investment advisory and management agreement (other than the fees payable thereunder, which our board of directors reviewed separately) are generally the same as those of comparable BDCs described in the available market data and that it would be difficult to obtain similar services of similar quality on a comparable basis from other third party service providers or through an internally managed structure. In addition, our board of directors considered the fact that we have the ability to terminate the investment advisory and management agreement without penalty upon 60 days' written notice to our investment adviser. Our board of directors further determined that our investment adviser is served by a dedicated origination, transaction development and investment team of investment professionals, and that these investment professionals have historically focused on investments in U.S. middle-market companies and other companies in which we may make investments, which experience and relationships coincide with our investment objective and generally equal or exceed those of the management teams or investment advisers of other comparable BDCs described in the available market data.

- **Investment Performance.** Our board of directors reviewed the long-term and short-term investment performance of the Company and our investment adviser, as well as comparative data based on publicly available information with respect to the long-term and short-term investment performance of other externally managed BDCs and their investment advisers. Our board of directors noted the longevity and consistency of the Company's investment performance and determined that our investment adviser was delivering results consistent with the investment objective of the Company and that the Company's investment performance was generally above average when compared to comparable BDCs, including based on one, three and five year time periods. Our board of directors further determined that in light of the performance history of the Company, our investment adviser's extensive experience with our particular investment objectives and policies and our investment adviser's commitment to the Company, our investment adviser was well-positioned to manage our investment performance, including through volatile market conditions caused by supply chain disruptions and inflationary pressures, with the approval of the investment advisory and management agreement.

- **Costs of the Services Provided to the Company.** Our board of directors considered (i) comparative data based on publicly available information with respect to services rendered and the advisory fees (including the base management fee, income based fee and capital gains incentive fee or similar fees (including applicable hurdle rates, other payment conditions and/or fee waivers)) of other BDCs with similar investment objectives, our operating expenses and expense ratios compared to other BDCs of similar size and with similar investment objectives and (ii) the administrative services that our administrator will provide to us at cost. Further, our board of directors considered comparative information with respect to the advisory fees paid by the Company as compared to the advisory fees paid by other funds and accounts managed by our investment adviser with similar investment strategies, and considered the rationale for the differences in fees, including, but not limited to, differences in investment objectives and investment strategies as well as the regulated nature of the Company.

- **Economies of Scale.** Our board of directors considered information about the potential for our stockholders to experience economies of scale as we grow in size.

In view of the wide variety of material factors that our board of directors considered in connection with its evaluation of the investment advisory and management agreement, it is not practical to quantify, rank or otherwise assign relative weights to the specific factors it considered in reaching its decision. Our board of directors did not undertake to make any specific determination as to whether any particular factor, or any aspect of any particular factor, was favorable or unfavorable to the ultimate determination of our board of directors. Rather, our board of directors based its approval on the totality of information presented to, and the investigation conducted by, it. In considering the factors discussed above, individual directors may have given different weights to different factors.

Based on the information reviewed and the factors discussed above, our directors (including those directors who are not "interested persons" of the Company) concluded that the terms of the investment advisory and management agreement, including the fee rates thereunder, are fair and reasonable in relation to the services provided and approved the investment advisory and management agreement as being in the best interests of the Company and its stockholders.

Conflicts of interest may arise if our investment adviser seeks to change the terms of our investment advisory and management agreement, including, for example, the amount of the base management fee, the income based fee, the capital gains incentive fee or other compensation terms. Material amendments to our investment advisory and management agreement must be approved by the affirmative vote of the holders of a majority of our outstanding voting securities and by a majority of our independent directors, and we may from time to time decide it is appropriate to seek the requisite approval to change the terms of the agreement.

Indemnification

The investment advisory and management agreement provides that, absent willful misfeasance, bad faith or gross negligence in the performance of its duties or by reason of the reckless disregard of its duties and obligations, our investment adviser, its members and their respective officers, managers, partners, agents, employees, controlling persons and members and any other persons affiliated with it are entitled to indemnification from us for any damages, liabilities, costs and expenses (including reasonable attorneys' fees and amounts reasonably paid in settlement) arising from the rendering of our investment adviser's services under the investment advisory and management agreement or otherwise as our investment adviser.

Organization of our Investment Adviser

Our investment adviser is a Delaware limited liability company that is registered as an investment adviser under the Advisers Act. The principal executive offices of Ares Capital Management are located at 2000 Avenue of the Stars, 12th Floor, Los Angeles, California 90067.

ADMINISTRATION AGREEMENT

We are also party to an administration agreement, referred to herein as the "administration agreement", with our administrator, Ares Operations. Our board of directors approved the continuation of our administration agreement on May 17, 2022, which extended the term of the agreement until June 1, 2023. Pursuant to the administration agreement, Ares Operations furnishes us with office equipment and clerical, bookkeeping and record keeping services at our office facilities. Under the administration agreement, Ares Operations also performs, or oversees the performance of, our required administrative services, which include, among other things, providing assistance in accounting, legal, compliance, operations, technology and investor relations, being responsible for the financial records that we are required to maintain and preparing reports to our stockholders and reports filed with the SEC. In addition, Ares Operations assists us in determining and publishing our net asset value, assists us in providing managerial assistance to our portfolio companies, oversees the preparation and filing of our tax returns and the printing and dissemination of reports to our stockholders, and generally oversees the payment of our expenses and the performance of administrative and professional services rendered to us by others. Payments under the administration agreement are equal to an amount based upon our allocable portion of Ares Operations' overhead and other expenses (including travel expenses) incurred by Ares Operations in performing its obligations under the administration agreement, including our allocable portion of the compensation, rent and other expenses of certain of our officers (including our chief compliance officer, chief financial officer, chief accounting officer, general counsel, secretary, treasurer and assistant treasurer) and their respective staffs. The administration agreement may be terminated by either party without penalty upon 60 days' written notice to the other party.

For the year ended December 31, 2022, we incurred $11 million in administrative fees. As of December 31, 2022, $2 million of the administrative fees were unpaid and included in "accounts payable and other liabilities" in the accompanying consolidated balance sheets.

Indemnification

The administration agreement provides that, absent willful misfeasance, bad faith or negligence in the performance of its duties or by reason of the reckless disregard of its duties and obligations, Ares Operations, its members and their respective officers, managers, partners, agents, employees, controlling persons and members and any other persons or entities affiliated with it are entitled to indemnification from us for any damages, liabilities, costs and expenses (including reasonable attorneys' fees and amounts reasonably paid in settlement) arising from the rendering of Ares Operations' services under the administration agreement or otherwise as our administrator.

LICENSE AGREEMENT

Ares Management LLC, the sole member of Ares Capital Management, has granted us a non-exclusive, royalty-free license to use the name "Ares" pursuant to a license agreement. Under this agreement, we will have a right to use the Ares name for so long as Ares Capital Management remains our investment adviser. Other than with respect to this limited license, we have no legal right to the "Ares" name.

LEVERAGE

We may from time to time borrow funds to make investments, a practice known as "leverage," to attempt to increase returns to our stockholders. With certain limited exceptions, we are only allowed to borrow amounts such that our asset coverage, as calculated in accordance with the Investment Company Act, equals at least 150% after such borrowing (i.e., we are able to borrow up to two dollars for every dollar we have in assets less all liabilities and indebtedness not represented by senior securities issued by us).

The amount of leverage that we employ at any particular time will depend on our investment adviser's and our board of directors' assessments of market and other factors at the time of any proposed borrowing. As of February 1, 2023, we had $12.1 billion in total aggregate principal amount of debt outstanding under the various debt instruments. See "Risk Factors—Risks Relating to Our Business—We borrow money, which magnifies the potential for gain or loss on amounts invested and may increase the risk of investing with us." For more information on our debt, see "Management's Discussion and Analysis of Financial Condition and Results of Operations—Financial Condition, Liquidity and Capital Resources" as well as Note 5 and Note 15 to our consolidated financial statements for the year ended December 31, 2022.

We may from time to time seek to retire or repurchase our common stock through cash purchases, as well as retire, cancel or purchase our outstanding debt through cash purchases and/or exchanges, in open market purchases, privately negotiated transactions or otherwise. Such repurchases or exchanges, if any, will depend on prevailing market conditions, our liquidity requirements, contractual and regulatory restrictions and other factors. The amounts involved may be material.

REGULATION

We have elected to be regulated as a BDC under the Investment Company Act and have elected to be treated as a RIC under the Code. As with other companies regulated by the Investment Company Act, a BDC must adhere to certain substantive regulatory requirements. The Investment Company Act contains prohibitions and restrictions relating to certain transactions between BDCs and certain affiliates (including any investment advisers or sub-advisers), principal underwriters and certain affiliates of those affiliates or underwriters. Among other things, we generally cannot co-invest in any portfolio company in which a fund managed by Ares or any of its downstream affiliates other than us and our downstream affiliates) is also co-investing. We, our investment adviser and certain of our affiliates have received the Co-Investment Exemptive Order from the SEC that permits us and other BDCs and registered closed-end management investment companies managed by Ares to co-invest in portfolio companies with each other and with affiliated investment funds. Co-investments made under the Co-Investment Exemptive Order are subject to compliance with certain conditions and other requirements, which could limit our ability to participate in co-investment transactions. We may also otherwise co-invest with funds managed by Ares or any of its downstream affiliates, subject to compliance with an existing regulatory guidance, applicable regulations and our allocation procedures.

The Investment Company Act contains certain restrictions on certain types of investments we may make. Specifically, we may only invest up to 30% of our portfolio in entities that are not considered "eligible portfolio companies" (as defined in the Investment Company Act), including companies located outside of the United States, entities that are operating pursuant to certain exceptions under the Investment Company Act, and publicly traded entities whose public equity market capitalization exceeds the levels provided for under the Investment Company Act.

The Investment Company Act also requires that a majority of our directors be persons other than "interested persons," as that term is defined in Section 2(a)(19) of the Investment Company Act, referred to herein as "independent directors." In addition, the Investment Company Act provides that we may not change the nature of our business so as to cease to be, or to withdraw our election as, a BDC unless that change is approved by holders of at least a majority of our outstanding voting securities. Under the Investment Company Act, the vote of holders of at least a "majority of outstanding voting securities" means the vote of the holders of the lesser of: (a) 67% or more of the outstanding shares of our common stock present at a meeting or represented by proxy if holders of more than 50% of the shares of our common stock are present or represented by proxy or (b) more than 50% of the outstanding shares of our common stock.

Under the Investment Company Act, we are not generally able to issue and sell our common stock at a price below net asset value per share. We may, however, sell our common stock, or warrants, options or rights to acquire our common stock, at a price below the current net asset value per share of our common stock if our board of directors determines that such sale is in our best interests and the best interests of our stockholders, and our stockholders approve such sale. Pursuant to approval granted at a special meeting of stockholders held on August 4, 2022, we currently are permitted to sell or otherwise issue shares of our common stock at a price below net asset value, subject to certain limitations and determinations that must be made by our board of directors. Such stockholder approval expires on August 4, 2023.

We may invest up to 100% of our assets in securities acquired directly from issuers in privately negotiated transactions. Our intention is to not write (sell) or buy put or call options to manage risks associated with the publicly traded securities of our portfolio companies. We may enter into hedging transactions to manage the risks associated with interest rate and currency fluctuations. We may purchase or otherwise receive warrants or options to purchase the common stock of our portfolio companies in connection with acquisition financings or other investments. In connection with such an acquisition, we may acquire rights to require the issuers of acquired securities or their affiliates to repurchase them under certain circumstances.

We also do not intend to acquire securities issued by any investment company that exceed the limits imposed by the Investment Company Act. Under these limits, we generally cannot acquire more than 3% of the voting stock of any investment company (as defined in the Investment Company Act), invest more than 5% of the value of our total assets in the securities of one investment company or invest more than 10% of the value of our total assets in the securities of investment companies in the aggregate unless certain conditions are met. With regard to that portion of our portfolio invested in securities issued by investment companies, it should be noted that such investments might subject our stockholders to additional expenses.

We are currently allowed to borrow amounts or issue debt securities or preferred stock, which we refer to collectively as "senior securities," such that our asset coverage, as calculated pursuant to the Investment Company Act, equals at least 150% immediately after such borrowing (i.e., we are able to borrow up to two dollars for every dollar we have in assets less all liabilities and indebtedness not represented by senior securities issued by us).

PRIVACY PRINCIPLES

We endeavor to maintain the privacy of our recordholders and to safeguard their non-public personal information. The following information is provided to help our recordholders understand what personal information we collect, how we protect that information and why, in certain cases, we may share information with select other parties.

Generally, we will not receive any non-public personal information about recordholders of our common stock, although certain of our recordholders' non-public information may become available to us. The non-public personal information that we may receive falls into the following categories:

- information we receive from recordholders, whether we receive it orally, in writing or electronically. This includes recordholders' communications to us concerning their investment;

- information about recordholders' transactions and history with us; and

- other general information that we may obtain about recordholders, such as demographic and contact information such as address.

We disclose non-public personal information about recordholders:

- to our affiliates (such as our investment adviser and administrator) and their employees for everyday business purposes;

- to our service providers (such as our accountants, attorneys, custodians, transfer agent, underwriters and proxy solicitors) and their employees, as is necessary to service recordholder accounts or otherwise provide the applicable service;

- to comply with court orders, subpoenas, lawful discovery requests or other legal or regulatory requirements; or

- as allowed or required by applicable law or regulation.

When we share non-public recordholder personal information referred to above, the information is made available for limited business purposes and under controlled circumstances designed to protect our recordholders' privacy. We do not permit use of recordholder information for any non-business or marketing purpose, nor do we permit third parties to rent, sell, trade or otherwise release or disclose information to any other party.

Our service providers, such as our investment adviser, administrator and transfer agent, are required to maintain physical, electronic, and procedural safeguards to protect recordholder non-public personal information, to prevent unauthorized access or use and to dispose of such information when it is no longer required.

Personnel of affiliates may access recordholder information only for business purposes. The degree of access is based on the sensitivity of the information and on personnel need for the information to service a recordholder's account or comply with legal requirements.

If a recordholder ceases to be a recordholder, we will adhere to the privacy policies and practices as described above. We may choose to modify our privacy policies at any time. Before we do so, we will notify recordholders and provide a description of our privacy policy.

In the event of a corporate change in control resulting from, for example, a sale to, or merger with, another entity, or in the event of a sale of assets, we reserve the right to transfer non-public personal information of holders of our securities to the new party in control or the party acquiring assets.

AVAILABLE INFORMATION

We file with or submit to the SEC annual, quarterly and current periodic reports, proxy statements and other information meeting the informational requirements of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). This information is available free of charge by calling us collect at (310) 201-4200 or on our website at *www.arescapitalcorp.com*. Information contained on our website is not incorporated into this Annual Report and you should not consider such information to be part of this Annual Report. Such information is also available from the EDGAR database on the SEC's website at *http://www.sec.gov*.

Item 1A. Risk Factors

RISK FACTORS

You should carefully consider the risk factors described below, together with all of the other information included in this Annual Report, including our consolidated financial statements and the related notes thereto, before you decide whether to make an investment in our securities. The risks set out below are not the only risks we face. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also may materially adversely affect our business, financial condition and/or operating results. If any of the following events occur, our business, financial condition and results of operations could be materially adversely affected. In such case, the net asset value of our common stock and the trading price, if any, of our securities could decline, and you may lose all or part of your investment.

RISK FACTOR SUMMARY

The following is a summary of the principal risks that you should carefully consider before investing in our securities.

- The capital markets may experience periods of disruption and instability, including supply chain disruption and inflation. Such market conditions may materially and adversely affect debt and equity capital markets, which may have a negative impact on our business and operations.
- Global economic, political and market conditions, including uncertainty about the financial stability of the United States, could have a significant adverse effect on our business, financial condition and results of operations.
- A failure on our part to maintain our status as a BDC may significantly reduce our operating flexibility and a failure to maintain our status as a RIC may subject us to additional corporate-level income taxes and reduce earnings available from which to pay dividends.
- We are dependent upon certain key personnel of Ares for our future success and upon their access to other Ares investment professionals.
- We borrow money, which magnifies the potential for gain or loss on amounts invested and may increase the risk of investing with us.
- We operate in a highly competitive market for investment opportunities.
- There are significant potential conflicts of interest that could impact our investment returns.
- We are exposed to risks associated with changes in interest rates, including the transition away from LIBOR and the adoption of alternative reference rates.
- Most of our portfolio investments are not publicly traded and, as a result, the fair value of these investments may not be readily determinable. Additionally, to the extent that we need liquidity and need to sell assets, the lack of liquidity in our investments may adversely affect our business.
- Our financial condition and results of operations could be negatively affected if a significant investment fails to perform as expected.
- Declines in market prices and liquidity in the corporate debt markets can result in significant net unrealized depreciation of our portfolio, which in turn would reduce our net asset value.
- Economic recessions or downturns could impair our portfolio companies and harm our operating results.
- Our investments, which are primarily in middle-market companies, may be risky and we could lose all or part of our investment.
- Our portfolio companies may be highly leveraged.
- Our shares of common stock may trade at a price above or below net asset value. If our common stock trades at a discount to net asset value, our ability to raise capital may be limited.

- Our ability to grow depends on our ability to raise capital.

- Our asset coverage requirement is 150%, which may increase the risk of investing with us.

- Cybersecurity risks and cyber incidents may adversely affect our business or the business of our portfolio companies by causing a disruption to our operations or the operations of our portfolio companies, a compromise or corruption of our confidential information or the confidential information of our portfolio companies and/or damage to our business relationships or the business relationships of our portfolio companies, all of which could negatively impact the business, financial condition and operating results of us or our portfolio companies.

RISKS RELATING TO OUR BUSINESS

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

From time to time, capital markets may experience periods of disruption and instability, including during portions of the past three fiscal years. In addition, between 2008 and 2009, the global capital markets were unstable as evidenced by periodic disruptions in liquidity in the debt capital markets, significant write-offs in the financial services sector, the re-pricing of credit risk in the broadly syndicated credit market and the failure of major financial institutions. Despite actions of the U.S. federal government and foreign governments, these events contributed to worsening general economic conditions that materially and adversely impacted the broader financial and credit markets and reduced the availability of debt and equity capital for the market as a whole and financial services firms in particular. There can be no assurance these market conditions will not continue or worsen in the future, including as a result of inflation and rising interest rates, the war in Ukraine and Russia, and health epidemics and pandemics, as discussed below.

Equity capital may be difficult to raise during such periods of adverse or volatile market conditions because, subject to some limited exceptions, as a BDC, we are generally not able to issue additional shares of our common stock at a price less than net asset value without first obtaining approval for such issuance from our stockholders and our independent directors. We generally seek approval from our stockholders so that we have the flexibility to issue up to 25% of our then outstanding shares of our common stock at a price below net asset value. Pursuant to approval granted at a special meeting of stockholders held on August 4, 2022, we are permitted to sell or otherwise issue shares of our common stock at a price below net asset value, subject to certain limitations and determinations that must be made by our board of directors. Such stockholder approval expires on August 4, 2023.

Volatility and dislocation in the capital markets can also create a challenging environment in which to raise or access debt capital. The reappearance of market conditions similar to those experienced during portions of the past three fiscal years and from 2008 through 2009 for any substantial length of time could make it difficult to extend the maturity of or refinance our existing indebtedness or obtain new indebtedness with similar terms and any failure to do so could have a material adverse effect on our business. The debt capital that will be available to us in the future, if at all, may be at a higher cost, including as a result of the current rising interest rate environment, and on less favorable terms and conditions than what we have historically experienced. If we are unable to raise or refinance debt, then our equity investors may not benefit from the potential for increased returns on equity resulting from leverage and we may be limited in our ability to make new commitments or to fund existing commitments to our portfolio companies.

Significant disruption or volatility in the capital markets may also have a negative effect on the valuations of our investments. While most of our investments are not publicly traded, applicable accounting standards require us to assume as part of our valuation process that our investments are sold in a principal market to market participants (even if we plan on holding an investment through its maturity). Significant disruption or volatility in the capital markets may also affect the pace of our investment activity and the potential for liquidity events involving our investments. Thus, the illiquidity of our investments may make it difficult for us to sell such investments to access capital if required, and as a result, we could realize significantly less than the value at which we have recorded our investments if we were required to sell them for liquidity purposes. An inability to raise or access capital could have a material adverse effect on our business, financial condition or results of operations.

We are exposed to risks associated with changes in interest rates, including the current rising interest rate environment.

General interest rate fluctuations may have a negative impact on our investments and our investment returns and, accordingly, may have a material adverse effect on our investment objective and our net investment income.

In an effort to combat inflation, the U.S. Federal Reserve has increased the federal funds rate in 2022 and is widely expected to further increase the federal funds rate in 2023. Because we borrow money and may issue debt securities or preferred stock to make investments, our net investment income is dependent upon the difference between the rate at which we borrow funds or pay interest or dividends on such debt securities or preferred stock and the rate at which we invest these funds. In this period of rising interest rates, our interest income will increase as the majority of our portfolio bears interest at variable rates while our cost of funds will also increase, to a lesser extent, given the majority of our indebtedness bears interest at fixed rates, with the net impact being an increase to our net investment income, see “Item 7A. Qualitative and Quantitative Disclosures About Market Risk.” Conversely, if interest rates decrease, we may earn less interest income from investments and our cost of funds will also decrease, to a lesser extent, resulting in lower net investment income. From time to time, we may also enter into certain hedging transactions to mitigate our exposure to changes in interest rates. In the past, we have entered into certain hedging transactions, such as interest rate swap agreements, to mitigate our exposure to adverse fluctuations in interest rates, and we may do so again in the future. However, we cannot assure you that such transactions will be successful in mitigating our exposure to interest rate risk. 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.

Our portfolio primarily consists of floating rate investments as opposed to fixed rate investments. Market prices tend to fluctuate more for fixed-rate securities that have longer maturities. Although we have no policy governing the maturities of our investments, under current market conditions we expect that we will invest in a portfolio of debt generally having maturities of up to 10 years. Market prices for debt that pays a fixed rate of return tend to decline as interest rates rise. This means that we are subject to greater risk (other things being equal) than a fund invested solely in shorter-term, fixed-rate securities. Market prices for floating rate investments may also fluctuate in rising rate environments with prices tending to decline when credit spreads widen. A decline in the prices of the debt we own could adversely affect our net assets resulting from operations and the market price of our common stock.

Rising interest rates may also increase the cost of debt for our underlying portfolio companies, which could adversely impact their financial performance and ability to meet ongoing obligations to us. Also, an increase in interest rates available to investors could make an investment in our common stock less attractive if we are not able to pay dividends at a level that provides a similar return, which could reduce the value of our common stock.

Inflation has adversely affected and may continue to adversely affect the business, results of operations and financial condition of our portfolio companies.

Certain of our portfolio companies are in industries that have been impacted by inflation. Recent inflationary pressures have increased the costs of labor, energy and raw materials and have adversely affected consumer spending, economic growth and our portfolio companies’ operations. If such portfolio companies are unable to pass any increases in their costs of operations along to their customers, it could adversely affect their operating results and impact their ability to pay interest and principal on our loans, particularly if interest rates rise in response to inflation. In addition, any projected future decreases in our portfolio companies’ operating results due to inflation could adversely impact the fair value of those investments. Any decreases in the fair value of our investments could result in future realized or unrealized losses and therefore reduce our net assets resulting from operations. Additionally, the Federal Reserve has raised, and has indicated its intent to continue raising, certain benchmark interest rates in an effort to combat inflation. See “—We are exposed to risks associated with changes in interest rates, including the current rising interest rate environment.”

The war in Ukraine and Russia may continue to have a material adverse impact on us and our portfolio companies.

On February 24, 2022, the President of Russia, Vladimir Putin, announced a military invasion of Ukraine. In response, countries worldwide, including the United States, have imposed sanctions against Russia on certain businesses and individuals, including, but not limited to, those in the banking, import and export sectors. This invasion has led, is currently leading, and for an unknown period of time will continue to lead to disruptions in local, regional, national, and global markets and economies affected thereby. These disruptions caused by the invasion have included, and may continue to include, political, social, and economic disruptions and uncertainties and material increases in certain commodity prices that may affect our business operations or the business operations of our portfolio companies.

A failure on our part to maintain our status as a BDC may significantly reduce our operating flexibility.

If we fail to maintain our status as a BDC, we might be regulated as a closed-end investment company that is required to register under the Investment Company Act, which would subject us to additional regulatory restrictions and significantly decrease our operating flexibility. In addition, any such failure could cause an event of default under our outstanding indebtedness, which could have a material adverse effect on our business, financial condition or results of operations.

We are dependent upon certain key personnel of Ares for our future success and upon their access to other Ares investment professionals.

We depend on the diligence, skill, judgment, network of business contacts and personal reputations of certain key personnel of the Ares Credit Group and our future success depends on their continued service. We also depend, to a significant extent, on access to the investment professionals of other groups within Ares, the information and deal flow generated by Ares' investment professionals in the course of their investment and portfolio management activities, as well as the support of senior business operations professionals of Ares.

The departure or misconduct of any of these individuals, or of a significant number of the investment professionals or partners of Ares, could have a material adverse effect on our business, financial condition or results of operations. In addition, we cannot assure you that Ares Capital Management will remain our investment adviser or that we will continue to have access to Ares' investment professionals or its information and deal flow. Further, there can be no assurance that Ares Capital will replicate its own or Ares' historical success, and we caution you that our investment returns could be substantially lower than the returns achieved by other Ares-managed funds.

Our financial condition and results of operations depend on our ability to manage future growth effectively.

Our ability to achieve our investment objective depends on our ability to acquire suitable investments and monitor and administer those investments, which depends, in turn, on our investment adviser's ability to identify, invest in and monitor companies that meet our investment criteria.

Accomplishing this result on a cost-effective basis is largely a function of the structuring of our investment process and the ability of our investment adviser to provide competent, attentive and efficient services to us. Our executive officers and the members of our investment adviser's investment committee have substantial responsibilities in connection with their roles at Ares and with the other Ares funds, including Ares Strategic Income Fund ("ASIF"), a non-traded BDC managed by our investment adviser, as well as responsibilities under the investment advisory and management agreement. They may also be called upon to provide significant managerial assistance to certain of our portfolio companies. These demands on their time, which will increase as the number of investments grow, may distract them or slow the rate of investment. In order for us to grow, Ares will need to hire, train, supervise, manage and retain new employees. However, we cannot assure you that Ares will be able to do so effectively. Any failure to manage our future growth effectively could have a material adverse effect on our business, financial condition and results of operations.

Our ability to grow depends on our ability to raise capital.

We will need to periodically access the capital markets to raise cash to fund new investments in excess of our repayments, and we may also need to access the capital markets to refinance existing debt obligations to the extent such maturing obligations are not repaid with availability under our revolving credit facilities or cash flows from operations. We have elected to be treated as a RIC and operate in a manner so as to qualify for the U.S. federal income tax treatment applicable to RICs. Among other things, in order to maintain our RIC status, we must distribute to our stockholders on a timely basis generally an amount equal to at least 90% of our investment company taxable income, and, as a result, such distributions will not be available to fund investment originations or repay maturing debt. We must continue to borrow from financial institutions and issue additional securities to fund our growth. Unfavorable economic or capital market conditions may increase our funding costs, limit our access to the capital markets or could result in a decision by lenders not to extend credit to us. An inability to successfully access the capital markets may limit our ability to refinance our existing debt obligations as they come due and/or to fully execute our business strategy and could limit our ability to grow or cause us to have to shrink the size of our business, which could decrease our earnings, if any. See "—The capital markets may experience periods of disruption and instability. Such market conditions may materially and adversely affect debt and equity capital markets, which may have a negative impact on our business and operations."

In addition, we are currently allowed to borrow amounts or issue debt securities or preferred stock, which we refer to collectively as "senior securities," such that our asset coverage, as calculated pursuant to the Investment Company Act, equals at least 150% immediately after such borrowing (i.e., we are able to borrow up to two dollars for every dollar we have in assets less all liabilities and indebtedness not represented by senior securities issued by us). Such requirement, in certain circumstances, may restrict our ability to borrow or issue debt securities or preferred stock. The amount of leverage that we employ will depend on our investment adviser's and our board of directors' assessments of market and other factors at the time of any proposed borrowing or issuance of senior securities. We cannot assure you that we will be able to maintain or increase the amount available to us under our current Facilities (as defined below), obtain other lines of credit or issue senior securities at all or on terms acceptable to us.

Regulations governing our operation as a BDC affect our ability to, and the way in which we, raise additional capital.

We may issue senior securities or borrow money from banks or other financial institutions, up to the maximum amount permitted by the Investment Company Act. As a BDC, we are currently permitted to incur indebtedness or issue senior securities only in amounts such that our asset coverage, as calculated pursuant to the Investment Company Act, equals at least 150% after each such incurrence or issuance (i.e., we are able to borrow up to two dollars for every dollar we have in assets less all liabilities and indebtedness not represented by senior securities issued by us). If the value of our assets declines, we may be unable to satisfy this test, which may prohibit us from paying dividends and could prevent us from maintaining our status as a RIC or may prohibit us from repurchasing shares of our common stock. In addition, our inability to satisfy this test could cause an event of default under our existing indebtedness. If we cannot satisfy this test, we may be required to sell a portion of our investments at a time when such sales may be disadvantageous and, depending on the nature of our leverage, repay a portion of our indebtedness. Accordingly, any failure to satisfy this test could have a material adverse effect on our business, financial condition or results of operations. As of December 31, 2022, our asset coverage calculated in accordance with the Investment Company Act was 177%. Also, to generate cash for funding new investments, we may in the future seek to issue additional debt or to securitize certain of our loans. The Investment Company Act may impose restrictions on the structure of any such securitization.

We are not generally able to issue and sell our common stock at a price below net asset value per share. We may, however, sell our common stock, or warrants, options or rights to acquire our common stock, at a price below the current net asset value per share of our common stock if our board of directors determines that such sale is in our best interests and the best interests of our stockholders, and our stockholders approve such sale. Any such sale would be dilutive to the net asset value per share of our common stock. In any such case, the price at which our securities are to be issued and sold may not be less than a price that, in the determination of our board of directors, closely approximates the market value of such securities (less any commission or discount). If our common stock trades at a discount to net asset value, this restriction could adversely affect our ability to raise capital.

Pursuant to approval granted at a special meeting of stockholders held on August 4, 2022, we are permitted to sell or otherwise issue shares of our common stock at a price below net asset value, subject to certain limitations and determinations that must be made by our board of directors. Such stockholder approval expires on August 4, 2023.

We borrow money, which magnifies the potential for gain or loss on amounts invested and may increase the risk of investing with us.

Borrowings, also known as leverage, magnify the potential for gain or loss on amounts invested and, therefore, increase the risks associated with investing in our securities. We currently borrow under the Facilities and have issued or assumed other senior securities, and in the future may borrow from, or issue additional senior securities to, banks, insurance companies, funds, institutional investors and other lenders and investors. Lenders and holders of such senior securities have fixed dollar claims on our consolidated assets that are superior to the claims of our common stockholders or any preferred stockholders. If the value of our consolidated assets increases, then leveraging would cause the net asset value per share of our common stock to increase more sharply than it would have had we not incurred leverage.

Conversely, if the value of our consolidated assets decreases, leveraging would cause net asset value to decline more sharply than it otherwise would have had we not incurred leverage. Similarly, any increase in our consolidated income in excess of consolidated interest payable on the borrowed funds would cause our net income to increase more than it would had we not incurred leverage, while any decrease in our consolidated income would cause net income to decline more sharply than it would have had we not incurred leverage. Such a decline could negatively affect our ability to make common stock dividend payments. There can be no assurance that a leveraging strategy will be successful.

As of December 31, 2022, we had approximately $3.7 billion of outstanding borrowings under the Facilities, approximately $403 million aggregate principal amount of unsecured convertible notes that mature on March 1, 2024 (the “2024 Convertible Notes”) and approximately $8.1 billion in aggregate principal amount outstanding of senior unsecured notes comprised of $750 million in aggregate principal amount of senior unsecured notes that mature on February 10, 2023 and bear interest at a rate of 3.500% (the “2023 Notes”), $900 million in aggregate principal amount of senior unsecured notes that mature on June 10, 2024 and bear interest at a rate of 4.200% (the “2024 Notes”), $600 million in aggregate principal amount of senior unsecured notes that mature on March 1, 2025 and bear interest at a rate of 4.250% (the “March 2025 Notes”), $1,250 million in aggregate principal amount of senior unsecured notes that mature on July 15, 2025 and bear interest at a rate of

3.250% (the “July 2025 Notes”), $1,150 million in aggregate principal amount of senior unsecured notes that mature on January 15, 2026 and bear interest at a rate of 3.875% (the “January 2026 Notes”), $1,000 million in aggregate principal amount of senior unsecured notes that mature on July 15, 2026 and bear interest at a rate of 2.150% (the “July 2026 Notes”), $500 million in aggregate principal amount of senior unsecured notes that mature on June 15, 2027 and bear interest at a rate of 2.875% (the “2027 Notes”), $1,250 million in aggregate principal amount of senior unsecured notes that mature on June 15, 2028 and bear interest at a rate of 2.875% (the “2028 Notes”) and $700 million in aggregate principal amount of senior unsecured notes that mature on November 15, 2031 and bear interest at a rate of 3.200% (the “2031 Notes” and together with the 2023 Notes, the 2024 Notes, the March 2025 Notes, the July 2025 Notes, the January 2026 Notes, the July 2026 Notes, the 2027 Notes, the 2028 Notes, the “Unsecured Notes”). In order for us to cover our annual interest payments on our outstanding indebtedness at December 31, 2022, we must achieve annual returns on our December 31, 2022 total assets of at least 2.3%. The weighted average stated interest rate charged on our principal amount of outstanding indebtedness as of December 31, 2022 was 4.2%. We intend to continue borrowing under the Facilities in the future and we may increase the size of the Facilities or issue additional debt securities or other evidences of indebtedness (although there can be no assurance that we will be successful in doing so). For more information on our indebtedness, see “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Financial Condition, Liquidity and Capital Resources.” Our ability to service our debt depends largely on our financial performance and is subject to prevailing economic conditions and competitive pressures. The amount of leverage that we employ at any particular time will depend on our investment adviser’s and our board of directors’ assessments of market and other factors at the time of any proposed borrowing. We are currently allowed to borrow amounts such that our asset coverage, as calculated pursuant to the Investment Company Act, equals at least 150% after such borrowing (i.e., we are able to borrow up to two dollars for every dollar we have in assets less all liabilities and indebtedness not represented by senior securities issued by us).

The Facilities, the 2024 Convertible Notes and the Unsecured Notes impose financial and operating covenants that restrict our business activities, including limitations that could hinder our ability to finance additional loans and investments or to make the distributions required to maintain our status as a RIC. A failure to renew the Facilities or to add new or replacement debt facilities or to issue additional debt securities or other evidences of indebtedness could have a material adverse effect on our business, financial condition and results of operations.

The following table illustrates the effect on return to a holder of our common stock of the leverage created by our use of borrowing at the weighted average stated interest rate of 4.2% as of December 31, 2022, together with (a) our total value of net assets as of December 31, 2022; (b) approximately $12.2 billion in aggregate principal amount of indebtedness outstanding as of December 31, 2022 and (c) hypothetical annual returns on our portfolio of minus 15% to plus 15%.

Assumed Return on Portfolio (Net of Expenses)(1)	-15.00 %	-10.00 %	-5.00 %	— %	5.00 %	10.00 %	15.00 %
Corresponding Return to Common Stockholders(2)	-40.51 %	-28.79 %	-17.07 %	-5.35 %	6.37 %	18.10 %	29.82 %

(1) The assumed portfolio return is required by SEC regulations and is not a prediction of, and does not represent, our projected or actual performance. Actual returns may be greater or less than those appearing in the table. Pursuant to SEC regulations, this table is calculated as of December 31, 2022. As a result, it has not been updated to take into account any changes in assets or leverage since December 31, 2022.

(2) In order to compute the “Corresponding Return to Common Stockholders,” the “Assumed Return on Portfolio” is multiplied by the total value of our assets at December 31, 2022 to obtain an assumed return to us. From this amount, the interest expense (calculated by multiplying the weighted average stated interest rate of 4.2% by the approximately $12.2 billion of principal debt outstanding) is subtracted to determine the return available to stockholders. The return available to stockholders is then divided by the total value of our net assets as of December 31, 2022 to determine the “Corresponding Return to Common Stockholders.”

In addition to regulatory requirements that restrict our ability to raise capital, the Facilities, the 2024 Convertible Notes and the Unsecured Notes contain various covenants that, if not complied with, could accelerate repayment under the Facilities, the 2024 Convertible Notes and the Unsecured Notes, thereby materially and adversely affecting our liquidity, financial condition and results of operations.

The agreements governing the Facilities, the 2024 Convertible Notes and the Unsecured Notes require us to comply with certain financial and operational covenants. These covenants may include, among other things:

- restrictions on the level of indebtedness that we are permitted to incur in relation to the value of our assets;
- restrictions on our ability to incur liens; and
- maintenance of a minimum level of stockholders' equity.

As of the date of this Annual Report, we are in compliance in all material respects with the covenants of the Facilities, the 2024 Convertible Notes and the Unsecured Notes. However, our continued compliance with these covenants depends on many factors, some of which are beyond our control. For example, depending on the condition of the public debt and equity markets and pricing levels, unrealized depreciation in our portfolio may increase in the future. Any such increase could result in our inability to comply with our obligation to restrict the level of indebtedness that we are able to incur in relation to the value of our assets or to maintain a minimum level of stockholders' equity.

Accordingly, although we believe we will continue to be in compliance, there are no assurances that we will continue to comply with the covenants in the Facilities, the 2024 Convertible Notes and the Unsecured Notes. Failure to comply with these covenants could result in a default under the Facilities, the 2024 Convertible Notes or the Unsecured Notes, that, if we were unable to obtain a waiver from the lenders or holders of such indebtedness, as applicable, such lenders or holders could accelerate repayment under such indebtedness and thereby have a material adverse impact on our business, financial condition and results of operations.

We operate in a highly competitive market for investment opportunities.

A number of entities compete with us to make the types of investments that we make in middle-market companies. We compete with other BDCs, public and private funds, commercial and investment banks, commercial financing companies, insurance companies, hedge funds, and, to the extent they provide an alternative form of financing, private equity funds. Some of our competitors are substantially larger and have considerably greater financial, technical and marketing resources than we do. Some competitors may have a lower cost of funds and access to funding sources that are not available to us. In addition, some of our competitors may have higher risk tolerances or different risk assessments, which could allow them to consider a wider variety of investments and establish more relationships than we do. Furthermore, many of our competitors are not subject to the regulatory restrictions that the Investment Company Act imposes on us as a BDC and that the Code imposes on us as a RIC. In addition, new competitors frequently enter the financing markets in which we operate. We cannot assure you that the competitive pressures we face will not have a material adverse effect on our business, financial condition and results of operations. Also, as a result of this competition, we may not be able to pursue attractive investment opportunities from time to time.

We do not seek to compete primarily based on the interest rates we offer and we believe that some of our competitors may make loans with interest rates that are comparable to or lower than the rates we offer. Rather, we compete with our competitors based on our existing investment platform, seasoned investment professionals, experience and focus on middle-market companies, disciplined investment philosophy, extensive industry focus and flexible transaction structuring. For a more detailed discussion of these competitive advantages, see "Business—Competitive Advantages."

We may lose investment opportunities if we do not match our competitors' pricing, terms and structure. The loss of such investment opportunities may limit our ability to grow or cause us to have to shrink the size of our portfolio, which could decrease our earnings. If we match our competitors' pricing, terms and structure, we may experience decreased net interest income and increased risk of credit loss. As a result of operating in such a competitive environment, we may make investments that are on less favorable terms than what we may have originally anticipated, which may impact our return on these investments.

There are significant potential conflicts of interest that could impact our investment returns.

Conflicts may arise in allocating and structuring investments, time, services, expenses or resources among the investment activities of Ares funds (including ASIF), Ares, other Ares-affiliated entities and the employees of Ares. Certain of our executive officers and directors, and members of the investment committee of our investment adviser, serve or may serve as officers, directors or principals of other entities and affiliates of our investment adviser and investment funds managed by our investment adviser or its affiliates, including ASIF. These officers and directors will devote such portion of their time to our affairs as is required for the performance of their duties, but they are not required to devote all of their time to us. Accordingly, they may have obligations to investors in those entities, the fulfillment of which might not be in our or our stockholders' best interests or may require them to devote time to services for other entities, which could interfere with the time available to provide services to us. Members of our investment adviser's investment committee may have significant responsibilities for other Ares funds, including ASIF. Similarly, although the professional staff of our investment adviser will devote as much time to the management of us as appropriate to enable our investment adviser to perform its duties in accordance with the investment advisory and management agreement, the investment professionals of our investment adviser may have conflicts in allocating their time and services among us, on the one hand, and investment vehicles managed by our investment adviser or one or more of its affiliates, on the other hand. These activities could be viewed as creating a conflict of interest insofar as the time and effort of the professional staff of our investment adviser and its officers and employees will not be devoted exclusively to our business but will instead be allocated between our business and the management of these other investment vehicles.

In addition, certain Ares funds may have investment objectives that compete or overlap with, and may from time to time invest in asset classes similar to those targeted by, Ares Capital. Consequently, we, on the one hand, and these other entities, on the other hand, may from time to time pursue the same or similar capital and investment opportunities. Ares and our investment adviser endeavor to allocate investment opportunities in a fair and equitable manner, and in any event consistent with any fiduciary duties owed to Ares Capital. Nevertheless, it is possible that we may not be given the opportunity to participate in certain investments made by investment funds managed by investment managers affiliated with Ares (including our investment adviser). In addition, there may be conflicts in the allocation of investments among us and the funds managed by investment managers affiliated with Ares (including our investment adviser) or one or more of our controlled affiliates or among the funds they manage, including investments made pursuant to the Co-Investment Exemptive Order. Further, such other Ares-managed funds may hold positions in portfolio companies in which Ares Capital has also invested. Such investments may raise potential conflicts of interest between Ares Capital and such other Ares-managed funds, particularly if Ares Capital and such other Ares-managed funds invest in different classes or types of securities or investments of the same underlying portfolio company. In that regard, actions may be taken by such other Ares-managed funds that are adverse to Ares Capital's interests, including, but not limited to, during a restructuring, bankruptcy or other insolvency proceeding or similar matter occurring at the underlying portfolio company.

We have from time to time sold assets to IHAM and certain of the IHAM Vehicles and, as part of our investment strategy, we may offer to sell additional assets to vehicles managed by one or more of our affiliates (including IHAM) or we may purchase assets from vehicles managed by one or more of our affiliates (including IHAM). In addition, vehicles managed by one or more of our affiliates (including IHAM) may offer assets to or may purchase assets from one another. While assets may be sold or purchased at prices that are consistent with those that could be obtained from third parties in the marketplace, and although these types of transactions generally require approval of one or more independent parties, there may be an inherent conflict of interest in such transactions between us and funds managed by one of our affiliates (including our investment adviser).

We pay a base management fee, an income based fee and a capital gains incentive fee to our investment adviser, and reimburse our investment adviser for certain expenses it incurs. Ares, from time to time, incurs fees, costs, and expenses on behalf of more than one fund. To the extent such fees, costs, and expenses are incurred for the account or benefit of more than one fund, each such fund will typically bear an allocable portion of any such fees, costs, and expenses in proportion to the size of its investment in the activity or entity to which such expense relates (subject to the terms of each fund's governing documents) or in such other manner as Ares considers fair and equitable under the circumstances such as the relative fund size or capital available to be invested by such funds. Where a fund's governing documents do not permit the payment of a particular expense, Ares will generally pay such fund's allocable portion of such expense. In addition, investors in our common stock will invest on a gross basis and receive distributions on a net basis after expenses, resulting in, among other things, a lower rate of return than one might achieve if distributions were made on a gross basis.

Our investment adviser's base management fee is based on a percentage of our total assets (other than cash or cash equivalents but including assets purchased with borrowed funds) and, consequently, our investment adviser may have conflicts of interest in connection with decisions that could affect our total assets, such as decisions as to whether to incur indebtedness or to make future investments. We are currently allowed to borrow amounts such that our asset coverage, as calculated pursuant to the Investment Company Act, equals at least 150% after such borrowing (i.e., we are able to borrow up to two dollars for every dollar we have in assets less all liabilities and indebtedness not represented by senior securities issued by us). Accordingly, our investment adviser may have conflicts of interest in connection with decisions to use increased leverage permitted under our asset coverage requirement applicable to senior securities, as the incurrence of such additional indebtedness would result in an increase in the base management fees payable to our investment adviser and may also result in an increase in the income based fees and capital gains incentive fees payable to our investment adviser.

The income based fees payable by us to our investment adviser that relate to our pre-incentive fee net investment income is computed and paid on income that may include interest that is accrued but not yet received in cash. If a portfolio company defaults on a loan that is structured to provide accrued interest, it is possible that accrued interest previously used in the calculation of such fee will become uncollectible. Our investment adviser is not under any obligation to reimburse us for any part of the income based fees it received that were based on accrued interest that we never actually receive.

Our investment advisory and management agreement renews for successive annual periods if approved by our board of directors or by the affirmative vote of the holders of a majority of our outstanding voting securities, including, in either case, approval by a majority of our directors who are not "interested persons" of us as defined in Section 2(a)(19) of the Investment Company Act. However, both we and our investment adviser have the right to terminate the agreement without penalty upon 60 days' written notice to the other party. Moreover, conflicts of interest may arise if our investment adviser seeks to change the terms of our investment advisory and management agreement, including, for example, the terms for compensation to our investment adviser. While any material change to the investment advisory and management agreement must be submitted to stockholders for approval under the Investment Company Act, we may from time to time decide it is appropriate to seek stockholder approval to change the terms of the agreement.

We are party to an administration agreement with our administrator, Ares Operations, a subsidiary of Ares Management, pursuant to which our administrator furnishes us with administrative services and we pay our administrator at cost our allocable portion of overhead and other expenses (including travel expenses) incurred by our administrator in performing its obligations under our administration agreement, including our allocable portion of the compensation, rent, and other expenses of certain of our officers (including our chief compliance officer, chief financial officer, chief accounting officer, general counsel, secretary, treasurer and assistant treasurer) and their respective staffs, but not investment professionals.

Our portfolio company, IHAM, is party to an administration agreement, referred to herein as the "IHAM administration agreement," with Ares Operations. Pursuant to the IHAM administration agreement, our administrator provides IHAM with administrative services and IHAM reimburses our administrator for all of the actual costs associated with such services, including its allocable portion of our administrator's overhead and the cost of our administrator's officers and respective staff in performing its obligations under the IHAM administration agreement. Prior to entering into the IHAM administration agreement, IHAM was party to a services agreement with our investment adviser, pursuant to which our investment adviser provided similar services.

As a result of the arrangements described above, there may be times when the management team of Ares Management (including those members of management focused primarily on managing Ares Capital) has interests that differ from those of our stockholders, giving rise to a conflict. Additionally, the members of management focused on managing us will also manage other Ares funds, including ASIF, and, consequently, will need to devote significant attention and time to managing other Ares funds, in addition to us.

Our stockholders may have conflicting investment, tax and other objectives with respect to their investments in us. The conflicting interests of individual stockholders may relate to or arise from, among other things, the nature of our investments, the structure or the acquisition of our investments, and the timing of dispositions of our investments. As a consequence, conflicts of interest may arise in connection with decisions made by our investment adviser, including with respect to the nature or structuring of our investments, that may be more beneficial for one stockholder than for another stockholder, especially with respect to stockholders' individual tax situations. In selecting and structuring investments appropriate for us, our investment adviser will consider the investment and tax objectives of the Company and our stockholders, as a whole, not the investment, tax or other objectives of any stockholder individually.

We may be subject to additional corporate-level income taxes if we fail to maintain our status as a RIC.

We have elected to be treated as a RIC under the Code and operate in a manner so as to qualify for the U.S. federal income tax treatment applicable to RICs. As a RIC, we generally will not pay U.S. federal corporate-level income taxes on our income and net capital gains that we distribute to our stockholders as dividends on a timely basis. We will be subject to U.S. federal corporate-level income tax on any undistributed income and/or gains. To maintain our status as a RIC, we must meet certain source of income, asset diversification and annual distribution requirements. We may also be subject to certain U.S. federal excise taxes, as well as state, local and foreign taxes.

To maintain our RIC status, we must timely distribute an amount equal to at least 90% of our investment company taxable income (as defined by the Code, which generally includes net ordinary income and net short term capital gains) to our stockholders (the "Annual Distribution Requirement"). We have the ability to pay a large portion of our dividends in shares of our stock, and as long as a portion of such dividend is paid in cash and other requirements are met, such stock dividends will be taxable as a dividend for U.S. federal income tax purposes. This may result in our U.S. stockholders having to pay tax on such dividends, even if no cash is received, and may result in our non-U.S. stockholders being subject to withholding tax in respect of amounts distributed in our stock. Because we use debt financing, we are subject to certain asset coverage ratio requirements under the Investment Company Act and financial covenants under our indebtedness that could, under certain circumstances, restrict us from making distributions necessary to qualify as a RIC. If we are unable to obtain cash from other sources, we may fail to maintain our status as a RIC and, thus, may be subject to corporate-level income tax on all of our income and/or gains.

To maintain our status as a RIC, in addition to the Annual Distribution Requirement, we must also meet certain annual source of income requirements at the end of each taxable year and asset diversification requirements at the end of each calendar quarter. Failure to meet these requirements may result in our having to (a) dispose of certain investments quickly or (b) raise additional capital to prevent the loss of RIC status. Because most of our investments are in private companies and are generally illiquid, any such dispositions may be at disadvantageous prices and may result in losses. Also, the rules applicable to our qualification as a RIC are complex with many areas of uncertainty. Accordingly, no assurance can be given that we have qualified or will continue to qualify as a RIC. If we fail to maintain our status as a RIC for any reason and become subject to regular "C" corporation income tax, the resulting corporate-level income taxes could substantially reduce our net assets, the amount of income available for distribution and the amount of our distributions. Such a failure would have a material adverse effect on us and on any investment in us. Certain provisions of the Code provide some relief from RIC disqualification due to failures of the source of income and asset diversification requirements, although there may be additional taxes due in such cases. We cannot assure you that we would qualify for any such relief should we fail the source of income or asset diversification requirements.

We may have difficulty paying our required distributions under applicable tax rules if we recognize income before or without receiving cash representing such income.

For U.S. federal income tax purposes, we may be required to include in income certain amounts that we have not yet received in cash, such as original issue discount, which may arise, for example, if we receive warrants in connection with the making of a loan, or PIK interest representing contractual interest added to the loan principal balance and due at the end of the loan term. Such original issue discount or PIK interest is included in income before we receive any corresponding cash payments. We also may be required to include in income certain other amounts that we will not receive in cash, including, for example, amounts attributable to hedging and foreign currency transactions.

Since, in certain cases, we may recognize income before or without receiving cash in respect of such income, we may have difficulty meeting the U.S. federal income tax requirement to distribute generally an amount equal to at least 90% of our investment company taxable income to maintain our status as a RIC. Accordingly, we may have to sell some of our investments at times we would not consider advantageous, raise additional debt or equity capital or reduce new investment originations to meet these distribution requirements. If we are not able to obtain cash from other sources, we may fail to qualify as a RIC and thus be subject to additional corporate-level income taxes. Such a failure could have a material adverse effect on us and on any investment in us.

Most of our portfolio investments are not publicly traded and, as a result, the fair value of these investments may not be readily determinable.

A large percentage of our portfolio investments are not publicly traded. The fair value of investments that are not publicly traded may not be readily determinable. We value these investments quarterly at fair value as determined in good faith by our investment adviser, as the valuation designee, subject to the oversight of our board of directors, based on, among other things, the input of independent third-party valuation firms that have been engaged to support the valuation of such portfolio investments at least once during a trailing 12-month period (with certain de minimis exceptions). The valuation process is conducted at the end of each fiscal quarter by our investment adviser, and a portion of our investment portfolio at fair value is subject to review by an independent third-party valuation firm each quarter. However, we may use these independent valuation firms to review the value of our investments more frequently, including in connection with the occurrence of significant events or changes in value affecting a particular investment. In addition, our independent registered public accounting firm obtains an understanding of, and performs select procedures relating to, our valuation process within the context of performing our integrated audit.

The types of factors that may be considered in valuing our investments include the enterprise value of the portfolio company (the entire value of the portfolio company to a market participant, including the sum of the values of debt and equity securities used to capitalize the enterprise at a point in time), the nature and realizable value of any collateral, the portfolio company's ability to make payments and its earnings and discounted cash flows, the markets in which the portfolio company does business, a comparison of the portfolio company's securities to similar publicly traded securities, changes in the interest rate environment and the credit markets generally that may affect the price at which similar investments would trade in their principal markets and other relevant factors. When an external event such as a purchase transaction, public offering or subsequent equity sale occurs, we consider the pricing indicated by the external event to corroborate our valuation. Because such valuations, and particularly valuations of private investments and private companies, are inherently uncertain, may fluctuate over short periods of time and may be based on estimates, our determinations of fair value may differ materially from the values that would have been used if a ready market for these investments existed and may differ materially from the values that we may ultimately realize. Our net asset value per share could be adversely affected if our determinations regarding the fair value of these investments are higher than the values that we realize upon disposition of such investments.

The lack of liquidity in our investments may adversely affect our business.

As we generally make investments in private companies, substantially all of these investments are subject to legal and other restrictions on resale or are otherwise less liquid than publicly traded securities. The illiquidity of our investments may make it difficult for us to sell such investments if the need arises. In addition, if we are required to liquidate all or a portion of our portfolio quickly, we could realize significantly less than the value at which we have recorded our investments or could be unable to dispose of our investments in a timely manner. In addition, we may face other restrictions on our ability to liquidate an investment in a portfolio company to the extent that we or an affiliated manager of Ares has material non-public information regarding such portfolio company.

Our financial condition and results of operations could be negatively affected if a significant investment fails to perform as expected.

Our investment portfolio includes investments that may be significant individually or in the aggregate. If a significant investment in one or more companies fails to perform as expected, such a failure could have a material adverse effect on our business, financial condition and operating results, and the magnitude of such effect could be more significant than if we had further diversified our portfolio.

Our investment portfolio includes our investment in IHAM, a wholly owned portfolio company, which as of December 31, 2022, represented 10.1% of our total portfolio at fair value. In addition, for the year ended December 31, 2022, approximately 10.9% of our total investment income was earned from our investment in IHAM. For more information, see "Management's Discussion and Analysis of Financial Condition and Results of Operations—Portfolio and Investment Activity —Ivy Hill Asset Management, L.P." and Note 4 to our consolidated financial statements for the year ended December 31, 2022.

We are subject to risks related to corporate social responsibility.

Our business (including that of our portfolio companies) faces increasing public scrutiny related to ESG activities, which are increasingly considered to contribute to reducing a company's operational risk, market risk and reputational risk, which may in turn impact the long-term sustainability of a company's performance. A variety of organizations measure the performance of companies on ESG topics, and the results of these assessments are widely publicized. In addition, investment in funds that specialize in companies that perform well in such assessments are increasingly popular, and major institutional investors have publicly emphasized the importance of such ESG measures to their investment decisions.

We risk damage to our brand and reputation if we fail to act responsibly in a number of areas, including, but not limited to diversity, equity and inclusion, human rights, climate change and environmental stewardship, corporate governance and considering ESG factors in our investment processes. Adverse incidents with respect to ESG activities could impact the value of our brand, our relationship with existing and future portfolio companies, the cost of our operations and relationships with investors, all of which could adversely affect our business and results of operations.

However, regional and investor specific sentiment may differ in what constitutes a material positive or negative ESG corporate practice. There is no guarantee that Ares' corporate social responsibility practices will uniformly fit every investor's definition of best practices for all environmental, social and governance considerations across geographies and investor types.

Additionally, new regulatory initiatives related to ESG that are applicable to us and our portfolio companies could adversely affect our business. For example, in May 2018, the European Commission adopted an "action plan on financing sustainable growth." The action plan is, among other things, designed to define and reorient investment toward sustainability. The action plan contemplates: establishing EU labels for green financial products; increasing disclosure requirements in the financial services sector around ESG and strengthening the transparency of companies on their ESG policies and introducing a 'green supporting factor' in the EU prudential rules for banks and insurance companies to incorporate climate risks into banks' and insurance companies' risk management policies. There is a risk that a significant reorientation in the market following the implementation of these and further measures could be adverse to our portfolio companies if they are perceived to be less valuable as a consequence of, e.g., their carbon footprint or "greenwashing" (i.e., the holding out of a product as having green or sustainable characteristics where this is not, in fact, the case). We and our portfolio companies are subject to the risk that similar measures might be introduced in other jurisdictions in the future.

There is also a growing regulatory interest across jurisdictions in improving transparency regarding the definition, measurement and disclosure of ESG factors in order to allow investors to validate and better understand sustainability claims. In addition, in 2021 the SEC established an enforcement task force to look into ESG practices and disclosures by public companies and investment managers and has started to bring enforcement actions based on ESG disclosures not matching actual investment processes.

In addition, the SEC has announced that it is working on proposals for mandatory disclosure of certain ESG-related matters, including with respect to corporate and fund carbon emissions, board diversity and human capital management. At this time, there is uncertainty regarding the scope of such proposals or when they would become effective (if at all). Compliance with any new laws or regulations increases our regulatory burden and could make compliance more difficult and expensive, affect the manner in which we or our portfolio companies conduct our businesses and adversely affect our profitability.

We and our investment adviser could be the target of litigation or regulatory investigations.

We as well as our investment adviser and its affiliates participate in a highly regulated industry and are each subject to regulatory examinations in the ordinary course of business. There can be no assurance that we and our investment adviser and/or any of its affiliates will avoid regulatory investigation and possible enforcement actions stemming therefrom. Our investment adviser is a registered investment adviser and, as such, is subject to the provisions of the Advisers Act. We and our investment adviser are each, from time to time, subject to formal and informal examinations, investigations, inquiries, audits and reviews from numerous regulatory authorities both in response to issues and questions raised in such examinations or investigations and in connection with the changing priorities of the applicable regulatory authorities across the market in general.

Our investment adviser, its affiliates and/or any of their respective principals and employees could also be named as defendants in, or otherwise become involved in, litigation. Litigation and regulatory actions can be time-consuming and expensive and can lead to unexpected losses, which expenses and losses are often subject to indemnification by us. Legal proceedings could continue without resolution for long periods of time and their outcomes, which could materially and adversely affect the value of us or the ability of our investment adviser to manage us, are often impossible to anticipate. our investment adviser would likely be required to expend significant resources responding to any litigation or regulatory action related to it, and these actions could be a distraction to the activities of our investment adviser.

Our investment activities are subject to the normal risks of becoming involved in litigation by third parties. This risk would be somewhat greater if we were to exercise control or significant influence over a portfolio company's direction. The expense of defending against claims by third parties and paying any amounts pursuant to settlements or judgments would, absent willful misfeasance, bad faith, gross negligence, or reckless disregard of the duties involved by our investment adviser, our administrator, or any of our officers, be borne by us and would reduce our net assets. Our investment adviser and others are indemnified by us in connection with such litigation, subject to certain conditions.

Changes in laws or regulations governing our operations or the operations of our portfolio companies, changes in the interpretation thereof or enacted laws or regulations could require changes to certain business practices of us or our portfolio companies, negatively impact the operations, cash flows or financial condition of us or our portfolio companies, impose additional costs on us or our portfolio companies or otherwise adversely affect our business or the business of our portfolio companies.

We and our portfolio companies are subject to regulation by laws and regulations at the local, state, federal and, in some cases, foreign levels. These laws and regulations, as well as their interpretation, may be changed from time to time, and new laws and regulations may be enacted. Accordingly, any change in these laws or regulations, changes in their interpretation, or enacted laws or regulations could require changes to certain business practices of us or our portfolio companies, negatively impact the operations, cash flows or financial condition of us or our portfolio companies, impose additional costs on us or our portfolio companies or otherwise adversely affect our business or the business of our portfolio companies.

Additionally, legislative or other actions relating to taxes could have a negative effect on us. The rules dealing with U.S. federal income taxation are constantly under review by legislators and by the Internal Revenue Service ("IRS") and the U.S. Treasury Department. Previously, the Tax Cuts and Jobs Act of 2017 significantly changed U.S. tax law and tax rates. We cannot predict how future tax proposals and changes in the Tax Cuts and Jobs Act, or regulations or other guidance issued under it, might affect us, our business, our stockholders, or our portfolio companies in the long-term. New legislation and any

U.S. Treasury regulations, administrative interpretations or court decisions interpreting such legislation could significantly and negatively affect our ability to qualify for tax treatment as a RIC or the U.S. federal income tax consequences to us and our stockholders of such qualification, or could have other adverse consequences. Stockholders are urged to consult with their tax advisor regarding tax legislative, regulatory, or administrative developments and proposals and their potential effect on an investment in our securities.

The discontinuation of LIBOR may adversely affect the value of the LIBOR-indexed, floating-rate debt securities in our portfolio or the cost of our borrowings.

National and international regulators and law enforcement agencies have conducted investigations into a number of rates or indices that are deemed to be "reference rates." Actions by such regulators and law enforcement agencies may result in changes to the manner in which certain reference rates are determined, their discontinuance, or the establishment of alternative reference rates. In particular, on July 27, 2017, the Chief Executive of the U.K. Financial Conduct Authority (the "FCA"), which regulates LIBOR, announced that the FCA will no longer persuade or compel banks to submit rates for the calculation of LIBOR after 2021. As of the date of this Annual Report, USD LIBOR is available in five settings (overnight, one-month, three-month, six-month and 12-month). The ICE Benchmark Administration ("IBA") has stated that it will cease to publish all remaining USD LIBOR settings immediately following their publication on June 30, 2023, absent subsequent action by the relevant authorities. As of January 1, 2022, all non-USD LIBOR reference rates in all settings ceased to be published. There can be no assurance that non USD synthetic LIBOR or USD LIBOR will remain available in the future.

The U.S. Federal Reserve, in conjunction with the Alternative Reference Rates Committee (the "ARRC"), a steering committee comprised of large U.S. financial institutions, has identified the Secured Overnight Financing Rate ("SOFR") as its preferred alternative rate for LIBOR. On December 6, 2021, the ARRC released a statement selecting and recommending forms of SOFR, along with associated spread adjustments and conforming changes, to replace references to 1-week and 2-month USD LIBOR. We expect that a substantial portion of our future floating rate investments will be linked to SOFR. At this time, it is not possible to predict the effect of the transition to SOFR. Although there have been an increasing number of issuances utilizing SOFR or the Sterling Over Night Index Average ("SONIA") (the GBP-LIBOR nominated replacement alternative reference rate that is based on transactions), it is unknown whether SOFR or any other alternative reference rates will attain market acceptance as replacements for LIBOR.

Given the inherent differences between LIBOR and SOFR, or any other alternative reference rates that may be established, the transition from LIBOR may disrupt the overall financial markets and adversely affect the market for LIBOR-based securities, including our portfolio of LIBOR-indexed, floating-rate debt securities, or the cost of our borrowings. In addition, 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, including the value and/or transferability of the LIBOR-indexed, floating-rate debt securities in our portfolio, or the cost of our borrowings. Additionally, if as currently expected LIBOR ceases to exist, we may need to renegotiate the credit agreements extending beyond June 30, 2023, with our credit facility lenders and our portfolio companies that utilize LIBOR as a factor in determining the interest rate to replace LIBOR with SOFR or other alternative reference rates, which could require us to incur significant time and expense and may subject us to disputes or litigation over the appropriateness or comparability to the relevant replacement reference index. The transition from LIBOR to SOFR or other alternative reference rates may also introduce operational risks in our accounting, financial reporting, loan servicing, liability management and other aspects of our business. We are in the process of transitioning our investments and our borrowings from LIBOR to SOFR and we do not expect that the transition will have a material impact on our business, financial condition or results of operations.

Our investment adviser's liability is limited under the investment advisory and management agreement, and we are required to indemnify our investment adviser against certain liabilities, which may lead our investment adviser to act in a riskier manner on our behalf than it would when acting for its own account.

Our investment adviser has not assumed any responsibility to us other than to render the services described in the investment advisory and management agreement, and it will not be responsible for any action of our board of directors in declining to follow our investment adviser's advice or recommendations. Pursuant to the investment advisory and management agreement, our investment adviser and its members and their respective officers, managers, partners, agents, employees, controlling persons and members and any other persons affiliated with it will not be liable to us for their acts under the investment advisory and management agreement, absent willful misfeasance, bad faith, gross negligence or reckless disregard in the performance of their duties. We have agreed to indemnify, defend and protect our investment adviser and its members and their respective officers, managers, partners, agents, employees, controlling persons and members and any other persons or entities affiliated with it with respect to all damages, liabilities, costs and expenses arising out of or otherwise based upon the performance of any of our investment adviser's duties or obligations under the investment advisory and management agreement or otherwise as an investment adviser for us, and not arising out of willful misfeasance, bad faith, gross negligence or reckless disregard in the performance of their duties under the investment advisory and management agreement. These protections may lead our investment adviser to act in a riskier manner when acting on our behalf than it would when acting for its own account. See "Risk Factors—Risks Relating to Our Investments—Our investment adviser's fee structure may induce it to make certain investments on our behalf, including speculative investments."

We may be obligated to pay our investment adviser certain fees even if we incur a loss.

Our investment adviser is entitled to income based fees for each fiscal quarter in an amount equal to a percentage of the excess of our pre-incentive fee net investment income for that quarter (before deducting any income based fee and capital gains incentive fees and certain other items) above a threshold return for that quarter. Our pre-incentive fee net investment income for income based fee purposes excludes realized and unrealized capital losses or depreciation and income taxes related to realized gains that we may incur in the fiscal quarter, even if such capital losses or depreciation and income taxes related to realized gains result in a net loss on our statement of operations for that quarter. Thus, we may be required to pay our investment adviser income based fees for a fiscal quarter even if there is a decline in the value of our portfolio or the net asset value of our common stock or we incur a net loss for that quarter.

Under the investment advisory and management agreement, we will defer cash payment of any income based fee and the capital gains incentive fee otherwise earned by our investment adviser if, during the most recent four full calendar quarter periods ending on or prior to the date such payment is to be made, the sum of (a) our aggregate distributions to our stockholders and (b) our change in net assets (defined as total assets less indebtedness and before taking into account any income based fees or capital gains incentive fees accrued during the period) is less than 7.0% of our net assets (defined as total assets less indebtedness) at the beginning of such period. These calculations will be adjusted for any share issuances or repurchases. Any such deferred fees will be carried over for payment in subsequent calculation periods to the extent such payment can then be made under the investment advisory and management agreement.

If a portfolio company defaults on a loan that is structured to provide interest, it is possible that accrued and unpaid interest previously used in the calculation of income based fees will become uncollectible. Our investment adviser is not under any obligation to reimburse us for any part of income based fees it received that was based on accrued income that we never receive.

RISKS RELATING TO OUR INVESTMENTS

Declines in market prices and liquidity in the corporate debt markets can result in significant net unrealized depreciation of our portfolio, which in turn would reduce our net asset value.

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 our investment adviser, as the valuation designee, subject to the oversight of our board of directors. Due to the inherent uncertainty 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 the differences could be material. We may take into account the following types of factors, if relevant, in determining the fair value of our investments: the enterprise value of a portfolio company (the entire value of the portfolio company to a market participant, including the sum of the values of debt and equity securities used to capitalize the enterprise at a point in time), the nature and realizable value of any collateral, the portfolio company's ability to make payments and its earnings and discounted cash flow, the markets in which the portfolio company does business, a comparison of the portfolio company's securities to similar publicly traded securities, changes in the interest rate environment and the credit markets generally that may affect the price at which similar investments would trade in their principal markets and other relevant factors. When an external event such as a purchase transaction, public offering or subsequent equity sale occurs, we use the pricing indicated by the external event to corroborate our valuation. While most of our investments are not publicly traded, applicable accounting standards require us to assume as part of our valuation process that our investments are sold in a principal market to market participants (even if we plan on holding an investment through its maturity). As a result, volatility in the capital markets can also adversely affect our investment valuations. Decreases in the market values or fair values of our investments are recorded as unrealized depreciation. The effect of all of these factors on our portfolio can reduce our net asset value (and, as a result our asset coverage calculation) by increasing net unrealized depreciation in our portfolio. Depending on market conditions, we could incur substantial realized and/or unrealized losses, which could have a material adverse effect on our business, financial condition or results of operations.

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

The current macroeconomic environment is characterized by record-high inflation, supply chain challenges, labor shortages, high interest rates, foreign currency exchange volatility, volatility in global capital markets and growing recession risk. The risks associated with our and our portfolio companies' businesses are more severe during periods of economic slowdown or recession.

Many of our portfolio companies may be susceptible to economic downturns or recessions and may be unable to repay our loans during these periods. Therefore, during these periods our non-performing assets may increase and the value of our portfolio may decrease if we are required to write down the values of our investments. Adverse economic conditions may also 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. We experienced to some extent such effects as a result of the economic downturn that occurred throughout portions of the past three fiscal years and from 2008 through 2009 and may experience such effects again in any future downturn or recession.

A portfolio company's failure to satisfy financial or operating covenants imposed by us or other lenders could lead to defaults and, potentially, acceleration of the time when the loans are due and foreclosure on its assets representing collateral for its obligations, which could trigger cross defaults under other agreements and jeopardize our portfolio company's ability to meet its obligations under the debt investments that we hold and the value of any equity securities we own. We may incur expenses to the extent necessary to seek recovery upon default or to negotiate new terms with a defaulting portfolio company.

Investments in privately held middle-market companies involve significant risks.

We primarily invest in privately held U.S. middle-market companies. Investments in privately held middle-market companies involve a number of significant risks, including the following:

- these companies may have limited financial resources and may be unable to meet their obligations, which may be accompanied by a deterioration in the value of any collateral and a reduction in the likelihood of us realizing our investment;
- they typically have shorter operating histories, narrower product lines and smaller market shares than larger businesses, which tend to render them more vulnerable to competitors' actions and market conditions, as well as general economic downturns;
- they typically depend on the management talents and efforts of a small group of persons; therefore, the death, disability, resignation or termination of one or more of these persons could have a material adverse effect on such portfolio company and, in turn, on us;
- there is generally little public information about these companies. These companies and their financial information are generally not subject to the Exchange Act (as defined below) and other regulations that govern public companies, and we may be unable to uncover all material information about these companies, which may prevent us from making a fully informed investment decision and cause us to lose money on our investments;
- they generally have less predictable operating results and may require substantial additional capital to support their operations, finance expansion or maintain their competitive position;
- we, our executive officers, directors and our investment adviser may, in the ordinary course of business, be named as defendants in litigation arising from our investments in our portfolio companies and may, as a result, incur significant costs and expenses in connection with such litigation;
- changes in laws and regulations (including the tax laws), as well as their interpretations, may adversely affect their business, financial structure or prospects; and
- they may have difficulty accessing the capital markets to meet future capital needs.

Our debt investments may be risky and we could lose all or part of our investment.

The debt that we invest in is typically not initially rated by any rating agency, but we believe that if such investments were rated, they would be below investment grade (rated lower than "Baa3" by Moody's Investors Service, lower than "BBB-" by Fitch Ratings or lower than "BBB-" by Standard & Poor's Ratings Services), which under the guidelines established by these entities is an indication of having predominantly speculative characteristics with respect to the issuer's capacity to pay interest and repay principal. Bonds that are rated below investment grade are sometimes referred to as "high yield bonds" or "junk bonds." Therefore, our investments may result in an above average amount of risk and volatility or loss of principal. While the debt we invest in is often secured, such security does not guarantee that we will receive principal and interest payments according to the terms of the loan, or that the value of any collateral will be sufficient to allow us to recover all or a portion of the outstanding amount of the loan should we be forced to enforce our remedies.

Some of the loans in which we may invest may be "covenant-lite" loans, which means the loans contain fewer covenants than other loans (in some cases, none) and may not include terms which allow the lender to monitor the performance of the borrower and declare a default if certain criteria are breached. An investment by us in a covenant-lite loan may potentially hinder the ability to reprice credit risk associated with the issuer and reduce the ability to restructure a problematic loan and mitigate potential loss. We may also experience delays in enforcing our rights under covenant-lite loans. As a result of these risks, our exposure to losses may be increased, which could result in an adverse impact on our net income and net asset value.

We also may invest in assets other than first and second lien and subordinated debt investments, including high-yield securities, U.S. government securities, credit derivatives and other structured securities and certain direct equity investments. These investments entail additional risks that could adversely affect our investment returns.

Investments in equity securities, many of which are illiquid with no readily available market, involve a substantial degree of risk.

We may purchase common and other equity securities. Although common stock has historically generated higher average total returns than fixed income securities over the long-term, common stock also has experienced significantly more volatility in those returns. The equity securities we acquire may fail to appreciate and may decline in value or become worthless and our ability to recover our investment will depend on the underlying portfolio company's success. Investments in equity securities involve a number of significant risks, including:

- any equity investment we make in a portfolio company could be subject to further dilution as a result of the issuance of additional equity interests and to serious risks as a junior security that will be subordinate to all indebtedness (including trade creditors) or senior securities in the event that the issuer is unable to meet its obligations or becomes subject to a bankruptcy process;

- to the extent that the portfolio company requires additional capital and is unable to obtain it, we may not recover our investment; and

- in some cases, equity securities in which we invest will not pay current dividends, and our ability to realize a return on our investment, as well as to recover our investment, will be dependent on the success of the portfolio company. Even if the portfolio company is successful, our ability to realize the value of our investment may be dependent on the occurrence of a liquidity event, such as a public offering or the sale of the portfolio company. It is likely to take a significant amount of time before a liquidity event occurs or we can otherwise sell our investment. In addition, the equity securities we receive or invest in may be subject to restrictions on resale during periods in which it could be advantageous to sell them.

There are special risks associated with investing in preferred securities, including:

- preferred securities may include provisions that permit the issuer, at its discretion, to defer distributions for a stated period without any adverse consequences to the issuer. If we own a preferred security that is deferring its distributions, we may be required to report income for tax purposes before we receive such distributions;

- preferred securities are subordinated to debt in terms of priority to income and liquidation payments, and therefore will be subject to greater credit risk than debt;

- preferred securities may be substantially less liquid than many other securities, such as common stock or U.S. government securities; and

- generally, preferred security holders have no voting rights with respect to the issuing company, subject to limited exceptions.

Additionally, when we invest in first lien senior secured loans (including “unitranche” loans, which are loans that combine both senior and subordinated debt, generally in a first lien position), second lien senior secured loans or subordinated debt, we may acquire warrants or other equity securities as well. Our goal is ultimately to dispose of such equity interests and realize gains upon our disposition of such interests. However, the equity interests we receive may not appreciate in value and, in fact, may decline in value. Accordingly, we may not be able to realize gains from our equity interests and any gains that we do realize on the disposition of any equity interests may not be sufficient to offset any other losses we experience.

We may invest, to the extent permitted by law, in the equity securities of investment funds that are operating pursuant to certain exceptions to the Investment Company Act and in advisers to similar investment funds and, to the extent we so invest, will bear our ratable share of any such company’s expenses, including management and performance fees. We will also remain obligated to pay the base management fee, income based fee and capital gains incentive fee to our investment adviser with respect to the assets invested in the securities and instruments of such companies. With respect to each of these investments, each of our common stockholders will bear his or her share of the base management fee, income based fee and capital gains incentive fee due to our investment adviser as well as indirectly bearing the management and performance fees and other expenses of any such investment funds or advisers.

There may be circumstances in which our debt investments could be subordinated to claims of other creditors or we could be subject to lender liability claims.

If one of our portfolio companies were to go bankrupt, even though we may have structured our interest as senior debt, depending on the facts and circumstances, a bankruptcy court might recharacterize our debt holding as an equity investment and subordinate all or a portion of our claim to that of other creditors. In addition, lenders can be subject to lender liability claims for actions taken by them where they become too involved in the borrower’s business or exercise control over the borrower. For example, we could become subject to a lender’s liability claim, if, among other things, we actually render significant managerial assistance.

Our portfolio companies may incur debt or issue equity securities that rank equally with, or senior to, our investments in such companies.

Our portfolio companies may have, or may be permitted to incur, other debt, or issue other equity securities, that rank equally with, or senior to, our investments. By their terms, such instruments may provide that the holders are entitled to receive payment of dividends, interest or principal on or before the dates on which we are entitled to receive payments in respect of our investments. These debt instruments would usually prohibit the portfolio companies from paying interest on or repaying our investments in the event and during the continuance of a default under such debt. Also, in the event of insolvency, liquidation, dissolution, reorganization or bankruptcy of a portfolio company, holders of securities ranking senior to our investment in that portfolio company typically are entitled to receive payment in full before we receive any distribution in respect of our investment. After repaying such holders, the portfolio company may not have any remaining assets to use for repaying its obligation to us. In the case of securities ranking equally with our investments, we would have to share on an equal basis any distributions with other security holders in the event of an insolvency, liquidation, dissolution, reorganization or bankruptcy of the relevant portfolio company.

The rights we may have with respect to the collateral securing any junior priority loans we make to our portfolio companies may also be limited pursuant to the terms of one or more intercreditor agreements (including agreements governing “first out” and “last out” structures) that we enter into with the holders of senior debt. Under such an intercreditor agreement, at any time that senior obligations are outstanding, we may forfeit certain rights with respect to the collateral to the holders of the senior obligations. These rights may include the right to commence enforcement proceedings against the collateral, the right to control the conduct of such enforcement proceedings, the right to approve amendments to collateral documents, the right to release liens on the collateral and the right to waive past defaults under collateral documents. We may not have the ability to control or direct such actions, even if as a result our rights as junior lenders are adversely affected.

When we are a debt or minority equity investor in a portfolio company, we are often not in a position to exert influence on the entity, and other equity holders and management of the company may make decisions that could decrease the value of our investment in such portfolio company.

When we make debt or minority equity investments, we are subject to the risk that a portfolio company may make business decisions with which we disagree and the other equity holders and management of such company may take risks or otherwise act in ways that do not serve our interests. As a result, a portfolio company may make decisions that could decrease the value of our investment.

Our portfolio companies may be highly leveraged.

Some of our portfolio companies may be highly leveraged, which may have adverse consequences to these companies and to us as an investor. These companies may be subject to restrictive financial and operating covenants and the leverage may impair these companies' ability to finance their future operations and capital needs. As a result, these companies' flexibility to respond to changing business and economic conditions and to take advantage of business opportunities may be limited. Further, a leveraged company's income and net assets will tend to increase or decrease at a greater rate than if borrowed money were not used.

Our investment adviser's fee structure may induce it to make certain investments on our behalf, including speculative investments.

The fees payable by us to our investment adviser may create an incentive for our investment adviser to make investments on our behalf that are risky or more speculative than would be the case in the absence of such compensation arrangement. The way in which income based fees payable to our investment adviser are determined, which are calculated as a percentage of the return on invested capital, may encourage our investment adviser to use leverage to increase the return on our investments. Under certain circumstances, the use of leverage may increase the likelihood of default, which would disfavor the holders of our common stock and the holders of securities convertible into our common stock. In addition, our investment adviser will receive the capital gains incentive fee based, in part, upon net capital gains realized on our investments. Unlike income based fees, there is no hurdle rate applicable to the capital gains incentive fee. As a result, our investment adviser may have a tendency to invest more in investments that are likely to result in capital gains as compared to income producing securities. Such a practice could result in our investing in more speculative securities than would otherwise be the case, which could result in higher investment losses, particularly during economic downturns.

The income based fees are computed and paid on income that has been accrued but not yet received in cash, including as a result of investments with a deferred interest feature such as debt instruments with PIK interest, preferred stock with PIK dividends and zero coupon securities. If a portfolio company defaults on a loan that is structured to provide accrued interest, it is possible that accrued interest previously used in the calculation of the income based fee will become uncollectible. Our investment adviser is not under any obligation to reimburse us for any part of the fees it received that were based on such accrued interest that we never actually received.

Because of the structure of the income based fees, it is possible that we may have to pay income based fees in a quarter during which we incur a loss. For example, if we receive pre-incentive fee net investment income in excess of the hurdle rate for a quarter, we will pay the applicable income based fees even if we have incurred a loss in that quarter due to realized and/or unrealized capital losses. In addition, if market interest rates rise, our investment adviser may be able to invest our funds in debt instruments that provide for a higher return, which would increase our pre-incentive fee net investment income and make it easier for our investment adviser to surpass the fixed hurdle rate and receive income based fees.

Our investments in foreign companies or investments denominated in foreign currencies may involve significant risks in addition to the risks inherent in U.S. and U.S. denominated investments.

Our investment strategy contemplates potential investments in foreign companies. Investing in foreign companies may expose us to additional risks not typically associated with investing in U.S. companies. These risks include changes in exchange control regulations, political and social instability, expropriation, imposition of foreign taxes (potentially at confiscatory levels), less liquid markets, less available information than is generally the case in the U.S., higher transaction costs, less government supervision of exchanges, brokers and issuers, less developed bankruptcy laws, difficulty in enforcing contractual obligations, lack of uniform accounting and auditing standards and greater price volatility.

Although we expect most of our investments will be U.S. dollar denominated, our investments that are denominated in a foreign currency will be subject to the risk that the value of a particular currency will change in relation to one or more other currencies. Among the factors that may affect currency values are trade balances, the level of short-term interest rates, differences in relative values of similar assets in different currencies, long-term opportunities for investment and capital appreciation and political developments. We may employ hedging techniques to minimize these risks, but we cannot assure you that such strategies will be effective or without risk to us.

Certain of our portfolio companies' businesses could be adversely affected by the effects of health pandemics or epidemics, including the ongoing COVID-19 pandemic, which has had, and may continue to have, a negative impact on our and our portfolio companies' businesses and operations.

Certain of our portfolio companies' businesses could be adversely affected by the effects of health pandemics or epidemics, including the ongoing COVID-19 global pandemic, the evolution of which continues to be uncertain. Recurring COVID-19 outbreaks around the world have heightened concerns relating to new and potentially more dangerous virus variants, which, if transmitted around the globe could lead to the re-introduction of restrictions that were in place in 2020, 2021, and to a lesser extent in 2022, or even the adoption of other more strict measures to combat outbreaks. Another severe outbreak of COVID-19 or another pandemic can disrupt our and our portfolio companies' businesses and materially and adversely impact our and/or their financial results.

The COVID-19 pandemic contributed to certain conditions associated with the current macroeconomic environment and caused significant disruptions and instabilities in the global and U.S. financial markets or deteriorations in credit and financing conditions. A resurgence of COVID-19 or another pandemic with effects similar to those of COVID-19 may adversely affect our and our portfolio companies' liquidity positions.

We may expose ourselves to risks if we engage in hedging transactions.

We have and may in the future enter into hedging transactions, which may expose us to risks associated with such transactions. We may utilize instruments such as forward contracts, currency options and interest rate swaps, caps, collars and floors to seek to hedge against fluctuations in the relative values of our portfolio positions from changes in currency exchange rates and market interest rates. Use of these hedging instruments may include counter-party credit risk.

Hedging against a decline in the values of our portfolio positions does not eliminate the possibility of fluctuations in the values of such positions or prevent losses if the values of such positions decline. However, such hedging can establish other positions designed to gain from those same developments, thereby offsetting the decline in the value of such portfolio positions. Such hedging transactions may also limit the opportunity for gain if the values of the underlying portfolio positions should increase. Moreover, it may not be possible to hedge against an exchange rate or interest rate fluctuation that is so generally anticipated that we are not able to enter into a hedging transaction at an acceptable price.

The success of our hedging transactions will depend on our ability to correctly predict movements in currencies and interest rates. Therefore, while we may enter into such transactions to seek to reduce currency exchange rate and interest rate risks, unanticipated changes in currency exchange rates or interest rates may result in poorer overall investment performance than if we had not engaged in any such hedging transactions. In addition, the degree of correlation between price movements of the instruments used in a hedging strategy and price movements in the portfolio positions being hedged may vary. Moreover, for a variety of reasons, we may not seek to (or be able to) establish a perfect correlation between such hedging instruments and the portfolio holdings being hedged. Any such imperfect correlation may prevent us from achieving the intended hedge and expose us to risk of loss. In addition, it may not be possible to hedge fully or perfectly against currency fluctuations affecting the value of securities denominated in non-U.S. currencies because the value of those securities is likely to fluctuate as a result of factors not related to currency fluctuations. See also "Risk Factors—Risks Relating to Our Business—We are exposed to risks associated with changes in interest rates, including the current rising interest rate environment."

In August 2022, Rule 18f-4 under the Investment Company Act, regarding the ability of a BDC (or a registered investment company) to use derivatives and other transactions that create future payment or delivery obligations (except reverse repurchase agreements and similar financing transactions), became effective. Under the new rule, BDCs that make significant use of derivatives are required to operate subject to a value-at-risk leverage limit, adopt a derivatives risk management program and appoint a derivatives risk manager, and comply with various testing and board reporting requirements. These new requirements apply unless the BDC qualifies as a "limited derivatives user," as defined under the adopted rules. Under the new rule, a BDC may enter into an unfunded commitment agreement that is not a derivatives transaction, such as an agreement to provide financing to a portfolio company, if the BDC has, among other things, a reasonable belief, at the time it enters into such an agreement, that it will have sufficient cash and cash equivalents to meet its obligations with respect to all of its unfunded commitment agreements, in each case as it becomes due. We currently operate as a "limited derivatives user" which may limit our ability to use derivatives and/or enter into certain other financial contracts.

RISKS RELATING TO OUR COMMON STOCK AND PUBLICLY TRADED NOTES

Our shares of common stock have traded at a discount from net asset value and may do so again, which could limit our ability to raise additional equity capital.

Shares of closed‑end investment companies frequently trade at a market price that is less than the net asset value that is attributable to those shares. This characteristic of closed‑end investment companies is separate and distinct from the risk that our net asset value per share may decline. It is not possible to accurately predict whether any shares of our common stock will trade at, above, or below net asset value. In the recent past (including during portions of 2022 and much of 2020), the stocks of BDCs as an industry, including at times shares of our common stock, have traded below net asset value and during much of 2009 traded at near historic lows as a result of concerns over liquidity, leverage restrictions and distribution requirements. See "Risk Factors—Risks Relating to Our Business—The capital markets may experience periods of disruption and instability. Such market conditions may materially and adversely affect debt and equity capital markets, which may have a negative impact on our business and operations." When our common stock is trading below its net asset value per share, we will generally not be able to issue additional shares of our common stock at its market price without first obtaining approval for such issuance from our stockholders and our independent directors. Pursuant to approval granted at a special meeting of stockholders held on August 4, 2022, we currently are permitted to sell or otherwise issue shares of our common stock at a price below net asset value, subject to certain limitations and determinations that must be made by our board of directors. Such stockholder approval expires on August 4, 2023.

There is a risk that investors in our common stock may not receive dividends or that our dividends may not grow over time and that investors in our debt securities may not receive all of the interest income to which they are entitled.

We intend to make distributions on a quarterly basis to our stockholders out of assets legally available for distribution. We cannot assure you that we will achieve investment results that will allow us to make a specified level of cash distributions or year-to-year increases in cash distributions. If we declare a dividend and if more stockholders opt to receive cash distributions rather than participate in our dividend reinvestment plan, we may be forced to sell some of our investments in order to make cash dividend payments.

In addition, due to the asset coverage test applicable to us as a BDC, we may be limited in our ability to make distributions. Certain of the Facilities may also limit our ability to declare dividends if we default under certain provisions. Further, if we invest a greater amount of assets in non-income producing securities, it could reduce the amount available for distribution and may also inhibit our ability to make required interest payments to holders of our debt, which may cause a default under the terms of our debt agreements. Such a default could materially increase our cost of raising capital, as well as cause us to incur penalties under the terms of our debt agreements.

Provisions of the Maryland General Corporation Law and of our charter and bylaws could deter takeover attempts and have an adverse effect on the price of our common stock.

The Maryland General Corporation Law (the "MGCL"), our charter and our bylaws contain provisions that may discourage, delay or make more difficult a change in control of Ares Capital or the removal of our directors. We are subject to the Maryland Business Combination Act (the "Business Combination Act"), subject to any applicable requirements of the Investment Company Act. Our board of directors has adopted a resolution exempting from the Business Combination Act any business combination between us and any other person, subject to prior approval of such business combination by our board, including approval by a majority of our disinterested directors. If the resolution exempting business combinations is repealed or our board or disinterested directors do not approve a business combination, the Business Combination Act may discourage third parties from trying to acquire control of us and may increase the difficulty of consummating such an offer. Our bylaws exempt from the Maryland Control Share Acquisition Act (the "Control Share Acquisition Act") acquisitions of our stock by any person. If we amend our bylaws to repeal the exemption from the Control Share Acquisition Act, subject to any applicable requirements of the Investment Company Act, the Control Share Acquisition Act also may make it more difficult for a third party to obtain control of us and may increase the difficulty of consummating such an offer.

We have also adopted measures that may make it difficult for a third party to obtain control of us, including provisions of our charter classifying our board of directors into three classes serving staggered three-year terms, and provisions of our charter authorizing our board of directors to classify or reclassify shares of our stock into one or more classes or series, to cause the issuance of additional shares of our stock, and to amend our charter from time to time, without stockholder approval, to increase or decrease the aggregate number of shares of stock or the number of shares of stock of any class or series that we have authority to issue. These provisions, as well as other provisions of our charter and bylaws, may discourage, delay, defer, make more difficult or prevent a transaction or a change in control that might otherwise be in stockholders' best interest.

Our bylaws designate the Circuit Court for Baltimore City, Maryland as the sole and exclusive forum for certain types of actions and proceedings that may be initiated by our stockholders, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or our directors, officers or other employees.

Our bylaws provide that, unless we consent in writing to the selection of an alternative forum, the Circuit Court for Baltimore City, Maryland, or, if that Court does not have jurisdiction, the U.S. District Court for the District of Maryland, Baltimore Division, will be the sole and exclusive forum for: (i) any derivative action or proceeding brought on our behalf, (ii) any Internal Corporate Claim, as such term is defined in Section 1-101(p) of the MGCL, including, without limitation, (a) any action asserting a claim of breach of any duty owed by any of our directors or officers or other employees to us or to our stockholders or (b) any action asserting a claim against us or any of our directors or officers or other employees arising pursuant to any provision of the MGCL or our charter or bylaws or (iii) any action asserting a claim against us or any of our directors or officers or other employees that is governed by the internal affairs doctrine. Any person or entity purchasing or otherwise acquiring or holding any interest in our shares shall be deemed to have notice of and to have consented and waived any objection to this exclusive forum provision of our bylaws, as the same may be amended from time to time. Our board of directors, without stockholder approval, adopted this exclusive forum provision so that we can respond to such litigation more efficiently, reduce the costs associated with our responses to such litigation, particularly litigation that might otherwise be brought in multiple forums, and make it less likely that plaintiffs' attorneys will be able to employ such litigation to coerce us into otherwise unjustified settlements. However, this exclusive forum provision may limit a stockholder's ability to bring a claim in a judicial forum that such stockholder believes is favorable for disputes with us or our directors, officers or other employees, if any, and may discourage lawsuits against us and our directors, officers or other employees, if any. We believe the risk of a court declining to enforce this exclusive forum provision is remote, as the General Assembly of Maryland has specifically amended the MGCL to authorize the adoption of such provision. However, if a court were to find such provision inapplicable to, or unenforceable in respect of, one or more of the specified types of actions or proceedings notwithstanding that the MGCL expressly provides that the charter or bylaws of a Maryland corporation may require that any Internal Corporate Claim be brought only in courts sitting in one or more specified jurisdictions, we may incur additional costs that we do not currently anticipate associated with resolving such matters in other jurisdictions, which could adversely affect our business, financial condition and results of operations.

Investing in our common stock may involve an above average degree of risk.

The investments we make in accordance with our investment objective may result in a higher amount of risk than alternative investment options and volatility or loss of principal. Our investments in portfolio companies may be highly speculative and aggressive and, therefore, an investment in our securities may not be suitable for someone with lower risk tolerance.

The market price of our common stock may fluctuate significantly.

The capital and credit markets have experienced periods of extreme volatility and disruption over the past several years (including throughout much of the past three fiscal years). The market price and liquidity of the market for shares of our common stock may be significantly affected by numerous factors, some of which are beyond our control and may not be directly related to our operating performance. These factors include:

- significant volatility in the market price and trading volume of securities of publicly traded RICs, BDCs or other companies in our sector, which are not necessarily related to the operating performance of these companies;
- price and volume fluctuations in the overall stock market from time to time;
- the inclusion or exclusion of our common stock from certain indices;
- changes in law, regulatory policies or tax guidelines, or interpretations thereof, particularly with respect to RICs or BDCs;
- loss of our RIC status;
- our ability to manage our capital resources effectively;
- changes in our earnings or variations in our operating results;
- changes in the value of our portfolio of investments;

- any shortfall in investment income or net investment income or any increase in losses from levels expected by investors or securities analysts;
- departure of Ares' key personnel;
- short-selling pressure with respect to shares of our common stock or BDCs generally;
- future sales of our securities convertible into or exchangeable or exercisable for our common stock or the conversion of such securities, including the 2024 Convertible Notes;
- uncertainty surrounding the strength of the U.S. economy;
- uncertainty between the U.S. and other countries with respect to trade policies, treaties, and tariffs; and
- general economic trends and other external factors.

In the past, following periods of volatility in the market price of a company's securities, securities class action litigation has often been brought against that company. If our stock price fluctuates significantly, we may be the target of securities litigation in the future. Securities litigation could result in substantial costs and divert management's attention and resources from our business.

We may in the future determine to issue preferred stock, which could adversely affect the market value of our common stock.

The issuance of shares of preferred stock with dividend or conversion rights, liquidation preferences or other economic terms favorable to the holders of preferred stock could adversely affect the market price for our common stock by making an investment in the common stock less attractive. In addition, the dividends on any preferred stock we issue must be cumulative. Payment of dividends and repayment of the liquidation preference of preferred stock must take preference over any dividends or other payments to our common stockholders, and holders of preferred stock are not subject to any of our expenses or losses and are not entitled to participate in any income or appreciation in excess of their stated preference (other than convertible preferred stock that converts into common stock). In addition, under the Investment Company Act, preferred stock constitutes a "senior security" for purposes of the asset coverage test.

The net asset value per share of our common stock may be diluted if we sell shares of our common stock in one or more offerings at prices below the then current net asset value per share of our common stock or securities to subscribe for or convertible into shares of our common stock.

At a special meeting of stockholders held on August 4, 2022, subject to certain determinations required to be made by our board of directors, our stockholders approved our ability to sell or otherwise issue shares of our common stock, in an amount not exceeding 25% of our then outstanding common stock, at a price below the then current net asset value per share during a period that began on August 4, 2022 and expires on August 4, 2023.

In addition, at our 2009 annual stockholders meeting, our stockholders approved a proposal authorizing us to sell or otherwise issue warrants or securities to subscribe for or convertible into shares of our common stock subject to certain limitations (including, without limitation, that the number of shares issuable does not exceed 25% of our then outstanding common stock and that the exercise or conversion price thereof is not, at the date of issuance, less than the greater of the market value per share and the net asset value per share of our common stock). The authorization granted to sell or issue warrants or securities to subscribe for or convertible into shares of our common stock has no expiration.

Any decision to sell shares of our common stock below its then current net asset value per share or securities to subscribe for or convertible into shares of our common stock would be subject to the determination by our board of directors that such issuance is in our and our stockholders' best interests.

If we were to sell shares of our common stock below its then current net asset value per share, such sales would result in an immediate dilution to the net asset value per share of our common stock. This dilution would occur as a result of the sale of shares at a price below the then current net asset value per share of our common stock and a proportionately greater decrease in the stockholders' interest in our earnings and assets and their voting interest in us than the increase in our assets resulting from such issuance. Because the number of shares of common stock that could be so issued and the timing of any issuance is not currently known, the actual dilutive effect cannot be predicted.

In addition, if we issue warrants or securities to subscribe for or convertible into shares of our common stock, subject to certain limitations, the exercise or conversion price per share could be less than net asset value per share at the time of exercise or conversion (including through the operation of anti-dilution protections). Because we would incur expenses in connection with any issuance of such securities, such issuance could result in a dilution of the net asset value per share at the time of exercise or conversion. This dilution would include reduction in net asset value per share as a result of the proportionately greater decrease in the stockholders' interest in our earnings and assets and their voting interest than the increase in our assets resulting from such issuance.

Further, if our current stockholders do not purchase any shares to maintain their percentage interest when we issue new shares, regardless of whether such offering is above or below the then current net asset value per share, their voting power will be diluted.

Our stockholders will experience dilution in their ownership percentage if they opt out of our dividend reinvestment plan.

All dividends declared in cash payable to stockholders that are participants in our dividend reinvestment plan are automatically reinvested in shares of our common stock. As a result, our stockholders that opt out of our dividend reinvestment plan will experience dilution in their ownership percentage of our common stock over time.

Our stockholders may experience dilution upon the conversion of the 2024 Convertible Notes.

As of December 31, 2022, the 2024 Convertible Notes are convertible into shares of our common stock beginning on December 1, 2023 or, under certain circumstances, earlier. As of December 31, 2022, the conversion price of the 2024 Convertible Notes was effectively $19.68 per share, in each case taking into account certain de minimis adjustments that will be made on the conversion date and subject to further adjustment in certain circumstances. If we elect to deliver shares of common stock upon a conversion at the time our tangible book value per share exceeds the conversion price in effect at such time, our stockholders may incur dilution. In addition, our stockholders will experience dilution in their ownership percentage of common stock upon our issuance of common stock in connection with the conversion of the 2024 Convertible Notes and any dividends paid on our common stock will also be paid on shares issued in connection with such conversion after such issuance.

Our stockholders may receive shares of our common stock as dividends, which could result in adverse cash flow consequences to them.

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 (which portion could be as low as 20%) and certain requirements are met, the entire distribution would be treated as a dividend for U.S. federal income tax purposes. As a result, a stockholder would be taxed on 100% of the fair market value of the shares received as part of the dividend on the date a stockholder received it in the same manner as a cash dividend, even though most of the dividend was paid in shares of our common stock.

Sales of substantial amounts of our common stock in the public market may have an adverse effect on the market price of our common stock.

Sales of substantial amounts of our common stock, or the availability of such common stock for sale (including as a result of the conversion of our 2024 Convertible Notes into common stock), could adversely affect the prevailing market prices for our common stock. If this occurs and continues, it could impair our ability to raise additional capital through the sale of securities should we desire to do so.

The trading market or market value of our publicly issued debt securities may fluctuate.

Our publicly issued debt securities may or may not have an established trading market. We cannot assure holders of our debt securities that a trading market for our publicly issued debt securities will ever develop or be maintained if developed. In addition to our creditworthiness, many factors may materially adversely affect the trading market for, and market value of, our publicly issued debt securities. These factors include, but are not limited to, the following:

- the time remaining to the maturity of these debt securities;

- the outstanding principal amount of debt securities with terms identical to these debt securities;
- the ratings assigned by national statistical ratings agencies;
- the general economic environment;
- the supply of such debt securities trading in the secondary market, if any;
- the redemption or repayment features, if any, of these debt securities;
- the level, direction and volatility of market interest rates generally; and
- market rates of interest higher or lower than rates borne by the debt securities.

Holders of our debt securities should also be aware that there may be a limited number of buyers if and when they decide to sell their debt securities. This too may materially adversely affect the market value of the debt securities or the trading market for the debt securities.

Terms relating to redemption may materially adversely affect our noteholders' return on any debt securities that we may issue.

If our noteholders' debt securities are redeemable at our option, we may choose to redeem their debt securities at times when prevailing interest rates are lower than the interest rate paid on their debt securities. In addition, if our noteholders' debt securities are subject to mandatory redemption, we may be required to redeem their debt securities also at times when prevailing interest rates are lower than the interest rate paid on their debt securities. In this circumstance, our noteholders may not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as their debt securities being redeemed.

Our credit ratings may not reflect all risks of an investment in our debt securities.

Our credit ratings are an assessment by third parties of our ability to pay our obligations. Consequently, real or anticipated changes in our credit ratings will generally affect the market value of our debt securities. Our credit ratings, however, may not reflect the potential impact of risks related to market conditions generally or other factors discussed above on the market value of or trading market for the publicly issued debt securities.

GENERAL RISK FACTORS

Global economic, political and market conditions, including uncertainty about the financial stability of the United States, could have a significant adverse effect on our business, financial condition and results of operations.

Downgrades by rating agencies to the U.S. government's credit rating or concerns about its credit and deficit levels in general could cause interest rates and borrowing costs to rise, which may negatively impact both the perception of credit risk associated with our debt portfolio and our ability to access the debt markets on favorable terms. In addition, a decreased U.S. government credit rating could create broader financial turmoil and uncertainty, which may weigh heavily on our financial performance and the value of our common stock. U.S. debt ceiling and budget deficit concerns have increased the possibility of additional credit-rating downgrades and economic slowdowns or a recession in the United States.

Deterioration in the economic conditions in the Eurozone and other regions or countries globally and the resulting instability in global financial markets may pose a risk to our business. Financial markets have been affected at times by a number of global macroeconomic events, including the following: large sovereign debts and fiscal deficits of several countries in Europe and in emerging markets jurisdictions, levels of non-performing loans on the balance sheets of European banks, the effect of the United Kingdom (the "U.K.") leaving the European Union (the "EU"), instability in the Chinese capital markets and the COVID-19 pandemic. Global market and economic disruptions have affected, and may in the future affect, the U.S. capital markets, which could adversely affect our business, financial condition or results of operations. We cannot assure you that market disruptions in Europe and other regions or countries, including the increased cost of funding for certain governments and financial institutions, will not impact the global economy, and we cannot assure you that assistance packages will be available, or if available, be sufficient to stabilize countries and markets in Europe or elsewhere affected by a financial crisis. To the extent uncertainty regarding any economic recovery in Europe or elsewhere negatively impacts consumer confidence and consumer credit factors, our business, financial condition and results of operations could be significantly and adversely affected. Moreover, there is a risk of both sector-specific and broad-based corrections and/or downturns in the equity and credit markets. Any of the foregoing could have a significant impact on the markets in which we operate and could have a material adverse impact on our business prospects and financial condition.

Various social and political circumstances in the U.S. and around the world (including wars and other forms of conflict, terrorist acts, security operations and catastrophic events such as fires, floods, earthquakes, tornadoes, hurricanes and global health epidemics or outbreaks of infectious diseases), may also contribute to increased market volatility and economic uncertainties or deterioration in the U.S. and worldwide. Such events, including rising trade tensions between the United States and China, other uncertainties regarding actual and potential shifts in U.S. and foreign, trade, economic and other policies with other countries, the war in Ukraine and Russia, and health epidemics and pandemics, could adversely affect our business, financial condition or results of operations. These market and economic disruptions could negatively impact the operating results of our portfolio companies.

We may experience fluctuations in our quarterly results.

We could experience fluctuations in our quarterly operating results due to a number of factors, including the interest rates payable on the debt investments we make, the default rates on such investments, the level of our expenses, variations in and the timing of the recognition of realized and unrealized gains or losses, the degree to which we encounter competition in our markets and general economic conditions. As a result of these factors, results for any period should not be relied upon as being indicative of performance in future periods.

We are dependent on information systems and systems failures could significantly disrupt our business, which may, in turn, negatively affect our liquidity, financial condition or results of operations.

Our business is dependent on our and third parties' communications and information systems. Further, in the ordinary course of our business we or our investment adviser may engage certain third party service providers to provide us with services necessary for our business. Any failure or interruption of those systems or services, including as a result of the termination or suspension of an agreement with any third-party service providers, could cause delays or other problems in our business activities. Our financial, accounting, data processing, backup or other operating systems and facilities may fail to operate properly or become disabled or damaged as a result of a number of factors including events that are wholly or partially beyond our control and adversely affect our business. There could be:

- sudden electrical or telecommunications outages;
- natural disasters such as earthquakes, tornadoes and hurricanes;
- disease pandemics;
- events arising from local or larger scale political or social matters, including terrorist acts; and
- cyber-attacks.

These events, in turn, could have a material adverse effect on our business, financial condition and operating results and negatively affect the market price of our common stock and our ability to pay dividends to our stockholders.

Cybersecurity risks and cyber incidents may adversely affect our business or the business of our portfolio companies by causing a disruption to our operations or the operations of our portfolio companies, a compromise or corruption of our confidential information or the confidential information of our portfolio companies and/or damage to our business relationships or the business relationships of our portfolio companies, all of which could negatively impact the business, financial condition and operating results of us or our portfolio companies.

A cyber incident is considered to be any adverse event that threatens the confidentiality, integrity or availability of the information resources of us or our portfolio companies. The efficient operation of our business is dependent on computer hardware and software systems, as well as data processing systems and the secure processing, storage and transmission of information, all of which are potentially vulnerable to security breaches and cyber incidents or other data security breaches.

These incidents may be an intentional attack or an unintentional event and could involve gaining unauthorized access to our information systems or those of our portfolio companies for purposes of misappropriating assets, stealing confidential information, corrupting data or causing operational disruption. The risk of a security breach or disruption, particularly through cyber-attacks or cyber intrusions, including by computer hackers, nation-state affiliated actors, and cyber terrorists, has generally increased as the number, intensity and sophistication of attempted attacks and intrusions from around the world have increased. We and our investment adviser's employees have been and expect to continue to be the target of fraudulent calls, emails and other forms of potentially malicious or otherwise negatively impacting activities and attempts to gain unauthorized access to confidential, personal or other sensitive information. The result of these incidents may include disrupted operations, misstated or unreliable financial data, liability for stolen assets or information, fines or penalties, investigations, increased cybersecurity protection and insurance costs, litigation, and damage to business relationships and reputations causing our business and results of operations to suffer.

The costs related to cyber or other security threats or disruptions may not be fully insured or indemnified by other means. As our and our portfolio companies' reliance on technology has increased, so have the risks posed to our information systems, both internal and those provided by Ares Management and third-party service providers, and the information systems of our portfolio companies. Ares Management has implemented processes, procedures and internal controls to help mitigate cybersecurity risks and cyber intrusions, but these measures, as well as our increased awareness of the nature and extent of a risk of a cyber incident, do not guarantee that a cyber incident will not occur and/or that our financial results, operations or confidential information will not be negatively impacted by such an incident. Even the most well-protected information, networks, systems and facilities remain potentially vulnerable because the techniques used in such attempted security breaches evolve and generally are not recognized until launched against a target, and in some cases are designed not to be detected and, in fact, may not be detected. Accordingly, we and our service providers may be unable to anticipate these techniques or to implement adequate security barriers or other preventative measures, and thus it is impossible for us and our service providers to entirely mitigate this risk. Cybersecurity risks require continuous and increasing attention and other resources from us to, among other actions, identify and quantify these risks, upgrade and expand our technologies, systems and processes to adequately address such risks. Such attention diverts time and other resources from other activities and there is no assurance that our efforts will be effective.

In addition, cybersecurity has become a top priority for global lawmakers and regulators, and some jurisdictions have proposed or enacted laws requiring companies to notify regulators and individuals of data security breaches involving certain types of personal data. In particular, state and federal laws and regulations related to cybersecurity compliance continue to evolve and change, which may require substantial investments in new technology, software and personnel, which could affect our profitability. These changes may also result in enhanced and unforeseen consequences for cyber-related breaches and incidents, which may further adversely affect our profitability. If we fail to comply with the relevant and increasing complex laws and regulations, we could suffer financial losses, a disruption of our business, liability to investors, regulatory intervention or reputational damage.

Ineffective internal controls could impact our business and operating results.

Our internal control over financial reporting may not prevent or detect misstatements because of its inherent limitations, including the possibility of human error, the circumvention or overriding of controls, or fraud. Even effective internal controls can provide only reasonable assurance with respect to the preparation and fair presentation of financial statements. If we fail to maintain the adequacy of our internal controls, including any failure to implement required new or improved controls, or if we experience difficulties in their implementation, our business and operating results could be harmed and we could fail to meet our financial reporting obligations.

Item 1B. Unresolved Staff Comments

None.

Item 2. Properties

We do not own any real estate or other physical properties materially important to our operation. Our headquarters are currently located at 245 Park Avenue, 44th Floor, New York, New York 10167. We are party to office leases pursuant to which we are leasing office facilities from third parties.

Item 3. Legal Proceedings

We are subject to certain legal proceedings, from time to time, in the ordinary course of business. From time to time, we, our executive officers, directors and our investment adviser may, in the ordinary course of business, be named as defendants in litigation arising from our investments in our portfolio companies and may, as a result, incur significant costs and expenses in connection with such litigation. We and our investment adviser are also subject to extensive regulation, which may result in regulatory proceedings or investigations against us or our investment adviser, respectively. While the outcome of any such future legal or regulatory proceedings cannot be predicted with certainty, neither us nor our investment adviser expect that any such future proceedings will have a material effect upon our financial condition or results of operations.

Item 4. Mine Safety Disclosures

Not applicable.

PART II

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

PRICE RANGE OF COMMON STOCK AND DISTRIBUTIONS

Our common stock is traded on The NASDAQ Global Select Market under the symbol "ARCC." Our common stock has historically traded at prices both above and below our net asset value per share. It is not possible to predict whether our common stock will trade at, above or below net asset value. See "Risk Factors—Risks Relating to Our Common Stock and Publicly Traded Notes—Our shares of common stock have traded at a discount from net asset value and may do so again, which could limit our ability to raise additional equity capital."

The following table sets forth, for each fiscal quarter for the fiscal years ended December 31, 2022 and 2021, the net asset value per share of our common stock, the range of high and low closing sales prices of our common stock, the closing sales price as a premium (discount) to net asset value and the dividends or distributions declared by us.

	Net Asset Value(1)	Price Range High	Price Range Low	High Sales Price Premium (Discount) to Net Asset Value(2)	Low Sales Price Premium (Discount) to Net Asset Value(2)	Cash Dividend Per Share(3)	
Year ended December 31, 2021							
First Quarter	$ 17.45	$ 19.23	$ 16.51	10.20 %	(5.39)%	$ 0.40	
Second Quarter	$ 18.16	$ 19.97	$ 18.29	9.97 %	0.72 %	$ 0.40	
Third Quarter	$ 18.52	$ 20.43	$ 19.52	10.31 %	5.40 %	$ 0.41	
Fourth Quarter	$ 18.96	$ 21.70	$ 19.66	14.45 %	3.69 %	$ 0.41	
Year ended December 31, 2022							
First Quarter	$ 19.03	$ 22.58	$ 19.70	18.65 %	3.52 %	$ 0.54	(4)
Second Quarter	$ 18.81	$ 22.44	$ 17.12	19.30 %	(8.98)%	$ 0.42	
Third Quarter	$ 18.56	$ 20.70	$ 16.84	11.53 %	(9.27)%	$ 0.43	
Fourth Quarter	$ 18.40	$ 19.76	$ 17.30	7.39 %	(5.98)%	$ 0.48	

(1) Net asset value per share is determined as of the last day in the relevant quarter and therefore may not reflect the net asset value per share on the date of the high and low closing sales prices. The net asset values shown are based on outstanding shares at the end of the relevant quarter.

(2) Calculated as the respective high or low closing sales price less net asset value, divided by net asset value (in each case, as of the applicable quarter).

(3) Represents the dividend or distribution declared in the relevant quarter.

(4) Consists of a quarterly dividend of $0.42 per share and additional quarterly dividends totaling $0.12 per share, all of which were declared in the first quarter of 2022 and paid on March 31, 2022, June 30, 2022, September 30, 2022 and December 29, 2022.

On February 1, 2023, the last reported closing sales price of our common stock on The NASDAQ Global Select Market was $19.68 per share, which represented a premium of approximately 6.96% to the net asset value per share reported by us as of December 31, 2022.

HOLDERS

As of February 1, 2023, there were 1,127 holders of record of our common stock (including Cede & Co.).

DIVIDEND/DISTRIBUTION POLICY

We currently intend to distribute dividends or make distributions to our stockholders on a quarterly basis out of assets legally available for distribution. We may also distribute additional dividends or make additional distributions to our stockholders from time to time. Our quarterly and additional dividends or distributions, if any, will be determined by our board of directors.

To maintain our RIC status under the Code, we must timely distribute an amount equal to at least 90% of our investment company taxable income (as defined by the Code, which generally includes net ordinary income and net short term capital gains) to our stockholders. In addition, we generally will be required to pay an excise tax equal to 4% on certain undistributed taxable income unless we distribute in a timely manner an amount at least equal to the sum of (i) 98% of our ordinary income recognized during a calendar year and (ii) 98.2% of our capital gain net income, as defined by the Code, recognized during a calendar year and (iii) any income recognized, but not distributed, in preceding years. The taxable income on which we pay excise tax is generally distributed to our stockholders in the next tax year. Depending on the level of taxable income earned in a tax year, we may choose to carry forward such taxable income for distribution in the following year, and pay any applicable excise tax. For the years ended December 31, 2022, 2021 and 2020, we recorded a net excise tax expense of $30 million, $24 million and $17 million, respectively. We cannot assure you that we will achieve results that will permit the payment of any cash distributions. We maintain an "opt out" dividend reinvestment plan for our common stockholders. As a result, if we declare a cash dividend, stockholders' cash dividends will be automatically reinvested in additional shares of our common stock, unless they specifically opt out of the dividend reinvestment plan so as to receive cash dividends. See "Dividend Reinvestment Plan."

RECENT SALES OF UNREGISTERED EQUITY SECURITIES

We did not sell any securities during the period covered by this Annual Report that were not registered under the Securities Act of 1933, as amended.

ISSUER PURCHASES OF EQUITY SECURITIES

Dividend Reinvestment Plan

During the year ended December 31, 2022, as a part of our dividend reinvestment plan for our common stockholders, we purchased shares of our common stock in the open market in order to satisfy the reinvestment portion of our dividends. The following chart outlines such purchases of our common stock during the fourth quarter of 2022:

(dollars in millions, except per share data) **Period**	**Total Number of Shares Purchased**	**Average Price Paid Per Share**	**Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs**	**Maximum (or Approximate Dollar Value) of Shares that May Yet Be Purchased Under the Plans or Programs**
October 1, 2022 through October 31, 2022	831,320	$ 17.20	—	—
November 1, 2022 through November 30, 2022	—	—	—	—
December 1, 2022 through December 31, 2022	—	—	—	—
Total	831,320	$ 17.20	—	$ —

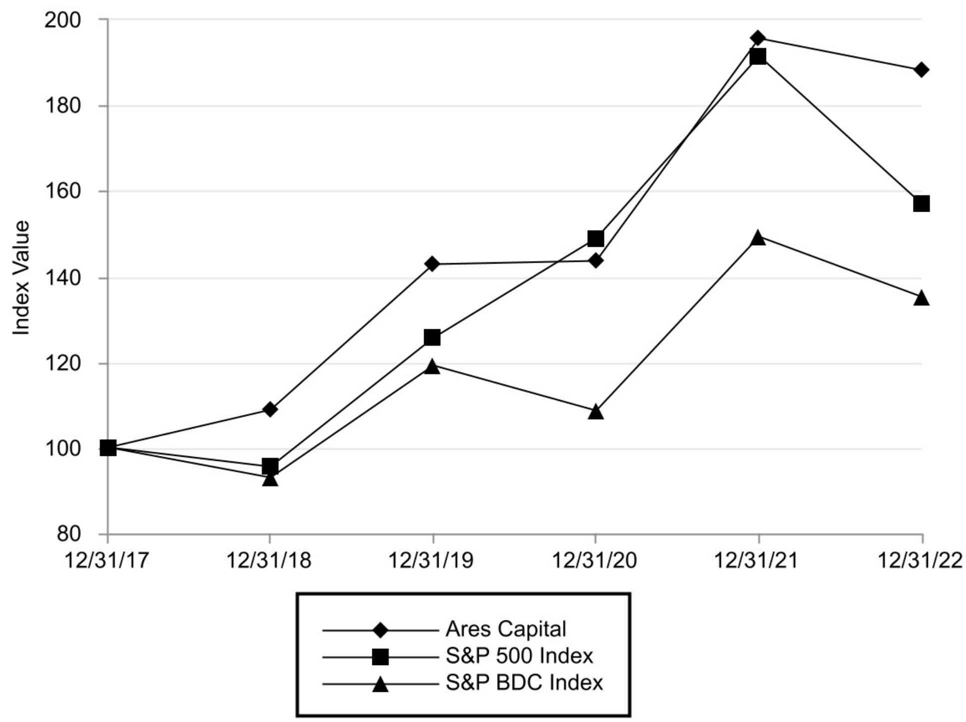
Stock Repurchase Program

In February 2022, our board of directors authorized an amendment to our stock repurchase program to extend the expiration date of the program from February 15, 2022 to February 15, 2023. Under the stock repurchase program, we may repurchase up to $500 million in the aggregate of our outstanding common stock in the open market at certain thresholds below its net asset value per share, in accordance with the guidelines specified in Rule 10b-18 of the Exchange Act. The timing, manner, price and amount of any share repurchases will be determined by us, in our sole discretion, based upon the evaluation of economic and market conditions, stock price, applicable legal and regulatory requirements and other factors. The stock repurchase program will be in effect through February 15, 2023, unless extended or until the approved dollar amount has been used to repurchase shares. The stock repurchase program does not require us to repurchase any specific number of shares of common stock or any shares of common stock at all. Consequently, we cannot assure stockholders that any specific number of shares of common stock, if any, will be repurchased under the stock repurchase program. The stock repurchase program may be suspended, extended, modified or discontinued at any time. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Recent Developments," as well as Note 15 to our consolidated financial statements for the year ended December 31, 2022 for a subsequent event relating to our stock repurchase program.

During the year ended December 31, 2022, there were no repurchases of our common stock under our stock repurchase program. As of December 31, 2022, the approximate dollar value of shares that may yet be purchased under the program was $500 million.

COMPARISON OF CUMULATIVE TOTAL RETURN AMONG ARES CAPITAL CORPORATION, S&P 500 INDEX AND S&P BDC INDEX

Total Return Performance



SOURCE: Bloomberg
NOTES: Assumes $100 invested on December 31, 2017 in Ares Capital, the S&P 500 Index and the S&P BDC Index. Assumes all dividends are reinvested on the respective dividend payment dates without commissions.

	Dec-17	Dec-18	Dec-19	Dec-20	Dec-21	Dec-22
Ares Capital	100.00	108.79	142.78	143.69	195.68	188.19
S&P 500 Index	100.00	95.62	125.72	148.85	191.58	156.88
S&P BDC Index	100.00	92.99	119.18	108.64	149.29	135.27

The SNL US Investment Company Index has been discontinued. As a result, we elected to replace the SNL US Investment Company Index with the S&P BDC Index, the S&P proposed replacement, for disclosure purposes.

The stock performance graph and other information above shall not be deemed to be "soliciting material" or to be "filed" with the SEC or subject to Regulation 14A or 14C, or to the liabilities of Section 18 of the Exchange Act, as amended.

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, based on the assumptions set forth below. We caution you that some of the percentages indicated in the table below are estimates and may vary. Except where the context suggests otherwise, whenever this Form 10-K contains a reference to our fees or expenses, we will pay such fees and expenses out of our net assets and, consequently, stockholders will indirectly bear such fees or expenses as investors in us.

Stockholder transaction expenses (as a percentage of offering price):		
Sales load	—	(1)
Offering expenses	—	(2)
Dividend reinvestment plan expenses	Up to $15 Transaction Fee	(3)
Total stockholder transaction expenses paid	—	(4)
Annual expenses (as a percentage of consolidated net assets attributable to common stock)(5):		
Base management fees	3.36 %	(6)
Income based fees and capital gains incentive fees	1.65 %	(7)
Interest payments on borrowed funds	4.99 %	(8)
Other expenses	1.03 %	(9)
Acquired fund fees and expenses	1.74 %	(10)
Total annual expenses	12.77 %	(11)

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(1) If shares of our common stock are sold to or through underwriters, the applicable prospectus or prospectus supplement will disclose the applicable sales load (underwriting discount or commission). Purchases of shares of our common stock on the secondary market are not subject to sales charges but may be subject to brokerage commissions or other charges. The table does not include any sales load that stockholders may have paid in connection with their purchase of shares of our common stock.

(2) The applicable prospectus or prospectus supplement will disclose the estimated amount of offering expenses, the offering price and the offering expenses borne by us as a percentage of the offering price.

(3) The expenses of the dividend reinvestment plan are included in “Other expenses.” The plan administrator’s fees under the plan are paid by us. If a participant elects by notice to the plan administrator in advance of termination to have the plan administrator sell part or all of the shares held by the plan administrator in the participant’s account and remit the proceeds to the participant, the plan administrator is authorized to deduct a transaction fee of up to $15 plus a $0.12 per share fee from the proceeds. See “Market for Registrant’s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities—Issuer Purchases of Equity Securities—Dividend Reinvestment Plan” for more information.

(4) The applicable prospectus or prospectus supplement will disclose the offering price and the total stockholder transaction expenses as a percentage of the offering price.

(5) The "consolidated net assets attributable to common stock" used to calculate the percentages in this table is our average net assets of $9.1 billion for the year ended December 31, 2022.

(6) Our base management fee is calculated at an annual rate of 1.5% based on the average value of our total assets (other than cash or cash equivalents but including assets purchased with borrowed funds) at the end of the two most recently completed calendar quarters; provided, however, the base management fee is calculated at an annual rate of 1.0% on the average value of our total assets (other than cash or cash equivalents but including assets purchased with borrowed funds) that exceeds the product of (A) 200% and (B) our net asset value at the end of the most recently completed calendar quarter. The 3.36% reflected on the table is higher than 1.5% because it is calculated on our average net assets (rather than our average total assets) for the year ended December 31, 2022. See “Business—Investment Advisory and Management Agreement.”

(7) This item represents our investment adviser’s income based fees and capital gains incentive fees based on actual income based fees for the year ended December 31, 2022, and adding the capital gains incentive fee expense accrued

in accordance with GAAP for the year ended December 31, 2022, even though there was no capital gains incentive fee actually payable under the investment advisory and management agreement as of December 31, 2022.

GAAP requires that the capital gains incentive fee accrual consider the cumulative aggregate unrealized capital appreciation in the calculation, as a capital gains incentive fee would be payable if such unrealized capital appreciation were realized, even though such unrealized capital appreciation is not permitted to be considered in calculating the fee actually payable under the Investment Company Act or the investment advisory and management agreement. This GAAP accrual is calculated using the aggregate cumulative realized capital gains and losses and aggregate cumulative unrealized capital depreciation included in the calculation of the capital gains incentive fee actually payable under the investment advisory and management agreement plus the aggregate cumulative unrealized capital appreciation. If such amount is positive at the end of a period, then GAAP requires us to record a capital gains incentive fee equal to 20% of such cumulative amount, less the aggregate amount of actual capital gains incentive fees paid or capital gains incentive fees accrued under GAAP in all prior periods. The resulting accrual for any capital gains incentive fee under GAAP in a given period may result in an additional expense if such cumulative amount is greater than in the prior period or a reversal of previously recorded expense if such cumulative amount is less than in the prior period. If such cumulative amount is negative, then there is no accrual. There can be no assurance that such unrealized capital appreciation will be realized in the future or that the amount accrued for will ultimately be paid.

For purposes of this table, we have assumed that these fees will be payable (in the case of the capital gains incentive fee) and that they will remain constant, although they are based on our performance and will not be paid unless we achieve certain goals. We expect to invest or otherwise utilize all of the net proceeds from securities registered under our registration statement pursuant to a particular prospectus supplement within three months of the date of the offering pursuant to such prospectus supplement and may have capital gains and interest income that could result in the payment of these fees to our investment adviser in the first year after completion of such offerings. Since our IPO through December 31, 2022, the average quarterly fees accrued related to income based fees and capital gains incentive fees (including capital gains incentive fees accrued under GAAP even though they may not be payable) have been approximately 0.65% of our weighted average net assets for such period (2.58% on an annualized basis). For more detailed information about income based fees and capital gains incentive fees previously incurred by us, please see Note 3 to our consolidated financial statements for the year ended December 31, 2022.

Income based fees are payable quarterly in arrears in an amount equal to 20% of our pre-incentive fee net investment income (including interest that is accrued but not yet received in cash), subject to a 1.75% quarterly (7.0% annualized) hurdle rate and a "catch-up" provision measured as of the end of each calendar quarter. Under this provision, in any calendar quarter, our investment adviser receives no income based fees until our net investment income equals the hurdle rate of 1.75% but then receives, as a "catch-up," 100% of our pre-incentive fee net investment income with respect to that portion of such pre-incentive fee net investment income, if any, that exceeds the hurdle rate but is less than 2.1875%. The effect of this provision is that, if pre-incentive fee net investment income exceeds 2.1875% in any calendar quarter, our investment adviser will receive 20% of our pre-incentive fee net investment income as if a hurdle rate did not apply.

Capital gains incentive fees are payable annually in arrears in an amount equal to 20% of our realized capital gains on a cumulative basis from inception through the end of the year, if any, computed net of all realized capital losses and unrealized capital depreciation on a cumulative basis, less the aggregate amount of capital gains incentive fees paid in all prior years.

We will defer cash payment of any income based fees and capital gains incentive fees otherwise earned by our investment adviser if, during the most recent four full calendar quarter period ending on or prior to the date such payment is to be made, the sum of (a) our aggregate distributions to our stockholders and (b) our change in net assets (defined as total assets less indebtedness and before taking into account any income based fees or capital gains incentive fees accrued during the period) is less than 7.0% of our net assets (defined as total assets less indebtedness) at the beginning of such period. Any deferred income based fees and capital gains incentive fees are carried over for payment in subsequent calculation periods to the extent such payment is payable under the investment advisory and management agreement.

These calculations will be adjusted for any share issuances or repurchases.
See "Business—Investment Advisory and Management Agreement."

(8) "Interest payments on borrowed funds" represents our interest expenses estimated based on our actual interest and credit facility expenses incurred for the year ended December 31, 2022. During the year ended December 31, 2022, our average outstanding borrowings were approximately $11.5 billion and cash paid for interest expense was $402

million. We had outstanding borrowings of approximately $12.2 billion (with a carrying value of approximately $12.2 billion) as of December 31, 2022. This item is based on the assumption that our borrowings and interest costs after an offering will remain similar to those prior to such offering. The amount of leverage that we may employ at any particular time will depend on, among other things, our investment adviser's and our board of directors' assessment of market and other factors at the time of any proposed borrowing. See "Risk Factors—Risks Relating to Our Business—We borrow money, which magnifies the potential for gain or loss on amounts invested and may increase the risk of investing with us." We are currently allowed to borrow amounts such that our asset coverage, as calculated pursuant to the Investment Company Act, equals at least 150% after such borrowing (i.e., we are able to borrow up to two dollars for every dollar we have in assets less all liabilities and indebtedness not represented by senior securities issued by us). See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Financial Condition, Liquidity and Capital Resources."

(9) Includes our overhead expenses, including payments under our administration agreement based on our allocable portion of overhead and other expenses incurred by Ares Operations in performing its obligations under the administration agreement, and income taxes. Such expenses are estimated based on actual "Other expenses" for the year ended December 31, 2022. The holders of shares of our common stock (and not the holders of our debt securities or preferred stock, if any) indirectly bear the cost associated with our annual expenses. See "Business—Administration Agreement."

(10) Our stockholders indirectly bear the expenses of underlying funds or other investment vehicles that would be investment companies under section 3(a) of the Investment Company Act but for the exceptions to that definition provided for in sections 3(c)(1) and 3(c)(7) of the Investment Company Act ("Acquired Funds") in which we invest. This amount is estimated based on the estimated annual fees and operating expenses of Acquired Funds in which the Company is invested as of December 31, 2022. Certain of these Acquired Funds are subject to management fees, which generally range from 1% to 2.5% of total net assets, or incentive fees, which generally range between 15% and 25% of net profits. When applicable, fees and operating expenses estimates are based on historic fees and operating expenses for the Acquired Funds. For those Acquired Funds with little or no operating history, fees and operating expenses are estimates based on expected fees and operating expenses stated in the Acquired Funds' offering memorandum, private placement memorandum or other similar communication without giving effect to any performance. Future fees and operating expenses for these Acquired Funds may be substantially higher or lower because certain fees and operating expenses are based on the performance of the Acquired Funds, which may fluctuate over time. Also included with the amount is an estimate of the annual fees and operating expenses of the SDLP. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Portfolio and Investment Activity—Senior Direct Lending Program" and Note 4 to our consolidated financial statements for the year ended December 31, 2022 for more information on the SDLP. The annual fees and operating expenses of the SDLP were estimated based on the funded portfolio of the SDLP as of December 31, 2022 and include interest payments on the senior notes and intermediate funding notes provided by Varagon and its clients, which represent 88% of such expenses.

(11) Total annual expenses as a percentage of consolidated net assets attributable to common stock are higher than the total annual expenses percentage would be for a company that is not leveraged. We borrow money to leverage and increase our total assets. The SEC requires that the "Total annual expenses" percentage be calculated as a percentage of net assets (defined as total assets less indebtedness and before taking into account any income based fees or capital gains incentive fees accrued during the period), rather than the total assets, including assets that have been funded with borrowed monies.

Example

The following example demonstrates the projected dollar amount of total cumulative expenses over various periods with respect to a hypothetical investment in our common stock. In calculating the following expense amounts, we have assumed that we would have no additional leverage, that none of our assets are cash or cash equivalents and that our annual operating expenses would remain at the levels set forth in the table above. Income based fees and the capital gains incentive fees under the investment advisory and management agreement, which, assuming a 5% annual return, would either not be payable or have an insignificant impact on the expense amounts shown below, are not included in the example, except as specifically set forth below. Transaction expenses are not included in the following example.

	1 year	3 years	5 years	10 years
You would pay the following expenses on a $1,000 common stock investment, assuming a 5% annual return (none of which is subject to the capital gains incentive fee)(1)	$ (164)	$ (359)	$ (530)	$ (870)
You would pay the following expenses on a $1,000 common stock investment, assuming a 5% annual return resulting entirely from net realized capital gains (all of which is subject to the capital gains incentive fee)(2)	$ (174)	$ (384)	$ (567)	$ (925)

(1) Assumes that we will not realize any capital gains computed net of all realized capital losses and unrealized capital depreciation.

(2) Assumes no unrealized capital depreciation and a 5% annual return resulting entirely from net realized capital gains and not otherwise deferrable under the terms of the investment advisory and management agreement and therefore subject to the capital gains incentive fee.

The foregoing table is to assist you in understanding the various costs and expenses that an investor in our common stock will bear directly or indirectly. 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%. If we were to achieve sufficient returns on our investments, including through the realization of capital gains, to trigger income based fees or capital gains incentive fees of a material amount, our expenses, and returns to our investors, would be higher. In addition, while the example assumes reinvestment of all dividends and distributions at net asset value, if our board of directors authorizes and we declare a cash dividend, participants in our dividend reinvestment plan who have not otherwise elected to receive cash will receive a number of shares of our common stock determined by dividing the total dollar amount of the dividend 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 “Market for Registrant’s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities—Issuer Purchases of Equity Securities—Dividend Reinvestment Plan” for additional information regarding our dividend reinvestment plan.

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

SENIOR SECURITIES
(dollar amounts in millions, except per unit data)

Information about our senior securities (including preferred stock, debt securities and other indebtedness) is shown in the following tables as of the end of the last ten fiscal years. The report of our independent registered public accounting firm, KPMG LLP, on the senior securities table as of December 31, 2022, is attached as an exhibit to this annual report on Form 10-K. The "-" indicates information that the SEC expressly does not require to be disclosed for certain types of senior securities.

Class and Year	Total Amount Outstanding Exclusive of Treasury Securities(1)	Asset Coverage Per Unit(2)	Involuntary Liquidating Preference Per Unit(3)	Average Market Value Per Unit(4)
Revolving Credit Facility				
Fiscal 2022	$ 2,246	$ 1,772	$ —	N/A
Fiscal 2021	1,507	1,792	—	N/A
Fiscal 2020	1,180	1,824	—	N/A
Fiscal 2019	2,250	2,042	—	N/A
Fiscal 2018	1,064	2,362	—	N/A
Fiscal 2017	395	2,415	—	N/A
Fiscal 2016	571	2,296	—	N/A
Fiscal 2015	515	2,213	—	N/A
Fiscal 2014	170	2,292	—	N/A
Fiscal 2013	—	—	—	N/A
Revolving Funding Facility				
Fiscal 2022	$ 800	$ 1,772	$ —	N/A
Fiscal 2021	762	1,792	—	N/A
Fiscal 2020	1,027	1,824	—	N/A
Fiscal 2019	638	2,042	—	N/A
Fiscal 2018	520	2,362	—	N/A
Fiscal 2017	600	2,415	—	N/A
Fiscal 2016	155	2,296	—	N/A
Fiscal 2015	250	2,213	—	N/A
Fiscal 2014	324	2,292	—	N/A
Fiscal 2013	185	2,547	—	N/A
SMBC Funding Facility				
Fiscal 2022	$ 451	$ 1,772	$ —	N/A
Fiscal 2021	401	1,792	—	N/A
Fiscal 2020	453	1,824	—	N/A
Fiscal 2019	301	2,042	—	N/A
Fiscal 2018	245	2,362	—	N/A
Fiscal 2017	60	2,415	—	N/A
Fiscal 2016	105	2,296	—	N/A
Fiscal 2015	110	2,213	—	N/A
Fiscal 2014	62	2,292	—	N/A
Fiscal 2013	—	—	—	N/A
BNP Funding Facility				
Fiscal 2022	$ 245	$ 1,772	$ —	N/A
Fiscal 2021	—	1,792	—	N/A
Fiscal 2020	150	1,824	—	N/A
SBA Debentures				
Fiscal 2017	$ —	$ —	$ —	N/A

Class and Year	Total Amount Outstanding Exclusive of Treasury Securities(1)	Asset Coverage Per Unit(2)	Involuntary Liquidating Preference Per Unit(3)	Average Market Value Per Unit(4)
Fiscal 2016	25	2,296	—	N/A
Fiscal 2015	22	2,213	—	N/A
February 2016 Convertible Notes				
Fiscal 2015	$ 575	$ 2,213	$ —	N/A
Fiscal 2014	575	2,292	—	N/A
Fiscal 2013	575	2,547	—	N/A
June 2016 Convertible Notes				
Fiscal 2015	$ 230	$ 2,213	$ —	N/A
Fiscal 2014	230	2,292	—	N/A
Fiscal 2013	230	2,547	—	N/A
2017 Convertible Notes				
Fiscal 2016	$ 163	$ 2,296	$ —	N/A
Fiscal 2015	163	2,213	—	N/A
Fiscal 2014	163	2,292	—	N/A
Fiscal 2013	163	2,547	—	N/A
2018 Convertible Notes				
Fiscal 2017	$ 270	$ 2,415	$ —	N/A
Fiscal 2016	270	2,296	—	N/A
Fiscal 2015	270	2,213	—	N/A
Fiscal 2014	270	2,292	—	N/A
Fiscal 2013	270	2,547	—	N/A
2019 Convertible Notes				
Fiscal 2018	$ 300	$ 2,362	$ —	N/A
Fiscal 2017	300	2,415	—	N/A
Fiscal 2016	300	2,296	—	N/A
Fiscal 2015	300	2,213	—	N/A
Fiscal 2014	300	2,292	—	N/A
Fiscal 2013	300	2,547	—	N/A
2022 Convertible Notes				
Fiscal 2021	$ 388	$ 1,792	$ —	N/A
Fiscal 2020	388	1,824	—	N/A
Fiscal 2019	388	2,042	—	N/A
Fiscal 2018	388	2,362	—	N/A
Fiscal 2017	388	2,415	—	N/A
2024 Convertible Notes				
Fiscal 2022	$ 403	$ 1,772	$ —	N/A
Fiscal 2021	403	1,792	—	N/A
Fiscal 2020	403	1,824	—	N/A
Fiscal 2019	403	2,042	—	N/A
2018 Notes				
Fiscal 2017	$ 750	$ 2,415	$ —	N/A
Fiscal 2016	750	2,296	—	N/A
Fiscal 2015	750	2,213	—	N/A
Fiscal 2014	750	2,292	—	N/A
Fiscal 2013	600	2,547	—	N/A

Class and Year	Total Amount Outstanding Exclusive of Treasury Securities(1)	Asset Coverage Per Unit(2)	Involuntary Liquidating Preference Per Unit(3)	Average Market Value Per Unit(4)
2020 Notes				
Fiscal 2018	$ 600	$ 2,362	$ —	N/A
Fiscal 2017	600	2,415	—	N/A
Fiscal 2016	600	2,296	—	N/A
Fiscal 2015	600	2,213	—	N/A
Fiscal 2014	400	2,292	—	N/A
2022 Notes				
Fiscal 2020	$ 600	$ 1,824	$ —	N/A
Fiscal 2019	600	2,042	—	N/A
Fiscal 2018	600	2,362	—	N/A
Fiscal 2017	600	2,415	—	N/A
Fiscal 2016	600	2,296	—	N/A
February 2022 Notes				
Fiscal 2014	$ 144	$ 2,292	$ —	$ 1,024
Fiscal 2013	144	2,547	—	1,043
October 2022 Notes				
Fiscal 2016	$ 183	$ 2,296	$ —	$ 1,017
Fiscal 2015	183	2,213	—	1,011
Fiscal 2014	183	2,292	—	1,013
Fiscal 2013	183	2,547	—	993
2040 Notes				
Fiscal 2014	$ 200	$ 2,292	$ —	$ 1,040
Fiscal 2013	200	2,547	—	1,038
2023 Notes				
Fiscal 2022	$ 750	$ 1,772	$ —	N/A
Fiscal 2021	750	1,792	—	N/A
Fiscal 2020	750	1,824	—	N/A
Fiscal 2019	750	2,042	—	N/A
Fiscal 2018	750	2,362	—	N/A
Fiscal 2017	750	2,415	—	N/A
2024 Notes				
Fiscal 2022	$ 900	$ 1,772	$ —	N/A
Fiscal 2021	900	1,792	—	N/A
Fiscal 2020	900	1,824	—	N/A
Fiscal 2019	900	2,042	—	N/A
March 2025 Notes				
Fiscal 2022	$ 600	$ 1,772	$ —	N/A
Fiscal 2021	600	1,792	—	N/A
Fiscal 2020	600	1,824	—	N/A
Fiscal 2019	600	2,042	—	N/A
Fiscal 2018	600	2,362	—	N/A
July 2025 Notes				
Fiscal 2022	$ 1,250	$ 1,772	$ —	N/A
Fiscal 2021	1,250	1,792	—	N/A
Fiscal 2020	750	1,824	—	N/A

Class and Year	Total Amount Outstanding Exclusive of Treasury Securities(1)	Asset Coverage Per Unit(2)	Involuntary Liquidating Preference Per Unit(3)	Average Market Value Per Unit(4)
January 2026 Notes				
Fiscal 2022	$ 1,150	$ 1,772	$ —	N/A
Fiscal 2021	1,150	1,792	—	N/A
Fiscal 2020	1,150	1,824	—	N/A
July 2026 Notes				
Fiscal 2022	$ 1,000	$ 1,772	$ —	N/A
Fiscal 2021	1,000	1,792	—	N/A
2027 Notes				
Fiscal 2022	$ 500	$ 1,772	$ —	N/A
2028 Notes				
Fiscal 2022	$ 1,250	$ 1,772	$ —	N/A
Fiscal 2021	1,250	1,792	—	N/A
2031 Notes				
Fiscal 2022	$ 700	$ 1,772	$ —	N/A
Fiscal 2021	700	1,792	—	N/A
2047 Notes				
Fiscal 2020	$ 230	$ 1,824	$ —	$ 1,013
Fiscal 2019	230	2,042	—	1,033
Fiscal 2018	230	2,362	—	1,013
Fiscal 2017	230	2,415	—	1,021
Fiscal 2016	230	2,296	—	1,015
Fiscal 2015	230	2,213	—	1,011
Fiscal 2014	230	2,292	—	985
Fiscal 2013	230	2,547	—	972

(1) Total amount of each class of senior securities outstanding at principal value at the end of the period presented.

(2) 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 total senior securities representing indebtedness. This asset coverage ratio is multiplied by $1,000 to determine the "Asset Coverage Per Unit" (including for the February 2022 Notes, the October 2022 Notes, the 2040 Notes and the 2047 Notes, which were issued in $25 increments). In June 2016, we received exemptive relief from the SEC allowing us to modify the asset coverage requirements to exclude debentures issued by Ares Venture Finance, L.P. and guaranteed by the Small Business Administration (the "SBA"), subject to the issuance of a capital commitment by the SBA and other customary procedures (the "SBA Debentures"), from this calculation. As such, the asset coverage ratio beginning with Fiscal 2016 excludes the SBA Debentures. Certain prior year amounts have been reclassified to conform to the 2016 and 2017 presentation. In particular, unamortized debt issuance costs were previously included in other assets and were reclassified to long-term debt as a result of the adoption of Accounting Standards Update 2015-03, Interest-Imputation of Interest (Topic 835): Simplifying the Presentation of Debt Issuance Costs during the first quarter of 2016.

(3) The amount to which such class of senior security would be entitled upon our involuntary liquidation in preference to any security junior to it.

(4) Not applicable, except for with respect to the February 2022 Notes, the October 2022 Notes, the 2040 Notes and the 2047 Notes, as other senior securities are not registered for public trading on a stock exchange. The average market value per unit for each of the February 2022 Notes, the October 2022 Notes, the 2040 Notes and the 2047 Notes is

based on the average daily prices of such notes and is expressed per $1,000 of indebtedness (including for the February 2022 Notes, the October 2022 Notes, the 2040 Notes and the 2047 Notes, which were issued in $25 increments).

Item 6. [Reserved]

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

The information contained in this section should be read in conjunction with our financial statements and notes thereto appearing elsewhere in this Annual Report. In addition, some of the statements in this Annual Report (including in the following discussion) constitute forward- looking statements, which relate to future events or the future performance or financial condition of Ares Capital Corporation (the "Company," "Ares Capital," "we," "us," or "our"). The forward-looking statements contained in this report involve a number of risks and uncertainties, including statements concerning:

- our, or our portfolio companies', future business, operations, operating results or prospects;
- the return or impact of current and future investments;
- the impact of global health crises on our or our portfolio companies' business and the U.S. and global economy;
- the impact of a protracted decline in the liquidity of credit markets on our business;
- the impact of the elimination of the London Interbank Offered Rate ("LIBOR") and implementation of alternatives to LIBOR on our operating results;
- changes in the general economy, slowing economy, rising inflation, risk of recession and risks in respect of a failure to increase the U.S. debt ceiling;
- the impact of changes in laws or regulations (including the interpretation thereof), including tax laws, governing our operations or the operations of our portfolio companies or the operations of our competitors;
- the valuation of our investments in portfolio companies, particularly those having no liquid trading market;
- our ability to recover unrealized losses;
- market conditions and our ability to access different debt markets and additional debt and equity capital and our ability to manage our capital resources effectively;
- our contractual arrangements and relationships with third parties;
- the state of the general economy;
- the impact of supply chain constraints on our portfolio companies and the global economy;
- uncertainty surrounding global financial stability;
- the social, geopolitical, financial, trade and legal implications of Brexit;
- the war in Ukraine and Russia and the potential for volatility in energy prices and other commodities and their impact on the industries in which we invest;
- the financial condition of our current and prospective portfolio companies and their ability to achieve their objectives;
- the impact of information technology system failures, data security breaches, data privacy compliance, network disruptions, and cybersecurity attacks;
- our ability to raise capital in the private and public debt and equity markets;
- our ability to anticipate and identify evolving market expectations with respect to environmental, social and governance matters, including the environmental impacts of our portfolio companies' supply chain and operations;
- our ability to successfully complete and integrate any acquisitions;
- the outcome and impact of any litigation or regulatory proceeding;

- the adequacy of our cash resources and working capital;
- the timing, form and amount of any dividend distributions;
- the timing of cash flows, if any, from the operations of our portfolio companies; and
- the ability of our investment adviser to locate suitable investments for us and to monitor and administer our investments.

We use words such as "anticipates," "believes," "expects," "intends," "project," "estimates," "will," "should," "could," "would," "may" and similar expressions to identify forward-looking statements, although not all forward-looking statements include these words. Our actual results and condition could differ materially from those implied or expressed in the forward-looking statements for any reason, including the factors set forth in "Risk Factors" and the other information included in this Annual Report.

We have based the forward-looking statements included in this Annual Report on information available to us on the filing date of this Annual Report, and we assume no obligation to update any such forward-looking statements. Although we undertake no obligation to revise or update any forward-looking statements, whether as a result of new information, future events or otherwise, you are advised to consult any additional disclosures that we may make directly to you or through reports that we have filed or in the future may file with the SEC, including annual reports on Form 10-K, registration statements on Form N-2, quarterly reports on Form 10-Q and current reports on Form 8-K.

OVERVIEW

We are a specialty finance company that is a closed-end, non-diversified management investment company incorporated in Maryland. We have elected to be regulated as a business development company ("BDC") under the Investment Company Act of 1940, as amended (together with the rules and regulations promulgated thereunder, the "Investment Company Act").

We are externally managed by Ares Capital Management LLC ("Ares Capital Management" or our "investment adviser"), a subsidiary of Ares Management Corporation (NYSE: ARES) ("Ares Management"), a publicly traded, leading global alternative investment manager, pursuant to our investment advisory and management agreement. Ares Operations LLC ("Ares Operations" or our "administrator"), a subsidiary of Ares Management, provides certain administrative and other services necessary for us to operate.

Our investment objective is to generate both current income and capital appreciation through debt and equity investments. We invest primarily in first lien senior secured loans (including "unitranche" loans, which are loans that combine both senior and subordinated debt, generally in a first lien position) and second lien senior secured loans. In addition to senior secured loans, we also invest in subordinated loans (sometimes referred to as mezzanine debt), which in some cases includes an equity component and preferred equity.

To a lesser extent, we also make common equity investments, which have generally been non-control equity investments of less than $20 million (usually in conjunction with a concurrent debt investment). However, we may increase the size or change the nature of these investments.

Since our initial public offering ("IPO") on October 8, 2004 through December 31, 2022, our exited investments resulted in an asset level realized gross internal rate of return to us of approximately 14% (based on original cash invested, net of syndications, of approximately $39.2 billion and total proceeds from such exited investments of approximately $50.4 billion). Internal rate of return is the discount rate that makes the net present value of all cash flows related to a particular investment equal to zero. Internal rate of return is gross of expenses related to investments as these expenses are not allocable to specific investments. Investments are considered to be exited when the original investment objective has been achieved through the receipt of cash and/or non-cash consideration upon the repayment of a debt investment or sale of an investment or through the determination that no further consideration was collectible and, thus, a loss may have been realized. Approximately 58% of these exited investments resulted in an asset level realized gross internal rate of return to us of 10% or greater.

Additionally, since our IPO on October 8, 2004 through December 31, 2022, our realized gains have exceeded our realized losses by approximately $1.1 billion (excluding a one-time gain on the acquisition of Allied Capital Corporation ("Allied Capital") in April 2010 (the "Allied Acquisition") and realized gains/losses from the extinguishment of debt and other transactions). For this same time period, our average annualized net realized gain rate was approximately 1.0% (excluding a one-time gain on the acquisition of Allied Capital and realized gains/losses from the extinguishment of debt and other transactions). Net realized gain/loss rates for a particular period are the amount of net realized gains/losses during such period divided by the average quarterly investments at amortized cost in such period.

Information included herein regarding internal rates of return, realized gains and losses and annualized net realized gain rates are historical results relating to our past performance and are not necessarily indicative of future results, the achievement of which cannot be assured.

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 and certain public U.S. companies, cash, cash equivalents, U.S. government securities and high-quality debt investments that mature in one year or less. We also may invest up to 30% of our portfolio in non-qualifying assets, as permitted by the Investment Company Act. Specifically, as part of this 30% basket, we may invest in entities that are not considered “eligible portfolio companies” (as defined in the Investment Company Act), including companies located outside of the United States, entities that are operating pursuant to certain exceptions under the Investment Company Act, and publicly traded entities whose public equity market capitalization exceeds the levels provided for under the Investment Company Act.

We have elected to be treated as a regulated investment company (“RIC”) under the Internal Revenue Code of 1986, as amended (the “Code”), and operate in a manner so as to qualify for the tax treatment applicable to RICs. To qualify as a RIC, we must, among other requirements, 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 Code, for each year. Pursuant to this election, we generally will not have to pay U.S. federal corporate-level taxes on any income that we distribute to our stockholders provided that we satisfy those requirements.

MACROECONOMIC ENVIRONMENT

Credit markets continued to be under pressure during 2022 amid a risk-off environment and sustained macro-economic uncertainty due to record-high inflation, tighter financial conditions and growing recession risk. Central banks have remained focused on restoring price stability by raising interest rates and have signaled that growth may be hindered until inflation comes under control.

PORTFOLIO AND INVESTMENT ACTIVITY

Our investment activity for the years ended December 31, 2022 and 2021 is presented below.

	For the Years Ended December 31,	
(dollar amounts in millions)	2022	2021
New investment commitments(1):		
New portfolio companies	$ 4,629	$ 7,540
Existing portfolio companies	5,241	8,033
Total new investment commitments(2)	$ 9,870	$ 15,573
Less:		
Investment commitments exited(3)	(7,953)	(11,195)
Net investment commitments	$ 1,917	$ 4,378
Principal amount of investments funded:		
First lien senior secured loans(4)	$ 6,141	$ 8,835
Second lien senior secured loans	536	2,497
Subordinated certificates of the SDLP(5)	318	232
Senior subordinated loans	308	393
Preferred equity	558	930
Ivy Hill Asset Management, L.P.(6)	1,544	348
Other equity	317	653
Total	$ 9,722	$ 13,888
Principal amount of investments sold or repaid:		
First lien senior secured loans(4)	$ 6,014	$ 6,503
Second lien senior secured loans	996	2,318
Subordinated certificates of the SDLP(5)	31	368
Senior subordinated loans	65	334
Preferred equity	188	474
Ivy Hill Asset Management, L.P.(6)	277	108
Other equity	209	148
Total	$ 7,780	$ 10,253
Number of new investment commitments(7)	183	242
Average new investment commitment amount	$ 54	$ 64
Weighted average term for new investment commitments (in months)	65	76
Percentage of new investment commitments at floating rates	82 %	86 %
Percentage of new investment commitments at fixed rates	6 %	8 %
Weighted average yield of debt and other income producing securities(8):		
Funded during the period at amortized cost	9.7 %	7.8 %
Funded during the period at fair value(9)	9.7 %	7.9 %
Exited or repaid during the period at amortized cost	8.4 %	8.0 %
Exited or repaid during the period at fair value(9)	8.4 %	8.0 %

(1) New investment commitments include new agreements to fund revolving loans or delayed draw loans. See Note 7 to our consolidated financial statements for the year ended December 31, 2022 for more information on our commitments to fund revolving loans or delayed draw loans.

(2) Includes both funded and unfunded commitments. Of these new investment commitments, we funded $8.7 billion and $12.5 billion for the years ended December 31, 2022 and 2021, respectively.

(3) Includes both funded and unfunded commitments. For the years ended December 31, 2022 and 2021, investment commitments exited included exits of unfunded commitments of $757 million and $1.2 billion, respectively.

(4) For the years ended December 31, 2022 and 2021, net fundings of first lien secured revolving loans were $275 million and $59 million, respectively.

(5) See "Senior Direct Lending Program" below and Note 4 to our consolidated financial statements for the year ended December 31, 2022 for more information on the SDLP (as defined below).

(6) Includes our equity and subordinated loan investments in IHAM (as defined below), as applicable. See "Ivy Hill Asset Management, L.P." below and Note 4 to our consolidated financial statements for the year ended December 31, 2022 for more information on IHAM.

(7) Number of new investment commitments represents each commitment to a particular portfolio company or a commitment to multiple companies as part of an individual transaction (e.g., the purchase of a portfolio of investments).

(8) "Weighted average yield of debt and other income producing securities" is computed as (a) the annual stated interest rate or yield earned plus the net annual amortization of original issue discount and market discount or premium earned on accruing debt and other income producing securities (including the annualized amount of the dividend received by us related to our equity investment in IHAM during the most recent quarter end, as applicable), divided by (b) the total accruing debt and other income producing securities at amortized cost or at fair value (including the amortized cost or fair value of our equity investment in IHAM as applicable), as applicable.

(9) Represents fair value for investments in the portfolio as of the most recent prior quarter end, if applicable.

As of December 31, 2022 and 2021, our investments consisted of the following:

	As of December 31,			
	2022		2021	
(in millions)	**Amortized Cost**	**Fair Value**	**Amortized Cost**	**Fair Value**
First lien senior secured loans(1)	$ 9,684	$ 9,373	$ 9,583	$ 9,459
Second lien senior secured loans	4,218	3,934	4,614	4,524
Subordinated certificates of the SDLP(2)	1,274	1,249	987	987
Senior subordinated loans	1,163	1,079	896	890
Preferred equity	2,095	2,027	1,547	1,561
Ivy Hill Asset Management, L.P.(3)	2,048	2,201	781	936
Other equity	1,561	1,917	1,402	1,652
Total	$ 22,043	$ 21,780	$ 19,810	$ 20,009

(1) First lien senior secured loans include certain loans that we classify as "unitranche" loans. The total amortized cost and fair value of the loans that we classified as "unitranche" loans were $5.0 billion and $4.8 billion, respectively, as of December 31, 2022, and $5.2 billion and $5.2 billion, respectively, as of December 31, 2021.

(2) The proceeds from these certificates were applied to co-investments with Varagon Capital Partners ("Varagon") and its clients to fund first lien senior secured loans to 22 and 19 different borrowers as of December 31, 2022 and 2021, respectively.

(3) Includes our equity and subordinated loan investments in IHAM, as applicable.

We have commitments to fund various revolving and delayed draw senior secured and subordinated loans, including commitments to fund which are at (or substantially at) our discretion. Our commitment to fund delayed draw loans is triggered upon the satisfaction of certain pre-negotiated terms and conditions. Generally, the most significant and uncertain term requires the borrower to satisfy a specific use of proceeds covenant. The use of proceeds covenant typically requires the borrower to use the additional loans for the specific purpose of a permitted acquisition or permitted investment, for example. In addition to the use of proceeds covenant, the borrower is generally required to satisfy additional negotiated covenants (including specified leverage levels). We are also party to subscription agreements to fund equity investments in private equity investment partnerships. See Note 7 to our consolidated financial statements for the year ended December 31, 2022 for more information on our unfunded commitments, including commitments to issue letters of credit, related to certain of our portfolio companies.

The weighted average yields at amortized cost and fair value of the following portions of our portfolio as of December 31, 2022 and 2021 were as follows:

	As of December 31,			
	2022		2021	
	Amortized Cost	Fair Value	Amortized Cost	Fair Value
Debt and other income producing securities(1)	11.6 %	11.9 %	8.7 %	8.7 %
Total portfolio(2)	10.5 %	10.6 %	7.9 %	7.9 %
First lien senior secured loans(3)	10.7 %	11.1 %	7.2 %	7.3 %
Second lien senior secured loans(3)	11.6 %	12.5 %	8.6 %	8.8 %
Subordinated certificates of the SDLP(3)(6)	13.5 %	13.8 %	13.5 %	13.5 %
Senior subordinated loans(3)	10.8 %	11.3 %	10.2 %	10.3 %
Ivy Hill Asset Management L.P.(4)	14.2 %	12.9 %	14.6 %	12.2 %
Other income producing equity securities(5)	11.4 %	11.4 %	10.6 %	10.0 %

(1) "Weighted average yields on debt and other income producing securities" are computed as (a) the annual stated interest rate or yield earned plus the net annual amortization of original issue discount and market discount or premium earned on accruing debt and other income producing securities (including the annualized amount of the dividend received by us related to our equity investment in IHAM during the most recent quarter end), divided by (b) the total accruing debt and other income producing securities at amortized cost or at fair value (including the amortized cost or fair value of our equity investment in IHAM as applicable), as applicable.

(2) "Weighted average yields on total portfolio" are computed as (a) the annual stated interest rate or yield earned plus the net annual amortization of original issue discount and market discount or premium earned on accruing debt and other income producing securities (including the annualized amount of the dividend received by us related to our equity investment in IHAM during the most recent quarter end), divided by (b) total investments at amortized cost or at fair value, as applicable.

(3) "Weighted average yields" are computed as (a) the annual stated interest rate or yield earned plus the net annual amortization of original issue discount and market discount or premium earned on the relevant accruing investments, divided by (b) the total relevant investments at amortized cost or at fair value, as applicable.

(4) Represents the yield on our equity investment in IHAM, which is computed as (a) the annualized amount of the dividend received by us related to our equity investment in IHAM during the most recent quarter end, divided by (b) the amortized cost or fair value of our equity investment in IHAM, as applicable.

(5) "Weighted average yield on other income producing equity securities" is computed as (a) the yield earned on the relevant income producing equity securities, divided by (b) the total relevant income producing equity securities at amortized cost or fair value, as applicable.

(6) The proceeds from these certificates were applied to co-investments with Varagon and its clients to fund first lien senior secured loans.

Ares Capital Management employs an investment rating system to categorize our investments. In addition to various risk management and monitoring tools, our investment adviser grades the credit risk of all investments on a scale of 1 to 4 no less frequently than quarterly. This system is intended primarily to reflect the underlying risk of a portfolio investment relative to our initial cost basis in respect of such portfolio investment (i.e., at the time of origination or acquisition), although it may also take into account under certain circumstances the performance of the portfolio company's business, the collateral coverage of the investment and other relevant factors. The grade of a portfolio investment may be reduced or increased over time. The following is a description of each investment grade:

Investment grade	Description
4	Involves the least amount of risk to our initial cost basis. The trends and risk factors for this investment since origination or acquisition are generally favorable, which may include the performance of the portfolio company or a potential exit.
3	Involves a level of risk to our initial cost basis that is similar to the risk to our initial cost basis at the time of origination or acquisition. This portfolio company is generally performing as expected and the risk factors to our ability to ultimately recoup the cost of our investment are neutral to favorable. All investments or acquired investments in new portfolio companies are initially assessed a grade of 3.
2	Indicates that the risk to our ability to recoup the initial cost basis of such investment has increased materially since origination or acquisition, including as a result of factors such as declining performance and non-compliance with debt covenants; however, payments are generally not more than 120 days past due. For investments graded 2, our investment adviser enhances its level of scrutiny over the monitoring of such portfolio company.
1	Indicates that the risk to our ability to recoup the initial cost basis of such investment has substantially increased since origination or acquisition, and the portfolio company likely has materially declining performance. For debt investments with an investment grade of 1, most or all of the debt covenants are out of compliance and payments are substantially delinquent. For investments graded 1, it is anticipated that we will not recoup our initial cost basis and may realize a substantial loss of our initial cost basis upon exit. For investments graded 1, our investment adviser enhances its level of scrutiny over the monitoring of such portfolio company.

Set forth below is the grade distribution of our portfolio companies as of December 31, 2022 and 2021:

	As of December 31,							
	2022				2021			
(dollar amounts in millions)	Fair Value	%	Number of Companies	%	Fair Value	%	Number of Companies	%
Grade 4	$ 5,051	23.2 %	80	17.1 %	$ 3,422	17.1 %	49	12.7 %
Grade 3	15,279	70.1	327	70.2	15,529	77.6	294	76.0
Grade 2	1,342	6.2	40	8.6	910	4.5	24	6.1
Grade 1	108	0.5	19	4.1	148	0.8	20	5.2
Total	$ 21,780	100.0 %	466	100.0 %	$ 20,009	100.0 %	387	100.0 %

As of December 31, 2022 and 2021, the weighted average grade of the investments in our portfolio at fair value was 3.2 and 3.1, respectively.

As of December 31, 2022 and 2021, loans on non-accrual status represented 1.7% of the total investments at amortized cost (or 1.1% at fair value) and 0.8% at amortized cost (or 0.5% at fair value), respectively.

Senior Direct Lending Program

We have established a joint venture with Varagon to make certain first lien senior secured loans, including certain stretch senior and unitranche loans, primarily to U.S. middle-market companies. Varagon was formed in 2013 as a lending platform by American International Group, Inc. and other partners. The joint venture is called the Senior Direct Lending Program, LLC (d/b/a the "Senior Direct Lending Program" or the "SDLP"). In July 2016, we and Varagon and its clients completed the initial funding of the SDLP. The SDLP may generally commit and hold individual loans of up to $450 million. The SDLP is capitalized as transactions are completed and all portfolio decisions and generally all other decisions in respect of the SDLP must be approved by an investment committee of the SDLP consisting of representatives of ours and Varagon (with approval from a representative of each required).

We provide capital to the SDLP in the form of subordinated certificates (the "SDLP Certificates"), and Varagon and its clients provide capital to the SDLP in the form of senior notes, intermediate funding notes and SDLP Certificates. As of December 31, 2022, we and a client of Varagon owned 87.5% and 12.5%, respectively, of the outstanding SDLP Certificates.

As of December 31, 2022 and 2021, we and Varagon and its clients had agreed to make capital available to the SDLP of $6.2 billion and $6.2 billion, respectively, in the aggregate, of which $1.4 billion and $1.4 billion, respectively, is to be made available from us. This capital will only be committed to the SDLP upon approval of transactions by the investment committee of the SDLP. Below is a summary of the funded capital and unfunded capital commitments of the SDLP.

	As of December 31,	
(in millions)	**2022**	**2021**
Total capital funded to the SDLP(1)	$ 5,127	$ 4,168
Total capital funded to the SDLP by the Company(1)	$ 1,274	$ 987
Total unfunded capital commitments to the SDLP(2)	$ 294	$ 262
Total unfunded capital commitments to the SDLP by the Company(2)	$ 68	$ 62

(1) At principal amount.

(2) These commitments to fund delayed draw loans have been approved by the investment committee of the SDLP and will be funded if and when conditions to funding such delayed draw loans are met.

The SDLP Certificates pay a coupon equal to LIBOR plus 8.0% and also entitle the holders thereof to receive a portion of the excess cash flow from the loan portfolio, after expenses, which may result in a return to the holders of the SDLP Certificates that is greater than the stated coupon. The SDLP Certificates are junior in right of payment to the senior notes and intermediate funding notes.

The amortized cost and fair value of our SDLP Certificates were $1.3 billion and $1.2 billion, respectively, as of December 31, 2022 and $1.0 billion and $1.0 billion, respectively, as of December 31, 2021. Our yield on our investment in the SDLP Certificates at amortized cost and fair value was 13.5% and 13.8%, respectively, as of December 31, 2022 and 13.5% and 13.5%, respectively, as of December 31, 2021. The interest income from our investment in the SDLP Certificates and capital structuring service and other fees earned for the years ended December 31, 2022 and 2021 were as follows:

	For the Years Ended December 31,	
(in millions)	**2022**	**2021**
Interest income	$ 146	$ 138
Capital structuring service and other fees	$ 22	$ 22

As of December 31, 2022 and 2021, the SDLP portfolio was comprised entirely of first lien senior secured loans primarily to U.S. middle-market companies and were in industries similar to the companies in our portfolio. As of December 31, 2022, one of the loans was on non-accrual status. As of December 31, 2021, none of the loans were on non-accrual status. Below is a summary of the SDLP's portfolio as of December 31, 2022 and 2021:

	As of December 31,	
(dollar amounts in millions)	**2022**	**2021**
Total first lien senior secured loans(1)(2)	$ 5,174	$ 4,194
Weighted average yield on first lien senior secured loans(3)	10.1 %	6.7 %
Largest loan to a single borrower(1)	$ 377	$ 342
Total of five largest loans to borrowers(1)	$ 1,631	$ 1,540
Number of borrowers in the SDLP	22	19
Commitments to fund delayed draw loans(4)	$ 294	$ 262

(1) At principal amount.

(2) First lien senior secured loans include certain loans that the SDLP classifies as "unitranche" loans. As of December 31, 2022 and 2021, the total principal amount of loans in the SDLP portfolio that the SDLP classified as "unitranche" loans was $4,108 million and $2,908 million, respectively.

(3) Computed as (a) the annual stated interest rate on accruing first lien senior secured loans, divided by (b) total first lien senior secured loans at principal amount.

(4) As discussed above, these commitments have been approved by the investment committee of the SDLP.

Selected financial information for the SDLP as of and for the years ended December 31, 2022 and 2021, was as follows:

	As of December 31,	
(in millions)	**2022**	**2021**
Selected Balance Sheet Information:		
Investments at fair value (amortized cost of $5,166 and $4,193, respectively)	$ 4,958	$ 4,127
Other assets	150	84
Total assets	$ 5,108	$ 4,211
Senior notes	$ 3,538	$ 2,939
Intermediate funding notes	132	101
Other liabilities	110	51
Total liabilities	3,780	3,091
Subordinated certificates and members' capital	1,328	1,120
Total liabilities and members' capital	$ 5,108	$ 4,211

	For the Years Ended December 31,	
(in millions)	**2022**	**2021**
Selected Statement of Operations Information:		
Total investment income	$ 365	$ 282
Interest expense	155	91
Other expenses	20	18
Total expenses	175	109
Net investment income	190	173
Net realized and unrealized gains (losses) on investments	(147)	70
Net increase in members' capital resulting from operations	$ 43	$ 243

SDLP Loan Portfolio as of December 31, 2022

(dollar amounts in millions) Portfolio Company	Business Description	Maturity Date	Stated Interest Rate(1)	Principal Amount	Fair Value(2)
Arrowhead Holdco Company (3)(4)	Distributor of non-discretionary, mission-critical aftermarket replacement parts	8/2028	8.9 %	$ 274.3	$ 260.6
Benecon Midco II LLC (3)(4)	Employee benefits provider for small and mid-size employers	12/2026	10.0 %	171.9	171.9
Center for Autism and Related Disorders, LLC (3)(5)	Autism treatment and services provider specializing in applied behavior analysis therapy	11/2024		148.0	65.2
Concert Golf Partners Holdco LLC (3)	Golf club owner and operator	4/2029	10.2 %	255.3	255.3
Emergency Communications Network, LLC (3)	Provider of mission critical emergency mass notification solutions	6/2024	11.8 %	238.8	214.9
Excelligence Holdings Corp. (3)	Developer, manufacturer and retailer of educational products	1/2024	10.7 %	146.3	146.3
FS Squared Holding Corp. (3)(4)	Provider of on-site vending and micro market solutions	3/2025	9.6 %	308.0	308.0
Harvey Tool Company, LLC (3)	Manufacturer of cutting tools used in the metalworking industry	10/2027	10.2 %	233.6	231.3
HGC Holdings, LLC (3)	Operator of golf facilities	6/2026	9.5 %	141.4	141.4
ISQ Hawkeye Holdco, Inc. (3)(4)	Provider of commercial and industrial waste processing and disposal services	8/2029	10.6 %	286.5	280.8
Manna Pro Products, LLC (3)	Manufacturer and supplier of specialty nutrition and care products for animals	12/2026	10.1 %	270.3	251.4
n2y Holding, LLC (3)	Developer of cloud-based special education platform	11/2026	10.1 %	193.5	191.5
NCWS Intermediate, Inc. (3)(4)	Manufacturer and supplier of car wash equipment, parts and supplies to the conveyorized car wash market	12/2026	10.4 %	269.8	264.5
North Haven Falcon Buyer, LLC (3)(4)	Manufacturer of aftermarket golf cart parts and accessories	5/2027	11.2 %	217.2	202.0
Pegasus Global Enterprise Holdings, LLC (3)(4)	Provider of plant maintenance and scheduling software	5/2025	10.0 %	338.4	338.4
Penn Detroit Diesel Allison, LLC	Distributor of aftermarket parts to the heavy-duty truck industry	12/2027	11.4 %	49.6	49.6
Precinmac (US) Holdings Inc. and Trimaster Manufacturing Inc. (3)(4)	Manufacturer of high-tolerance precision machined components and assemblies for the aerospace and defense industry	8/2027	10.4 %	258.7	253.5
Pritchard Industries, LLC (3)(4)	Provider of janitorial and facilities management services	10/2027	10.5 %	242.3	235.0
Qnnect, LLC (3)(4)	Manufacturer of highly engineered hermetic packaging products	11/2029	11.1 %	277.3	268.9
THG Acquisition, LLC (3)	Multi-line insurance broker	12/2026	10.1 %	321.2	317.9
Towne Holdings, Inc.	Parking management and hospitality services provider	8/2023	13.8 %	146.9	143.9
Walnut Parent, Inc. (3)	Manufacturer of natural solution pest and animal control products	11/2027	10.2 %	377.0	365.8
				$ 5,166.3	$ 4,958.1

(1) Represents the weighted average annual stated interest rate as of December 31, 2022. All interest rates are payable in cash, except for portions of the stated interest rates which are payment-in-kind for investments in Emergency Communications Network, LLC and Towne Holdings, Inc.

(2) Represents the fair value in accordance with Accounting Standards Codification 820-10, *Fair Value Measurements and Disclosures* (“ASC 820-10”). The determination of such fair value is not included in our valuation process described elsewhere herein.

(3) We also hold a portion of this company’s first lien senior secured loan.

(4) We hold an equity investment in this company.

(5) Loan was on non-accrual status as of December 31, 2022.

SDLP Loan Portfolio as of December 31, 2021

(dollar amounts in millions) Portfolio Company	Business Description	Maturity Date	Stated Interest Rate(1)	Principal Amount	Fair Value(2)
Arrowhead Holdco Company (3)(4)	Distributor of non-discretionary, mission critical aftermarket replacement parts	8/2028	5.3 %	$ 274.8	$ 272.0
Benecon Midco II LLC (3)(4)	Employee benefits provider for small and mid-size employers	12/2026	6.3 %	173.7	173.7
Center for Autism and Related Disorders, LLC (3)	Autism treatment and services provider specializing in applied behavior analysis therapy	11/2024	7.5 %	145.1	132.0
Concert Golf Partners Holdco LLC (3)	Golf club owner and operator	8/2025	6.0 %	223.2	221.0
Emergency Communications Network, LLC (3)	Provider of mission critical emergency mass notification solutions	6/2023	8.8 %	227.1	209.0
Excelligence Holdings Corp. (3)	Developer, manufacturer and retailer of educational products	4/2023	7.0 %	154.3	149.6
FS Squared Holding Corp. (3)(4)	Provider of on-site vending and micro-market solutions to employers	3/2025	5.4 %	244.3	244.3
Harvey Tool Company, LLC (3)	Manufacturer of cutting tools used in the metalworking industry	10/2027	6.3 %	226.1	223.9
Manna Pro Products, LLC (3)	Manufacturer and supplier of specialty nutrition and care products for animals	12/2026	7.0 %	273.0	273.0
n2y Holding, LLC (3)	Developer of cloud-based special education platform	11/2026	6.8 %	195.4	195.4
NCWS Intermediate, Inc. (3)(4)	Manufacturer and supplier of car wash equipment, parts and supplies to the conveyorized car wash market	12/2026	6.8 %	272.6	269.9
North Haven Falcon Buyer, LLC (3)(4)	Manufacturer of aftermarket golf cart parts and accessories	5/2027	7.0 %	191.6	189.7
Pegasus Global Enterprise Holdings, LLC (3)(4)	Provider of plant maintenance and scheduling software	5/2025	6.3 %	341.9	341.9
Penn Detroit Diesel Allison, LLC	Distributor of aftermarket parts to the heavy-duty truck industry	12/2023	8.0 %	62.9	62.9
Precinmac (US) Holdings Inc. and Trimaster Manufacturing Inc. (3)(4)	Manufacturer of high-tolerance precision machined components and assemblies for the aerospace and defense industry	8/2027	7.0 %	202.8	200.7
Pritchard Industries, LLC (3)(4)	Provider of janitorial and facilities management services	10/2027	6.3 %	201.9	199.9
THG Acquisition, LLC (3)	Multi-line insurance broker	12/2026	6.7 %	310.3	310.3
Towne Holdings, Inc.	Parking management and hospitality services provider	5/2022	9.8 %	132.6	118.0
Walnut Parent, Inc. (3)	Manufacturer of natural solution pest and animal control products	11/2027	6.5 %	339.9	339.9
				$ 4,193.5	$ 4,127.1

(1) Represents the weighted average annual stated interest rate as of December 31, 2021. All interest rates are payable in cash, except for portions of the stated interest rates which are payment-in-kind for investments in Center for Autism and Related Disorders, LLC, Emergency Communications Network, LLC and Towne Holdings, Inc.

(2) Represents the fair value in accordance with Accounting Standards Codification 820-10, *Fair Value Measurements and Disclosures* ("ASC 820-10"). The determination of such fair value is not included in our valuation process described elsewhere herein.

(3) We also hold a portion of this company's first lien senior secured loan.

(4) We hold an equity investment in this company.

Ivy Hill Asset Management, L.P.

Ivy Hill Asset Management, L.P. ("IHAM"), our wholly owned portfolio company, is an asset management services company and an SEC-registered investment adviser. As of December 31, 2022, IHAM had assets under management of approximately $13.1 billion. As of December 31, 2022, IHAM managed 21 vehicles and served as the sub-manager/sub-servicer for one other vehicle (these vehicles managed or sub-managed/sub-serviced by IHAM are referred to as the "IHAM Vehicles"). IHAM earns fee income from managing the IHAM Vehicles and has also invested in certain of these vehicles as part of its business strategy. The amortized cost of IHAM's total investments as of December 31, 2022 and 2021 was $2,370 million and $966 million, respectively. For the years ended December 31, 2022 and 2021, IHAM had management and incentive fee income of $48 million and $31 million, respectively, and other investment-related income of $189 million and $91 million, respectively.

The amortized cost and fair value of our investments in IHAM as of December 31, 2022 and 2021 were as follows:

	As of December 31,			
	2022		2021	
(in millions)	**Amortized Cost**	**Fair Value**	**Amortized Cost**	**Fair Value**
Subordinated debt	$ 500	$ 500	$ 16	$ 16
Equity investment	1,548	1,701	765	920
Total investments in IHAM	$ 2,048	$ 2,201	$ 781	$ 936

The interest income and dividend income that we earned from IHAM for the years ended December 31, 2022 and 2021 were as follows:

	For the Years Ended December 31,	
(in millions)	**2022**	**2021**
Interest income	$ 23	$ 3
Dividend income	$ 205	$ 93

From time to time, IHAM or certain IHAM Vehicles may purchase investments from, or sell investments to us. For any such sales or purchases by the IHAM Vehicles to or from us, the IHAM Vehicle must obtain approval from third parties unaffiliated with us or IHAM, as applicable. During the years ended December 31, 2022 and 2021, IHAM or certain of the IHAM Vehicles purchased $3.4 billion and $2.4 billion, respectively, of loans from us. For the years ended December 31, 2022 and 2021, we recognized $20 million and $7 million, respectively, of net realized losses from these sales. During the year ended December 31, 2022, we purchased $27 million of investments from certain IHAM Vehicles.

IHAM is party to an administration agreement, referred to herein as the "IHAM administration agreement," with Ares Operations. Pursuant to the IHAM administration agreement, Ares Operations provides IHAM with, among other things, office facilities, equipment, clerical, bookkeeping and record keeping services, services relating to the marketing and sale of interests in vehicles managed by IHAM, services of, and oversight of, custodians, depositories, accountants, attorneys, underwriters and such other persons in any other capacity deemed to be necessary. Under the IHAM administration agreement, IHAM reimburses Ares Operations for all of the actual costs associated with such services, including Ares Operations' allocable portion of the compensation, rent and other expenses of its officers, employees and respective staff in performing its obligations under the IHAM administration agreement.

Selected Financial Information

Pursuant to Rule 4-08(g) of Regulation S-X, selected financial information of IHAM, in conformity with GAAP, as of and for the years ended December 31, 2022 and 2021 is presented below.

In conformity with GAAP, IHAM is required to consolidate entities in which IHAM has a direct or indirect controlling financial interest based on either a variable interest model or voting interest model, which include certain of the IHAM Vehicles (the "Consolidated IHAM Vehicles"). As such, for GAAP purposes only, IHAM consolidates (a) entities in which it holds a majority voting interest or has majority ownership and control over the operational, financial and investing decisions of that entity and (b) entities that it concludes are variable interest entities in which IHAM has more than insignificant economic interest and power to direct the activities that most significantly impact the entities, and for which IHAM is deemed to be the primary beneficiary.

When IHAM consolidates an IHAM Vehicle for GAAP purposes only, IHAM reflects the assets, liabilities, revenues and expenses of the Consolidated IHAM Vehicles on a gross basis, including the economic interests held by third-party investors in the Consolidated IHAM Vehicles as debt obligations, subordinated notes or non-controlling interests, in the consolidated IHAM financials below. All of the revenues earned by IHAM as the investment manager of the IHAM Consolidated Vehicles are eliminated in GAAP consolidation. However, because the eliminated amounts are earned from and funded by third-party investors, the GAAP consolidation of an IHAM Vehicle does not impact the net income or loss attributable to IHAM. As a result, we believe an assessment of IHAM's business and the impact to our investment in IHAM is best viewed on a stand-alone basis as reflected in the first column in the tables below.

	As of December 31, 2022			
(in millions)	**IHAM**	**Consolidated IHAM Vehicles(1)**	**Eliminations**	**Consolidated**
Selected Balance Sheet Information:				
Assets				
Investments at fair value(2)	$ 2,340	$ 8,973	$ (2,315)	$ 8,998
Cash and cash equivalents	5	499	—	504
Other assets	55	94	(51)	98
Total assets	$ 2,400	$ 9,566	$ (2,366)	$ 9,600
Liabilities				
Debt	$ 308	$ 6,968	$ —	$ 7,276
Subordinated note from ARCC	500	—	—	500
Subordinated notes(3)	—	1,374	(1,093)	281
Other liabilities	17	129	(15)	131
Total liabilities	825	8,471	(1,108)	8,188
Equity				
Contributed capital	1,547	—	—	1,547
Accumulated earnings	61	—	—	61
Net unrealized losses on investments and foreign currency transactions	(33)	—	—	(33)
Non-controlling interests in Consolidated IHAM Vehicles(4)	—	1,095	(1,258)	(163)
Total equity	1,575	1,095	(1,258)	1,412
Total liabilities and equity	$ 2,400	$ 9,566	$ (2,366)	$ 9,600

(in millions)	As of December 31, 2021 IHAM	Consolidated IHAM Vehicles(1)	Eliminations	Consolidated
Selected Balance Sheet Information:				
Assets				
Investments at fair value(2)	$ 966	$ 5,510	$ (927)	$ 5,549
Cash and cash equivalents	8	416	—	424
Other assets	12	79	(8)	83
Total assets	$ 986	$ 6,005	$ (935)	$ 6,056
Liabilities				
Debt	$ 125	$ 4,656	$ —	$ 4,781
Subordinated note from ARCC	16	—	—	16
Subordinated notes(3)	—	983	(700)	283
Other liabilities	2	98	(9)	91
Total liabilities	143	5,737	(709)	5,171
Equity				
Contributed capital	765	—	—	765
Accumulated earnings	78	—	—	78
Net unrealized gains on investments and foreign currency transactions	—	—	—	—
Non-controlling interests in Consolidated IHAM Vehicles(4)	—	268	(226)	42
Total equity	843	268	(226)	885
Total liabilities and equity	$ 986	$ 6,005	$ (935)	$ 6,056

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(1) Consolidated for GAAP purposes only.

(2) The determination of such fair value is determined in accordance with IHAM's valuation procedures (separate and apart from our valuation process described elsewhere herein). The amortized cost of IHAM's total investments as of December 31, 2022 and 2021 was $2,370 million and $966 million, respectively. The amortized cost of the total investments of IHAM on a consolidated basis as of December 31, 2022 and 2021 was $9,306 million and $5,588 million, respectively.

(3) Subordinated notes generally represent the most junior capital in certain of the Consolidated IHAM Vehicles and effectively represent equity in such vehicles.

(4) Non-controlling interests in Consolidated IHAM Vehicles includes net unrealized depreciation in the Consolidated IHAM Vehicles of $309 million and $30 million as of December 31, 2022 and 2021, respectively.

(in millions)	For the Year Ended December 31, 2022 IHAM	Consolidated IHAM Vehicles(1)	Eliminations	Consolidated
Selected Statement of Operations Information:				
Revenues				
Investment income	$ 188	$ 594	$ (185)	$ 597
Management fees and other income	49	7	(46)	10
Total revenues	237	601	(231)	607
Expenses				
Interest expense	35	261	—	296
Distributions to subordinated notes	—	130	(95)	35
Management fees and other expenses	14	56	(46)	24
Total expenses	49	447	(141)	355
Net operating income	188	154	(90)	252
Net realized losses on investments and other transactions	—	(12)	—	(12)
Net unrealized losses on investments and other transactions	(33)	(279)	31	(281)
Total net realized and unrealized losses on investments and other transactions	(33)	(291)	31	(293)
Net income (loss)	155	(137)	(59)	(41)
Less: Net income (loss) attributable to non-controlling interests in Consolidated IHAM Vehicles	—	(137)	(59)	(196)
Net income attributable to Ivy Hill Asset Management, L.P.	$ 155	$ —	$ —	$ 155

(in millions)	For the Year Ended December 31, 2021 IHAM	Consolidated IHAM Vehicles(1)	Eliminations	Consolidated
Selected Statement of Operations Information:				
Revenues				
Investment income	$ 97	$ 285	$ (93)	$ 289
Management fees and other income	31	7	(27)	11
Total revenues	128	292	(120)	300
Expenses				
Interest expense	5	99	—	104
Distributions to subordinated notes	—	135	(101)	34
Management fees and other expenses	12	38	(27)	23
Total expenses	17	272	(128)	161
Net operating income	111	20	8	139
Net realized gains (losses) on investments and other transactions	(6)	80	(28)	46
Net unrealized gains on investments and other transactions	18	91	(15)	94
Total net realized and unrealized gains on investments and other transactions	12	171	(43)	140
Net income	123	191	(35)	279
Less: Net income attributable to non-controlling interests in Consolidated IHAM Vehicles	—	191	(35)	156
Net income attributable to Ivy Hill Asset Management, L.P.	$ 123	$ —	$ —	$ 123

(1) Consolidated for GAAP purposes only.

RESULTS OF OPERATIONS

For the years ended December 31, 2022 and 2021

Operating results for the years ended December 31, 2022 and 2021 were as follows:

	For the Years Ended December 31,	
(in millions)	**2022**	**2021**
Total investment income	$ 2,096	$ 1,820
Total expenses	949	1,050
Net investment income before income taxes	1,147	770
Income tax expense, including excise tax	55	29
Net investment income	1,092	741
Net realized gains on investments, foreign currency and other transactions	81	283
Net unrealized (losses) gains on investments, foreign currency and other transactions	(525)	586
Realized loss on extinguishment of debt	(48)	(43)
Net increase in stockholders' equity resulting from operations	$ 600	$ 1,567

Net income can vary substantially from period to period due to various factors, including acquisitions, the level of new investment commitments, the recognition of realized gains and losses and unrealized appreciation and depreciation. As a result, comparisons of net increase in stockholders' equity resulting from operations may not be meaningful.

Investment Income

	For the Years Ended December 31,	
(in millions)	**2022**	**2021**
Interest income from investments	$ 1,470	$ 1,247
Capital structuring service fees	153	306
Dividend income	424	222
Other income	49	45
Total investment income	$ 2,096	$ 1,820

Interest income from investments for the year ended December 31, 2022 increased from the comparable period in 2021 primarily as a result of an increase in the average size of our portfolio as well as the impact of rising interest rates. The average size and weighted average yield of our portfolio at amortized cost for the years ended December 31, 2022 and 2021 were as follows:

	For the Years Ended December 31,	
(dollar amounts in millions)	**2022**	**2021**
Average size of portfolio	$ 20,704	$ 17,053
Weighted average yield on portfolio	9.0 %	8.5 %

Capital structuring service fees for the year ended December 31, 2022 decreased from the comparable period in 2021 primarily due to a decrease in new investment commitments and a decrease in the weighted average capital structuring service fee percentage during the year ended December 31, 2022. The higher weighted average capital structuring service fee percentage during the year ended December 31, 2021 as compared to the comparable period in 2022 was primarily due to a higher number of transactions in new portfolio companies. The new investment commitments and weighted average capital structuring service fee percentages for the years ended December 31, 2022 and 2021 were as follows:

	For the Years Ended December 31,	
(dollar amounts in millions)	**2022**	**2021**
New investment commitments	$ 9,870	$ 15,573
Weighted average capital structuring service fee percentages(1)	1.5 %	2.0 %

(1) Excluding $1,544 million and $348 million of investment commitments to IHAM for the years ended December 31, 2022 and 2021, respectively, the weighted average capital structuring service fee percentage was 1.8% and 2.0%, respectively.

Dividend income for the years ended December 31, 2022 and 2021 were as follows:

	For the Years Ended December 31,	
(in millions)	2022	2021
Dividend income received from IHAM	$ 205	$ 93
Recurring dividend income	208	110
Non-recurring dividend income	11	19
Total dividend income	$ 424	$ 222

Dividend income received from IHAM for the year ended December 31, 2022 increased from the comparable period in 2021 primarily due to the continued increase in IHAM's assets under management, which generally has been supported by our additional investments in IHAM. Recurring dividend income for the year ended December 31, 2022 increased from the comparable period in 2021 primarily due to an increase in yielding preferred equity investments.

Operating Expenses

	For the Years Ended December 31,	
(in millions)	2022	2021
Interest and credit facility fees	$ 455	$ 372
Base management fees	305	253
Income based fees	252	225
Capital gains incentive fees(1)	(101)	161
Administrative fees	11	15
Other general and administrative	27	24
Total expenses	$ 949	$ 1,050

(1) Calculated in accordance with GAAP as discussed below.

Interest and credit facility fees for the years ended December 31, 2022 and 2021, were comprised of the following:

	For the Years Ended December 31,	
(in millions)	2022	2021
Stated interest expense	$ 411	$ 308
Credit facility fees	18	33
Amortization of debt issuance costs	30	29
Net (amortization) accretion of discount on notes payable	(4)	2
Total interest and credit facility fees	$ 455	$ 372

Stated interest expense for the year ended December 31, 2022 increased from the comparable period in 2021 primarily due to the increase in the average principal amount of debt outstanding and the rising interest rates on our floating rate revolving facilities. Our weighted average stated interest rate for the year ended December 31, 2022 increased from the comparable period in 2021 due to the higher utilization of our floating rate revolving facilities and the impact of rising interest rates. Average debt outstanding and weighted average stated interest rate on our debt outstanding for the years ended December 31, 2022 and 2021 were as follows:

(dollar amounts in millions)	For the Years Ended December 31, 2022	2021
Average debt outstanding	$ 11,530	$ 9,411
Weighted average stated interest rate on debt	3.6 %	3.3 %

Credit facility fees for the year ended December 31, 2022 were lower from the comparable period in 2021 primarily due to the higher utilization of our revolving facilities resulting in lower unused commitment fees.

Base management fees for the year ended December 31, 2022 increased from the comparable period in 2021 primarily due to the increase in the average size of our portfolio for the year ended December 31, 2022 as compared to the comparable period in 2021.

Income based fees for the year ended December 31, 2022 increased from the comparable period in 2021 primarily due to the pre-incentive fee net investment income, as defined in the investment advisory and management agreement for the year ended December 31, 2022 being higher than in the comparable period in 2021.

For the year ended December 31, 2022, the reduction in the capital gains incentive fee calculated in accordance with GAAP was $101 million. For the year ended December 31, 2021, the capital gains incentive fee calculated in accordance with GAAP was $161 million. The capital gains incentive fee accrual for the year ended December 31, 2022 changed from the comparable period in 2021 primarily due to net losses on investments, foreign currency, other transactions and the extinguishment of debt of $492 million compared to net gains of $826 million for the year ended December 31, 2021. The capital gains incentive fee accrued under GAAP includes an accrual related to unrealized capital appreciation, whereas the capital gains incentive fee actually payable under our investment advisory and management agreement does not. There can be no assurance that such unrealized capital appreciation will be realized in the future. The accrual for any capital gains incentive fee under GAAP in a given period may result in an additional expense if such cumulative amount is greater than in the prior period or a reduction of previously recorded expense if such cumulative amount is less than in the prior period. If such cumulative amount is negative, then there is no accrual. As of December 31, 2022, there was $35 million of capital gains incentive fees accrued in accordance with GAAP. As of December 31, 2022, there was no capital gains incentive fee actually payable under our investment advisory and management agreement. See Note 3 to our consolidated financial statements for the year ended December 31, 2022, for more information on the base management fees, income based fees and capital gains incentive fees.

Cash payment of any income based fees and capital gains incentive fees otherwise earned by our investment adviser is deferred if during the most recent four full calendar quarter period ending on or prior to the date such payment is to be made the sum of (a) the aggregate distributions to our stockholders and (b) the change in net assets (defined as total assets less indebtedness and before taking into account any income based fees and capital gains incentive fees payable during the period) is less than 7.0% of our net assets (defined as total assets less indebtedness) at the beginning of such period. These calculations will be adjusted for any share issuances or repurchases. Any income based fees and capital gains incentive fees deferred for payment are carried over for payment in subsequent calculation periods to the extent such fees are payable under the terms of the investment advisory and management agreement. Pursuant to these terms, payment of $81 million of the income based fees earned by our investment adviser for the year ended December 31, 2022 has been deferred. See Note 3 to our consolidated financial statements for the year ended December 31, 2022, for more information on the related deferral terms.

Administrative fees represent fees paid to Ares Operations for our allocable portion of overhead and other expenses incurred by Ares Operations in performing its obligations under the administration agreement, including our allocable portion of the compensation, rent and other expenses of certain of our corporate officers and their respective staffs. See Note 3 to our consolidated financial statements for the year ended December 31, 2022, for more information on the administrative fees.

Other general and administrative expenses include, among other costs, professional fees, insurance, fees and expenses related to evaluating and making investments in portfolio companies and independent directors' fees.

Income Tax Expense, Including Excise Tax

We have elected to be treated as a RIC under the Code and operate in a manner so as to qualify for the tax treatment applicable to RICs. To qualify as a RIC, we must, among other requirements, meet certain source-of-income and asset diversification requirements and timely distribute to our stockholders at least 90% of our investment company taxable income, as defined by the Code, for each year. We have made and intend to continue to make the requisite distributions to our stockholders which will generally relieve us from U.S. federal corporate-level income taxes.

Depending on the level of taxable income earned in a tax year, we may choose to carry forward such taxable income in excess of current year dividend distributions from such current year taxable income into the next tax year and pay a 4% excise tax on such income, as required. To the extent that we determine that our estimated current year taxable income will be in excess of estimated dividend distributions for the current year from such income, we accrue excise tax, if any, on estimated excess taxable income as such taxable income is earned. For the years ended December 31, 2022 and 2021, we recorded an expense of $30 million and $24 million, respectively, for U.S. federal excise tax.

Certain of our consolidated subsidiaries are subject to U.S. federal and state income taxes. For the years ended December 31, 2022 and 2021, we recorded a net tax expense of $25 million and $6 million, respectively, for these subsidiaries. The income tax expense for our taxable consolidated subsidiaries will vary depending on the level of realized gains from the exits of investments held by such taxable subsidiaries during the respective periods.

Net Realized Gains/Losses

The net realized gains (losses) from the sales, repayments or exits of investments during the years ended December 31, 2022 and 2021 were comprised of the following:

	For the Years Ended December 31,	
(in millions)	**2022**	**2021**
Sales, repayments or exits of investments(1)	$ 7,757	$ 10,473
Net realized gains (losses) on investments:		
Gross realized gains	$ 235	$ 442
Gross realized losses	(211)	(184)
Total net realized gains on investments	$ 24	$ 258

(1) Includes $3.4 billion and $2.4 billion of loans sold to IHAM and certain vehicles managed by IHAM during the years ended December 31, 2022 and 2021, respectively. Net realized losses of $20 million and $7 million, respectively, were recorded on these transactions with IHAM during the years ended December 31, 2022 and 2021. See Note 4 to our consolidated financial statements for the year ended December 31, 2022 for more information on IHAM and its managed vehicles.

The net realized gains on investments during the year ended December 31, 2022 consisted of the following:

(in millions) Portfolio Company	Net Realized Gains (Losses)
Alcami Corporation and ACM Note Holdings, LLC	$ 66
Athenahealth, Inc., VVC Holding Corp., Virence Intermediate Holding Corp., and Virence Holdings LLC	38
Primrose Holding Corporation	29
IRI Holdings, Inc., IRI Group Holdings, Inc. and IRI Parent, L.P.	22
Navisun LLC and Navisun Holdings LLC	19
Bearcat Buyer, Inc. and Bearcat Parent, Inc.	16
Sundance Energy Inc.	(23)
Teligent, Inc	(30)
PhyMED Management LLC	(55)
Eckler Industries, Inc. and Eckler Purchaser LLC	(57)
Other, net	(1)
Total	$ 24

During the year ended December 31, 2022, we also recognized net realized gains on foreign currency and other transactions of $57 million.

During the year ended December 31, 2022, we repaid in full the $388 million in aggregate principal amount of unsecured convertible notes (the “2022 Convertible Notes”) upon their maturity at a premium in accordance with the terms of the indenture governing the 2022 Convertible Notes, resulting in a realized loss on the extinguishment of debt of $48 million.

The net realized gains on investments during the year ended December 31, 2021 consisted of the following:

(in millions) Portfolio Company	Net Realized Gains (Losses)
SVP-Singer Holdings Inc. and SVP-Singer Holdings LP	$ 110
Blue Angel Buyer 1, LLC and Blue Angel Holdco, LLC	46
GB Auto Service, Inc. and GB Auto Service Holdings, LLC	32
RMCF III CIV XXIX, L.P	30
Evolent Health LLC and Evolent Health, Inc.	21
BW Landco LLC	21
Mavis Tire Express Services Topco Corp., Metis HoldCo, Inc., and Metis TopCo, LP	18
ChargePoint Holdings, Inc.	17
QC Supply, LLC	(21)
Green Energy Partners, Stonewall LLC, Panda Stonewall Intermediate Holdings II LLC and Potomac Intermediate Holdings II LLC	(21)
Garden Fresh Restaurant Corp. and GFRC Holdings LLC	(24)
ADF Capital, Inc., ADF Restaurant Group, LLC, and ARG Restaurant Holdings, Inc.	(57)
Other, net	86
Total	$ 258

During the year ended December 31, 2021, we also recognized net realized gains on foreign currency transactions of $25 million.

During the year ended December 31, 2021, we redeemed the entire $230 million in aggregate principal amount outstanding of the unsecured notes that were scheduled to mature on April 15, 2047 (the “2047 Notes”) in accordance with the terms of the indenture governing the 2047 Notes. The 2047 Notes were redeemed at par plus accrued and unpaid interest for a total redemption price of approximately $233 million, which resulted in a realized loss on the extinguishment of debt of $43 million. The $186 million carrying value of the 2047 Notes at the time of redemption represented the aggregate principal amount of the 2047 Notes less the unaccreted purchased discount recorded in connection with the Allied Acquisition.

Net Unrealized Gains/Losses

We value our portfolio investments quarterly and the changes in value are recorded as unrealized gains or losses in our consolidated statement of operations. Net unrealized gains and losses on investments for the years ended December 31, 2022 and 2021, were comprised of the following:

	For the Years Ended December 31,	
(in millions)	**2022**	**2021**
Unrealized appreciation	460	$ 660
Unrealized depreciation	(997)	(344)
Net unrealized (appreciation) depreciation reversed related to net realized gains or losses(1)	24	286
Total net unrealized gains (losses) on investments	$ (513)	$ 602

(1) The net unrealized depreciation reversed related to net realized gains or losses represents the unrealized appreciation or depreciation recorded on the related asset at the end of the prior period.

For the year ended December 31, 2022, the net unrealized losses recorded on investments were largely due to declining prices in the credit and equity markets as market participants expected a higher return on similar investments as a result of the higher rate environment.

The changes in net unrealized appreciation and depreciation on investments during the year ended December 31, 2022 consisted of the following:

(in millions) Portfolio Company	Net Unrealized Appreciation (Depreciation)
Apex Clean Energy TopCo, LLC	$ 53
Heelstone Renewable Energy, LLC and Heelstone Renewable Energy Investors, LLC	43
Production Resource Group, L.L.C. and PRG III, LLC	34
VPROP Operating, LLC and V SandCo, LLC	33
Moon Valley Nursery of Arizona Retail, LLC, Moon Valley Nursery Farm Holdings, LLC, Moon Valley Nursery RE Holdings LLC, and Stonecourt IV Partners, LP	16
Cipriani USA, Inc. and Cipriani Group Holding S.A.R.L.	16
Mitchell International, Inc.	(16)
Olympia Acquisition, Inc., Olympia TopCo, L.P., and Asclepius Holdings LLC	(17)
Cardinal Parent, Inc. and Packers Software Intermediate Holdings, Inc.	(18)
Dcert Buyer, Inc., DCert Preferred Holdings, Inc. and Destiny Digital Holdings, L.P.	(19)
SHO Holding I Corporation	(21)
AthenaHealth Group Inc., Minerva Holdco, Inc. and BCPE Co-Invest (A), LP	(21)
High Street Buyer, Inc. and High Street Holdco LLC	(22)
Huskies Parent, Inc., GI Insurity Parent LLC and GI Insurity TopCo LP	(23)
Senior Direct Lending Program, LLC	(25)
SVP-Singer Holdings Inc. and SVP-Singer Holdings LP	(26)
TibCo Software Inc., Picard Parent, Inc., Picard MidCo, Inc., Picard HoldCo, LLC and Elliott Alto Co-Investor Aggregator L.P.	(32)
Cornerstone OnDemand, Inc. and Sunshine Software Holdings, Inc.	(32)
Global Medical Response, Inc. and GMR Buyer Corp.	(33)
Visual Edge Technology, Inc.	(34)
Potomac Intermediate Holdings II LLC	(43)
Symplr Software Inc. and Symplr Software Intermediate Holdings, Inc.	(51)
CoreLogic, Inc. and T-VIII Celestial Co-Invest LP	(62)
Other, net	(237)
Total	$ (537)

During the year ended December 31, 2022, we also recognized net unrealized losses on foreign currency and other transactions of $12 million.

The changes in net unrealized appreciation and depreciation on investments during the year ended December 31, 2021 consisted of the following:

(in millions) Portfolio Company	Net Unrealized Appreciation (Depreciation)
Ivy Hill Asset Management, L.P.	$ 67
Athenahealth, Inc., VVC Holding Corp., Virence Intermediate Holding Corp., and Virence Holdings LLC	35
OTG Management, LLC	28
Instituto de Banca y Comercio, Inc. & Leeds IV Advisors, Inc.	24
Sundance Group Holdings, Inc.	21
Microstar Logistics LLC, Microstar Global Asset Management LLC, MStar Holding Corporation and Kegstar USA Inc.	20
ADG, LLC and RC IV GEDC Investor LLC	19
CoreLogic, Inc. and T-VIII Celestial Co-Invest LP	18
High Street Buyer, Inc. and High Street Holdco LLC	17
GHX Ultimate Parent Corporation, Commerce Parent, Inc. and Commerce Topco, LLC	15
Essential Services Holding Corporation and OMERS Mahomes Investment Holdings LLC	15
Implus Footcare, LLC	(20)
Elemica Parent, Inc. & EZ Elemica Holdings, Inc.	(20)
HAI Acquisition Corporation and Aloha Topco, LLC	(20)
Redwood Services, LLC and Redwood Services Holdco, LLC	(25)
Laboratories Bidco LLC and Laboratories Topco LLC	(31)
Pegasus Global Enterprise Holdings, LLC, Mekone Blocker Acquisition, Inc. and Mekone Parent, LLC	(35)
Other, net	188
Total	$ 316

During the year ended December 31, 2021, we also recognized net unrealized losses on foreign currency and other transactions of $16 million.

For the years ended December 31, 2021 and 2020

The comparison of the fiscal years ended December 31, 2021 and 2020 can be found in our annual report on Form 10-K for the fiscal year ended December 31, 2021 located within Part II, Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations, which is incorporated herein by reference.

FINANCIAL CONDITION, LIQUIDITY AND CAPITAL RESOURCES

Our liquidity and capital resources are generated primarily from the net proceeds of public offerings of equity and debt securities, advances from the Revolving Credit Facility, the Revolving Funding Facility, the SMBC Funding Facility and the BNP Funding Facility (each as defined below, and together, the “Facilities”), net proceeds from the issuance of other securities, including unsecured notes, as well as cash flows from operations.

In accordance with the Investment Company Act, we are allowed to borrow amounts such that our asset coverage calculated pursuant to the Investment Company Act, is at least 150% after such borrowings (i.e., we are able to borrow up to two dollars for every dollar we have in assets less all liabilities and indebtedness not represented by senior securities issued by us). As of December 31, 2022, we had $303 million in cash and cash equivalents and $12.2 billion in total aggregate principal amount of debt outstanding ($12.2 billion at carrying value) and our asset coverage was 177%. Subject to borrowing base and other restrictions, we had approximately $3.9 billion available for additional borrowings under the Facilities as of December 31, 2022.

We may from time to time seek to retire or repurchase our common stock through cash purchases, as well as retire, cancel or purchase our outstanding debt through cash purchases and/or exchanges, in open market purchases, privately negotiated transactions or otherwise. The amounts involved may be material. In addition, we may from time to time enter into additional debt facilities, increase the size of existing facilities or issue additional debt securities, including secured debt, unsecured debt and/or debt securities convertible into common stock. Any such purchases or exchanges of common stock or outstanding debt, or incurrence or issuance of additional debt would be subject to prevailing market conditions, our liquidity requirements, contractual and regulatory restrictions and other factors.

Equity Capital Activities

As of December 31, 2022 and 2021, our total equity market capitalization was $9.6 billion and $9.9 billion, respectively.

We may from time to time issue and sell shares of our common stock through public or "at the market" offerings. In connection with the issuance of our common stock, we issued and sold the following shares of common stock during the year ended December 31, 2022:

(in millions, except per share amount) Issuances of Common Stock	Number of Shares Issued	Gross Proceeds	Underwriting Fees/Offering Expenses	Net Proceeds	Average Offering Price Per Share(1)
Public offerings	29.6	$ 613.5	$ 29.2	$ 584.3	$ 19.74 (2)
"At the market" offerings	20.6	421.8	4.8	417.0	$ 20.52
Total	50.2	$ 1,035.3	$ 34.0	$ 1,001.3	

(1) Represents the gross offering price per share before deducting underwriting discounts and commissions and offering expenses.

(2) 11.2 million, 9.2 million and 9.2 million of the shares were sold to the underwriters for a price of $21.06 per share, $19.00 per share and $18.87 per share, respectively, which the underwriters were then permitted to sell at variable prices to the public. See "Recent Developments," as well as Note 15 to our consolidated financial statements for the year ended December 31, 2022 for a subsequent event relating to our public equity offerings.

"At the Market" Offerings

We are a party to equity distribution agreements with several banks (the "Equity Distribution Agreements"). The Equity Distribution Agreements provide that we may from time to time issue and sell, by means of "at the market" offerings, up to $500 million shares of our common stock. Subject to the terms and conditions of the Equity Distribution Agreements, sales of common stock, if any, may be made in transactions that are deemed to be "at the market" offerings as defined in Rule 415(a)(4) under the Securities Act of 1933, as amended. Under the currently effective Equity Distribution Agreements, common stock with an aggregate offering amount of $394 million remained available for issuance as of December 31, 2022.

Stock Repurchase Program

We are authorized under our stock repurchase program to purchase up to $500 million in the aggregate of our outstanding common stock in the open market at certain thresholds below our net asset value per share, in accordance with the guidelines specified in Rule 10b-18 under the Securities Exchange Act of 1934, as amended. The timing, manner, price and amount of any share repurchases will be determined by us, in our sole discretion, based upon an evaluation of economic and market conditions, stock price, applicable legal and regulatory requirements and other factors. The stock repurchase program does not require us to repurchase any specific number of shares of common stock or any shares of common stock at all. Consequently, we cannot assure stockholders that any specific number of shares of common stock, if any, will be repurchased under the stock repurchase program. As of December 31, 2022, the expiration date of the stock repurchase program is February 15, 2023. The program may be suspended, extended, modified or discontinued at any time. As of December 31, 2022, there was $500 million available for additional repurchases under the program.

During the years ended December 31, 2022 and 2021, we did not repurchase any shares of our common stock in the open market under the stock repurchase program.

See "Recent Developments," as well as Note 15 to our consolidated financial statements for the year ended December 31, 2022 for a subsequent event relating to our stock repurchase program.

Debt Capital Activities

Our debt obligations consisted of the following as of December 31, 2022 and 2021:

	As of December 31,					
	2022			2021		
(in millions)	Total Aggregate Principal Amount Available/ Outstanding(1)	Principal Amount Outstanding	Carrying Value	Total Aggregate Principal Amount Available/ Outstanding(1)	Principal Amount Outstanding	Carrying Value
Revolving Credit Facility	$ 4,843 (2)	$ 2,246	$ 2,246	$ 4,232 (2)	$ 1,507	$ 1,507
Revolving Funding Facility	1,775	800	800	1,525	762	762
SMBC Funding Facility	800 (3)	451	451	800 (3)	401	401
BNP Funding Facility	300	245	245	300	—	—
2022 Convertible Notes	—	—	—	388	388	388 (4)
2024 Convertible Notes	403	403	399 (4)	403	403	395 (4)
2023 Notes	750	750	750 (4)	750	750	748 (4)
2024 Notes	900	900	898 (4)	900	900	897 (4)
March 2025 Notes	600	600	597 (4)	600	600	596 (4)
July 2025 Notes	1,250	1,250	1,258 (4)	1,250	1,250	1,260 (4)
January 2026 Notes	1,150	1,150	1,144 (4)	1,150	1,150	1,143 (4)
July 2026 Notes	1,000	1,000	991 (4)	1,000	1,000	988 (4)
2027 Notes	500	500	494 (4)	—	—	—
2028 Notes	1,250	1,250	1,247 (4)	1,250	1,250	1,246 (4)
2031 Notes	700	700	690 (4)	700	700	689 (4)
Total	$ 16,221	$ 12,245	$ 12,210	$ 15,248	$ 11,061	$ 11,020

(1) Represents the total aggregate amount committed or outstanding, as applicable, under such instrument. Borrowings under the committed Revolving Credit Facility, Revolving Funding Facility, SMBC Funding Facility and BNP Funding Facility (each as defined below) are subject to borrowing base and other restrictions.

(2) Provides for a feature that allows us, under certain circumstances, to increase the size of the Revolving Credit Facility (as defined below) to a maximum of $7.3 billion.

(3) Provides for a feature that allows ACJB (as defined below), under certain circumstances, to increase the size of the SMBC Funding Facility (as defined below) to a maximum of $1.0 billion.

(4) Represents the aggregate principal amount outstanding, less unamortized debt issuance costs and the net unaccreted/amortized discount or premium recorded upon issuance. In February 2022, we repaid in full the 2022 Convertible Notes (defined below) upon their maturity.

The weighted average stated interest rate and weighted average maturity, both on aggregate principal amount outstanding, of all our debt outstanding as of December 31, 2022 were 4.2% and 3.6 years, respectively, and as of December 31, 2021 were 3.1% and 4.2 years, respectively.

The ratio of total principal amount of debt outstanding to stockholders' equity as of December 31, 2022 was 1.29:1.00 compared to 1.26:1.00 as of December 31, 2021.

Revolving Credit Facility

We are party to a senior secured revolving credit facility (as amended and restated, the "Revolving Credit Facility"), that allows us to borrow up to $4.8 billion at any one time outstanding. The Revolving Credit Facility consists of a $1.1 billion term loan tranche and a $3.7 billion revolving tranche. For $1.0 billion of the term loan tranche, the stated maturity date is March 31, 2027. For $28 million of the term loan tranche, the stated maturity date is March 31, 2026. For the remaining $50 million of the term loan tranche, the stated maturity date is March 30, 2025. For $3.5 billion of the revolving tranche, the end of the revolving period and the stated maturity date are March 31, 2026 and March 31, 2027, respectively. For $107 million of the revolving tranche, the end of the revolving period and the stated maturity date are March 31, 2025 and March 31, 2026, respectively. For the remaining $150 million of the revolving tranche, the end of the revolving period and the stated maturity date are March 30, 2024 and March 30, 2025, respectively. The Revolving Credit Facility also provides for a feature that allows us, under certain circumstances, to increase the overall size of the Revolving Credit Facility to a maximum of $7.3 billion. The interest rate charged on the Revolving Credit Facility is based on Secured Overnight Financing Rate ("SOFR") (or an alternative rate of interest for certain loans, commitments and/or other extensions of credit denominated in Sterling, Canadian Dollars, Euros and certain other foreign currencies) plus a credit spread adjustment of 0.10% and an applicable spread of either 1.75% or 1.875% or an "alternate base rate" (as defined in the agreements governing the Revolving Credit Facility) plus a credit spread adjustment of 0.10% and an applicable spread of either 0.75% or 0.875%, in each case, determined monthly based on the total amount of the borrowing base relative to the sum of (i) the greater of (a) the aggregate amount of revolving exposure and term loans outstanding under the Revolving Credit Facility and (b) 85% of the total commitments of the Revolving Credit Facility (or, if higher, the total revolving exposure) plus (ii) other debt, if any, secured by the same collateral as the Revolving Credit Facility. As of December 31, 2022, the applicable spread in effect was 1.75%. We are also required to pay a letter of credit fee of either 2.00% or 2.125% per annum on letters of credit issued, determined monthly based on the total amount of the borrowing base relative to the total commitments of the Revolving Credit Facility and other debt, if any, secured by the same collateral as the Revolving Credit Facility. Additionally, we are required to pay a commitment fee of 0.375% per annum on any unused portion of the Revolving Credit Facility. As of December 31, 2022, there was $2.2 billion outstanding under the Revolving Credit Facility and we were in compliance in all material respects with the terms of the Revolving Credit Facility.

Revolving Funding Facility

We and our consolidated subsidiary, Ares Capital CP Funding LLC ("Ares Capital CP"), are party to a revolving funding facility (as amended, the "Revolving Funding Facility"), that allows Ares Capital CP to borrow up to $1.8 billion at any one time outstanding. The Revolving Funding Facility is secured by all of the assets held by, and the membership interest in, Ares Capital CP. The end of the reinvestment period and the stated maturity date for the Revolving Funding Facility are December 29, 2024 and December 29, 2026, respectively. The interest rate charged on the Revolving Funding Facility is based on SOFR plus a credit spread adjustment of 0.10% or a "base rate" (as defined in the agreements governing the Revolving Funding Facility) plus an applicable spread of 1.90% per annum. Ares Capital CP is also required to pay a commitment fee of between 0.50% and 1.25% per annum depending on the size of the unused portion of the Revolving Funding Facility. As of December 31, 2022, there was $800 million outstanding under the Revolving Funding Facility and we and Ares Capital CP were in compliance in all material respects with the terms of the Revolving Funding Facility.

SMBC Funding Facility

We and our consolidated subsidiary, Ares Capital JB Funding LLC ("ACJB"), are party to a revolving funding facility (as amended, the "SMBC Funding Facility"), with ACJB, as the borrower, and Sumitomo Mitsui Banking Corporation, as the administrative agent and collateral agent, that allows ACJB to borrow up to $800 million at any one time outstanding. The SMBC Funding Facility also provides for a feature that allows ACJB, subject to receiving certain consents, to increase the overall size of the SMBC Funding Facility to $1.0 billion. The SMBC Funding Facility is secured by all of the assets held by ACJB. The end of the reinvestment period and the stated maturity date for the SMBC Funding Facility are May 28, 2024 and May 28, 2026, respectively. The reinvestment period and the stated maturity date are both subject to two one-year extensions by mutual agreement. The interest rate charged on the SMBC Funding Facility is based on an applicable spread of either 1.75% or 2.00% over LIBOR or 0.75% or 1.00% over a "base rate" (as defined in the agreements governing the SMBC Funding Facility), in each case, determined monthly based on the amount of the average borrowings outstanding under the SMBC Funding Facility. As of December 31, 2022, the applicable spread in effect was 1.75%. ACJB is also required to pay a commitment fee of between 0.50% and 1.00% per annum depending on the size of the unused portion of the SMBC Funding Facility. As of December 31, 2022, there was $451 million outstanding under the SMBC Funding Facility and we and ACJB were in compliance in all material respects with the terms of the SMBC Funding Facility.

BNP Funding Facility

We and our consolidated subsidiary, ARCC FB Funding LLC ("AFB"), are party to a revolving funding facility (as amended, the "BNP Funding Facility") with AFB, as the borrower, and BNP Paribas, as the administrative agent and lender, that allows AFB to borrow up to $300 million at any one time outstanding. The BNP Funding Facility is secured by all of the assets held by AFB. The end of the reinvestment period and the stated maturity date for the BNP Funding Facility are June 11, 2023 and June 11, 2025, respectively. The reinvestment period and the stated maturity date are both subject to a one-year extension by mutual agreement. As of December 31, 2022, the interest rate charged on the BNP Funding Facility was based on three month LIBOR, or a "base rate" (as defined in the agreements governing the BNP Funding Facility) plus a margin of (i) 1.80% during the reinvestment period and (ii) 2.30% following the reinvestment period. Beginning on December 11, 2020, AFB is required to pay a commitment fee of between 0.00% and 1.25% per annum depending on the size of the unused portion of the BNP Funding Facility. As of December 31, 2022, there was $245 million outstanding under the BNP Funding Facility and we and AFB were in compliance in all material respects with the terms of the BNP Funding Facility. See "Recent Developments," as well as Note 15 to our consolidated financial statements for the year ended December 31, 2022 for a subsequent event relating to the BNP Funding Facility.

Convertible Unsecured Notes

We have issued $403 million in aggregate principal amount of unsecured convertible notes that mature on March 1, 2024 (the "2024 Convertible Notes") unless previously converted or repurchased in accordance with its terms. We do not have the right to redeem the 2024 Convertible Notes prior to maturity. The 2024 Convertible Notes bear interest at a rate of 4.625% per annum, payable semi-annually.

In certain circumstances, assuming the conversion date below has not already passed, the 2024 Convertible Notes will be convertible into cash, shares of our common stock or a combination of cash and shares of our common stock, at our election, at the conversion rate (listed below as of December 31, 2022) subject to customary anti-dilution adjustments and the requirements of the indenture (the "2024 Convertible Notes Indenture"). Prior to the close of business on the business day immediately preceding the conversion date (listed below), holders may convert their 2024 Convertible Notes only under certain circumstances set forth in the 2024 Convertible Notes Indenture. On or after the conversion date until the close of business on the second scheduled trading day immediately preceding the maturity date for the 2024 Convertible Notes, holders may convert their 2024 Convertible Notes at any time. In addition, if we engage in certain corporate events as described in the 2024 Convertible Notes Indenture, holders of the 2024 Convertible Notes may require us to repurchase for cash all or part of the 2024 Convertible Notes at a repurchase price equal to 100% of the principal amount of the 2024 Convertible Notes to be repurchased, plus accrued and unpaid interest through, but excluding, the required repurchase date.

Certain key terms related to the convertible features for the 2024 Convertible Notes as of December 31, 2022 are listed below.

	2024 Convertible Notes
Conversion premium	15.0 %
Closing stock price at issuance	$ 17.29
Closing stock price date	March 5, 2019
Conversion price(1)	$ 19.68
Conversion rate (shares per one thousand dollar principal amount)(1)	50.8028
Conversion date	December 1, 2023

(1) Represents conversion price and conversion rate, as applicable, as of December 31, 2022, taking into account any applicable de minimis adjustments that will be made on the conversion date.

In February 2022, we repaid in full the $388 million in aggregate principal amount of unsecured convertible notes (the “2022 Convertible Notes”) upon their maturity at a premium in accordance with the terms of the indenture governing the 2022 Convertible Notes, resulting in a realized loss on the extinguishment of debt of $48 million. The 2022 Convertible Notes bore interest at a rate of 4.60% per year, payable semi-annually.

Unsecured Notes

We issued certain unsecured notes (each issuance of which is referred to herein using the “defined term” set forth under the “Unsecured Notes” column of the table below and collectively referred to as the “Unsecured Notes”), that pay interest semi-annually and all principal amounts are due upon maturity. Each of the Unsecured Notes may be redeemed in whole or in part at any time at our option at a redemption price equal to par plus a “make whole” premium, if applicable, as determined pursuant to the indentures governing each of the Unsecured Notes, plus any accrued and unpaid interest. Certain key terms related to the features for the Unsecured Notes as of December 31, 2022 are listed below.

(dollar amounts in millions) Unsecured Notes	Aggregate Principal Amount Issued		Interest Rate	Original Issuance Date	Maturity Date
2023 Notes	$	750	3.500%	August 10, 2017	February 10, 2023
2024 Notes	$	900	4.200%	June 10, 2019	June 10, 2024
March 2025 Notes	$	600	4.250%	January 11, 2018	March 1, 2025
July 2025 Notes	$	1,250	3.250%	January 15, 2020	July 15, 2025
January 2026 Notes	$	1,150	3.875%	July 15, 2020	January 15, 2026
July 2026 Notes	$	1,000	2.150%	January 13, 2021	July 15, 2026
2027 Notes	$	500	2.875%	January 13, 2022	June 15, 2027
2028 Notes	$	1,250	2.875%	June 10, 2021	June 15, 2028
2031 Notes	$	700	3.200%	November 4, 2021	November 15, 2031

See Note 5 to our consolidated financial statements for the year ended December 31, 2022 for more information on our debt obligations.

As of December 31, 2022, we were in compliance in all material respects with the terms of the 2024 Convertible Notes Indenture and the indentures governing the Unsecured Notes.

The 2024 Convertible Notes and the Unsecured Notes are our senior unsecured obligations and rank senior in right of payment to any future indebtedness that is expressly subordinated in right of payment to the 2024 Convertible Notes and the Unsecured Notes; equal in right of payment to our existing and future unsecured indebtedness that is not expressly subordinated; effectively junior in right of payment to any of our secured indebtedness (including existing unsecured indebtedness that we later secure) to the extent of the value of the assets securing such indebtedness; and structurally junior to all existing and future indebtedness (including trade payables) incurred by our subsidiaries, financing vehicles or similar facilities.

RECENT DEVELOPMENTS

In January 2023, we and AFB, a wholly owned subsidiary of Ares Capital, entered into an agreement to amend AFB's BNP Funding Facility. The amendment, among other things, (a) increased the commitments under the facility from $300 million to $500 million and (b) adjusted the interest rate charged on the BNP Funding Facility from an applicable LIBOR (subject to a floor of 0.00%) or a "base rate" plus a margin of (i) 1.80% during the reinvestment period and (ii) 2.30% following the reinvestment period to an applicable SOFR (subject to a floor of 0.00%) plus a credit spread adjustment of 0.10% or a "base rate" plus a margin of (i) 2.30% during the reinvestment period and (ii) 2.80% following the reinvestment period.

In January 2023, we completed a public equity offering pursuant to which we sold approximately 12.1 million shares of common stock at a price of $18.53 per share to the participating underwriters, with net proceeds totaling approximately $223.4 million, after giving effect to underwriting fees and estimated offering expenses.

In February 2023, our board of directors authorized an amendment to our existing stock repurchase program to extend the expiration date of the program from February 15, 2023 to February 15, 2024. Under the stock repurchase program, we may repurchase up to $500 million in the aggregate of our outstanding common stock in the open market at a price per share that meets certain thresholds below our net asset value per share, in accordance with the guidelines specified in Rule 10b-18 of the Exchange Act. The timing, manner, price and amount of any share repurchases will be determined by us, in our discretion, based upon the evaluation of economic and market conditions, stock price, applicable legal and regulatory requirements and other factors.

From January 1, 2023 through February 1, 2023, we made new investment commitments of approximately $226 million, of which $158 million were funded. Of these new investment commitments, 90% were in first lien senior secured loans, 6% were in preferred equity and 4% were in other equity. Of the approximately $226 million of new investment commitments, 90% were floating rate, 4% were fixed rate, 4% were non-income producing and 2% were on non-accrual status. The weighted average yield of debt and other income producing securities funded during the period at amortized cost was 11.4% and the weighted average yield on total investments funded during the period at amortized cost was 10.4%. We may seek to sell all or a portion of these new investment commitments, although there can be no assurance that we will be able to do so.

From January 1, 2023 through February 1, 2023, we exited approximately $372 million of investment commitments, including $23 million of loans sold to IHAM or certain vehicles managed by IHAM. Of the total investment commitments exited, 89% were first lien senior secured loans and 11% were subordinated certificates of the SDLP. All of the approximately $372 million of exited investment commitments were floating rate. The weighted average yield of debt and other income producing securities exited or repaid during the period at amortized cost was 10.9% and the weighted average yield on total investments exited or repaid during the period at amortized cost was 10.9%. Of the approximately $372 million of investment commitments exited from January 1, 2023 through February 1, 2023, we recognized total net realized gains of approximately $1 million, with no realized gains or losses recognized from the sale of loans to IHAM or certain vehicles managed by IHAM.

In addition, as of February 1, 2023, we had an investment backlog and pipeline of approximately $210 million and $55 million, respectively. Investment backlog includes transactions approved by our investment adviser's investment committee and/or for which a formal mandate, letter of intent or a signed commitment have been issued, and therefore we believe are likely to close. Investment pipeline includes transactions where due diligence and analysis are in process, but no formal mandate, letter of intent or signed commitment have been issued. The consummation of any of the investments in this backlog and pipeline depends upon, among other things, one or more of the following: satisfactory completion of our due diligence investigation of the prospective portfolio company, our acceptance of the terms and structure of such investment and the execution and delivery of satisfactory transaction documentation. In addition, we may sell all or a portion of these investments and certain of these investments may result in the repayment of existing investments. We cannot assure you that we will make any of these investments or that we will sell all or any portion of these investments.

CRITICAL ACCOUNTING ESTIMATES

The preparation of our consolidated financial statements requires us 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. Our critical accounting estimates, including those relating to the valuation of our investment portfolio, are described below. The critical accounting estimates should be read in conjunction with our risk factors as disclosed in "Item 1A. Risk Factors." See Note 2 to our consolidated financial statements for the year ended December 31, 2022 for more information on our critical accounting policies.

Investments

Investment transactions are recorded on the trade date. Realized gains or losses are measured by the difference between the net proceeds from the repayment or sale and the amortized cost basis of the investment using the specific identification method without regard to unrealized gains or losses previously recognized, and include investments charged off during the period, net of recoveries. Unrealized gains or losses primarily reflect the change in investment values, including the reversal of previously recorded unrealized gains or losses when gains or losses are realized.

Effective October 1, 2022, pursuant to Rule 2a-5 under the 1940 Act, our board of directors selected our investment adviser as our valuation designee to perform the fair value determinations for investments held by us without readily available market quotations.

Investments for which market quotations are readily available are typically valued at such market quotations. In order to validate market quotations, we look at a number of factors to determine if the quotations are representative of fair value, including the source and nature of the quotations. Debt and equity securities that are not publicly traded or whose market prices are not readily available (i.e., substantially all of our investments) are valued at fair value as determined in good faith by our investment adviser, as the valuation designee, subject to the oversight of our board of directors, based on, among other things, the input of independent third-party valuation firms that have been engaged to support the valuation of such portfolio investments at least once during a trailing 12-month period (with certain de minimis exceptions) and under a valuation policy and a consistently applied valuation process. The valuation process is conducted at the end of each fiscal quarter by our investment adviser, and a portion of our investment portfolio at fair value is subject to review by an independent third-party valuation firm each quarter. In addition, our independent registered public accounting firm obtains an understanding of, and performs select procedures relating to, our valuation process within the context of performing our integrated audit.

As part of the valuation process, our investment adviser may take into account the following types of factors, if relevant, in determining the fair value of our investments: the enterprise value of a portfolio company (the entire value of the portfolio company to a market participant, including the sum of the values of debt and equity securities used to capitalize the enterprise at a point in time), the nature and realizable value of any collateral, the portfolio company's ability to make payments and its earnings and discounted cash flow, the markets in which the portfolio company does business, a comparison of the portfolio company's securities to any similar publicly traded securities, changes in the interest rate environment and the credit markets, which may affect the price at which similar investments would trade in their principal markets and other relevant factors. When an external event such as a purchase transaction, public offering or subsequent equity sale occurs, our investment adviser considers the pricing indicated by the external event to corroborate the valuation.

Because there is not a readily available market value for most of the investments in our portfolio, substantially all of our portfolio investments are valued at fair value as determined in good faith by our investment adviser, as the valuation designee, as described herein. Due to the inherent uncertainty of determining the fair value of investments that do not have a readily available market value, the fair value of our investments may fluctuate from period to period. Additionally, the fair value of our investments may differ significantly from the values that would have been used had a ready market existed for such investments and may differ materially from the values that we may ultimately realize. Further, such investments are generally subject to legal and other restrictions on resale or otherwise are less liquid than publicly traded securities. If we were required to liquidate a portfolio investment in a forced or liquidation sale, we could realize significantly less than the value at which we have recorded it.

In addition, changes in the market environment and other events that may occur over the life of the investments may cause the gains or losses ultimately realized on these investments to be different than the unrealized gains or losses reflected in the valuations currently assigned.

Our investment adviser, as the valuation designee, subject to the oversight of our board of directors, undertakes a multi-step valuation process each quarter, as described below:

- Our quarterly valuation process begins with a preliminary valuation being prepared by the investment professionals responsible for the portfolio investment in conjunction with our portfolio management and valuation team.

- Preliminary valuations are reviewed and discussed by our investment adviser's valuation committee.

- Our investment adviser's valuation committee determines the fair value of each investment in our portfolio without a readily available market quotation in good faith based on, among other things, the input of the independent third-party valuation firms, where applicable.

Fair Value of Financial Instruments

We follow ASC 825-10, R*ecognition and Measurement of Financial Assets and Financial Liabilities* ("ASC 825-10"), which provides companies the option to report selected financial assets and liabilities at fair value. ASC 825-10 also establishes presentation and disclosure requirements designed to facilitate comparisons between companies that choose different measurement attributes for similar types of assets and liabilities and to more easily understand the effect of the company's choice to use fair value on its earnings. ASC 825-10 also requires entities to display the fair value of the selected assets and liabilities on the face of the balance sheet. We have not elected the ASC 825-10 option to report selected financial assets and liabilities at fair value. With the exception of the line items entitled "other assets" and "debt," which are reported at amortized cost, the carrying value of all other assets and liabilities approximate fair value.

We also follow ASC 820-10, which expands the application of fair value accounting. ASC 820-10 defines fair value, establishes a framework for measuring fair value in accordance with GAAP and expands disclosure of fair value measurements. ASC 820-10 determines fair value to be the price that would be received for an investment in a current sale, which assumes an orderly transaction between market participants on the measurement date. ASC 820-10 requires us to assume that the portfolio investment is sold in its principal market to market participants or, in the absence of a principal market, the most advantageous market, which may be a hypothetical market. Market participants are defined as buyers and sellers in the principal or most advantageous market that are independent, knowledgeable, and willing and able to transact. In accordance with ASC 820-10, we have considered its principal market as the market in which we exit our portfolio investments with the greatest volume and level of activity. ASC 820-10 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. In accordance with ASC 820-10, these inputs are summarized in the three broad levels listed below:

- Level 1 - Valuations based on quoted prices in active markets for identical assets or liabilities that we have the ability to access.

- Level 2 - Valuations based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly.

- Level 3 - Valuations based on inputs that are unobservable and significant to the overall fair value measurement.

In addition to using the above inputs in investment valuations, we continue to employ the net asset valuation policy approved by our board of directors that is consistent with ASC 820-10. Consistent with our valuation policy, our investment adviser evaluates the source of inputs, including any markets in which our investments are trading (or any markets in which securities with similar attributes are trading), in determining fair value. Our valuation policy considers the fact that because there is not a readily available market value for most of the investments in our portfolio, the fair value of the investments must typically be determined using unobservable inputs.

Our portfolio investments (other than as described below in the following paragraph) are typically valued using two different valuation techniques. The first valuation technique is an analysis of the enterprise value ("EV") of the portfolio company. Enterprise value means the entire value of the portfolio company to a market participant, including the sum of the values of debt and equity securities used to capitalize the enterprise at a point in time. The primary method for determining EV uses a multiple analysis whereby appropriate multiples are applied to the portfolio company's EBITDA (generally defined as net income before net interest expense, income tax expense, depreciation and amortization). EBITDA multiples are typically determined based upon review of market comparable transactions and publicly traded comparable companies, if any. Our investment adviser also may employ other valuation multiples to determine EV, such as revenues or, in the case of certain portfolio companies in the power generation industry, kilowatt capacity. The second method for determining EV uses a discounted cash flow analysis whereby future expected cash flows of the portfolio company are discounted to determine a present value using estimated discount rates (typically a weighted average cost of capital based on costs of debt and equity consistent with current market conditions). The EV analysis is performed to determine the value of equity investments, the value of debt investments in portfolio companies where we have control or could gain control through an option or warrant security, and to determine if there is credit impairment for debt investments. If debt investments are credit impaired, an EV analysis may be used to value such debt investments; however, in addition to the methods outlined above, other methods such as a liquidation or wind-down analysis may be utilized to estimate enterprise value. The second valuation technique is a yield analysis, which is typically performed for non-credit impaired debt investments in portfolio companies where we do not own a controlling equity position. To determine fair value using a yield analysis, a current price is imputed for the investment based upon an assessment of the expected market yield for a similarly structured investment with a similar level of risk. In the yield analysis, our investment adviser considers the current contractual interest rate, the maturity and other terms of the investment relative to the risk of the company and the specific investment. A key determinant of risk, among other things, is the leverage through the investment relative to the enterprise value of the portfolio company. As debt investments held by us are substantially illiquid with no active transaction market, our investment adviser, as the valuation designee, depends on primary market data, including newly funded transactions, as well as secondary market data with respect to high yield debt instruments and syndicated loans, as inputs in determining the appropriate market yield, as applicable.

For other portfolio investments such as investments in the SDLP Certificates and IHAM, discounted cash flow analysis is the primary technique utilized to determine fair value. Expected future cash flows associated with the investment are discounted to determine a present value using a discount rate that reflects estimated market return requirements.

See Note 8 to our consolidated financial statements for the year ended December 31, 2022 for more information on our valuation process.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk

We are subject to financial market risks, including changes in interest rates and the valuations of our investment portfolio. Uncertainty with respect to the rising interest rates, inflationary pressures, risks in respect of a failure to increase the U.S. debt ceiling, the war in Ukraine and Russia and health epidemics and pandemics introduced significant volatility in the financial markets, and the effects of this volatility has materially impacted and could continue to materially impact our market risks, including those listed below. For additional information concerning these risks and their potential impact on our business and our operating results, see "Risk Factors—General Risk Factors—Global economic, political and market conditions, including uncertainty about the financial stability of the United States, could have a significant adverse effect on our business, financial condition and results of operations", "Risk Factors—Risks Relating to Our Investments—Economic recessions or downturns could impair our portfolio companies and harm our operating results" and "Risk Factors—Risks Relating to Our Business—Inflation has adversely affected and may continue to adversely affect the business, results of operations and financial condition of our portfolio companies".

Investment Valuation Risk

Because there is not a readily available market value for most of the investments in our portfolio, substantially all of our portfolio investments are valued at fair value as determined in good faith by our investment adviser, as the valuation designee, subject to the oversight of our board of directors based on, among other things, the input of the independent third-party valuation firms that have been engaged to support the valuation of each portfolio investment without a readily available market quotation at least once during a trailing 12-month period (with certain de minimis exceptions). Due to the inherent uncertainty of determining the fair value of investments that do not have a readily available market value, the fair value of our investments may fluctuate from period to period. Additionally, the fair value of our investments may differ significantly from the values that would have been used had a ready market existed for such investments and may differ materially from the values that we may ultimately realize. Further, such investments are generally subject to legal and other restrictions on resale or otherwise are less liquid than publicly traded securities. If we were required to liquidate a portfolio investment in a forced or liquidation sale, we could realize significantly less than the value at which we have recorded it. In addition, changes in the market environment and other events that may occur over the life of the investments may cause the gains or losses ultimately realized on these investments to be different than the unrealized gains or losses reflected in the valuations currently assigned. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Critical Accounting Estimates" as well as Notes 2 and 8 to our consolidated financial statements for the year ended December 31, 2022 for more information relating to our investment valuation.

Interest Rate Risk

Interest rate sensitivity refers to the change in our 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. See "Risk Factors—Risks Relating to Our Business—We are exposed to risks associated with changes in interest rates, including the current rising interest rate environment."

In a prolonged low interest rate environment, the difference between the total interest income earned on interest earning assets and the total interest expense incurred on interest bearing liabilities may be compressed, reducing our net income and potentially adversely affecting our operating results. Conversely, in a rising interest rate environment, such difference could potentially increase thereby increasing our net income as indicated per the table below.

As of December 31, 2022, 71% of the investments at fair value in our portfolio bore interest and dividends at variable rates (including our investment in the SDLP Certificates which accounted for 6% of our total investments at fair value), 11% bore interest at fixed rates, 9% were non-income producing, 1% were on non-accrual status and 8% was our equity investment in IHAM which generally pays a quarterly dividend. Additionally, excluding our investment in the SDLP Certificates, 92% of the remaining variable rate investments at fair value contained interest rate floors. The Revolving Credit Facility, the Revolving Funding Facility, the SMBC Funding Facility and the BNP Funding Facility bear interest at variable rates with no interest rate floors. The Unsecured Notes and the 2024 Convertible Notes bear interest at fixed rates.

We regularly measure our exposure to interest rate risk. We assess interest rate risk and manage our interest rate exposure on an ongoing basis by comparing our interest rate sensitive assets to our interest rate sensitive liabilities. Based on that review, we determine whether or not any hedging transactions are necessary to mitigate exposure to changes in interest rates.

Based on our December 31, 2022 balance sheet, the following table shows the annual impact on net income of base rate changes in interest rates (considering interest rate floors for variable rate instruments) assuming no changes in our investment and borrowing structure:

(in millions) **Basis Point Change**	**Interest and Dividend Income**	**Interest Expense**	**Net Income(1)**
Up 300 basis points	$ 499	$ 112	$ 387
Up 200 basis points	$ 343	$ 75	$ 268
Up 100 basis points	$ 187	$ 37	$ 150
Down 100 basis points	$ (155)	$ (37)	$ (118)
Down 200 basis points	$ (308)	$ (75)	$ (233)
Down 300 basis points	$ (454)	$ (112)	$ (342)

(1) Excludes the impact of income based fees. See Note 3 to our consolidated financial statements for the year ended December 31, 2022 for more information on the income based fees.

Based on our December 31, 2021 balance sheet, the following table shows the annual impact on net income of base rate changes in interest rates (considering interest rate floors for variable rate instruments) assuming no changes in our investment and borrowing structure:

(in millions) **Basis Point Change**	**Interest and Dividend Income**	**Interest Expense(1)**	**Net Income(2)**
Up 300 basis points	$ 347	$ 80	$ 267
Up 200 basis points	$ 195	$ 53	$ 142
Up 100 basis points	$ 45	$ 27	$ 18
Down 100 basis points	$ 5	$ (4)	$ 9
Down 200 basis points	$ 4	$ (4)	$ 8
Down 300 basis points	$ 6	$ (4)	$ 10

(1) Includes the impact of an interest rate swap as a result of changes in interest rates.

(2) Excludes the impact of income based fees. See Note 3 to our consolidated financial statements for the year ended December 31, 2022 for more information on the income based fees.

Item 8. Financial Statements and Supplementary Data

See the Index to Consolidated Financial Statements.

Item 9. Changes in and Disagreements With Accountants on Accounting and Financial Disclosure

None.

Item 9A. Controls and Procedures

(a) ***Evaluation of Disclosure Controls and Procedures.*** We maintain disclosure controls and procedures (as that term is defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) that are designed to ensure that information required to be disclosed in our reports under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC’s rules and forms, and that such information is accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate, to allow timely decisions regarding required disclosures. Any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives. Our management, with the participation of our principal executive officer and principal financial officer, has evaluated the effectiveness of the design and operation of our disclosure controls and procedures as of December 31, 2022. Based upon that evaluation and subject to the foregoing, our principal executive officer and principal financial officer concluded that, as of December 31, 2022, the design and operation of our disclosure controls and procedures were effective to accomplish their objectives at the reasonable assurance level.

(b) ***Management's Report on Internal Control over Financial Reporting.*** Our management is responsible for establishing and maintaining adequate internal control over financial reporting for the Company. Internal control over financial reporting is a process to provide reasonable assurance regarding the reliability of our financial reporting for external purposes in accordance with accounting principles generally accepted in the United States of America. Internal control over financial reporting includes maintaining records that in reasonable detail accurately and fairly reflect our transactions; providing reasonable assurance that transactions are recorded as necessary for preparation of our consolidated financial statements; providing reasonable assurance that receipts and expenditures of company assets are made in accordance with management authorization; and providing reasonable assurance that unauthorized acquisition, use or disposition of company assets that could have a material effect on our consolidated financial statements would be prevented or detected on a timely basis. Because of its inherent limitations, internal control over financial reporting is not intended to provide absolute assurance that a material misstatement of our consolidated financial statements would be prevented or detected.

Management conducted an evaluation of the effectiveness of our internal control over financial reporting based on the framework in Internal Control — Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this evaluation, management concluded that the Company's internal control over financial reporting was effective as of December 31, 2022. The Company's independent registered public accounting firm, KPMG LLP, has issued an audit report on the effectiveness of the Company's internal control over financial reporting.

(c) ***Attestation Report of the Registered Public Accounting Firm.*** Our independent registered public accounting firm, KPMG LLP, has issued an attestation report on the effectiveness of our internal control over financial reporting which is set forth under the heading "Report of Independent Registered Public Accounting Firm" on page F-4.

(d) ***Changes in Internal Control over Financial Reporting.*** There have been no changes in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the quarter ended December 31, 2022, that have materially affected, or that are reasonably likely to materially affect, our internal control over financial reporting.

Item 9B. Other Information

Disclosure Pursuant to Section 219 of the Iran Threat Reduction and Syria Human Rights Act

Section 219 of the Iran Threat Reduction and Syria Human Rights Act of 2012 ("ITRA") and Section 13(r) of the Exchange Act, require an issuer to disclose in its annual and quarterly reports whether it or any of its affiliates have knowingly engaged in specified activities or transactions relating to Iran. We are required to include certain disclosures in our periodic reports if we or any of our "affiliates" (as defined in Rule 12b-2 under the Exchange Act) knowingly engaged in certain specified activities, transactions or dealings relating to Iran or with certain individuals or entities targeted by United States' economic sanctions during the period covered by the report. Disclosure is generally required even where the activities, transactions or dealings were conducted in compliance with applicable law. Neither we nor any of our controlled affiliates or subsidiaries knowingly engaged in any of the specified activities relating to Iran or otherwise engaged in any activities associated with Iran during the reporting period. However, because the SEC defines the term "affiliate" broadly, it includes any person or entity that is under common control with us as well as any entity that controls us or is controlled by us. The description that follows has been provided to us by Ares Management.

On January 31, 2019, funds and accounts managed by Ares Management's European direct lending strategy (together, the "Ares funds") collectively acquired a 32% equity stake in Daisy Group Limited ("Daisy"). Daisy is a provider of communication services to businesses based in the United Kingdom. The Ares funds do not hold a majority equity interest in Daisy and do not have the right to appoint a majority of directors to Daisy's board of directors.

Subsequent to completion of the Ares funds' investment in Daisy, in connection with Ares's routine quarterly survey of its investment funds' portfolio companies, Daisy informed the Ares funds that it has customer contracts with Melli Bank Plc. Melli Bank Plc has been designated by the Office of Foreign Assets Control within the U.S. Department of Treasury pursuant to Executive Order 13324. Daisy generated a total of £41,546 in annual revenues in 2021 (less than 0.01% of Daisy's annual revenues) from its dealings with Melli Bank Plc and de minimis net profits. Daisy entered into the customer contracts with Melli Bank Plc prior to the Ares funds' investment in Daisy.

Daisy terminated its contract with Melli Blank Plc on February 26, 2022. Following termination of the contracts, Daisy has not and does not intend to engage in any further dealings or transactions with Melli Bank Plc.

Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections

Not applicable.

PART III

Item 10. Directors, Executive Officers and Corporate Governance

The information required by this item will be contained in the Company's definitive Proxy Statement for its 2023 Annual Stockholder Meeting, to be filed with the SEC within 120 days after December 31, 2022, and is incorporated herein by reference.

Item 11. Executive Compensation

The information required by this item will be contained in the Company's definitive Proxy Statement for its 2023 Annual Stockholder Meeting, to be filed with the SEC within 120 days after December 31, 2022, and is incorporated herein by reference.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

The information required by this item will be contained in the Company's definitive Proxy Statement for its 2023 Annual Stockholder Meeting, to be filed with the SEC within 120 days after December 31, 2022, and is incorporated herein by reference.

Item 13. Certain Relationships and Related Transactions, and Director Independence

The information required by this item will be contained in the Company's definitive Proxy Statement for its 2023 Annual Stockholder Meeting, to be filed with the SEC within 120 days after December 31, 2022, and is incorporated herein by reference.

Item 14. Principal Accountant Fees and Services

The information required by this item will be contained in the Company's definitive Proxy Statement for its 2023 Annual Stockholder Meeting, to be filed with the SEC within 120 days after December 31, 2022, and is incorporated herein by reference.

PART IV

Item 15. Exhibits, Financial Statement Schedules

The following documents are filed as part of this Annual Report:

1. Financial Statements—See the Index to Consolidated Financial Statements on Page F-1.

2. Financial Statement Schedules—None. We have omitted financial statement schedules because they are not required or are not applicable, or the required information is shown in the financial statements or notes to the financial statements.

3. Exhibits.

Number	Document
3.1	Articles of Amendment and Restatement, as amended(1)
3.2	Third Amended and Restated Bylaws, as amended(2)
4.1	Form of Stock Certificate(3)
4.2	Form of Subscription Certificate(4)
4.3	Indenture, dated as of October 21, 2010, between Ares Capital Corporation and U.S. Bank National Association, as trustee(5)
4.4	Seventh Supplemental Indenture, dated as of August 10, 2017, relating to the 3.500% Notes due 2023, between Ares Capital Corporation and U.S. Bank National Association, as trustee(9)
4.5	Form of 3.500% Notes due 2023(9)
4.6	Eighth Supplemental Indenture, dated as of January 11, 2018, relating to the 4.250% Notes due 2025, between Ares Capital Corporation and U.S. Bank National Association, as trustee(7)
4.7	Form of 4.250% Notes due 2025(7)
4.8	Ninth Supplemental Indenture, dated as of March 8, 2019, relating to the 4.625% Convertible Notes due 2024, between Ares Capital Corporation and U.S. Bank National Association, as trustee(8)
4.9	Form of 4.625% Convertible Senior Notes due 2024(8)
4.10	Tenth Supplemental Indenture, dated as of June 10, 2019, relating to the 4.200% Notes due 2024, between Ares Capital Corporation and U.S. Bank National Association, as trustee(9)
4.11	Form of 4.200% Notes due 2024(9)
4.12	Eleventh Supplemental Indenture, dated as of January 15, 2020, relating to the 3.250% Notes due 2025, between the Company and U.S. Bank National Association, as trustee(10)
4.13	Form of 3.250% Notes due 2025(10)
4.14	Twelfth Supplemental Indenture, dated as of July 15, 2020, relating to the 3.875% Notes due 2026, between the Company and U.S. Bank National Association, as trustee(11)
4.15	Form of 3.875% Notes due 2026 (11)
4.16	Thirteenth Supplemental Indenture, dated as of January 13, 2021, relating to the 2.150% Notes due 2026, between the Company and U.S. Bank National Association, as trustee(12)
4.17	Form of 2.150% Notes due 2026(12)
4.18	Fourteenth Supplemental Indenture, dated as of June 10, 2021, relating to the 2.875% Notes due 2028, between the Company and U.S. Bank National Association, as trustee(13)
4.19	Form of 2.875% Notes due 2028(13)
4.20	Fifteenth Supplemental Indenture, dated as of November 4, 2021, relating to the 3.200% Notes due 2031, between the Company and U.S. Bank National Association, as trustee(14)
4.21	Form of 3.200% Notes due 2031(14)
4.22	Sixteenth Supplemental Indenture, dated as of January 13, 2022, relating to the 2.875% Notes due 2027, between the Company and U.S. Bank National Association, as trustee (15)
4.23	Form of 2.875% due 2027(15)
4.24	Description of Securities(16)
10.1	Dividend Reinvestment Plan of Ares Capital Corporation(17)
10.2	Second Amendment Restated Investment Advisory and Management Agreement between Ares Capital Corporation and Ares Capital Management LLC, dated as of June 6, 2019(19)

Number	Document
10.3	Amended and Restated Administration Agreement, dated as of June 1, 2007, between Ares Capital Corporation and Ares Operations LLC(19)
10.4	Amended and Restated Custodian Agreement, dated as of May 15, 2009, between Ares Capital Corporation and U.S. Bank National Association(20)
10.5	Amendment No. 1, dated as of December 19, 2014, to the Amended and Restated Custodian Agreement dated as of May 15, 2009, by and among Ares Capital Corporation and U.S. Bank National Association(21)
10.6	Trademark License Agreement between Ares Capital Corporation and Ares Management LLC(22)
10.7	Form of Indemnification Agreement between Ares Capital Corporation and directors and certain officers(23)
10.8	Form of Indemnification Agreement between Ares Capital Corporation and members of Ares Capital Management LLC investment committee(23)
10.9	Amended and Restated Purchase and Sale Agreement, dated as of January 22, 2010, among Ares Capital Corporation, as seller, and Ares Capital CP Funding Holdings LLC, as purchaser(24)
10.10	Amendment No. 1 to Amended and Restated Purchase and Sale Agreement, dated as of June 7, 2012, among Ares Capital Corporation, as seller, and Ares Capital CP Funding Holdings LLC, as purchaser(25)
10.11	Second Tier Purchase and Sale Agreement, dated as of January 22, 2010, among Ares Capital CP Funding Holdings LLC, as seller, and Ares Capital CP Funding LLC, as purchaser(26)
10.12	Amendment No. 1 to Second Tier Purchase and Sale Agreement, dated as of June 7, 2012, among Ares Capital CP Funding Holdings LLC, as seller, and Ares Capital CP Funding LLC, as purchaser(25)
10.13	Amended and Restated Sale and Servicing Agreement, dated as of January 22, 2010, among Ares Capital CP Funding LLC, as borrower, Ares Capital Corporation, as servicer, Wachovia Bank, National Association, as note purchaser, U.S. Bank National Association, as trustee and collateral custodian, and Wells Fargo Securities, LLC, as agent(24)
10.14	Amendment No. 1 to the Amended and Restated Sale and Servicing Agreement, dated as of May 6, 2010, among Ares Capital CP Funding LLC, as borrower, Ares Capital Corporation, as servicer, Wells Fargo Bank, National Association, as successor by merger to Wachovia Bank as note purchaser, U.S. Bank, National Association, as trustee and collateral custodian, and Wells Fargo Securities LLC, as agent(26)
10.15	Amendment No. 2 to the Amended and Restated Sale and Servicing Agreement, dated as of January 18, 2011, among Ares Capital CP Funding LLC, as borrower, Ares Capital Corporation, as servicer, Wells Fargo Bank, National Association, as successor by merger to Wachovia Bank as note purchaser, U.S. Bank National Association, as trustee and collateral custodian, and Wells Fargo Securities, LLC, as agent(27)
10.16	Amendment No. 3 to the Amended and Restated Sale and Servicing Agreement, dated as of October 13, 2011, among Ares Capital CP Funding LLC, as borrower, Ares Capital Corporation, as servicer and as transferor, Wells Fargo Bank, National Association (as successor by merger to Wachovia Bank, National Association), as note purchaser, U.S. Bank National Association, as trustee, collateral custodian and bank and Wells Fargo Securities, LLC, as agent(28)
10.17	Amendment No. 4 to the Amended and Restated Sale and Servicing Agreement, dated as of January 18, 2012, among Ares Capital CP Funding LLC, as borrower, Ares Capital Corporation, as servicer and transferor, Wells Fargo Bank, National Association (as successor by merger to Wachovia Bank, National Association), as note purchaser, Wells Fargo Securities, LLC, as agent, and U.S. Bank National Association, as collateral custodian, trustee and bank(29)
10.18	Amendment No. 5 to the Amended and Restated Sale and Servicing Agreement, dated as of June 7, 2012, among Ares Capital CP Funding LLC, as borrower, Ares Capital Corporation, as servicer and transferor, Wells Fargo Bank, National Association (as successor by merger to Wachovia Bank, National Association), as note purchaser, Wells Fargo Securities, LLC, as agent, and U.S. Bank National Association, as collateral custodian, trustee and bank(25)
10.19	Amendment No. 6 to Loan and Servicing Agreement, dated as of January 25, 2013, among Ares Capital CP Funding LLC, as borrower, Ares Capital Corporation, as servicer and transferor, Wells Fargo Securities, LLC, as agent, Wells Fargo Bank, National Association, as swingline lender, and the other lenders party thereto(30)
10.20	Omnibus Amendment, dated as of May 14, 2014, among Ares Capital CP Funding LLC, Ares Capital CP Funding Holdings LLC, Ares Capital Corporation, Wells Fargo Bank, National Association, as swingline lender and as a lender, Wells Fargo Securities, LLC, as agent, and U.S. Bank National Association, as trustee, bank and collateral custodian (amending the Loan and Servicing Agreement, dated as of January 22, 2010, the Amended and Restated Purchase and Sale Agreement, dated as of January 22, 2010, and the Second Tier Purchase and Sale Agreement, dated as of January 22, 2010)(31)
10.21	Amendment No. 8 to the Loan and Servicing Agreement, dated as of January 3, 2017, among Ares Capital CP Funding LLC, as borrower, Ares Capital Corporation, as servicer and transferor, Wells Fargo Securities, LLC, as agent, and Wells Fargo Bank, National Association, as swingline lender, and the other lenders party thereto(33)

Number	Document
10.22	Amendment No. 9 to Loan and Servicing Agreement, dated as of October 2, 2017, among Ares Capital CP Funding LLC, as borrower, the Company, as servicer, Wells Fargo Bank, National Association, as swingline lender, as a lender and as a successor agent, Wells Fargo Securities, LLC, as the resigning agent, Bank of America, N.A. as a lender, U.S. Bank National Association as collateral custodian, trustee and bank, and the other lenders party thereto(33)
10.23	Amendment No. 10 to Loan and Servicing Agreement, dated as of October 2, 2018, among Ares Capital CP Funding LLC, Ares Capital Corporation, Wells Fargo Bank National Association, as the agent and Wells Fargo Bank, National Association, as a lender and Bank of America, N.A.(34)
10.24	Amendment No. 11 to Loan and Servicing Agreement, dated as of December 14, 2018, among Ares Capital CP Funding LLC, Ares Capital Corporation, Wells Fargo Bank National Association, as the agent and Wells Fargo Bank, National Association, as a lender and Bank of America, N.A.(35)
10.25	Amendment No. 12 to Loan and Servicing Agreement, dated as of June 18, 2019, among Ares Capital CP Funding LLC, as the borrower, Ares Capital Corporation, as the servicer, Wells Fargo Bank, National Association, as the agent, Wells Fargo Bank, National Association, as a lender, Bank of America, N.A, as a lender and U.S. Bank National Association, as trustee, bank and collateral custodian(36)
10.26	Amendment No. 13 to Loan and Servicing Agreement, dated as of January 31, 2020, among Ares Capital CP Funding LLC, as the borrower, Ares Capital Corporation, as the servicer, Wells Fargo Bank, National Association, as the agent, Wells Fargo Bank, National Association, as a lender, Bank of America, N.A, as a lender, TIAA, FSB, as a lender, Sampension Livsforsikring A/S, as a lender, Arkitekternes Pensionskasse, as a lender, Pensionskassen for Jordbrugsakademikere og Dyrlæger, as a lender and U.S. Bank National Association, as trustee, bank and collateral custodian(37)
10.27	Amendment No. 14 to Loan and Servicing Agreement, dated as of November 13, 2020, among Ares Capital CP Funding LLC, as borrower, the Company, as servicer, Wells Fargo Bank, National Association, as agent, Wells Fargo Bank, National Association, as a lender, and Bank of America, N.A., as a lender, and U.S. Bank National Association, as trustee, bank and collateral custodian(33)
10.28	Amendment No. 15 to Loan and Servicing Agreement, dated as of December 29, 2021, among Ares Capital CP Funding LLC, as borrower, the Company as servicer, Wells Fargo Bank, National Association, as agent, the lenders named therein, and U.S. Bank National Association, as trustee, bank and collateral custodian(38)
10.29	Amendment No. 16 to Loan and Servicing Agreement, dated as of June 30, 2022, among Ares Capital CP Funding LLC, as the borrower, Ares Capital Corporation, as the servicer, Wells Fargo Bank, National Association, as the agent, Wells Fargo Bank, National Association, as a lender, Bank of America, N.A, as a lender, Sampension Livsforsikring A/S, as a lender, Arkitekternes Pensionskasse, as a lender, Pensionskassen for Jordbrugsakademikere og Dyrlæger, as a lender, Canadian Imperial Bank of Commerce, as a lender, U.S. Bank Trust Company, National Association, as trustee and U.S. Bank National Association, as bank and collateral custodian(39)
10.30	Thirteenth Amended and Restated Senior Secured Revolving Credit Agreement, dated as of March 31, 2022, among Ares Capital Corporation, the lenders party thereto, and JPMorgan Chase Bank, N.A., as administrative agent(40)
10.31	Loan and Servicing Agreement, dated as of January 20, 2012, among Ares Capital JB Funding LLC, as borrower, Ares Capital Corporation, as servicer and transferor, Sumitomo Mitsui Banking Corporation, as administrative agent, collateral agent and lender, and U.S. Bank National Association, as collateral custodian and bank(41)
10.32	Purchase and Sale Agreement, dated as of January 20, 2012, between Ares Capital JB Funding LLC, as purchaser, and Ares Capital Corporation, as seller(41)
10.33	Revolving Credit and Security Agreement, dated as of June 11, 2020, among ARCC FB Funding LLC, as the borrower, BNP Paribas, as the administrative agent, Ares Capital Corporation as equity holder and servicer, and U.S. Bank National Association as collateral agent(42)
10.34	Purchase and Sale Agreement, dated as of June 11, 2020, between ARCC FB Funding LLC, as the purchaser and Ares Capital Corporation, as the seller(42)
10.35	Amendment No. 1, dated as of December 21, 2020, among ARCC FB Funding LLC, as the borrower, BNP Paribas, as the administrative agent, Ares Capital Corporation as equity holder and servicer, and U.S. Bank National Association as collateral agent(43)
10.36	Second Amendment to the Revolving Credit and Security Agreement, dated as of June 29, 2021, among ARCC FB Funding LLC, as borrower, the lenders from time to time parties thereto, BNP Paribas, as administrative agent and lender, Ares Capital Corporation, as equityholder and servicer, and U.S. Bank National Association, as collateral agent(44)

Number	Document
10.37	Third Amendment to the Revolving Credit and Security Agreement, dated as of August 17, 2022, among ARCC FB Funding LLC, as borrower, the lenders from time to time parties thereto, BNP Paribas, as administrative agent and lender, Ares Capital Corporation, as equityholder and servicer, and U.S. Bank Trust Company, National Association, as collateral agent*
10.38	Fourth Amendment to the Revolving Credit and Security Agreement, dated as of January 9, 2023, among ARCC FB Funding LLC, as borrower, the lenders from time to time parties thereto, BNP Paribas, as administrative agent and lender, Ares Capital Corporation, as equityholder and servicer, and U.S. Bank National Association, as collateral agent*
10.39	Omnibus Amendment No. 1, dated as of September 14, 2012, among Ares Capital JB Funding LLC, as borrower, Ares Capital Corporation, as servicer and transferor, Sumitomo Mitsui Banking Corporation, as administrative agent, lender and collateral agent, and U.S. Bank National Association, as collateral custodian and bank (amending the Loan and Servicing Agreement, dated as of January 20, 2012, and the Purchase and Sale Agreement, dated as of January 20, 2012)(45)
10.40	Omnibus Amendment No. 2, dated as of December 20, 2013, among Ares Capital JB Funding LLC, as borrower, Ares Capital Corporation, as servicer and transferor, Sumitomo Mitsui Banking Corporation, as administrative agent, lender and collateral agent, and U.S. Bank National Association, as collateral custodian and bank (amending the Loan and Servicing Agreement, dated as of January 20, 2012, and the Purchase and Sale Agreement, dated as of January 20, 2012)(46)
10.41	Omnibus Amendment No. 3, dated as of June 30, 2015, among Ares Capital JB Funding LLC, as borrower, Ares Capital Corporation, as servicer and transferor, Sumitomo Mitsui Banking Corporation, as administrative agent, lender and collateral agent, and U.S. Bank National Association, as collateral custodian and bank (amending the Loan and Servicing Agreement, dated as of January 20, 2012, and the Purchase and Sale Agreement, dated as of January 20, 2012)(47)
10.42	Omnibus Amendment No. 4, dated as of August 24, 2017, among Ares Capital JB Funding LLC, as borrower, Ares Capital Corporation, as servicer and transferor, Sumitomo Mitsui Banking Corporation, as administrative agent, lender and collateral agent, and U.S. Bank National Association, as collateral custodian and bank (amending the Loan and Servicing Agreement, dated as of January 20, 2012)(48)
10.43	Omnibus Amendment No. 5, dated as of September 12, 2018, among Ares Capital JB Funding LLC, as borrower, Ares Capital Corporation, as servicer and transferor, Sumitomo Mitsui Banking Corporation, as administrative agent, lender and collateral agent, and U.S. Bank National Association, as collateral custodian and bank (amending the Loan and Servicing Agreement, dated as of January 20, 2012)(49)
10.44	Omnibus Amendment No. 6, dated as of September 10, 2019, among Ares Capital JB Funding LLC, as borrower, Ares Capital Corporation, as servicer and transferor, Sumitomo Mitsui Banking Corporation, as administrative agent, lender and collateral agent, and U.S. Bank National Association, as collateral custodian and bank (amending the Loan and Servicing Agreement, dated as of January 20, 2012 and the Purchase and Sale Agreement, dated as of January 20, 2012)(50)
10.45	Omnibus Amendment No. 7, dated as of December 31, 2019, among Ares Capital JB Funding LLC, as borrower, Ares Capital Corporation, as servicer and transferor, Sumitomo Mitsui Banking Corporation, as administrative agent, lender and collateral agent, and U.S. Bank National Association, as collateral custodian and bank (amending the Loan and Servicing Agreement, dated as of January 20, 2012 and the Purchase and Sale Agreement, dated as of January 20, 2012)(51)
10.46	Amendment No. 8, dated as of May 28, 2021, among Ares Capital JB Funding LLC, as borrower, Ares Capital Corporation, as servicer and transferor, Sumitomo Mitsui Banking Corporation, as administrative agent, lender and collateral agent, and U.S. Bank National Association, as collateral custodian and bank (amending the Loan and Servicing Agreement, dated as of January 20, 2012)(52)
10.47	Equity Distribution Agreement, dated as of May 27, 2022, among Ares Capital Corporation, Ares Capital Management LLC, Ares Operations LLC and Regions Securities LLC(53)
10.48	Equity Distribution Agreement, dated as of May 27, 2022, among Ares Capital Corporation, Ares Capital Management LLC, Ares Operations LLC and Truist Securities, Inc.(53)
10.49	Equity Distribution Agreement, dated as of May 27, 2022, among Ares Capital Corporation, Ares Capital Management LLC, Ares Operations LLC and SMBC Nikko Securities America, Inc.(53)
11.1	Statement of Computation of Per Share Earnings(54)
14.1	Code of Ethics(55)
21.1	Subsidiaries of Ares Capital Corporation*
23.1	Consent of Independent Registered Public Accounting Firm*
31.1	Certification by Chief Executive Officer pursuant to Exchange Act Rule 13a-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002*

Number	Document
31.2	Certification by Chief Financial Officer pursuant to Exchange Act Rule 13a-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002*
32.1	Certification by Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002**
99.1	Report of Independent Registered Public Accounting Firm on Supplemental Information*
101.INS	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because XBRL tags are embedded within the Inline XBRL document*
101.SCH	Inline XBRL Taxonomy Extension Schema Document*
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document*
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document*
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document*
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document*
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

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* Filed herewith

** Furnished herewith

(1) Incorporated by reference to Exhibit 3.1 to the Company's Form 10-Q (File No. 814-00663), for the quarter ended March 31, 2022 filed on April 26, 2022.

(2) Incorporated by reference to Exhibit 3.2 to the Company's Form 10-K (File No. 814-00663) for the year ended December 31, 2018, filed on February 12, 2019.

(3) Incorporated by reference to Exhibit (d) to the Company's pre effective Amendment No. 2 to the Registration Statement under the Securities Act of 1933, as amended, on Form N 2 (File No. 333 114656), filed on September 28, 2004.

(4) Incorporated by reference to Exhibit (d)(4) to the Company's pre effective Amendment No. 2 to the Registration Statement under the Securities Act of 1933, as amended, on Form N-2 (File No. 333-149139), filed on April 9, 2008.

(5) Incorporated by reference to Exhibit 4.1 to the Company's Form 8 K (File No. 814 00663), filed on October 22, 2010.

(6) Incorporated by reference to Exhibits 4.1 and 4.2, as applicable, to the Company's Form 8-K (File No. 814-00663), filed on August 10, 2017.

(7) Incorporated by reference to Exhibits 4.1 and 4.2, as applicable, to the Company's Form 8-K (File No. 814-00663), filed on January 11, 2018.

(8) Incorporated by reference to Exhibits 4.1 and 4.2, as applicable, to the Company's Form 8 K (File No. 814 00663), filed on March 8, 2019.

(9) Incorporated by reference to Exhibits 4.1 and 4.2, as applicable, to the Company's Form 8 K (File No. 814 00663), filed on June 10, 2019.

(10) Incorporated by reference to Exhibits 4.1 and 4.2, as applicable, to the Company's Form 8 K (File No. 814 00663), filed on January 15, 2020.

(11) Incorporated by reference to Exhibits 4.1 and 4.2, as applicable, to the Company's Form 8-K (File No. 814-00663), filed July 15, 2020.

(12) Incorporated by reference to Exhibits 4.1 and 4.2, as applicable, to the Company's Form 8 K (File No. 814-00663), filed on January 13, 2021.

(13) Incorporated by reference to Exhibits 4.1 and 4.2, as applicable, to the Company's Form 8-K (File No. 814-00663), filed on June 10, 2021.

(14) Incorporated by reference to Exhibits 4.1 and 4.2, as applicable, to the Company's Form 8-K (File No. 814-00663), filed on November 4, 2021.

(15) Incorporated by reference to Exhibits 4.1 and 4.2, as applicable, to the Company's Form 8-K (File No. 814-00663), filed on January 13, 2022.

(16) Incorporated by reference to Exhibit 4.23 to the Company's Form 10-K (File No. 814-00663) for the year ended December 31, 2019, filed on February 12, 2020.

(17) Incorporated by reference to Exhibit 10.1 to the Company's Form 10-K (File No. 814-00663) for the year ended December 31, 2018, filed on February 12, 2019.

(18) Incorporated by reference to Exhibit 10.1 to the Company's Form 8-K (File No. 814-00663), filed on June 7, 2019.

(19) Incorporated by reference to Exhibit 10.1 to the Company's Form 10-Q (File No. 814-00663) for the quarter ended June 30, 2007, filed on August 9, 2007.

(20) Incorporated by reference to Exhibit (j) to the Company's pre-effective Amendment No. 1 to the Registration Statement under the Securities Act of 1933, as amended, on Form N-2 (File No. 333-158211), filed on May 28, 2009.

(21) Incorporated by reference to Exhibit 10.5 to the Company's Form 10-K (File No. 814-00663) for the year ended December 31, 2014, filed on February 26, 2015.

(22) Incorporated by reference to Exhibit 99(K)(3) to the Company's pre-effective Amendment No. 1 to the Registration Statement under the Securities Act of 1933, as amended, on Form N-2 (File No. 333-114656), filed on September 17, 2004.

(23) Incorporated by reference to Exhibits (k)(3) and (k)(4), as applicable, to the Company's Registration Statement under the Securities Act of 1933, as amended, on Form N-2 (File No. 333-188175), filed on April 26, 2013.

(24) Incorporated by reference to Exhibits 10.2 through 10.4, as applicable, to the Company's Form 8-K (File No. 814-00663), filed on January 25, 2010.

(25) Incorporated by reference to Exhibits 10.1 through 10.3, as applicable, to the Company's Form 8-K (File No. 814-0663), filed on June 8, 2012.

(26) Incorporated by reference to Exhibit 10.5 to the Company's Form 10-Q (File No. 814-00663) for the quarter ended March 30, 2010, filed on May 10, 2010.

(27) Incorporated by reference to Exhibit 10.1 to the Company's Form 8-K (File No. 814-00663), filed on January 19, 2011.

(28) Incorporated by reference to Exhibit 10.1 to the Company's Form 8-K (File No. 814-00663), filed on October 14, 2011.

(29) Incorporated by reference to Exhibit 10.1 to the Company's Form 8-K (File No. 814-00663), filed on January 19, 2012.

(30) Incorporated by reference to Exhibit 10.1 to the Company's Form 8-K (File No. 814-00663), filed on January 28, 2013.

(31) Incorporated by reference to Exhibit 10.1 to the Company's Form 8-K (File No. 814-00663), filed on May 15, 2014.

(32) Incorporated by reference to Exhibit 10.1 to the Company's Form 8-K (File No. 814-00663), filed on January 4, 2017.

(33) Incorporated by reference to Exhibits 10.22 and 10.27 to the Company's Form 10-K (File No. 814-00663) for the year ended December 31, 2021, filed on February 9, 2022.

(34) Incorporated by reference to Exhibits 10.1 and 10.2, as applicable, to the Company's Form 8-K (File No. 814-00663), filed on October 3, 2018.

(35) Incorporated by reference to Exhibit 10.1 to the Company's Form 8-K (File No. 814-00663), filed on December 17, 2018.

(36) Incorporated by reference to Exhibit 10.1 to the Company's Form 8-K (File No. 814-00663), filed on June 19, 2019.

(37) Incorporated by reference to Exhibit 10.1 to the Company's Form 8-K (File No. 814-00663), filed on February 3, 2020.

(38) Incorporated by reference to Exhibits 10.1 and 10.2, as applicable, to the Company's Form 8-K (File No. 814-00663), filed on January 3, 2022.

(39) Incorporated by reference to Exhibit 10.1 to the Company's Form 8-K (File No. 814-00663), filed on July 1, 2022.

(40) Incorporated by reference to Exhibit 10.1 to the Company's Form 8-K (File No. 814-00663), filed on April 5, 2022.

(41) Incorporated by reference to Exhibits 10.1 and 10.2, as applicable, to the Company's Form 8-K (File No. 814-00663), filed on January 24, 2012.

(42) Incorporated by reference to Exhibits 10.1 and 10.2, as applicable, to the Company's Form 8-K (File No. 814-00663), filed on June 16, 2020.

(43) Incorporated by reference to Exhibit 10.31 to the Company's Form 10-K (File No. 814-00663), for the year ended December 30, 2020, filed on February 10, 2021.

(44) Incorporated by reference to Exhibit 10.1 to the Company's Form 8-K (File No. 814-00663), filed on July 1, 2021.

(45) Incorporated by reference to Exhibit 10.1 to the Company's Form 8-K (File No. 814-00663), filed on September 17, 2012.

(46) Incorporated by reference to Exhibit 10.1 to the Company's Form 8-K (File No. 814-00663), filed on December 23, 2013.

(47) Incorporated by reference to Exhibit 10.1 to the Company's Form 8-K (File No. 814-00663), filed on July 1, 2015.

(48) Incorporated by reference to Exhibit 10.1 to the Company's Form 8-K (File No. 814-00663), filed on August 28, 2017.

(49) Incorporated by reference to Exhibit 10.1 to the Company's Form 8-K (File No. 814-00663), filed on September 13, 2018.

(50) Incorporated by reference to Exhibit 10.1 to the Company's Form 8-K (File No. 814-00663), filed on September 10, 2019.

(51) Incorporated by reference to Exhibit 10.1 to the Company's Form 8-K (File No. 814-00663), filed on January 2, 2020.

(52) Incorporated by reference to Exhibit 10.1 and 10.2 to the Company's Form 8-K (File No. 814-00663), filed on May 28, 2021.

(53) Incorporated by reference to Exhibits 10.1, 10.2 and 10.3 to the Company's Form 8-K (File No. 814-00663), filed on May 27, 2022.

(54) Included in Note 10 to the Company's Notes to Consolidated Financial Statements filed herewith.

(55) Incorporated by reference to Exhibit (r) to the Registrant's pre-effective Amendment No. 1 to the Registration Statement under the Securities Act of 1933, as amended, on Form N-2 (File No. 333-212142), filed on June 14, 2017.

Item 16. Form 10-K Summary

None.

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

Report of Independent Registered Public Accounting Firm

To the Stockholders and Board of Directors

Ares Capital Corporation:

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated balance sheets of Ares Capital Corporation and subsidiaries (the Company), including the consolidated schedules of investments, as of December 31, 2022 and 2021, the related consolidated statements of operations, stockholders' equity, and cash flows for each of the years in the three-year period ended December 31, 2022, and the related notes (collectively, the consolidated financial statements). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2022 and 2021, and the results of its operations and its cash flows for each of the years in the three-year period ended December 31, 2022, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2022, based on criteria established in *Internal Control - Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission, and our report dated February 7, 2023 expressed an unqualified opinion on the effectiveness of the Company's internal control over financial reporting.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Such procedures also included confirmation of investments owned as of December 31, 2022 and 2021 by correspondence with custodians, portfolio companies, agents, or other appropriate audit procedures. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of a critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Fair value of investments

As discussed in Notes 2 and 4 to the consolidated financial statements, consistent with the Company's valuation policy and in consideration of the fact that there is not a readily available market value for most of the investments in the Company's portfolio, the Company measures substantially all of its investments at fair value using unobservable inputs and assumptions.

We identified the evaluation of the fair value of investments as a critical audit matter. Due to inherent estimation uncertainty, assessment of the Company's judgments regarding the use of specific valuation assumptions involved a high degree of subjective auditor judgment. Changes in these assumptions could have a significant impact on the fair value of investments. In particular, the Company made judgments relating to market yields used in yield analyses for debt and other interest-bearing investments, market multiples used in determining enterprise values, and discount rates used in discounted cash flow analyses. Additionally, specialized skills and knowledge were required to evaluate these assumptions.

The following are the primary procedures we performed to address this critical audit matter. We evaluated the design and tested the operating effectiveness of certain internal controls over the Company's process to measure the fair value of its investments. These included controls related to the development of the market yield, market multiples, and discount rate assumptions used in the Company's valuations. We also evaluated the Company's ability to estimate fair value by comparing a selection of prior period fair values to transaction prices of transactions occurring subsequent to the prior period valuation date. To assess management's use of the market yield, market multiples, and discount rate assumptions to measure fair value of its investments, for a selection of investments, we assessed these assumptions by using third-party market and industry data. For a selection of the Company's investments, we involved valuation professionals with specialized skills and knowledge, who assisted in:

- developing a range of market yields, market multiples, and discount rate assumptions using market information and comparing them to the assumptions used by the Company.
- evaluating the Company's estimate of fair value by developing an independent estimate of fair value based upon independently developed ranges for market yields, market multiples, and discount rate assumptions.

KPMG LLP

We have served as the Company's auditor since 2004.

Los Angeles, California
February 7, 2023

Report of Independent Registered Public Accounting Firm

To the Stockholders and Board of Directors

Ares Capital Corporation:

Opinion on Internal Control Over Financial Reporting

We have audited Ares Capital Corporation and subsidiaries' (the Company) internal control over financial reporting as of December 31, 2022, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission. In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2022, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets of the Company, including the consolidated schedules of investments, as of December 31, 2022 and 2021, the related consolidated statements of operations, stockholders' equity, and cash flows for each of the years in the three-year period ended December 31, 2022, and the related notes (collectively, the consolidated financial statements), and our report dated February 7, 2023, expressed an unqualified opinion on those consolidated financial statements.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance

regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use,
or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

KPMG LLP

Los Angeles, California
February 7, 2023

ARES CAPITAL CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEET
(in millions, except per share data)

	As of December 31,	
	2022	2021
ASSETS		
Investments at fair value		
Non-controlled/non-affiliate company investments	$ 17,296	$ 17,056
Non-controlled affiliate company investments	364	373
Controlled affiliate company investments	4,120	2,580
Total investments at fair value (amortized cost of $22,043 and $19,810, respectively)	21,780	20,009
Cash and cash equivalents	303	372
Restricted cash	34	114
Interest receivable	176	142
Receivable for open trades	4	80
Other assets	81	99
Operating lease right-of-use asset	20	27
Total assets	$ 22,398	$ 20,843
LIABILITIES		
Debt	$ 12,210	$ 11,020
Base management fees payable	79	69
Income based fees payable	81	67
Capital gains incentive fees payable	35	161
Interest and facility fees payable	105	100
Payable to participants	34	114
Payable for open trades	22	216
Accounts payable and other liabilities	167	111
Secured borrowings	79	74
Operating lease liabilities	31	43
Total liabilities	12,843	11,975
Commitments and contingencies (Note 7)		
STOCKHOLDERS' EQUITY		
Common stock, par value $0.001 per share, 700 and 600 common shares authorized, respectively; 519 and 468 common shares issued and outstanding, respectively	1	—
Capital in excess of par value	9,556	8,553
Accumulated (overdistributed) undistributed earnings	(2)	315
Total stockholders' equity	9,555	8,868
Total liabilities and stockholders' equity	$ 22,398	$ 20,843
NET ASSETS PER SHARE	$ 18.40	$ 18.96

See accompanying notes to consolidated financial statements.

ARES CAPITAL CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF OPERATIONS
(in millions, except per share data)

	For the Years Ended December 31,		
	2022	2021	2020
INVESTMENT INCOME:			
From non-controlled/non-affiliate company investments:			
Interest income (excluding payment-in-kind (“PIK”) interest income)	$ 1,141	$ 911	$ 844
PIK interest income	121	133	116
Capital structuring service fees	133	285	128
Dividend income	194	122	74
Other income	43	40	50
Total investment income from non-controlled/non-affiliate company investments	1,632	1,491	1,212
From non-controlled affiliate company investments:			
Interest income (excluding PIK interest income)	8	7	9
PIK interest income	5	4	3
Capital structuring service fees	—	—	1
Dividend income	2	—	—
Other income	—	1	—
Total investment income from non-controlled affiliate company investments	15	12	13
From controlled affiliate company investments:			
Interest income (excluding PIK interest income)	183	164	156
PIK interest income	12	28	31
Capital structuring service fees	20	21	20
Dividend income	228	100	75
Other income	6	4	4
Total investment income from controlled affiliate company investments	449	317	286
Total investment income	2,096	1,820	1,511
EXPENSES:			
Interest and credit facility fees	455	372	317
Base management fees	305	253	217
Income based fees	252	225	184
Capital gains incentive fees	(101)	161	(58)
Administrative fees	11	15	13
Other general and administrative	27	24	25
Total expenses	949	1,050	698
NET INVESTMENT INCOME BEFORE INCOME TAXES	1,147	770	813
Income tax expense, including excise tax	55	29	19
NET INVESTMENT INCOME	1,092	741	794
REALIZED AND UNREALIZED GAINS (LOSSES) ON INVESTMENTS, FOREIGN CURRENCY AND OTHER TRANSACTIONS:			
Net realized gains (losses):			
Non-controlled/non-affiliate company investments	56	129	(159)
Non-controlled affiliate company investments	6	68	16
Controlled affiliate company investments	(38)	61	(5)
Foreign currency and other transactions	57	25	(18)
Net realized gains (losses)	81	283	(166)
Net unrealized gains (losses):			
Non-controlled/non-affiliate company investments	(585)	556	(284)
Non-controlled affiliate company investments	71	(16)	(2)
Controlled affiliate company investments	1	62	142
Foreign currency and other transactions	(12)	(16)	—
Net unrealized gains (losses)	(525)	586	(144)
Net realized and unrealized gains (losses) on investments, foreign currency and other transactions	(444)	869	(310)
REALIZED LOSS ON EXTINGUISHMENT OF DEBT	(48)	(43)	—
NET INCREASE IN STOCKHOLDERS’ EQUITY RESULTING FROM OPERATIONS	$ 600	$ 1,567	$ 484
NET INCOME PER COMMON SHARE (see Note 10)			
Basic	$ 1.21	$ 3.51	$ 1.14
Diluted	$ 1.19	$ 3.51	$ 1.14
WEIGHTED AVERAGE SHARES OF COMMON STOCK OUTSTANDING (see Note 10)			
Basic	498	446	424
Diluted	518	446	424

See accompanying notes to consolidated financial statements.

ARES CAPITAL CORPORATION AND SUBSIDIARIES
CONSOLIDATED SCHEDULE OF INVESTMENTS
As of December 31, 2022
(dollar amounts in millions)

Company (1)	Business Description	Investment	Coupon (3)	Reference (7)	Spread (3)	Acquisition Date	Maturity Date	Shares/Units	Principal	Amortized Cost	Fair Value		% of Net Assets
Software & Services													
2U, Inc.	Provider of course design and learning management system to educational institutions	First lien senior secured loan	10.16%	LIBOR (Q)	5.75%	6/2021	12/2024		$ 14.6	$ 14.4	$ 14.3	(2)(6)(11)	
AffiniPay Midco, LLC and AffiniPay Intermediate Holdings, LLC (15)	Payment processing solution provider	First lien senior secured loan	10.64%	SOFR (A)	5.75%	6/2022	6/2028		120.6	118.4	115.7	(2)(11)	
		First lien senior secured loan	10.45%	SOFR (A)	5.75%	2/2020	6/2028		63.3	63.3	60.8	(2)(11)	
		Senior subordinated loan	14.70% PIK	SOFR (Q)	10.00%	2/2020	6/2030		56.8	56.8	54.4	(2)(11)	
										238.5	230.9		
Anaplan, Inc. (15)	Provider of cloud-based connected planning platforms for business analytics	First lien senior secured loan	10.82%	SOFR (M)	6.50%	6/2022	6/2029		1.8	1.8	1.7	(2)(11)	
Anaqua Parent Holdings, Inc. & Astorg VII Co-Invest Anaqua (15)	Provider of intellectual property management lifecycle software	First lien senior secured loan	7.52%	Euribor (S)	5.50%	4/2019	4/2026		4.4	4.6	4.4	(2)	
		First lien senior secured loan	9.11%	LIBOR (S)	5.25%	6/2021	4/2026		1.0	1.0	1.0	(2)(11)	
		Limited partnership units				6/2019		4,400,000		4.2	8.3	(2)(6)	
										9.8	13.7		
APG Intermediate Holdings Corporation and APG Holdings, LLC (4)(15)	Aircraft performance software provider	First lien senior secured loan	10.36%	LIBOR (S)	5.25%	1/2020	1/2025		13.3	13.3	13.2	(2)(11)	
		Class A membership Units				1/2020		9,750,000		9.8	8.6	(2)	
										23.1	21.8		
Appriss Health, LLC and Appriss Health Intermediate Holdings, Inc. (15)	Software platform for identification, prevention and management of substance use disorder	First lien senior secured loan	11.54%	LIBOR (M)	7.25%	5/2021	5/2027		5.7	5.7	5.7	(2)(11)	
		Series A preferred shares	11.00% PIK			5/2021		32,236		38.7	35.6	(2)	
										44.4	41.3		
Apptio, Inc. (15)	Provider of cloud-based technology business management solutions	First lien senior secured revolving loan	9.93%	LIBOR (Q)	6.00%	1/2019	1/2025		2.5	2.5	2.5	(2)(11)	
		First lien senior secured loan	9.94%	LIBOR (Q)	6.00%	1/2019	1/2025		15.1	15.1	15.1	(2)(11)	
										17.6	17.6		
Avalara, Inc. (15)	Provider of cloud-based solutions for transaction tax compliance worldwide	First lien senior secured loan	11.83%	SOFR (Q)	7.25%	10/2022	10/2028		72.2	72.2	70.4	(2)(11)	
Avetta, LLC (15)	Supply chain risk management SaaS platform for global enterprise clients	First lien senior secured loan	10.16%	LIBOR (Q)	5.75%	7/2021	4/2024		0.2	0.2	0.1	(2)(11)	
AxiomSL Group, Inc. and Calypso Group, Inc. (15)	Provider of risk data management and regulatory reporting software	First lien senior secured loan	10.13%	LIBOR (M)	5.75%	7/2021	12/2027		21.2	20.8	21.2	(2)(11)	
Banyan Software Holdings, LLC and Banyan Software, LP (15)	Vertical software businesses holding company	First lien senior secured revolving loan	10.88%	LIBOR (Q)	6.50%	10/2020	10/2025		0.9	0.9	0.9	(2)(11)	
		First lien senior secured loan	11.23%	LIBOR (Q)	6.50%	12/2021	10/2026		20.3	20.3	20.3	(2)(11)	

(dollar amounts in millions)

Company (1)	Business Description	Investment	Coupon (3)	Reference (7)	Spread (3)	Acquisition Date	Maturity Date	Shares/Units	Principal	Amortized Cost	Fair Value	% of Net Assets
		First lien senior secured loan	11.23%	LIBOR (Q)	6.50%	10/2020	10/2026		1.0	1.0	1.0 (2)(11)	
		Preferred units				1/2022		120,999		4.1	5.4 (2)	
										26.3	27.6	
Borrower R365 Holdings LLC (15)	Provider of restaurant enterprise resource planning systems	First lien senior secured loan	8.23% (3.00% PIK)	LIBOR (Q)	3.50%	6/2021	6/2027		15.9	15.7	15.9 (2)(11)	
		First lien senior secured loan	8.23% (3.00% PIK)	LIBOR (Q)	3.50%	1/2022	6/2027		1.4	1.4	1.4 (2)(11)	
										17.1	17.3	
Bottomline Technologies, Inc. (15)	Provider of payment automation solutions	First lien senior secured loan	9.82%	SOFR (M)	5.50%	5/2022	5/2029		18.0	18.0	17.6 (2)(11)	
Businessolver.com, Inc. (15)	Provider of SaaS-based benefits solutions for employers and employees	First lien senior secured loan	9.67%	LIBOR (S)	5.50%	12/2021	12/2027		14.7	14.7	14.5 (2)(11)	
CallMiner, Inc.	Provider of cloud-based conversational analytics solutions	Warrant to purchase shares of Series 1 preferred stock				7/2014	7/2024	2,350,636		—	—	
Cardinal Parent, Inc. and Packers Software Intermediate Holdings, Inc. (15)	Provider of software and technology-enabled content and analytical solutions to insurance brokers	First lien senior secured revolving loan	11.00%	Base Rate (Q)	3.50%	11/2020	11/2025		3.4	3.4	3.0 (2)(11)	
		Second lien senior secured loan	12.46%	LIBOR (Q)	7.75%	11/2020	11/2028		64.3	64.3	57.8 (2)(11)	
		Series A preferred shares	15.73% PIK	LIBOR (Q)	11.00%	11/2020		24,898		32.1	26.3 (2)	
		Series A-2 preferred shares	15.73% PIK	LIBOR (Q)	11.00%	12/2020		8,963		11.4	9.4 (2)	
		Series A-3 preferred shares	11.00% PIK			11/2021		11,952		13.5	11.1 (2)	
										124.7	107.6	
Community Brands ParentCo, LLC (15)	Software and payment services provider to non-profit institutions	First lien senior secured loan	10.17%	SOFR (M)	5.75%	2/2022	2/2028		10.6	10.6	10.4 (2)(11)	
		Class A units				12/2016		500,000		5.0	6.4 (2)	
										15.6	16.8	
Computer Services, Inc.	Infrastructure software provider to community banks	First lien senior secured loan	11.15%	SOFR (Q)	6.75%	11/2022	11/2029		34.1	34.1	33.0 (2)(11)	
Consilio Midco Limited, Compusoft US LLC, and Consilio Investment Holdings, L.P. (15)	Provider of sales software for the interior design industry	First lien senior secured revolving loan	8.32%	EURIBOR (Q)	6.25%	11/2021	5/2028		0.8	0.8	0.8 (2)(6)(11)	
		First lien senior secured loan	10.48%	SOFR (Q)	5.75%	6/2022	5/2028		11.7	11.7	11.4 (2)(6)(11)	
		First lien senior secured loan	10.48%	SOFR (Q)	5.75%	5/2021	5/2028		74.8	74.8	72.6 (2)(6)(11)	
		First lien senior secured loan	8.39%	Euribor (Q)	6.25%	11/2021	5/2028		26.9	28.3	26.1 (2)(6)	
		Common units				5/2021		4,799,000		4.8	6.5 (2)(6)	
		Series A common units				9/2022		23,340		0.2	— (2)(6)	
										120.6	117.4	
CoreLogic, Inc. and T-VIII Celestial Co-Invest LP (15)	Provider of information, insight, analytics, software and other outsourced services primarily to the mortgage, real estate and insurance sectors	Second lien senior secured loan	10.94%	LIBOR (M)	6.50%	6/2021	6/2029		155.7	155.7	129.2 (2)(11)	
		Limited partnership units				4/2021		59,665,989		59.7	48.8 (2)	
										215.4	178.0	

(dollar amounts in millions)

Company (1)	Business Description	Investment	Coupon (3)	Reference (7)	Spread (3)	Acquisition Date	Maturity Date	Shares/Units	Principal	Amortized Cost	Fair Value		% of Net Assets
Cority Software Inc., Cority Software (USA) Inc., and Cority Parent, Inc. (15)	Provider of environmental, health and safety software to track compliance data	First lien senior secured loan	10.31%	SOFR (Q)	6.00%	9/2022	7/2026		6.2	6.2	6.2	(2)(6)(11)	
		First lien senior secured loan	9.06%	SOFR (Q)	5.50%	10/2019	7/2026		4.4	4.4	4.3	(2)(6)(11)	
		First lien senior secured loan	11.06%	SOFR (Q)	7.50%	9/2020	7/2026		0.1	0.1	0.1	(2)(6)(11)	
		First lien senior secured loan	9.06%	SOFR (Q)	5.50%	7/2019	7/2026		6.3	6.3	6.2	(2)(6)(11)	
		Preferred equity	9.00% PIK			7/2019		198		0.3	0.7	(2)(6)	
		Common equity				7/2019		190,143		—	—	(2)(6)	
										17.3	17.5		
Cornerstone OnDemand, Inc. and Sunshine Software Holdings, Inc. (15)	Provider of a cloud-based, SaaS platform for talent management	First lien senior secured revolving loan	7.51%	LIBOR (M)	3.25%	10/2021	10/2026		21.9	21.9	19.7	(2)(14)	
		Second lien senior secured loan	10.88%	LIBOR (M)	6.50%	10/2021	10/2029		137.5	137.5	123.7	(2)(11)	
		Series A preferred shares	10.50% PIK			10/2021		116,413		131.8	109.4	(2)	
		Class A-1 common stock				10/2021		1,360,100		13.6	15.2	(2)	
										304.8	268.0		
Datix Bidco Limited	Global healthcare software company that provides software solutions for patient safety and risk management	First lien senior secured loan	8.95%	SOFR (S)	4.50%	11/2022	4/2025		4.3	4.2	4.2	(2)(6)	
		Second lien senior secured loan	12.20%	SOFR (S)	7.75%	11/2022	4/2026		0.7	0.7	0.7	(2)(6)	
										4.9	4.9		
Dcert Buyer, Inc., DCert Preferred Holdings, Inc. and Destiny Digital Holdings, L.P.	Provider of internet security tools and solutions	First lien senior secured loan	8.70%	SOFR (S)	4.00%	5/2022	10/2026		1.0	1.0	0.9	(2)	
		Second lien senior secured loan	11.70%	SOFR (S)	7.00%	5/2022	2/2029		11.0	10.3	10.7	(2)	
		Series A preferred shares	10.50% PIK			5/2021		129,822		153.0	134.6	(2)	
		Series A units				5/2021		817,194		13.3	12.5	(2)	
										177.6	158.7		
Denali Holdco LLC and Denali Apexco LP (15)	Provider of cybersecurity audit and assessment services	First lien senior secured loan	10.52%	LIBOR (Q)	5.75%	7/2022	9/2027		0.1	0.1	0.1	(2)(11)	
		First lien senior secured loan	10.52%	LIBOR (Q)	5.75%	9/2021	9/2027		0.1	0.1	0.1	(2)(11)	
		Class A units				2/2022		2,549,000		2.5	2.4	(2)	
										2.7	2.6		
Diligent Corporation and Diligent Preferred Issuer, Inc. (15)	Provider of secure SaaS solutions for board and leadership team documents	First lien senior secured revolving loan	10.63%	LIBOR (M)	6.25%	8/2020	8/2025		0.7	0.6	0.7	(2)(11)(14)	
		First lien senior secured loan	10.63%	LIBOR (M)	6.25%	8/2020	8/2025		35.9	35.4	35.2	(2)(11)	
		First lien senior secured loan	10.63%	LIBOR (M)	6.25%	7/2021	8/2025		2.0	2.0	2.0	(2)(11)	
		First lien senior secured loan	10.13%	LIBOR (M)	5.75%	3/2021	8/2025		0.1	0.1	0.1	(2)(11)	
		First lien senior secured loan	10.13%	LIBOR (M)	5.75%	4/2021	8/2025		0.1	0.1	0.1	(2)(11)	
		Preferred stock	10.50% PIK			4/2021		13,140		15.0	13.8	(2)	
										53.2	51.9		

(dollar amounts in millions)

Company (1)	Business Description	Investment	Coupon (3)	Reference (7)	Spread (3)	Acquisition Date	Maturity Date	Shares/Units	Principal	Amortized Cost	Fair Value	% of Net Assets
Drilling Info Holdings, Inc. and Titan DI Preferred Holdings, Inc.	SaaS based business analytics company focused on oil and gas industry	Second lien senior secured loan	12.63%	LIBOR (M)	8.25%	2/2020	7/2026		25.0	25.0	24.8 (2)	
		Preferred stock	13.50% PIK			2/2020		29.53		42.4	41.6 (2)	
										67.4	66.4	
DS Admiral Bidco, LLC (15)	Tax return software provider for government institutions	First lien senior secured loan	10.16%	LIBOR (Q)	5.75%	3/2021	3/2028		0.1	0.1	0.1 (2)(11)	
Dye & Durham Corporation (15)	Provider of cloud-based software and technology solutions for the legal industry	First lien senior secured revolving loan	11.20%	CDOR (M)	4.75%	12/2021	12/2026		5.0	5.0	5.0 (2)(6)(11)	
		First lien senior secured loan	10.69%	CDOR (Q)	5.75%	12/2021	12/2027		40.0	42.2	40.0 (2)(6)(11)	
										47.2	45.0	
Elemica Parent, Inc. & EZ Elemica Holdings, Inc. (15)	SaaS based supply chain management software provider focused on chemical markets	First lien senior secured revolving loan	10.51%	SOFR (Q)	6.00%	9/2019	9/2025		4.1	4.1	4.0 (2)(11)	
		First lien senior secured loan	10.74%	LIBOR (Q)	6.00%	9/2019	9/2025		50.0	50.0	48.5 (2)(11)	
		First lien senior secured loan	10.68%	SOFR (Q)	6.00%	9/2019	9/2025		11.3	11.3	11.0 (2)(11)	
		First lien senior secured loan	10.68%	SOFR (Q)	6.00%	12/2020	9/2025		5.7	5.7	5.6 (2)(11)	
		Preferred equity				9/2019		4,599		4.6	5.3 (2)	
										75.7	74.4	
EP Purchaser, LLC and TPG VIII EP Co-Invest II, L.P.	Provider of entertainment workforce and production management solutions	Second lien senior secured loan	11.23%	LIBOR (Q)	6.50%	11/2021	11/2029		177.9	177.9	176.1 (2)(11)	
		Partnership units				5/2019		5,034,483		3.2	11.7 (2)(6)	
										181.1	187.8	
EpiServer Inc. and Episerver Sweden Holdings AB (15)	Provider of web content management and digital commerce solutions	First lien senior secured loan	6.69%	Euribor (Q)	5.50%	3/2019	4/2026		5.6	5.9	5.5 (2)(6)	
		First lien senior secured loan	9.98%	LIBOR (Q)	5.25%	12/2021	4/2026		0.1	0.1	0.1 (2)(6)(11)	
		First lien senior secured loan	9.98%	LIBOR (Q)	5.25%	10/2018	4/2026		0.1	0.1	0.1 (2)(6)(11)	
										6.1	5.7	
eResearch Technology, Inc. and Astorg VII Co-Invest ERT (15)	Provider of mission-critical, software-enabled clinical research solutions	Second lien senior secured loan	12.07%	LIBOR (M)	8.00%	4/2021	2/2028		30.6	29.8	27.2 (2)(11)	
		Second lien senior secured loan	12.38%	LIBOR (M)	8.00%	2/2020	2/2028		17.2	16.9	15.3 (2)(11)	
		Limited partnership interest				1/2020		3,988,000		4.5	3.7 (2)(6)	
										51.2	46.2	
ESHA Research, LLC and RMCF VI CIV XLVIII, L.P. (15)	Provider of nutritional information and software as a services (SaaS) compliance solutions	First lien senior secured loan	10.07%	SOFR (Q)	6.25%	6/2022	6/2028		6.8	6.8	6.7 (2)(11)	
		Limited partner interests				6/2022		6,046,628		6.0	6.0	
										12.8	12.7	
Extrahop Networks, Inc. (15)	Provider of real-time wire data analytics solutions for application and infrastructure monitoring	First lien senior secured loan	12.23%	LIBOR (Q)	7.50%	7/2021	7/2027		20.2	20.2	20.2 (2)(11)	

(dollar amounts in millions)

Company (1)	Business Description	Investment	Coupon (3)	Reference (7)	Spread (3)	Acquisition Date	Maturity Date	Shares/Units	Principal	Amortized Cost	Fair Value		% of Net Assets
First Insight, Inc.	Software company providing merchandising and pricing solutions to companies worldwide	Warrant to purchase units of Series C preferred stock				3/2014	3/2024	122,827		—	—		
FM:Systems Group, LLC (15)	Provider of facilities and space management software solutions	First lien senior secured loan	9.13%	LIBOR (S)	5.75%	12/2019	12/2024		0.1	0.1	0.1	(2)(11)	
		First lien senior secured loan	10.96%	LIBOR (S)	5.75%	6/2021	12/2024		0.1	0.1	0.1	(2)(11)	
										0.2	0.2		
Forescout Technologies, Inc. (15)	Network access control solutions provider	First lien senior secured loan	14.23% (9.50% PIK)	LIBOR (Q)	9.50%	8/2020	8/2026		23.8	23.5	23.8	(2)(11)	
		First lien senior secured loan	13.73% PIK	LIBOR (Q)	9.00%	7/2022	8/2026		12.6	12.6	12.6	(2)(11)	
										36.1	36.4		
Genesis Acquisition Co. and Genesis Ultimate Holding Co. (15)	Child care management software and services provider	First lien senior secured revolving loan	7.92%	LIBOR (S)	3.75%	7/2018	7/2024		1.5	1.5	1.5	(2)	
		First lien senior secured loan	7.92%	LIBOR (S)	3.75%	7/2018	7/2024		0.2	0.2	0.2	(2)	
		First lien senior secured loan	8.42%	LIBOR (Q)	4.25%	11/2021	7/2024		0.1	0.1	0.1	(2)(11)	
		Second lien senior secured loan	11.24%	LIBOR (Q)	7.50%	7/2018	7/2025		32.4	32.4	31.7	(2)	
		Second lien senior secured loan	11.24%	LIBOR (Q)	7.50%	11/2021	7/2025		21.1	21.1	20.7	(2)(11)	
		Second lien senior secured loan	11.24%	LIBOR (Q)	7.50%	6/2021	7/2025		7.5	7.5	7.4	(2)	
		Class A common stock				7/2018		8.39		0.8	1.4	(2)	
										63.6	63.0		
GI Ranger Intermediate LLC (15)	Provider of payment processing services and software to healthcare providers	First lien senior secured revolving loan	10.73%	SOFR (Q)	6.00%	10/2021	10/2027		0.4	0.4	0.4	(2)(11)	
		First lien senior secured loan	10.73%	SOFR (Q)	6.00%	10/2021	10/2028		10.2	10.2	10.0	(2)(11)	
		First lien senior secured loan	10.73%	SOFR (Q)	6.00%	3/2022	10/2028		1.8	1.8	1.7	(2)(11)	
										12.4	12.1		
GraphPAD Software, LLC, Insightful Science Intermediate I, LLC and Insightful Science Holdings, LLC (15)	Provider of data analysis, statistics, and visualization software solutions for scientific research applications	First lien senior secured loan	10.73%	LIBOR (Q)	6.00%	12/2017	4/2027		0.2	0.2	0.2	(2)(11)	
		First lien senior secured loan	10.23%	LIBOR (Q)	5.50%	11/2021	4/2027		0.1	0.1	0.1	(2)(11)	
		First lien senior secured loan	10.23%	LIBOR (Q)	5.50%	10/2021	4/2027		0.1	0.1	0.1	(2)(11)	
		First lien senior secured loan	10.43%	LIBOR (Q)	5.50%	4/2021	4/2027		0.1	0.1	0.1	(2)(11)	
		Senior subordinated loan	10.50% PIK			4/2021	4/2032		43.5	43.5	40.0	(2)	
		Preferred units	14.00% PIK			4/2021		1,828,644		57.5	57.5		
										101.5	98.0		
GSV PracticeTek Holdings, LLC	Software provider for medical practitioners	Class A units	8.00% PIK			3/2021		12,827,482		1.1	14.0	(2)	
Heavy Construction Systems Specialists, LLC (15)	Provider of construction software	First lien senior secured loan	9.88%	LIBOR (M)	5.50%	11/2021	11/2028		0.1	0.1	0.1	(2)(11)	

(dollar amounts in millions)

Company (1)	Business Description	Investment	Coupon (3)	Reference (7)	Spread (3)	Acquisition Date	Maturity Date	Shares/Units	Principal	Amortized Cost	Fair Value	% of Net Assets
Huskies Parent, Inc., GI Insurity Parent LLC and GI Insurity TopCo LP (15)	Insurance software provider	First lien senior secured revolving loan	10.23%	LIBOR (Q)	5.50%	11/2021	11/2027		9.4	9.4	8.7 (2)(11)	
		First lien senior secured loan	10.23%	LIBOR (Q)	5.50%	11/2021	11/2028		60.4	60.4	56.1 (2)(11)	
		Senior subordinated loan	10.00% PIK			11/2021	11/2031		99.5	99.5	82.6 (2)	
		Common units				11/2021		4,243,657		8.8	5.5 (2)	
										178.1	152.9	
Imprivata, Inc.	Provider of identity and access management solutions to the healthcare industry	Second lien senior secured loan	10.57%	SOFR (M)	6.25%	4/2022	12/2028		16.1	15.9	15.1 (2)(11)	
Inmar, Inc.	Technology-driven solutions provider for retailers, wholesalers and manufacturers	Second lien senior secured loan	12.38%	LIBOR (M)	8.00%	4/2017	5/2025		28.3	28.2	26.6 (2)(11)	
IQN Holding Corp. (15)	Provider of extended workforce management software	First lien senior secured loan	9.65%	SOFR (Q)	5.25%	5/2022	5/2029		23.5	23.5	23.3 (2)(11)	
		First lien senior secured loan	9.71%	SOFR (Q)	5.50%	5/2022	5/2029		0.4	0.4	0.4 (2)(11)	
										23.9	23.7	
IV Rollover Holdings, LLC	Provider of cloud based IT solutions, infrastructure and services	Class B units				5/2017		170,490		—	—	
		Class X units				5/2017		5,000,000		2.0	2.1 (2)	
										2.0	2.1	
Kaseya Inc. and Knockout Intermediate Holdings I Inc. (15)	Provider of cloud-based software and technology solutions for small and medium sized businesses	First lien senior secured loan	10.33%	SOFR (Q)	5.75%	6/2022	6/2029		167.0	167.0	162.0 (2)(11)	
		Preferred stock	11.75% PIK			6/2022		38,797		41.2	40.0 (2)	
										208.2	202.0	
LeanTaaS Holdings, Inc. (15)	Provider of SaaS tools to optimize healthcare asset utilization	First lien senior secured loan	12.08%	SOFR (Q)	7.50%	7/2022	7/2028		31.8	31.8	31.2 (2)(11)	
Majesco and Magic Topco, L.P. (15)	Insurance software provider	First lien senior secured loan	11.98%	LIBOR (Q)	7.25%	9/2020	9/2027		30.3	30.3	30.3 (2)(11)	
		Class A units	9.00% PIK			9/2020		2,539		3.1	3.6 (2)	
		Class B units				9/2020		570,625		—	—	
										33.4	33.9	
Mimecast Borrowerco, Inc. and Magnesium Co- Invest SCSp (15)	Cybersecurity solutions provider	First lien senior secured loan	10.17%	SOFR (M)	5.75%	5/2022	5/2029		102.1	102.1	99.1 (2)(6)(11)	
		First lien senior secured loan	9.18%	SONIA (Q)	5.75%	5/2022	5/2029		34.8	35.6	33.7 (2)(6)(11)	
		Limited partnership interest				5/2022		3,974		38.8	39.4 (2)(6)	
										176.5	172.2	
Ministry Brands Holdings, LLC and RCP MB Investments B, L.P. (15)	Software and payment services provider to faith-based institutions	First lien senior secured revolving loan	9.88%	LIBOR (M)	5.50%	12/2021	12/2027		4.0	4.0	3.8 (2)(11)(14)	
		First lien senior secured loan	9.88%	LIBOR (M)	5.50%	12/2021	12/2028		32.5	32.5	30.9 (2)(11)	
		Limited partner interests				12/2021		9,574,000		9.6	8.8 (2)	
										46.1	43.5	

(dollar amounts in millions)

Company (1)	Business Description	Investment	Coupon (3)	Reference (7)	Spread (3)	Acquisition Date	Maturity Date	Shares/Units	Principal	Amortized Cost	Fair Value		% of Net Assets
Mitchell International, Inc.	Provider of technology, connectivity, and information solutions to the property and casualty insurance industry	Second lien senior secured loan	11.23%	LIBOR (Q)	6.50%	10/2021	10/2029		98.1	96.1	81.0	(2)(11)(18)	
Moonraker AcquisitionCo LLC and Moonraker HoldCo LLC (15)	Leading technology solution provider for casing and auditioning to the entertainment industry	First lien senior secured loan	10.32%	SOFR (M)	6.00%	8/2022	8/2028		25.1	25.1	24.6	(2)(11)	
		Class A units	8.00% PIK			8/2022		45,320		4.5	4.5		
										29.6	29.1		
MRI Software LLC (15)	Provider of real estate and investment management software	First lien senior secured loan	10.23%	LIBOR (Q)	5.50%	2/2020	2/2026		47.1	47.1	45.6	(11)	
		First lien senior secured loan	10.23%	LIBOR (Q)	5.50%	8/2020	2/2026		17.4	17.4	16.8	(2)(11)	
										64.5	62.4		
OpenMarket Inc.	Provider of cloud-based mobile engagement platform	First lien senior secured loan	10.98%	LIBOR (Q)	6.25%	9/2021	9/2026		51.6	51.6	51.1	(2)(6)(11)	
Paya, Inc and GTCR-Ultra Holdings LLC (15)	Provider of payment processing and merchant acquiring solutions	Class B units				8/2017		2,878,372		—	2.6	(2)	
PayNearMe, Inc.	Electronic cash payment system provider	Warrant to purchase shares of Series E preferred stock				3/2016	3/2023	195,726		0.2	—		
PDDS HoldCo, Inc. (15)	Provider of cloud-based dental practice management software	First lien senior secured loan	12.30%	SOFR (Q)	7.50%	7/2022	7/2028		9.4	9.4	9.2	(2)(11)	
PDI TA Holdings, Inc., Peachtree Parent, Inc. and Insight PDI Holdings, LLC (15)	Provider of enterprise management software for the convenience retail and petroleum wholesale market	First lien senior secured revolving loan	8.82%	LIBOR (Q)	4.50%	3/2019	10/2024		6.1	6.1	6.0	(2)(11)	
		First lien senior secured loan	8.73%	LIBOR (Q)	4.50%	3/2019	10/2024		52.9	52.9	51.9	(2)(11)	
		Second lien senior secured loan	13.18%	LIBOR (Q)	8.50%	3/2019	10/2025		70.1	70.1	68.7	(2)(11)	
		Second lien senior secured loan	13.18%	LIBOR (Q)	8.50%	4/2021	10/2025		8.7	8.7	8.6	(2)(11)	
		Second lien senior secured loan	13.18%	LIBOR (Q)	8.50%	12/2020	10/2025		8.3	8.3	8.1	(2)(11)	
		Second lien senior secured loan	13.18%	LIBOR (Q)	8.50%	12/2021	10/2025		7.2	7.2	7.1	(2)(11)	
		Series A preferred stock	13.25% PIK			3/2019		13,656		22.3	21.2	(2)	
		Class A units				3/2019		2,062,493		2.1	2.7	(2)	
										177.7	174.3		
Pegasus Global Enterprise Holdings, LLC, Mekone Blocker Acquisition, Inc. and Mekone Parent, LLC (15)	Provider of plant maintenance and scheduling software	First lien senior secured loan	10.48%	LIBOR (Q)	5.75%	10/2020	5/2025		13.7	13.7	13.7	(2)(11)	
		First lien senior secured loan	10.48%	LIBOR (Q)	5.75%	6/2020	5/2025		0.1	0.1	0.1	(2)(11)	
		First lien senior secured loan	9.98%	LIBOR (Q)	5.25%	5/2019	5/2025		0.2	0.2	0.2	(2)(11)	
		Class A units				5/2019		5,000		5.0	14.3		
										19.0	28.3		

(dollar amounts in millions)

Company (1)	Business Description	Investment	Coupon (3)	Reference (7)	Spread (3)	Acquisition Date	Maturity Date	Shares/Units	Principal	Amortized Cost	Fair Value		% of Net Assets
Petvisor Holdings, LLC (15)	Provider of veterinarian-focused SaaS solutions	First lien senior secured loan	10.21%	SOFR (S)	5.50%	6/2022	6/2028		21.5	21.5	21.5	(2)(11)	
Ping Identity Holding Corp. (15)	Provider of identity and access management solutions	First lien senior secured loan	11.32%	SOFR (M)	7.00%	10/2022	10/2029		11.3	11.3	11.0	(2)(11)	
Pluralsight, Inc. (15)	Online education learning platform	First lien senior secured revolving loan	12.36%	LIBOR (M)	8.00%	4/2021	4/2027		0.2	0.2	0.1	(2)(11)	
		First lien senior secured loan	11.83%	LIBOR (Q)	8.00%	4/2021	4/2027		106.2	106.2	104.0	(2)(11)	
										106.4	104.1		
Poplicus Incorporated	Business intelligence and market analytics platform for companies that sell to the public sector	Warrant to purchase shares of Series C preferred stock				6/2015	6/2025	2,402,991		0.1	—		
ProfitSolv Purchaser, Inc. and PS Co-Invest, L.P. (15)	Provider of practice management software to law firms	First lien senior secured loan	10.23%	LIBOR (Q)	5.50%	3/2021	3/2027		5.5	5.5	5.4	(2)(11)	
		Limited partnership units				3/2021		1,624,000		1.6	1.5	(2)	
										7.1	6.9		
Project Alpha Intermediate Holding, Inc. and Qlik Parent, Inc.	Provider of data visualization software for data analytics	First lien senior secured loan	8.39%	LIBOR (M)	4.00%	6/2022	4/2024		2.8	2.8	2.8	(2)(18)	
		Class A common stock				8/2016		7,445		7.4	14.4	(2)	
		Class B common stock				8/2016		1,841,609		0.1	0.1	(2)	
										10.3	17.3		
Project Essential Bidco, Inc. and Project Essential Super Parent, Inc. (15)	Saas provider of automated crew callout and scheduling software for the utility industry	First lien senior secured loan	9.99%	LIBOR (Q)	5.75%	4/2021	4/2028		36.2	36.2	34.7	(2)(11)	
		Preferred shares	14.23% PIK	LIBOR (Q)	9.50%	4/2021		26,436		31.9	30.2	(2)	
										68.1	64.9		
Project Potter Buyer, LLC and Project Potter Parent, L.P. (15)	Software solutions provider to the ready-mix concrete industry	First lien senior secured revolving loan	12.07%	SOFR (M)	7.75%	4/2020	4/2026		2.1	2.0	2.1	(2)(11)(14)	
		First lien senior secured loan	12.07%	SOFR (M)	7.75%	4/2020	4/2027		43.6	43.6	43.6	(2)(11)	
		First lien senior secured loan	12.07%	SOFR (M)	7.75%	11/2020	4/2027		14.3	14.3	14.3	(2)(11)	
		First lien senior secured loan	12.07%	SOFR (M)	7.75%	10/2020	4/2027		12.8	12.8	12.8	(2)(11)	
		First lien senior secured loan	12.07%	SOFR (M)	7.75%	11/2020	4/2027		4.9	4.9	4.9	(2)(11)	
		Class B units				4/2020		588,636		—	9.3	(2)	
										77.6	87.0		
Proofpoint, Inc. (15)	Cybersecurity solutions provider	First lien senior secured loan	7.98%	LIBOR (Q)	3.25%	6/2021	8/2028		1.0	0.9	0.9	(2)(11)(18)	
		Second lien senior secured loan	10.98%	LIBOR (Q)	6.25%	6/2021	8/2029		34.6	34.4	34.6	(2)(11)	
										35.3	35.5		
QF Holdings, Inc. (15)	SaaS based electronic health record software provider	First lien senior secured loan	11.02%	LIBOR (Q)	6.25%	12/2021	12/2027		8.1	8.1	8.1	(2)(11)	
		First lien senior secured loan	10.43%	LIBOR (S)	6.25%	9/2019	12/2027		6.8	6.8	6.8	(2)(11)	
		First lien senior secured loan	10.64%	LIBOR (M)	6.25%	8/2020	12/2027		3.7	3.7	3.7	(2)(11)	
										18.6	18.6		

(dollar amounts in millions)

Company (1)	Business Description	Investment	Coupon (3)	Reference (7)	Spread (3)	Acquisition Date	Maturity Date	Shares/Units	Principal	Amortized Cost	Fair Value		% of Net Assets
Raptor Technologies, LLC, Sycamore Bidco LTD and Rocket Parent, LLC (15)	Provider of SaaS-based safety and security software to the K-12 school market	First lien senior secured loan	10.23%	LIBOR (Q)	5.50%	10/2021	10/2028		8.5	8.5	8.2	(2)(6)(11)	
		Class A common units				12/2018		2,880,582		3.5	5.9		
										12.0	14.1		
RealPage, Inc.	Provider of enterprise software solutions to the residential real estate industry	Second lien senior secured loan	10.88%	LIBOR (M)	6.50%	4/2021	4/2029		84.1	83.1	82.4	(2)(11)	
Regent Education, Inc.	Provider of software solutions designed to optimize the financial aid and enrollment processes	Warrant to purchase shares of common stock				12/2016	12/2026	5,393,194		—	—		
		Warrant to purchase shares of common stock				12/2016	12/2026	987		—	—		
										—	—		
Relativity ODA LLC (15)	Electronic discovery document review software platform for use in litigations and investigations	First lien senior secured loan	11.89% PIK	LIBOR (M)	7.50%	5/2021	5/2027		22.5	22.5	22.5	(2)(11)	
Revalize, Inc. (15)	Develops and operates software providing configuration, price and quote capabilities for sales teams	First lien senior secured loan	10.48%	SOFR (Q)	5.75%	5/2022	4/2027		0.7	0.7	0.6	(2)(11)	
		First lien senior secured loan	10.46%	SOFR (Q)	5.75%	5/2022	4/2027		0.1	0.1	—	(2)	
										0.8	0.6		
RMS HoldCo II, LLC & RMS Group Holdings, Inc. (15)	Developer of revenue cycle management solutions, process automation, analytics and integration for the healthcare industry	First lien senior secured loan	10.98%	SOFR (Q)	6.25%	8/2022	12/2027		0.2	0.2	0.2	(2)(11)	
		First lien senior secured loan	10.48%	LIBOR (Q)	5.75%	12/2021	12/2027		0.1	0.1	0.1	(2)(11)	
		Class A common stock				12/2021		464.90		4.6	5.5	(2)	
										4.9	5.8		
Smarsh Inc. and Skywalker TopCo, LLC (15)	SaaS based communication archival service provider	First lien senior secured loan	11.29%	SOFR (S)	6.50%	2/2022	2/2029		11.9	11.9	11.9	(2)(11)	
		Common units				11/2020		1,742,623		6.3	8.6	(2)	
										18.2	20.5		
SocialFlow, Inc.	Social media optimization platform provider	Warrant to purchase shares of Series C preferred stock				1/2016	1/2026	215,331		—	—		
Sophia, L.P.	Provider of ERP software and services for higher education institutions	Second lien senior secured loan	12.73%	LIBOR (Q)	8.00%	10/2020	10/2028		105.9	105.9	103.8	(2)(11)	
SoundCloud Limited	Platform for receiving, sending, and distributing music	Common stock				8/2017		73,422		0.4	0.7	(2)(6)	
Spirit RR Holdings, Inc. and Winterfell Co-Invest SCSp (15)	Provider of data, analytics, news, and workflow tools to customers in the counter-cyclical distressed debt space	First lien senior secured loan	11.18%	SOFR (Q)	6.50%	9/2022	9/2028		2.6	2.6	2.5	(2)(11)	
		Limited partner interests				9/2022		1,010		10.2	10.5	(2)	

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(dollar amounts in millions)

Company (1)	Business Description	Investment	Coupon (3)	Reference (7)	Spread (3)	Acquisition Date	Maturity Date	Shares/Units	Principal	Amortized Cost	Fair Value	% of Net Assets
										12.8	13.0	
Stamps.com Inc.	Provider of mailing and shipping solutions	First lien senior secured loan	10.13%	LIBOR (M)	5.75%	10/2021	10/2028		146.8	146.8	140.9 (2)(11)	
Storable, Inc. and EQT IX Co-Investment (E) SCSP	PMS solutions and web services for the self-storage industry	Second lien senior secured loan	11.54%	SOFR (S)	6.75%	4/2021	4/2029		42.8	42.8	41.1 (2)(11)	
		Second lien senior secured loan	11.54%	SOFR (S)	6.75%	3/2022	4/2029		10.3	10.3	9.9 (2)(11)	
		Limited partnership interests				4/2021		614,950		6.2	7.0 (2)(6)	
										59.3	58.0	
Sundance Group Holdings, Inc. (15)	Provider of cloud-based document management and collaboration solutions	First lien senior secured loan	10.75%	SOFR (Q)	6.25%	7/2021	7/2027		20.1	19.8	19.9 (2)(11)	
		First lien senior secured loan	10.93%	SOFR (Q)	6.25%	11/2022	7/2027		0.8	0.8	0.8 (2)(11)	
										20.6	20.7	
Tamarack Intermediate, L.L.C. and Tamarack Parent, L.L.C. (15)	Provider of environment, health, safety, and sustainability software	First lien senior secured revolving loan	10.17%	SOFR (M)	5.75%	3/2022	3/2028		1.3	1.3	1.3 (2)(11)	
		First lien senior secured loan	9.48%	SOFR (S)	5.75%	3/2022	3/2028		35.1	35.1	35.1 (11)	
		Class A-2 units				3/2022		4,849		4.8	5.9	
										41.2	42.3	
TCP Hawker Intermediate LLC (15)	Workforce management solutions provider	First lien senior secured revolving loan	9.57%	LIBOR (M)	5.25%	8/2019	8/2025		0.1	0.1	0.1 (2)(11)	
		First lien senior secured loan	9.98%	LIBOR (Q)	5.25%	8/2019	8/2026		34.4	34.4	34.4 (2)(11)	
		First lien senior secured loan	9.98%	LIBOR (Q)	5.25%	12/2020	8/2026		6.5	6.5	6.5 (2)(11)	
										41.0	41.0	
TibCo Software Inc., Picard Parent, Inc., Picard MidCo, Inc., Picard HoldCo, LLC and Elliott Alto Co-Investor Aggregator L.P. (15)	Provider of server, application and desktop virtualization, networking, software as a service, and cloud computing technologies	First lien senior secured notes	6.50%			9/2022	3/2029		88.9	86.5	74.9 (2)(18)	
		First lien senior secured loan	9.18%	SOFR (Q)	4.50%	9/2022	3/2029		10.9	10.4	9.7 (2)(11)(18)	
		Second lien senior secured loan	9.00%	SOFR (Q)	7.00%	9/2022	9/2029		85.3	83.9	69.9 (2)(11)	
		Series A preferred stock	16.59% PIK	SOFR (Q)	12.00%	9/2022		141,928		143.4	143.1 (2)	
		Limited partnership interests				9/2022		12,250,000		12.3	10.7 (2)	
										336.5	308.3	
UKG Inc. and H&F Unite Partners, L.P. (15)	Provider of cloud based HCM solutions for businesses	First lien senior secured revolving loan	8.06%	LIBOR (M)	3.75%	5/2019	2/2026		10.6	10.6	10.6 (2)(6)(14)	
		Limited partnership interests				5/2019		12,583,556		12.6	14.4 (2)(6)	
										23.2	25.0	
WebPT, Inc. (15)	Electronic medical record software provider	First lien senior secured revolving loan	11.26%	LIBOR (Q)	6.75%	8/2019	1/2028		0.3	0.3	0.3 (2)(11)	
		First lien senior secured loan	11.48%	LIBOR (Q)	6.75%	8/2019	1/2028		48.1	48.1	48.1 (2)(11)	
										48.4	48.4	

(dollar amounts in millions)

Company (1)	Business Description	Investment	Coupon (3)	Reference (7)	Spread (3)	Acquisition Date	Maturity Date	Shares/Units	Principal	Amortized Cost	Fair Value		% of Net Assets
Wellness AcquisitionCo, Inc. (15)	Provider of retail consumer insights and analytics for manufacturers and retailers in the natural, organic and specialty products industry	First lien senior secured loan	9.91%	LIBOR (Q)	5.50%	1/2021	1/2027		0.1	0.1	0.1	(2)(11)	
WorkWave Intermediate II, LLC (15)	Provider of cloud-based field services and fleet management solutions	First lien senior secured loan	11.93% PIK	SOFR (Q)	7.25%	6/2021	6/2027		67.4	67.4	67.4	(2)(11)	
		First lien senior secured loan	11.44%	SOFR (Q)	7.25%	2/2022	6/2027		17.3	17.3	17.3	(2)(11)	
										84.7	84.7		
ZenDesk, Inc., Zoro TopCo, Inc. and Zoro TopCo, LP (15)	Provider of cloud-based customer support solutions	First lien senior secured loan	11.04%	SOFR (Q)	6.50%	12/2022	11/2028		42.4	42.4	41.6	(2)(11)	
		Series A preferred stock	12.50% PIK			11/2022		27,226		27.6	26.8	(2)	
		Class A common units				11/2022		269,100		2.7	2.7	(2)	
										72.7	71.1		
										4,950.2	4,760.6		49.83%
Diversified Financials													
AQ Sage Buyer, LLC (15)	Provider of actuarial consulting and comprehensive wealth management services	First lien senior secured loan	10.70%	SOFR (S)	5.75%	5/2022	1/2027		1.9	1.9	1.8	(2)(6)(11)	
BCC Blueprint Holdings I, LLC and BCC Blueprint Investments, LLC	Provider of comprehensive suite of investment management and wealth planning solutions	First lien senior secured loan	11.02%	LIBOR (Q)	6.25%	9/2021	9/2027		0.2	0.2	0.2	(2)(11)	
		Senior subordinated loan	9.30% PIK			9/2021	9/2026		5.0	5.0	4.9	(2)	
		Common units				9/2021		4,666,301		4.7	3.9	(2)	
										9.9	9.0		
Beacon Pointe Harmony, LLC (15)	Provider of comprehensive wealth management services	First lien senior secured loan	9.39%	SOFR (Q)	5.25%	12/2021	12/2028		17.9	17.9	17.7	(2)(6)(11)	
Convera International Holdings Limited and Convera International Financial S.A R.L. (15)	Provider of B2B international payment and FX risk management solutions	First lien senior secured loan	10.33%	SOFR (Q)	5.75%	3/2022	3/2028		62.8	62.8	62.8	(2)(6)(11)	
CrossCountry Mortgage, LLC (15)	Mortgage company originating loans in the retail and consumer direct channels	First lien senior secured loan	11.73%	LIBOR (Q)	7.00%	11/2021	11/2027		93.8	93.8	92.8	(2)(11)	
DFC Global Facility Borrower III LLC (15)	Non-bank provider of alternative financial services	First lien senior secured revolving loan	11.62%	LIBOR (M)	7.50%	6/2021	6/2026		158.6	172.8	158.6	(2)(6)(9)(11)	
eCapital Finance Corp.	Consolidator of commercial finance businesses	Senior subordinated loan	11.97%	SOFR (M)	7.75%	4/2022	12/2025		55.8	55.8	55.2	(2)(11)	
		Senior subordinated loan	11.97%	SOFR (M)	7.75%	1/2020	12/2025		56.0	56.0	55.4	(2)(11)	
		Senior subordinated loan	11.97%	SOFR (M)	7.75%	1/2022	12/2025		24.3	24.3	24.1	(2)(11)	
		Senior subordinated loan	11.97%	SOFR (M)	7.75%	11/2020	12/2025		5.4	5.4	5.3	(2)(11)	
										141.5	140.0		
EP Wealth Advisors, LLC (15)	Wealth management and financial planning firm	First lien senior secured loan	10.01%	SOFR (Q)	5.75%	11/2022	9/2026		5.6	5.6	5.6	(2)(11)	

ARES CAPITAL CORPORATION AND SUBSIDIARIES
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Company (1)	Business Description	Investment	Coupon (3)	Reference (7)	Spread (3)	Acquisition Date	Maturity Date	Shares/Units	Principal	Amortized Cost	Fair Value		% of Net Assets
		First lien senior secured loan	10.23%	SOFR (Q)	5.50%	11/2021	9/2026		0.4	0.4	0.4	(2)(11)	
		First lien senior secured loan	10.23%	SOFR (Q)	5.50%	9/2020	9/2026		0.1	0.1	0.1	(2)(11)	
		First lien senior secured loan	10.11%	SOFR (Q)	5.38%	9/2020	9/2026		0.1	0.1	0.1	(2)(11)	
										6.2	6.2		
HighTower Holding, LLC	Provider of investment, financial and retirement planning services	Senior subordinated loan	6.75%			6/2022	4/2029		8.1	6.7	6.7	(2)(6)(18)	
Ivy Hill Asset Management, L.P. (5)	Asset management services	Subordinated revolving loan	11.01%	SOFR (Q)	6.50%	2/2018	1/2030		500.0	500.0	500.0	(6)(11)	
		Member interest				6/2009		100.00%		1,547.5	1,701.1	(6)	
										2,047.5	2,201.1		
Lido Advisors, LLC (15)	Wealth management and financial planning firm	First lien senior secured revolving loan	9.05%	LIBOR (Q)	4.50%	6/2021	6/2027		0.4	0.4	0.4	(2)(11)	
LS DE LLC and LM LSQ Investors LLC	Asset based lender	Senior subordinated loan	10.50%			6/2017	6/2021		3.0	3.0	3.0	(2)(6)	
		Senior subordinated loan	10.50%			6/2015	3/2024		37.0	37.0	36.6	(2)(6)	
		Membership units				6/2015		3,275,000		3.3	3.0	(6)	
										43.3	42.6		
Monica Holdco (US) Inc. (15)	Investment technology and advisory firm	First lien senior secured revolving loan	10.99%	LIBOR (Q)	6.25%	1/2021	1/2026		2.4	2.4	2.3	(2)(11)(14)	
		First lien senior secured loan	11.48%	LIBOR (Q)	6.75%	1/2021	1/2028		2.6	2.6	2.5	(2)(11)	
										5.0	4.8		
Petrus Buyer, Inc. (15)	Provider of REIT research data and analytics	First lien senior secured loan	10.70%	SOFR (Q)	6.50%	11/2022	10/2029		5.1	5.1	4.9	(2)(11)	
Priority Holdings, LLC and Priority Technology Holdings, Inc.	Provider of merchant acquiring and payment processing solutions	First lien senior secured loan	10.48%	LIBOR (Q)	5.75%	4/2021	4/2027		0.7	0.7	0.7	(2)(6)(11)	
		Senior preferred stock	16.73% (7.00% PIK)	LIBOR (Q)	12.00 %	4/2021		65,761		69.2	73.2	(2)(6)	
		Warrant to purchase shares of common stock				4/2021	4/2031	527,226		4.0	2.8	(2)(6)(18)	
										73.9	76.7		
Rialto Management Group, LLC (15)	Investment and asset management platform focused on real estate	First lien senior secured revolving loan				11/2018	12/2025		—	—	—	(6)(13)	
		First lien senior secured loan	9.88%	LIBOR (M)	5.50%	11/2018	12/2025		0.3	0.3	0.3	(2)(6)(11)	
		First lien senior secured loan	9.88%	LIBOR (M)	5.50%	12/2021	12/2025		0.1	0.1	0.1	(2)(6)(11)	
		First lien senior secured loan	9.88%	LIBOR (M)	5.50%	4/2021	12/2025		0.1	0.1	0.1	(2)(6)(11)	
										0.5	0.5		
TA/WEG Holdings, LLC (15)	Wealth management and financial planning firm	First lien senior secured loan	9.98%	SOFR (A)	6.00%	8/2021	10/2027		0.1	0.1	0.1	(2)(11)	
		First lien senior secured loan	9.41%	SOFR (S)	6.00%	11/2020	10/2027		0.1	0.1	0.1	(2)(11)	
		First lien senior secured loan	10.75%	SOFR (A)	6.00%	10/2019	10/2027		0.1	0.1	0.1	(2)(11)	
		First lien senior secured loan	10.46%	SOFR (A)	6.00%	6/2021	10/2027		0.1	0.1	0.1	(2)(11)	
										0.4	0.4		
The Edelman Financial Center, LLC	Provider of investment, financial and retirement planning services	Second lien senior secured loan	11.13%	LIBOR (M)	6.75%	9/2022	7/2026		13.4	11.8	12.0	(2)(6)(18)	

(dollar amounts in millions)

Company (1)	Business Description	Investment	Coupon (3)	Reference (7)	Spread (3)	Acquisition Date	Maturity Date	Shares/Units	Principal	Amortized Cost	Fair Value		% of Net Assets
The Mather Group, LLC, TVG-TMG Topco, Inc., and TVG-TMG Holdings, LLC (15)	Provider of comprehensive wealth management services	First lien senior secured revolving loan	12.00%	Base Rate (M)	4.50%	3/2022	3/2028		0.1	0.1	0.1	(2)(6)(11)	
		First lien senior secured loan	10.51%	SOFR (S)	5.50%	3/2022	3/2028		3.5	3.5	3.4	(2)(6)(11)	
		Senior subordinated loan	12.00% PIK			3/2022	3/2029		3.0	3.0	2.9	(2)(6)	
		Series A preferred units				3/2022		7,199		7.2	4.8	(2)(6)	
		Common units				3/2022		7,199		—	—	(6)	
										13.8	11.2		
The Ultimus Group Midco, LLC, The Ultimus Group, LLC, and The Ultimus Group Aggregator, LP (15)	Provider of asset-servicing capabilities for fund managers	First lien senior secured loan	9.23%	LIBOR (Q)	4.50%	2/2019	2/2026		37.4	37.4	36.7	(2)(11)	
		Class A units	8.00% PIK			9/2019		1,443		1.9	3.1		
		Class A units				2/2019		245		0.2	—		
		Class B units				2/2019		245,194		—	—		
		Class B units				2/2019		2,167,424		—	—		
										39.5	39.8		
Waverly Advisors, LLC (15)	Wealth management and financial planning firm	First lien senior secured loan	10.23%	SOFR (Q)	5.50%	3/2022	3/2028		0.6	0.6	0.6	(2)(6)(11)	
										2,755.3	2,890.6		30.26%
Health Care Services													
Absolute Dental Group LLC and Absolute Dental Equity, LLC (5) (15)	Dental services provider	First lien senior secured revolving loan	15.50% (5.00% PIK)	Base Rate (Q)	8.00%	6/2021	6/2024		2.2	2.2	2.2	(2)(11)	
		First lien senior secured revolving loan	13.77% (5.00% PIK)	LIBOR (Q)	9.00%	6/2021	6/2024		1.0	1.0	1.0	(2)(11)	
		First lien senior secured loan	13.73% (5.41% PIK)	LIBOR (Q)	9.00%	6/2021	6/2024		52.1	52.1	52.1	(2)(11)	
		Class A common units				6/2021		7,617,280		4.7	14.9	(2)	
										60.0	70.2		
ADG, LLC and RC IV GEDC Investor LLC (15)	Dental services provider	First lien senior secured revolving loan	9.19% (0.52% PIK)	LIBOR (M)	4.75%	9/2016	9/2023		9.8	9.8	9.3	(2)(11)	
		First lien senior secured revolving loan	11.25% (0.52% PIK)	Base Rate (M)	3.75%	9/2016	9/2023		4.3	4.3	4.1	(2)(11)	
		Second lien senior secured loan	7.19% PIK	LIBOR (M)	2.80%	9/2016	3/2024		130.0	105.8	104.0	(2)(11)	
		Membership units				9/2016		3,000,000		3.0	—		
										122.9	117.4		
Advarra Holdings, Inc. (15)	Provider of central institutional review boards over clinical trials	First lien senior secured loan	10.15%	SOFR (Q)	5.75%	8/2022	8/2029		4.1	4.1	3.9	(2)(11)	
AHR Funding Holdings, Inc. and AHR Parent Holdings, LP	Provider of revenue cycle management solutions to hospitals	Series A preferred shares	12.75% PIK			7/2022	7/2028	35,000		36.9	35.8	(2)	
		Preferred units	8.00% PIK			7/2022		9,900		10.2	10.2	(2)	
		Class B common units				7/2022		100,000		0.1	0.1	(2)	
										47.2	46.1		

(dollar amounts in millions)

Company (1)	Business Description	Investment	Coupon (3)	Reference (7)	Spread (3)	Acquisition Date	Maturity Date	Shares/Units	Principal	Amortized Cost	Fair Value	% of Net Assets
AthenaHealth Group Inc., Minerva Holdco, Inc. and BCPE Co-Invest (A), LP (15)	Revenue cycle management provider to the physician practices and acute care hospitals	Series A preferred stock	10.75% PIK			2/2022		198,504		218.1	198.5 (2)	
		Class A units				2/2022		10,487,950		10.5	9.5 (2)	
										228.6	208.0	
BAART Programs, Inc., MedMark Services, Inc., and Canadian Addiction Treatment Centres LP (15)	Opiod treatment provider	First lien senior secured loan	9.73%	LIBOR (Q)	5.00%	5/2022	6/2027		6.0	6.1	5.9 (2)(11)	
Bambino Group Holdings, LLC	Dental services provider	Class A preferred units				12/2016		1,000,000		1.0	0.9 (2)	
CCS-CMGC Holdings, Inc. (15)	Correctional facility healthcare operator	First lien senior secured revolving loan				10/2018	10/2023		—	—	— (13)	
		First lien senior secured loan	9.91%	LIBOR (Q)	5.50%	9/2018	10/2025		33.6	33.5	26.2 (2)(18)	
										33.5	26.2	
Center for Autism and Related Disorders, LLC (15)	Autism treatment and services provider specializing in applied behavior analysis therapy	First lien senior secured revolving loan				11/2018	11/2023		6.8	6.8	2.9 (2)(10)(14)	
		First lien senior secured revolving loan				1/2022	11/2023		0.6	0.2	0.2 (2)(10)(14)	
		First lien senior secured loan				10/2022	10/2023		9.5	9.3	4.0 (2)(10)	
		First lien senior secured loan				12/2022	10/2023		2.1	2.7	0.9 (2)(10)	
										19.0	8.0	
Color Intermediate, LLC	Provider of pre-payment integrity software solution	First lien senior secured loan	10.08%	SOFR (Q)	5.50%	10/2022	10/2029		20.3	20.3	19.5 (2)(11)	
Comprehensive EyeCare Partners, LLC (15)	Vision care practice management company	First lien senior secured revolving loan	10.58%	SOFR (Q)	5.75%	2/2018	2/2024		0.8	0.8	0.7 (2)(11)	
		First lien senior secured loan	10.59%	SOFR (Q)	5.75%	2/2018	2/2024		0.3	0.3	0.3 (2)(11)	
										1.1	1.0	
Convey Health Solutions, Inc.	Healthcare workforce management software provider	First lien senior secured loan	9.48%	LIBOR (Q)	4.75%	9/2019	9/2026		2.7	2.7	2.6 (2)(6)(11)	
		First lien senior secured loan	9.83%	SOFR (Q)	5.25%	10/2022	9/2026		0.1	0.1	0.1 (2)(6)(11)	
		First lien senior secured loan	9.93%	SOFR (Q)	5.25%	2/2022	9/2026		0.1	0.1	0.1 (2)(6)(11)	
										2.9	2.8	
Crown CT Parent Inc., Crown CT HoldCo Inc. and Crown CT Management LLC (15)	Provider of medical devices and services for the treatment of positional plagiocephaly	First lien senior secured loan	10.11%	SOFR (Q)	5.50%	3/2022	3/2029		24.5	24.5	24.5 (2)(11)	
		Class A shares				3/2022		176		1.8	1.9 (2)	
		Common units				3/2022		28		0.3	0.3 (2)	
										26.6	26.7	
CVP Holdco, Inc. and OMERS Wildcats Investment Holdings LLC (15)	Veterinary hospital operator	First lien senior secured loan	11.13%	LIBOR (Q)	6.40%	1/2022	10/2025		49.5	49.5	49.0 (2)(11)	
		First lien senior secured loan	11.13%	LIBOR (Q)	6.40%	10/2019	10/2025		38.9	38.9	38.5 (2)(11)	
		First lien senior secured loan	10.98%	LIBOR (Q)	6.25%	10/2022	10/2025		1.7	1.7	1.6 (2)(11)	
		First lien senior secured loan	11.13%	LIBOR (Q)	6.40%	4/2021	10/2025		0.1	0.1	0.1 (2)(11)	
		Common stock				10/2019		41,443		14.5	22.7 (2)	

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(dollar amounts in millions)

Company (1)	Business Description	Investment	Coupon (3)	Reference (7)	Spread (3)	Acquisition Date	Maturity Date	Shares/Units	Principal	Amortized Cost	Fair Value	% of Net Assets
										104.7	111.9	
Ensemble RCM, LLC	Provider of technology-enabled revenue cycle management services to the health care industry	First lien senior secured loan	9.19%	SOFR (Q)	5.00%	4/2022	8/2026		2.5	2.5	2.5 (2)(11)	
Evolent Health LLC	Medical technology company focused on value based care services and payment solutions	First lien senior secured loan	10.23%	SOFR (Q)	5.50%	8/2022	8/2027		7.8	7.8	7.7 (2)(6)(11)	
Explorer Investor, Inc (15)	Provider of outsourced employee staffing services to the life sciences and healthcare industries	First lien senior secured loan	10.15%	SOFR (Q)	5.75%	6/2022	6/2029		1.0	1.0	0.9 (2)(11)	
GHX Ultimate Parent Corporation, Commerce Parent, Inc. and Commerce Topco, LLC (15)	On-demand supply chain automation solutions provider to the healthcare industry	Second lien senior secured loan	11.48%	LIBOR (Q)	6.75%	5/2021	5/2029		114.0	114.0	111.8 (2)(11)	
		Class A units				6/2017		14,853,569		15.7	27.8 (2)	
										129.7	139.6	
Global Medical Response, Inc. and GMR Buyer Corp.	Emergency air medical services provider	First lien senior secured loan	8.63%	LIBOR (M)	4.25%	6/2022	3/2025		12.1	11.3	8.5 (2)(11)(18)	
		First lien senior secured loan	8.42%	LIBOR (M)	4.25%	6/2022	10/2025		25.7	23.8	17.9 (2)(11)(18)	
		Second lien senior secured loan	11.10%	LIBOR (M)	6.75%	12/2021	12/2029		95.4	95.4	71.6 (2)(11)	
		Warrant to purchase units of common stock				3/2018	3/2028	115,733		0.9	1.8 (2)	
		Warrant to purchase units of common stock				12/2021	12/2031	1,927		0.1	— (2)	
										131.5	99.8	
Hanger, Inc.	Provider of orthotic and prosthetic equipment and services	First lien senior secured loan	10.43%	SOFR (M)	6.25%	10/2022	10/2028		54.2	54.2	53.2 (2)(11)	
		Second lien senior secured loan	13.93%	SOFR (M)	9.75%	10/2022	10/2029		110.6	110.6	106.8 (2)(11)	
										164.8	160.0	
HealthEdge Software, Inc. (15)	Provider of financial, administrative and clinical software platforms to the healthcare industry	First lien senior secured revolving loan				12/2021	4/2026		—	—	— (13)	
		First lien senior secured loan	11.74%	LIBOR (Q)	7.00%	12/2021	4/2026		87.2	87.2	87.2 (2)(11)	
										87.2	87.2	
Honor Technology, Inc.	Nursing and home care provider	First lien senior secured loan	14.38%	LIBOR (M)	10.00%	8/2021	8/2026		2.5	2.4	2.3 (2)(11)	
		Warrant to purchase shares of series D-2 preferred stock				8/2021	8/2031	133,333		0.1	— (2)	
										2.5	2.3	
JDC Healthcare Management, LLC (15)	Dental services provider	First lien senior secured revolving loan				4/2017	4/2024		4.8	3.7	2.6 (2)(10)	
		First lien senior secured loan				4/2017	4/2024		40.9	31.4	22.1 (2)(10)	
										35.1	24.7	
KBHS Acquisition, LLC (d/b/a Alita Care, LLC) (15)	Provider of behavioral health services	First lien senior secured revolving loan	9.72% (1.00% PIK)	LIBOR (Q)	5.00%	3/2017	3/2024		3.2	3.2	3.1 (2)(11)	
Lifescan Global Corporation	Provider of blood glucose monitoring systems for home and hospital use	First lien senior secured loan	9.74%	LIBOR (Q)	6.00%	5/2022	10/2024		14.3	13.7	10.3 (2)	

(dollar amounts in millions)

Company (1)	Business Description	Investment	Coupon (3)	Reference (7)	Spread (3)	Acquisition Date	Maturity Date	Shares/Units	Principal	Amortized Cost	Fair Value	% of Net Assets
		Second lien senior secured loan	13.24%	LIBOR (Q)	9.50%	5/2022	10/2025		0.2	0.2	0.2 (2)	
										13.9	10.5	
Medline Borrower, LP (15)	Manufacturer and distributor of medical supplies	First lien senior secured revolving loan				10/2021	10/2026		—	—	— (13)	
Napa Management Services Corporation and ASP NAPA Holdings, LLC	Anesthesia management services provider	Senior preferred units	8.00% PIK			6/2020		5,320		0.3	0.3 (2)	
		Preferred units	15.00% PIK			6/2020		1,842		0.2	0.2 (2)	
		Class A units				4/2016		25,277		2.5	3.6 (2)	
										3.0	4.1	
NMN Holdings III Corp. and NMN Holdings LP (15)	Provider of complex rehabilitation technology solutions for patients with mobility loss	First lien senior secured revolving loan	8.13%	LIBOR (M)	3.75%	11/2018	11/2023		2.3	2.3	2.1 (2)(14)	
		Partnership units				11/2018		30,000		3.0	2.0 (2)	
										5.3	4.1	
Olympia Acquisition, Inc., Olympia TopCo, L.P., and Asclepius Holdings LLC (5)(15)	Behavioral health and special education platform provider	First lien senior secured loan				9/2019	2/2027		50.9	49.3	38.1 (10)	
		First lien senior secured loan				2/2022	2/2027		8.7	8.5	6.6 (2)(10)	
		Preferred stock				2/2022		7,983		3.1	—	
		Preferred units				7/2021	4/2024	417,189		0.3	—	
		Common units				2/2022		7,584		—	—	
		Class A common units				9/2019		9,549,000		9.5	—	
										70.7	44.7	
OMH-HealthEdge Holdings, LLC	Revenue cycle management provider to the healthcare industry	First lien senior secured loan	10.02%	LIBOR (Q)	5.25%	10/2019	10/2025		25.9	25.9	25.9 (2)(11)	
		First lien senior secured loan	10.02%	LIBOR (Q)	5.25%	3/2021	10/2025		15.2	15.2	15.2 (2)(11)	
		First lien senior secured loan	10.02%	LIBOR (Q)	5.25%	3/2022	10/2025		0.1	0.1	0.1 (2)(11)	
										41.2	41.2	
Pathway Vet Alliance LLC and Jedi Group Holdings LLC (15)	Veterinary hospital operator	Second lien senior secured loan	12.13%	LIBOR (M)	7.75%	3/2020	3/2028		76.3	76.3	65.6 (2)(11)	
		Class R common units				3/2020		6,004,768		6.0	5.5 (2)	
										82.3	71.1	
PetVet Care Centers, LLC	Veterinary hospital operator	First lien senior secured loan	9.38%	SOFR (M)	5.00%	6/2022	2/2025		5.3	5.1	5.0 (2)(11)	
Premise Health Holding Corp. and OMERS Bluejay Investment Holdings LP (15)	Provider of employer-sponsored onsite health and wellness clinics and pharmacies	First lien senior secured revolving loan				7/2018	4/2025		—	—	— (13)	
		First lien senior secured loan	7.92%	LIBOR (Q)	3.75%	7/2018	7/2025		8.6	8.5	8.1 (2)(11)	
		Second lien senior secured loan	11.67%	LIBOR (S)	7.50%	7/2018	7/2026		67.1	66.8	64.4 (2)	
		Class A units				7/2018		9,775		9.8	12.8 (2)	
										85.1	85.3	
Project Ruby Ultimate Parent Corp.	Provider of care coordination and transition management software solutions	Second lien senior secured loan	10.88%	LIBOR (M)	6.50%	3/2021	3/2029		193.1	193.1	181.5 (2)(11)	

(dollar amounts in millions)

Company (1)	Business Description	Investment	Coupon (3)	Reference (7)	Spread (3)	Acquisition Date	Maturity Date	Shares/Units	Principal	Amortized Cost	Fair Value	% of Net Assets
RTI Surgical, Inc. and Pioneer Surgical Technology, Inc. (15)	Manufacturer of biologic, metal and synthetic implants/devices	First lien senior secured revolving loan	11.09%	LIBOR (M)	6.75%	7/2020	7/2026		9.8	9.8	9.7 (2)(11)	
		First lien senior secured loan	10.02%	LIBOR (S)	6.75%	7/2020	7/2026		22.5	22.5	22.3 (2)(11)	
										32.3	32.0	
SiroMed Physician Services, Inc. and SiroMed Equity Holdings, LLC (15)	Outsourced anesthesia provider	First lien senior secured loan	9.48%	LIBOR (Q)	4.75%	3/2018	3/2024		10.3	10.3	10.3 (2)(11)	
		Common units				3/2018		684,854		4.8	1.2 (2)	
										15.1	11.5	
SM Wellness Holdings, Inc. and SM Holdco, Inc. (15)	Breast cancer screening provider	Series A units				8/2018		8,041		8.0	0.1 (2)	
		Series B units				8/2018		804,142		—	9.3 (2)	
										8.0	9.4	
SOC Telemed, Inc. and PSC Spark Holdings, LP	Provider of acute care telemedicine	First lien senior secured loan	12.34% PIK	SOFR (Q)	7.50%	8/2022	8/2027		61.1	56.7	56.2 (2)(11)	
		First lien senior secured loan	12.19%	SOFR (Q)	7.50%	8/2022	8/2027		22.7	22.7	20.9 (2)(11)	
		Class A-2 units				8/2022		4,812		4.9	4.8 (2)	
		Warrant to purchase Class A-2 units				8/2022	8/2029	6,118		4.7	4.7 (2)	
										89.0	86.6	
Symplr Software Inc. and Symplr Software Intermediate Holdings, Inc. (15)	SaaS based healthcare compliance platform provider	First lien senior secured revolving loan	10.25%	Base Rate (Q)	2.75%	12/2020	12/2025		3.1	3.1	2.6 (2)	
		First lien senior secured loan	8.69%	SOFR (Q)	4.50%	2/2022	12/2027		12.4	12.4	10.5 (2)(11)	
		Second lien senior secured loan	12.07%	SOFR (Q)	7.88%	12/2020	12/2028		76.2	76.2	64.8 (2)(11)	
		Series C-1 preferred shares	11.00% PIK			6/2021		75,939		94.9	73.1 (2)	
		Series C-2 preferred shares	11.00% PIK			6/2021		40,115		47.5	36.6 (2)	
		Series C-3 preferred shares	11.00% PIK			10/2021		16,201		18.5	14.3 (2)	
										252.6	201.9	
Synergy HomeCare Franchising, LLC and NP/Synergy Holdings, LLC (15)	Franchisor of private-pay home care for the elderly	First lien senior secured loan	10.48%	SOFR (Q)	5.75%	4/2018	4/2026		13.1	13.1	13.1 (2)(11)	
		Common units				4/2018		550		0.5	1.0	
										13.6	14.1	
Tempus Labs, Inc.	Provider of technology enabled precision medicine solutions	First lien senior secured loan	10.49%	SOFR (Q)	7.00%	9/2022	9/2027		71.4	71.4	69.6 (2)(11)	
Therapy Brands Holdings LLC	Provider of software solutions for the mental and behavioral health market segments	Second lien senior secured loan	11.10%	LIBOR (M)	6.75%	6/2021	5/2029		29.1	28.9	27.9 (2)(11)	
Touchstone Acquisition, Inc. and Touchstone Holding, L.P.	Manufacturer of consumable products in the dental, medical, cosmetic and consumer/industrial end-markets	Class A preferred units	8.00% PIK			11/2018		2,149		3.0	2.1 (2)	
U.S. Anesthesia Partners, Inc. & U.S. Anesthesia Partners Holdings, Inc.	Anesthesiology service provider	Second lien senior secured loan	11.62%	LIBOR (M)	7.50%	10/2021	10/2029		147.8	147.8	143.3 (2)(11)	
		Common stock				12/2021		3,671,429		12.9	12.7 (2)	

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Company (1)	Business Description	Investment	Coupon (3)	Reference (7)	Spread (3)	Acquisition Date	Maturity Date	Shares/Units	Principal	Amortized Cost	Fair Value		% of Net Assets
										160.7	156.0		
United Digestive MSO Parent, LLC (15)	Gastroenterology physician group	First lien senior secured loan	9.38%	LIBOR (M)	5.00%	2/2022	12/2024		1.0	1.0	1.0	(2)(11)	
Viant Medical Holdings, Inc.	Manufacturer of plastic and rubber components for health care equipment	First lien senior secured loan	8.13%	LIBOR (M)	3.75%	5/2022	7/2025		3.2	2.9	2.8	(2)(18)	
VPP Intermediate Holdings, LLC and VPP Group Holdings, L.P. (15)	Veterinary hospital operator	First lien senior secured loan	10.60%	LIBOR (M)	6.25%	12/2021	12/2027		6.2	6.2	6.0	(2)(11)	
		First lien senior secured loan	10.52%	LIBOR (M)	6.50%	8/2022	12/2027		3.1	3.1	3.1	(2)(11)	
		Class A-2 units				12/2021		7,524		7.5	8.6	(2)	
										16.8	17.7		
WSHP FC Acquisition LLC and WSHP FC Holdings LLC (15)	Provider of biospecimen products for pharma research	First lien senior secured revolving loan	10.32%	SOFR (Q)	6.25%	3/2018	3/2028		8.6	8.6	8.4	(2)(11)(14)	
		First lien senior secured loan	10.98%	SOFR (Q)	6.25%	3/2018	3/2028		33.1	33.1	32.4	(2)(11)	
		First lien senior secured loan	10.98%	SOFR (Q)	6.25%	7/2022	3/2028		14.5	14.5	14.2	(2)(11)	
		First lien senior secured loan	10.98%	SOFR (Q)	6.25%	8/2019	3/2028		11.3	11.3	11.0	(2)(11)	
		First lien senior secured loan	10.98%	SOFR (Q)	6.25%	10/2019	3/2028		10.7	10.7	10.5	(2)(11)	
		First lien senior secured loan	10.98%	SOFR (Q)	6.25%	2/2019	3/2028		4.5	4.5	4.4	(2)(11)	
		First lien senior secured loan	10.98%	SOFR (Q)	6.25%	10/2021	3/2028		0.1	0.1	0.1	(2)(11)	
		First lien senior secured loan	10.98%	SOFR (Q)	6.25%	11/2021	3/2028		0.1	0.1	0.1	(2)(11)	
		Common units				7/2022		33,293		4.7	4.4		
										87.6	85.5		
										2,525.9	2,341.9		24.51%
Commercial & Professional Services													
Accommodations Plus Technologies LLC and Accommodations Plus Technologies Holdings LLC (15)	Provider of outsourced crew accommodations and logistics management solutions to the airline industry	First lien senior secured revolving loan	12.48% (0.60% PIK)	SOFR (Q)	7.75%	5/2018	5/2024		4.1	4.1	4.1	(2)(11)	
		Class A common units				5/2018		236,358		4.3	6.6		
										8.4	10.7		
Aero Operating LLC	Provider of snow removal and melting service for airports and marine terminals	First lien senior secured loan	13.24%	SOFR (Q)	9.00%	2/2020	2/2026		36.2	36.2	35.1	(2)(11)	
		First lien senior secured loan	13.24%	SOFR (Q)	9.00%	12/2021	2/2026		1.1	1.1	1.1	(2)(11)	
										37.3	36.2		
AI Fire Buyer, Inc. and AI Fire Parent LLC (15)	Provider of fire safety and life safety services	First lien senior secured revolving loan	10.61%	SOFR (Q)	6.00%	3/2021	3/2027		0.4	0.4	0.4	(2)(11)	
		First lien senior secured loan	10.22%	SOFR (Q)	6.00%	3/2021	3/2027		26.8	26.8	26.8	(2)(11)	
		Second lien senior secured loan	15.73% PIK	SOFR (Q)	11.00%	3/2021	9/2027		45.6	45.6	45.6	(2)(11)	
		Second lien senior secured loan	15.73% PIK	SOFR (Q)	11.00%	5/2022	9/2027		10.3	10.3	10.3	(2)(11)	
		Second lien senior secured loan	15.73% PIK	SOFR (Q)	11.00%	6/2022	9/2027		10.0	10.0	10.0	(2)(11)	
		Common units				3/2021		46,990		4.7	5.7	(2)	

(dollar amounts in millions)

Company (1)	Business Description	Investment	Coupon (3)	Reference (7)	Spread (3)	Acquisition Date	Maturity Date	Shares/Units	Principal	Amortized Cost	Fair Value	% of Net Assets
										97.8	98.8	
Applied Technical Services, LLC (15)	Provider engineering, testing, and inspection services to various industrial, commercial and consumer customers	First lien senior secured revolving loan	12.25%	Base Rate (Q)	4.75%	5/2022	12/2026		1.1	0.9	1.1 (2)(11)	
		First lien senior secured loan	10.48%	LIBOR (Q)	5.75%	5/2022	12/2026		0.8	0.8	0.8 (2)(11)	
										1.7	1.9	
Argenbright Holdings V, LLC and Amberstone Security Group Limited (15)	Provider of outsourced security guard services, outsourced facilities management and outsourced aviation services	First lien senior secured loan	11.49%	SOFR (Q)	7.25%	11/2021	11/2026		20.9	20.9	20.7 (2)(6)(11)	
		First lien senior secured loan	11.53%	SOFR (Q)	7.25%	8/2022	11/2026		5.9	5.9	5.8 (2)(6)(11)	
										26.8	26.5	
BH-Sharp Holdings LP	Provider of commercial knife sharpening and cutlery services in the restaurant industry	Common units				3/2017		2,950,000		3.0	2.3 (2)	
Capstone Acquisition Holdings, Inc. and Capstone Parent Holdings, LP (15)	Outsourced supply chain solutions provider to operators of distribution centers	First lien senior secured revolving loan				11/2020	11/2025		—	—	— (13)	
		First lien senior secured loan	9.13%	LIBOR (M)	4.75%	11/2020	11/2027		0.2	0.2	0.2 (2)(11)	
		Second lien senior secured loan	13.13%	LIBOR (M)	8.75%	11/2020	11/2028		68.3	68.3	68.3 (2)(11)	
		Class A units				11/2020		10,581		10.6	20.1 (2)	
										79.1	88.6	
Compex Legal Services, Inc. (15)	Provider of outsourced litigated and non-litigated medical records retrieval services	First lien senior secured revolving loan	9.51%	LIBOR (Q)	5.25%	5/2022	2/2025		1.8	1.7	1.8 (2)(11)	
DTI Holdco, Inc. and OPE DTI Holdings, Inc.	Provider of legal process outsourcing and managed services	Class A common stock				8/2014		7,500		7.5	6.3 (2)	
		Class B common stock				8/2014		7,500		—	— (2)	
										7.5	6.3	
Elevation Services Parent Holdings, LLC (15)	Elevator service platform	First lien senior secured revolving loan	10.36%	LIBOR (S)	6.00%	12/2020	12/2026		1.4	1.4	1.4 (2)(11)(14)	
		First lien senior secured loan	10.86%	LIBOR (S)	6.00%	12/2020	12/2026		10.2	10.2	10.0 (2)(11)	
		First lien senior secured loan	9.47%	LIBOR (S)	6.00%	5/2022	12/2026		9.1	9.1	9.0 (2)(11)	
										20.7	20.4	
HAI Acquisition Corporation and Aloha Topco, LLC (15)	Professional employer organization offering human resources, compliance and risk management services	First lien senior secured loan	10.42%	SOFR (M)	6.00%	11/2017	11/2025		60.5	60.5	60.5 (2)(11)	
		First lien senior secured loan	11.41%	SOFR (Q)	6.75%	12/2022	11/2025		7.8	7.8	7.8 (2)(11)	
		First lien senior secured loan	10.42%	SOFR (M)	6.00%	9/2021	11/2025		0.1	0.1	0.1 (2)(11)	
		Class A units				11/2017		16,980		1.7	3.1 (2)	
										70.1	71.5	
HH-Stella, Inc. and Bedrock Parent Holdings, LP (15)	Provider of municipal solid waste transfer management services	First lien senior secured revolving loan	9.94%	LIBOR (M)	5.50%	4/2021	4/2027		2.8	2.8	2.7 (2)(11)	

(dollar amounts in millions)

Company (1)	Business Description	Investment	Coupon (3)	Reference (7)	Spread (3)	Acquisition Date	Maturity Date	Shares/Units	Principal	Amortized Cost	Fair Value	% of Net Assets
		First lien senior secured loan	10.19%	LIBOR (Q)	5.50%	4/2021	4/2028		5.8	5.8	5.7 (2)(11)	
		Class A units				4/2021		25,490		2.5	2.2 (2)	
										11.1	10.6	
ISQ Hawkeye Holdco, Inc. and ISQ Hawkeye Holdings, L.P. (15)	Provider of commercial and industrial waste processing and disposal services	First lien senior secured revolving loan				8/2022	8/2028		—	—	— (13)	
		First lien senior secured loan	10.63%	SOFR (M)	6.25%	8/2022	8/2029		3.5	3.5	3.5 (2)(11)	
		Class A units				9/2022		10,000		10.0	12.5 (2)	
										13.5	16.0	
Kellermeyer Bergensons Services, LLC	Provider of janitorial and facilities management services	First lien senior secured loan	10.41%	LIBOR (Q)	6.00%	11/2019	11/2026		56.8	56.6	51.1 (2)(11)	
		First lien senior secured loan	10.41%	LIBOR (Q)	6.00%	7/2021	11/2026		0.1	0.1	0.1 (2)(11)	
										56.7	51.2	
KPS Global LLC and Cool Group LLC	Manufacturer of walk-in cooler and freezer systems	First lien senior secured loan	9.92%	SOFR (M)	5.50%	4/2017	4/2024		12.6	12.6	12.6 (2)(11)	
		First lien senior secured loan	9.92%	SOFR (M)	5.50%	11/2018	4/2024		3.3	3.3	3.3 (2)(11)	
		Class A units				9/2018		13,292		1.1	5.2	
										17.0	21.1	
Laboratories Bidco LLC and Laboratories Topco LLC (15)	Lab testing services for nicotine containing products	First lien senior secured revolving loan	12.25%	Base Rate (Q)	4.75%	7/2021	7/2027		8.8	8.8	8.4 (2)(11)	
		First lien senior secured loan	9.98%	LIBOR (Q)	5.75%	10/2019	7/2027		23.6	24.1	22.7 (2)(11)	
		First lien senior secured loan	8.73%	LIBOR (Q)	5.75%	10/2019	7/2027		16.7	16.7	16.0 (11)	
		First lien senior secured loan	9.55%	LIBOR (S)	5.75%	7/2021	7/2027		4.4	4.4	4.2 (2)(11)	
		First lien senior secured loan	8.73%	LIBOR (S)	5.75%	10/2020	7/2027		0.1	0.1	0.1 (2)(11)	
		Class A units				7/2021		3,099,335		4.6	4.5 (2)	
										58.7	55.9	
LJP Purchaser, Inc. and LJP Topco, LP (15)	Provider of non-hazardous solid waste and recycling services	First lien senior secured loan	10.44%	SOFR (Q)	6.25%	9/2022	9/2028		8.5	8.5	8.3 (2)(11)	
		Class A units	8.00% PIK			9/2022		5,098,000		5.2	5.4 (2)	
										13.7	13.7	
Management Consulting & Research LLC (15)	Provider of systems engineering and technical assistance to the US DoD	First lien senior secured loan	10.94%	SOFR (S)	6.00%	5/2022	8/2027		1.0	1.0	1.0 (2)(11)	
Marmic Purchaser, LLC and Marmic Topco, L.P. (15)	Provider of recurring fire protection services	First lien senior secured loan	10.80%	SOFR (S)	6.00%	2/2022	3/2027		0.7	0.7	0.7 (2)(11)	
		First lien senior secured loan	11.04%	SOFR (S)	6.00%	3/2021	3/2027		0.2	0.2	0.2 (2)(11)	
		Limited partnership units	8.00% PIK			3/2021		1,929,237		2.3	2.6 (2)	
										3.2	3.5	
Microstar Logistics LLC, Microstar Global Asset Management LLC, MStar Holding Corporation and Kegstar USA Inc.	Keg management solutions provider	Second lien senior secured loan	15.58% (11.00% PIK)	SOFR (Q)	11.00%	8/2020	7/2025		159.3	159.3	159.3 (11)	
		Series A preferred stock				8/2020		1,507		1.5	2.6 (2)	
		Common stock				12/2012		54,710		4.9	6.6 (2)	

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Company (1)	Business Description	Investment	Coupon (3)	Reference (7)	Spread (3)	Acquisition Date	Maturity Date	Shares/Units	Principal	Amortized Cost	Fair Value	% of Net Assets
										165.7	168.5	
NAS, LLC and Nationwide Marketing Group, LLC (15)	Buying and marketing services organization for appliance, furniture and consumer electronics dealers	First lien senior secured revolving loan	11.23%	SOFR (Q)	6.50%	11/2020	6/2024		0.6	0.6	0.6 (2)(11)	
		First lien senior secured loan	11.23%	SOFR (Q)	6.50%	11/2020	6/2024		6.3	6.3	6.3 (2)(11)	
		First lien senior secured loan	11.23%	SOFR (Q)	6.50%	12/2021	6/2024		2.3	2.3	2.3 (2)(11)	
		First lien senior secured loan	11.23%	SOFR (Q)	6.50%	5/2022	6/2024		1.3	1.3	1.3 (2)(11)	
										10.5	10.5	
National Intergovernmental Purchasing Alliance Company (15)	Leading group purchasing organization ("GPO") for public agencies and educational institutions in the U.S	First lien senior secured revolving loan	7.12%	SOFR (M)	3.00%	5/2018	5/2026		1.2	1.2	1.2 (2)	
Neptune Bidco US Inc. and Elliott Metron Co-Investor Aggregator L.P. (15)	Provider of audience insights, data and analytics to entertainment industry	First lien senior secured loan	8.82%	SOFR (Q)	5.00%	10/2022	4/2029		99.3	90.4	88.4 (2)(11)	
		First lien senior secured loan	8.57%	SOFR (Q)	4.75%	10/2022	10/2028		74.0	68.5	65.9 (2)(11)	
		First lien senior secured notes	9.29%			11/2022			52.8	51.4	49.8 (2)(18)	
		First lien senior secured loan	6.25%	Euribor (Q)	5.00%	10/2022	4/2029		16.2	13.5	14.4 (2)	
		Second lien senior secured loan	13.57%	SOFR (Q)	9.75%	10/2022	10/2029		221.3	221.3	214.7 (2)(11)	
		Limited partnership interests				10/2022		4,040,000		4.0	4.0 (2)	
										449.1	437.2	
Nest Topco Borrower Inc., KKR Nest Co-Invest L.P., and NBLY 2021-1 (15)	Operator of multiple franchise concepts primarily related to home maintenance or repairs	Senior subordinated loan	13.26%	LIBOR (Q)	8.50%	9/2021	8/2029		119.1	119.1	117.9 (2)(11)	
		Limited partner interest				9/2021		9,725,000		9.7	10.2 (2)	
										128.8	128.1	
North American Fire Holdings, LLC and North American Fire Ultimate Holdings, LLC (15)	Provider of fire safety and life safety services	First lien senior secured loan	10.23%	SOFR (Q)	5.50%	5/2021	5/2027		20.0	20.0	20.0 (2)(11)	
		First lien senior secured loan	10.08%	SOFR (Q)	5.50%	3/2022	5/2027		2.9	2.9	2.9 (2)(11)	
		Common units				5/2021		884,916		0.9	2.9 (2)	
										23.8	25.8	
North Haven Fairway Buyer, LLC, Fairway Lawns, LLC and Command Pest Control, LLC (15)	Provider of lawncare services	First lien senior secured loan	11.05%	SOFR (Q)	6.50%	12/2022	5/2028		6.4	6.3	6.2 (2)(11)	
North Haven Stack Buyer, LLC (15)	Provider of environmental testing services	First lien senior secured revolving loan	9.92%	SOFR (M)	5.50%	7/2021	7/2027		0.8	0.8	0.8 (2)(11)	
		First lien senior secured loan	9.90%	SOFR (M)	5.50%	7/2021	7/2027		6.9	6.8	6.7 (2)(11)	
										7.6	7.5	
Petroleum Service Group LLC (15)	Provider of operational services for US petrochemical and refining companies	First lien senior secured revolving loan	9.71%	LIBOR (Q)	6.00%	7/2019	7/2025		2.5	2.5	2.5 (2)(11)(14)	
		First lien senior secured loan	10.42%	LIBOR (Q)	6.00%	7/2019	7/2025		34.5	34.5	34.5 (2)(11)	

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Company (1)	Business Description	Investment	Coupon (3)	Reference (7)	Spread (3)	Acquisition Date	Maturity Date	Shares/Units	Principal	Amortized Cost	Fair Value	% of Net Assets
		First lien senior secured loan	10.72%	LIBOR (Q)	6.00%	12/2021	7/2025		11.6	11.6	11.6 (2)(11)	
										48.6	48.6	
Pritchard Industries, LLC and LJ Pritchard TopCo Holdings, LLC (15)	Provider of janitorial and facilities management services	First lien senior secured loan	10.47%	SOFR (S)	5.50%	10/2021	10/2027		65.0	65.0	63.1 (2)(11)	
		Class A units				10/2021		7,900,000		7.9	8.4 (2)	
										72.9	71.5	
PS Operating Company LLC and PS Op Holdings LLC (5)(15)	Specialty distributor and solutions provider to the swine and poultry markets	First lien senior secured revolving loan	10.73%	LIBOR (Q)	6.00%	12/2021	12/2024		4.5	4.5	4.5 (2)(11)	
		First lien senior secured loan	10.73%	LIBOR (Q)	6.00%	12/2021	12/2024		14.9	14.9	14.9 (2)(11)	
		Common unit				12/2021		279,199		7.4	8.3 (2)	
										26.8	27.7	
R2 Acquisition Corp.	Marketing services	Common stock				5/2007		250,000		0.2	0.1 (2)	
RC V Tecmo Investor LLC	Technology based aggregator for facility maintenance services	Common member units				8/2020		9,624,000		8.3	22.9 (2)	
RE Community Holdings GP, LLC and RE Community Holdings, LP	Operator of municipal recycling facilities	Limited partnership interest				3/2011		2.86%		—	—	
		Limited partnership interest				3/2011		2.49%		—	—	
										—	—	
Registrar Intermediate, LLC and PSP Registrar Co-Investment Fund, L.P. (15)	Provider of FDA registration and consulting services	First lien senior secured loan	9.38%	LIBOR (M)	5.00%	8/2021	8/2027		2.7	2.7	2.7 (2)(11)	
		Limited partner interests				8/2021		1.13%		2.7	2.6 (2)	
										5.4	5.3	
Rodeo AcquisitionCo LLC (15)	Provider of food inspection and recovery services	First lien senior secured revolving loan	10.38%	LIBOR (M)	6.00%	7/2021	7/2027		1.3	1.3	1.2 (2)(11)	
		First lien senior secured loan	10.38%	LIBOR (M)	6.00%	7/2021	7/2027		16.9	16.9	16.1 (2)(11)	
										18.2	17.3	
Schill Landscaping and Lawn Care Services LLC, Tender Lawn Care ULC and Landscape Parallel Partners, L.P. (15)	Provider of landscape design and planning, and snow removal services	First lien senior secured revolving loan	10.14%	LIBOR (M)	5.75%	12/2021	12/2027		0.2	0.2	0.2 (2)(11)	
		First lien senior secured loan	10.14%	LIBOR (M)	5.75%	12/2021	12/2027		0.6	0.6	0.6 (2)(11)	
		Class A units				12/2021		4,502		11.1	14.7 (2)	
										11.9	15.5	
Service Logic Acquisition, Inc. and MSHC, Inc.	Heating, ventilation and air conditioning services provider	First lien senior secured loan	9.59%	SOFR (Q)	5.50%	10/2022	10/2027		0.1	0.1	0.1 (2)(11)	
Shermco Intermediate Holdings, Inc. (15)	Provider of electrician services	First lien senior secured revolving loan	10.82%	SOFR (M)	6.50%	5/2022	6/2024		2.7	2.6	2.7 (2)	
SSE Buyer, Inc., Supply Source Enterprises, Inc., Impact Products LLC, The Safety Zone, LLC and SSE Parent, LP	Manufacturer and distributor of personal protection equipment, commercial cleaning, maintenance and safety products	Second lien senior secured loan				6/2020	6/2030		21.0	21.0	14.3 (2)(10)	
		Limited partnership class A-1 units				6/2020		2,173		1.1	— (2)	

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Company (1)	Business Description	Investment	Coupon (3)	Reference (7)	Spread (3)	Acquisition Date	Maturity Date	Shares/Units	Principal	Amortized Cost	Fair Value	% of Net Assets
		Limited partnership class A-2 units				6/2020		2,173		1.1	— (2)	
										23.2	14.3	
Startec Equity, LLC (5)	Communication services	Member interest				4/2010				—	—	
Stealth Holding LLC and UCIT Online Security Inc.	Live video monitoring solutions provider	First lien senior secured loan	10.54%	SOFR (Q)	6.75%	3/2021	3/2026		51.3	51.3	50.3 (2)(6)(11)	
		First lien senior secured loan	11.08%	SOFR (Q)	6.75%	3/2022	3/2026		5.2	5.2	5.1 (2)(6)(11)	
		First lien senior secured loan	13.75%	Base Rate (Q)	6.25%	3/2021	3/2026		2.5	2.5	2.4 (2)(6)(11)	
										59.0	57.8	
The NPD Group, L.P., IRI Group Holdings, Inc., Information Resources, Inc. and IRI-NPD Co-Invest Aggregator, L.P. (15)	Market research company focused on the consumer packaged goods industry	First lien senior secured revolving loan	10.07%	SOFR (M)	5.75%	8/2022	12/2027		1.7	1.7	1.7 (2)(11)(14)	
		First lien senior secured loan	10.43% (2.75% PIK)	SOFR (M)	6.25%	8/2022	12/2028		213.5	213.5	209.3 (2)(11)	
		Class A units				8/2022		10,744		11.3	15.7 (2)	
										226.5	226.7	
Thermostat Purchaser III, Inc. (15)	Provider of commercial HVAC equipment maintenance and repair services	Second lien senior secured loan	11.98%	LIBOR (Q)	7.25%	8/2021	8/2029		23.0	23.0	22.1 (2)(11)	
Visual Edge Technology, Inc.	Provider of outsourced office solutions with a focus on printer and copier equipment and other parts and supplies	First lien senior secured loan	11.74% (1.25% PIK)	LIBOR (Q)	7.00%	8/2017	8/2022		32.6	32.6	29.3 (2)(11)	
		Senior subordinated loan				8/2017	9/2024		103.8	87.5	48.8 (2)(10)	
		Warrant to purchase shares of common stock				8/2017	8/2027	10,358,572		3.9	—	
										124.0	78.1	
VRC Companies, LLC (15)	Provider of records and information management services	First lien senior secured loan	10.97%	SOFR (S)	5.75%	5/2022	6/2027		—	0.1	— (2)(11)	
		Senior subordinated loan	12.00% (2.00% PIK)			5/2022	6/2028		5.0	5.1	4.7 (2)	
										5.2	4.7	
Wash Encore Holdings, LLC	Provider of outsourced healthcare linen management solutions	First lien senior secured loan	9.12%	LIBOR (S)	5.75%	7/2021	7/2027		98.5	98.5	96.5 (2)(11)	
XIFIN, Inc. and ACP Charger Co-Invest LLC (15)	Revenue cycle management provider to labs	First lien senior secured revolving loan	12.25%	Base Rate (M)	4.75%	2/2020	2/2026		0.2	0.2	0.2 (2)(11)	
		First lien senior secured loan	10.13%	LIBOR (M)	5.75%	12/2021	2/2026		37.0	37.0	36.6 (11)	
		First lien senior secured loan	10.13%	LIBOR (M)	5.75%	7/2021	2/2026		0.1	0.1	0.1 (2)(11)	
		Class A units				2/2020		180,000		1.8	4.2 (2)	
		Class B units				12/2021		46,363		0.9	1.1 (2)	
										40.0	42.2	
										2116.4	2077.1	21.74%
Investment Funds and Vehicles												

(dollar amounts in millions)

Company (1)	Business Description	Investment	Coupon (3)	Reference (7)	Spread (3)	Acquisition Date	Maturity Date	Shares/Units	Principal	Amortized Cost	Fair Value	% of Net Assets
ACAS Equity Holdings Corporation (5)	Investment company	Common stock				1/2017		589		0.4	0.4 (6)	
ARES 2007-3R	Investment vehicle	Subordinated notes				1/2017	4/2021	20.0		—	0.1 (6)	
Blue Wolf Capital Fund II, L.P. (4)	Investment partnership	Limited partnership interest				1/2017		8.50%		—	0.1 (6)(18)	
CoLTs 2005-1 Ltd. (5)	Investment vehicle	Preferred shares				1/2017		360		—	— (6)	
CREST Exeter Street Solar 2004-1	Investment vehicle	Preferred shares				1/2017		3,500,000		—	— (6)	
European Capital UK SME Debt LP (4)(16)	Investment partnership	Limited partnership interest				1/2017		45.00%		18.0	26.5 (6)	
HCI Equity, LLC (5)	Investment company	Member interest				4/2010		100.00%		—	— (6)(18)	
Partnership Capital Growth Investors III, L.P.	Investment partnership	Limited partnership interest				10/2011		2.50%		1.8	3.9 (2)(6)(18)	
PCG-Ares Sidecar Investment II, L.P. (4)(16)	Investment partnership	Limited partnership interest				10/2014		100.00%		7.1	15.5 (2)(6)	
PCG-Ares Sidecar Investment, L.P. (4)	Investment partnership	Limited partnership interest				5/2014		100.00%		4.3	0.7 (6)	
Piper Jaffray Merchant Banking Fund I, L.P.	Investment partnership	Limited partnership interest				8/2012		2.00%		0.1	0.5 (6)(18)	
Senior Direct Lending Program, LLC (5)(17)	Co-investment vehicle	Subordinated certificates	12.77%	LIBOR (Q)	8.00%	7/2016	12/2036		1,274.1	1,274.1	1,248.6 (6)(12)	
		Membership interest						87.50%		—	— (6)	
										1,274.1	1,248.6	
VSC Investors LLC	Investment company	Membership interest				1/2008		1.95%		—	0.5 (2)(6)(18)	
										1305.8	1296.8	13.57%
Insurance Services												
Acrisure, LLC and Acrisure Finance, Inc.	Independent property and casualty insurance brokerage	Senior subordinated loan	7.00%			7/2022	11/2025		0.5	0.5	0.5 (2)(18)	
Alera Group, Inc.	Insurance service provider	First lien senior secured loan	10.42%	SOFR (M)	6.00%	9/2021	10/2028		60.6	60.6	58.8 (2)(11)	
Amynta Agency Borrower Inc. and Amynta Warranty Borrower Inc.	Insurance service provider	First lien senior secured loan	9.58%	SOFR (Q)	5.00%	11/2022	2/2025		14.6	13.9	14.0 (2)	
		First lien senior secured loan	8.88%	LIBOR (M)	4.50%	12/2018	2/2025		2.3	2.3	2.2 (2)	
										16.2	16.2	
AQ Sunshine, Inc. (15)	Specialized insurance broker	First lien senior secured revolving loan	10.42%	LIBOR (S)	6.25%	4/2019	4/2024		1.4	1.4	1.4 (2)(11)(14)	
		First lien senior secured loan	10.42%	LIBOR (S)	6.25%	1/2022	4/2025		8.9	8.9	8.8 (2)(11)	
		First lien senior secured loan	10.42%	LIBOR (S)	6.25%	4/2019	4/2025		8.5	8.5	8.3 (2)(11)	
		First lien senior secured loan	10.42%	LIBOR (S)	6.25%	10/2020	4/2025		5.6	5.6	5.5 (2)(11)	
		First lien senior secured loan	10.98%	LIBOR (Q)	6.25%	5/2022	4/2025		1.0	1.0	1.0 (2)(11)	
		First lien senior secured loan	10.42%	LIBOR (S)	6.25%	6/2021	4/2025		0.1	0.1	0.1 (2)(11)	
										25.5	25.1	
Ardonagh Midco 2 plc and Ardonagh Midco 3 plc	Insurance broker and underwriting servicer	First lien senior secured loan	8.81%	LIBOR (S)	5.75%	8/2021	7/2026		90.0	90.0	89.1 (2)(6)(11)	
		First lien senior secured loan	8.19%	Euribor (Q)	6.50%	8/2022	7/2026		66.8	64.5	66.8 (2)(6)(11)	

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Company (1)	Business Description	Investment	Coupon (3)	Reference (7)	Spread (3)	Acquisition Date	Maturity Date	Shares/Units	Principal	Amortized Cost	Fair Value	% of Net Assets
		First lien senior secured loan	8.19%	SONIA (S)	7.00%	6/2020	7/2026		75.0	79.4	75.0 (2)(6)(11)	
		First lien senior secured loan	8.00%	Euribor (S)	7.00%	6/2020	7/2026		7.0	7.5	7.0 (2)(6)(11)	
		Senior subordinated loan	11.50% PIK			6/2020	1/2027		1.4	1.4	1.4 (2)(6)(18)	
										242.8	239.3	
Benecon Midco II LLC and Locutus Holdco LLC (15)	Employee benefits provider for small and mid-size employers	Common units				12/2020		9,803,682		10.0	22.1	
Benefytt Technologies, Inc. (15)	Health insurance sales platform provider	First lien senior secured loan	13.16% (9.18% PIK)	SOFR (S)	8.75%	8/2021	8/2027		29.1	29.1	23.9 (2)(11)	
Captive Resources Midco, LLC (15)	Provider of independent consulting services to member-owned group captives	First lien senior secured loan	7.20%	SOFR (M)	2.88%	7/2022	7/2029		0.1	0.1	0.1 (2)(11)	
Foundation Risk Partners, Corp. (15)	Full service independent insurance agency	First lien senior secured revolving loan	10.32%	SOFR (M)	6.00%	10/2021	10/2027		8.6	8.6	8.5 (2)(11)	
		First lien senior secured loan	10.68%	SOFR (Q)	6.00%	10/2021	10/2028		112.6	112.6	111.5 (2)(11)	
		First lien senior secured loan	10.68%	SOFR (Q)	6.00%	4/2022	10/2028		30.3	30.3	30.0 (2)(11)	
		First lien senior secured loan	10.68%	SOFR (Q)	6.00%	10/2021	10/2028		1.1	1.1	1.1 (2)(11)	
										152.6	151.1	
Galway Borrower LLC (15)	Insurance service provider	First lien senior secured revolving loan				9/2021	9/2027		—	—	— (13)	
		First lien senior secured loan	9.98%	LIBOR (Q)	5.25%	9/2021	9/2028		34.2	34.2	32.8 (2)(11)	
										34.2	32.8	
High Street Buyer, Inc. and High Street Holdco LLC (15)	Insurance brokerage platform	First lien senior secured loan	10.73%	LIBOR (Q)	6.00%	4/2021	4/2028		22.8	22.8	22.6 (2)(11)	
		First lien senior secured loan	9.99%	LIBOR (Q)	5.75%	2/2022	4/2028		14.7	14.7	14.4 (2)(11)	
		First lien senior secured loan	10.73%	LIBOR (Q)	6.00%	8/2021	4/2028		12.3	12.3	12.1 (2)(11)	
		Series A preferred units	10.00% PIK			4/2021		110,561,971		125.5	112.9 (2)	
		Series A common units	10.00% PIK			4/2021		4,649,000		5.5	7.1 (2)	
		Series C common units	10.00% PIK			4/2021		5,666,050		0.7	8.6 (2)	
										181.5	177.7	
Inszone Mid, LLC and INSZ Holdings, LLC (15)	Insurance brokerage firm	First lien senior secured loan	11.33%	SOFR (M)	7.00%	11/2022	11/2028		17.6	17.6	17.1 (2)(11)	
		Limited partnership interests				11/2022		246,143		1.7	1.7	
										19.3	18.8	
K2 Insurance Services, LLC and K2 Holdco LP (15)	Specialty insurance and managing general agency	First lien senior secured loan	9.73%	LIBOR (Q)	5.00%	7/2019	7/2026		50.4	50.4	50.4 (2)(11)	
		First lien senior secured loan	9.73%	LIBOR (Q)	5.00%	12/2021	7/2026		2.3	2.3	2.3 (2)(11)	
		First lien senior secured loan	9.54%	LIBOR (Q)	5.00%	8/2021	7/2026		0.2	0.2	0.2 (2)(11)	
		Common units				7/2019		799,000		0.8	2.3 (2)	
										53.7	55.2	
OneDigital Borrower LLC (15)	Benefits broker and outsourced workflow automation platform provider for brokers	First lien senior secured revolving loan				11/2020	11/2025		—	—	— (13)	
Patriot Growth Insurance Services, LLC (15)	National retail insurance agency	First lien senior secured loan	8.87%	LIBOR (Q)	5.50%	10/2021	10/2028		16.0	15.8	15.5 (2)(11)	

(dollar amounts in millions)

Company (1)	Business Description	Investment	Coupon (3)	Reference (7)	Spread (3)	Acquisition Date	Maturity Date	Shares/Units	Principal	Amortized Cost	Fair Value	% of Net Assets
People Corporation (15)	Provider of group benefits, group retirement and human resources services	First lien senior secured revolving loan	10.99%	CDOR (Q)	6.25%	2/2021	2/2027		1.3	1.3	1.3 (2)(6)(11)	
		First lien senior secured loan	10.91%	LIBOR (Q)	6.25%	2/2021	2/2028		40.9	43.7	40.5 (2)(6)(11)	
		First lien senior secured loan	10.91%	CDOR (Q)	6.25%	2/2021	2/2028		12.8	14.0	12.6 (2)(6)(11)	
		First lien senior secured loan	10.17%	CDOR (Q)	5.50%	9/2021	2/2028		8.1	8.4	7.8 (2)(6)(11)	
										67.4	62.2	
Riser Merger Sub, Inc. (15)	Insurance program administrator	First lien senior secured loan	9.33%	SOFR (Q)	5.75%	8/2022	8/2028		0.7	0.8	0.7 (2)(11)	
RSC Acquisition, Inc. and RSC Insurance Brokerage, Inc. (15)	Insurance broker	First lien senior secured loan	9.79%	SOFR (Q)	5.50%	11/2019	10/2026		32.8	32.8	31.8 (2)(11)	
SageSure Holdings, LLC & Insight Catastrophe Group, LLC (15)	Insurance service provider	First lien senior secured revolving loan	10.14%	LIBOR (M)	5.75%	1/2022	1/2028		5.9	5.9	5.9 (2)(11)	
		First lien senior secured loan	10.13% (1.63% PIK)	LIBOR (M)	5.75%	1/2022	1/2028		14.0	14.0	13.9 (2)(11)	
		Series A units				2/2022		732		15.6	16.0	
										35.5	35.8	
SCM Insurance Services Inc. (15)	Provider of claims management, claims investigation & support and risk management solutions for the Canadian property and casualty insurance industry	First lien senior secured loan	11.16%	CDOR (Q)	6.25%	6/2022	8/2024		61.1	64.2	61.1 (2)(6)(11)	
SelectQuote, Inc.	Direct to consumer insurance distribution platform	First lien senior secured loan	12.42% (2.00% PIK)	SOFR (M)	8.00%	11/2019	11/2024		22.2	22.2	19.5 (2)(11)	
SG Acquisition, Inc.	Provider of insurance solutions for car sales	First lien senior secured loan	9.17%	LIBOR (Q)	5.00%	1/2020	1/2027		33.8	33.8	33.5 (2)(11)	
Spring Insurance Solutions, LLC	Technology-based direct to consumer sales and marketing platform for insurance products	First lien senior secured loan	11.23%	LIBOR (Q)	6.50%	11/2020	11/2025		22.0	22.0	19.6 (2)(11)	
THG Acquisition, LLC (15)	Multi-line insurance broker	First lien senior secured loan	9.88%	LIBOR (M)	5.50%	12/2021	12/2026		17.0	17.0	16.7 (2)(11)	
		First lien senior secured loan	10.13%	LIBOR (M)	5.75%	12/2020	12/2026		14.9	14.9	14.7 (2)(11)	
		First lien senior secured loan	10.13%	LIBOR (M)	5.75%	12/2019	12/2026		0.1	0.1	0.1 (2)(11)	
										32.0	31.5	
										1,152.6	1,132.8	11.86%
Power Generation												
Apex Clean Energy TopCo, LLC (4)	Developer, builder and owner of utility-scale wind and solar power facilities	Class A common units				11/2021		1,335,610		98.7	150.6	
Ferrellgas, L.P. and Ferrellgas Partners, L.P.	Distributor of propane and related accessories	Senior preferred units	8.96%			3/2021		59,422		59.5	60.0	
		Class B units				9/2022		59,428		14.9	14.9	
										74.4	74.9	
Heelstone Renewable Energy, LLC and Heelstone Renewable Energy Investors, LLC (5)	Developer of utility scale solar systems	First lien senior secured loan	11.00% (8.54% PIK)			4/2021	4/2024		79.3	79.3	79.3 (2)	
		Class A1 units				4/2021		76,446,352		77.1	124.0	
		Class A2 units				3/2022		4,072,278		3.8	6.3	

(dollar amounts in millions)

Company (1)	Business Description	Investment	Coupon (3)	Reference (7)	Spread (3)	Acquisition Date	Maturity Date	Shares/Units	Principal	Amortized Cost	Fair Value	% of Net Assets
										160.2	209.6	
Opal Fuels LLC and Opal Fuels Inc.	Owner of natural gas facilities	Senior subordinated loan	8.00% PIK			7/2022	12/2026		28.5	24.8	28.5 (6)	
		Class A common stock				7/2022		3,059,533		23.3	22.3 (6)(18)	
										48.1	50.8	
PosiGen, Inc.	Seller and leaser of solar power systems for residential and commercial customers	Warrant to purchase shares of series D-1 preferred stock				6/2021	6/2028	101,555		—	—	
		Warrant to purchase shares of common stock				1/2020	1/2027	1,112,022		—	—	
										—	—	
Potomac Intermediate Holdings II LLC (5)	Gas turbine power generation facilities operator	Series A units				11/2021		226,884,442		185.7	143.2	
Riverview Power LLC (15)	Operator of natural gas and oil fired power generation facilities	First lien senior secured loan	13.73%	LIBOR (Q)	9.00%	8/2021	6/2024		57.6	56.7	57.6 (2)(11)	
SE1 Generation, LLC	Solar power developer	Senior subordinated loan	12.25% (5.50% PIK)			12/2019	5/2023		57.5	57.5	57.5 (2)	
Sunrun Atlas Depositor 2019-2, LLC and Sunrun Atlas Holdings 2019-2, LLC	Residential solar energy provider	First lien senior secured loan	3.61%			10/2019	2/2055		0.1	0.1	0.1 (2)	
		Senior subordinated loan	11.16% (5.01% PIK)	LIBOR (Q)	6.75%	11/2019	11/2025		147.9	147.9	136.1 (2)(11)	
										148.0	136.2	
Sunrun Luna Holdco 2021, LLC (15)	Residential solar energy provider	Senior subordinated revolving loan	7.86%	SOFR (Q)	3.50%	3/2022	4/2024		24.4	24.4	24.2 (2)(6)	
		Senior subordinated revolving loan	8.95%	SOFR (Q)	7.88%	3/2022	4/2024		16.3	16.3	16.1 (2)(6)	
										40.7	40.3	
Sunrun Xanadu Issuer 2019-1, LLC and Sunrun Xanadu Holdings 2019-1, LLC	Residential solar energy provider	First lien senior secured loan	3.98%			6/2019	6/2054		0.3	0.3	0.3 (2)	
		Senior subordinated loan	10.00% (6.00% PIK)	LIBOR (Q)	6.75%	6/2019	7/2030		72.5	72.5	67.3 (2)(11)	
										72.8	67.6	
										942.8	988.3	10.34%
Consumer Services												
ADF Capital, Inc., ADF Restaurant Group, LLC, and ARG Restaurant Holdings, Inc. (5)	Restaurant owner and operator	First lien senior secured loan				12/2016	8/2022		8.3	—	— (2)(10)	
Aimbridge Acquisition Co., Inc.	Hotel operator	Second lien senior secured loan	11.62%	LIBOR (M)	7.50%	2/2019	2/2027		22.5	22.3	21.8 (2)	
American Residential Services L.L.C. and Aragorn Parent Holdings LP (15)	Heating, ventilation and air conditioning services provider	First lien senior secured revolving loan	7.14%	LIBOR (M)	2.75%	10/2020	10/2025		0.6	0.6	0.6 (2)	
		First lien senior secured revolving loan	9.25%	Base Rate (M)	1.75%	10/2020	10/2025		0.3	0.3	0.3 (2)	
		Second lien senior secured loan	13.23%	LIBOR (Q)	8.50%	10/2020	10/2028		56.4	56.4	56.4 (2)(11)	
		Series A preferred units	10.00% PIK			10/2020		2,531,500		3.2	6.5 (2)	

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										60.5	63.8	
ATI Restoration, LLC (15)	Provider of disaster recovery services	First lien senior secured revolving loan	11.50%	Base Rate (Q)	4.00%	7/2020	7/2026		4.7	4.7	4.7 (2)(11)(14)	
		First lien senior secured loan	9.36%	SOFR (Q)	5.00%	7/2020	7/2026		33.0	33.0	33.0 (2)(11)	
		First lien senior secured loan	9.65%	SOFR (Q)	5.00%	5/2022	7/2026		8.2	8.2	8.2 (2)(11)	
										45.9	45.9	
Belfor Holdings, Inc. (15)	Disaster recovery services provider	First lien senior secured revolving loan	7.25%	LIBOR (M)	3.75%	4/2019	4/2024		11.6	12.1	12.1 (2)(14)	
		First lien senior secured revolving loan	10.25%	Base Rate (M)	2.75%	4/2019	4/2024		1.4	1.5	1.4 (2)(14)	
										13.6	13.5	
Cipriani USA, Inc. and Cipriani Group Holding S.A.R.L.	Manager and operator of banquet facilities, restaurants, hotels and other leisure properties	First lien senior secured loan	15.48%	LIBOR (Q)	10.75%	5/2018	5/2023		68.2	68.0	66.9 (2)(11)	
		First lien senior secured loan	15.48%	LIBOR (Q)	10.75%	12/2020	5/2023		30.0	29.7	29.4 (2)(11)	
		First lien senior secured loan	15.48%	LIBOR (Q)	10.75%	12/2019	5/2023		20.0	19.7	19.6 (2)(11)	
		First lien senior secured loan	15.48%	LIBOR (Q)	10.75%	7/2019	5/2023		15.5	15.4	15.2 (2)(11)	
		First lien senior secured loan	15.23%	LIBOR (Q)	10.50%	11/2018	5/2023		12.2	12.2	11.9 (2)(11)	
		First lien senior secured loan	15.48%	LIBOR (Q)	10.75%	6/2020	5/2023		4.9	4.9	4.8 (2)(11)	
		First lien senior secured loan	15.48%	LIBOR (Q)	10.75%	8/2018	5/2023		3.0	3.0	3.0 (2)(11)	
		First lien senior secured loan	15.48%	LIBOR (Q)	10.75%	11/2018	5/2023		3.0	3.0	3.0 (2)(11)	
		Warrant to purchase units of shares				3/2021	3/2041	718.66		2.1	8.8 (2)(6)	
										158.0	162.6	
CMG HoldCo, LLC and CMG Buyer Holdings, Inc. (15)	Provider of commercial HVAC equipment maintenance and repair services	First lien senior secured revolving loan	9.47%	SOFR (Q)	5.00%	5/2022	5/2028		0.4	0.4	0.4 (2)(11)	
		First lien senior secured loan	9.52%	SOFR (Q)	5.25%	5/2022	5/2028		21.8	21.8	21.4 (2)(11)	
		First lien senior secured loan	9.40%	SOFR (Q)	5.00%	5/2022	5/2028		3.8	3.8	3.7 (2)(11)	
		Common stock				5/2022		289		2.9	4.6 (2)	
										28.9	30.1	
CST Holding Company (15)	Provider of ignition interlock devices	First lien senior secured revolving loan	10.97%	SOFR (M)	6.75%	11/2022	11/2028		0.2	0.2	0.2 (2)(11)	
		First lien senior secured loan	10.97%	SOFR (M)	6.75%	11/2022	11/2028		11.8	11.8	11.4 (2)(11)	
										12.0	11.6	
Essential Services Holding Corporation and OMERS Mahomes Investment Holdings LLC (15)	Provider of plumbing and HVAC services	First lien senior secured revolving loan				11/2020	11/2025		—	—	— (13)	
		First lien senior secured loan	9.49%	LIBOR (Q)	5.75%	4/2021	11/2026		78.1	78.1	76.5 (2)(11)	
		First lien senior secured loan	9.49%	LIBOR (Q)	5.75%	11/2020	11/2026		48.2	48.2	47.2 (2)(11)	
		First lien senior secured loan	9.71%	LIBOR (Q)	5.75%	11/2021	11/2026		19.6	19.6	19.2 (2)(11)	
		First lien senior secured loan	14.94%	LIBOR (Q)	10.19%	11/2021	11/2026		5.6	5.6	5.5 (2)(11)	
		Class A units				11/2020		6,447		22.9	42.0 (2)	
										174.4	190.4	

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Infinity Home Services HoldCo, Inc. and IHS Parent Holdings, L.P. (15)	Provider of residential roofing and exterior repair and replacement services	First lien senior secured loan	11.40%	SOFR (Q)	6.75%	12/2022	12/2028		11.4	11.4	11.1 (2)(11)	
		Class A units				12/2022		9,524,000		9.5	9.5 (2)	
										20.9	20.6	
Jenny C Acquisition, Inc.	Health club franchisor	Senior subordinated loan	8.00% PIK			4/2019	4/2025		1.6	1.6	1.6 (2)	
KeyStone Sub-debt HoldCo, LLC	Planet Fitness franchisee	Senior subordinated loan	10.00% PIK			1/2021	1/2027		60.0	57.6	58.8 (2)	
		Senior subordinated loan	10.00% PIK			9/2021	1/2027		8.0	8.0	7.8 (2)	
		Warrant to purchase Class C interests				1/2021	1/2027	24.7581		3.6	8.3 (2)	
										69.2	74.9	
Leviathan Intermediate Holdco, LLC and Leviathan Holdings, L.P. (15)	Franchising platform offering adolescent development programs	First lien senior secured revolving loan	12.54%	SOFR (S)	7.50%	12/2022	12/2027		0.7	0.7	0.7 (2)(11)	
		First lien senior secured loan	12.54%	SOFR (S)	7.50%	12/2022	12/2027		16.2	16.2	15.8 (2)(11)	
		Limited partnership interests				12/2022		1,972,732		2.0	2.0	
										18.9	18.5	
LSP Holdco, LLC and ZBS Mechanical Group Co-Invest Fund 2, LLC (15)	Provider of residential HVAC and plumbing services	First lien senior secured loan	10.59%	SOFR (Q)	6.38%	10/2021	10/2026		21.2	21.2	21.6 (2)(11)	
		First lien senior secured loan	10.89%	SOFR (Q)	6.38%	4/2022	10/2026		6.7	6.7	6.8 (2)(11)	
		First lien senior secured loan	10.42%	SOFR (Q)	6.38%	9/2022	10/2026		6.1	6.1	6.2 (2)(11)	
		Membership interest				10/2021		2,771,000		2.8	15.5	
										36.8	50.1	
ME Equity LLC	Franchisor in the massage industry	Common stock				9/2012		3,000,000		3.0	4.5 (2)	
Movati Athletic (Group) Inc.	Premier health club operator	First lien senior secured loan	10.18% (0.50% PIK)	CDOR (Q)	6.00%	10/2017	10/2024		4.7	4.9	4.6 (2)(6)(11)	
OTG Management, LLC	Airport restaurant operator	Class A preferred units				8/2016		3,000,000		25.3	13.1 (2)	
		Common units				1/2011		3,000,000		3.0	—	
		Warrant to purchase of common units				6/2008	6/2028	7.73%		0.1	—	
										28.4	13.1	
Pueblo Mechanical and Controls, LLC and OMERS PMC Investment Holdings LLC (15)	Provider of commercial HVAC services	First lien senior secured loan	10.47%	SOFR (Q)	6.00%	8/2022	8/2028		1.4	1.4	1.4 (2)(11)	
		Class A units				8/2022		1,001		9.7	11.0 (2)	
										11.1	12.4	
Pyramid Management Advisors, LLC and Pyramid Investors, LLC (15)	Hotel operator	First lien senior secured revolving loan	11.60% (1.25% PIK)	LIBOR (M)	7.25%	4/2018	7/2023		9.7	9.7	9.7 (2)(11)(14)	
		First lien senior secured loan	11.63% (1.25% PIK)	LIBOR (M)	7.25%	4/2018	7/2023		16.9	16.9	16.9 (2)(11)	
		First lien senior secured loan	11.63% (1.25% PIK)	LIBOR (M)	7.25%	12/2019	7/2023		0.1	0.1	0.1 (2)(11)	
		Preferred membership units				7/2016		996,833		1.0	0.9	
										27.7	27.6	

(dollar amounts in millions)

Company (1)	Business Description	Investment	Coupon (3)	Reference (7)	Spread (3)	Acquisition Date	Maturity Date	Shares/Units	Principal	Amortized Cost	Fair Value	% of Net Assets
Redwood Services, LLC and Redwood Services Holdco, LLC (15)	Provider of residential HVAC and plumbing services	First lien senior secured loan	11.17%	SOFR (M)	6.75%	9/2022	12/2025		0.8	0.8	0.8 (2)(11)	
		First lien senior secured loan	11.17%	SOFR (M)	6.75%	12/2021	12/2025		0.1	0.1	0.1 (2)(11)	
		First lien senior secured loan	11.17%	SOFR (M)	6.75%	12/2020	12/2025		0.2	0.2	0.2 (2)(11)	
		Series D units	8.00% PIK			12/2020		19,592,999		20.5	33.9	
										21.6	35.0	
Safe Home Security, Inc., Security Systems Inc., Safe Home Monitoring, Inc., National Protective Services, Inc., Bright Integrations LLC and Medguard Alert, Inc.	Provider of safety systems for business and residential customers	First lien senior secured loan	11.63%	LIBOR (M)	7.25%	8/2020	8/2024		47.9	47.9	47.9 (2)(11)	
SV-Burton Holdings, LLC and LBC Breeze Holdings LLC (15)	Provider of HVAC and plumbing services to residential and commercial customers	First lien senior secured loan	9.93%	LIBOR (Q)	5.50%	12/2021	12/2027		1.3	1.3	1.3 (2)(11)	
		Class A units				12/2021		4,296		4.3	4.8	
										5.6	6.1	
Taymax Group, L.P., Taymax Group G.P., LLC, PF Salem Canada ULC and TCP Fit Parent, L.P. (15)	Planet Fitness franchisee	First lien senior secured revolving loan	9.51% (0.50% PIK)	LIBOR (S)	4.75%	7/2018	7/2025		0.4	0.4	0.4 (2)(11)	
		First lien senior secured revolving loan	10.05% (0.50% PIK)	SOFR (M)	5.63%	7/2018	7/2025		0.4	0.4	0.4 (2)(11)	
		First lien senior secured loan	8.92% (0.50% PIK)	LIBOR (S)	4.75%	3/2020	7/2025		1.4	1.4	1.4 (2)(11)	
		Class A units				7/2018		37,020		3.8	4.6	
										6.0	6.8	
The Alaska Club Partners, LLC, Athletic Club Partners LLC and The Alaska Club, Inc. (15)	Premier health club operator	First lien senior secured loan	14.00% (2.00% PIK)	Base Rate (Q)	6.50%	12/2019	12/2024		12.5	12.5	12.5 (2)(11)	
The Arcticom Group, LLC and AMCP Mechanical Holdings, LP (15)	Refrigeration, heating, ventilation and air conditioning services provider	First lien senior secured revolving loan	10.10%	LIBOR (M)	6.00%	12/2021	12/2027		8.9	8.9	8.8 (2)(11)	
		First lien senior secured revolving loan	12.50%	Base Rate (M)	5.00%	12/2021	12/2027		2.5	2.5	2.5 (2)(11)	
		First lien senior secured loan	9.57%	LIBOR (S)	6.00%	8/2022	12/2027		0.2	0.2	0.2 (2)(11)	
		First lien senior secured loan	11.08%	LIBOR (Q)	6.00%	12/2021	12/2027		0.2	0.2	0.2 (2)(11)	
		Class A units				12/2021		5,667,160		5.7	8.5	
										17.5	20.2	
YE Brands Holdings, LLC (15)	Sports camp operator	First lien senior secured revolving loan	9.47%	SOFR (Q)	5.00%	10/2021	10/2027		1.5	1.5	1.5 (2)(11)	
		First lien senior secured loan	9.93%	SOFR (Q)	5.25%	6/2022	10/2027		8.2	8.2	8.2 (2)(11)	
		First lien senior secured loan	9.68%	SOFR (Q)	5.00%	10/2021	10/2027		0.1	0.1	0.1 (2)(11)	
										9.8	9.8	
										859.0	905.9	9.48%

(dollar amounts in millions)

Company (1)	Business Description	Investment	Coupon (3)	Reference (7)	Spread (3)	Acquisition Date	Maturity Date	Shares/Units	Principal	Amortized Cost	Fair Value		% of Net Assets
Consumer Durables & Apparel													
Badger Sportswear Acquisition, Inc.	Provider of team uniforms and athletic wear	Second lien senior secured loan	13.57%	LIBOR (Q)	9.00%	9/2016	6/2024		56.8	56.8	56.8	(2)(11)	
Bowhunter Holdings, LLC	Provider of branded archery and bowhunting accessories	Common units				4/2014		421		4.2	—		
Centric Brands LLC and Centric Brands GP LLC (15)	Designer, marketer and distributor of licensed and owned apparel	First lien senior secured revolving loan	9.70%	SOFR (Q)	5.75%	5/2020	10/2024		5.0	5.0	4.7	(2)(11)	
		First lien senior secured loan	13.30% (7.33% PIK)	SOFR (Q)	9.00%	10/2018	10/2025		75.4	75.3	70.9	(2)(11)	
		Membership interests				10/2018		279,392		2.9	2.9	(2)	
										83.2	78.5		
DRS Holdings III, Inc. and DRS Holdings I, Inc. (15)	Footwear and orthopedic foot-care brand	First lien senior secured loan	10.47%	LIBOR (Q)	5.75%	11/2019	11/2025		28.0	28.0	26.8	(2)(11)	
		First lien senior secured loan	10.47%	LIBOR (Q)	5.75%	6/2021	11/2025		25.8	25.8	24.8	(11)	
		Common stock				11/2019		8,549		8.5	7.2	(2)	
										62.3	58.8		
Implus Footcare, LLC	Provider of footwear and other accessories	First lien senior secured loan	13.98% (1.50% PIK)	SOFR (Q)	9.25%	6/2017	4/2024		102.7	102.7	92.4	(2)(11)	
		First lien senior secured loan	12.48% (0.27% PIK)	SOFR (Q)	7.75%	6/2017	4/2024		14.1	14.1	12.6	(2)(11)	
		First lien senior secured loan	12.48% (0.27% PIK)	SOFR (Q)	7.75%	7/2018	4/2024		5.0	5.0	4.5	(2)(11)	
		First lien senior secured loan	13.98% (0.30% PIK)	SOFR (Q)	9.25%	6/2016	4/2024		1.3	1.3	1.1	(2)(11)	
										123.1	110.6		
Johnnie-O Inc. and Johnnie-O Holdings Inc.	Apparel retailer	First lien senior secured loan	10.65% (4.50% PIK)	SOFR (Q)	6.00%	3/2022	3/2027		19.2	18.3	18.8	(2)(11)	
		Series A convertible preferred stock				3/2022		144,211		4.3	5.5	(2)	
		Warrant to purchase shares of common stock				3/2022	3/2032	76,491		1.0	1.3	(2)	
										23.6	25.6		
Lew's Intermediate Holdings, LLC (15)	Outdoor brand holding company	First lien senior secured loan	9.40%	SOFR (Q)	5.00%	2/2021	2/2028		1.0	1.0	0.9	(2)(11)	
New Era Cap, LLC	Sports apparel manufacturing company	First lien senior secured loan	9.94%	LIBOR (Q)	6.00%	1/2022	7/2027		27.8	27.8	27.8	(2)(11)	
Pelican Products, Inc. (15)	Flashlights manufacturer	Second lien senior secured loan	12.20%	LIBOR (Q)	7.75%	12/2021	12/2029		60.0	60.0	55.8	(2)(11)	
Rawlings Sporting Goods Company, Inc. and Easton Diamond Sports, LLC	Sports equipment manufacturing company	First lien senior secured loan	11.48%	LIBOR (Q)	6.75%	12/2020	12/2026		49.7	49.7	49.7	(2)(11)	
		First lien senior secured loan	11.48%	LIBOR (Q)	6.75%	11/2021	12/2026		0.1	0.1	0.1	(2)(11)	
										49.8	49.8		
Reef Lifestyle, LLC (15)	Apparel retailer	First lien senior secured revolving loan	14.50% (2.00% PIK)	SOFR (Q)	10.00%	10/2018	10/2024		35.5	35.5	34.4	(2)(11)(14)	
		First lien senior secured revolving loan	14.32% (4.96% PIK)	SOFR (M)	10.00%	7/2020	10/2024		1.0	0.9	1.0	(2)(11)(14)	
		First lien senior secured loan	12.74% (2.00% PIK)	LIBOR (Q)	8.00%	10/2018	10/2024		23.7	23.7	22.9	(2)(11)	

(dollar amounts in millions)

Company (1)	Business Description	Investment	Coupon (3)	Reference (7)	Spread (3)	Acquisition Date	Maturity Date	Shares/Units	Principal	Amortized Cost	Fair Value	% of Net Assets
		First lien senior secured loan	10.15% (2.00% PIK)	LIBOR (Q)	5.75%	7/2020	10/2024		1.3	1.3	1.3 (2)(11)	
										61.4	59.6	
S Toys Holdings LLC (fka The Step2 Company, LLC) (5)	Toy manufacturer	Class B common units				10/2014		126,278,000		—	—	
		Common units				4/2011		1,116,879		—	—	
		Warrant to purchase units				4/2010		3,157,895		—	—	
										—	—	
SHO Holding I Corporation	Manufacturer and distributor of slip resistant footwear	Second lien senior secured loan				10/2015	10/2024		124.9	120.4	82.4 (2)(10)	
Shock Doctor, Inc. and Shock Doctor Holdings, LLC (4)(15)	Developer, marketer and distributor of sports protection equipment and accessories	First lien senior secured loan	9.84%	SOFR (Q)	5.00%	5/2019	5/2024		0.1	0.1	0.1 (2)(11)	
		Class A preferred units				3/2014		50,000		5.0	1.8 (2)	
		Class C preferred units				4/2015		50,000		5.0	1.8 (2)	
		Preferred units				5/2019		14,591		1.6	2.3 (2)	
										11.7	6.0	
SVP-Singer Holdings Inc. and SVP-Singer Holdings LP	Manufacturer of consumer sewing machines	First lien senior secured loan	11.48%	LIBOR (Q)	6.75%	7/2021	7/2028		44.4	43.5	36.4 (2)(11)	
		Class A common units				7/2021		6,264,706		26.1	4.0 (2)	
										69.6	40.4	
Totes Isotoner Corporation and Totes Ultimate Holdco, Inc. (4)	Designer, marketer, and distributor of rain and cold weather products	First lien senior secured loan	10.38%	LIBOR (M)	6.00%	12/2019	12/2024		2.2	2.2	1.9 (2)(11)	
		First lien senior secured loan	8.38%	LIBOR (M)	4.00%	12/2019	6/2024		1.6	1.6	1.6 (2)(11)	
		Common stock				12/2019		861,000		6.0	0.2 (2)	
										9.8	3.7	
Varsity Brands Holding Co., Inc. and BCPE Hercules Holdings, LP	Leading manufacturer and distributor of textiles, apparel & luxury goods	First lien senior secured loan	7.88%	LIBOR (M)	3.50%	4/2020	12/2024		14.8	14.0	14.2 (2)(11)(18)	
		Second lien senior secured loan	12.63%	LIBOR (M)	8.25%	12/2017	12/2025		122.7	122.7	121.5 (2)(11)	
		Second lien senior secured loan	12.63%	LIBOR (M)	8.25%	7/2018	12/2025		21.1	21.1	20.9 (2)(11)	
		Class A Units				7/2018		1,400		1.4	1.0 (2)	
										159.2	157.6	
										923.9	814.3	8.52%
Capital Goods												
AI Aqua Merger Sub, Inc.	End to end provider of water solutions to a wide range of customer bases	First lien senior secured loan	7.97%	SOFR (M)	3.75%	6/2021	7/2028		1.0	1.0	0.9 (2)(11)(18)	
API Commercial Inc., API Military Inc., and API Space Intermediate, Inc.	Provider of military aircraft aftermarket parts and distribution, repair and logistics services	First lien senior secured loan				5/2022	8/2025		7.3	3.6	3.6 (2)(10)	
Arrowhead Holdco Company and Arrowhead GS Holdings, Inc.	Distributor of non-discretionary, mission-critical aftermarket replacement parts	First lien senior secured loan	8.68%	SOFR (Q)	4.50%	8/2021	8/2028		0.1	0.1	0.1 (2)(11)	
		Common stock				8/2021		5,054		5.1	6.4 (2)	
										5.2	6.5	

(dollar amounts in millions)

Company (1)	Business Description	Investment	Coupon (3)	Reference (7)	Spread (3)	Acquisition Date	Maturity Date	Shares/Units	Principal	Amortized Cost	Fair Value		% of Net Assets
BlueHalo Financing Holdings, LLC, BlueHalo Global Holdings, LLC, and BlueHalo, LLC (15)	Provides products and services to the Department of Defense and Intelligence Community	First lien senior secured revolving loan	10.72%	LIBOR (Q)	6.00%	5/2022	10/2025		2.8	2.7	2.7	(2)(11)	
		First lien senior secured loan	10.70%	LIBOR (Q)	6.00%	5/2022	10/2025		1.0	1.0	1.0	(2)(11)	
										3.7	3.7		
Burgess Point Purchaser Corporation	Remanufacturer of mission-critical and non-discretionary aftermarket vehicle, industrial, energy storage, and solar replacement parts	First lien senior secured loan	9.67%	SOFR (M)	5.25%	7/2022	7/2029		4.8	4.4	4.3	(2)(11)(18)	
Cadence Aerospace, LLC (15)	Aerospace precision components manufacturer	First lien senior secured revolving loan	12.92% (2.00% PIK)	LIBOR (Q)	8.50%	11/2017	8/2023		13.7	13.7	13.4	(2)(11)(14)	
		First lien senior secured revolving loan	12.92% (2.00% PIK)	LIBOR (Q)	8.50%	7/2020	11/2023		1.0	1.0	1.0	(2)(11)(14)	
		First lien senior secured loan	12.92% (2.00% PIK)	LIBOR (Q)	8.50%	11/2017	11/2023		31.1	31.1	30.5	(2)(11)	
		First lien senior secured loan	12.92% (2.00% PIK)	LIBOR (Q)	8.50%	10/2019	11/2023		11.9	11.9	11.6	(2)(11)	
		First lien senior secured loan	12.92% (2.00% PIK)	LIBOR (Q)	8.50%	7/2018	11/2023		9.7	9.7	9.5	(2)(11)	
		First lien senior secured loan	13.23% (2.00% PIK)	LIBOR (Q)	8.50%	2/2020	11/2023		7.8	7.8	7.6	(2)(11)	
		First lien senior secured loan	12.92% (2.00% PIK)	LIBOR (Q)	8.50%	7/2020	11/2023		5.3	5.2	5.2	(2)(11)	
										80.4	78.8		
DFS Holding Company, Inc.	Distributor of maintenance, repair, and operations parts, supplies, and equipment to the foodservice industry	First lien senior secured loan	9.44%	LIBOR (M)	6.00%	7/2017	8/2023		164.9	164.9	164.9	(2)(11)	
		First lien senior secured loan	10.38%	LIBOR (M)	6.00%	5/2020	8/2023		6.5	6.5	6.5	(2)(11)	
		First lien senior secured loan	10.38%	LIBOR (M)	6.00%	3/2017	8/2023		4.3	4.3	4.3	(2)(11)	
										175.7	175.7		
Dynamic NC Aerospace Holdings, LLC and Dynamic NC Investment Holdings, LP (15)	Provider of aerospace technology and equipment	First lien senior secured loan	11.65%	SOFR (Q)	7.00%	12/2020	12/2026		23.2	23.2	23.2	(2)(11)	
		Common units				12/2020		9,773,000		9.8	9.0		
										33.0	32.2		
EPS NASS Parent, Inc. (15)	Provider of maintenance and engineering services for electrical infrastructure	First lien senior secured revolving loan	10.48%	LIBOR (Q)	5.75%	4/2021	4/2026		0.8	0.8	0.8	(2)(11)(14)	
		First lien senior secured loan	10.48%	LIBOR (Q)	5.75%	4/2021	4/2028		0.2	0.2	0.2	(2)(11)	
										1.0	1.0		
ESCP PPG Holdings, LLC (4)	Distributor of new equipment and aftermarket parts to the heavy-duty truck industry	Class A-1 units				8/2022		96,897		2.3	3.0	(2)	
		Class A-2 units				12/2016		3,500		3.5	0.1	(2)	
										5.8	3.1		
Harvey Tool Company, LLC (15)	Manufacturer of cutting tools used in the metalworking industry	First lien senior secured loan	10.64%	LIBOR (S)	5.50%	10/2021	10/2027		1.1	1.1	1.1	(2)(11)	

(dollar amounts in millions)

Company (1)	Business Description	Investment	Coupon (3)	Reference (7)	Spread (3)	Acquisition Date	Maturity Date	Shares/Units	Principal	Amortized Cost	Fair Value		% of Net Assets
Imaging Business Machines, L.L.C. and Scanner Holdings Corporation (5)	Provider of high-speed intelligent document scanning hardware and software	Senior subordinated loan	14.00%			1/2017	12/2023		16.6	16.5	16.6	(2)	
		Series A preferred stock	8.00% PIK			1/2017		73,804,135		1.5	29.8		
		Class A common stock				1/2017		48,082		—	0.1		
		Class B common stock				1/2017		431,055		0.1	1.3		
										18.1	47.8		
Kene Acquisition, Inc. and Kene Holdings, L.P. (15)	National utility services firm providing engineering and consulting services to natural gas, electric power and other energy and industrial end markets	First lien senior secured revolving loan				8/2019	8/2024		—	—	—	(13)	
		First lien senior secured loan	8.98%	LIBOR (Q)	4.25%	8/2019	8/2026		40.6	40.6	39.8	(2)(11)	
		Class A units				8/2019		4,549,000		4.5	7.0	(2)	
										45.1	46.8		
Lower ACS, Inc. (15)	Provider of commercial HVAC equipment and services	First lien senior secured loan	10.13%	LIBOR (M)	5.75%	1/2022	1/2028		5.4	5.4	5.4	(2)(11)	
LTG Acquisition, Inc.	Designer and manufacturer of display, lighting and passenger communication systems for mass transportation markets	Class A membership units				1/2017		5,000		5.1	—		
Maverick Acquisition, Inc.	Manufacturer of precision machined components for defense and high-tech industrial platforms	First lien senior secured loan	10.98%	LIBOR (Q)	6.25%	6/2021	6/2027		27.6	27.6	25.4	(2)(11)	
MB Aerospace Holdings II Corp.	Aerospace engine components manufacturer	First lien senior secured loan	8.23%	LIBOR (Q)	3.50%	6/2021	1/2025		14.3	13.4	12.5	(2)(11)	
		Second lien senior secured loan	13.73%	LIBOR (Q)	9.00%	1/2018	1/2026		68.4	68.4	63.6	(2)(11)	
		Second lien senior secured loan	13.73%	LIBOR (Q)	9.00%	5/2019	1/2026		23.6	23.6	22.0	(2)(11)	
										105.4	98.1		
NCWS Intermediate, Inc. and NCWS Holdings LP (15)	Manufacturer and supplier of car wash equipment, parts and supplies to the conveyorized car wash market	First lien senior secured loan	10.38%	LIBOR (M)	6.00%	11/2021	12/2026		97.0	97.0	95.1	(2)(11)	
		First lien senior secured loan	10.38%	LIBOR (M)	6.00%	12/2020	12/2026		0.2	0.2	0.2	(2)(11)	
		Class A-2 common units				12/2020		12,296,000		12.9	18.5	(2)	
										110.1	113.8		
Noble Aerospace, LLC (15)	Provider of metal finishing services to the aerospace, military and defense sectors	First lien senior secured revolving loan				5/2022	9/2023		—	—	—	(13)	
Osmose Utilities Services, Inc. and Pine Intermediate Holding LLC	Provider of structural integrity management services to transmission and distribution infrastructure	Second lien senior secured loan	11.13%	LIBOR (M)	6.75%	6/2021	6/2029		55.3	55.3	51.4	(2)(11)	

(dollar amounts in millions)

Company (1)	Business Description	Investment	Coupon (3)	Reference (7)	Spread (3)	Acquisition Date	Maturity Date	Shares/Units	Principal	Amortized Cost	Fair Value		% of Net Assets
Precinmac (US) Holdings Inc., Trimaster Manufacturing Inc. and Blade Group Holdings, LP.	Manufacturer of high-tolerance precision machined components and assemblies for the aerospace and defense industry	First lien senior secured loan	10.42%	SOFR (M)	6.00%	8/2021	8/2027		11.7	11.7	11.4	(2)(6)(11)	
		First lien senior secured loan	10.42%	SOFR (M)	6.00%	4/2022	8/2027		4.0	4.0	3.9	(2)(6)(11)	
		Class A units				8/2021		88,420		13.4	26.5	(2)	
										29.1	41.8		
Prime Buyer, L.L.C. (15)	Provider of track systems, cabs, hulls, doors, and various armored components for defense/military vehicle applications	First lien senior secured revolving loan	9.88%	SOFR (Q)	5.25%	5/2022	12/2026		2.7	2.0	2.6	(2)(11)	
Qnnect, LLC and Connector TopCo, LP (15)	Manufacturer of highly engineered hermetic packaging products	First lien senior secured loan	11.11%	SOFR (Q)	7.00%	11/2022	11/2029		10.6	10.6	10.3	(2)(11)	
		Limited partnership interests				11/2022		992,500		9.9	9.9	(2)	
										20.5	20.2		
Radius Aerospace, Inc. and Radius Aerospace Europe Limited (15)	Metal fabricator in the aerospace industry	First lien senior secured revolving loan	8.68%	SONIA (M)	5.75%	11/2019	3/2025		0.4	0.4	0.4	(2)(6)(11)	
		First lien senior secured revolving loan	10.08%	SOFR (M)	5.75%	3/2019	3/2025		0.4	0.4	0.4	(2)(6)(11)	
										0.8	0.8		
Radwell Parent, LLC (15)	Distributor of maintenance, repair, and operations parts	First lien senior secured loan	11.33%	SOFR (Q)	6.75%	12/2022	4/2029		19.5	18.9	18.9	(2)(11)	
Sunk Rock Foundry Partners LP, Hatteras Electrical Manufacturing Holding Company and Sigma Electric Manufacturing Corporation, Diecast Beacon (15)	Manufacturer of metal castings, precision machined components and sub-assemblies in the electrical products, power transmission and distribution and general industrial markets	First lien senior secured revolving loan				10/2017	10/2024		—	—	—	(13)	
										758.3	783.9		8.21%
Automobiles & Components													
Automotive Keys Group, LLC and Automotive Keys Investor, LLC	Provider of replacement wireless keys for automotive market	First lien senior secured loan	10.93%	SOFR (Q)	6.25%	12/2022	11/2025		5.3	5.3	5.3	(2)(11)	
		First lien senior secured loan	9.73%	LIBOR (Q)	5.00%	12/2021	11/2025		0.1	0.1	0.1	(2)(11)	
		Preferred units	9.00% PIK			11/2020		5,208,159		6.1	5.2	(2)	
		Class A common units				11/2020		5,208,159		—	—		
										11.5	10.6		
Continental Acquisition Holdings, Inc.	Distributor of aftermarket batteries to the electric utility vehicle, automotive, commercial, marine and industrial markets	First lien senior secured loan	11.48%	LIBOR (Q)	6.75%	1/2021	1/2027		36.2	36.2	33.3	(2)(11)	
		First lien senior secured loan	11.48%	LIBOR (Q)	6.75%	12/2021	1/2027		5.4	5.4	4.9	(2)(11)	
										41.6	38.2		
Eckler Purchaser LLC (5)	Restoration parts and accessories provider for classic automobiles	Class A common units				7/2012		67,972		—	—		

ARES CAPITAL CORPORATION AND SUBSIDIARIES
CONSOLIDATED SCHEDULE OF INVESTMENTS
As of December 31, 2022
(dollar amounts in millions)

Company (1)	Business Description	Investment	Coupon (3)	Reference (7)	Spread (3)	Acquisition Date	Maturity Date	Shares/Units	Principal	Amortized Cost	Fair Value		% of Net Assets
Faraday Buyer, LLC (15)	Manufacturer and supplier for the power utility and automotive markets worldwide	First lien senior secured loan	11.32%	SOFR (M)	7.00%	10/2022	10/2028		52.2	52.2	50.6	(2)(11)	
Faraday&Future Inc., FF Inc., Faraday SPE, LLC and Faraday Future Intelligent Electric Inc.	Electric vehicle manufacturer	Warrant to purchase shares of Class A common stock				8/2021	8/2027	633,008		2.3	—	(2)	
Highline Aftermarket Acquisition, LLC, Highline Aftermarket SC Acquisition, Inc. and Highline PPC Blocker LLC (15)	Manufacturer and distributor of automotive fluids	First lien senior secured revolving loan	8.13%	LIBOR (M)	3.75%	11/2020	11/2025		1.0	1.0	0.9	(2)(14)	
		First lien senior secured loan	8.88%	LIBOR (M)	4.50%	3/2022	11/2027		11.9	11.3	10.9	(2)(11)(18)	
		Second lien senior secured loan	12.72%	LIBOR (Q)	8.00%	11/2020	11/2028		70.4	70.4	64.0	(2)(11)	
		Co-invest units				11/2020		59,230		5.9	3.8	(2)	
										88.6	79.6		
Mavis Tire Express Services Topco Corp., Metis Holdco, Inc. and Metis Topco, LP (15)	Auto parts retailer	First lien senior secured revolving loan				5/2021	5/2026		—	—	—	(13)	
		Series A preferred stock	7.00% PIK			5/2021		68,601		77.0	76.6	(2)	
		Class A-1 units				5/2021		24,586		24.6	33.1	(2)	
										101.6	109.7		
McLaren Group Limited	Automobile manufacturer and retailer	Senior preference shares	12.50% PIK			8/2021	8/2028	200,000		23.7	26.2	(2)(6)	
		Warrant to purchase units of ordinary shares				8/2021	8/2100	49,181		5.5	2.8	(2)(6)	
		Warrant to purchase units of ordinary shares				8/2021	8/2100	13,776		1.6	0.8	(2)(6)	
										30.8	29.8		
Sun Acquirer Corp. and Sun TopCo, LP (15)	Automotive parts and repair services retailer	First lien senior secured revolving loan				9/2021	9/2027		—	—	—	(13)	
		First lien senior secured loan	10.13%	LIBOR (M)	5.75%	9/2021	9/2028		52.0	52.0	50.4	(2)(11)	
		First lien senior secured loan	10.13%	LIBOR (M)	5.75%	11/2021	9/2028		5.3	5.3	5.2	(2)(11)	
		Class A units				9/2021		79,687		8.0	9.3	(2)	
										65.3	64.9		
Wand Newco 3, Inc.	Collision repair company	Second lien senior secured loan	11.63%	LIBOR (M)	7.25%	2/2019	2/2027		182.6	180.9	178.9	(2)	
										574.8	562.3		5.89%
Media & Entertainment													
Aventine Intermediate LLC & Aventine Holdings II LLC (15)	Media and production company	First lien senior secured loan	10.38% (4.12% PIK)	LIBOR (M)	6.00%	12/2021	6/2027		9.4	9.4	9.3	(2)(11)	
		Senior subordinated loan	10.25% PIK			12/2021	12/2030		39.4	39.4	36.2	(2)	
										48.8	45.5		
Axiomatic, LLC	Premiere e-sports and video game investment platform	Class A-1 units				5/2022		500,000		5.0	5.3		
CMW Parent LLC (fka Black Arrow, Inc.)	Multiplatform media firm	Series A units				9/2015		32		—	—		

(dollar amounts in millions)

Company (1)	Business Description	Investment	Coupon (3)	Reference (7)	Spread (3)	Acquisition Date	Maturity Date	Shares/Units	Principal	Amortized Cost	Fair Value		% of Net Assets
Eagle Football Holdings BidCo Limited	Multi-club sports platform	Senior subordinated loan	15.00% PIK			12/2022	12/2028		25.5	25.5	23.9	(2)(6)	
		Senior subordinated loan	12.30%			12/2022	12/2028		41.7	41.7	40.5	(2)(6)	
										67.2	64.4		
Global Music Rights, LLC (15)	Music right management company	First lien senior secured loan	10.23%	LIBOR (Q)	5.50%	8/2021	8/2028		0.1	0.1	0.1	(2)(11)	
MailSouth, Inc.	Provider of shared mail marketing services	First lien senior secured loan				5/2022	4/2024		8.7	5.8	3.9	(2)(10)	
Miami Beckham United LLC	American professional soccer club	Class A preferred units	8.50% PIK			9/2021		85,000		94.7	94.7		
OUTFRONT Media Inc.	Provider of out-of-home advertising	Series A convertible perpetual preferred stock	7.00%			4/2020		25,000		25.0	33.6	(2)(6)	
Production Resource Group, L.L.C. and PRG III, LLC (4)	Provider of rental equipment, labor, production management, scenery, and other products to various entertainment end-markets	First lien senior secured loan	12.85% (9.85% PIK)	LIBOR (M)	8.50%	8/2018	8/2024		39.1	39.1	39.1	(2)(11)	
		First lien senior secured loan	11.85% (2.59% PIK)	LIBOR (M)	7.50%	7/2020	8/2024		15.4	15.4	15.4	(2)(11)	
		First lien senior secured loan	11.88% (2.57% PIK)	LIBOR (M)	7.50%	8/2021	8/2024		7.6	7.6	7.6	(2)(11)	
		First lien senior secured loan	11.88% (2.57% PIK)	LIBOR (M)	7.50%	6/2021	8/2024		0.9	0.9	0.9	(2)(11)	
		Class A units				10/2020		113,617		4.9	34.3	(2)	
										67.9	97.3		
Professional Fighters League, LLC and PFL MMA, Inc. (15)	Mixed martial arts league	First lien senior secured loan	12.00% PIK			1/2021	1/2026		17.1	16.1	17.1	(2)	
		Second lien senior secured loan	14.00%			11/2022	1/2026		0.1	—	0.1	(2)	
		Series E preferred stock				4/2022		219,035		0.7	0.6	(2)	
		Warrant to purchase shares of common stock				1/2021	1/2027	3,223,122		1.7	0.8	(2)	
		Warrant to purchase shares of common stock				11/2022	11/2029	57,322		0.2	0.2	(2)	
										18.7	18.8		
Storm Investment S.a.r.l.	Spanish futbol club	First lien senior secured loan	3.75%			6/2021	6/2029		66.0	73.6	66.0	(2)(6)	
		Class A redeemable shares				6/2021		3,297,791		1.6	2.2	(2)(6)	
		Class B redeemable shares				6/2021		3,297,791		1.6	2.2	(2)(6)	
		Class C redeemable shares				6/2021		3,297,791		1.6	2.2	(2)(6)	
		Class D redeemable shares				6/2021		3,297,791		1.6	2.2	(2)(6)	
		Class E redeemable shares				6/2021		3,297,791		1.6	2.2	(2)(6)	
		Class F redeemable shares				6/2021		3,297,791		1.6	2.2	(2)(6)	
		Class G redeemable shares				6/2021		3,297,791		1.6	2.2	(2)(6)	

(dollar amounts in millions)

Company (1)	Business Description	Investment	Coupon (3)	Reference (7)	Spread (3)	Acquisition Date	Maturity Date	Shares/Units	Principal	Amortized Cost	Fair Value	% of Net Assets
		Class H redeemable shares				6/2021		3,297,791		1.6	2.2 (2)(6)	
		Class I redeemable shares				6/2021		3,297,791		1.6	2.2 (2)(6)	
		Ordinary shares				6/2021		3,958		—	0.2 (2)(6)	
										88.0	86.0	
The Teaching Company Holdings, Inc.	Education publications provider	Preferred stock				9/2006		10,663		1.1	2.5 (2)	
		Common stock				9/2006		15,393		—	—	
										1.1	2.5	
										422.3	452.1	4.73%
Food & Beverage												
American Seafoods Group LLC and American Seafoods Partners LLC	Harvester and processor of seafood	Class A units				8/2015		77,922		0.1	0.3 (2)	
		Warrant to purchase Class A units				8/2015	8/2035	7,422,078		7.4	28.0 (2)	
										7.5	28.3	
Berner Food & Beverage, LLC (15)	Supplier of dairy-based food and beverage products	First lien senior secured revolving loan	12.00%	Base Rate (Q)	4.50%	7/2021	7/2026		0.4	0.4	0.4 (2)(11)	
		First lien senior secured revolving loan	9.91%	LIBOR (Q)	5.50%	7/2021	7/2026		0.1	0.1	0.1 (2)(11)	
										0.5	0.5	
Bragg Live Food Products, LLC and SPC Investment Co., L.P. (4) (15)	Health food company	First lien senior secured loan	11.58%	SOFR (Q)	7.00%	12/2020	12/2025		28.9	28.9	28.3 (2)(11)	
		Common units				3/2019		14,850		11.5	10.8 (2)	
										40.4	39.1	
CHG PPC Parent LLC & PPC CHG Blocker LLC	Diversified food products manufacturer	Second lien senior secured loan	11.13%	LIBOR (M)	6.75%	12/2021	12/2029		94.6	94.6	89.9 (2)(11)	
		Common units				12/2021		59		3.0	2.9 (2)	
										97.6	92.8	
Florida Food Products, LLC	Provider of plant extracts and juices	First lien senior secured loan	9.32%	SOFR (M)	5.00%	6/2022	10/2028		0.4	0.4	0.4 (2)(11)	
		First lien senior secured loan	9.38%	LIBOR (M)	5.00%	10/2021	10/2028		0.1	0.1	0.1 (2)(11)	
		Second lien senior secured loan	12.38%	LIBOR (M)	8.00%	10/2021	10/2029		71.8	71.8	70.4 (2)(11)	
										72.3	70.9	
GF Parent LLC	Producer of low-acid, aseptic food and beverage products	Class A preferred units				5/2015		2,940		2.9	—	
		Class A common units				5/2015		60,000		0.1	—	
		Class B common units				5/2015		0.26		—	—	
										3.0	—	
Gotham Greens Holdings, PBC (15)	Producer of vegetables and culinary herbs for restaurants and retailers	First lien senior secured loan	11.80%	SOFR (Q)	7.38%	6/2022	12/2026		17.7	17.7	17.4 (2)(11)	
		Series E-1 preferred stock	6.00% PIK			6/2022		166,059		14.2	14.2 (2)	
		Warrant to purchase shares of Series E-1 preferred stock				6/2022	6/2032	43,154		—	—	
										31.9	31.6	

(dollar amounts in millions)

Company (1)	Business Description	Investment	Coupon (3)	Reference (7)	Spread (3)	Acquisition Date	Maturity Date	Shares/Units	Principal	Amortized Cost	Fair Value	% of Net Assets
Hometown Food Company (15)	Food distributor	First lien senior secured revolving loan	9.39%	LIBOR (M)	5.00%	8/2018	8/2023		0.8	0.8	0.8 (2)(11)(14)	
KNPC HoldCo, LLC	Producer of trail mix and mixed nut snack products	First lien senior secured loan	9.92%	SOFR (M)	5.50%	4/2022	10/2028		5.6	5.6	5.5 (11)	
		First lien senior secured loan	11.42%	SOFR (M)	7.00%	12/2022	10/2028		1.3	1.3	1.3 (2)(11)	
										6.9	6.8	
Manna Pro Products, LLC (15)	Manufacturer and supplier of specialty nutrition and care products for animals	First lien senior secured revolving loan	10.14%	LIBOR (M)	6.00%	12/2020	12/2026		5.1	5.1	4.7 (2)(11)	
RB Holdings InterCo, LLC (15)	Manufacturer of pet food and treats	First lien senior secured revolving loan	9.28%	SOFR (Q)	5.00%	5/2022	5/2028		1.8	1.8	1.7 (2)(11)	
		First lien senior secured loan	9.32%	SOFR (Q)	5.00%	5/2022	5/2028		11.5	11.5	11.2 (2)(11)	
										13.3	12.9	
RF HP SCF Investor, LLC	Branded specialty food company	Membership interest				12/2016		10.08%		12.5	25.9 (2)(6)	
Teasdale Foods, Inc. and Familia Group Holdings Inc.	Provider of beans, sauces and hominy to the retail, foodservice and wholesale channels	First lien senior secured loan	12.29% (1.00% PIK)	SOFR (S)	7.25%	12/2020	12/2025		75.9	75.9	65.3 (2)(11)	
		Warrant to purchase shares of common stock				2/2019	2/2034	57,827		—	—	
										75.9	65.3	
Triton Water Holdings, Inc.	Producer and provider of bottled water brands	First lien senior secured loan	8.23%	LIBOR (Q)	3.50%	3/2021	3/2028		1.0	1.0	0.9 (2)(11)(18)	
		Senior subordinated loan	6.25%			3/2021	4/2029		0.1	0.1	0.1 (2)(18)	
										1.1	1.0	
Watermill Express, LLC and Watermill Express Holdings, LLC (15)	Owner and operator of self-service water and ice stations	First lien senior secured loan	10.23%	LIBOR (Q)	5.50%	4/2021	4/2027		20.4	20.4	20.4 (2)(11)	
		Class A units	8.00% PIK			4/2021		282,200		3.2	3.2	
										23.6	23.6	
Winebow Holdings, Inc. and The Vintner Group, Inc.	Importer and distributor of wine	First lien senior secured loan	10.63%	LIBOR (M)	6.25%	4/2021	7/2025		28.0	28.0	27.5 (2)(11)	
										420.4	431.7	4.52%
Energy												
Calyx Energy III, LLC	Oil and gas exploration company	First lien senior secured loan	12.37%	SOFR (M)	8.00%	8/2022	1/2027		57.0	57.0	57.0 (2)(11)	
Cheyenne Petroleum Company Limited Partnership, CPC 2001 LLC and Mill Shoals LLC (15)	Private oil exploration and production company	First lien senior secured loan	13.69%	SOFR (Q)	9.00%	11/2022	11/2026		49.3	49.3	47.8 (2)(11)	
GNZ Energy Bidco Limited and Galileo Co-investment Trust I (15)	Independent fuel provider in New Zealand	First lien senior secured loan	10.65%	BBSY (M)	6.75%	5/2022	7/2027		30.8	30.5	30.8 (2)(6)(11)	
		Common units				7/2022		13,736,365		8.3	8.7 (2)(6)	
										38.8	39.5	
Halcon Holdings, LLC	Operator of development, exploration, and production oil company	First lien senior secured loan	12.20%	SOFR (Q)	7.50%	11/2021	11/2025		13.4	13.2	13.4 (2)	
Murchison Oil and Gas, LLC and Murchison Holdings, LLC (15)	Exploration and production company	First lien senior secured loan	13.08%	SOFR (Q)	8.50%	6/2022	6/2026		75.5	75.5	75.5 (2)(11)	
		Preferred units	8.00% PIK			6/2022		41,000		41.0	45.9	

(dollar amounts in millions)

Company (1)	Business Description	Investment	Coupon (3)	Reference (7)	Spread (3)	Acquisition Date	Maturity Date	Shares/Units	Principal	Amortized Cost	Fair Value	% of Net Assets
										116.5	121.4	
Offen, Inc. (15)	Distributor of fuel, lubricants, diesel exhaust fluid, and premium additives	First lien senior secured loan	8.51%	LIBOR (S)	5.00%	5/2022	6/2026		1.4	1.5	1.4 (2)	
SilverBow Resources, Inc.	Oil and gas producer	Common stock				6/2022		1,015,215		28.8	28.7 (2)(6)(18)	
VPROP Operating, LLC and V SandCo, LLC (5)	Sand-based proppant producer and distributor to the oil and natural gas industry	First lien senior secured loan	13.62%	LIBOR (M)	9.50%	3/2017	11/2024		27.3	27.3	27.3 (2)(11)	
		First lien senior secured loan	13.62%	LIBOR (M)	9.50%	11/2020	11/2024		9.4	9.4	9.4 (2)(11)	
		First lien senior secured loan	13.62%	LIBOR (M)	9.50%	6/2020	11/2024		6.0	6.0	6.0 (2)(11)	
		Class A units				11/2020		347,900		32.8	73.4 (2)	
										75.5	116.1	
										380.6	425.3	4.45%
Pharmaceuticals, Biotechnology & Life Sciences												
Abzena Holdings, Inc. and Astro Group Holdings Ltd. (15)	Organization providing discovery, development and manufacturing services to the pharmaceutical and biotechnology industries	First lien senior secured loan	14.54% (6.97% PIK)	LIBOR (Q)	10.50%	5/2021	5/2026		61.0	61.0	59.8 (2)(6)(11)	
		A ordinary shares				5/2021		2,476,744		5.7	6.5 (2)(6)	
										66.7	66.3	
Alcami Corporation and ACM Note Holdings, LLC (15)	Outsourced drug development services provider	First lien senior secured loan	11.42%	SOFR (M)	7.00%	12/2022	12/2028		9.5	9.5	9.0 (2)(11)	
		Senior subordinated loan	8.00% PIK			12/2022	6/2029		19.5	19.5	19.5 (2)	
										29.0	28.5	
Amryt Pharmaceuticals, Inc.	Biopharmaceutical company dedicated to acquiring, developing and commercializing novel therapeutics	First lien senior secured loan	10.46%	SOFR (Q)	6.75%	2/2022	2/2027		12.7	12.7	12.7 (2)(6)(11)	
Athyrium Buffalo LP (16)	Biotechnology company engaging in the development, manufacture, and commercialization of novel neuromodulators	Limited partnership interests				6/2022		7,628,966		7.6	7.5 (2)(6)	
Caerus Midco 3 S.à r.l.	Provider of market intelligence and analysis for the pharmaceutical industry	First lien senior secured loan	9.83%	SOFR (Q)	5.75%	10/2022	5/2029		5.4	5.3	5.3 (2)(6)(11)	
Cobalt Buyer Sub, Inc., Cobalt Holdings I, LP, and Cobalt Intermediate I, Inc. (15)	Provider of biological products to life science and pharmaceutical companies	First lien senior secured revolving loan	9.63%	LIBOR (M)	5.25%	10/2021	10/2027		2.5	2.5	2.4 (2)(11)	
		First lien senior secured loan	9.63%	LIBOR (M)	5.25%	10/2021	10/2028		30.2	30.2	29.0 (2)(11)	
		Preferred units	8.00% PIK			10/2021	10/2051	3,020		3.3	4.0 (2)	
		Series A preferred shares	14.73% PIK	LIBOR (Q)	10.00%	10/2021		60,236		69.7	69.7 (2)	
		Class A common units				10/2021		30,500		—	— (2)	
										105.7	105.1	

(dollar amounts in millions)

Company (1)	Business Description	Investment	Coupon (3)	Reference (7)	Spread (3)	Acquisition Date	Maturity Date	Shares/Units	Principal	Amortized Cost	Fair Value		% of Net Assets
Covaris Intermediate 3, LLC & Covaris Parent, LLC (15)	Provider of advanced pre-analytical sample preparation technologies for life and analytical science	First lien senior secured revolving loan	9.66%	LIBOR (Q)	5.25%	1/2022	1/2028		1.5	1.5	1.5	(2)(11)	
		First lien senior secured loan	9.16%	LIBOR (Q)	4.75%	1/2022	1/2028		0.1	0.1	0.1	(2)(11)	
		Class A-2 units				1/2022		4,772		4.8	5.5		
										6.4	7.1		
NMC Skincare Intermediate Holdings II, LLC (15)	Developer, manufacturer and marketer of skincare products	First lien senior secured loan	9.38%	LIBOR (M)	5.00%	10/2018	10/2024		32.0	32.0	30.7	(2)(11)	
		First lien senior secured loan	9.38%	LIBOR (M)	5.00%	5/2022	10/2024		4.7	4.7	4.5	(2)(11)	
										36.7	35.2		
North American Science Associates, LLC, Cardinal Purchaser LLC and Cardinal Topco Holdings, L.P.	Contract research organization providing research and development and testing of medical devices	First lien senior secured loan	10.18%	SOFR (Q)	5.50%	9/2020	9/2027		47.5	47.5	47.5	(2)(11)	
		First lien senior secured loan	10.18%	SOFR (Q)	5.50%	2/2021	9/2027		2.6	2.6	2.6	(2)(11)	
		First lien senior secured loan	10.18%	SOFR (Q)	5.50%	12/2020	9/2027		0.1	0.1	0.1	(2)(11)	
		First lien senior secured loan	10.18%	SOFR (Q)	5.50%	9/2021	9/2027		0.1	0.1	0.1	(2)(11)	
		Class A preferred units	8.00% PIK			9/2020		13,528		16.2	38.8	(2)	
										66.5	89.1		
TerSera Therapeutics LLC (15)	Acquirer and developer of specialty therapeutic pharmaceutical products	First lien senior secured loan	9.98%	LIBOR (M)	5.60%	5/2017	3/2025		5.0	5.0	5.0	(2)(11)	
		First lien senior secured loan	9.98%	LIBOR (M)	5.60%	9/2018	3/2025		2.0	2.0	2.0	(2)(11)	
		First lien senior secured loan	9.98%	LIBOR (M)	5.60%	4/2019	3/2025		1.8	1.8	1.8	(2)(11)	
										8.8	8.8		
Verista, Inc. (15)	Provides systems consulting for compliance, automation, validation, and packaging solutions to the healthcare sector	First lien senior secured revolving loan	10.27%	LIBOR (M)	6.00%	5/2022	2/2027		1.1	0.7	1.1	(2)(11)	
		First lien senior secured loan	10.19%	LIBOR (Q)	6.00%	5/2022	2/2027		0.8	0.8	0.8	(2)(11)	
										1.5	1.9		
Vertice Pharma UK Parent Limited	Manufacturer and distributor of generic pharmaceutical products	Preferred shares				12/2015		40,662		—	—	(6)	
										346.9	367.5		3.85%
Retailing and Distribution													
Atlas Intermediate III, L.L.C. (15)	Specialty chemicals distributor	First lien senior secured revolving loan	10.10%	LIBOR (M)	5.75%	4/2019	4/2025		0.2	0.2	0.2	(2)(11)	
		First lien senior secured loan	10.48%	LIBOR (Q)	5.75%	10/2022	4/2025		0.1	0.1	0.1	(2)(11)	
		First lien senior secured loan	10.48%	LIBOR (Q)	5.75%	3/2022	4/2025		0.1	0.1	0.1	(2)(11)	
		First lien senior secured loan	10.48%	LIBOR (Q)	5.75%	11/2021	4/2025		0.1	0.1	0.1	(2)(11)	
		First lien senior secured loan	10.48%	LIBOR (Q)	5.75%	3/2021	4/2025		0.2	0.2	0.2	(2)(11)	
										0.7	0.7		

(dollar amounts in millions)

Company (1)	Business Description	Investment	Coupon (3)	Reference (7)	Spread (3)	Acquisition Date	Maturity Date	Shares/Units	Principal	Amortized Cost	Fair Value		% of Net Assets
Bamboo Purchaser, Inc.	Provider of nursery, garden, and greenhouse products	First lien senior secured loan	10.73%	LIBOR (Q)	6.00%	11/2021	11/2027		17.9	17.9	17.4	(2)(11)	
Display Holding Company, Inc., Saldon Holdings, Inc. and Fastsigns Holdings Inc. (15)	Provider of visual communications solutions	First lien senior secured loan	10.03%	LIBOR (M)	5.65%	3/2019	3/2025		15.8	15.8	15.8	(2)(11)	
		First lien senior secured loan	10.03%	LIBOR (M)	5.65%	6/2021	3/2025		0.1	0.1	0.1	(2)(11)	
		First lien senior secured loan	10.03%	LIBOR (M)	5.65%	8/2019	3/2025		0.1	0.1	0.1	(2)(11)	
		Common units				3/2019		600		0.6	1.2	(2)	
										16.6	17.2		
GPM Investments, LLC and ARKO Corp.	Convenience store operator	Common stock				12/2020		2,088,478		19.8	26.1		
		Warrant to purchase units of common stock				12/2020	12/2025	1,088,780		1.6	1.9	(2)	
										21.4	28.0		
Marcone Yellowstone Buyer Inc. and Marcone Yellowstone Holdings, LLC	Distributor of OEM appliance aftermarket parts	First lien senior secured loan	10.98%	LIBOR (Q)	6.25%	12/2021	6/2028		6.5	6.5	6.5	(2)(11)	
		First lien senior secured loan	10.91%	SOFR (Q)	6.25%	6/2021	6/2028		2.6	2.6	2.5	(2)(11)	
		First lien senior secured loan	10.94%	SOFR (Q)	6.25%	12/2021	6/2028		2.1	2.1	2.1	(2)(11)	
		First lien senior secured loan	10.98%	LIBOR (Q)	6.25%	6/2021	6/2028		0.3	0.3	0.3	(2)(11)	
		Class A common units				6/2021		5,578		6.1	10.2	(2)	
										17.6	21.6		
McKenzie Creative Brands, LLC (15)	Designer, manufacturer and distributor of hunting-related supplies	First lien senior secured revolving loan	10.12%	LIBOR (M)	5.75%	9/2014	9/2023		1.9	1.9	1.9	(2)(11)	
		First lien senior secured loan	9.43%	LIBOR (Q)	5.75%	9/2014	9/2023		84.5	84.5	84.5	(2)(8)(11)	
		First lien senior secured loan	10.14%	LIBOR (M)	5.75%	9/2014	9/2023		5.5	5.5	5.5	(2)(11)	
										91.9	91.9		
Monolith Brands Group, Inc.	E-commerce platform focused on consolidating DTC branded businesses	Series A-1 preferred stock				4/2022		701,255		15.5	15.5	(2)	
Moon Valley Nursery of Arizona Retail, LLC, Moon Valley Nursery Farm Holdings, LLC, Moon Valley Nursery RE Holdings LLC, and Stonecourt IV Partners, LP	Operator of retail and wholesale tree and plant nurseries	Limited partnership interests				10/2021		21,939,151		20.8	42.9		
North Haven Falcon Buyer, LLC and North Haven Falcon Holding Company, LLC (15)	Manufacturer of aftermarket golf cart parts and accessories	First lien senior secured loan	11.19%	LIBOR (Q)	6.50%	5/2021	5/2027		25.3	25.3	23.5	(2)(11)	
		Class A units				5/2021		50,000		5.0	1.8		
										30.3	25.3		
Reddy Ice LLC (15)	Packaged ice manufacturer and distributor	First lien senior secured loan	10.24%	LIBOR (Q)	6.50%	7/2019	7/2025		61.3	61.3	60.0	(2)(11)	
		First lien senior secured loan	10.24%	LIBOR (Q)	6.50%	11/2020	7/2025		4.2	4.2	4.2	(2)(11)	
		First lien senior secured loan	10.24%	LIBOR (Q)	6.50%	10/2021	7/2025		0.9	0.9	0.9	(2)(11)	
										66.4	65.1		

ARES CAPITAL CORPORATION AND SUBSIDIARIES
CONSOLIDATED SCHEDULE OF INVESTMENTS
As of December 31, 2022
(dollar amounts in millions)

Company (1)	Business Description	Investment	Coupon (3)	Reference (7)	Spread (3)	Acquisition Date	Maturity Date	Shares/Units	Principal	Amortized Cost	Fair Value		% of Net Assets
SCIH Salt Holdings Inc. (15)	Salt and packaged ice melt manufacturer and distributor	First lien senior secured revolving loan	8.15%	LIBOR (Q)	4.00%	3/2020	3/2025		2.3	2.2	2.2	(2)(11)(14)	
Trader Corporation and Project Auto Finco Corp. (15)	Digital Automotive marketplace and software solution provider to automotive industry	First lien senior secured loan	11.40%	CDOR (M)	6.75%	12/2022	12/2029		12.2	12.2	11.9	(2)(6)(11)	
US Salt Investors, LLC and Emerald Lake Pearl Acquisition-A, L.P. (15)	Producer and packager of compressed, household, and packaged salt	First lien senior secured loan	10.23%	LIBOR (Q)	5.50%	7/2021	7/2028		26.4	26.4	25.3	(2)(11)	
		Limited partner interests				7/2021		0.40%		0.8	0.5	(2)	
										27.2	25.8		
										340.7	365.5		3.83%
Food & Staples Retailing													
Balrog Acquisition, Inc., Balrog Topco, Inc. and Balrog Parent, L.P.	Manufacturer and distributor of specialty bakery ingredients	Second lien senior secured loan	11.73%	LIBOR (Q)	7.00%	9/2021	9/2029		29.5	29.5	29.5	(2)(11)	
		Class A preferred units	8.00% PIK			9/2021		5,484		6.1	10.5	(2)	
		Series A preferred shares	11.00% PIK			9/2021		21,921		25.4	25.4	(2)	
										61.0	65.4		
Continental Café, LLC and Infinity Ovation Yacht Charters, LLC (15)	Diversified contract food service provider	First lien senior secured revolving loan	13.50%	Base Rate (Q)	6.00%	11/2021	11/2027		0.7	0.7	0.7	(2)(11)	
		First lien senior secured loan	11.38%	LIBOR (M)	7.00%	11/2021	11/2027		0.1	0.1	0.1	(2)(11)	
										0.8	0.8		
DecoPac, Inc. and KCAKE Holdings Inc. (15)	Supplier of cake decorating solutions and products to in-store bakeries	First lien senior secured revolving loan	10.73%	LIBOR (Q)	6.00%	5/2021	5/2026		6.6	6.6	6.5	(2)(11)	
		First lien senior secured loan	10.73% (0.27% PIK)	LIBOR (Q)	6.00%	5/2021	5/2028		148.6	148.6	145.6	(2)(11)	
		Common stock				5/2021		9,599		9.6	9.4	(2)	
										164.8	161.5		
FS Squared Holding Corp. and FS Squared, LLC (15)	Provider of on-site vending and micro market solutions	First lien senior secured revolving loan				3/2019	3/2024		—	—	—	(13)	
		First lien senior secured loan	9.49%	SOFR (Q)	5.25%	3/2019	3/2025		0.1	0.1	0.1	(2)(11)	
		Class A units				3/2019		113,219		11.1	31.2	(2)	
										11.2	31.3		
JWC/KI Holdings, LLC	Foodservice sales and marketing agency	Membership units				11/2015		5,000		5.0	9.0	(2)	
LJ Perimeter Buyer, Inc. and LJ Perimeter Co-Invest, L.P. (15)	Distributor of specialty foods	First lien senior secured loan	10.73%	SOFR (Q)	6.50%	10/2022	10/2028		35.7	35.7	34.6	(2)(11)	
		Limited partnership interests				10/2022		9,674,000		9.7	9.7	(2)	
										45.4	44.3		
SFE Intermediate Holdco LLC (15)	Provider of outsourced foodservice to K-12 school districts	First lien senior secured revolving loan	9.48%	SOFR (Q)	4.75%	7/2017	7/2025		8.3	8.3	8.1	(2)(11)	
		First lien senior secured loan	9.48%	SOFR (Q)	4.75%	9/2018	7/2026		10.0	10.0	9.8	(2)(11)	
		First lien senior secured loan	9.48%	SOFR (Q)	4.75%	7/2017	7/2026		6.2	6.2	6.1	(2)(11)	

(dollar amounts in millions)

Company (1)	Business Description	Investment	Coupon (3)	Reference (7)	Spread (3)	Acquisition Date	Maturity Date	Shares/Units	Principal	Amortized Cost	Fair Value	% of Net Assets
		First lien senior secured loan	9.48%	SOFR (Q)	4.75%	3/2022	7/2026		0.4	0.4	0.4 (2)(11)	
										24.9	24.4	
VCP-EDC Co-Invest, LLC	Distributor of foodservice equipment and supplies	Membership units				6/2017		2,970,000		2.8	4.2	
ZB Holdco LLC & ZB Parent LLC (15)	Distributor of Mediterranean food and beverages	First lien senior secured revolving loan				2/2022	2/2028		—	—	— (13)	
		First lien senior secured loan	9.48%	LIBOR (Q)	4.75%	2/2022	2/2028		0.1	0.1	0.1 (2)(11)	
		Series A units				2/2022		4,699		4.7	5.5	
										4.8	5.6	
										320.7	346.5	3.63%
Materials												
ASP-r-pac Acquisition CO LLC and ASP-r-pac Holdings LP (15)	Manufacturer and supplier of printed packaging and trimmings	First lien senior secured loan	10.38%	LIBOR (M)	6.00%	12/2021	12/2027		0.1	0.1	0.1 (2)(11)	
		Class A units				12/2021		195,990		19.6	19.2 (2)	
										19.7	19.3	
Genomatica, Inc.	Developer of a biotechnology platform for the production of chemical products	Warrant to purchase shares of Series D preferred stock				3/2013	3/2023	322,422		—	—	
Halex Holdings, Inc. (5)	Manufacturer of flooring installation products	Common stock				1/2017		51,853		—	—	
H-Food Holdings, LLC and Matterhorn Parent, LLC	Food contract manufacturer	First lien senior secured loan	8.07%	LIBOR (M)	3.69%	6/2022	5/2025		26.4	23.8	23.3 (2)(18)	
		First lien senior secured loan	8.38%	LIBOR (M)	4.00%	7/2022	5/2025		3.3	3.1	3.0 (2)(18)	
		First lien senior secured loan	9.38%	LIBOR (M)	5.00%	12/2021	5/2025		0.1	0.1	0.1 (2)(11)(18)	
		Second lien senior secured loan	11.38%	LIBOR (M)	7.00%	11/2018	3/2026		73.0	73.0	62.8 (2)	
		Common units				11/2018		5,827		5.8	3.5	
										105.8	92.7	
Nelipak Holding Company, Nelipak European Holdings Cooperatief U.A., KNPAK Holdings, LP and PAKNK Netherlands Treasury B.V. (15)	Manufacturer of thermoformed packaging for medical devices	First lien senior secured revolving loan	8.66%	LIBOR (Q)	4.25%	7/2019	7/2024		0.1	0.1	0.1 (2)(6)(11)	
		First lien senior secured loan	8.66%	LIBOR (Q)	4.25%	7/2019	7/2026		14.9	14.9	14.6 (2)(6)(11)	
		First lien senior secured loan	6.11%	Euribor (Q)	4.50%	7/2019	7/2026		4.8	5.1	4.7 (2)(6)	
		First lien senior secured loan	6.11%	Euribor (Q)	4.50%	8/2019	7/2026		1.5	1.6	1.5 (2)(6)	
		Class A units				7/2019		6,762,668		6.8	7.5 (2)(6)	
										28.5	28.4	
Novipax Buyer, L.L.C. and Novipax Parent Holding Company, L.L.C.	Developer and manufacturer of absorbent pads for food products	First lien senior secured loan	11.17%	SOFR (Q)	6.75%	12/2020	12/2026		23.5	23.5	23.5 (2)(11)	
		First lien senior secured loan	11.17%	SOFR (M)	6.75%	12/2022	12/2026		6.3	6.3	6.3 (2)(11)	
		Class A preferred units	10.00% PIK			12/2020		4,772		4.2	9.2 (2)	
		Class C units				12/2020		4,772		—	—	
										34.0	39.0	

(dollar amounts in millions)

Company (1)	Business Description	Investment	Coupon (3)	Reference (7)	Spread (3)	Acquisition Date	Maturity Date	Shares/Units	Principal	Amortized Cost	Fair Value		% of Net Assets
Plaskolite PPC Intermediate II LLC and Plaskolite PPC Blocker LLC	Manufacturer of specialized acrylic and polycarbonate sheets	First lien senior secured loan	8.41%	LIBOR (Q)	4.00%	12/2018	12/2025		22.6	21.5	20.1	(2)(11)	
		Second lien senior secured loan	11.98%	LIBOR (Q)	7.25%	12/2018	12/2026		55.0	55.0	48.9	(2)(11)	
		Co-Invest units				12/2018		5,969		0.6	0.5	(2)	
										77.1	69.5		
Polymer Solutions Group, LLC	Manufacturer of chemical formulations that improve the processing and efficacy of rubber, resin, and engineered wood based end-products	First lien senior secured loan	8.92%	LIBOR (Q)	4.75%	5/2022	11/2026		—	—	—	(2)(11)	
Precision Concepts International LLC and Precision Concepts Canada Corporation (15)	Manufacturer of diversified packaging solutions and plastic injection molded products	First lien senior secured revolving loan	10.18%	SOFR (Q)	5.50%	1/2019	1/2025		6.2	6.2	6.2	(2)(6)(11)	
		First lien senior secured loan	10.18%	SOFR (Q)	5.50%	1/2019	1/2026		14.7	14.7	14.7	(2)(6)(11)	
		First lien senior secured loan	10.43%	SOFR (Q)	5.75%	5/2022	1/2026		0.1	0.1	0.1	(2)(6)(11)	
		First lien senior secured loan	10.18%	SOFR (Q)	5.50%	6/2021	1/2026		0.1	0.1	0.1	(2)(6)(11)	
										21.1	21.1		
SCI PH Parent, Inc.	Industrial container manufacturer, reconditioner and servicer	Series B shares				8/2018		11.4764		1.1	4.2	(2)	
										287.3	274.2		2.87%
Technology Hardware & Equipment													
Chariot Buyer LLC (15)	Provider of smart access solutions across residential and commercial properties	First lien senior secured revolving loan	7.38%	LIBOR (M)	3.00%	11/2021	11/2026		3.5	3.5	3.2	(2)	
		Second lien senior secured loan	11.13%	LIBOR (M)	6.75%	11/2021	11/2029		134.4	134.4	126.3	(2)(11)	
										137.9	129.5		
Everspin Technologies, Inc.	Designer and manufacturer of computer memory solutions	Warrant to purchase shares of common stock				10/2016	10/2026	18,461		0.4	—		
ITI Holdings, Inc. (15)	Provider of innovative software and equipment for motor vehicle agencies	First lien senior secured revolving loan	12.00%	Base Rate (Q)	4.50%	3/2022	3/2028		3.0	3.0	2.9	(2)(11)	
		First lien senior secured revolving loan	9.88%	SOFR (M)	5.50%	3/2022	3/2028		1.1	1.1	1.1	(2)(11)	
		First lien senior secured revolving loan	12.00%	Base Rate (M)	4.50%	3/2022	3/2028		0.8	0.8	0.8	(2)(11)	
		First lien senior secured loan	10.08%	SOFR (Q)	5.50%	3/2022	3/2028		35.0	35.0	34.7	(2)(11)	
										39.9	39.5		
Micromeritics Instrument Corp. (15)	Scientific instrument manufacturer	First lien senior secured loan	9.65%	LIBOR (S)	4.50%	12/2019	12/2025		20.7	20.7	20.7	(2)(11)	
Repairify, Inc. and Repairify Holdings, LLC (15)	Provider of automotive diagnostics scans and solutions	Class A common units				6/2021		163,820		4.9	4.4	(2)	

(dollar amounts in millions)

Company (1)	Business Description	Investment	Coupon (3)	Reference (7)	Spread (3)	Acquisition Date	Maturity Date	Shares/Units	Principal	Amortized Cost	Fair Value		% of Net Assets
Wildcat BuyerCo, Inc. and Wildcat Parent, LP (15)	Provider and supplier of electrical components for commercial and industrial applications	First lien senior secured revolving loan	10.09%	SOFR (M)	5.75%	2/2020	2/2026		0.8	0.8	0.8	(2)(11)(14)	
		First lien senior secured loan	10.48%	SOFR (Q)	5.75%	2/2020	2/2026		18.0	18.0	17.8	(2)(11)	
		First lien senior secured loan	10.48%	SOFR (Q)	5.75%	5/2022	2/2026		0.2	0.2	0.2	(2)(11)	
		First lien senior secured loan	10.48%	SOFR (Q)	5.75%	11/2021	2/2026		0.2	0.2	0.2	(2)(11)	
		Limited partnership interests				2/2020		17,655		1.8	5.1	(2)	
										21.0	24.1		
										224.8	218.2		2.28%
Household & Personal Products													
CDI Holdings III Corp. and CDI Holdings I Corp. (15)	Provider of personal care appliances	First lien senior secured loan	10.13%	LIBOR (M)	5.75%	12/2021	12/2027		3.8	3.8	3.6	(2)(11)	
		Common stock				12/2021		6,149		6.1	4.4	(2)	
										9.9	8.0		
Foundation Consumer Brands, LLC	Pharmaceutical holding company of over the counter brands	First lien senior secured loan	10.15%	LIBOR (Q)	5.50%	2/2021	10/2026		12.8	12.6	12.8	(2)(11)	
LifeStyles Bidco Ltd., Lifestyles Intermediate Holdco Ltd. and LifeStyles Parent, L.P.	Provider of intimate wellness products	First lien senior secured loan	11.15%	SOFR (Q)	6.75%	11/2022	11/2028		18.6	18.6	18.2	(2)(6)(11)	
		Preferred units	8.00% PIK			11/2022		3,178		3.2	3.2	(2)(6)	
		Class B common units				11/2022		32,105		—	—	(2)(6)	
										21.8	21.4		
Premier Specialties, Inc. and RMCF V CIV XLIV, L.P. (15)	Manufacturer and supplier of natural fragrance materials and cosmeceuticals	First lien senior secured revolving loan	10.38%	LIBOR (M)	6.00%	8/2021	8/2027		2.3	2.3	2.2	(2)(11)	
		First lien senior secured loan	10.38%	LIBOR (M)	6.00%	8/2021	8/2027		27.3	27.3	25.6	(2)(11)	
		Limited partner interests				8/2021		4.58%		4.7	2.8	(2)	
										34.3	30.6		
RD Holdco Inc. (5)	Manufacturer and marketer of carpet cleaning machines	Second lien senior secured loan				1/2017	10/2026		24.2	22.0	10.2	(2)(10)	
		Common stock				1/2017		458,596		14.0	—		
		Warrant to purchase shares of common stock				1/2017	12/2023	56,372		—	—		
										36.0	10.2		
Walnut Parent, Inc.	Manufacturer of natural solution pest and animal control products	First lien senior secured loan	10.24%	LIBOR (Q)	5.50%	11/2020	11/2027		14.7	14.7	14.2	(2)(11)	
		First lien senior secured loan	10.24%	LIBOR (Q)	5.50%	4/2022	11/2027		0.1	0.1	0.1	(2)(11)	
										14.8	14.3		
										129.4	97.3		1.02%
Transportation													
Commercial Trailer Leasing, Inc. (15)	Trailer leasing company	First lien senior secured loan	10.33%	SOFR (Q)	6.25%	1/2021	1/2026		33.3	33.3	33.3	(2)(11)	

(dollar amounts in millions)

Company (1)	Business Description	Investment	Coupon (3)	Reference (7)	Spread (3)	Acquisition Date	Maturity Date	Shares/Units	Principal	Amortized Cost	Fair Value		% of Net Assets
		Second lien senior secured loan	13.00%			1/2021	1/2027		19.9	19.9	19.5	(2)	
										53.2	52.8		
Shur-Co Acquisition, Inc. and Shur-Co Holdco, Inc. (15)	Provider of tarp systems and accessories for trucks, trailers, carts, and specialty equipment used in the agriculture, construction and flatbed markets	First lien senior secured revolving loan	10.59%	SOFR (Q)	6.00%	6/2021	6/2027		1.8	1.8	1.8	(2)(11)	
		First lien senior secured loan	10.90%	SOFR (A)	6.00%	6/2021	6/2027		26.8	26.8	26.8	(2)(11)	
		First lien senior secured loan	10.90%	SOFR (A)	6.00%	6/2022	6/2027		0.1	0.1	0.1	(2)(11)	
		Common stock				6/2021		7,599,000		7.6	13.9	(2)	
										36.3	42.6		
										89.5	95.4		1.00%
Education													
Excelligence Holdings Corp.	Developer, manufacturer and retailer of educational products	First lien senior secured loan	10.73%	SOFR (Q)	6.00%	4/2017	1/2024		9.2	9.2	9.2	(2)(11)	
Flinn Scientific, Inc. and WCI-Quantum Holdings, Inc. (15)	Distributor of instructional products, services and resources	First lien senior secured revolving loan	9.88%	LIBOR (M)	5.50%	8/2018	8/2024		6.5	6.5	6.5	(2)(11)(14)	
		First lien senior secured revolving loan	11.50%	Base Rate (M)	4.50%	8/2018	8/2024		0.5	0.5	0.5	(2)(11)(14)	
		First lien senior secured loan	9.88%	LIBOR (M)	5.50%	7/2017	8/2024		29.6	29.6	29.6	(2)(11)	
		First lien senior secured loan	9.88%	LIBOR (M)	5.50%	8/2018	8/2024		1.1	1.1	1.1	(2)(11)	
		Series A preferred stock				10/2014		1,272		0.7	1.5	(2)	
										38.4	39.2		
National College of Business and Technology Inc. & Leeds IV Advisors, Inc.	Private school operator	Senior preferred series A-1 shares				10/2015		151,056		98.1	46.5	(2)	
		Series B preferred stock				8/2010		348,615		1.0	—		
		Series B preferred stock				8/2010		757,505		4.0	—		
		Series C preferred stock				6/2010		517,942		0.1	—		
		Series C preferred stock				6/2010		1,994,644		0.5	—		
		Common stock				6/2010		4		—	—		
		Common stock				6/2010		16		—	—		
										103.7	46.5		
										151.3	94.9		0.99%
Telecommunication Services													
Aventiv Technologies, LLC and Securus Technologies Holdings, Inc.	Provider of inmate telecom solutions to corrections and law enforcement agencies	First lien senior secured loan	9.23%	LIBOR (Q)	4.50%	5/2022	11/2024		9.1	8.8	6.8	(2)(11)(18)	
		Second lien senior secured loan	12.66%	LIBOR (Q)	8.25%	5/2022	11/2025		0.2	0.2	0.2	(2)(11)	
										9.0	7.0		

ARES CAPITAL CORPORATION AND SUBSIDIARIES
CONSOLIDATED SCHEDULE OF INVESTMENTS
As of December 31, 2022
(dollar amounts in millions)

Company (1)	Business Description	Investment	Coupon (3)	Reference (7)	Spread (3)	Acquisition Date	Maturity Date	Shares/Units	Principal	Amortized Cost	Fair Value		% of Net Assets
Emergency Communications Network, LLC (15)	Provider of mission critical emergency mass notification solutions	First lien senior secured revolving loan	12.15% (5.97% PIK)	SOFR (Q)	7.75%	6/2017	6/2024		6.8	6.8	6.1	(2)(11)	
		First lien senior secured loan	11.84% (6.02% PIK)	SOFR (Q)	7.75%	6/2017	6/2024		48.4	48.3	43.6	(2)(11)	
										55.1	49.7		
										64.1	56.7		0.59%
Total Investments										$ 22,043.0	$ 21,779.8		227.97%

Derivative Instruments

Forward currency contracts

Description	Notional Amount to be Purchased		Notional Amount to be Sold		Counterparty	Settlement Date	Unrealized Appreciation / (Depreciation)
Forward currency contract	$	195	CAD	264	Royal Bank of Canada	January 27, 2023	$ (1)
Forward currency contract	$	178	CAD	242	Royal Bank of Canada	January 18, 2023	(1)
Forward currency contract	$	159	€	158	Royal Bank of Canada	January 27, 2023	(10)
Forward currency contract	$	145	£	125	Royal Bank of Canada	January 27, 2023	(6)
Forward currency contract	$	34	NZD	59	Royal Bank of Canada	January 27, 2023	(3)
Forward currency contract	$	12	CAD	17	Royal Bank of Canada	January 27, 2023	—
Total							$ (21)

(1) Other than the Company's investments listed in footnote 5 below (subject to the limitations set forth therein), the Company does not "Control" any of its portfolio companies, for the purposes of the Investment Company Act of 1940, as amended (together with the rules and regulations promulgated thereunder, the "Investment Company Act"). In general, under the Investment Company Act, the Company would "Control" a portfolio company if the Company owned more than 25% of its outstanding voting securities (i.e., securities with the right to elect directors) and/or had the power to exercise control over the management or policies of such portfolio company. All of the Company's portfolio company investments, which as of December 31, 2022 represented 228% of the Company's net assets or 97% of the Company's total assets, are subject to legal restrictions on sales.

(2) These assets are pledged as collateral under the Company's or the Company's consolidated subsidiaries' various revolving credit facilities and, as a result, are not directly available to the creditors of the Company to satisfy any obligations of the Company other than the obligations under each of the respective facility (see Note 5).

(3) Investments without an interest rate are non-income producing.

(4) As defined in the Investment Company Act, the Company is deemed to be an "Affiliated Person" because it owns 5% or more of the portfolio company's outstanding voting securities or it has the power to exercise control over the management or policies of such portfolio company (including through a management agreement). Transactions as of and during the year ended December 31, 2022 in which the issuer was an Affiliated Person of the Company (but not a portfolio company that the Company is deemed to Control) are as follows:

	For the Year Ended December 31, 2022									As of December 31, 2022
(in millions) Company	**Purchases (cost)**	**Redemptions (cost)**	**Sales (cost)**	**Interest income**	**Capital structuring service fees**	**Dividend income**	**Other income**	**Net realized gains (losses)**	**Net unrealized gains (losses)**	**Fair Value**
Apex Clean Energy TopCo, LLC	$ 18.1	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ 53.4	$ 150.6
APG Intermediate Holdings Corporation and APG Holdings, LLC	—	0.1	—	1.0	—	—	—	—	(3.0)	21.8
Blue Wolf Capital Fund II, L.P.	—	—	—	—	—	—	—	—	(0.2)	0.1
Bragg Live Food Products, LLC and SPC Investment Co., L.P.	3.3	5.7	9.8	3.4	—	—	0.2	(0.2)	3.5	39.1
ESCP PPG Holdings, LLC	2.3	—	—	—	—	—	—	—	(1.9)	3.1
European Capital UK SME Debt LP	—	0.8	—	—	—	2.0	—	—	0.4	26.5
PCG-Ares Sidecar Investment, L.P.	—	—	—	—	—	—	—	—	(0.6)	0.7
PCG-Ares Sidecar Investment II, L.P.	0.1	—	—	—	—	—	—	—	4.2	15.5
Primrose Holding Corporation	—	—	4.6	—	—	—	—	28.9	(22.4)	—
Production Resource Group, L.L.C. and PRG III, LLC	2.5	0.3	—	7.0	0.1	—	—	—	33.6	97.3
Shock Doctor, Inc. and Shock Doctor Holdings, LLC	3.2	4.5	18.9	0.8	—	—	0.1	—	3.0	6.0
Sundance Energy Inc.	—	41.0	—	—	—	—	—	(22.6)	1.2	—
Totes Isotoner Corporation and Totes Ultimate Holdco, Inc.	—	—	—	0.3	—	—	—	—	(0.2)	3.7
	$ 29.5	$ 52.4	$ 33.3	$ 12.5	$ 0.1	$ 2.0	$ 0.3	$ 6.1	$ 71.0	$ 364.4

(5) As defined in the Investment Company Act, the Company is deemed to be both an "Affiliated Person" and "Control" this portfolio company because it owns more than 25% of the portfolio company's outstanding voting securities or it has the power to exercise control over the management or policies of such portfolio company (including through a management agreement). Transactions as of and during the year ended December 31, 2022 in which the issuer was both an Affiliated Person and a portfolio company that the Company is deemed to Control are as follows:

	For the Year Ended December 31, 2022									As of December 31, 2022
(in millions) Company	**Purchases (cost)**	**Redemptions (cost)**	**Sales (cost)**	**Interest income**	**Capital structuring service fees**	**Dividend income**	**Other income**	**Net realized gains (losses)**	**Net unrealized gains (losses)**	**Fair Value**
Absolute Dental Group LLC and Absolute Dental Equity, LLC	$ 2.0	$ 3.0	$ —	$ 6.0	$ —	$ —	$ —	$ —	$ 4.6	$ 70.2
ACAS Equity Holdings Corporation	—	—	—	—	—	—	—	—	—	0.4
ADF Capital, Inc., ADF Restaurant Group, LLC, and ARG Restaurant Holdings, Inc.	—	—	—	—	—	—	—	—	—	—
CoLTs 2005-1 Ltd.	—	—	—	—	—	—	—	—	—	—
Eckler Industries, Inc. and Eckler Purchaser LLC	8.8	57.0	—	—	—	—	—	(57.0)	25.1	—
Halex Holdings, Inc.	—	—	—	—	—	—	—	—	—	—
HCI Equity, LLC	—	—	—	—	—	—	—	—	—	—
Heelstone Renewable Energy, LLC and Heelstone Renewable Energy Investors, LLC	95.4	—	—	7.1	1.9	—	—	—	42.6	209.6
Imaging Business Machines, L.L.C. and Scanner Holdings Corporation	—	3.9	—	2.4	0.7	23.1	0.5	—	(5.4)	47.8
Ivy Hill Asset Management, L.P.	1,544.2	277.6	—	22.5	—	205.0	—	—	(1.0)	2,201.1
Joyce Lane Capital LLC and Joyce Lane Financing SPV LLC (fka Ciena Capital LLC)	—	0.3	—	0.1	—	—	—	0.5	0.1	—
Navisun LLC and Navisun Holdings LLC	—	131.0	—	0.4	—	0.1	—	19.0	(9.4)	—
Olympia Acquisition, Inc., Olympia TopCo, L.P., and Asclepius Holdings LLC	8.3	—	—	3.2	0.3	—	—	—	(11.7)	44.7
Potomac Intermediate Holdings II LLC	6.0	—	—	—	—	—	—	—	(42.4)	143.2
PS Operating Company LLC and PS Op Holdings LLC	6.3	4.6	—	1.5	—	—	—	—	1.0	27.7
RD Holdco Inc.	—	0.1	—	—	—	—	—	—	(10.6)	10.3
S Toys Holdings LLC (fka The Step2 Company, LLC)	—	—	—	—	—	—	—	—	(0.1)	—
Senior Direct Lending Program, LLC	317.8	31.1	—	146.3	16.9	—	5.5	—	(25.3)	1,248.6
Startec Equity, LLC	—	—	—	—	—	—	—	—	—	—
VPROP Operating, LLC and V SandCo, LLC	6.0	4.5	—	5.0	0.2	—	—	—	33.5	116.1
	$ 1,994.8	$ 513.1	$ —	$ 194.5	$ 20.0	$ 228.2	$ 6.0	$ (37.5)	$ 1.0	$ 4,119.7

* Together with Varagon Capital Partners ("Varagon") and its clients, the Company has co-invested through the Senior Direct Lending Program LLC (d/b/a the "Senior Direct Lending Program" or the "SDLP"). The SDLP has been capitalized as transactions are completed and all portfolio decisions and generally all other decisions in respect of the SDLP must be approved by an investment committee of the SDLP consisting of representatives of the Company and Varagon (with approval from a representative of each required); therefore, although the Company owns more than 25% of the voting securities of the SDLP, the Company does not believe that it has control over the SDLP (for purposes of the Investment Company Act or otherwise) because, among other things, these "voting securities" do not afford the Company the right to elect directors of the SDLP or any other special rights (see Note 4 to the consolidated financial statements).

(6) This portfolio company 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. Pursuant to Section 55(a) of the Investment Company Act, 25% of the Company's total assets are represented by investments at fair value and other assets that are considered "non-qualifying assets" as of December 31, 2022.

(7) Variable rate loans to the Company’s portfolio companies bear interest at a rate that may be determined by reference to the London Interbank Offered Rate (“LIBOR”), the Secured Overnight Financing Rate (“SOFR”), or an alternate base rate (commonly based on the Federal Funds Rate or the Prime Rate), at the borrower’s option, which reset annually (A), semi-annually (S), quarterly (Q), bi-monthly (B), monthly (M) or daily (D). For each such loan, the Company has provided the interest rate in effect on the date presented. SOFR based contracts may include a credit spread adjustment that is charged in addition to the base rate and the stated spread.

(8) In addition to the interest earned based on the stated interest rate of this security, the Company is entitled to receive an additional interest amount of 2.00% on $40.9 in aggregate principal amount of a “first out” tranche of the portfolio company’s senior term debt previously syndicated by the Company into “first out” and “last out” tranches, whereby the “first out” tranche will have priority as to the “last out” tranche with respect to payments of principal, interest and any other amounts due thereunder.

(9) The Company sold a participating interest of approximately $79.0 in aggregate principal amount outstanding of the portfolio company’s first lien senior secured revolving loan. As the transaction did not qualify as a “true sale” in accordance with GAAP, the Company recorded a corresponding $79.0 secured borrowing, at fair value, included in “secured borrowings” in the accompanying consolidated balance sheet. As of December 31, 2022, the interest rate in effect for the secured borrowing was 11.62%.

(10) Loan was on non-accrual status as of December 31, 2022.

(11) Loan includes interest rate floor feature.

(12) In addition to the interest earned based on the stated contractual interest rate of this security, the certificates entitle the holders thereof to receive a portion of the excess cash flow from the SDLP’s loan portfolio, after expenses, which may result in a return to the Company greater than the contractual stated interest rate.

(13) As of December 31, 2022, no amounts were funded by the Company under this first lien senior secured revolving loan; however, there were letters of credit issued and outstanding through a financial intermediary under the loan. See Note 7 for further information on letters of credit commitments related to certain portfolio companies.

(14) As of December 31, 2022, in addition to the amounts funded by the Company under this first lien senior secured revolving loan, there were also letters of credit issued and outstanding through a financial intermediary under the loan. See Note 7 for further information on letters of credit commitments related to certain portfolio companies.

(15) As of December 31, 2022, the Company had the following commitments to fund various revolving and delayed draw senior secured and subordinated loans, including commitments to issue letters of credit through a financial intermediary on behalf of certain portfolio companies. Such commitments are subject to the satisfaction of certain conditions set forth in the documents governing these loans and letters of credit and there can be no assurance that such conditions will be satisfied. See Note 7 for further information on revolving and delayed draw loan commitments, including commitments to issue letters of credit, related to certain portfolio companies.

(in millions) Portfolio Company	Total revolving and delayed draw loan commitments	Less: funded commitments	Total unfunded commitments	Less: commitments substantially at discretion of the Company	Less: unavailable commitments due to borrowing base or other covenant restrictions	Total net adjusted unfunded revolving and delayed draw commitments
Absolute Dental Group LLC and Absolute Dental Equity, LLC	$ 7.1	$ (3.2)	$ 3.9	$ —	$ —	$ 3.9
Abzena Holdings, Inc. and Astro Group Holdings Ltd.	0.1	—	0.1	—	—	0.1
Accommodations Plus Technologies LLC and Accommodations Plus Technologies Holdings LLC	4.1	(4.1)	—	—	—	—
ADG, LLC and RC IV GEDC Investor LLC	14.1	(14.1)	—	—	—	—
Advarra Holdings, Inc.	0.4	—	0.4	—	—	0.4
AffiniPay Midco, LLC and AffiniPay Intermediate Holdings, LLC	45.6	—	45.6	—	—	45.6
AI Fire Buyer, Inc. and AI Fire Parent LLC	28.9	(0.4)	28.5	—	—	28.5
AIM Acquisition, LLC	1.8	—	1.8	—	—	1.8
Alcami Corporation and ACM Note Holdings, LLC	6.6	—	6.6	—	—	6.6
American Residential Services L.L.C. and Aragorn Parent Holdings LP	4.5	(0.9)	3.6	—	—	3.6
Anaplan, Inc.	1.4	—	1.4	—	—	1.4
Anaqua Parent Holdings, Inc. & Astorg VII Co-Invest Anaqua	3.4	—	3.4	—	—	3.4
APG Intermediate Holdings Corporation and APG Holdings, LLC	0.1	—	0.1	—	—	0.1
Applied Technical Services, LLC	3.8	(1.1)	2.7	—	—	2.7
Appriss Health, LLC and Appriss Health Intermediate Holdings, Inc.	0.1	—	0.1	—	—	0.1
Apptio, Inc.	4.2	(2.5)	1.7	—	—	1.7
AQ Sage Buyer, LLC	6.4	—	6.4	—	—	6.4
AQ Sunshine, Inc.	12.4	(1.4)	11.0	—	—	11.0
Argenbright Holdings V, LLC and Amberstone Security Group Limited	2.5	—	2.5	—	—	2.5
ASP-r-pac Acquisition CO LLC and ASP-r-pac Holdings LP	6.2	—	6.2	—	—	6.2
AthenaHealth Group Inc., Minerva Holdco, Inc. and BCPE Co-Invest (A), LP	9.0	—	9.0	—	—	9.0
ATI Restoration, LLC	83.7	(5.8)	77.9	—	—	77.9
Atlas Intermediate III, L.L.C.	0.8	(0.2)	0.6	—	—	0.6
Avalara, Inc.	2.7	—	2.7	—	—	2.7
Aventine Intermediate LLC & Aventine Holdings II LLC	0.2	—	0.2	—	—	0.2
Avetta, LLC	4.2	—	4.2	—	—	4.2
AxiomSL Group, Inc. and Calypso Group, Inc.	3.9	—	3.9	—	—	3.9
BAART Programs, Inc., MedMark Services, Inc., and Canadian Addiction Treatment Centres LP	2.0	—	2.0	—	—	2.0
Banyan Software Holdings, LLC and Banyan Software, LP	8.0	(0.9)	7.1	—	—	7.1
Beacon Pointe Harmony, LLC	5.5	—	5.5	—	—	5.5
Belfor Holdings, Inc.	25.0	(17.0)	8.0	—	—	8.0
Benecon Midco II LLC and Locutus Holdco LLC	4.5	—	4.5	—	—	4.5
Benefytt Technologies, Inc.	0.9	—	0.9	—	—	0.9
Berner Food & Beverage, LLC	1.7	(0.5)	1.2	—	—	1.2
BlueHalo Financing Holdings, LLC, BlueHalo Global Holdings, LLC, and BlueHalo, LLC	3.0	(2.8)	0.2	—	—	0.2
Borrower R365 Holdings LLC	2.9	—	2.9	—	—	2.9
Bottomline Technologies, Inc.	2.3	—	2.3	—	—	2.3
Bragg Live Food Products, LLC and SPC Investment Co., L.P.	4.4	—	4.4	—	—	4.4
Businessolver.com, Inc.	3.6	—	3.6	—	—	3.6
Cadence Aerospace, LLC	15.3	(14.8)	0.5	—	—	0.5
Caerus Midco 3 S.Ã r.l.	4.1	—	4.1	—	—	4.1
Capstone Acquisition Holdings, Inc. and Capstone Parent Holdings, LP	15.3	(8.8)	6.5	—	—	6.5
Captive Resources Midco, LLC	1.2	—	1.2	—	—	1.2
Cardinal Parent, Inc. and Packers Software Intermediate Holdings, Inc.	5.0	(3.4)	1.6	—	—	1.6
CCS-CMGC Holdings, Inc.	12.0	(3.7)	8.3	—	—	8.3
CDI Holdings III Corp. and CDI Holdings I Corp.	0.9	—	0.9	—	—	0.9
Center for Autism and Related Disorders, LLC	20.4	(9.0)	11.4	—	(11.4)	—
Centric Brands LLC and Centric Brands GP LLC	8.6	(5.0)	3.6	—	—	3.6
Chariot Buyer LLC	12.3	(3.5)	8.8	—	—	8.8
Cheyenne Petroleum Company Limited Partnership, CPC 2001 LLC and Mill Shoals LLC	9.5	—	9.5	—	—	9.5
CMG HoldCo, LLC and CMG Buyer Holdings, Inc.	10.2	(0.4)	9.8	—	—	9.8
Cobalt Buyer Sub, Inc., Cobalt Holdings I, LP, and Cobalt Intermediate I, Inc.	7.8	(2.5)	5.3	—	—	5.3

(in millions) Portfolio Company	Total revolving and delayed draw loan commitments	Less: funded commitments	Total unfunded commitments	Less: commitments substantially at discretion of the Company	Less: unavailable commitments due to borrowing base or other covenant restrictions	Total net adjusted unfunded revolving and delayed draw commitments
Commercial Trailer Leasing, Inc.	0.6	—	0.6	—	—	0.6
Community Brands ParentCo, LLC	7.2	—	7.2	—	—	7.2
Compex Legal Services, Inc.	3.6	(1.8)	1.8	—	—	1.8
Comprehensive EyeCare Partners, LLC	1.9	(0.8)	1.1	—	—	1.1
Concert Golf Partners Holdco LLC	3.1	—	3.1	—	—	3.1
Consilio Midco Limited, Compusoft US LLC, and Consilio Investment Holdings, L.P.	14.2	(0.8)	13.4	—	—	13.4
Continental Café, LLC and Infinity Ovation Yacht Charters, LLC	8.0	(0.7)	7.3	—	—	7.3
Convera International Holdings Limited and Convera International Financial S.A R.L.	2.3	—	2.3	—	—	2.3
CoreLogic, Inc. and T-VIII Celestial Co-Invest LP	38.9	—	38.9	—	—	38.9
Cority Software Inc., Cority Software (USA) Inc., and Cority Parent, Inc.	0.1	—	0.1	—	—	0.1
Cornerstone OnDemand, Inc. and Sunshine Software Holdings, Inc.	38.7	(22.7)	16.0	—	—	16.0
Covaris Intermediate 3, LLC & Covaris Parent, LLC	22.2	(1.5)	20.7	—	—	20.7
Coyote Buyer, LLC	5.8	—	5.8	—	—	5.8
CrossCountry Mortgage, LLC	56.3	—	56.3	—	—	56.3
Crown CT Parent Inc., Crown CT HoldCo Inc. and Crown CT Management LLC	3.2	—	3.2	—	—	3.2
CST Holding Company	1.9	(0.2)	1.7	—	—	1.7
CVP Holdco, Inc. and OMERS Wildcats Investment Holdings LLC	25.8	—	25.8	—	—	25.8
DecoPac, Inc. and KCAKE Holdings Inc.	16.5	(6.6)	9.9	—	—	9.9
Denali Holdco LLC and Denali Apexco LP	11.4	—	11.4	—	—	11.4
DFC Global Facility Borrower III LLC	96.7	(79.3)	17.4	—	—	17.4
Diligent Corporation and Diligent Preferred Issuer, Inc.	2.2	(0.7)	1.5	—	—	1.5
Display Holding Company, Inc., Saldon Holdings, Inc. and Fastsigns Holdings Inc.	2.3	—	2.3	—	—	2.3
DRS Holdings III, Inc. and DRS Holdings I, Inc.	10.8	—	10.8	—	—	10.8
DS Admiral Bidco, LLC	0.1	—	0.1	—	—	0.1
Dye & Durham Corporation	18.2	(5.0)	13.2	—	—	13.2
Dynamic NC Aerospace Holdings, LLC and Dynamic NC Investment Holdings, LP	7.1	—	7.1	—	—	7.1
Elemica Parent, Inc. & EZ Elemica Holdings, Inc.	4.1	(4.1)	—	—	—	—
Elevation Services Parent Holdings, LLC	17.1	(1.5)	15.6	—	—	15.6
Emergency Communications Network, LLC	6.8	(6.8)	—	—	—	—
EP Wealth Advisors, LLC	14.1	—	14.1	—	—	14.1
EpiServer Inc. and Episerver Sweden Holdings AB	14.5	—	14.5	—	—	14.5
EPS NASS Parent, Inc.	1.5	(0.8)	0.7	—	—	0.7
eResearch Technology, Inc. and Astorg VII Co-Invest ERT	2.5	—	2.5	—	—	2.5
ESHA Research, LLC and RMCF VI CIV XLVIII, L.P.	1.1	—	1.1	—	—	1.1
Essential Services Holding Corporation and OMERS Mahomes Investment Holdings LLC	28.0	(6.2)	21.8	—	—	21.8
Explorer Investor, Inc	0.2	—	0.2	—	—	0.2
Extrahop Networks, Inc.	5.9	—	5.9	—	—	5.9
Faraday Buyer, LLC	4.7	—	4.7	—	—	4.7
FL Hawk Intermediate Holdings, Inc.	0.5	—	0.5	—	—	0.5
Flinn Scientific, Inc. and WCI-Quantum Holdings, Inc.	14.5	(7.1)	7.4	—	—	7.4
FM:Systems Group, LLC	1.5	—	1.5	—	—	1.5
Forescout Technologies, Inc.	14.2	—	14.2	—	—	14.2
Foundation Risk Partners, Corp.	40.5	(8.6)	31.9	—	—	31.9
FS Squared Holding Corp. and FS Squared, LLC	9.6	(0.5)	9.1	—	—	9.1
Galway Borrower LLC	9.8	(0.4)	9.4	—	—	9.4
Genesis Acquisition Co. and Genesis Ultimate Holding Co.	1.5	(1.5)	—	—	—	—
GHX Ultimate Parent Corporation, Commerce Parent, Inc. and Commerce Topco, LLC	47.5	—	47.5	—	—	47.5
GI Ranger Intermediate LLC	9.2	(0.4)	8.8	—	—	8.8
Global Music Rights, LLC	4.3	—	4.3	—	—	4.3
GNZ Energy Bidco Limited and Galileo Co-investment Trust I	3.1	—	3.1	—	—	3.1
Gotham Greens Holdings, PBC	33.8	—	33.8	—	—	33.8
GraphPAD Software, LLC, Insightful Science Intermediate I, LLC and Insightful Science Holdings, LLC	5.0	—	5.0	—	—	5.0

(in millions) Portfolio Company	Total revolving and delayed draw loan commitments	Less: funded commitments	Total unfunded commitments	Less: commitments substantially at discretion of the Company	Less: unavailable commitments due to borrowing base or other covenant restrictions	Total net adjusted unfunded revolving and delayed draw commitments
HAI Acquisition Corporation and Aloha Topco, LLC	19.0	—	19.0	—	—	19.0
Harvey Tool Company, LLC	28.5	—	28.5	—	—	28.5
HealthEdge Software, Inc.	36.2	(0.3)	35.9	—	—	35.9
Heavy Construction Systems Specialists, LLC	4.0	—	4.0	—	—	4.0
Help/Systems Holdings, Inc.	7.5	—	7.5	—	—	7.5
HGC Holdings, LLC	7.5	—	7.5	—	—	7.5
HH-Stella, Inc. and Bedrock Parent Holdings, LP	14.8	(2.8)	12.0	—	—	12.0
High Street Buyer, Inc. and High Street Holdco LLC	25.5	—	25.5	—	—	25.5
Highline Aftermarket Acquisition, LLC, Highline Aftermarket SC Acquisition, Inc. and Highline PPC Blocker LLC	9.5	(1.1)	8.4	—	—	8.4
Hometown Food Company	3.9	(0.8)	3.1	—	—	3.1
Huskies Parent, Inc., GI Insurity Parent LLC and GI Insurity TopCo LP	22.6	(9.4)	13.2	—	—	13.2
Infinity Home Services HoldCo, Inc. and IHS Parent Holdings, L.P.	13.0	—	13.0	—	—	13.0
Inszone Mid, LLC and INSZ Holdings, LLC	17.2	—	17.2	—	—	17.2
IQN Holding Corp.	6.8	—	6.8	—	—	6.8
ISQ Hawkeye Holdco, Inc. and ISQ Hawkeye Holdings, LLC	9.8	(0.2)	9.6	—	—	9.6
ITI Holdings, Inc.	5.7	(2.0)	3.7	—	—	3.7
JDC Healthcare Management, LLC	4.8	(4.8)	—	—	—	—
K2 Insurance Services, LLC and K2 Holdco LP	9.1	—	9.1	—	—	9.1
Kaseya Inc. and Knockout Intermediate Holdings I Inc.	31.2	—	31.2	—	—	31.2
KBHS Acquisition, LLC (d/b/a Alita Care, LLC)	5.0	(3.2)	1.8	—	—	1.8
Kene Acquisition, Inc. and Kene Holdings, L.P.	8.9	(0.2)	8.7	—	—	8.7
Laboratories Bidco LLC and Laboratories Topco LLC	41.3	(8.8)	32.5	—	—	32.5
LeanTaaS Holdings, Inc.	54.0	—	54.0	—	—	54.0
Leviathan Intermediate Holdco, LLC and Leviathan Holdings, L.P.	5.5	(0.7)	4.8	—	—	4.8
Lew's Intermediate Holdings, LLC	2.3	—	2.3	—	—	2.3
Lido Advisors, LLC	0.8	(0.4)	0.4	—	—	0.4
LJ Perimeter Buyer, Inc. and LJ Perimeter Co-Invest, L.P.	10.1	—	10.1	—	—	10.1
LJP Purchaser, Inc. and LJP Topco, LP	4.4	—	4.4	—	—	4.4
Lower ACS, Inc.	25.9	—	25.9	—	—	25.9
LSP Holdco, LLC and ZBS Mechanical Group Co-Invest Fund 2, LLC	3.9	—	3.9	—	—	3.9
Majesco and Magic Topco, L.P.	2.0	—	2.0	—	—	2.0
Management Consulting & Research LLC	4.0	—	4.0	—	—	4.0
Manna Pro Products, LLC	7.0	(5.1)	1.9	—	—	1.9
Marmic Purchaser, LLC and Marmic Topco, L.P.	6.9	—	6.9	—	—	6.9
Mavis Tire Express Services Topco Corp., Metis Holdco, Inc. and Metis Topco, LP	32.9	(7.3)	25.6	—	—	25.6
McKenzie Creative Brands, LLC	4.5	(1.9)	2.6	—	—	2.6
Medline Borrower, LP	6.9	(0.2)	6.7	—	—	6.7
Micromeritics Instrument Corp.	4.1	—	4.1	—	—	4.1
Mimecast Borrowerco, Inc. and Magnesium Co- Invest SCSp	15.1	—	15.1	—	—	15.1
Ministry Brands Holdings, LLC and RCP MB Investments B, L.P.	31.3	(4.0)	27.3	—	—	27.3
Monica Holdco (US) Inc.	3.6	(2.4)	1.2	—	—	1.2
Moonraker AcquisitionCo LLC and Moonraker HoldCo LLC	19.0	—	19.0	—	—	19.0
MRI Software LLC	10.6	—	10.6	—	—	10.6
Murchison Oil and Gas, LLC and Murchison Holdings, LLC	27.5	—	27.5	—	—	27.5
n2y Holding, LLC	0.1	—	0.1	—	—	0.1
NAS, LLC and Nationwide Marketing Group, LLC	3.0	(0.6)	2.4	—	—	2.4
National Intergovernmental Purchasing Alliance Company	9.0	(1.2)	7.8	—	—	7.8
NCWS Intermediate, Inc. and NCWS Holdings LP	28.1	—	28.1	—	—	28.1
Nelipak Holding Company, Nelipak European Holdings Cooperatief U.A., KNPAK Holdings, LP and PAKNK Netherlands Treasury B.V.	0.6	(0.1)	0.5	—	—	0.5
Neptune Bidco US Inc. and Elliott Metron Co-Investor Aggregator L.P.	12.6	—	12.6	—	—	12.6
Nest Topco Borrower Inc., KKR Nest Co-Invest L.P., and NBLY 2021-1	119.1	—	119.1	—	—	119.1
NMC Skincare Intermediate Holdings II, LLC	12.7	—	12.7	—	—	12.7
NMN Holdings III Corp. and NMN Holdings LP	12.5	(3.1)	9.4	—	—	9.4
Noble Aerospace, LLC	5.6	(2.2)	3.4	—	—	3.4
North American Fire Holdings, LLC and North American Fire Ultimate Holdings, LLC	8.1	—	8.1	—	—	8.1

(in millions) Portfolio Company	Total revolving and delayed draw loan commitments	Less: funded commitments	Total unfunded commitments	Less: commitments substantially at discretion of the Company	Less: unavailable commitments due to borrowing base or other covenant restrictions	Total net adjusted unfunded revolving and delayed draw commitments
North Haven Fairway Buyer, LLC, Fairway Lawns, LLC and Command Pest Control, LLC	22.5	—	22.5	—	—	22.5
North Haven Falcon Buyer, LLC and North Haven Falcon Holding Company, LLC	3.5	—	3.5	—	—	3.5
North Haven Stack Buyer, LLC	5.1	(0.8)	4.3	—	—	4.3
Offen, Inc.	5.6	—	5.6	—	—	5.6
Olympia Acquisition, Inc., Olympia TopCo, L.P., and Asclepius Holdings LLC	1.6	—	1.6	—	(1.6)	—
OneDigital Borrower LLC	7.5	(0.4)	7.1	—	—	7.1
Pathway Vet Alliance LLC and Jedi Group Holdings LLC	1.9	—	1.9	—	—	1.9
Patriot Growth Insurance Services, LLC	2.2	—	2.2	—	—	2.2
Paya, Inc and GTCR-Ultra Holdings LLC	4.5	—	4.5	—	—	4.5
PDDS HoldCo, Inc.	2.1	—	2.1	—	—	2.1
PDI TA Holdings, Inc., Peachtree Parent, Inc. and Insight PDI Holdings, LLC	7.6	(6.1)	1.5	—	—	1.5
Pegasus Global Enterprise Holdings, LLC, Mekone Blocker Acquisition, Inc. and Mekone Parent, LLC	20.6	—	20.6	—	—	20.6
Pelican Products, Inc.	2.3	—	2.3	—	—	2.3
People Corporation	20.6	(1.3)	19.3	—	—	19.3
Perforce Software, Inc.	0.5	—	0.5	—	—	0.5
Petroleum Service Group LLC	17.5	(4.4)	13.1	—	—	13.1
Petrus Buyer, Inc.	2.7	—	2.7	—	—	2.7
Petvisor Holdings, LLC	37.6	—	37.6	—	—	37.6
Ping Identity Holding Corp.	0.2	—	0.2	—	—	0.2
Pluralsight, Inc.	0.3	(0.2)	0.1	—	—	0.1
Precision Concepts International LLC and Precision Concepts Canada Corporation	19.2	(6.2)	13.0	—	—	13.0
Premier Specialties, Inc. and RMCF V CIV XLIV, L.P.	11.0	(2.3)	8.7	—	—	8.7
Premise Health Holding Corp. and OMERS Bluejay Investment Holdings LP	36.0	(0.6)	35.4	—	—	35.4
Prime Buyer, L.L.C.	15.9	(2.7)	13.2	—	—	13.2
Pritchard Industries, LLC and LJ Pritchard TopCo Holdings, LLC	3.3	—	3.3	—	—	3.3
Professional Fighters League, LLC and PFL MMA, Inc.	0.1	—	0.1	—	—	0.1
ProfitSolv Purchaser, Inc. and PS Co-Invest, L.P.	13.3	—	13.3	—	—	13.3
Project Essential Bidco, Inc. and Project Essential Super Parent, Inc.	1.1	—	1.1	—	—	1.1
Project Potter Buyer, LLC and Project Potter Parent, L.P.	5.5	(2.1)	3.4	—	—	3.4
Proofpoint, Inc.	3.1	—	3.1	—	—	3.1
PS Operating Company LLC and PS Op Holdings LLC	5.9	(4.5)	1.4	—	—	1.4
Pueblo Mechanical and Controls, LLC and OMERS PMC Investment Holdings LLC	3.6	—	3.6	—	—	3.6
Pyramid Management Advisors, LLC and Pyramid Investors, LLC	9.8	(9.8)	—	—	—	—
QF Holdings, Inc.	2.3	—	2.3	—	—	2.3
Qnnect, LLC and Connector TopCo, LP	2.8	—	2.8	—	—	2.8
Radius Aerospace, Inc. and Radius Aerospace Europe Limited	2.8	(0.7)	2.1	—	—	2.1
Radwell Parent, LLC	4.4	—	4.4	—	—	4.4
Raptor Technologies, LLC, Sycamore Bidco LTD and Rocket Parent, LLC	4.4	—	4.4	—	—	4.4
RB Holdings InterCo, LLC	5.6	(1.8)	3.8	—	—	3.8
Reddy Ice LLC	0.2	—	0.2	—	—	0.2
Redwood Services, LLC and Redwood Services Holdco, LLC	4.5	—	4.5	—	—	4.5
Reef Lifestyle, LLC	37.7	(37.7)	—	—	—	—
Registrar Intermediate, LLC and PSP Registrar Co-Investment Fund, L.P.	28.0	—	28.0	—	—	28.0
Relativity ODA LLC	3.8	—	3.8	—	—	3.8
Repairify, Inc. and Repairify Holdings, LLC	7.3	—	7.3	—	—	7.3
Revalize, Inc.	0.9	—	0.9	—	—	0.9
Rialto Management Group, LLC	1.3	(0.2)	1.1	—	—	1.1
Riser Merger Sub, Inc.	2.8	—	2.8	—	—	2.8
Riverview Power LLC	8.9	—	8.9	—	—	8.9
RMS HoldCo II, LLC & RMS Group Holdings, Inc.	2.9	—	2.9	—	—	2.9
Rodeo AcquisitionCo LLC	6.2	(1.3)	4.9	—	—	4.9

(in millions) Portfolio Company	Total revolving and delayed draw loan commitments	Less: funded commitments	Total unfunded commitments	Less: commitments substantially at discretion of the Company	Less: unavailable commitments due to borrowing base or other covenant restrictions	Total net adjusted unfunded revolving and delayed draw commitments
RSC Acquisition, Inc. and RSC Insurance Brokerage, Inc.	0.6	—	0.6	—	—	0.6
RTI Surgical, Inc. and Pioneer Surgical Technology, Inc.	15.9	(9.8)	6.1	—	—	6.1
SageSure Holdings, LLC & Insight Catastrophe Group, LLC	10.5	(5.9)	4.6	—	—	4.6
Schill Landscaping and Lawn Care Services LLC, Tender Lawn Care ULC and Landscape Parallel Partners, L.P.	4.6	(0.2)	4.4	—	—	4.4
SCIH Salt Holdings Inc.	7.5	(2.6)	4.9	—	—	4.9
SCM Insurance Services Inc.	4.0	—	4.0	—	—	4.0
SFE Intermediate Holdco LLC	15.2	(8.3)	6.9	—	—	6.9
Shermco Intermediate Holdings, Inc.	4.0	(2.7)	1.3	—	—	1.3
Shock Doctor, Inc. and Shock Doctor Holdings, LLC	2.5	—	2.5	—	—	2.5
Shur-Co Acquisition, Inc. and Shur-Co Holdco, Inc.	5.0	(1.8)	3.2	—	—	3.2
SiroMed Physician Services, Inc. and SiroMed Equity Holdings, LLC	7.1	—	7.1	—	—	7.1
SM Wellness Holdings, Inc. and SM Holdco, Inc.	3.8	—	3.8	—	—	3.8
Smarsh Inc. and Skywalker TopCo, LLC	2.0	—	2.0	—	—	2.0
Spirit RR Holdings, Inc. and Winterfell Co-Invest SCSp	1.7	—	1.7	—	—	1.7
Star US Bidco LLC	8.5	—	8.5	—	—	8.5
Sun Acquirer Corp. and Sun TopCo, LP	21.6	(0.4)	21.2	—	—	21.2
Sundance Group Holdings, Inc.	3.0	—	3.0	—	—	3.0
Sunk Rock Foundry Partners LP, Hatteras Electrical Manufacturing Holding Company and Sigma Electric Manufacturing Corporation, Diecast Beacon	6.0	(0.6)	5.4	—	—	5.4
Sunrun Luna Holdco 2021, LLC	75.0	(40.7)	34.3	—	—	34.3
SV-Burton Holdings, LLC and LBC Breeze Holdings LLC	3.3	—	3.3	—	—	3.3
Symplr Software Inc. and Symplr Software Intermediate Holdings, Inc.	7.0	(3.1)	3.9	—	—	3.9
Synergy HomeCare Franchising, LLC and NP/Synergy Holdings, LLC	4.2	—	4.2	—	—	4.2
TA/WEG Holdings, LLC	2.0	—	2.0	—	—	2.0
Tamarack Intermediate, L.L.C. and Tamarack Parent, L.L.C.	7.5	(1.3)	6.2	—	—	6.2
Taymax Group, L.P., Taymax Group G.P., LLC, PF Salem Canada ULC and TCP Fit Parent, L.P.	1.7	(0.8)	0.9	—	—	0.9
TCP Hawker Intermediate LLC	0.3	(0.1)	0.2	—	—	0.2
TerSera Therapeutics LLC	0.1	—	0.1	—	—	0.1
The Alaska Club Partners, LLC, Athletic Club Partners LLC and The Alaska Club, Inc.	1.1	—	1.1	—	—	1.1
The Arcticom Group, LLC and AMCP Mechanical Holdings, LP	12.6	(11.5)	1.1	—	—	1.1
The Mather Group, LLC, TVG-TMG Topco, Inc., and TVG-TMG Holdings, LLC	1.7	(0.1)	1.6	—	—	1.6
The NPD Group, L.P., IRI Group Holdings, Inc., Information Resources, Inc. and IRI-NPD Co-Invest Aggregator, L.P.	14.4	(1.8)	12.6	—	—	12.6
The Ultimus Group Midco, LLC, The Ultimus Group, LLC, and The Ultimus Group Aggregator, LP	6.9	—	6.9	—	—	6.9
Thermostat Purchaser III, Inc.	11.7	—	11.7	—	—	11.7
THG Acquisition, LLC	18.2	—	18.2	—	—	18.2
TibCo Software Inc., Picard Parent, Inc., Picard MidCo, Inc., Picard HoldCo, LLC and Elliott Alto Co-Investor Aggregator L.P.	19.0	—	19.0	—	—	19.0
Trader Corporation and Project Auto Finco Corp.	3.6	—	3.6	—	—	3.6
Two Six Labs, LLC	10.3	—	10.3	—	—	10.3
UKG Inc. and H&F Unite Partners, L.P.	25.0	(10.8)	14.2	—	—	14.2
United Digestive MSO Parent, LLC	18.4	—	18.4	—	—	18.4
US Salt Investors, LLC and Emerald Lake Pearl Acquisition-A, L.P.	9.9	—	9.9	—	—	9.9
Verista, Inc.	8.2	(1.1)	7.1	—	—	7.1
Verscend Holding Corp.	22.5	—	22.5	—	—	22.5
VPP Intermediate Holdings, LLC and VPP Group Holdings, L.P.	8.7	—	8.7	—	—	8.7
VRC Companies, LLC	5.4	—	5.4	—	—	5.4
VS Buyer, LLC	8.1	—	8.1	—	—	8.1
Watermill Express, LLC and Watermill Express Holdings, LLC	0.7	—	0.7	—	—	0.7
Waverly Advisors, LLC	0.2	—	0.2	—	—	0.2
WebPT, Inc.	0.9	(0.3)	0.6	—	—	0.6
Wellness AcquisitionCo, Inc.	3.9	—	3.9	—	—	3.9
Wildcat BuyerCo, Inc. and Wildcat Parent, LP	4.1	(1.0)	3.1	—	—	3.1
WorkWave Intermediate II, LLC	5.2	—	5.2	—	—	5.2
WSHP FC Acquisition LLC and WSHP FC Holdings LLC	35.4	(9.6)	25.8	—	—	25.8

(in millions) Portfolio Company	Total revolving and delayed draw loan commitments	Less: funded commitments	Total unfunded commitments	Less: commitments substantially at discretion of the Company	Less: unavailable commitments due to borrowing base or other covenant restrictions	Total net adjusted unfunded revolving and delayed draw commitments
XIFIN, Inc. and ACP Charger Co-Invest LLC	8.9	(0.2)	8.7	—	—	8.7
YE Brands Holdings, LLC	2.2	(1.5)	0.7	—	—	0.7
ZB Holdco LLC & ZB Parent LLC	21.5	(0.1)	21.4	—	—	21.4
ZenDesk, Inc., Zoro TopCo, Inc. and Zoro TopCo, LP	16.8	—	16.8	—	—	16.8
	$ 2,915.8	$ (526.2)	$ 2,389.6	$ —	$ (13.0)	$ 2,376.6

(16) As of December 31, 2022, the Company was party to subscription agreements to fund equity investments in private equity investment partnerships as follows:

(in millions) Company	Total private equity commitments	Less: funded private equity commitments	Total unfunded private equity commitments	Less: private equity commitments substantially at the discretion of the Company	Total net adjusted unfunded private equity commitments
PCG-Ares Sidecar Investment, L.P. and PCG-Ares Sidecar Investment II, L.P.	$ 50.0	$ (12.5)	$ 37.5	$ (37.5)	$ —
Athyrium Buffalo LP	15.5	(7.6)	7.9	(7.9)	—
European Capital UK SME Debt LP	54.3	(49.1)	5.2	(5.2)	—
	$ 119.8	$ (69.2)	$ 50.6	$ (50.6)	$ —

(17) As of December 31, 2022, the Company had commitments to co-invest in the SDLP for its portion of the SDLP's commitment to fund delayed draw loans of up to $68. See Note 4 to the consolidated financial statements for more information on the SDLP.

(18) Other than the investments noted by this footnote, the fair value of the Company's investments is determined using unobservable inputs that are significant to the overall fair value measurement. See Note 8 to the consolidated financial statements for more information regarding the fair value of the Company's investments.

(19) As of December 31, 2022, the estimated net unrealized loss for federal tax purposes was $0.2 billion based on a tax cost basis of $22.0 billion. As of December 31, 2022, the estimated aggregate gross unrealized loss for federal income tax purposes was $1.2 billion and the estimated aggregate gross unrealized gain for federal income tax purposes was $1.0 billion.

(dollar amounts in millions)

Company(1)	Business Description	Investment	Coupon(3)	Reference(7)	Spread(3)	Acquisition Date	Maturity Date	Shares	Principal	Amortized Cost	Fair Value		% of Net Assets
Software & Services													
2U, Inc.	Provider of course design and learning management system to educational institutions	First lien senior secured loan	6.50%	Libor (M)	5.75%	06/2021	12/2024		$ 55.0	$ 54.1	$ 55.0	(2)(6)(12)	
AffiniPay Midco, LLC and AffiniPay Intermediate Holdings, LLC (16)	Payment processing solution provider	First lien senior secured loan	6.25%	Libor (Q)	5.00%	02/2020	03/2026		64.0	64.0	64.0	(12)	
		Senior subordinated loan	12.75% PIK			02/2020	02/2028		27.5	27.5	27.5	(2)	
										91.5	91.5		
Anaqua Parent Holdings, Inc. & Astorg VII Co-Invest Anaqua (16)	Provider of intellectual property management lifecycle software	First lien senior secured loan	6.25%	Euribor (Q)	6.25%	04/2019	04/2026		4.7	4.6	4.7		
		First lien senior secured loan	7.00%	Libor (Q)	6.00%	06/2021	04/2026		16.0	16.0	16.0	(2)(12)	
		Limited partnership units				06/2019		4,400,000		4.2	7.6	(2)(6)	
										24.8	28.3		
APG Intermediate Holdings Corporation and APG Holdings, LLC (4)(16)	Aircraft performance software provider	First lien senior secured loan	6.75%	Libor (Q)	5.25%	01/2020	01/2025		13.5	13.5	13.5	(2)(12)	
		Class A membership units				01/2020		9,750,000		9.8	11.5	(2)	
										23.3	25.0		
Appriss Health, LLC and Appriss Health Intermediate Holdings, Inc. (16)	Software platform for identification, prevention and management of substance use disorder	First lien senior secured loan	8.25%	Libor (Q)	7.25%	05/2021	05/2027		13.4	13.4	13.4	(2)(12)	
		Series A preferred shares	11.00% PIK			05/2021		32,236		34.6	34.6	(2)	
										48.0	48.0		
Apptio, Inc. (16)	Provider of cloud-based technology business management solutions	First lien senior secured revolving loan	8.25%	Libor (Q)	7.25%	01/2019	01/2025		1.7	1.7	1.7	(2)(12)	
		First lien senior secured loan	8.25%	Libor (Q)	7.25%	01/2019	01/2025		62.2	62.2	62.2	(12)	
										63.9	63.9		
Avetta, LLC (16)	Supply chain risk management SaaS platform for global enterprise clients	First lien senior secured loan	7.25%	Libor (Q)	6.25%	07/2021	04/2024		11.8	11.8	11.8	(2)(12)	
AxiomSL Group, Inc. and Calypso Group, Inc. (16)	Provider of risk data management and regulatory reporting software	First lien senior secured loan	7.00%	Libor (Q)	6.00%	07/2021	12/2027		21.4	21.0	21.2	(2)(12)	
Banyan Software Holdings, LLC and Banyan Software, LP (16)	Vertical software businesses holding company	First lien senior secured loan	7.75%	Libor (Q)	6.75%	12/2021	10/2026		6.7	6.7	6.7	(2)(12)	
		First lien senior secured loan	7.75%	Libor (Q)	6.75%	10/2020	10/2026		7.7	7.7	7.7	(2)(12)	
		First lien senior secured loan	8.50%	Libor (Q)	7.50%	10/2020	10/2026		5.0	5.0	5.0	(2)(12)	
										19.4	19.4		
Borrower R365 Holdings LLC (16)	Provider of restaurant ERP systems	First lien senior secured loan	7.50% (3.00% PIK)	Libor (Q)	6.50%	06/2021	06/2027		15.5	15.2	15.5	(2)(12)	
Businessolver.com, Inc. (16)	Provider of SaaS-based benefits solutions for employers and employees	First lien senior secured loan	6.50%	Libor (M)	5.75%	12/2021	12/2027		70.2	70.2	69.5	(2)(12)	
CallMiner, Inc.	Provider of cloud-based conversational analytics solutions	Warrant to purchase shares of Series 1 preferred stock				07/2014	07/2024	2,350,636		—	—	(2)	

ARES CAPITAL CORPORATION AND SUBSIDIARIES
CONSOLIDATED SCHEDULE OF INVESTMENTS
As of December 31, 2021
(dollar amounts in millions)

Company(1)	Business Description	Investment	Coupon(3)	Reference(7)	Spread(3)	Acquisition Date	Maturity Date	Shares	Principal	Amortized Cost	Fair Value		% of Net Assets
Cardinal Parent, Inc. and Packers Software Intermediate Holdings, Inc. (16)	Provider of software and technology-enabled content and analytical solutions to insurance brokers	First lien senior secured revolving loan	6.75%	Base Rate (Q)	3.50%	11/2020	11/2025		0.6	0.6	0.6	(2)(12)	
		Second lien senior secured loan	8.50%	Libor (Q)	7.75%	11/2020	11/2028		59.9	59.9	59.9	(2)(12)	
		Series A-2 preferred shares	11.25%PIK	Libor (Q)	11.00%	12/2020		8,963		10.0	10.1	(2)	
		Series A-3 preferred shares	11.00%PIK			11/2021		11,952		12.1	13.4	(2)	
		Series A preferred shares	11.21%PIK	Libor (Q)	11.00%	11/2020		24,898		28.3	28.0	(2)	
										110.9	112.0		
Consilio Midco Limited and Consilio Investment Holdings, L.P. (16)	Provider of sales software for the interior design industry	First lien senior secured loan	6.25%	Euribor (Q)	6.25%	11/2021	05/2028		27.8	27.7	27.5	(2)(6)	
		First lien senior secured loan	6.75%	Libor (Q)	5.75%	05/2021	05/2028		32.9	32.9	32.6	(2)(6)(12)	
		First lien senior secured loan	8.00%	Base Rate (Q)	4.75%	05/2021	05/2028		3.9	3.9	3.8	(2)(6)(12)	
		First lien senior secured loan	6.75%	Libor (Q)	5.75%	05/2021	05/2028		11.3	11.3	11.2	(2)(6)(12)	
		Common units				05/2021		4,799,000		4.8	6.0	(2)(6)	
										80.6	81.1		
CoreLogic, Inc. and T-VIII Celestial Co-Invest LP (16)	Provider of information, insight, analytics, software and other outsourced services primarily to the mortgage, real estate and insurance sectors	Second lien senior secured loan	7.00%	Libor (M)	6.50%	06/2021	06/2029		155.7	155.7	155.7	(2)(12)	
		Limited partnership units				04/2021		59,665,989		59.7	77.9	(2)	
										215.4	233.6		
Cority Software Inc., IQS, Inc. and Cority Parent, Inc. (16)	Provider of environmental, health and safety software to track compliance data	First lien senior secured loan	6.00%	Libor (Q)	5.00%	07/2019	07/2026		6.3	6.3	6.3	(6)(12)	
		First lien senior secured loan	6.00%	Libor (Q)	5.00%	10/2019	07/2026		4.4	4.4	4.4	(6)(12)	
		First lien senior secured loan	8.00%	Libor (Q)	7.00%	09/2020	07/2026		1.1	1.1	1.1	(2)(6)(12)	
		Preferred equity	9.00% PIK			07/2019		198		0.2	0.6	(2)(6)	
		Common equity				07/2019		190,143		—	—	(2)(6)	
										12.0	12.4		
Cornerstone OnDemand, Inc. and Sunshine Software Holdings, Inc. (16)	Provider of a cloud-based, SaaS platform for talent management	First lien senior secured revolving loan	—%			10/2021				—	—	(14)	
		Second lien senior secured loan	7.00%	Libor (Q)	6.50%	10/2021	10/2029		137.5	137.5	135.4	(12)	
		Series A preferred shares	10.50% PIK			10/2021		116,413		119.0	119.0	(2)	
		Class A-1 common stock				10/2021		1,360,100		13.6	13.3	(2)	
										270.1	267.7		
Datix Bidco Limited	Global healthcare software company that provides software solutions for patient safety and risk management	First lien senior secured loan	4.18%	Libor (Q)	4.00%	10/2019	04/2025		0.1	—	0.1	(2)(6)	
DCert Preferred Holdings, Inc. and Destiny Digital Holdings, L.P.	Provider of internet security tools and solutions	Series A preferred shares	10.50% PIK			05/2021		129,822		138.1	138.1	(2)	
		Series A units				05/2021		817,194		13.3	13.4	(2)	
										151.4	151.5		

(dollar amounts in millions)

Company(1)	Business Description	Investment	Coupon(3)	Reference(7)	Spread(3)	Acquisition Date	Maturity Date	Shares	Principal	Amortized Cost	Fair Value		% of Net Assets
Denali Holdco LLC and Denali Topco LLC (16)	Provider of cybersecurity audit and assessment services	First lien senior secured loan	7.00%	Libor (Q)	6.00%	09/2021	09/2027		37.3	37.3	36.9	(2)(12)	
		Class A units				09/2021		2,549,000		2.5	2.5	(2)	
										39.8	39.4		
Diligent Corporation and Diligent Preferred Issuer, Inc. (16)	Provider of secure SaaS solutions for board and leadership team documents	First lien senior secured revolving loan	—%			08/2020				—	—	(14)	
		First lien senior secured loan	7.25%	Libor (Q)	6.25%	08/2020	08/2025		33.0	32.4	33.0	(12)	
		First lien senior secured loan	6.75%	Libor (Q)	5.75%	03/2021	08/2025		8.9	8.9	8.9	(2)(12)	
		First lien senior secured loan	6.75%	Libor (Q)	5.75%	04/2021	08/2025		11.4	11.3	11.4	(2)(12)	
		First lien senior secured loan	7.25%	Libor (Q)	6.25%	07/2021	08/2025		2.0	2.0	2.0	(2)(12)	
		Preferred stock	10.50%PIK			04/2021		13,140		13.5	13.8	(2)	
										68.1	69.1		
Drilling Info Holdings, Inc. and Titan DI Preferred Holdings, Inc.	SaaS based business analytics company focused on oil and gas industry	Second lien senior secured loan	8.35%	Libor (M)	8.25%	02/2020	07/2026		25.0	25.0	25.0		
		Preferred stock	13.50%PIK			02/2020		29.53		37.0	37.9	(2)	
										62.0	62.9		
DS Admiral Bidco, LLC (16)	Tax return software provider for government institutions	First lien senior secured loan	6.75%	Libor (Q)	5.75%	03/2021	03/2028		11.9	11.6	11.9	(2)(12)	
Dye & Durham Corporation (16)	Provider of cloud-based software and technology solutions for the legal industry	First lien senior secured loan	6.50%	CDOR (Q)	5.75%	12/2021	12/2027		72.0	70.9	70.9	(2)(6)(12)	
Elemica Parent, Inc. & EZ Elemica Holdings, Inc. (16)	SaaS based supply chain management software provider focused on chemical markets	First lien senior secured revolving loan	6.50%	Libor (Q)	5.50%	09/2019	09/2025		2.3	2.3	2.3	(2)(12)	
		First lien senior secured loan	6.50%	Libor (Q)	5.50%	09/2019	09/2025		62.0	61.9	61.9	(12)	
		First lien senior secured loan	6.50%	Libor (Q)	5.50%	12/2020	09/2025		20.5	20.5	20.5	(2)(12)	
		Preferred equity				09/2019		4,599		4.6	5.5		
										89.3	90.2		
EP Purchaser, LLC and TPG VIII EP Co-Invest II, L.P.	Provider of entertainment workforce and production management solutions	Second lien senior secured loan	7.00%	Libor (Q)	6.50%	11/2021	11/2029		177.9	177.9	176.1	(2)(12)	
		Partnership units				05/2019		5,034,483		3.2	9.8	(2)(6)	
										181.1	185.9		
EpiServer Inc. and Episerver Sweden Holdings AB (16)	Provider of web content management and digital commerce solutions	First lien senior secured loan	6.50%	Libor (Q)	5.50%	12/2021	04/2026		4.6	4.6	4.6	(2)(12)	
		First lien senior secured loan	5.75%	Euribor (Q)	5.75%	03/2019	04/2026		6.0	6.0	6.0	(2)	
		First lien senior secured loan	6.50%	Libor (Q)	5.50%	10/2018	04/2026		0.1	0.1	0.1	(2)(12)	
										10.7	10.7		
eResearch Technology, Inc. and Astorg VII Co-Invest ERT (16)	Provider of mission-critical, software-enabled clinical research solutions	Second lien senior secured loan	8.50%	Libor (M)	8.00%	02/2020	02/2028		22.5	22.0	22.4	(12)	
		Second lien senior secured loan	8.50%	Libor (M)	8.00%	04/2021	02/2028		30.6	29.6	30.6	(2)(12)	
		Limited partnership interest				01/2020		3,988,000		4.5	5.4	(2)(6)	
										56.1	58.4		

ARES CAPITAL CORPORATION AND SUBSIDIARIES
CONSOLIDATED SCHEDULE OF INVESTMENTS
As of December 31, 2021
(dollar amounts in millions)

Company(1)	Business Description	Investment	Coupon(3)	Reference(7)	Spread(3)	Acquisition Date	Maturity Date	Shares	Principal	Amortized Cost	Fair Value		% of Net Assets
ExtraHop Networks, Inc. (16)	Provider of real-time wire data analytics solutions for application and infrastructure monitoring	First lien senior secured loan	8.50%	Libor (Q)	7.50%	07/2021	07/2027		16.6	16.6	16.4	(2)(12)	
		First lien senior secured loan	8.50%	Libor (Q)	7.50%	07/2021	07/2027		1.1	1.1	1.0	(2)(12)	
										17.7	17.4		
First Insight, Inc.	Software company providing merchandising and pricing solutions to companies worldwide	Warrant to purchase units of Series C preferred stock				03/2014	03/2024	122,827		—	—	(2)	
FM:Systems Group, LLC (16)	Provider of facilities and space management software solutions	First lien senior secured revolving loan	7.50%	Libor (Q)	6.50%	02/2018	12/2024		1.5	1.5	1.5	(2)(12)	
		First lien senior secured loan	7.50%	Libor (Q)	6.50%	12/2019	12/2024		3.2	3.2	3.2	(2)(12)	
		First lien senior secured loan	7.50%	Libor (Q)	6.50%	06/2021	12/2024		1.4	1.4	1.4	(2)(12)	
										6.1	6.1		
Forescout Technologies, Inc. (16)	Network access control solutions provider	First lien senior secured loan	10.50%PIK	Libor (Q)	9.50%	08/2020	08/2026		18.7	18.4	18.5	(2)(12)	
Frontline Technologies Group Holding LLC, Frontline Technologies Blocker Buyer, Inc., Frontline Technologies Holdings, LLC and Frontline Technologies Parent, LLC	Provider of human capital management and SaaS-based software solutions to employees and administrators of K-12 school organizations	First lien senior secured loan	6.25%	Libor (Q)	5.25%	12/2020	09/2023		14.9	14.9	14.9	(12)	
		First lien senior secured loan	6.25%	Libor (Q)	5.25%	06/2021	09/2023		0.1	0.1	0.1	(2)(12)	
		Class A preferred units	9.00% PIK			09/2017		4,574		6.2	6.7		
		Class B common units				09/2017		499,050		—	7.9		
										21.2	29.6		
Genesis Acquisition Co. and Genesis Ultimate Holding Co. (16)	Child care management software and services provider	First lien senior secured revolving loan	4.22%	Libor (Q)	4.00%	07/2018	07/2024		1.5	1.5	1.5	(2)	
		First lien senior secured loan	5.25%	Libor (Q)	4.50%	11/2021	07/2024		9.1	9.1	9.0	(2)(12)	
		First lien senior secured loan	4.22%	Libor (Q)	4.00%	07/2018	07/2024		0.2	0.2	0.2	(2)	
		Second lien senior secured loan	8.25%	Libor (Q)	7.50%	11/2021	07/2025		21.1	21.1	20.7	(2)(12)	
		Second lien senior secured loan	7.63%	Libor (Q)	7.50%	07/2018	07/2025		32.4	32.4	31.4	(2)	
		Second lien senior secured loan	7.70%	Libor (Q)	7.50%	06/2021	07/2025		7.5	7.5	7.3	(2)	
		Class A common stock				07/2018		8.39		0.8	0.9	(2)	
										72.6	71.0		
GI Ranger Intermediate LLC (16)	Provider of payment processing services and software to healthcare providers	First lien senior secured loan	6.75%	Libor (Q)	6.00%	10/2021	10/2028		35.1	35.1	34.8	(2)(12)	
Heavy Construction Systems Specialists, LLC (16)	Provider of construction software	First lien senior secured loan	6.50%	Libor (Q)	5.75%	11/2021	11/2028		40.9	40.9	40.5	(2)(12)	

(dollar amounts in millions)

Company(1)	Business Description	Investment	Coupon(3)	Reference(7)	Spread(3)	Acquisition Date	Maturity Date	Shares	Principal	Amortized Cost	Fair Value	% of Net Assets
Huskies Parent, Inc., GI Insurity Parent LLC, and GI Insurity Topco LP (16)	Insurance software provider	First lien senior secured revolving loan	6.25%	Libor (Q)	5.50%	11/2021	11/2027		1.6	1.6	1.4 (2)(12)	
		First lien senior secured loan	6.25%	Libor (Q)	5.50%	11/2021	11/2028		105.8	105.8	104.8 (2)(12)	
		Senior subordinated loan	10.00%PIK			11/2021	11/2031		90.2	90.2	88.8 (2)	
		Company units				11/2021		4,243,657		8.8	8.8 (2)	
										206.4	203.8	
IfByPhone Inc.	Voice-based marketing automation software provider	Warrant to purchase shares of Series C preferred stock				10/2012	10/2022	124,300		0.1	— (2)	
Inmar	Technology-driven solutions provider for retailers, wholesalers and manufacturers	Second lien senior secured loan	9.00%	Libor (Q)	8.00%	04/2017	05/2025		28.3	28.1	28.3 (2)(12)	
Insightful Science	Provider of data analysis, statistics, and visualization software solutions for scientific research applications	First lien senior secured loan	7.00%	Libor (Q)	6.00%	12/2017	04/2027		0.5	0.5	0.5 (2)(12)	
		First lien senior secured loan	6.50%	Libor (Q)	5.50%	04/2021	04/2027		16.2	16.2	16.0 (2)(12)	
		First lien senior secured loan	6.50%	Libor (Q)	5.50%	10/2021	04/2027		7.9	7.9	7.9 (2)(12)	
		First lien senior secured loan	6.50%	Libor (Q)	5.50%	11/2021	04/2027		7.6	7.6	7.5 (2)(12)	
		Senior subordinated loan	10.50%PIK			04/2021	04/2032		39.2	39.2	38.8 (2)	
		Preferred units	14.00% PIK			04/2021		1,828,645		50.5	50.5	
										121.9	121.2	
IV Rollover Holdings, LLC	Provider of cloud based IT solutions, infrastructure and services	Class B units				05/2017		170,490		—	0.1 (2)	
		Class X units				05/2017		5,000,000		2.1	2.2 (2)	
										2.1	2.3	
Majesco and Magic Topco, L.P. (16)	Insurance software provider	First lien senior secured loan	8.25%	Libor (Q)	7.25%	09/2020	09/2027		42.2	42.2	42.2 (2)(12)	
		Class A units	9.00% PIK			09/2020		2,539		2.8	4.0 (2)	
		Class B units				09/2020		570,625		—	— (2)	
										45.0	46.2	
Ministry Brands Holdings, LLC and RCP MB Investments B, L.P. (16)	Software and payment services provider to faith-based institutions	First lien senior secured loan	6.25%	Libor (Q)	5.50%	12/2021	12/2028		72.7	72.7	72.0 (2)(12)	
		Limited partner interests				12/2021		9,574,000		9.6	9.6 (2)	
										82.3	81.6	
Ministry Brands, LLC and MB Parent HoldCo, L.P. (dba Community Brands) (16)	Software and payment services provider to non-profit institutions	First lien senior secured revolving loan	7.25%	Base Rate (Q)	4.00%	12/2016	12/2022		5.0	5.0	5.0 (12)	
		First lien senior secured loan	5.00%	Libor (M)	4.00%	04/2017	12/2022		9.2	9.2	9.2 (12)	
		First lien senior secured loan	5.00%	Libor (M)	4.00%	08/2017	12/2022		4.7	4.7	4.7 (12)	
		Second lien senior secured loan	10.25%	Libor (M)	9.25%	12/2016	06/2023		106.6	106.4	106.6 (12)	
		Second lien senior secured loan	10.25%	Libor (M)	9.25%	04/2017	06/2023		13.9	13.9	13.9 (2)(12)	
		Second lien senior secured loan	10.25%	Libor (M)	9.25%	08/2017	06/2023		17.9	17.9	17.9 (2)(12)	

(dollar amounts in millions)

Company(1)	Business Description	Investment	Coupon(3)	Reference(7)	Spread(3)	Acquisition Date	Maturity Date	Shares	Principal	Amortized Cost	Fair Value		% of Net Assets
		Second lien senior secured loan	9.00%	Libor (M)	8.00%	04/2018	06/2023		48.9	48.9	48.9	(2)(12)	
		Class A units				12/2016		500,000		5.0	7.2	(2)	
										211.0	213.4		
Mitchell International, Inc.	Provider of technology, connectivity, and information solutions to the property and casualty insurance industry	Second lien senior secured loan	7.00%	Libor (M)	6.50%	10/2021	10/2029		91.2	90.3	91.6	(2)(12)(19)	
MMIT Holdings, LLC (16)	Provider of market intelligence and analysis for the pharmaceutical industry	First lien senior secured revolving loan	7.25%	Libor (Q)	6.25%	09/2021	09/2027		0.6	0.6	0.6	(2)(12)	
		First lien senior secured loan	7.25%	Libor (Q)	6.25%	09/2021	09/2027		18.2	18.2	18.0	(2)(12)	
		First lien senior secured loan	7.25%	Libor (Q)	6.25%	10/2021	09/2027		13.7	13.7	13.6	(2)(12)	
										32.5	32.2		
MRI Software LLC (16)	Provider of real estate and investment management software	First lien senior secured loan	6.50%	Libor (Q)	5.50%	02/2020	02/2026		51.5	51.5	51.5	(12)	
		First lien senior secured loan	6.50%	Libor (Q)	5.50%	08/2020	02/2026		4.5	4.5	4.5	(2)(12)	
										56.0	56.0		
OpenMarket Inc.	Provider of cloud-based mobile engagement platform	First lien senior secured loan	7.00%	Libor (Q)	6.25%	09/2021	09/2026		50.7	50.7	50.1	(2)(6)(12)	
Paya, Inc and GTCR-Ultra Holdings LLC (16)	Provider of payment processing and merchant acquiring solutions	Class B units				08/2017		2,878,372		—	2.1	(2)	
PayNearMe, Inc.	Electronic cash payment system provider	Warrant to purchase shares of Series E preferred stock				03/2016	03/2023	195,726		0.2	—	(2)	
PDI TA Holdings, Inc., Peachtree Parent, Inc. and Insight PDI Holdings, LLC (16)	Provider of enterprise management software for the convenience retail and petroleum wholesale market	First lien senior secured loan	5.50%	Libor (Q)	4.50%	03/2019	10/2024		53.5	53.5	53.5	(12)	
		Second lien senior secured loan	9.50%	Libor (Q)	8.50%	12/2021	10/2025		7.2	7.2	7.2	(2)(12)	
		Second lien senior secured loan	9.50%	Libor (Q)	8.50%	03/2019	10/2025		70.1	70.1	70.1	(2)(12)	
		Second lien senior secured loan	9.50%	Libor (Q)	8.50%	12/2020	10/2025		8.3	8.3	8.3	(2)(12)	
		Second lien senior secured loan	9.50%	Libor (B)	8.50%	04/2021	10/2025		8.7	8.7	8.7	(2)(12)	
		Series A preferred stock	13.25% PIK			03/2019		13,656		19.5	19.7	(2)	
		Class A units				03/2019		2,062,493		2.1	2.9	(2)	
										169.4	170.4		
Pegasus Global Enterprise Holdings, LLC, Mekone Blocker Acquisition, Inc. and Mekone Parent, LLC (16)	Provider of plant maintenance and scheduling software	First lien senior secured loan	6.25%	Libor (Q)	5.25%	05/2019	05/2025		0.2	0.2	0.2	(2)(12)	
		First lien senior secured loan	6.75%	Libor (Q)	5.75%	06/2020	05/2025		0.1	0.1	0.1	(2)(12)	
		First lien senior secured loan	6.75%	Libor (Q)	5.75%	10/2020	05/2025		29.9	29.9	29.9	(2)(12)	
		Class A units				05/2019		5,000		5.0	12.3		
										35.2	42.5		
Pluralsight, Inc. (16)	Online education learning platform	First lien senior secured loan	9.00%	Libor (Q)	8.00%	04/2021	04/2027		117.7	117.7	117.7	(2)(12)	

(dollar amounts in millions)

Company(1)	Business Description	Investment	Coupon(3)	Reference(7)	Spread(3)	Acquisition Date	Maturity Date	Shares	Principal	Amortized Cost	Fair Value		% of Net Assets
Poplicus Incorporated	Business intelligence and market analytics platform for companies that sell to the public sector	Warrant to purchase shares of Series C preferred stock				06/2015	06/2025	2,402,991		0.1	—	(2)	
PracticeTek Purchaser, LLC and GSV PracticeTek Holdings, LLC	Software provider for medical practitioners	Class A units	8.00% PIK			03/2021		11,804,000		—	8.2	(2)	
ProfitSolv Purchaser, Inc. and PS Co-Invest, L.P. (16)	Provider of practice management software to law firms	First lien senior secured loan	6.25%	Libor (M)	5.25%	03/2021	03/2027		3.9	3.9	3.9	(2)(12)	
		Limited partnership units				03/2021		1,624,000		1.6	1.6	(2)	
										5.5	5.5		
Project Alpha Intermediate Holding, Inc. and Qlik Parent, Inc.	Provider of data visualization software for data analytics	Class A common stock				08/2016		7,445		7.4	16.8	(2)	
		Class B common stock				08/2016		1,841,609		0.1	0.2	(2)	
										7.5	17.0		
Project Essential Bidco, Inc. and Project Essential Super Parent, Inc. (16)	Saas provider of automated crew callout and scheduling software for the utility industry	First lien senior secured loan	6.75%	Libor (Q)	5.75%	04/2021	04/2028		36.6	36.6	35.8	(2)(12)	
		Preferred shares	10.50%PIK	Libor (Q)	9.50%	04/2021		26,436		28.5	28.5	(2)(12)	
										65.1	64.3		
Project Potter Buyer, LLC and Project Potter Parent, L.P. (16)	Software solutions provider to the ready-mix concrete industry	First lien senior secured revolving loan	10.50%	Base Rate (Q)	7.25%	04/2020	04/2026		0.8	0.7	0.8	(2)(12)(15)	
		First lien senior secured loan	9.25%	Libor (M)	8.25%	04/2020	04/2027		44.1	44.1	44.1	(12)	
		First lien senior secured loan	9.25%	Libor (M)	8.25%	10/2020	04/2027		12.9	12.9	12.9	(2)(12)	
		First lien senior secured loan	9.25%	Libor (M)	8.25%	11/2020	04/2027		19.4	19.4	19.4	(2)(12)	
		Class A units	9.00% PIK			04/2020		1,599		1.9	1.9	(2)	
		Class B units				04/2020		588,636		—	0.8	(2)	
										79.0	79.9		
Proofpoint, Inc. (16)	Cybersecurity solutions provider	First lien senior secured loan	3.75%	Libor (Q)	3.25%	06/2021	08/2028		1.0	1.0	1.0	(2)(12)(19)	
		Second lien senior secured loan	6.75%	Libor (Q)	6.25%	06/2021	08/2029		34.6	34.4	34.6	(2)(12)	
										35.4	35.6		
QF Holdings, Inc. (16)	SaaS based electronic health record software provider	First lien senior secured loan	7.25%	Libor (Q)	6.25%	12/2021	12/2027		8.1	8.1	8.1	(2)(12)	
		First lien senior secured loan	7.50%	Libor (Q)	6.50%	09/2019	12/2027		15.5	15.5	15.5	(2)(12)	
										23.6	23.6		
Raptor Technologies, LLC, Sycamore Bidco LTD and Rocket Parent, LLC (16)	Provider of SaaS-based safety and security software to the K-12 school market	First lien senior secured loan	7.00%	Libor (Q)	6.00%	10/2021	10/2028		28.5	28.5	28.2	(2)(6)(12)	
		Class A common units				12/2018		2,880,582		3.5	4.8		
										32.0	33.0		
RealPage, Inc.	Provider of enterprise software solutions to the residential real estate industry	Second lien senior secured loan	7.25%	Libor (M)	6.50%	04/2021	04/2029		84.1	82.9	84.1	(2)(12)	
Regent Education, Inc.	Provider of software solutions designed to optimize the financial aid and enrollment processes	Warrant to purchase shares of common stock				12/2016	12/2026	5,393,194		—	—	(2)	

(dollar amounts in millions)

Company(1)	Business Description	Investment	Coupon(3)	Reference(7)	Spread(3)	Acquisition Date	Maturity Date	Shares	Principal	Amortized Cost	Fair Value		% of Net Assets
		Warrant to purchase shares of common stock				12/2016	12/2026	987		—	—	(2)	
										—	—		
Relativity ODA LLC (16)	Electronic discovery document review software platform for use in litigations and investigations	First lien senior secured loan	8.50% PIK	Libor (M)	7.50%	05/2021	05/2027		59.8	59.8	59.8	(2)(12)	
RMS Holdco II, LLC & RMS Group Holdings, Inc. (16)	Developer of revenue cycle management solutions, process automation, analytics and integration for the healthcare industry	First lien senior secured loan	6.50%	Libor (Q)	5.75%	12/2021	12/2027		23.5	23.5	23.3	(2)(12)	
		Class A common stock				12/2021		464.9		4.6	4.6	(2)	
										28.1	27.9		
Smarsh Inc., MobileGuard, LLC, Actiance, Inc. and Skywalker TopCo, LLC	SaaS based communication archival service provider	First lien senior secured loan	9.25%	Libor (M)	8.25%	11/2020	11/2025		13.3	13.3	13.3	(2)(12)	
		Common units				11/2020		1,432,835		4.8	5.1	(2)	
										18.1	18.4		
SocialFlow, Inc.	Social media optimization platform provider	Warrant to purchase shares of Series C preferred stock				01/2016	01/2026	215,331		—	—	(2)	
Sophia, L.P.	Provider of ERP software and services for higher education institutions	Second lien senior secured loan	9.00%	Libor (Q)	8.00%	10/2020	10/2028		105.9	105.9	105.9	(2)(12)	
SoundCloud Limited	Platform for receiving, sending, and distributing music	Common stock				08/2017		73,422		0.4	0.7	(2)(6)	
Stamps.com Inc.	Provider of mailing and shipping solutions	First lien senior secured loan	6.50%	Libor (Q)	5.75%	10/2021	10/2028		197.9	197.9	193.9	(2)(12)	
Storable, Inc. and EQT IX Co-Investment (E) SCSP	PMS solutions and web services for the self-storage industry	Second lien senior secured loan	7.50%	Libor (Q)	6.75%	04/2021	04/2029		42.8	42.8	42.8	(2)(12)	
		Limited partnership interests				04/2021		614,950		6.2	6.8	(2)(6)	
										49.0	49.6		
Sundance Group Holdings, Inc. (16)	Provider of cloud-based document management and collaboration solutions	First lien senior secured revolving loan	7.75%	Libor (Q)	6.75%	07/2021	07/2027		0.9	0.8	0.9	(2)(12)	
		First lien senior secured loan	7.75%	Libor (Q)	6.75%	07/2021	07/2027		15.4	15.2	15.3	(2)(12)	
										16.0	16.2		
TCP Hawker Intermediate LLC (16)	Workforce management solutions provider	First lien senior secured loan	6.50%	Libor (Q)	5.50%	12/2020	08/2026		6.6	6.6	6.6	(12)	
		First lien senior secured loan	6.50%	Libor (Q)	5.50%	10/2021	08/2026		4.0	4.0	4.0	(2)(12)	
		First lien senior secured loan	6.50%	Libor (Q)	5.50%	08/2019	08/2026		34.8	34.8	34.8	(12)	
										45.4	45.4		
The Ultimate Software Group, Inc. and H&F Unite Partners, L.P. (16)	Provider of cloud based HCM solutions for businesses	First lien senior secured revolving loan	—%			05/2019				—	—	(6)(14)	
		Limited partnership interests				05/2019		12,583,556		12.6	15.1	(2)(6)	
										12.6	15.1		
Verscend Holding Corp. (16)	Healthcare analytics solutions provider	First lien senior secured revolving loan	—%			08/2018				—	—	(14)	
WebPT, Inc. (16)	Electronic medical record software provider	First lien senior secured loan	7.75%	Libor (Q)	6.75%	08/2019	08/2024		48.1	48.1	48.1	(2)(12)	

(dollar amounts in millions)

Company(1)	Business Description	Investment	Coupon(3)	Reference(7)	Spread(3)	Acquisition Date	Maturity Date	Shares	Principal	Amortized Cost	Fair Value		% of Net Assets
Wellness AcquisitionCo, Inc. (16)	Provider of retail consumer insights and analytics for manufacturers and retailers in the natural, organic and specialty products industry	First lien senior secured loan	6.50%	Libor (Q)	5.50%	01/2021	01/2027		0.1	0.1	0.1	(2)(12)	
WorkWave Intermediate II, LLC (16)	Provider of cloud-based field services and fleet management solutions	First lien senior secured loan	8.00% PIK	Libor (Q)	7.25%	06/2021	06/2027		61.6	61.6	61.6	(2)(12)	
										4,308.2	4,378.1		49.37%
Health Care Services													
Absolute Dental Group LLC and Absolute Dental Equity, LLC (5)(16)	Dental services provider	First lien senior secured revolving loan	11.25% (5.00% PIK)	Base rate (Q)	8.00%	06/2021	06/2024		4.0	4.0	4.0	(2)(12)	
		First lien senior secured loan	10.00% (5.00% PIK)	Libor (Q)	9.00%	06/2021	06/2024		49.5	49.5	49.5	(2)(12)	
		Class A common units				06/2021		7,617,280		4.7	10.4	(2)	
										58.2	63.9		
ADG, LLC and RC IV GEDC Investor LLC (16)	Dental services provider	First lien senior secured revolving loan	7.50% (0.50%PIK)	Base rate (A)	4.25%	09/2016	09/2022		9.6	9.6	9.5	(2)(12)	
		First lien senior secured revolving loan	5.75% (0.50%PIK)	Libor (Q)	4.75%	09/2016	09/2022		2.3	2.3	2.3	(2)(12)	
		Second lien senior secured loan	11.00% PIK	Libor (Q)	10.00%	09/2016	03/2024		115.3	95.2	103.7	(2)(12)	
		Membership units				09/2016		3,000,000		3.0	—	(2)	
										110.1	115.5		
Alteon Health, LLC	Provider of physician management services	First lien senior secured loan	7.50%	Libor (Q)	6.50%	05/2017	09/2023		2.8	2.8	2.8	(2)(12)	
Athenahealth, Inc., VVC Holding Corp., Virence Intermediate Holding Corp., and Virence Holdings LLC (16)	Revenue cycle management provider to the physician practices and acute care hospitals	Class A interests				02/2019		0.39 %		9.0	49.3	(2)	
Bambino Group Holdings, LLC	Dental services provider	Class A preferred units				12/2016		1,000,000		1.0	1.1	(2)	
Bearcat Buyer, Inc. and Bearcat Parent, Inc. (16)	Provider of central institutional review boards over clinical trials	Second lien senior secured loan	9.25%	Libor (Q)	8.25%	07/2019	07/2027		69.5	69.5	69.5	(2)(12)	
		Second lien senior secured loan	9.25%	Libor (Q)	8.25%	09/2019	07/2027		12.7	12.7	12.7	(2)(12)	
		Class B common units				07/2019		4,211		4.2	10.8	(2)	
										86.4	93.0		
CCS-CMGC Holdings, Inc. (16)	Correctional facility healthcare operator	First lien senior secured revolving loan	—%			10/2018				—	—	(14)	
		First lien senior secured loan	5.63%	Libor (Q)	5.50%	09/2018	10/2025		34.0	33.8	33.3		
										33.8	33.3		
Center for Autism and Related Disorders, LLC (16)	Autism treatment and services provider specializing in applied behavior analysis therapy	First lien senior secured revolving loan	5.65%	Libor (Q)	5.50%	11/2018	11/2023		6.8	6.8	6.2	(2)(15)	
Comprehensive EyeCare Partners, LLC (16)	Vision care practice management company	First lien senior secured revolving loan	7.00%	Libor (Q)	5.75%	02/2018	02/2024		0.3	0.3	0.3	(2)(12)	
		First lien senior secured loan	7.00%	Libor (Q)	5.75%	02/2018	02/2024		2.6	2.6	2.6	(2)(12)	
		First lien senior secured loan	8.00%	Base Rate (Q)	4.75%	04/2021	02/2024		0.1	0.1	0.1	(2)(12)	

(dollar amounts in millions)

Company(1)	Business Description	Investment	Coupon(3)	Reference(7)	Spread(3)	Acquisition Date	Maturity Date	Shares	Principal	Amortized Cost	Fair Value		% of Net Assets
		First lien senior secured loan	7.00%	Libor (Q)	5.75%	04/2021	02/2024		0.6	0.6	0.6	(2)(12)	
										3.6	3.6		
Convey Health Solutions, Inc.	Healthcare workforce management software provider	First lien senior secured loan	5.50%	Libor (M)	4.75%	09/2019	09/2026		2.7	2.7	2.7	(12)	
CVP Holdco, Inc. and OMERS Wildcats Investment Holdings LLC (16)	Veterinary hospital operator	First lien senior secured revolving loan	8.00%	Base Rate (Q)	4.75%	10/2019	10/2024		0.4	0.4	0.4	(2)(12)(15)	
		First lien senior secured loan	6.25%	Libor (Q)	5.25%	10/2019	10/2025		39.4	39.4	39.4	(12)	
		First lien senior secured loan	6.75%	Libor (Q)	5.75%	04/2021	10/2025		49.2	49.2	49.2	(2)(12)	
		Common stock				10/2019		32,429		10.0	15.9	(2)	
										99.0	104.9		
GHX Ultimate Parent Corporation, Commerce Parent, Inc. and Commerce Topco, LLC	On-demand supply chain automation solutions provider to the healthcare industry	Second lien senior secured loan	7.50%	Libor (Q)	6.75%	05/2021	05/2029		114.0	114.0	114.0	(2)(12)	
		Class A units				06/2017		14,013,303		14.0	32.2	(2)	
										128.0	146.2		
Global Medical Response, Inc. and GMR Buyer Corp.	Emergency air medical services provider	Second lien senior secured loan	7.50%	Libor (Q)	6.75%	12/2021	12/2029		95.4	95.4	94.5	(2)(12)	
		Warrant to purchase units of common stock				03/2018	03/2028	115,733		0.9	3.0	(2)	
		Warrant to purchase units of common stock				12/2021	12/2031	1,926.57		0.1	—	(2)	
										96.4	97.5		
HealthEdge Software, Inc. (16)	Provider of financial, administrative and clinical software platforms to the healthcare industry	First lien senior secured revolving loan	—%			12/2021				—	—	(14)	
		First lien senior secured loan	7.25%	Libor (Q)	6.25%	12/2021	04/2026		79.2	79.2	79.2	(2)(12)	
										79.2	79.2		
Honor Technology, Inc.	Nursing and home care provider	First lien senior secured loan	11.00%	Libor (M)	10.00%	08/2021	08/2026		2.5	2.4	2.5	(2)(12)	
		Warrant to purchase shares of series D-2 preferred stock				08/2021	08/2031	133,333		0.1	0.1	(2)	
										2.5	2.6		
JDC Healthcare Management, LLC (16)	Dental services provider	First lien senior secured revolving loan				04/2017	04/2022		4.4	3.8	3.1	(2)(11)	
		First lien senior secured loan				04/2017	04/2023		37.2	31.7	26.5	(2)(11)	
										35.5	29.6		
KBHS Acquisition, LLC (d/b/a Alita Care, LLC) (16)	Provider of behavioral health services	First lien senior secured revolving loan	6.00% (1.00% PIK)	Libor (M)	5.00%	03/2017	03/2024		0.8	0.8	0.8	(2)(12)	
MCH Holdings, Inc., MC Acquisition Holdings I, LLC and Privia Health Group, Inc.	Healthcare professional provider	First lien senior secured loan	8.50%	Libor (M)	7.00%	07/2017	07/2022		110.2	110.2	110.2	(12)	
		Class A units				01/2014		1,438,643		—	0.6	(2)	
										110.2	110.8		
Napa Management Services Corporation and ASP NAPA Holdings, LLC	Anesthesia management services provider	Second lien senior secured loan	11.00%	Libor (Q)	10.00%	04/2016	10/2023		72.8	72.8	72.8	(2)(12)	
		Preferred units	15.00% PIK			06/2020		1,842		0.1	0.1	(2)	
		Senior preferred units	8.00% PIK			06/2020		5,320		0.3	0.3	(2)	

(dollar amounts in millions)

Company(1)	Business Description	Investment	Coupon(3)	Reference(7)	Spread(3)	Acquisition Date	Maturity Date	Shares	Principal	Amortized Cost	Fair Value	% of Net Assets
		Class A units				04/2016		25,277		2.5	4.1 (2)	
										75.7	77.3	
NMN Holdings III Corp. and NMN Holdings LP (16)	Provider of complex rehabilitation technology solutions for patients with mobility loss	First lien senior secured revolving loan	—%			11/2018				—	— (14)	
		Partnership units				11/2018		30,000		3.0	2.8 (2)	
										3.0	2.8	
NueHealth Performance, LLC (16)	Developer, builder and manager of specialty surgical hospitals and ambulatory surgery centers	First lien senior secured revolving loan	8.25%	Libor (M)	7.25%	09/2018	09/2023		3.3	3.3	3.3 (2)(12)	
		First lien senior secured loan	8.25%	Libor (M)	7.25%	09/2018	09/2023		12.4	12.4	12.4 (12)	
		First lien senior secured loan	8.25%	Libor (M)	7.25%	02/2020	09/2023		3.0	3.0	3.0 (2)(12)	
										18.7	18.7	
Olympia Acquisition, Inc. and Olympia TopCo, L.P. (16)	Behavioral health and special education platform provider	First lien senior secured revolving loan	8.50% (2.00%PIK)	Libor (M)	7.50%	09/2019	09/2024		10.1	10.1	8.3 (2)(12)	
		First lien senior secured revolving loan	8.50% (2.00% PIK)	Libor (M)	7.50%	12/2020	09/2024		0.2	0.2	0.2 (2)(12)	
		First lien senior secured loan	8.50% (2.00% PIK)	Libor (M)	7.50%	09/2019	09/2026		42.1	42.1	34.5 (12)	
		First lien senior secured loan	8.50% (2.00% PIK)	Libor (M)	7.50%	12/2020	09/2026		0.9	0.9	0.8 (12)	
		Preferred units	15.00% PIK			07/2021		417,189		0.3	0.3 (2)	
		Class A common units				09/2019		9,549,000		9.5	— (2)	
										63.1	44.1	
OMH-HealthEdge Holdings, LLC	Revenue cycle management provider to the healthcare industry	First lien senior secured loan	6.50%	Libor (Q)	5.50%	10/2019	10/2025		26.1	26.1	26.1 (12)	
		First lien senior secured loan	6.50%	Libor (Q)	5.50%	03/2021	10/2025		15.4	15.4	15.4 (12)	
										41.5	41.5	
Pathway Vet Alliance LLC and Jedi Group Holdings LLC (16)	Veterinary hospital operator	First lien senior secured revolving loan	—%			03/2020				—	— (14)	
		Second lien senior secured loan	8.75%	Libor (M)	7.75%	03/2020	03/2028		76.3	76.3	76.3 (2)(12)	
		Class R common units				03/2020		6,004,768		6.0	7.9 (2)	
										82.3	84.2	
PhyMED Management LLC	Provider of anesthesia services	Second lien senior secured loan	15.00% (10.49% PIK)	Libor (Q)	14.00%	12/2015	09/2022		55.7	55.6	52.4 (2)(12)	
Premise Health Holding Corp. and OMERS Bluejay Investment Holdings LP (16)	Provider of employer-sponsored onsite health and wellness clinics and pharmacies	First lien senior secured revolving loan	3.41%	Libor (Q)	3.25%	07/2018	07/2023		12.0	12.0	12.0 (2)(15)	
		First lien senior secured loan	3.72%	Libor (Q)	3.50%	07/2018	07/2025		8.6	8.6	8.6	
		Second lien senior secured loan	7.72%	Libor (Q)	7.50%	07/2018	07/2026		67.1	66.7	67.1 (2)	
		Class A units				07/2018		9,775		9.8	17.5 (2)	
										97.1	105.2	
Project Ruby Ultimate Parent Corp. (dba Wellsky)	Provider of care coordination and transition management software solutions	Second lien senior secured loan	7.25%	Libor (M)	6.50%	03/2021	03/2029		193.1	193.1	193.1 (2)(12)	

(dollar amounts in millions)

Company(1)	Business Description	Investment	Coupon(3)	Reference(7)	Spread(3)	Acquisition Date	Maturity Date	Shares	Principal	Amortized Cost	Fair Value		% of Net Assets
Respicardia, Inc.	Developer of implantable therapies to improve cardiovascular health	Warrant to purchase shares of Series C preferred stock				06/2012	06/2022	99,094		—	—	(2)	
RTI Surgical, Inc. and Pioneer Surgical Technology, Inc. (16)	Manufacturer of biologic, metal and synthetic implants/devices	First lien senior secured revolving loan	8.25%	Libor (M)	6.75%	07/2020	07/2026		5.0	5.0	5.0	(2)(12)	
		First lien senior secured loan	8.25%	Libor (Q)	6.75%	07/2020	07/2026		28.5	28.5	28.5	(12)	
										33.5	33.5		
SiroMed Physician Services, Inc. and SiroMed Equity Holdings, LLC (16)	Outsourced anesthesia provider	First lien senior secured loan	5.75%	Libor (M)	4.75%	03/2018	03/2024		11.5	11.5	9.9	(12)	
		Common units				03/2018		684,854		4.8	0.7	(2)	
										16.3	10.6		
SM Wellness Holdings, Inc. and SM Holdco, Inc. (16)	Breast cancer screening provider	Series A units				08/2018		8,041		8.0	9.6	(2)	
		Series B units				08/2018		804,142		—	—	(2)	
										8.0	9.6		
Symplr Software Inc. and Symplr Software Intermediate Holdings, Inc. (16)	SaaS based healthcare compliance platform provider	Second lien senior secured loan	8.63%	Libor (Q)	7.88%	12/2020	12/2028		69.9	69.9	69.9	(2)(12)	
		Series C-1 preferred shares	11.00% PIK			06/2021		75,939		85.0	85.0	(2)	
		Series C-2 preferred shares	11.00% PIK			06/2021		40,115		42.6	42.6	(2)	
		Series C-3 preferred shares	11.00%PIK			10/2021		16,201		16.6	16.6	(2)	
										214.1	214.1		
Synergy HomeCare Franchising, LLC and NP/Synergy Holdings, LLC (16)	Franchisor of private pay home care for the elderly	First lien senior secured loan	6.75%	Libor (Q)	5.75%	04/2018	04/2024		15.3	15.3	15.3	(12)	
		Common units				04/2018		550		0.5	1.0		
										15.8	16.3		
Teligent, Inc (16)	Pharmaceutical company that develops, manufactures and markets injectable pharmaceutical products	Second lien senior secured loan				10/2021	01/2022		8.8	8.1	8.8	(2)(11)	
		Second lien senior secured loan				01/2021	12/2022		1.4	1.3	0.5	(2)(11)	
		Second lien senior secured loan				12/2018	12/2022		77.8	67.6	29.5	(2)(11)	
		Series D preferred stock				01/2021		77,725		—	—	(2)	
		Warrant to purchase shares of common stock				04/2020	04/2025	490,492		—	—	(2)	
		Warrant to purchase shares of common stock				07/2020	07/2025	122,548		—	—	(2)	
										77.0	38.8		
Therapy Brands Holdings LLC (16)	Provider of software solutions for the mental and behavioral health market segments	Second lien senior secured loan	7.50%	Libor (Q)	6.75%	06/2021	05/2029		20.5	20.3	20.5	(2)(12)	
Touchstone Acquisition, Inc. and Touchstone Holding, L.P.	Manufacturer of consumable products in the dental, medical, cosmetic and consumer/industrial end-markets	Class A preferred units	8.00% PIK			11/2018		2,149		2.7	2.8	(2)	

ARES CAPITAL CORPORATION AND SUBSIDIARIES
CONSOLIDATED SCHEDULE OF INVESTMENTS
As of December 31, 2021
(dollar amounts in millions)

Company(1)	Business Description	Investment	Coupon(3)	Reference(7)	Spread(3)	Acquisition Date	Maturity Date	Shares	Principal	Amortized Cost	Fair Value		% of Net Assets
U.S. Anesthesia Partners, Inc. & U.S. Anesthesia Partners Holdings, Inc.	Anesthesiology service provider	Second lien senior secured loan	8.00%	Libor (Q)	7.50%	10/2021	10/2029		147.8	147.8	146.3	(2)(12)	
		Common stock				12/2021		3,671,429		12.9	12.9	(2)	
										160.7	159.2		
VPP Intermediate Holdings, LLC and VPP Group Holdings, L.P. (16)	Veterinary hospital operator	First lien senior secured loan	6.75%	Libor (Q)	5.75%	12/2021	12/2027		6.4	6.4	6.4	(2)(12)	
		Class A-2 units				12/2021		7,524		7.5	7.5	(2)	
										13.9	13.9		
WSHP FC Acquisition LLC (16)	Provider of biospecimen products for pharma research	First lien senior secured revolving loan	7.00%	Libor (Q)	6.00%	03/2018	03/2027		1.5	1.5	1.5	(2)(12)	
		First lien senior secured loan	7.00%	Libor (Q)	6.00%	10/2021	03/2027		4.9	4.9	4.9	(2)(12)	
		First lien senior secured loan	7.00%	Libor (Q)	6.00%	03/2018	03/2027		33.4	33.4	33.4	(12)	
		First lien senior secured loan	7.00%	Libor (Q)	6.00%	02/2019	03/2027		4.5	4.5	4.5	(12)	
		First lien senior secured loan	7.00%	Libor (M)	6.00%	08/2019	03/2027		11.4	11.4	11.4	(12)	
		First lien senior secured loan	7.00%	Libor (Q)	6.00%	10/2019	03/2027		10.8	10.8	10.8	(12)	
		First lien senior secured loan	7.00%	Libor (Q)	6.00%	11/2021	03/2027		9.0	9.0	9.0	(2)(12)	
										75.5	75.5		
										2,133.9	2,157.1		24.33%
Commercial & Professional Services													
Accommodations Plus Technologies LLC and Accommodations Plus Technologies Holdings LLC (16)	Provider of outsourced crew accommodations and logistics management solutions to the airline industry	First lien senior secured revolving loan	10.00%	Libor (Q)	9.00%	05/2018	05/2023		4.1	4.1	3.9	(2)(12)	
		Class A common units				05/2018		236,358		4.3	4.0		
										8.4	7.9		
Aero Operating LLC	Provider of snow removal and melting service for airports and marine terminals	First lien senior secured loan	8.00%	Libor (M)	6.50%	02/2020	02/2026		36.6	36.6	36.6	(12)	
		First lien senior secured loan	8.00%	Libor (Q)	6.50%	12/2021	02/2026		1.2	1.2	1.2	(2)(12)	
										37.8	37.8		
Argenbright Holdings V, LLC	Provider of outsourced security guard services, outsourced facilities management and outsourced aviation services	First lien senior secured loan	7.00%	Libor (M)	6.00%	11/2021	11/2026		21.1	21.1	20.9	(2)(12)	
Capstone Acquisition Holdings, Inc. and Capstone Parent Holdings, LP (16)	Outsourced supply chain solutions provider to operators of distribution centers	First lien senior secured revolving loan	7.00%	Base Rate (Q)	3.75%	11/2020	11/2025		2.3	2.3	2.3	(2)(12)(15)	
		First lien senior secured loan	5.75%	Libor (M)	4.75%	11/2020	11/2027		0.3	0.3	0.3	(2)(12)	
		Second lien senior secured loan	9.75%	Libor (M)	8.75%	11/2020	11/2028		68.3	68.3	68.3	(2)(12)	
		Class A units				11/2020		10,581		10.6	14.4	(2)	
										81.5	85.3		
Cozzini Bros., Inc. and BH-Sharp Holdings LP (16)	Provider of commercial knife sharpening and cutlery services in the restaurant industry	First lien senior secured loan	8.50% (4.50% PIK)	Libor (Q)	7.50%	03/2017	03/2023		12.4	12.4	11.4	(2)(12)	
		Common units				03/2017		2,950,000		3.0	1.4	(2)	
										15.4	12.8		

(dollar amounts in millions)

Company(1)	Business Description	Investment	Coupon(3)	Reference(7)	Spread(3)	Acquisition Date	Maturity Date	Shares	Principal	Amortized Cost	Fair Value	% of Net Assets
DTI Holdco, Inc. and OPE DTI Holdings, Inc. (16)	Provider of legal process outsourcing and managed services	First lien senior secured revolving loan	6.75%	Base Rate (Q)	3.50%	09/2016	06/2023		0.3	0.3	0.3 (2)(15)	
		First lien senior secured revolving loan	4.65%	Libor (Q)	4.50%	09/2016	06/2023		4.8	4.8	4.8 (2)(15)	
		Class A common stock				08/2014		7,500		7.5	4.2 (2)	
		Class B common stock				08/2014		7,500		—	— (2)	
										12.6	9.3	
Elevation Services Parent Holdings, LLC	Elevator service platform	First lien senior secured loan	7.00%	Libor (Q)	6.00%	12/2020	12/2026		8.7	8.7	8.7 (2)(12)	
		First lien senior secured loan	6.50%	Libor (Q)	5.50%	12/2020	12/2026		0.3	0.3	0.3 (2)(12)	
		First lien senior secured loan	7.00%	Libor (Q)	6.00%	12/2020	12/2026		5.2	5.2	5.2 (2)(12)	
										14.2	14.2	
HAI Acquisition Corporation and Aloha Topco, LLC (16)	Professional employer organization offering human resources, compliance and risk management services	First lien senior secured loan	6.00%	Libor (M)	5.25%	11/2017	11/2025		61.0	61.0	61.0 (12)	
		First lien senior secured loan	6.00%	Libor (Q)	5.25%	09/2021	11/2025		0.1	0.1	0.1 (2)(12)	
		Class A units				11/2017		16,980		1.7	2.3 (2)	
										62.8	63.4	
HH-Stella, Inc. and Bedrock Parent Holdings, LP (16)	Provider of municipal solid waste transfer management services	First lien senior secured revolving loan	6.50%	Libor (M)	5.50%	04/2021	04/2027		0.5	0.5	0.5 (2)(12)	
		First lien senior secured loan	6.50%	Libor (M)	5.50%	04/2021	04/2028		2.6	2.6	2.6 (2)(12)	
		Class A units				04/2021		25,490		2.5	2.9 (2)	
										5.6	6.0	
IRI Holdings, Inc., IRI Group Holdings, Inc. and IRI Parent, L.P.	Market research company focused on the consumer packaged goods industry	First lien senior secured loan	4.35%	Libor (M)	4.25%	11/2018	12/2025		42.3	41.9	42.3	
		Second lien senior secured loan	8.10%	Libor (M)	8.00%	11/2018	11/2026		86.8	85.9	86.8 (2)	
		Series A-1 preferred shares	11.50% PIK	Libor (M)	10.50%	11/2018		46,900		65.3	66.0 (2)(12)	
		Class A-1 common units				11/2018		90,500		9.1	26.1 (2)	
										202.2	221.2	
Kellermeyer Bergensons Services, LLC (16)	Provider of janitorial and facilities management services	First lien senior secured loan	6.75%	Libor (A)	5.75%	11/2019	11/2026		60.8	60.5	60.8 (2)(12)	
		First lien senior secured loan	6.75%	Libor (Q)	5.75%	07/2021	11/2026		21.1	21.1	21.1 (2)(12)	
										81.6	81.9	
KPS Global LLC and Cool Group LLC	Manufacturer of walk-in cooler and freezer systems	First lien senior secured loan	7.00%	Libor (M)	6.00%	04/2017	04/2024		12.6	12.6	12.3 (12)	
		First lien senior secured loan	7.00%	Libor (M)	6.00%	11/2018	04/2024		3.4	3.4	3.3 (12)	
		Class A units				09/2018		13,292		1.1	0.9	
										17.1	16.5	
Laboratories Bidco LLC and Laboratories Topco LLC (16)	Lab testing services for nicotine containing products	First lien senior secured loan	6.75%	Libor (Q)	5.75%	10/2019	07/2027		21.6	21.6	21.6 (12)	
		First lien senior secured loan	6.75%	Libor (Q)	5.75%	10/2019	07/2027		25.5	24.3	25.5 (12)	
		First lien senior secured loan	6.75%	Libor (Q)	5.75%	10/2020	07/2027		0.1	0.1	0.1 (2)(12)	
		First lien senior secured loan	6.75%	Libor (Q)	5.75%	07/2021	07/2027		10.7	10.7	10.7 (2)(12)	
		Class A units				07/2021		3,099,335		4.6	4.1 (2)	
										61.3	62.0	

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Company(1)	Business Description	Investment	Coupon(3)	Reference(7)	Spread(3)	Acquisition Date	Maturity Date	Shares	Principal	Amortized Cost	Fair Value		% of Net Assets
Lakers Buyer, Inc. and Lakers Parent LLC (16)	Provider of fire safety and life safety services	First lien senior secured revolving loan	6.75%	Libor (Q)	5.75%	03/2021	03/2027		3.6	3.6	3.6	(2)(12)	
		First lien senior secured loan	6.75% PIK	Libor (Q)	5.75%	03/2021	03/2027		51.2	51.2	51.2	(2)(12)	
		Second lien senior secured loan	11.75% PIK	Libor (Q)	10.75%	03/2021	09/2027		40.1	40.1	40.1	(2)(12)	
		Common units				03/2021		46,990		4.7	6.2	(2)	
										99.6	101.1		
Marmic Purchaser, LLC and Marmic Topco, L.P.	Provider of recurring fire protection services	First lien senior secured loan	7.00%	Libor (Q)	6.00%	03/2021	03/2027		34.4	34.4	34.4	(2)(12)	
		Limited partnership units	8.00% PIK			03/2021		1,929,237		2.1	2.4	(2)	
										36.5	36.8		
Microstar Logistics LLC, Microstar Global Asset Management LLC, MStar Holding Corporation and Kegstar USA Inc.	Keg management solutions provider	Second lien senior secured loan	10.00%PIK	Libor (Q)	9.00%	08/2020	07/2023		153.5	153.5	150.4	(12)	
		Series A preferred stock				08/2020		1,507		1.5	2.0	(2)	
		Common stock				12/2012		54,710		4.9	4.5	(2)	
										159.9	156.9		
NAS, LLC and Nationwide Marketing Group, LLC (16)	Buying and marketing services organization for appliance, furniture and consumer electronics dealers	First lien senior secured revolving loan	8.75%	Base Rate (Q)	5.50%	11/2020	06/2024		0.6	0.6	0.6	(2)(12)	
		First lien senior secured loan	7.50%	Libor (Q)	6.50%	12/2021	06/2024		2.4	2.4	2.4	(2)(12)	
		First lien senior secured loan	7.00%	Libor (B)	6.00%	11/2020	06/2024		6.4	6.4	6.4	(2)(12)	
										9.4	9.4		
Nest Topco Borrower Inc., KKR Nest Co-Invest L.P., and NBLY 2021-1 (16)	Operator of multiple franchise concepts primarily related to home maintenance or repairs	Senior subordinated loan	9.00%	Libor (Q)	8.50%	09/2021	08/2029		119.1	119.1	117.9	(2)(12)	
		Limited partner interest				09/2021		9,725,000		9.7	9.7	(2)	
										128.8	127.6		
NM GRC Holdco, LLC	Regulatory compliance services provider to financial institutions	First lien senior secured loan	8.50% (1.50% PIK)	Libor (M)	7.50%	02/2018	02/2024		45.4	45.2	45.4	(12)	
North American Fire Holdings, LLC and North American Fire Ultimate Holdings, LLC (16)	Provider of fire safety and life safety services	First lien senior secured loan	7.00%	Libor (Q)	6.00%	05/2021	05/2027		20.1	20.1	20.1	(12)	
		Common units				05/2021		884,916		0.9	1.2	(2)	
										21.0	21.3		
North Haven Stack Buyer, LLC (16)	Provider of environmental testing services	First lien senior secured loan	6.50%	Libor (Q)	5.50%	07/2021	07/2027		11.1	10.8	11.0	(2)(12)	
Petroleum Service Group LLC (16)	Provider of operational services for US petrochemical and refining companies	First lien senior secured revolving loan	7.00%	Libor (Q)	6.00%	07/2019	07/2025		2.2	2.2	2.2	(2)(12)(15)	
		First lien senior secured loan	7.00%	Libor (Q)	6.00%	12/2021	07/2025		8.1	8.1	8.1	(2)(12)	
		First lien senior secured loan	1.00%	Libor (Q)	—%	12/2021	07/2025		0.2	0.2	0.2	(2)(12)	
		First lien senior secured loan	7.00%	Libor (Q)	6.00%	07/2019	07/2025		34.2	34.2	34.2	(12)	
		First lien senior secured loan	7.00%	Libor (Q)	6.00%	07/2019	07/2025		0.7	0.7	0.7	(2)(12)	
										45.4	45.4		

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Company(1)	Business Description	Investment	Coupon(3)	Reference(7)	Spread(3)	Acquisition Date	Maturity Date	Shares	Principal	Amortized Cost	Fair Value		% of Net Assets
Pritchard Industries, LLC and LJ Pritchard TopCo Holdings, LLC	Provider of janitorial and facilities management services	First lien senior secured loan	6.25%	Libor (Q)	5.50%	10/2021	10/2027		93.8	93.8	92.8	(2)(12)	
		Class A units				10/2021		7,900,000		7.9	7.9	(2)	
										101.7	100.7		
PS Operating Company LLC and PS OP Holdings LLC (fka QC Supply, LLC) (5)(16)	Specialty distributor and solutions provider to the swine and poultry markets	First lien senior secured revolving loan	7.00%	Libor (Q)	6.00%	12/2021	12/2024		2.8	2.8	2.8	(2)(12)	
		First lien senior secured loan	7.00%	Libor (Q)	6.00%	12/2021	12/2024		14.9	14.9	14.9	(2)(12)	
		Common unit				12/2021		279,200		7.4	7.4	(2)	
										25.1	25.1		
R2 Acquisition Corp.	Marketing services	Common stock				05/2007		250,000		0.2	0.5	(2)	
RC V Tecmo Investor LLC	Technology based aggregator for facility maintenance services	Common member units				08/2020		9,624,000		8.3	19.3	(2)	
RE Community Holdings GP, LLC and RE Community Holdings, LP	Operator of municipal recycling facilities	Limited partnership interest				03/2011		2.86 %		—	—	(2)	
		Limited partnership interest				03/2011		2.49 %		—	—	(2)	
										—	—		
Registrar Intermediate, LLC and PSP Registrar Co-Investment Fund, L.P. (16)	Provider of FDA registration and consulting services	First lien senior secured loan	6.50%	Libor (Q)	5.50%	08/2021	08/2027		37.9	37.9	37.5	(2)(12)	
		Limited partner interests				08/2021		1.13 %		2.7	2.6	(2)	
										40.6	40.1		
Rodeo AcquisitionCo LLC (16)	Provider of food inspection and recovery services	First lien senior secured revolving loan	7.00%	Libor (Q)	6.00%	07/2021	07/2027		0.4	0.4	0.3	(2)(12)	
		First lien senior secured loan	7.00%	Libor (Q)	6.00%	07/2021	07/2027		17.1	17.1	16.9	(2)(12)	
										17.5	17.2		
Schill Landscaping and Lawn Care Services LLC and Landscape Parallel Partners, L.P. (16)	Provider of landscape design and planning, and snow removal services	First lien senior secured loan	6.75%	Libor (Q)	5.75%	12/2021	12/2027		5.8	5.8	5.8	(2)(12)	
		Class A units				12/2021		3,841		9.5	9.5	(2)	
										15.3	15.3		
SSE Buyer, Inc., Supply Source Enterprises, Inc., Impact Products LLC, The Safety Zone, LLC and SSE Parent, LP	Manufacturer and distributor of personal protection equipment, commercial cleaning, maintenance and safety products	First lien senior secured loan	10.22%	Libor (Q)	9.22%	06/2020	06/2026		21.4	21.4	19.9	(2)(12)	
		Limited partnership class A-1 units				06/2020		2,173		1.1	0.6	(2)	
		Limited partnership class A-2 units				06/2020		2,173		1.1	0.6	(2)	
										23.6	21.1		
Startec Equity, LLC (5)	Communication services	Member interest				04/2010				—	—		
Stealth Holding LLC and UCIT Online Security Inc. (16)	Live video monitoring solutions provider	First lien senior secured loan	7.75%	Libor (Q)	6.75%	03/2021	03/2026		50.5	50.5	50.5	(6)(12)	
		First lien senior secured loan	9.00%	Base Rate (Q)	5.75%	03/2021	03/2026		0.8	0.8	0.8	(2)(6)(12)	
										51.3	51.3		

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Company(1)	Business Description	Investment	Coupon(3)	Reference(7)	Spread(3)	Acquisition Date	Maturity Date	Shares	Principal	Amortized Cost	Fair Value		% of Net Assets
Thermostat Purchaser III, Inc. (16)	Provider of commercial HVAC equipment maintenance and repair services	Second lien senior secured loan	8.00%	Libor (M)	7.25%	08/2021	08/2029		23.0	23.0	22.8	(2)(12)	
Tyden Group Holding Corp.	Producer and marketer of global cargo security, product identification and traceability products and utility meter products	Preferred stock				01/2017		46,276		0.4	0.4	(6)	
		Common stock				01/2017		5,521,203		2.0	3.9	(6)	
										2.4	4.3		
Visual Edge Technology, Inc.	Provider of outsourced office solutions with a focus on printer and copier equipment and other parts and supplies	First lien senior secured loan	9.75% (1.25% PIK)	Libor (Q)	8.25%	08/2017	08/2022		32.5	32.5	30.9	(2)(12)	
		Senior subordinated loan	12.50% PIK			08/2017	09/2024		88.6	86.1	79.7	(2)	
		Warrant to purchase shares of common stock				08/2017	08/2027	10,358,572		3.9	—	(2)	
										122.5	110.6		
VLS Recovery Services, LLC (16)	Provider of commercial and industrial waste processing and disposal services	First lien senior secured revolving loan	6.50%	Libor (M)	5.50%	10/2017	10/2024		1.3	1.3	1.3	(2)(12)(15)	
		First lien senior secured loan	6.50%	Libor (Q)	5.50%	07/2019	10/2024		8.8	8.8	8.8	(2)(12)	
		First lien senior secured loan	6.50%	Libor (Q)	5.50%	08/2021	10/2024		5.2	5.2	5.2	(2)(12)	
										15.3	15.3		
Wash Encore Holdings, LLC	Provider of outsourced healthcare linen management solutions	First lien senior secured loan	6.75%	Libor (Q)	5.75%	07/2021	07/2027		135.6	135.6	134.2	(2)(12)	
XIFIN, Inc. and ACP Charger Co-Invest LLC (16)	Revenue cycle management provider to labs	First lien senior secured revolving loan	6.75%	Libor (M)	5.75%	02/2020	02/2026		1.1	1.1	1.1	(2)(12)	
		First lien senior secured loan	6.75%	Libor (Q)	5.75%	07/2021	02/2026		16.3	16.3	16.1	(2)(12)	
		First lien senior secured loan	6.75%	Libor (M)	5.75%	12/2021	02/2026		39.3	39.3	39.0	(2)(12)	
		Class A units				02/2020		180,000		1.8	4.2	(2)	
		Class B units				12/2021		46,363.16		0.9	1.1	(2)	
										59.4	61.5		
										1,820.0	1,833.4		20.68%
Diversified Financials													
BCC Blueprint Holdings I, LLC and BCC Blueprint Investments, LLC	Provider of comprehensive suite of investment management and wealth planning solutions	First lien senior secured loan	7.00%	Libor (Q)	6.25%	09/2021	09/2027		0.2	0.2	0.2	(2)(12)	
		Senior subordinated loan	9.30% PIK			09/2021	09/2026		4.5	4.5	4.5	(2)	
		Common units				09/2021		4,220,159		4.2	4.1	(2)	
										8.9	8.8		
Beacon Pointe Harmony, LLC (16)	Provider of comprehensive wealth management services	First lien senior secured loan	6.00%	Libor (Q)	5.25%	12/2021	12/2028		14.5	14.5	14.4	(6)(12)	
CrossCountry Mortgage, LLC (16)	Mortgage company originating loans in the retail and consumer direct channels	First lien senior secured loan	7.50%	Libor (Q)	7.00%	11/2021	11/2027		93.8	93.8	92.8	(2)(12)	
DFC Global Facility Borrower III LLC (16)	Non-bank provider of alternative financial services	First lien senior secured revolving loan	8.50%	CDOR (B)	8.00%	06/2021	06/2026		146.4	149.9	146.4	(2)(6)(10)(12)	

(dollar amounts in millions)

Company(1)	Business Description	Investment	Coupon(3)	Reference(7)	Spread(3)	Acquisition Date	Maturity Date	Shares	Principal	Amortized Cost	Fair Value		% of Net Assets
eCapital Finance Corp.	Consolidator of commercial finance businesses	Senior subordinated loan	9.00%	Libor (M)	7.50%	01/2020	01/2025		56.0	56.0	56.0	(2)(12)	
		Senior subordinated loan	9.00%	Libor (M)	7.50%	11/2020	01/2025		5.4	5.4	5.4	(2)(12)	
										61.4	61.4		
EP Wealth Advisors, LLC (16)	Wealth management and financial planning firm	First lien senior secured revolving loan	5.50%	Libor (Q)	4.50%	09/2020	09/2026		0.2	0.2	0.2	(2)(12)	
		First lien senior secured loan	5.50%	Libor (Q)	4.50%	09/2020	09/2026		0.2	0.2	0.2	(2)(12)	
		First lien senior secured loan	6.25%	Libor (Q)	5.25%	11/2021	09/2026		0.3	0.3	0.3	(2)(12)	
										0.7	0.7		
Green Street Parent, LLC and Green Street Intermediate Holdings, LLC (16)	Provider of REIT research data and analytics	First lien senior secured loan	6.50%	Libor (Q)	5.75%	12/2021	08/2026		23.7	23.7	23.7	(2)(12)	
Ivy Hill Asset Management, L.P. (5)	Asset management services	Senior subordinated loan	7.25%	Libor (M)	6.50%	02/2018	05/2023		16.0	16.0	16.0	(6)(12)	
		Member interest				06/2009		100.00 %		765.0	919.8	(6)	
										781.0	935.8		
Javlin Three LLC, Javlin Four LLC, and Javlin Five LLC	Asset-backed financial services company	First lien senior secured loan				06/2014	06/2017		15.7	12.6	0.4	(2)(6)(11)	
Joyce Lane Capital LLC and Joyce Lane Financing SPV LLC (fka Ciena Capital LLC) (5)(16)	Specialty finance company	First lien senior secured loan	4.13%	Libor (Q)	4.00%	12/2018	12/2022		0.3	0.3	0.3	(2)(6)	
		Equity interests				11/2010				—	—	(2)(6)	
										0.3	0.3		
LS DE LLC and LM LSQ Investors LLC	Asset based lender	Senior subordinated loan	10.50%			06/2015	03/2024		37.0	37.0	37.0	(2)(6)	
		Senior subordinated loan	10.50%			06/2017	06/2021		3.0	3.0	3.0	(2)(6)	
		Membership units				06/2015		3,275,000		3.3	3.5	(6)	
										43.3	43.5		
Monica Holdco (US) Inc. (16)	Investment technology and advisory firm	First lien senior secured revolving loan	—%			01/2021				—	—	(14)	
		First lien senior secured loan	7.25%	Libor (Q)	6.25%	01/2021	01/2028		2.6	2.6	2.6	(2)(12)	
										2.6	2.6		
Priority Holdings, LLC and Priority Technology Holdings, Inc.	Provider of merchant acquiring and payment processing solutions	First lien senior secured loan	6.75%	Libor (M)	5.75%	04/2021	04/2027		35.8	35.8	35.8	(2)(6)(12)	
		Senior preferred stock	13.00% PIK	Libor (Q)	12.00%	04/2021		65,761		64.4	68.3	(2)(6)(12)	
		Warrant to purchase shares of common stock				04/2021	04/2031	527,226		4.0	3.4	(2)(6)	
										104.2	107.5		
Rialto Management Group, LLC (16)	Investment and asset management platform focused on real estate	First lien senior secured revolving loan	—%			11/2018				—	—	(6)(14)	
		First lien senior secured loan	6.50%	Libor (Q)	5.75%	12/2021	12/2025		9.5	9.5	9.5	(2)(6)(12)	
		First lien senior secured loan	4.34%	Libor (M)	4.25%	11/2018	12/2025		0.7	0.7	0.7	(6)	
		First lien senior secured loan	4.35%	Libor (M)	4.25%	04/2021	12/2025		7.7	7.7	7.7	(2)(6)	
										17.9	17.9		
TA/WEG Holdings, LLC (16)	Wealth management and financial planning firm	First lien senior secured revolving loan	6.75%	Libor (Q)	5.75%	10/2019	10/2027		0.8	0.8	0.8	(2)(12)(15)	

(dollar amounts in millions)

Company(1)	Business Description	Investment	Coupon(3)	Reference(7)	Spread(3)	Acquisition Date	Maturity Date	Shares	Principal	Amortized Cost	Fair Value		% of Net Assets
		First lien senior secured loan	6.75%	Libor (Q)	5.75%	10/2019	10/2027		0.1	0.1	0.1	(2)(12)	
		First lien senior secured loan	6.75%	Libor (Q)	5.75%	11/2020	10/2027		0.1	0.1	0.1	(2)(12)	
		First lien senior secured loan	6.75%	Libor (B)	5.75%	06/2021	10/2027		0.1	0.1	0.1	(2)(12)	
		First lien senior secured loan	6.75%	Libor (Q)	5.75%	08/2021	10/2027		8.3	8.3	8.3	(2)(12)	
										9.4	9.4		
The Ultimus Group Midco, LLC, The Ultimus Group, LLC, and The Ultimus Group Aggregator, LP (16)	Provider of asset-servicing capabilities for fund managers	First lien senior secured loan	5.75%	Libor (Q)	4.75%	02/2019	02/2026		37.8	37.8	37.8	(12)	
		Class A units				09/2019		1,443		1.6	1.9		
		Class A units				02/2019		245		0.2	—		
		Class B units				02/2019		2,167,424		—	—		
		Class B units				02/2019		245,194		—	—		
										39.6	39.7		
										1,363.8	1,505.3		16.98%
Insurance Services													
Alera Group, Inc. (16)	Insurance service provider	First lien senior secured loan	6.25%	Libor (M)	5.50%	09/2021	10/2028		96.6	96.6	95.6	(2)(12)	
Amynta Agency Borrower Inc. and Amynta Warranty Borrower Inc.	Insurance service provider	First lien senior secured loan	4.60%	Libor (M)	4.50%	12/2018	02/2025		1.0	1.0	1.0	(2)	
AQ Sunshine, Inc. (16)	Specialized insurance broker	First lien senior secured revolving loan	7.00%	Libor (Q)	6.00%	04/2019	04/2024		0.3	0.3	0.3	(2)(12)(15)	
		First lien senior secured loan	7.00%	Libor (Q)	6.00%	04/2019	04/2025		8.6	8.6	8.6	(12)	
		First lien senior secured loan	7.00%	Libor (Q)	6.00%	10/2020	04/2025		13.3	13.3	13.3	(2)(12)	
		First lien senior secured loan	7.00%	Libor (Q)	6.00%	06/2021	04/2025		20.2	20.2	20.2	(2)(12)	
										42.4	42.4		
Ardonagh Midco 2 plc and Ardonagh Midco 3 plc	Insurance broker and underwriting servicer	First lien senior secured loan	8.21%	GBP Libor (Q)	7.46%	06/2020	07/2026		69.5	64.8	69.5	(2)(6)(12)	
		First lien senior secured loan	7.50%	GBP Libor (Q)	6.75%	06/2020	07/2026		14.5	14.8	14.5	(2)(6)(12)	
		First lien senior secured loan	7.75%	Euribor (Q)	6.75%	06/2020	07/2026		7.5	7.5	7.5	(2)(6)(12)	
		First lien senior secured loan	6.75%	Libor (Q)	6.00%	08/2021	07/2026		111.2	111.2	111.2	(2)(6)(12)	
		Senior subordinated loan	11.50% PIK			06/2020	01/2027		1.3	1.2	1.4	(2)(6)(19)	
										199.5	204.1		
Benecon Midco II LLC and Locutus Holdco LLC (16)	Employee benefits provider for small and mid-size employers	Common units				12/2020		9,803,682		10.0	15.5		
Benefytt Technologies, Inc.	Health insurance sales platform provider	First lien senior secured loan	6.75%	Libor (Q)	6.00%	08/2021	08/2027		23.4	23.4	23.2	(2)(12)	
Foundation Risk Partners, Corp. (16)	Full service independent insurance agency	First lien senior secured loan	6.50%	Libor (Q)	5.75%	10/2021	10/2028		169.5	169.5	167.7	(2)(12)	
Galway Borrower LLC (16)	Insurance service provider	First lien senior secured revolving loan	—%			09/2021				—	—	(14)	
		First lien senior secured loan	6.00%	Libor (Q)	5.25%	09/2021	09/2028		59.1	59.1	58.5	(2)(12)	
										59.1	58.5		
High Street Buyer, Inc. and High Street Holdco LLC (16)	Insurance brokerage platform	First lien senior secured loan	6.75%	Libor (Q)	6.00%	04/2021	04/2028		55.0	55.0	54.5	(2)(12)	

(dollar amounts in millions)

Company(1)	Business Description	Investment	Coupon(3)	Reference(7)	Spread(3)	Acquisition Date	Maturity Date	Shares	Principal	Amortized Cost	Fair Value		% of Net Assets
		First lien senior secured loan	6.75%	Libor (Q)	6.00%	08/2021	04/2028		10.4	10.4	10.3	(2)(12)	
		Series A preferred units	10.00% PIK			04/2021		96,763,329		101.1	101.2	(2)	
		Series A common units	10.00% PIK			04/2021		4,649,000		5.0	11.1	(2)	
		Series C common units	10.00% PIK			04/2021		4,979,318		0.2	11.9	(2)	
										171.7	189.0		
K2 Insurance Services, LLC and K2 Holdco LP (16)	Specialty insurance and managing general agency	First lien senior secured revolving loan	—%			07/2019				—	—	(14)	
		First lien senior secured loan	6.00%	Libor (Q)	5.00%	12/2021	07/2026		0.6	0.6	0.6	(2)(12)	
		First lien senior secured loan	6.00%	Libor (Q)	5.00%	07/2019	07/2026		51.0	51.0	51.0	(12)	
		First lien senior secured loan	6.00%	Libor (Q)	5.00%	08/2021	07/2026		0.2	0.2	0.2	(2)(12)	
		Common units				07/2019		799,000		0.8	1.6	(2)	
										52.6	53.4		
NSM Insurance Group, LLC (16)	Insurance program administrator	First lien senior secured revolving loan	7.00%	Base Rate (Q)	3.75%	06/2021	11/2025		0.5	0.5	0.5	(2)(12)(15)	
		First lien senior secured loan	6.00%	Libor (M)	4.75%	05/2018	05/2026		12.8	12.8	12.8	(12)	
										13.3	13.3		
OneDigital Holdings, Achilles Holdco (16)	Benefits broker and outsourced workflow automation platform provider for brokers	First lien senior secured revolving loan	—%			11/2020				—	—	(14)	
Patriot Growth Insurance Services, LLC (16)	National retail insurance agency	First lien senior secured loan	6.25%	Libor (Q)	5.50%	10/2021	10/2028		11.6	11.4	11.5	(2)(12)	
People Corporation (16)	Provider of group benefits, group retirement and human resources services	First lien senior secured revolving loan	7.25%	CDOR (Q)	6.25%	02/2021	02/2027		2.9	2.8	2.9	(2)(6)(12)	
		First lien senior secured loan	6.25%	CDOR (B)	5.50%	09/2021	02/2028		1.4	1.3	1.4	(2)(6)(12)	
		First lien senior secured loan	7.25%	CDOR (Q)	6.25%	02/2021	02/2028		44.3	44.1	44.3	(2)(6)(12)	
		First lien senior secured loan	7.25%	CDOR (Q)	6.25%	02/2021	02/2028		13.8	14.1	13.8	(6)(12)	
										62.3	62.4		
RSC Acquisition, Inc. and RSC Insurance Brokerage, Inc. (16)	Insurance broker	First lien senior secured revolving loan	7.75%	Base Rate (Q)	4.50%	11/2019	10/2026		0.3	0.3	0.3	(2)(12)(15)	
		First lien senior secured loan	6.25%	Libor (Q)	5.50%	11/2019	10/2026		33.1	33.1	33.1	(12)	
										33.4	33.4		
SCM Insurance Services Inc. (16)	Provider of claims management, claims investigation & support and risk management solutions for the Canadian property and casualty insurance industry	First lien senior secured loan	6.00%	CDOR (M)	5.00%	08/2017	08/2024		20.4	20.6	20.4	(2)(6)(12)	
		Second lien senior secured loan	10.00%	CDOR (M)	9.00%	08/2017	03/2025		60.0	60.5	60.0	(2)(6)(12)	
										81.1	80.4		
SelectQuote, Inc.	Direct to consumer insurance distribution platform	First lien senior secured loan	5.75%	Libor (M)	5.00%	11/2019	11/2024		22.6	22.6	22.6	(2)(12)	
SG Acquisition, Inc.	Provider of insurance solutions for car sales	First lien senior secured loan	5.50%	Libor (M)	5.00%	01/2020	01/2027		35.6	35.6	35.6	(12)	
Spring Insurance Solutions, LLC (16)	Technology-based direct to consumer sales and marketing platform for insurance products	First lien senior secured loan	7.50%	Libor (Q)	6.50%	11/2020	11/2025		19.7	19.7	18.9	(12)	

(dollar amounts in millions)

Company(1)	Business Description	Investment	Coupon(3)	Reference(7)	Spread(3)	Acquisition Date	Maturity Date	Shares	Principal	Amortized Cost	Fair Value		% of Net Assets
THG Acquisition, LLC (16)	Multi-line insurance broker	First lien senior secured revolving loan	—%			12/2019				—	—	(14)	
		First lien senior secured loan	6.25%	Libor (Q)	5.50%	12/2021	12/2026		0.6	0.6	0.6	(2)(12)	
		First lien senior secured loan	6.75%	Libor (Q)	5.75%	12/2019	12/2026		0.1	0.1	0.1	(2)(12)	
		First lien senior secured loan	6.50%	Libor (Q)	5.75%	12/2020	12/2026		23.2	23.2	23.2	(2)(12)	
		First lien senior secured loan	6.50%	Libor (Q)	5.75%	12/2020	12/2026		14.9	14.9	14.9	(12)	
										38.8	38.8		
										1,144.0	1,167.3		13.16%
Investment Funds and Vehicles													
ACAS Equity Holdings Corporation (5)	Investment company	Common stock				01/2017		589		0.4	0.4	(6)	
Ares IIIR/IVR CLO Ltd.	Investment vehicle	Subordinated notes				01/2017	04/2021		20.0	—	—	(6)	
Blue Wolf Capital Fund II, L.P. (4)	Investment partnership	Limited partnership interest				01/2017		8.50 %		—	0.2	(6)(19)	
CoLTs 2005-1 Ltd. (5)	Investment vehicle	Preferred shares				01/2017		360		—	—	(6)	
CREST Exeter Street Solar 2004-1	Investment vehicle	Preferred shares				01/2017		3,500,000		—	—	(6)	
European Capital UK SME Debt LP (4)	Investment partnership	Limited partnership interest				01/2017		45.00 %		18.8	26.9	(6)(17)	
HCI Equity, LLC (5)	Investment company	Member interest				04/2010		100.00 %		—	—	(6)(19)	
Partnership Capital Growth Investors III, L.P.	Investment partnership	Limited partnership interest				10/2011		2.50 %		1.8	3.6	(6)(19)	
PCG-Ares Sidecar Investment II, L.P. (4)	Investment partnership	Limited partnership interest				10/2014		100.00 %		7.0	11.1	(2)(6)(17)	
PCG-Ares Sidecar Investment, L.P. (4)	Investment partnership	Limited partnership interest				05/2014		100.00 %		4.3	1.3	(6)(17)	
Piper Jaffray Merchant Banking Fund I, L.P.	Investment partnership	Limited partnership interest				08/2012		2.00 %		0.1	1.0	(6)(19)	
Senior Direct Lending Program, LLC (5)(18)	Co-investment vehicle	Subordinated certificates	8.21%	Libor (Q)	8.00%	07/2016	12/2036		987.3	987.3	987.3	(6)	
		Member interest				07/2016		87.50 %		—	—	(6)	
										987.3	987.3		
VSC Investors LLC	Investment company	Membership interest				01/2008		1.95 %		0.3	0.6	(2)(6)(19)	
										1,020.0	1,032.4		11.64%
Capital Goods													
AI Aqua Merger Sub, Inc.	End to end provider of water solutions to a wide range of customer bases	First lien senior secured loan	4.50%	Libor (M)	4.00%	06/2021	07/2028		0.9	0.9	0.9	(2)(12)(19)	
Arrowhead Holdco Company and Arrowhead GS Holdings, Inc. (16)	Distributor of non-discretionary, mission-critical aftermarket replacement parts	First lien senior secured revolving loan	5.25%	Libor (Q)	4.50%	08/2021	08/2027		3.7	3.7	3.6	(2)(12)(15)	
		First lien senior secured loan	5.25%	Libor (M)	4.50%	08/2021	08/2028		27.6	27.6	27.2	(2)(12)	
		Common stock				08/2021		4,900		4.9	6.7	(2)	
										36.2	37.5		
Cadence Aerospace, LLC (16)	Aerospace precision components manufacturer	First lien senior secured revolving loan	9.50% (5.25% PIK)	Libor (Q)	8.50%	11/2017	11/2022		7.9	7.9	7.6	(2)(12)(15)	

ARES CAPITAL CORPORATION AND SUBSIDIARIES
CONSOLIDATED SCHEDULE OF INVESTMENTS
As of December 31, 2021
(dollar amounts in millions)

Company(1)	Business Description	Investment	Coupon(3)	Reference(7)	Spread(3)	Acquisition Date	Maturity Date	Shares	Principal	Amortized Cost	Fair Value		% of Net Assets
		First lien senior secured revolving loan	8.75%	Base Rate (Q)	5.50%	11/2017	11/2022		3.0	3.0	2.9	(12)	
		First lien senior secured revolving loan	9.50% (5.25% PIK)	Libor (Q)	8.50%	07/2020	11/2023		0.7	0.7	0.7	(2)(12)	
		First lien senior secured loan	9.50% (5.25% PIK)	Libor (Q)	8.50%	11/2017	11/2023		31.4	31.3	30.5	(12)	
		First lien senior secured loan	9.50% (5.25% PIK)	Libor (Q)	8.50%	07/2018	11/2023		9.8	9.8	9.5	(2)(12)	
		First lien senior secured loan	9.50% (5.25% PIK)	Libor (Q)	8.50%	10/2019	11/2023		12.0	12.0	11.6	(2)(12)	
		First lien senior secured loan	9.50% (5.25% PIK)	Libor (Q)	8.50%	02/2020	11/2023		7.9	7.9	7.6	(2)(12)	
		First lien senior secured loan	9.50% (5.25% PIK)	Libor (Q)	8.50%	07/2020	11/2023		4.0	3.7	3.9	(12)	
										76.3	74.3		
DFS Holding Company, Inc.	Distributor of maintenance, repair, and operations parts, supplies, and equipment to the foodservice industry	First lien senior secured loan	8.50% (1.50% PIK)	Libor (M)	7.50%	07/2017	08/2023		166.7	166.7	158.4	(12)	
		First lien senior secured loan	8.50% (1.50% PIK)	Libor (M)	7.50%	03/2017	08/2023		4.3	4.3	4.1	(2)(12)	
		First lien senior secured loan	8.50% (1.50% PIK)	Libor (M)	7.50%	05/2020	08/2023		5.0	5.0	4.7	(12)	
		First lien senior secured loan	8.50% (1.50% PIK)	Libor (M)	7.50%	05/2020	02/2022		0.7	0.7	0.6	(12)	
										176.7	167.8		
Dynamic NC Aerospace Holdings, LLC and Dynamic NC Investment Holdings, LP (16)	Provider of aerospace technology and equipment	First lien senior secured loan	7.50%	Libor (Q)	6.50%	12/2020	12/2026		25.7	25.7	25.4	(12)	
		Common units				12/2020		9,773,000		9.8	8.6		
										35.5	34.0		
EPS NASS Parent, Inc. (16)	Provider of maintenance and engineering services for electrical infrastructure	First lien senior secured revolving loan	6.75%	Libor (M)	5.75%	04/2021	04/2026		0.9	0.9	0.9	(2)(12)(15)	
		First lien senior secured loan	6.75%	Libor (Q)	5.75%	04/2021	04/2028		30.5	30.5	30.5	(2)(12)	
										31.4	31.4		
ESCP PPG Holdings, LLC (4)	Distributor of new equipment and aftermarket parts to the heavy-duty truck industry	Class A units				12/2016		3,500,000		3.5	2.8	(2)	
Flow Control Solutions, Inc. (16)	Distributor and manufacturer of flow control systems components	First lien senior secured loan	6.50%	Libor (Q)	5.50%	11/2018	11/2024		10.8	10.8	10.8	(12)	
Harvey Tool Company, LLC (16)	Manufacturer of cutting tools used in the metalworking industry	First lien senior secured revolving loan	6.25%	Libor (Q)	5.50%	10/2021	10/2027		5.9	5.9	5.8	(2)(12)(15)	
		First lien senior secured loan	6.25%	Libor (Q)	5.50%	10/2021	10/2027		22.7	22.7	22.5	(2)(12)	
										28.6	28.3		
Imaging Business Machines, L.L.C. and Scanner Holdings Corporation (5)	Provider of high-speed intelligent document scanning hardware and software	Senior subordinated loan	14.00%			01/2017	06/2022		16.6	16.6	16.6	(2)	
		Series A preferred stock				01/2017		73,804,135		1.2	34.8		

(dollar amounts in millions)

Company(1)	Business Description	Investment	Coupon(3)	Reference(7)	Spread(3)	Acquisition Date	Maturity Date	Shares	Principal	Amortized Cost	Fair Value		% of Net Assets
		Class A common stock				01/2017		48,082		—	0.2		
		Class B common stock				01/2017		431,055		0.1	1.4		
										17.9	53.0		
Kene Acquisition, Inc. and Kene Holdings, L.P. (16)	National utility services firm providing engineering and consulting services to natural gas, electric power and other energy and industrial end markets	First lien senior secured revolving loan	—%			08/2019				—	—	(14)	
		First lien senior secured loan	5.25%	Libor (Q)	4.25%	08/2019	08/2026		41.1	41.1	41.1	(12)	
		Class A units				08/2019		4,549,000		4.5	5.3	(2)	
										45.6	46.4		
LTG Acquisition, Inc.	Designer and manufacturer of display, lighting and passenger communication systems for mass transportation markets	Class A membership units				01/2017		5,000		5.1	—		
Maverick Acquisition, Inc. (16)	Manufacturer of precision machined components for defense and high-tech industrial platforms	First lien senior secured loan	7.00%	Libor (Q)	6.00%	06/2021	06/2027		57.8	57.8	57.3	(2)(12)	
MB Aerospace Holdings II Corp.	Aerospace engine components manufacturer	First lien senior secured loan	4.50%	Libor (Q)	3.50%	06/2021	01/2025		11.7	11.0	10.9	(2)(12)	
		Second lien senior secured loan	10.00%	Libor (Q)	9.00%	01/2018	01/2026		68.5	68.5	61.6	(2)(12)	
		Second lien senior secured loan	10.00%	Libor (Q)	9.00%	05/2019	01/2026		23.6	23.6	21.3	(2)(12)	
										103.1	93.8		
NCWS Intermediate, Inc. and NCWS Holdings LP (16)	Manufacturer and supplier of car wash equipment, parts and supplies to the conveyorized car wash market	First lien senior secured loan	6.75%	Libor (Q)	6.00%	12/2020	12/2026		12.1	12.1	12.0	(2)(12)	
		First lien senior secured loan	6.75%	Libor (Q)	6.00%	11/2021	12/2026		176.4	176.4	174.7	(2)(12)	
		Class A-2 common units				12/2020		12,296,000		12.9	18.5	(2)	
										201.4	205.2		
Osmose Utilities Services, Inc. and Pine Intermediate Holding LLC	Provider of structural integrity management services to transmission and distribution infrastructure	Second lien senior secured loan	7.25%	Libor (M)	6.75%	06/2021	06/2029		55.3	55.3	54.7	(2)(12)	
Precinmac (US) Holdings Inc., Trimaster Manufacturing Inc. and Blade Group Holdings, LP. (16)	Manufacturer of high-tolerance precision machined components and assemblies for the aerospace and defense industry	First lien senior secured loan	7.00%	Libor (M)	6.00%	08/2021	08/2027		45.8	45.8	45.4	(2)(6)(12)	
		Class A units				08/2021		88,420		13.4	13.4	(2)	
										59.2	58.8		
Sunk Rock Foundry Partners LP, Hatteras Electrical Manufacturing Holding Company and Sigma Electric Manufacturing Corporation, Diecast Beacon (16)	Manufacturer of metal castings, precision machined components and sub-assemblies in the electrical products, power transmission and distribution and general industrial markets	First lien senior secured revolving loan	—%			10/2017				—	—	(14)	
										945.3	957.0		10.79%

(dollar amounts in millions)

Company(1)	Business Description	Investment	Coupon(3)	Reference(7)	Spread(3)	Acquisition Date	Maturity Date	Shares	Principal	Amortized Cost	Fair Value		% of Net Assets
Automobiles & Components													
Automotive Keys Group, LLC and Automotive Keys Investor, LLC	Provider of replacement wireless keys for automotive market	First lien senior secured loan	6.00%	Libor (Q)	5.00%	12/2021	11/2025		10.0	10.0	10.0	(2)(12)	
		Preferred units	9.00% PIK			11/2020		4,113,113		4.5	4.5		
		Class A common units				11/2020		4,113,113		—	0.6	(2)	
										14.5	15.1		
Continental Acquisition Holdings, Inc.	Distributor of aftermarket batteries to the electric utility vehicle, automotive, commercial, marine and industrial markets	First lien senior secured loan	7.75%	Libor (Q)	6.75%	01/2021	01/2027		36.5	36.5	36.5	(2)(12)	
		First lien senior secured loan	7.75%	Libor (Q)	6.75%	12/2021	01/2027		33.2	33.2	33.2	(2)(12)	
										69.7	69.7		
Eckler Industries, Inc. and Eckler Purchaser LLC (5)(16)	Restoration parts and accessories provider for classic automobiles	First lien senior secured revolving loan				07/2012	05/2022		6.7	6.5	4.7	(2)(11)	
		First lien senior secured loan				07/2012	05/2022		26.3	25.5	18.4	(2)(11)	
		Class A common units				07/2012		67,972		16.4	—	(2)	
										48.4	23.1		
Faraday&Future Inc., FF Inc., Faraday SPE, LLC and Faraday Future Intelligent Electric Inc.	Electric vehicle manufacturer	Second lien senior secured loan	14.00%PIK			03/2021	03/2022		80.3	79.9	80.3	(2)	
		Warrant to purchase shares of Class A common stock				08/2021	08/2027	633,008		2.3	1.2	(2)	
										82.2	81.5		
Highline Aftermarket Acquisition, LLC, Highline Aftermarket SC Acquisition, Inc. and Highline PPC Blocker LLC (16)	Manufacturer and distributor of automotive fluids	First lien senior secured revolving loan	3.85%	Libor (M)	3.75%	11/2020	11/2025		5.9	5.9	5.8	(2)(15)	
		Second lien senior secured loan	8.75%	Libor (Q)	8.00%	11/2020	11/2028		70.4	70.4	66.1	(2)(12)	
		Co-invest units				11/2020		59,230		5.9	3.5	(2)	
										82.2	75.4		
Mac Lean-Fogg Company and MacLean-Fogg Holdings, L.L.C.	Manufacturer and supplier for the power utility and automotive markets worldwide	First lien senior secured loan	5.88%	Libor (M)	5.25%	12/2018	12/2025		123.8	123.5	123.8	(12)	
		First lien senior secured loan	5.88%	Libor (M)	5.25%	12/2018	12/2025		19.1	19.1	19.1	(2)(12)	
		Preferred units	13.75% (9.25% PIK)			10/2015		59,453		75.0	75.0		
										217.6	217.9		
Mavis Tire Express Services Topco Corp., Metis HoldCo, Inc., and Metis TopCo, LP (16)	Auto parts retailer	First lien senior secured revolving loan	3.85%	Libor (M)	3.75%	05/2021	05/2026		15.6	15.6	15.3	(2)(15)	
		Series A preferred stock	7.00% PIK			05/2021		68,601		71.8	71.8	(2)	
		Class A-1 units				05/2021		24,586		24.6	26.8	(2)	
										112.0	113.9		
McLaren Group Limited	Automobile manufacturer and retailer	Senior preference shares	12.50%PIK			08/2021		200,000		20.7	27.1	(2)(6)	

(dollar amounts in millions)

Company(1)	Business Description	Investment	Coupon(3)	Reference(7)	Spread(3)	Acquisition Date	Maturity Date	Shares	Principal	Amortized Cost	Fair Value	% of Net Assets
		Warrant to purchase ordinary shares				08/2021	08/2028	49,181		5.5	5.1 (2)(6)	
		Warrant to purchase ordinary shares				08/2021	08/2028	13,776		1.6	1.4 (2)(6)	
										27.8	33.6	
SK SPV IV, LLC	Collision repair site operator	Series A common stock				08/2014		12,500		0.6	— (2)	
		Series B common stock				08/2014		12,500		0.6	— (2)	
										1.2	—	
Sun Acquirer Corp. and Sun TopCo, LP (16)	Automotive parts and repair services retailer	First lien senior secured loan	6.50%	Libor (Q)	5.75%	11/2021	09/2028		17.4	17.4	17.2 (2)(12)	
		First lien senior secured loan	6.50%	Libor (Q)	5.75%	09/2021	09/2028		74.4	74.4	73.7 (2)(12)	
		Class A units				09/2021		74,896		7.5	9.2 (2)	
										99.3	100.1	
Wand Newco 3, Inc.	Collision repair company	Second lien senior secured loan	7.43%	Libor (Q)	7.25%	02/2019	02/2027		180.2	178.2	180.2 (2)	
										933.1	910.5	10.27%
Power Generation												
Apex Clean Energy TopCo, LLC (4)	Developer, builder and owner of utility-scale wind and solar power facilities	Class A common units				11/2021		1,335,610		80.5	79.1	
Ferrellgas, L.P.	Distributor of propane and related accessories	Senior preferred units	8.96%			03/2021		55,708		55.7	55.7	
Heelstone Renewable Energy, LLC (5)	Provider of cloud based IT solutions, infrastructure and services	First lien senior secured loan	8.00%	Libor (Q)	7.00%	04/2021	04/2024		39.0	39.0	39.0 (2)(12)	
		Class A1 units				04/2021		100		23.5	30.4	
										62.5	69.4	
Navisun LLC and Navisun Holdings LLC (5)	Owner and operator of commercial and industrial solar projects	First lien senior secured loan	8.00% PIK			11/2017	11/2023		54.4	54.4	54.4 (2)	
		First lien senior secured loan	9.00% PIK			03/2019	11/2023		15.2	15.2	15.2 (2)	
		First lien senior secured loan	8.00% (3.00% PIK)			08/2019	11/2023		46.5	46.5	46.5 (2)	
		Series A preferred units	10.50% PIK			11/2017		1,000		14.7	15.8	
		Class A units				11/2017		550		—	11.8	
										130.8	143.7	
Opal Fuels LLC	Owner of natural gas facilities	Senior subordinated loan	8.00% PIK			05/2021	12/2026		52.7	43.8	47.8	
PosiGen, Inc.	Seller and leaser of solar power systems for residential and commercial customers	Warrant to purchase shares of series D-1 preferred stock				06/2021	06/2028	101,555		—	— (2)	
		Warrant to purchase shares of common stock				01/2020	01/2027	1,112,022		—	— (2)	
										—	—	
Potomac Intermediate Holdings II LLC (5)	Gas turbine power generation facilities operator	Series A units				11/2021		220,884,442		179.7	179.7	
Riverview Power LLC	Operator of natural gas and oil fired power generation facilities	First lien senior secured loan	10.00%	Libor (Q)	9.00%	08/2021	06/2024		54.2	53.7	54.2 (2)(12)	
SE1 Generation, LLC	Solar power developer	Senior subordinated loan	10.25% (5.50% PIK)			12/2019	12/2022		58.8	58.8	57.0 (2)	

(dollar amounts in millions)

Company(1)	Business Description	Investment	Coupon(3)	Reference(7)	Spread(3)	Acquisition Date	Maturity Date	Shares	Principal	Amortized Cost	Fair Value		% of Net Assets
Sunrun Atlas Depositor 2019-2, LLC and Sunrun Atlas Holdings 2019-2, LLC	Residential solar energy provider	First lien senior secured loan	3.61%			10/2019	02/2055		0.1	0.1	0.1	(2)	
		Senior subordinated loan	8.75% (4.00% PIK)	Libor (Q)	6.75%	11/2019	11/2025		142.5	142.5	142.5	(2)(12)	
										142.6	142.6		
Sunrun Xanadu Issuer 2019-1, LLC and Sunrun Xanadu Holdings 2019-1, LLC	Residential solar energy provider	First lien senior secured loan	3.98%			06/2019	06/2054		0.4	0.4	0.4	(2)	
		Senior subordinated loan	8.75% (2.77% PIK)	Libor (Q)	6.75%	06/2019	07/2030		69.3	69.3	69.3	(12)	
										69.7	69.7		
										877.8	898.9		10.14%
Consumer Durables & Apparel													
Badger Sportswear Acquisition, Inc.	Provider of team uniforms and athletic wear	Second lien senior secured loan	10.25%	Libor (Q)	9.00%	09/2016	03/2024		56.8	56.8	56.8	(2)(12)	
Bowhunter Holdings, LLC	Provider of branded archery and bowhunting accessories	Common units				04/2014		421		4.2	—		
Centric Brands LLC and Centric Brands GP LLC (16)	Designer, marketer and distributor of licensed and owned apparel	First lien senior secured revolving loan	6.50%	Libor (Q)	5.50%	05/2020	10/2024		2.3	2.3	2.3	(2)(12)	
		First lien senior secured loan	10.00% PIK	Libor (Q)	9.00%	10/2018	10/2025		67.9	67.8	67.3	(2)(12)	
		Membership interests				10/2018		279,392		2.9	11.5	(2)	
										73.0	81.1		
DRS Holdings III, Inc. and DRS Holdings I, Inc. (16)	Footwear and orthopedic foot-care brand	First lien senior secured loan	6.75%	Libor (Q)	5.75%	11/2019	11/2025		29.8	29.8	29.8	(12)	
		First lien senior secured loan	6.75%	Libor (Q)	5.75%	06/2021	11/2025		46.7	46.7	46.7	(12)	
		Common stock				11/2019		8,549		8.5	11.3	(2)	
										85.0	87.8		
Implus Footcare, LLC	Provider of footwear and other accessories	First lien senior secured loan	8.75%	Libor (Q)	7.75%	06/2017	04/2024		103.3	103.3	95.1	(2)(12)	
		First lien senior secured loan	8.75%	Libor (Q)	7.75%	06/2017	04/2024		14.1	14.1	13.0	(2)(12)	
		First lien senior secured loan	8.75%	Libor (Q)	7.75%	06/2016	04/2024		1.3	1.3	1.2	(2)(12)	
		First lien senior secured loan	8.75%	Libor (Q)	7.75%	07/2018	04/2024		5.0	5.0	4.6	(2)(12)	
										123.7	113.9		
Lew's Intermediate Holdings, LLC (16)	Outdoor brand holding company	First lien senior secured revolving loan	4.14%	Libor (Q)	4.00%	02/2021	02/2026		1.8	1.8	1.8	(2)	
		First lien senior secured loan	5.75%	Libor (Q)	5.00%	02/2021	02/2028		1.0	1.0	1.0	(2)(12)	
										2.8	2.8		
Pelican Products, Inc. (16)	Flashlights manufacturer	Second lien senior secured loan	8.25%	Libor (Q)	7.75%	12/2021	12/2029		60.0	60.0	59.4	(2)(12)	
Rawlings Sporting Goods Company, Inc. and Easton Diamond Sports, LLC	Sports equipment manufacturing company	First lien senior secured loan	7.75%	Libor (Q)	6.75%	12/2020	12/2026		93.2	93.2	93.2	(2)(12)	
		First lien senior secured loan	7.75%	Libor (Q)	6.75%	11/2021	12/2026		8.8	8.8	8.8	(2)(12)	
										102.0	102.0		

(dollar amounts in millions)

Company(1)	Business Description	Investment	Coupon(3)	Reference(7)	Spread(3)	Acquisition Date	Maturity Date	Shares	Principal	Amortized Cost	Fair Value		% of Net Assets
Reef Lifestyle, LLC (16)	Apparel retailer	First lien senior secured revolving loan	8.50% (2.00% PIK)	Libor (M)	7.50%	10/2018	10/2024		12.1	12.1	12.1	(2)(12)(15)	
		First lien senior secured revolving loan	8.50% (2.00% PIK)	Libor (M)	7.50%	07/2020	10/2024		0.6	0.6	0.6	(2)(12)	
		First lien senior secured loan	8.50% (2.00% PIK)	Libor (Q)	7.50%	10/2018	10/2024		25.0	25.0	25.0	(12)	
		First lien senior secured loan	8.50%	Libor (Q)	7.50%	07/2020	10/2024		1.1	1.1	1.1	(12)	
										38.8	38.8		
S Toys Holdings LLC (fka The Step2 Company, LLC) (5)	Toy manufacturer	Class B common units				10/2014		126,278,000		—	0.2		
		Common units				04/2011		1,116,879		—	—		
		Warrant to purchase units				04/2010		3,157,895		—	—		
										—	0.2		
SHO Holding I Corporation	Manufacturer and distributor of slip resistant footwear	Second lien senior secured loan	9.54% PIK	Libor (M)	8.54%	10/2015	10/2024		116.2	115.6	98.9	(2)(12)	
Shock Doctor, Inc. and Shock Doctor Holdings, LLC (4) (16)	Developer, marketer and distributor of sports protection equipment and accessories	First lien senior secured revolving loan	7.25%	Base Rate (M)	4.00%	05/2019	05/2024		1.1	1.1	1.1	(2)(12)(15)	
		First lien senior secured revolving loan	6.50%	Libor (M)	5.50%	05/2019	05/2024		0.1	0.1	0.1	(2)(12)(15)	
		First lien senior secured loan	6.00%	Libor (Q)	5.00%	05/2019	05/2024		19.2	19.1	19.1	(2)(12)	
		Class A preferred units				03/2014		50,000		5.0	0.4	(2)	
		Class C preferred units				04/2015		50,000		5.0	0.4	(2)	
		Preferred units				05/2019		14,591		1.6	2.0	(2)	
										31.9	23.1		
SVP-Singer Holdings Inc. and SVP-Singer Holdings LP	Manufacturer of consumer sewing machines	First lien senior secured loan	7.50%	Libor (Q)	6.75%	07/2021	07/2028		44.9	43.7	42.3	(2)(12)	
		Class A common units				07/2021		6,264,706		26.1	24.5	(2)	
										69.8	66.8		
Totes Isotoner Corporation and Totes Ultimate Holdco, Inc. (4)	Designer, marketer, and distributor of rain and cold weather products	First lien senior secured loan	7.00%	Libor (Q)	6.00%	12/2019	12/2024		2.2	2.2	1.9	(2)(12)	
		First lien senior secured loan	5.00%	Libor (Q)	4.00%	12/2019	06/2024		1.6	1.6	1.6	(2)(12)	
		Common stock				12/2019		861,000		6.0	0.4	(2)	
										9.8	3.9		
Varsity Brands Holding Co., Inc. and BCPE Hercules Holdings, LP	Leading manufacturer and distributor of textiles, apparel & luxury goods	Second lien senior secured loan	9.25%	Libor (M)	8.25%	07/2018	12/2025		21.1	21.1	20.3	(2)(12)	
		Second lien senior secured loan	9.25%	Libor (M)	8.25%	12/2017	12/2025		122.7	122.8	117.9	(12)	
		Class A units				07/2018		1,400		1.4	0.7	(2)	
										145.3	138.9		
										918.7	874.4		9.86%
Consumer Services													
ADF Capital, Inc., ADF Restaurant Group, LLC, and ARG Restaurant Holdings, Inc. (5)	Restaurant owner and operator	First lien senior secured loan				11/2006	12/2022		111.4	—	—	(2)(11)	

(dollar amounts in millions)

Company(1)	Business Description	Investment	Coupon(3)	Reference(7)	Spread(3)	Acquisition Date	Maturity Date	Shares	Principal	Amortized Cost	Fair Value		% of Net Assets
Aimbridge Acquisition Co., Inc.	Hotel operator	Second lien senior secured loan	7.60%	Libor (M)	7.50%	02/2019	02/2027		22.5	22.2	21.4	(2)	
American Residential Services L.L.C. and Aragorn Parent Holdings LP (16)	Heating, ventilation and air conditioning services provider	Second lien senior secured loan	9.50%	Libor (Q)	8.50%	10/2020	10/2028		56.4	56.4	56.4	(2)(12)	
		Series A preferred units	10.00% PIK			10/2020		2,531,500		2.8	3.7	(2)	
										59.2	60.1		
ATI Restoration, LLC (16)	Provider of disaster recovery services	First lien senior secured revolving loan	6.00%	Libor (Q)	5.00%	07/2020	07/2026		8.1	8.1	8.1	(2)(12)(15)	
		First lien senior secured revolving loan	7.25%	Base Rate (Q)	4.00%	07/2020	07/2026		2.5	2.5	2.5	(12)	
		First lien senior secured loan	6.00%	Libor (Q)	5.00%	07/2020	07/2026		33.3	33.3	33.3	(12)	
										43.9	43.9		
Belfor Holdings, Inc. (16)	Disaster recovery services provider	First lien senior secured revolving loan	5.50%	Base Rate (Q)	2.25%	04/2019	04/2024		—	—	—	(2)(15)	
Cipriani USA, Inc. and Cipriani Group Holding S.A.R.L.	Manager and operator of banquet facilities, restaurants, hotels and other leisure properties	First lien senior secured loan	11.75%	Libor (Q)	10.75%	05/2018	05/2023		68.2	67.4	61.4	(2)(12)	
		First lien senior secured loan	11.75%	Libor (Q)	10.75%	11/2018	05/2023		15.2	15.2	13.6	(2)(12)	
		First lien senior secured loan	11.75% PIK	Libor (M)	10.75%	07/2019	05/2023		15.5	15.3	13.9	(2)(12)	
		First lien senior secured loan	11.75%	Libor (Q)	10.75%	12/2019	05/2023		20.0	18.9	18.0	(2)(12)	
		First lien senior secured loan	11.75%	Libor (Q)	10.75%	08/2018	05/2023		3.0	3.0	2.7	(2)(12)	
		First lien senior secured loan	11.75%	Libor (Q)	10.75%	06/2020	05/2023		4.9	4.9	4.4	(2)(12)	
		First lien senior secured loan	11.75% PIK	Libor (Q)	10.75%	12/2020	05/2023		30.0	28.8	27.0	(2)(12)	
		Warrant				03/2021	03/2041	718.66		2.1	3.4	(2)(6)	
										155.6	144.4		
Concert Golf Partners Holdco LLC (16)	Golf club owner and operator	First lien senior secured revolving loan	5.50%	Libor (Q)	4.50%	08/2019	08/2025		0.1	0.1	0.1	(2)(12)	
Essential Services Holding Corporation and OMERS Mahomes Investment Holdings LLC (16)	Provider of plumbing and HVAC services	First lien senior secured revolving loan	—%			11/2020				—	—	(14)	
		First lien senior secured loan	6.75%	Libor (Q)	5.75%	11/2020	11/2026		72.7	72.7	72.7	(2)(12)	
		First lien senior secured loan	6.75%	Libor (Q)	5.75%	04/2021	11/2026		80.4	80.4	80.4	(2)(12)	
		Class A units				11/2020		6,099		20.9	34.4	(2)	
										174.0	187.5		
Garden Fresh Restaurant Corp. and GFRC Holdings LLC (16)	Restaurant owner and operator	First lien senior secured revolving loan				02/2017	02/2022		7.5	—	—	(2)(11)	
		First lien senior secured loan				02/2017	02/2022		21.6	—	—	(2)(11)	
										—	—		
Jenny C Acquisition, Inc.	Health club franchisor	Senior subordinated loan	8.00% PIK			04/2019	04/2025		1.4	1.4	1.4	(2)	
Jim N Nicks Management, LLC (16)	Restaurant owner and operator	First lien senior secured revolving loan	6.25%	Libor (Q)	5.25%	07/2017	07/2023		2.8	2.8	2.8	(2)(12)	
		First lien senior secured loan	6.25%	Libor (Q)	5.25%	07/2017	07/2023		14.7	14.7	14.7	(12)	
										17.5	17.5		
KeyStone Sub-debt HoldCo, LLC	Planet Fitness franchisee	Senior subordinated loan	10.00% PIK			01/2021	01/2027		54.3	51.2	52.7	(2)	

ARES CAPITAL CORPORATION AND SUBSIDIARIES
CONSOLIDATED SCHEDULE OF INVESTMENTS
As of December 31, 2021
(dollar amounts in millions)

Company(1)	Business Description	Investment	Coupon(3)	Reference(7)	Spread(3)	Acquisition Date	Maturity Date	Shares	Principal	Amortized Cost	Fair Value		% of Net Assets
		Senior subordinated loan	10.00% PIK			09/2021	01/2027		7.2	7.2	7.0	(2)	
		Warrant to purchase Class C interests				01/2021	01/2027	24.7581		3.6	4.2	(2)	
										62.0	63.9		
Len the Plumber, LLC, LTP Neffsville, LLC, LTP of NJ, LLC, and LTP LSI, LLC	Provider of plumbing services	First lien senior secured loan	7.00%	Libor (Q)	6.00%	10/2021	02/2026		9.1	9.1	9.0	(2)(12)	
LSP Holdco, LLC and ZBS Mechanical Group Co-Invest Fund 2, LLC (16)	Provider of residential HVAC and plumbing services	First lien senior secured loan	7.00%	Libor (Q)	6.00%	10/2021	10/2026		6.9	6.9	6.8	(2)(12)	
		Membership interest				10/2021		2,771,000		2.8	2.8		
										9.7	9.6		
ME Equity LLC	Franchisor in the massage industry	Common stock				09/2012		3,000,000		3.0	3.1	(2)	
Movati Athletic (Group) Inc.	Premier health club operator	First lien senior secured loan	7.45% (0.50% PIK)	Base rate (Q)	4.20%	10/2017	10/2024		0.2	0.2	0.2	(2)(6)(12)	
		First lien senior secured loan	7.50% (0.50% PIK)	CDOR (Q)	6.00%	10/2017	10/2024		2.9	3.0	2.7	(2)(6)(12)	
		First lien senior secured loan	7.50% (0.50% PIK)	CDOR (Q)	6.00%	10/2017	10/2024		2.3	2.2	2.1	(6)(12)	
										5.4	5.0		
OTG Management, LLC	Airport restaurant operator	Class A preferred units				08/2016		3,000,000		25.3	15.8		
		Common units				01/2011		3,000,000		3.0	—		
		Warrant to purchase common units				06/2008		7.73 %		0.1	—		
										28.4	15.8		
Pyramid Management Advisors, LLC and Pyramid Investors, LLC (16)	Hotel operator	First lien senior secured revolving loan	8.00% (1.25% PIK)	Libor (Q)	7.00%	04/2018	07/2023		9.6	9.6	8.8	(2)(12)(15)	
		First lien senior secured loan	8.00% (1.25% PIK)	Libor (Q)	7.00%	04/2018	07/2023		18.2	18.2	16.8	(12)	
		First lien senior secured loan	8.00% (1.25% PIK)	Libor (Q)	7.00%	12/2019	07/2023		6.4	6.4	5.8	(2)(12)	
		Preferred membership units				07/2016		996,833		1.0	0.5		
										35.2	31.9		
Redwood Services, LLC and Redwood Services Holdco, LLC (16)	Provider of residential HVAC and plumbing services	First lien senior secured loan	8.00%	Libor (Q)	7.00%	12/2021	12/2025		1.0	1.0	1.0	(2)(12)	
		First lien senior secured loan	8.00%	Libor (Q)	7.00%	12/2020	12/2025		12.5	12.5	12.5	(2)(12)	
		Series D units	8.00% PIK			12/2020		5,291,723		5.7	11.6		
										19.2	25.1		
Safe Home Security, Inc., Security Systems Inc., Safe Home Monitoring, Inc., National Protective Services, Inc., Bright Integrations LLC and Medguard Alert, Inc.	Provider of safety systems for business and residential customers	First lien senior secured loan	8.25%	Libor (M)	7.25%	08/2020	08/2024		46.2	46.2	46.2	(2)(12)	
SV-Burton Holdings, LLC & LBC Breeze Holdings LLC (16)	Provider of HVAC and plumbing services to residential and commercial customers	First lien senior secured loan	6.50%	Libor (Q)	5.50%	12/2021	12/2027		11.0	11.0	10.9	(2)(12)	

(dollar amounts in millions)

Company(1)	Business Description	Investment	Coupon(3)	Reference(7)	Spread(3)	Acquisition Date	Maturity Date	Shares	Principal	Amortized Cost	Fair Value	% of Net Assets
		Class A units				12/2021		4,296		4.3	4.3	
										15.3	15.2	
Taymax Group, L.P., Taymax Group G.P., LLC, PF Salem Canada ULC and TCP Fit Parent, L.P. (16)	Planet Fitness franchisee	First lien senior secured revolving loan	6.75% (0.50% PIK)	Libor (Q)	5.75%	07/2018	07/2024		0.5	0.5	0.5 (2)(12)	
		First lien senior secured loan	6.25% (0.50% PIK)	Libor (Q)	5.25%	03/2020	07/2025		1.1	1.1	1.1 (2)(12)	
		Class A units				07/2018		37,020		3.8	2.0	
										5.4	3.6	
The Alaska Club Partners, LLC, Athletic Club Partners LLC and The Alaska Club, Inc. (16)	Premier health club operator	First lien senior secured loan	10.25% (2.00% PIK)	Base rate (Q)	7.00%	12/2019	12/2024		15.5	15.5	14.1 (2)(12)	
The Arcticom Group, LLC and AMCP Mechanical Holdings, LP (16)	Refrigeration, heating, ventilation and air conditioning services provider	First lien senior secured revolving loan	8.25%	Base Rate (Q)	5.00%	12/2021	12/2027		2.0	2.0	2.0 (2)(12)	
		First lien senior secured loan	6.75%	Libor (Q)	6.00%	12/2021	12/2027		47.2	47.2	46.7 (2)(12)	
		Class A units				12/2021		4,897,000		4.9	4.9	
										54.1	53.6	
YE Brands Holdings, LLC (16)	Sports camp operator	First lien senior secured loan	6.25%	Libor (Q)	5.50%	10/2021	10/2027		8.0	8.0	7.9 (2)(12)	
										790.4	780.3	8.80%
Retailing and Distribution												
Atlas Intermediate III, L.L.C. (16)	Specialty chemicals distributor	First lien senior secured loan	6.50%	Libor (Q)	5.50%	03/2021	04/2025		0.2	0.2	0.2 (2)(12)	
		First lien senior secured loan	6.50%	Libor (Q)	5.50%	11/2021	04/2025		2.1	2.1	2.1 (2)(12)	
										2.3	2.3	
Bamboo Purchaser, Inc. (16)	Provider of nursery, garden, and greenhouse products	First lien senior secured loan	6.75%	Libor (Q)	6.00%	11/2021	11/2027		39.1	39.1	38.6 (2)(12)	
Display Holding Company, Inc., Saldon Holdings, Inc. and Fastsigns Holdings Inc. (16)	Provider of visual communications solutions	First lien senior secured loan	6.65%	Libor (M)	5.65%	03/2019	03/2025		16.0	16.0	16.0 (12)	
		First lien senior secured loan	6.65%	Libor (M)	5.65%	08/2019	03/2025		0.1	0.1	0.1 (2)(12)	
		First lien senior secured loan	6.65%	Libor (M)	5.65%	06/2021	03/2025		0.1	0.1	0.1 (2)(12)	
		Common units				03/2019			600.0	0.6	1.0 (2)	
										16.8	17.2	
GPM Investments, LLC and ARKO Corp.	Convenience store operator	Common stock				12/2020		2,088,478		19.8	18.3	
		Warrant to purchase common stock				12/2020	12/2025	1,088,780		1.6	1.9 (2)	
										21.4	20.2	
Marcone Yellowstone Buyer Inc. and Marcone Yellowstone Holdings, LLC	Distributor of OEM appliance aftermarket parts	First lien senior secured loan	6.25%	Libor (Q)	5.50%	06/2021	06/2028		18.7	18.7	18.5 (2)(12)	
		First lien senior secured loan	6.25%	Libor (Q)	5.50%	12/2021	06/2028		2.1	2.1	2.1 (12)	
		First lien senior secured loan	6.00%	Libor (Q)	5.25%	12/2021	06/2028		6.6	6.6	6.5 (12)	
		First lien senior secured loan	6.25%	Libor (Q)	5.50%	06/2021	06/2028		35.0	35.0	34.6 (2)(12)	
		Class A common units				06/2021		5,578		5.8	9.3 (2)	

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										68.2	71.0		
McKenzie Creative Brands, LLC (16)	Designer, manufacturer and distributor of hunting-related supplies	First lien senior secured loan	6.75%	Libor (Q)	5.75%	09/2014	09/2023		84.5	84.5	84.5	(8)(12)	
		First lien senior secured loan	6.75%	Libor (A)	5.75%	09/2014	09/2023		5.5	5.5	5.5	(12)	
										90.0	90.0		
Moon Valley Nursery of Arizona Retail, LLC, Moon Valley Nursery Farm Holdings, LLC, Moon Valley Nursery RE Holdings LLC, and Stonecourt IV Partners, LP (16)	Operator of retail and wholesale tree and plant nurseries	First lien senior secured loan	6.75%	Libor (Q)	5.75%	10/2021	10/2027		79.0	79.0	78.2	(12)	
		Limited partnership interests				10/2021		96,939,152		96.9	96.9		
										175.9	175.1		
North Haven Falcon Buyer, LLC and North Haven Falcon Holding Company, LLC (16)	Manufacturer of aftermarket golf cart parts and accessories	First lien senior secured loan	7.00%	Libor (Q)	6.00%	05/2021	05/2027		22.3	22.3	22.1	(2)(12)	
		Class A units				05/2021		50,000		5.0	4.1		
										27.3	26.2		
Reddy Ice LLC (16)	Packaged ice manufacturer and distributor	First lien senior secured revolving loan	—%			07/2019				—	—	(14)	
		First lien senior secured loan	7.50%	Libor (Q)	6.50%	07/2019	07/2025		61.9	61.9	61.9	(12)	
		First lien senior secured loan	7.50%	Libor (B)	6.50%	11/2020	07/2025		4.3	4.3	4.3	(2)(12)	
		First lien senior secured loan	7.50%	Libor (B)	6.50%	10/2021	07/2025		13.0	13.0	13.0	(2)(12)	
										79.2	79.2		
SCIH Salt Holdings Inc. (16)	Salt and packaged ice melt manufacturer and distributor	First lien senior secured revolving loan	5.00%	Libor (M)	4.00%	03/2020	03/2025		2.1	2.0	1.9	(2)(12)(15)	
US Salt Investors, LLC and Emerald Lake Pearl Acquisition-A, L.P. (16)	Producer and packager of compressed, household, and packaged salt	First lien senior secured loan	6.25%	Libor (Q)	5.50%	07/2021	07/2028		40.1	40.1	39.7	(2)(12)	
		Limited partner interests				07/2021		0.40 %		0.8	0.8	(2)	
										40.9	40.5		
										563.1	562.2		6.34%
Media & Entertainment													
Aventine Intermediate LLC & Aventine Holdings II LLC (16)	Media and production company	First lien senior secured loan	6.75%	Libor (Q)	6.00%	12/2021	06/2027		6.6	6.6	6.5	(2)(12)	
		Senior subordinated loan	10.25%			12/2021	12/2030		35.6	35.6	35.3	(2)	
										42.2	41.8		
CMW Parent LLC (fka Black Arrow, Inc.)	Multiplatform media firm	Series A units				09/2015		32		—	—	(2)	
Global Music Rights, LLC (16)	Music right management company	First lien senior secured loan	6.50%	Libor (Q)	5.75%	08/2021	08/2028		22.3	22.3	22.1	(2)(12)	
Miami Beckham United LLC	American professional soccer club	Class A preferred units	8.50% PIK			09/2021		85,000		87.1	87.1		

(dollar amounts in millions)

Company(1)	Business Description	Investment	Coupon(3)	Reference(7)	Spread(3)	Acquisition Date	Maturity Date	Shares	Principal	Amortized Cost	Fair Value	% of Net Assets
MMax Investment Partners, Inc. (d/b/a Professional Fighters League) and PFL MMA, Inc.	Mixed martial arts league	First lien senior secured loan	10.00% PIK			01/2021	01/2026		15.4	14.0	13.9 (2)	
		Warrant to purchase shares of common stock				01/2021	01/2027	3,223,122		1.7	1.9 (2)	
										15.7	15.8	
OUTFRONT Media Inc.	Provider of out-of-home advertising	Series A convertible perpetual preferred stock	7.00%			04/2020		25,000		25.0	44.4 (2)(6)	
Padres L.P. (16)	Sports and entertainment	First lien senior secured loan	6.00%	Libor (M)	5.00%	03/2021	03/2027		92.8	92.8	92.8 (2)(12)	
Production Resource Group, L.L.C. and PRG III, LLC (4)	Provider of rental equipment, labor, production management, scenery, and other products to various entertainment end-markets	First lien senior secured loan	6.00% (3.10% PIK)	Libor (Q)	5.00%	07/2020	08/2024		15.0	14.9	15.0 (2)(12)	
		First lien senior secured loan	9.75% PIK	Libor (Q)	8.50%	08/2018	08/2024		34.9	34.9	34.9 (2)(12)	
		First lien senior secured loan	8.50% (2.50% PIK)	Libor (Q)	7.50%	06/2021	08/2024		0.8	0.8	0.8 (2)(12)	
		First lien senior secured loan	6.00% PIK	Libor (Q)	5.00%	08/2021	08/2024		5.0	5.0	5.0 (2)(12)	
		Class A units				10/2020		113,617		4.9	0.6 (2)	
										60.5	56.3	
Storm Investment S.a.r.l.	Spanish soccer club	First lien senior secured loan	3.88%	Euribor (A)	3.75%	06/2021	06/2029		70.2	73.6	70.3 (2)(6)	
		Class A redeemable shares				06/2021		3,297,791		1.6	1.5 (2)(6)	
		Class B redeemable shares				06/2021		3,297,791		1.6	1.5 (2)(6)	
		Class C redeemable shares				06/2021		3,297,791		1.6	1.5 (2)(6)	
		Class D redeemable shares				06/2021		3,297,791		1.6	1.5 (2)(6)	
		Class E redeemable shares				06/2021		3,297,791		1.6	1.5 (2)(6)	
		Class F redeemable shares				06/2021		3,297,791		1.6	1.5 (2)(6)	
		Class G redeemable shares				06/2021		3,297,791		1.6	1.5 (2)(6)	
		Class H redeemable shares				06/2021		3,297,791		1.6	1.5 (2)(6)	
		Class I redeemable shares				06/2021		3,297,791		1.6	1.5 (2)(6)	
		Ordinary shares				06/2021		3,958		—	— (2)(6)	
										88.0	83.8	
The Teaching Company Holdings, Inc.	Education publications provider	Preferred stock				09/2006		10,663		1.1	2.9 (2)	
		Common stock				09/2006		15,393		—	1.2 (2)	
										1.1	4.1	
										434.7	448.2	5.05%

Food and Beverage

(dollar amounts in millions)

Company(1)	Business Description	Investment	Coupon(3)	Reference(7)	Spread(3)	Acquisition Date	Maturity Date	Shares	Principal	Amortized Cost	Fair Value	% of Net Assets
American Seafoods Group LLC and American Seafoods Partners LLC	Harvester and processor of seafood	Class A units				08/2015		77,922		0.1	0.2 (2)	
		Warrant to purchase Class A units				08/2015	08/2035	7,422,078		7.4	18.9 (2)	
										7.5	19.1	
Berner Food & Beverage, LLC (16)	Supplier of dairy-based food and beverage products	First lien senior secured revolving loan	8.75%	Base Rate (Q)	5.50%	07/2021	07/2026		0.4	0.4	0.4 (2)(12)	
		First lien senior secured revolving loan	7.50%	Libor (Q)	6.50%	07/2021	07/2026		0.3	0.3	0.3 (2)(12)	
										0.7	0.7	
Bragg Live Food Products, LLC and SPC Investment Co., L.P. (4)(16)	Health food company	First lien senior secured revolving loan	7.25%	Libor (Q)	6.25%	03/2019	12/2025		1.7	1.7	1.6 (2)(12)	
		First lien senior secured loan	7.25%	Libor (Q)	6.25%	12/2020	12/2025		39.4	39.4	37.4 (12)	
		Common units				03/2019		14,850		11.5	8.8 (2)	
										52.6	47.8	
CHG PPC Parent LLC & PPC CHG Blocker LLC	Diversified food products manufacturer	Second lien senior secured loan	7.25%	Libor (M)	6.75%	12/2021	12/2029		94.6	94.6	93.7 (2)(12)	
		Common units				12/2021		58.56		3.0	3.0 (2)	
										97.6	96.7	
Florida Food Products, LLC	Provider of plant extracts and juices	First lien senior secured loan	5.75%	Libor (M)	5.00%	10/2021	10/2028		4.3	4.3	4.3 (2)(12)	
		Second lien senior secured loan	8.75%	Libor (Q)	8.00%	10/2021	10/2029		71.8	71.8	71.1 (2)(12)	
										76.1	75.4	
Gehl Foods, LLC and GF Parent LLC	Producer of low-acid, aseptic food and beverage products	Class A preferred units				05/2015		2,940		2.9	— (2)	
		Class A common units				05/2015		60,000		0.1	— (2)	
		Class B common units				05/2015		0.26		—	— (2)	
										3.0	—	
KC Culinarte Intermediate, LLC	Manufacturer of fresh refrigerated and frozen food products	First lien senior secured loan	4.75%	Libor (M)	3.75%	01/2020	08/2025		29.1	28.9	27.6 (12)	
		Second lien senior secured loan	8.75%	Libor (M)	7.75%	08/2018	08/2026		35.7	35.7	32.0 (2)(12)	
										64.6	59.6	
Manna Pro Products, LLC (16)	Manufacturer and supplier of specialty nutrition and care products for animals	First lien senior secured revolving loan	7.00%	Libor (M)	6.00%	12/2020	12/2026		1.9	1.9	1.9 (2)(12)	
RF HP SCF Investor, LLC	Branded specialty food company	Membership interest				12/2016		10.08 %		12.5	19.0 (2)(6)	
Teasdale Foods, Inc. and Familia Group Holdings Inc.	Provider of beans, sauces and hominy to the retail, foodservice and wholesale channels	First lien senior secured loan	8.00% (0.40% PIK)	Libor (Q)	7.00%	12/2020	12/2025		78.3	78.3	73.6 (2)(12)	
		Warrant to purchase shares of common stock				02/2019	02/2034	57,827		—	— (2)	
										78.3	73.6	
Triton Water Holdings, Inc.	Producer and provider of bottled water brands	First lien senior secured loan	4.00%	Libor (Q)	3.50%	03/2021	03/2028		1.0	1.0	1.0 (2)(12)(19)	
		Senior subordinated loan	6.25%			03/2021	04/2029		0.1	0.1	0.1 (2)(19)	
										1.1	1.1	
Watermill Express, LLC and Watermill Express Holdings, LLC (16)	Owner and operator of self-service water and ice stations	First lien senior secured revolving loan	—%			04/2021				—	— (14)	

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		First lien senior secured loan	6.25%	Libor (Q)	5.25%	04/2021	04/2027		19.4	19.4	19.4 (12)	
		Class A units	8.00% PIK			04/2021		282,200		3.0	2.7	
										22.4	22.1	
Winebow Holdings, Inc. and The Vintner Group, Inc.	Importer and distributor of wine	First lien senior secured loan	7.25%	Libor (M)	6.25%	04/2021	07/2025		28.3	28.3	28.3 (12)	
										446.6	445.3	5.02%
Materials												
ASP-r-pac Acquisition Co LLC and ASP-r-pac Holdings LP (16)	Manufacturer and supplier of printed packaging and trimmings	First lien senior secured revolving loan	6.75%	Libor (Q)	6.00%	12/2021	12/2027		1.2	1.2	1.2 (2)(12)	
		First lien senior secured loan	6.75%	Libor (Q)	6.00%	12/2021	12/2027		46.3	46.3	45.8 (2)(12)	
		Class A units				12/2021		195,990		19.6	19.6 (2)	
										67.1	66.6	
Genomatica, Inc.	Developer of a biotechnology platform for the production of chemical products	Warrant to purchase shares of Series D preferred stock				03/2013	03/2023	322,422		—	—	
Halex Holdings, Inc. (5)	Manufacturer of flooring installation products	Common stock				01/2017		51,853		—	—	
H-Food Holdings, LLC and Matterhorn Parent, LLC	Food contract manufacturer	First lien senior secured loan	6.00%	Libor (M)	5.00%	12/2021	05/2025		75.0	74.6	75.0 (2)(12)	
		Second lien senior secured loan	7.10%	Libor (M)	7.00%	11/2018	03/2026		73.0	73.0	73.0 (2)	
		Common units				11/2018		5,827		5.8	6.8	
										153.4	154.8	
IntraPac International LLC and IntraPac Canada Corporation (16)	Manufacturer of diversified packaging solutions and plastic injection molded products	First lien senior secured revolving loan	6.25%	Libor (Q)	5.50%	01/2019	01/2025		6.2	6.2	6.2 (2)(6)(12)	
		First lien senior secured loan	6.25%	Libor (Q)	5.50%	01/2019	01/2026		14.8	14.8	14.8 (6)(12)	
		First lien senior secured loan	6.25%	Libor (Q)	5.50%	06/2021	01/2026		10.8	10.8	10.8 (2)(6)(12)	
										31.8	31.8	
Nelipak Holding Company, Nelipak European Holdings Cooperatief U.A., KNPAK Holdings, LP and PAKNK Netherlands Treasury B.V. (16)	Manufacturer of thermoformed packaging for medical devices	First lien senior secured revolving loan	5.25%	Libor (Q)	4.25%	07/2019	07/2024		0.2	0.2	0.2 (2)(6)(12)	
		First lien senior secured loan	5.25%	Libor (Q)	4.25%	07/2019	07/2026		15.0	15.0	15.0 (6)(12)	
		First lien senior secured loan	4.50%	Euribor (Q)	4.50%	07/2019	07/2026		5.2	5.1	5.2 (2)(6)	
		First lien senior secured loan	4.50%	Euribor (Q)	4.50%	08/2019	07/2026		24.4	24.0	24.4 (2)(6)	
		Class A units				07/2019		6,762,668		6.8	7.1 (2)(6)	
										51.1	51.9	
Novipax Buyer, L.L.C. and Novipax Parent Holding Company, L.L.C.	Developer and manufacturer of absorbent pads for food products	First lien senior secured loan	6.75%	Libor (Q)	5.75%	12/2020	12/2026		23.9	23.9	23.9 (12)	
		Class A preferred units	10.00% PIK			12/2020		4,772		5.2	6.3 (2)	
		Class C units				12/2020		4,772		—	— (2)	
										29.1	30.2	

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Plaskolite PPC Intermediate II LLC and Plaskolite PPC Blocker LLC	Manufacturer of specialized acrylic and polycarbonate sheets	Second lien senior secured loan	8.00%	Libor (Q)	7.00%	12/2018	12/2026		55.0	55.0	55.0 (2)(12)	
		Co-Invest units				12/2018		5,969		0.6	0.9 (2)	
										55.6	55.9	
SCI PH Parent, Inc.	Industrial container manufacturer, reconditioner and servicer	Series B shares				08/2018		11.4764		1.1	1.2 (2)	
										389.2	392.4	4.43%
Pharmaceuticals, Biotechnology & Life Sciences												
Abzena Holdings, Inc. and Astro Group Holdings Ltd. (16)	Organization providing discovery, development and manufacturing services to the pharmaceutical and biotechnology industries	First lien senior secured loan	10.50%	Libor (Q)	9.50%	05/2021	05/2026		13.7	13.7	13.7 (2)(12)	
		First lien senior secured loan	11.50% (5.75% PIK)	Libor (Q)	10.50%	05/2021	05/2026		30.5	30.5	30.5 (2)(12)	
		Class A ordinary shares				05/2021		1,237,500		2.5	2.8 (2)	
										46.7	47.0	
Alcami Corporation and ACM Holdings I, LLC (16)	Outsourced drug development services provider	First lien senior secured loan	4.39%	Libor (B)	4.25%	07/2018	07/2025		29.2	29.1	28.0	
		Second lien senior secured loan	8.14%	Libor (B)	8.00%	07/2018	07/2026		77.5	77.1	69.0 (2)	
		Common units				07/2018		3,663,533		35.0	19.5 (2)	
										141.2	116.5	
Cobalt Buyer Sub, Inc., Cobalt Holdings I, LP, and Cobalt Intermediate I, Inc. (16)	Provider of biological products to life science and pharmaceutical companies	First lien senior secured revolving loan	6.00%	Libor (M)	5.25%	10/2021	10/2027		0.6	0.6	0.6 (2)(12)	
		First lien senior secured loan	6.00%	Libor (Q)	5.25%	10/2021	10/2028		29.1	29.1	28.8 (2)(12)	
		Series A preferred shares	10.75%	Libor (Q)	10.00%	10/2021		60,236		60.2	60.2 (2)(12)	
		Preferred units	8.00% PIK			10/2021		3,020		3.1	0.3 (2)	
		Class A common units				10/2021		30,500		—	2.8 (2)	
										93.0	92.7	
NMC Skincare Intermediate Holdings II, LLC (16)	Developer, manufacturer and marketer of skincare products	First lien senior secured revolving loan	6.00%	Libor (M)	5.00%	10/2018	10/2024		6.2	6.2	6.1 (2)(12)	
		First lien senior secured loan	6.00%	Libor (M)	5.00%	10/2018	10/2024		24.2	24.2	23.9 (12)	
		First lien senior secured loan	6.00%	Libor (M)	5.00%	10/2018	10/2024		8.1	8.1	8.1 (12)	
										38.5	38.1	
North American Science Associates, LLC, Cardinal Purchaser LLC and Cardinal Topco Holdings, L.P. (16)	Contract research organization providing research and development and testing of medical devices	First lien senior secured loan	6.50%	Libor (Q)	5.75%	09/2020	09/2027		48.0	48.0	48.0 (12)	
		First lien senior secured loan	6.50%	Libor (Q)	5.75%	02/2021	09/2027		2.6	2.6	2.6 (12)	
		First lien senior secured loan	6.50%	Libor (Q)	5.75%	09/2021	09/2027		0.1	0.1	0.1 (2)(12)	
		Class A preferred units	8.00% PIK			09/2020		13,528		14.9	32.8 (2)	
										65.6	83.5	

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TerSera Therapeutics LLC (16)	Acquirer and developer of specialty therapeutic pharmaceutical products	First lien senior secured revolving loan	—%			11/2019				—	— (14)	
		First lien senior secured loan	6.60%	Libor (Q)	5.60%	05/2017	03/2025		5.1	5.0	5.1 (12)	
		First lien senior secured loan	6.60%	Libor (Q)	5.60%	09/2018	03/2025		2.1	2.1	2.1 (12)	
		First lien senior secured loan	6.60%	Libor (Q)	5.60%	04/2019	03/2025		1.8	1.8	1.8 (12)	
										8.9	9.0	
Vertice Pharma UK Parent Limited	Manufacturer and distributor of generic pharmaceutical products	Preferred shares				12/2015		40,662		0.3	— (6)	
										394.2	386.8	4.36%
Energy												
Birch Permian, LLC	Operator of private exploration oil and production company	Second lien senior secured loan	9.50%	Libor (Q)	8.00%	04/2019	04/2023		75.7	75.5	75.7 (2)(12)	
Cheyenne Petroleum Company Limited Partnership, CPC 2001 LLC and Mill Shoals LLC	Private oil exploration and production company	Second lien senior secured loan	10.00%	Libor (Q)	9.00%	07/2019	01/2024		63.1	63.1	63.1 (2)(12)	
Halcon Holdings, LLC (16)	Operator of development, exploration, and production oil company	First lien senior secured loan	7.17%	Libor (M)	7.00%	11/2021	11/2025		19.0	18.7	18.9 (2)	
Murchison Oil and Gas, LLC and Murchison Holdings, LLC	Exploration and production company	First lien senior secured loan	11.00%	Libor (Q)	9.00%	09/2019	10/2023		2.7	2.7	2.7 (2)(12)	
		First lien senior secured loan	10.00%	Libor (Q)	8.00%	09/2019	10/2023		38.3	38.3	38.3 (2)(12)	
		Preferred units	8.00%			10/2018		21,667		24.9	27.4	
										65.9	68.4	
Sundance Energy Inc. (4)	Oil and gas producer	Common stock				04/2021		157,970		69.8	68.6 (2)	
VPROP Operating, LLC and V SandCo, LLC (5)(16)	Sand-based proppant producer and distributor to the oil and natural gas industry	First lien senior secured loan	11.00% PIK	Libor (M)	9.50%	11/2020	11/2024		7.0	7.0	7.0 (2)(12)	
		First lien senior secured loan	11.00% PIK	Libor (M)	9.50%	06/2020	11/2024		5.5	5.5	5.5 (2)(12)	
		First lien senior secured loan	11.00% PIK	Libor (M)	9.50%	03/2017	11/2024		25.1	25.1	25.1 (2)(12)	
		Class A units				11/2020		347,900		32.8	39.9 (2)	
										70.4	77.5	
										363.4	372.2	4.20%
Food & Staples Retailing												
Balrog Acquisition, Inc., Balrog Topco, Inc. and Balrog Parent, L.P.	Manufacturer and distributor of specialty bakery ingredients	Second lien senior secured loan	7.50%	Libor (Q)	7.00%	09/2021	09/2029		29.5	29.5	29.4 (2)(12)	
		Class A preferred units	8.00% PIK			09/2021		5,484		5.6	5.5 (2)	
		Series A preferred shares	11.00% PIK			09/2021		21,921		22.7	22.7 (2)	
										57.8	57.6	
Continental Café, LLC and Infinity Ovation Yacht Charters, LLC (16)	Diversified contract food service provider	First lien senior secured loan	8.00%	Libor (Q)	7.00%	11/2021	11/2027		15.7	15.7	15.5 (2)(12)	
DecoPac, Inc. and KCAKE Holdings Inc. (16)	Supplier of cake decorating solutions and products to in-store bakeries	First lien senior secured revolving loan	7.00%	Libor (M)	6.00%	05/2021	05/2026		2.4	2.4	2.4 (2)(12)	

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Company(1)	Business Description	Investment	Coupon(3)	Reference(7)	Spread(3)	Acquisition Date	Maturity Date	Shares	Principal	Amortized Cost	Fair Value		% of Net Assets
		First lien senior secured loan	9.00% (2.00% PIK)	Libor (Q)	8.00%	05/2021	05/2028		148.5	148.5	148.5	(2)(12)	
		Common stock				05/2021		9,599		9.6	10.0	(2)	
										160.5	160.9		
FS Squared Holding Corp. and FS Squared, LLC (16)	Provider of on-site vending and micro market solutions	First lien senior secured revolving loan	—%			03/2019				—	—	(14)	
		First lien senior secured loan	5.36%	Libor (M)	5.25%	03/2019	03/2025		0.1	0.1	0.1	(2)	
		Class A units				03/2019		113,219		11.1	19.2	(2)	
										11.2	19.3		
JWC/KI Holdings, LLC	Foodservice sales and marketing agency	Membership units				11/2015		5,000		5.0	7.7	(2)	
SFE Intermediate Holdco LLC (16)	Provider of outsourced foodservice to K-12 school districts	First lien senior secured loan	5.75%	Libor (Q)	4.75%	09/2018	07/2024		10.1	10.1	10.1	(12)	
		First lien senior secured loan	5.75%	Libor (Q)	4.75%	07/2017	07/2024		6.3	6.3	6.3	(12)	
										16.4	16.4		
VCP-EDC Co-Invest, LLC	Distributor of foodservice equipment and supplies	Membership units				06/2017		2,970,000		2.8	0.4		
										269.4	277.8		3.13%
Technology Hardware & Equipment													
Chariot Buyer LLC (16)	Provider of smart access solutions across residential and commercial properties	First lien senior secured revolving loan	5.75%	Base Rate (M)	2.50%	11/2021	11/2026		0.2	0.2	0.2	(2)	
		First lien senior secured revolving loan	3.60%	Libor (M)	3.50%	11/2021	11/2026		2.5	2.5	2.5	(2)	
		Second lien senior secured loan	7.50%	Libor (M)	6.75%	11/2021	11/2029		134.4	134.4	133.0	(2)(12)	
										137.1	135.7		
Everspin Technologies, Inc.	Designer and manufacturer of computer memory solutions	Warrant to purchase shares of common stock				10/2016	10/2026	18,461		0.4	—	(2)	
Micromeritics Instrument Corp. (16)	Scientific instrument manufacturer	First lien senior secured revolving loan	—%			12/2019				—	—	(14)	
		First lien senior secured loan	6.00%	Libor (Q)	5.00%	12/2019	12/2025		32.0	32.0	32.0	(12)	
										32.0	32.0		
Repairify, Inc. and Repairify Holdings, LLC (16)	Provider of automotive diagnostics scans and solutions	Class A common units				06/2021		163,820		4.9	4.8	(2)	
Wildcat BuyerCo, Inc. and Wildcat Parent, LP (16)	Provider and supplier of electrical components for commercial and industrial applications	First lien senior secured loan	6.75%	Libor (Q)	5.75%	02/2020	02/2026		18.2	18.2	18.2	(12)	
		First lien senior secured loan	6.75%	Libor (Q)	5.75%	11/2021	02/2026		9.5	9.5	9.5	(2)(12)	
		Limited partnership interests				02/2020		17,655		1.8	2.8	(2)	
										29.5	30.5		
										203.9	203.0		2.29%
Transportation													
Commercial Trailer Leasing, Inc. (16)	Trailer leasing company	First lien senior secured loan	7.25%	Libor (Q)	6.25%	01/2021	01/2026		92.8	92.8	92.8	(2)(12)	

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Company(1)	Business Description	Investment	Coupon(3)	Reference(7)	Spread(3)	Acquisition Date	Maturity Date	Shares	Principal	Amortized Cost	Fair Value		% of Net Assets
		Second lien senior secured loan	13.00%			01/2021	01/2027		19.9	19.9	19.9	(2)	
										112.7	112.7		
Shur-Co Acquisition, Inc. and Shur-Co HoldCo, Inc. (16)	Provider of tarp systems and accessories for trucks, trailers, carts, and specialty equipment used in the agriculture, construction and flatbed markets	First lien senior secured revolving loan	7.00%	Libor (Q)	6.00%	06/2021	06/2027		1.0	1.0	1.0	(2)(12)	
		First lien senior secured loan	7.00%	Libor (Q)	6.00%	06/2021	06/2027		27.0	27.0	27.0	(12)	
		Common stock				06/2021		7,598,999		7.6	8.9	(2)	
										35.6	36.9		
										148.3	149.6		1.69%
Household & Personal Products													
CDI Holdings III Corp. and CDI Holdings I Corp. (16)	Provider of personal care appliances	First lien senior secured loan	6.75%	Libor (Q)	5.75%	12/2021	12/2027		3.8	3.8	3.8	(2)(12)	
		Common stock				12/2021		6,149		6.1	6.1	(2)	
										9.9	9.9		
Foundation Consumer Brands, LLC	Pharmaceutical holding company of over the counter brands	First lien senior secured loan	7.38%	Libor (Q)	6.38%	02/2021	10/2026		24.9	24.4	24.8	(12)	
Premier Specialties, Inc. and RMCF V CIV XLIV, L.P. (16)	Manufacturer and supplier of natural fragrance materials and cosmeceuticals	First lien senior secured loan	6.75%	Libor (M)	5.75%	08/2021	08/2027		27.5	27.5	27.3	(2)(12)	
		Limited partner interests				08/2021		4.58 %		4.7	4.1	(2)	
										32.2	31.4		
Rug Doctor, LLC and RD Holdco Inc. (5)	Manufacturer and marketer of carpet cleaning machines	Second lien senior secured loan	11.25% PIK	Libor (M)	9.75%	01/2017	05/2023		22.0	22.0	21.0	(2)(12)	
		Common stock				01/2017		458,596		14.0	—		
		Warrant to purchase shares of common stock				01/2017	12/2023	56,372		—	—		
										36.0	21.0		
Walnut Parent, Inc.	Manufacturer of natural solution pest and animal control products	First lien senior secured loan	6.50%	Libor (M)	5.50%	11/2020	11/2027		14.9	14.9	14.9	(12)	
		First lien senior secured loan	6.50%	Libor (Q)	5.50%	11/2021	11/2027		19.9	19.9	19.9	(2)(12)	
										34.8	34.8		
										137.3	121.9		1.37%
Education													
Excelligence Holdings Corp.	Developer, manufacturer and retailer of educational products	First lien senior secured loan	7.00% (4.50% PIK)	Libor (Q)	6.00%	04/2017	04/2023		9.6	9.6	9.3	(2)(12)	
Flinn Scientific, Inc. and WCI-Quantum Holdings, Inc. (16)	Distributor of instructional products, services and resources	First lien senior secured revolving loan	5.50%	Libor (A)	4.75%	08/2018	08/2023		4.9	4.9	4.8	(2)(12)	
		First lien senior secured loan	5.50%	Libor (Q)	4.75%	07/2017	08/2023		30.0	30.0	29.3	(12)	
		First lien senior secured loan	5.50%	Libor (Q)	4.75%	08/2018	08/2023		1.1	1.1	1.1	(12)	
		Series A preferred stock				10/2014		1,272		0.7	1.1	(2)	
										36.7	36.3		

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Company(1)	Business Description	Investment	Coupon(3)	Reference(7)	Spread(3)	Acquisition Date	Maturity Date	Shares	Principal	Amortized Cost	Fair Value		% of Net Assets
Instituto de Banca y Comercio, Inc. & Leeds IV Advisors, Inc.	Private school operator	First lien senior secured loan	10.50%	Libor (Q)	9.00%	03/2020	10/2022		4.0	4.0	4.0	(2)(12)	
		Senior preferred series A-1 shares				10/2015		151,056		98.2	36.4	(2)	
		Series B preferred stock				08/2010		348,615		1.0	—	(2)	
		Series B preferred stock				08/2010		1,401,385		4.0	—	(2)	
		Series C preferred stock				06/2010		517,942		0.1	—	(2)	
		Series C preferred stock				06/2010		1,994,644		0.5	—	(2)	
		Common stock				06/2010		4		—	—	(2)	
		Common stock				06/2010		16		—	—	(2)	
										107.8	40.4		
Primrose Holding Corporation (4)	Franchisor of education-based early childhood centers	Common stock				01/2017		7,227		4.6	27.0		
										158.7	113.0		1.27%
Telecommunication Services													
Emergency Communications Network, LLC (16)	Provider of mission critical emergency mass notification solutions	First lien senior secured loan	8.75% (5.12% PIK)	Libor (Q)	7.75%	06/2017	06/2023		46.0	46.0	42.4	(2)(12)	
										46.0	42.4		0.48%
Total Investments										$ 19,810.0	$ 20,009.5		225.65%

Derivative Instruments

Forward currency contracts

Description	Notional Amount to be Purchased		Notional Amount to be sold		Counterparty	Settlement Date	Unrealized Appreciation / (Depreciation)
Forward currency contract	$	240	CAD	309	Truist Financial Corporation	January 28, 2022	$ (5)
Forward currency contract	$	163	CAD	209	Truist Financial Corporation	January 19, 2022	(2)
Forward currency contract	$	172	€	153	Truist Financial Corporation	January 28, 2022	(2)
Forward currency contract	$	126	£	95	Truist Financial Corporation	January 28, 2022	(3)
Forward currency contract	$	1	CAD	2	Truist Financial Corporation	January 28, 2022	—
Total							$ (12)

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(1) Other than the Company's investments listed in footnote 5 below (subject to the limitations set forth therein), the Company does not "Control" any of its portfolio companies, for the purposes of the Investment Company Act of 1940, as amended (together with the rules and regulations promulgated thereunder, the "Investment Company Act"). In general, under the Investment Company Act, the Company would "Control" a portfolio company if the Company owned more than 25% of its outstanding voting securities (i.e., securities with the right to elect directors) and/or had the power to exercise control over the management or policies of such portfolio company. All of the Company's portfolio company investments, which as of December 31, 2021 represented 226% of the Company's net assets or 96% of the Company's total assets, are subject to legal restrictions on sales.

(2) These assets are pledged as collateral under the Company's or the Company's consolidated subsidiaries' various revolving credit facilities and, as a result, are not directly available to the creditors of the Company to satisfy any obligations of the Company other than the obligations under each of the respective facility (see Note 5).

(3) Investments without an interest rate are non-income producing.

(4) As defined in the Investment Company Act, the Company is deemed to be an "Affiliated Person" because it owns 5% or more of the portfolio company's outstanding voting securities or it has the power to exercise control over the management or policies of such portfolio company (including through a management agreement). Transactions as of and during the year ended December 31, 2021 in which the issuer was an Affiliated Person of the Company (but not a portfolio company that the Company is deemed to Control) are as follows:

	For the Year Ended December 31, 2021									As of December 31, 2021
(in millions) Company	**Purchases (cost)**	**Redemptions (cost)**	**Sales (cost)**	**Interest income**	**Capital structuring service fees**	**Dividend income**	**Other income**	**Net realized gains (losses)**	**Net unrealized gains (losses)**	**Fair Value**
Apex Clean Energy TopCo, LLC	$ 80.5	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ (1.4)	$ 79.1
APG Intermediate Holdings Corporation and APG Holdings, LLC	—	0.1	—	1.0	—	—	—	—	(1.1)	25.0
Blue Angel Buyer 1, LLC and Blue Angel Holdco, LLC	—	—	9.7	—	—	—	—	46.3	(18.4)	—
Blue Wolf Capital Fund II, L.P.	—	—	—	—	—	—	—	0.5	—	0.2
Bragg Live Food Products, LLC and SPC Investment Co., L.P.	4.6	7.8	—	3.1	—	0.2	0.1	—	(4.4)	47.8
Crown Health Care Laundry Services, LLC and Crown Laundry Holdings, LLC	—	27.2	4.5	(0.5)	—	—	0.9	10.7	(8.0)	—
ESCP PPG Holdings, LLC	—	—	—	—	—	—	—	—	(0.3)	2.8
European Capital UK SME Debt LP	—	7.7	—	—	—	0.4	—	—	4.9	26.9
Panda Temple Power, LLC and T1 Power Holdings LLC	—	19.6	—	0.2	—	—	—	9.8	0.9	—
PCG-Ares Sidecar Investment II, L.P.	0.1	—	—	—	—	—	—	—	0.8	11.1
PCG-Ares Sidecar Investment, L.P.	—	0.6	—	—	—	—	—	—	1.5	1.3
Primrose Holding Corporation	—	—	—	—	—	—	—	—	12.9	27.0
Production Resource Group, L.L.C. and PRG III, LLC	11.5	0.1	—	4.8	0.3	—	—	0.1	(4.3)	56.3
Shock Doctor, Inc. and Shock Doctor Holdings, LLC	0.8	1.4	—	1.4	—	—	—	0.1	4.3	23.1
Sundance Energy Inc.	—	—	—	—	—	—	—	—	(1.1)	68.6
Totes Isotoner Corporation and Totes Ultimate Holdco, Inc.	—	—	—	0.3	—	—	—	—	(1.5)	3.9
	$ 97.5	$ 64.5	$ 14.2	$ 10.3	$ 0.3	$ 0.6	$ 1.0	$ 67.5	$ (15.2)	$ 373.1

(5) As defined in the Investment Company Act, the Company is deemed to be both an "Affiliated Person" and "Control" this portfolio company because it owns more than 25% of the portfolio company's outstanding voting securities or it has the power to exercise control over the management or policies of such portfolio company (including through a management agreement). Transactions as of and during the year ended December 31, 2021 in which the issuer was both an Affiliated Person and a portfolio company that the Company is deemed to Control are as follows:

	For the Year Ended December 31, 2021									As of December 31, 2021
(in millions) Company	Purchases (cost)	Redemptions (cost)	Sales (cost)	Interest income	Capital structuring service fees	Dividend income	Other income	Net realized gains (losses)	Net unrealized gains (losses)	Fair Value
Absolute Dental Group LLC and Absolute Dental Equity, LLC	$ 50.5	$ 26.4	$ —	$ 4.1	$ 1.6	$ —	$ 0.1	$ —	$ 5.0	$ 63.9
ACAS Equity Holdings Corporation	—	—	—	—	—	—	—	—	0.4	0.4
ADF Capital, Inc., ADF Restaurant Group, LLC, and ARG Restaurant Holdings, Inc.	—	58.4	—	—	—	—	—	(57.2)	58.4	—
BW Landco LLC	—	—	20.9	—	—	—	—	20.8	(16.0)	—
CoLTs 2005-1 Ltd.	—	—	—	—	—	—	—	—	—	—
CoLTs 2005-2 Ltd.	—	—	—	—	—	—	—	0.2	—	—
Eckler Industries, Inc. and Eckler Purchaser LLC	3.5	—	—	2.5	—	—	—	—	(8.1)	23.1
Halex Holdings, Inc.	—	—	—	—	—	—	—	—	—	—
HCI Equity, LLC	—	—	—	—	—	—	—	—	(0.1)	—
Heelstone Renewable Energy, LLC	41.7	8.5	—	1.5	0.7	0.4	—	0.2	9.3	69.4
Imaging Business Machines, L.L.C. and Scanner Holdings Corporation	—	—	—	2.4	—	—	0.6	—	8.4	53.0
Ivy Hill Asset Management, L.P.	347.5	70.5	37.0	2.9	—	93.0	—	—	67.3	935.8
Joyce Lane Capital LLC and Joyce Lane Financing SPV LLC (fka Ciena Capital LLC)	—	0.3	—	—	—	—	—	—	—	0.3
Navisun LLC and Navisun Holdings LLC	6.6	—	—	8.9	0.1	0.4	0.1	—	12.6	143.7
NECCO Holdings, Inc. and New England Confectionery Company, Inc.	1.9	14.5	—	—	—	—	—	(12.4)	8.0	—
NECCO Realty Investments LLC	—	—	—	—	—	—	—	—	—	—
Potomac Intermediate Holdings II LLC	68.4	—	—	—	—	—	—	—	—	179.7
PS Operating Company LLC and PS Op Holdings LLC	3.9	1.2	—	—	—	—	—	—	—	25.1
Rug Doctor, LLC and RD Holdco Inc.	—	—	—	2.4	—	—	—	—	(1.1)	21.0
S Toys Holdings LLC (fka The Step2 Company, LLC)	—	—	—	—	—	—	—	—	(0.3)	0.2
Senior Direct Lending Program, LLC	232.2	367.7	—	138.0	18.6	—	3.8	—	—	987.3
Singer Sewing Company, SVP-Singer Holdings, LLC and SVP-Singer Holdings LP	—	234.2	—	25.4	1.9	6.7	0.5	109.7	(87.8)	—
Startec Equity, LLC	—	—	—	—	—	—	—	—	—	—
VPROP Operating, LLC and V SandCo, LLC	0.9	—	—	4.0	—	—	—	—	5.4	77.5
	$ 757.1	$ 781.7	$ 57.9	$ 192.1	$ 22.9	$ 100.5	$ 5.1	$ 61.3	$ 61.4	$ 2,580.4

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* Together with Varagon Capital Partners ("Varagon") and its clients, the Company has co-invested through the Senior Direct Lending Program LLC (d/b/a the "Senior Direct Lending Program" or the "SDLP"). The SDLP has been capitalized as transactions are completed and all portfolio decisions and generally all other decisions in respect of the SDLP must be approved by an investment committee of the SDLP consisting of representatives of the Company and Varagon (with approval from a representative of each required); therefore, although the Company owns more than 25% of the voting securities of the SDLP, the Company does not believe that it has control over the

SDLP (for purposes of the Investment Company Act or otherwise) because, among other things, these “voting securities” do not afford the Company the right to elect directors of the SDLP or any other special rights (see Note 4 to the consolidated financial statements).

(6) This portfolio company 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. Pursuant to Section 55(a) of the Investment Company Act, 16% of the Company's total assets are represented by investments at fair value and other assets that are considered "non-qualifying assets" as of December 31, 2021.

(7) Variable rate loans to the Company’s portfolio companies bear interest at a rate that may be determined by reference to either the London Interbank Offered Rate (“LIBOR”) or an alternate base rate (commonly based on the Federal Funds Rate or the Prime Rate), at the borrower’s option, which reset annually (A), semi-annually (S), quarterly (Q), bi-monthly (B), monthly (M) or daily (D). For each such loan, the Company has provided the interest rate in effect on the date presented.

(8) In addition to the interest earned based on the stated interest rate of this security, the Company is entitled to receive an additional interest amount of 2.00% on $46.9 in aggregate principal amount of a “first out” tranche of the portfolio company’s senior term debt previously syndicated by the Company into “first out” and “last out” tranches, whereby the “first out” tranche will have priority as to the “last out” tranche with respect to payments of principal, interest and any other amounts due thereunder.

(9) The Company sold a participating interest of approximately $0.6 in aggregate principal amount of the portfolio company’s first lien senior secured delayed draw term loan. As the transaction did not qualify as a “true sale” in accordance with U.S. generally accepted accounting principles (“GAAP”), the Company recorded a corresponding $0.2 secured borrowing, at fair value, included in “secured borrowings” in the accompanying consolidated balance sheet. As of December 31, 2021, the interest rate in effect for the secured borrowing was 14.50%.

(10) The Company sold a participating interest of approximately $75.0 in aggregate principal amount outstanding of the portfolio company’s first lien senior secured revolving loan. As the transaction did not qualify as a “true sale” in accordance with GAAP, the Company recorded a corresponding $73.2 secured borrowing, at fair value, included in “secured borrowings” in the accompanying consolidated balance sheet. As of December 31, 2021, the interest rate in effect for the secured borrowing was 8.50%.

(11) Loan was on non-accrual status as of December 31, 2021.

(12) Loan includes interest rate floor feature.

(13) In addition to the interest earned based on the stated contractual interest rate of this security, the certificates entitle the holders thereof to receive a portion of the excess cash flow from the SDLP’s loan portfolio, after expenses, which may result in a return to the Company greater than the contractual stated interest rate.

(14) As of December 31, 2021, no amounts were funded by the Company under this first lien senior secured revolving loan; however, there were letters of credit issued and outstanding through a financial intermediary under the loan. See Note 7 for further information on letters of credit commitments related to certain portfolio companies.

(15) As of December 31, 2021, in addition to the amounts funded by the Company under this first lien senior secured revolving loan, there were also letters of credit issued and outstanding through a financial intermediary under the loan. See Note 7 for further information on letters of credit commitments related to certain portfolio companies.

(16) As of December 31, 2021, the Company had the following commitments to fund various revolving and delayed draw senior secured and subordinated loans, including commitments to issue letters of credit through a financial intermediary on behalf of certain portfolio companies. Such commitments are subject to the satisfaction of certain conditions set forth in the documents governing these loans and letters of credit and there can be no assurance that such conditions will be satisfied. See Note 7 for further information on revolving and delayed draw loan commitments, including commitments to issue letters of credit, related to certain portfolio companies.

(in millions) Portfolio Company	Total revolving and delayed draw loan commitments	Less: funded commitments	Total unfunded commitments	Less: commitments substantially at discretion of the Company	Less: unavailable commitments due to borrowing base or other covenant restrictions	Total net adjusted unfunded revolving and delayed draw commitments
A.U.L. Corp.	$ 1.2	$ —	$ 1.2	$ —	$ —	$ 1.2
Absolute Dental Group LLC and Absolute Dental Equity, LLC	7.0	(4.0)	3.0	—	—	3.0
Abzena Holdings, Inc. and Astro Group Holdings Ltd.	13.7	—	13.7	—	—	13.7
Accommodations Plus Technologies LLC and Accommodations Plus Technologies Holdings LLC	4.1	(4.1)	—	—	—	—
ADG, LLC and RC IV GEDC Investor LLC	13.7	(11.9)	1.8	—	—	1.8
AffiniPay Midco, LLC and AffiniPay Intermediate Holdings, LLC	9.0	—	9.0	—	—	9.0
AI Aqua Merger Sub, Inc.	0.1	—	0.1	—	—	0.1
Alcami Corporation and ACM Holdings I, LLC	29.0	—	29.0	—	—	29.0
Alera Group, Inc.	1.0	—	1.0	—	—	1.0
American Residential Services L.L.C. and Aragorn Parent Holdings LP	4.5	—	4.5	—	—	4.5
Anaqua Parent Holdings, Inc. & Astorg VII Co-Invest Anaqua	4.3	—	4.3	—	—	4.3
APG Intermediate Holdings Corporation and APG Holdings, LLC	0.1	—	0.1	—	—	0.1
Appriss Health, LLC and Appriss Health Intermediate Holdings, Inc.	0.1	—	0.1	—	—	0.1
Apptio, Inc.	4.2	(1.7)	2.5	—	—	2.5
AQ Sunshine, Inc.	1.8	(0.3)	1.5	—	—	1.5
Argenbright Holdings V, LLC	1.3	—	1.3	—	—	1.3
Arrowhead Holdco Company and Arrowhead GS Holdings, Inc.	20.0	(5.0)	15.0	—	—	15.0
ASP-r-pac Acquisition CO LLC and ASP-r-pac Holdings LP	6.2	(1.2)	5.0	—	—	5.0
Athenahealth, Inc., VVC Holding Corp., Virence Intermediate Holding Corp., and Virence Holdings LLC	33.1	—	33.1	—	—	33.1
ATI Restoration, LLC	12.5	(11.4)	1.1	—	—	1.1
Atlas Intermediate III, L.L.C.	0.4	—	0.4	—	—	0.4
Aventine Intermediate LLC and Aventine Holdings II LLC	2.6	—	2.6	—	—	2.6
Avetta, LLC	4.2	—	4.2	—	—	4.2
AxiomSL Group, Inc. and Calypso Group, Inc.	3.9	—	3.9	—	—	3.9
Bamboo Purchaser, Inc.	4.1	—	4.1	—	—	4.1
Banyan Software Holdings, LLC	33.8	—	33.8	—	—	33.8
Beacon Pointe Harmony, LLC	9.0	—	9.0	—	—	9.0
Bearcat Buyer, Inc. and Bearcat Parent, Inc.	32.8	—	32.8	—	—	32.8
Belfor Holdings, Inc.	25.0	(4.0)	21.0	—	—	21.0
Benecon Midco II LLC and Locutus Holdco LLC	4.5	—	4.5	—	—	4.5
Benefytt Technologies, Inc.	5.9	—	5.9	—	—	5.9
Berner Food & Beverage, LLC	1.7	(0.7)	1.0	—	—	1.0
Borrower R365 Holdings LLC	1.5	—	1.5	—	—	1.5
Bragg Live Food Products, LLC and SPC Investment Co., L.P.	4.4	(1.7)	2.7	—	—	2.7
Businessolver.com, Inc.	18.9	—	18.9	—	—	18.9
Cadence Aerospace, LLC	15.1	(11.7)	3.4	—	—	3.4
Capstone Acquisition Holdings, Inc. and Capstone Parent Holdings, LP	27.3	(11.2)	16.1	—	—	16.1
Cardinal Parent, Inc. and Packers Software Intermediate Holdings, Inc.	5.0	(0.6)	4.4	—	—	4.4
CCS-CMGC Holdings, Inc.	12.0	(3.0)	9.0	—	—	9.0
CDI Holdings III Corp. and CDI Holdings I Corp.	0.9	—	0.9	—	—	0.9
Center for Autism and Related Disorders, LLC	8.5	(8.3)	0.2	—	—	0.2
Centric Brands LLC and Centric Brands GP LLC	7.9	(2.3)	5.6	—	—	5.6
Chariot Buyer LLC	12.3	(2.8)	9.5	—	—	9.5
Cobalt Buyer Sub, Inc., Cobalt Holdings I, LP, and Cobalt Intermediate I, Inc.	23.7	(0.6)	23.1	—	—	23.1
Commercial Trailer Leasing, Inc.	3.3	—	3.3	—	—	3.3
Comprehensive EyeCare Partners, LLC	1.9	(0.3)	1.6	—	—	1.6

(in millions) Portfolio Company	Total revolving and delayed draw loan commitments	Less: funded commitments	Total unfunded commitments	Less: commitments substantially at discretion of the Company	Less: unavailable commitments due to borrowing base or other covenant restrictions	Total net adjusted unfunded revolving and delayed draw commitments
Concert Golf Partners Holdco LLC	0.6	(0.1)	0.5	—	—	0.5
Consilio Midco Limited and Consilio Investment Holdings, L.P.	20.0	—	20.0	—	0	20.0
Continental Café, LLC and Infinity Ovation Yacht Charters, LLC	8.0	—	8.0	—	—	8.0
CoreLogic, Inc. and T-VIII Celestial Co-Invest LP	38.9	—	38.9	—	—	38.9
Cority Software Inc., IQS, Inc. and Cority Parent, Inc.	0.1	—	0.1	—	—	0.1
Cornerstone OnDemand, Inc. and Sunshine Software Holdings, Inc.	38.7	(0.1)	38.6	—	—	38.6
Cozzini Bros., Inc. and BH-Sharp Holdings LP	15.0	—	15.0	—	—	15.0
CrossCountry Mortgage, LLC	56.3	—	56.3	—	—	56.3
CST Buyer Company (d/b/a Intoxalock)	6.1	—	6.1	—	—	6.1
CVP Holdco, Inc. and OMERS Wildcats Investment Holdings LLC	19.7	(0.4)	19.3	—	—	19.3
DecoPac, Inc. and KCAKE Holdings Inc.	16.5	(2.4)	14.1	—	—	14.1
Denali Holdco LLC and Denali Topco LLC	5.4	—	5.4	—	—	5.4
DFC Global Facility Borrower III LLC	103.5	(73.2)	30.3	—	—	30.3
Diligent Corporation and Diligent Preferred Issuer, Inc.	9.7	—	9.7	—	—	9.7
Display Holding Company, Inc., Saldon Holdings, Inc. and Fastsigns Holdings Inc.	2.3	—	2.3	—	—	2.3
DRS Holdings III, Inc. and DRS Holdings I, Inc.	10.8	—	10.8	—	—	10.8
DS Admiral Bidco, LLC	0.1	—	0.1	—	—	0.1
DTI Holdco, Inc. and OPE DTI Holdings, Inc.	6.6	(5.2)	1.4	—	—	1.4
Dye & Durham Corporation	19.5	—	19.5	—	—	19.5
Dynamic NC Aerospace Holdings, LLC and Dynamic NC Investment Holdings, LP	7.1	—	7.1	—	—	7.1
Eckler Industries, Inc. and Eckler Purchaser LLC	6.9	(6.7)	0.2	—	(0.2)	—
Elemica Parent, Inc. & EZ Elemica Holdings, Inc.	4.1	(2.3)	1.8	—	—	1.8
Emergency Communications Network, LLC	6.5	—	6.5	—	—	6.5
EP Wealth Advisors, LLC	2.8	(0.2)	2.6	—	—	2.6
EpiServer Inc. and Episerver Sweden Holdings AB	14.5	—	14.5	—	—	14.5
EPS NASS Parent, Inc.	6.6	(0.9)	5.7	—	—	5.7
eResearch Technology, Inc. and Astorg VII Co-Invest ERT	2.5	—	2.5	—	—	2.5
Essential Services Holding Corporation and OMERS Mahomes Investment Holdings LLC	53.3	(1.0)	52.3	—	—	52.3
Extrahop Networks, Inc.	8.5	—	8.5	—	—	8.5
FL Hawk Intermediate Holdings, Inc.	0.5	—	0.5	—	—	0.5
Flinn Scientific, Inc. and WCI-Quantum Holdings, Inc.	10.0	(4.9)	5.1	—	—	5.1
Flow Control Solutions, Inc.	6.0	—	6.0	—	—	6.0
FM:Systems Group, LLC	1.5	(1.5)	—	—	—	—
Forescout Technologies, Inc.	0.1	—	0.1	—	—	0.1
Foundation Risk Partners, Corp.	38.1	—	38.1	—	—	38.1
FS Squared Holding Corp. and FS Squared, LLC	9.6	(0.5)	9.1	—	—	9.1
Galway Borrower LLC	23.3	(0.4)	22.9	—	—	22.9
Garden Fresh Restaurant Corp. and GFRC Holdings LLC	7.5	(7.5)	—	—	—	—
Genesis Acquisition Co. and Genesis Ultimate Holding Co.	1.5	(1.5)	—	—	—	—
GHX Ultimate Parent Corporation, Commerce Parent, Inc. and Commerce Topco, LLC	47.5	—	47.5	—	—	47.5
GI Ranger Intermediate LLC	9.0	—	9.0	—	—	9.0
Global Music Rights, LLC	4.3	—	4.3	—	—	4.3
GraphPAD Software, LLC, Insightful Science Intermediate I, LLC and Insightful Science Holdings, LLC	5.0	—	5.0	—	—	5.0
Green Street Parent, LLC and Green Street Intermediate Holdings, LLC	0.3	—	0.3	—	—	0.3
HAI Acquisition Corporation and Aloha Topco, LLC	19.0	—	19.0	—	—	19.0
Halcon Holdings, LLC	6.8	—	6.8	—	—	6.8

(in millions) Portfolio Company	Total revolving and delayed draw loan commitments	Less: funded commitments	Total unfunded commitments	Less: commitments substantially at discretion of the Company	Less: unavailable commitments due to borrowing base or other covenant restrictions	Total net adjusted unfunded revolving and delayed draw commitments
Harvey Tool Company, LLC	29.5	(5.9)	23.6	—	—	23.6
HealthEdge Software, Inc.	42.3	(0.3)	42.0	—	—	42.0
Heavy Construction Systems Specialists, LLC	4.0	—	4.0	—	—	4.0
Heelstone Renewable Energy, LLC	51.0	—	51.0	—	—	51.0
Help/Systems Holdings, Inc.	7.5	—	7.5	—	—	7.5
HH-Stella, Inc. and Bedrock Parent Holdings, LP	18.1	(0.5)	17.6	—	—	17.6
High Street Buyer, Inc. and High Street Holdco LLC	8.0	—	8.0	—	—	8.0
Highline Aftermarket Acquisition, LLC, Highline Aftermarket SC Acquisition, Inc. and Highline PPC Blocker LLC	9.5	(5.9)	3.6	—	—	3.6
Hometown Food Company	3.9	—	3.9	—	—	3.9
Huskies Parent, Inc., GI Insurity Parent LLC and GI Insurity TopCo LP	22.6	(1.6)	21.0	—	—	21.0
IntraPac International LLC and IntraPac Canada Corporation	19.2	(6.2)	13.0	—	—	13.0
JDC Healthcare Management, LLC	4.4	(4.4)	—	—	—	—
Jim N Nicks Management, LLC	4.8	(2.8)	2.0	—	—	2.0
Joyce Lane Capital LLC and Joyce Lane Financing SPV LLC (fka Ciena Capital LLC)	1.4	—	1.4	—	—	1.4
K2 Insurance Services, LLC and K2 Holdco LP	10.9	—	10.9	—	—	10.9
KBHS Acquisition, LLC (d/b/a Alita Care, LLC)	5.0	(0.8)	4.2	—	—	4.2
Kellermeyer Bergensons Services, LLC	23.0	—	23.0	—	—	23.0
Kene Acquisition, Inc. and Kene Holdings, L.P.	8.9	(0.2)	8.7	—	—	8.7
Laboratories Bidco LLC and Laboratories Topco LLC	44.6	—	44.6	—	—	44.6
Lakers Buyer, Inc. and Lakers Parent LLC	11.1	(3.6)	7.5	—	—	7.5
Lew's Intermediate Holdings, LLC	2.3	(1.8)	0.5	—	—	0.5
Lido Advisors, LLC	0.8	—	0.8	—	—	0.8
LSP Holdco, LLC and ZBS Mechanical Group Co-Invest Fund 2, LLC	16.2	—	16.2	—	—	16.2
Majesco and Magic Topco, L.P.	2.0	—	2.0	—	—	2.0
Manna Pro Products, LLC	7.0	(1.9)	5.1	—	—	5.1
Maverick Acquisition, Inc.	17.2	—	17.2	—	—	17.2
Mavis Tire Express Services Topco Corp., Metis Holdco, Inc. and Metis Topco, LP	32.9	(23.4)	9.5	—	—	9.5
McKenzie Creative Brands, LLC	4.5	—	4.5	—	—	4.5
Medline Borrower, LP	6.9	—	6.9	—	—	6.9
Micromeritics Instrument Corp.	4.1	(0.1)	4.0	—	—	4.0
Ministry Brands Holdings, LLC and RCP MB Investments B, L.P.	31.3	—	31.3	—	—	31.3
Ministry Brands, LLC and MB Parent HoldCo, L.P. (dba Community Brands)	10.9	(5.0)	5.9	—	—	5.9
MMIT Holdings, LLC	4.6	(0.6)	4.0	—	—	4.0
Monica Holdco (US) Inc.	3.6	—	3.6	—	—	3.6
Moon Valley Nursery of Arizona Retail, LLC, Moon Valley Nursery Farm Holdings, LLC, Moon Valley Nursery RE Holdings LLC, and Stonecourt IV Partners, LP	15.2	—	15.2	—	—	15.2
MRI Software LLC	10.2	—	10.2	—	—	10.2
n2y Holding, LLC	0.1	—	0.1	—	—	0.1
NAS, LLC and Nationwide Marketing Group, LLC	3.0	(0.6)	2.4	—	—	2.4
National Intergovernmental Purchasing Alliance Company	9.0	—	9.0	—	—	9.0
NCWS Intermediate, Inc. and NCWS Holdings LP	28.3	—	28.3	—	—	28.3
Nelipak Holding Company, Nelipak European Holdings Cooperatief U.A., KNPAK Holdings, LP and PAKNK Netherlands Treasury B.V.	0.6	(0.2)	0.4	—	—	0.4
Nest Topco Borrower Inc., KKR Nest Co-Invest L.P., and NBLY 2021-1	119.1	—	119.1	—	—	119.1
NMC Skincare Intermediate Holdings II, LLC	9.1	(6.2)	2.9	—	—	2.9
NMN Holdings III Corp. and NMN Holdings LP	12.5	(1.1)	11.4	—	—	11.4
North American Fire Holdings, LLC and North American Fire Ultimate Holdings, LLC	23.9	—	23.9	—	—	23.9

(in millions) Portfolio Company	Total revolving and delayed draw loan commitments	Less: funded commitments	Total unfunded commitments	Less: commitments substantially at discretion of the Company	Less: unavailable commitments due to borrowing base or other covenant restrictions	Total net adjusted unfunded revolving and delayed draw commitments
North American Science Associates, LLC, Cardinal Purchaser LLC and Cardinal Topco Holdings, L.P.	6.0	—	6.0	—	—	6.0
North Haven Falcon Buyer, LLC and North Haven Falcon Holding Company, LLC	6.7	—	6.7	—	—	6.7
North Haven Stack Buyer, LLC	10.0	—	10.0	—	—	10.0
NSM Insurance Group, LLC	6.0	(0.7)	5.3	—	—	5.3
NueHealth Performance, LLC	6.2	(3.3)	2.9	—	—	2.9
Olympia Acquisition, Inc. and Olympia TopCo, L.P.	11.0	(10.3)	0.7	—	—	0.7
OneDigital Borrower LLC	7.5	—	7.5	—	—	7.5
Padres L.P.	64.2	—	64.2	—	—	64.2
Pathway Vet Alliance LLC and Jedi Group Holdings LLC	1.9	—	1.9	—	—	1.9
Patriot Growth Insurance Services, LLC	6.7	—	6.7	—	—	6.7
Paya, Inc and GTCR-Ultra Holdings LLC	4.5	—	4.5	—	—	4.5
PDI TA Holdings, Inc., Peachtree Parent, Inc. and Insight PDI Holdings, LLC	7.6	—	7.6	—	—	7.6
Pegasus Global Enterprise Holdings, LLC, Mekone Blocker Acquisition, Inc. and Mekone Parent, LLC	45.9	—	45.9	—	—	45.9
Pelican Products, Inc.	2.3	—	2.3	—	—	2.3
People Corporation	29.4	(2.9)	26.5	—	—	26.5
Perforce Software, Inc.	0.5	—	0.5	—	—	0.5
Petroleum Service Group LLC	16.9	(3.8)	13.1	—	—	13.1
Pluralsight, Inc.	0.3	—	0.3	—	0	0.3
Precinmac (US) Holdings Inc., Trimaster Manufacturing Inc. and Blade Group Holdings, LP.	15.5	—	15.5	—	—	15.5
Premier Specialties, Inc. and RMCF V CIV XLIV, L.P.	11.0	—	11.0	—	—	11.0
Premise Health Holding Corp. and OMERS Bluejay Investment Holdings LP	36.0	(12.6)	23.4	—	—	23.4
Pritchard Industries, LLC and LJ Pritchard TopCo Holdings, LLC	29.7	—	29.7	—	—	29.7
Production Resource Group, L.L.C. and PRG III, LLC	2.5	—	2.5	—	—	2.5
ProfitSolv Purchaser, Inc. and PS Co-Invest, L.P.	15.0	—	15.0	—	—	15.0
Project Essential Bidco, Inc. and Project Essential Super Parent, Inc.	1.1	—	1.1	—	—	1.1
Project Potter Buyer, LLC and Project Potter Parent, L.P.	43.8	(0.9)	42.9	—	—	42.9
Proofpoint, Inc.	3.1	—	3.1	—	—	3.1
PS Operating Company LLC and PS Op Holdings LLC	5.9	(2.8)	3.1	—	—	3.1
Pyramid Management Advisors, LLC and Pyramid Investors, LLC	9.7	(9.7)	—	—	0	—
QF Holdings, Inc.	6.0	—	6.0	—	—	6.0
Radius Aerospace, Inc. and Radius Aerospace Europe Limited	2.9	—	2.9	—	—	2.9
Raptor Technologies, LLC, Sycamore Bidco LTD and Rocket Parent, LLC	4.4	—	4.4	—	—	4.4
Reddy Ice LLC	0.3	—	0.3	—	—	0.3
Redwood Services, LLC and Redwood Services Holdco, LLC	4.7	—	4.7	—	—	4.7
Reef Lifestyle, LLC	32.8	(13.2)	19.6	—	—	19.6
Registrar Intermediate, LLC and PSP Registrar Co-Investment Fund, L.P.	28.0	—	28.0	—	—	28.0
Relativity ODA LLC	3.8	—	3.8	—	—	3.8
Repairify, Inc. and Repairify Holdings, LLC	7.3	—	7.3	—	—	7.3
Rialto Management Group, LLC	1.3	(0.2)	1.1	—	—	1.1
RMS HoldCo II, LLC and RMS Group Holdings, Inc.	2.9	—	2.9	—	—	2.9
Rodeo AcquisitionCo LLC	6.2	(0.4)	5.8	—	—	5.8
RSC Acquisition, Inc. and RSC Insurance Brokerage, Inc.	0.6	(0.3)	0.3	—	—	0.3
RTI Surgical, Inc. and Pioneer Surgical Technology, Inc.	15.9	(5.0)	10.9	—	—	10.9

(in millions) Portfolio Company	Total revolving and delayed draw loan commitments	Less: funded commitments	Total unfunded commitments	Less: commitments substantially at discretion of the Company	Less: unavailable commitments due to borrowing base or other covenant restrictions	Total net adjusted unfunded revolving and delayed draw commitments
Safe Home Security, Inc., Security Systems Inc., Safe Home Monitoring, Inc., National Protective Services, Inc., Bright Integrations LLC and Medguard Alert, Inc.	8.5	—	8.5	—	—	8.5
Schill Landscaping and Lawn Care Services, LLC and Landscape Parallel Partners, LP	5.1	—	5.1	—	—	5.1
SCIH Salt Holdings Inc.	7.5	(6.2)	1.3	—	—	1.3
SCM Insurance Services Inc.	4.3	—	4.3	—	—	4.3
SFE Intermediate Holdco LLC	10.2	—	10.2	—	—	10.2
Shock Doctor, Inc. and Shock Doctor Holdings, LLC	2.5	(1.2)	1.3	—	—	1.3
Shur-Co Acquisition, Inc. and Shur-Co Holdco, Inc.	5.0	(1.0)	4.0	—	—	4.0
SiroMed Physician Services, Inc. and SiroMed Equity Holdings, LLC	7.1	—	7.1	—	—	7.1
SM Wellness Holdings, Inc. and SM Holdco, Inc.	3.8	—	3.8	—	—	3.8
Spring Insurance Solutions, LLC	5.6	—	5.6	—	—	5.6
Star US Bidco LLC	8.5	—	8.5	—	—	8.5
Stealth Holding LLC and UCIT Online Security Inc.	2.9	—	2.9	—	—	2.9
Sun Acquirer Corp. and Sun TopCo, LP	26.8	—	26.8	—	—	26.8
Sundance Group Holdings, Inc.	7.6	(0.9)	6.7	—	—	6.7
Sunk Rock Foundry Partners LP, Hatteras Electrical Manufacturing Holding Company and Sigma Electric Manufacturing Corporation, Diecast Beacon	7.5	(0.6)	6.9	—	—	6.9
Sunshine Sub, LLC	5.8	—	5.8	—	—	5.8
SV-Burton Holdings, LLC and LBC Breeze Holdings LLC	7.3	—	7.3	—	—	7.3
Symplr Software Inc. and Symplr Software Intermediate Holdings, Inc.	7.0	—	7.0	—	—	7.0
Synergy HomeCare Franchising, LLC and NP/Synergy Holdings, LLC	4.2	—	4.2	—	—	4.2
TA/WEG Holdings, LLC	9.3	(0.8)	8.5	—	—	8.5
Taymax Group, L.P., Taymax Group G.P., LLC, PF Salem Canada ULC and TCP Fit Parent, L.P.	1.9	(0.5)	1.4	—	(0.3)	1.1
TCP Hawker Intermediate LLC	5.3	—	5.3	—	—	5.3
Teligent, Inc.	3.4	—	3.4	—	(3.4)	—
TerSera Therapeutics LLC	0.1	—	0.1	—	—	0.1
The Alaska Club Partners, LLC, Athletic Club Partners LLC and The Alaska Club, Inc.	1.1	—	1.1	—	—	1.1
The Arcticom Group, LLC and AMCP Mechanical Holdings, LP	29.5	(2.0)	27.5	—	—	27.5
The Ultimate Software Group, Inc. and H&F Unite Partners, L.P.	10.0	(0.1)	9.9	—	—	9.9
The Ultimus Group Midco, LLC, The Ultimus Group, LLC, and The Ultimus Group Aggregator, LP	6.9	—	6.9	—	—	6.9
Therapy Brands Holdings LLC	8.6	—	8.6	—	—	8.6
Thermostat Purchaser III, Inc.	11.7	—	11.7	—	—	11.7
THG Acquisition, LLC	34.8	—	34.8	—	—	34.8
United Digestive MSO Parent, LLC	8.4	—	8.4	—	—	8.4
US Salt Investors, LLC and Emerald Lake Pearl Acquisition-A, L.P.	9.9	—	9.9	—	—	9.9
Verscend Holding Corp.	22.5	(0.1)	22.4	—	—	22.4
VLS Recovery Services, LLC	23.8	(1.5)	22.3	—	—	22.3
VPP Intermediate Holdings, LLC and VPP Group Holdings, L.P.	6.2	—	6.2	—	—	6.2
VPROP Operating, LLC and V SandCo, LLC	7.1	—	7.1	—	—	7.1
VS Buyer, LLC	8.1	—	8.1	—	—	8.1
Watchfire Enterprises, Inc.	2.0	—	2.0	—	—	2.0
Watermill Express, LLC and Watermill Express Holdings, LLC	1.9	—	1.9	—	—	1.9
WebPT, Inc.	0.1	—	0.1	—	—	0.1
Wellness AcquisitionCo, Inc.	0.1	—	0.1	—	—	0.1
Wildcat BuyerCo, Inc. and Wildcat Parent, LP	9.9	—	9.9	—	—	9.9
WorkWave Intermediate II, LLC	5.2	—	5.2	—	—	5.2
WSHP FC Acquisition LLC	10.3	(1.5)	8.8	—	—	8.8

(in millions) Portfolio Company	Total revolving and delayed draw loan commitments	Less: funded commitments	Total unfunded commitments	Less: commitments substantially at discretion of the Company	Less: unavailable commitments due to borrowing base or other covenant restrictions	Total net adjusted unfunded revolving and delayed draw commitments
XIFIN, Inc. and ACP Charger Co-Invest LLC	8.9	(1.1)	7.8	—	—	7.8
YE Brands Holdings, LLC	1.2	—	1.2	—	—	1.2
	$ 2,732.5	$ (352.3)	$ 2,380.2	$ —	$ (3.9)	$ 2,376.3

(17) As of December 31, 2021, the Company was party to subscription agreements to fund equity investments in private equity investment partnerships as follows:

(in millions) Company	Total private equity commitments	Less: funded private equity commitments	Total unfunded private equity commitments	Less: private equity commitments substantially at the discretion of the Company	Total net adjusted unfunded private equity commitments
PCG-Ares Sidecar Investment, L.P. and PCG-Ares Sidecar Investment II, L.P.	$ 50.0	$ (12.5)	$ 37.5	$ (37.5)	$ —
European Capital UK SME Debt LP	60.9	(55.1)	5.8	(5.8)	—
	$ 110.9	$ (67.6)	$ 43.3	$ (43.3)	$ —

(18) As of December 31, 2021, the Company had commitments to co-invest in the SDLP for its portion of the SDLP's commitment to fund delayed draw loans of up to $62. See Note 4 to the consolidated financial statements for more information on the SDLP.

(19) Other than the investments noted by this footnote, the fair value of the Company's investments is determined using unobservable inputs that are significant to the overall fair value measurement. See Note 8 to the consolidated financial statements for more information regarding the fair value of the Company's investments.

(20) As of December 31, 2021, the estimated net unrealized gain for federal tax purposes was $0.1 billion based on a tax cost basis of $19.9 billion. As of December 31, 2021, the estimated aggregate gross unrealized loss for federal income tax purposes was $0.7 billion and the estimated aggregate gross unrealized gain for federal income tax purposes was $0.8 billion.

ARES CAPITAL CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY
(in millions, except per share data)

	Common Stock		Capital in Excess of Par Value	Accumulated Undistributed (Overdistributed) Earnings	Total Stockholders' Equity
	Shares	Amount			
Balance at December 31, 2019	431	$ —	$ 7,760	$ (293)	$ 7,467
Issuance of common stock, net of offering and underwriting costs	—	—	4	—	4
Repurchases of common stock	(8)	—	(100)	—	(100)
Net investment income	—	—	—	794	794
Net realized losses on investments, foreign currency and other transactions	—	—	—	(166)	(166)
Net unrealized losses on investments, foreign currency and other transactions	—	—	—	(144)	(144)
Dividends declared and payable ($1.60 per share)	—	—	—	(679)	(679)
Tax reclassification of stockholders' equity in accordance with GAAP	—	—	(8)	8	—
Balance at December 31, 2020	423	$ —	$ 7,656	$ (480)	$ 7,176
Issuance of common stock, net of offering and underwriting costs	42	—	819	—	819
Shares issued in connection with dividend reinvestment plan	3	—	38	—	38
Net investment income	—	—	—	741	741
Net realized gains on investments, foreign currency, extinguishment of debt and other transactions	—	—	—	240	240
Net unrealized gains on investments, foreign currency and other transactions	—	—	—	586	586
Dividends declared and payable ($1.62 per share)	—	—	—	(732)	(732)
Tax reclassification of stockholders' equity in accordance with GAAP	—	—	40	(40)	—
Balance at December 31, 2021	468	$ —	$ 8,553	$ 315	$ 8,868
Issuance of common stock, net of offering and underwriting costs	50	1	1,000	—	1,001
Shares issued in connection with dividend reinvestment plan	1	—	29	—	29
Net investment income	—	—	—	1,092	1,092
Net realized gains on investments, foreign currency, extinguishment of debt and other transactions	—	—	—	33	33
Net unrealized losses on investments, foreign currency and other transactions	—	—	—	(525)	(525)
Dividends declared and payable ($1.87 per share)	—	—	—	(941)	(941)
Cumulative effect of adjustment for the adoption of ASU 2020-06 (Note 2)	—	—	(4)	2	(2)
Tax reclassification of stockholders' equity in accordance with GAAP	—	—	(22)	22	—
Balance at December 31, 2022	519	$ 1	$ 9,556	$ (2)	$ 9,555

See accompanying notes to consolidated financial statements.

ARES CAPITAL CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF CASH FLOWS
(in millions)

	For the Years Ended December 31,		
	2022	**2021**	**2020**
OPERATING ACTIVITIES:			
Net increase in stockholders' equity resulting from operations	$ 600	$ 1,567	$ 484
Adjustments to reconcile net increase in stockholders' equity resulting from operations:			
Net realized (gains) losses on investments, foreign currency and other transactions	(81)	(283)	166
Net unrealized losses (gains) on investments, foreign currency and other transactions	525	(586)	144
Realized loss on extinguishment of debt	48	43	—
Net accretion of discount on investments	(13)	(16)	(8)
PIK interest	(138)	(164)	(150)
Collections of PIK interest	30	104	55
PIK dividends	(175)	(91)	(67)
Collections of PIK dividends	71	122	1
Amortization of debt issuance costs	30	29	23
Net amortization of discount (premium) on notes payable	(4)	2	8
Proceeds from sales and repayments of investments and other transactions	7,747	10,250	5,468
Purchases of investments	(9,852)	(13,644)	(6,759)
Changes in operating assets and liabilities:			
Interest receivable	(34)	(24)	12
Receivable from participants	—	38	(38)
Other assets	58	10	(21)
Operating lease right-of-use asset	7	12	56
Base management fees payable	10	13	1
Income based fees payable	14	(72)	92
Capital gains incentive fees payable	(126)	161	(58)
Interest and facility fees payable	5	17	29
Payable to participants	(80)	42	63
Accounts payable and other liabilities	11	27	(20)
Operating lease liabilities	(12)	(16)	(61)
Net cash used in operating activities	(1,359)	(2,459)	(580)
FINANCING ACTIVITIES:			
Borrowings on debt	7,950	19,336	8,256
Repayments and repurchases of debt	(6,818)	(16,829)	(6,737)
Debt issuance costs	(16)	(64)	(37)
Net proceeds from issuance of common stock	1,001	819	4
Dividends paid	(912)	(694)	(679)
Repurchases of common stock	—	—	(100)
Secured borrowings, net	5	51	23
Net cash provided by financing activities	1,210	2,619	730
CHANGE IN CASH, CASH EQUIVALENTS AND RESTRICTED CASH	(149)	160	150
CASH, CASH EQUIVALENTS AND RESTRICTED CASH, BEGINNING OF PERIOD	486	326	176
CASH, CASH EQUIVALENTS AND RESTRICTED CASH, END OF PERIOD	$ 337	$ 486	$ 326
Supplemental Information:			
Interest paid during the period	$ 402	$ 310	$ 243
Taxes, including excise tax, paid during the period	$ 39	$ 26	$ 16
Dividends declared and payable during the period	$ 941	$ 732	$ 679

See accompanying notes to consolidated financial statements.

1. ORGANIZATION

Ares Capital Corporation (the “Company”) is a specialty finance company that is a closed-end, non-diversified management investment company incorporated in Maryland. The Company has elected to be regulated as a business development company (“BDC”) under the Investment Company Act of 1940, as amended (together with the rules and regulations promulgated thereunder, the “Investment Company Act”). The Company has elected to be treated as a regulated investment company (“RIC”) under the Internal Revenue Code of 1986, as amended (the “Code”), and operates in a manner so as to qualify for the tax treatment applicable to RICs.

The Company’s investment objective is to generate both current income and capital appreciation through debt and equity investments. The Company invests primarily in first lien senior secured loans (including “unitranche” loans, which are loans that combine both senior and subordinated debt, generally in a first lien position) and second lien senior secured loans. In addition to senior secured loans, the Company also invests in subordinated loans (sometimes referred to as mezzanine debt), which in some cases includes an equity component, and preferred equity. To a lesser extent, the Company also makes common equity investments.

The Company is externally managed by Ares Capital Management LLC (“Ares Capital Management” or the Company’s “investment adviser”), a subsidiary of Ares Management Corporation (“Ares Management”), a publicly traded, leading global alternative investment manager, pursuant to an investment advisory and management agreement. Ares Operations LLC (“Ares Operations” or the Company’s “administrator”), a subsidiary of Ares Management, provides certain administrative and other services necessary for the Company to operate.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying consolidated financial statements have been prepared on the accrual basis of accounting in conformity with U.S. generally accepted accounting principles (“GAAP”), and include the accounts of the Company and its consolidated subsidiaries. The Company is an investment company following accounting and reporting guidance in Accounting Standards Codification (“ASC”) 946, *Financial Services-Investment Companies*. The consolidated financial statements reflect all adjustments and reclassifications that, in the opinion of management, are necessary for the fair presentation of the results of operations and financial condition as of and for the periods presented. All significant intercompany balances and transactions have been eliminated.

Cash, Cash Equivalents and Restricted Cash

Cash and cash equivalents include funds from time to time deposited with financial institutions and short-term, liquid investments in a money market account. Cash and cash equivalents are carried at cost which approximates fair value. As of December 31, 2022 and 2021, there was $12 and $62, respectively, of cash denominated in foreign currencies included within “cash and cash equivalents” or “restricted cash” in the accompanying consolidated balance sheet.

Restricted cash primarily relates to cash received by the Company on behalf of participating lenders as a result of the Company’s role as administrative agent for certain loans. The cash received is generally distributed to participating lenders shortly after the receipt of such cash.

The following table provides a reconciliation of cash, cash equivalents and restricted cash in the consolidated balance sheet to the total amount shown at the end of the applicable period in the consolidated statement of cash flows:

	As of December 31,	
	2022	2021
Cash and cash equivalents	$ 303	$ 372
Restricted cash	34	114
Total cash, cash equivalents and restricted cash shown in the consolidated statement of cash flows	$ 337	$ 486

Concentration of Credit Risk

The Company places its cash and cash equivalents with financial institutions and, at times, cash held in money market accounts may exceed the Federal Deposit Insurance Corporation insured limit.

Investments

Investment transactions are recorded on the trade date. Realized gains or losses are measured by the difference between the net proceeds from the repayment or sale and the amortized cost basis of the investment using the specific identification method without regard to unrealized gains or losses previously recognized, and include investments charged off during the period, net of recoveries. Unrealized gains or losses primarily reflect the change in investment values, including the reversal of previously recorded unrealized gains or losses when gains or losses are realized.

Effective October 1, 2022, pursuant to Rule 2a-5 under the 1940 Act, the Company's board of directors selected the Company's investment adviser as the Company's valuation designee to perform the fair value determinations for investments held by the Company without readily available market quotations.

Investments for which market quotations are readily available are typically valued at such market quotations. In order to validate market quotations, the Company looks at a number of factors to determine if the quotations are representative of fair value, including the source and nature of the quotations. Debt and equity securities that are not publicly traded or whose market prices are not readily available (i.e., substantially all of the Company's investments) are valued at fair value as determined in good faith by the Company's investment adviser, as the valuation designee, subject to the oversight of its board of directors, based on, among other things, the input of the Company's independent third-party valuation firms that have been engaged to support the valuation of such portfolio investments at least once during a trailing 12-month period (with certain de minimis exceptions) and under a valuation policy and a consistently applied valuation process. The valuation process is conducted at the end of each fiscal quarter by the Company's investment adviser, and a portion of the Company's investment portfolio at fair value is subject to review by an independent third-party valuation firm each quarter. In addition, the Company's independent registered public accounting firm obtains an understanding of, and performs select procedures relating to, the Company's valuation process within the context of performing the integrated audit.

As part of the valuation process, the Company's investment adviser may take into account the following types of factors, if relevant, in determining the fair value of the Company's investments: the enterprise value of a portfolio company (the entire value of the portfolio company to a market participant, including the sum of the values of debt and equity securities used to capitalize the enterprise at a point in time), the nature and realizable value of any collateral, the portfolio company's ability to make payments and its earnings and discounted cash flow, the markets in which the portfolio company does business, a comparison of the portfolio company's securities to any similar publicly traded securities, changes in the interest rate environment and the credit markets, which may affect the price at which similar investments would trade in their principal markets and other relevant factors. When an external event such as a purchase transaction, public offering or subsequent sale occurs, the Company's investment adviser considers the pricing indicated by the external event to corroborate the valuation.

Because there is not a readily available market value for most of the investments in its portfolio, substantially all of the Company's portfolio investments are valued at fair value as determined in good faith by its investment adviser, as the valuation designee, as described herein. Due to the inherent uncertainty of determining the fair value of investments that do not have a readily available market value, the fair value of the Company's investments may fluctuate from period to period. Additionally, the fair value of the Company's investments may differ significantly from the values that would have been used had a ready market existed for such investments and may differ materially from the values that the Company may ultimately realize. Further, such investments are generally subject to legal and other restrictions on resale or otherwise are less liquid than publicly traded securities. If the Company was required to liquidate a portfolio investment in a forced or liquidation sale, the Company could realize significantly less than the value at which the Company has recorded it.

In addition, changes in the market environment and other events that may occur over the life of the investments may cause the gains or losses ultimately realized on these investments to be different than the unrealized gains or losses reflected in the valuations currently assigned.

The Company's investment adviser, as the valuation designee, subject to the oversight of its board of directors undertakes a multi-step valuation process each quarter, as described below:

- The Company's quarterly valuation process begins with a preliminary valuation being prepared by the investment professionals responsible for the portfolio investment in conjunction with the Company's portfolio management and valuation team.

- Preliminary valuations are reviewed and discussed by the valuation committee of the Company's investment adviser.

- The valuation committee of the Company's investment adviser determines the fair value of each investment in the Company's portfolio without a readily available market quotation in good faith based on, among other things, the input of the independent third-party valuation firms, where applicable.

See Note 8 for more information on the Company's valuation process.

Interest Income Recognition

Interest income is recorded on an accrual basis and includes the accretion of discounts, amortization of premiums and payment-in-kind ("PIK") interest. Discounts from and premiums to par value on investments purchased are accreted/amortized into interest income over the life of the respective security using the effective yield method. To the extent loans contain PIK provisions, PIK interest, computed at the contractual rate specified in each applicable agreement, is accrued and recorded as interest income and added to the principal balance of the loan. PIK interest income added to the principal balance is generally collected upon repayment of the outstanding principal. To maintain the Company's status as a RIC, this non-cash source of income must be paid out to stockholders in the form of dividends for the year the income was earned, even though the Company has not yet collected the cash. The amortized cost of investments represents the original cost adjusted for any accretion of discounts, amortization of premiums and PIK interest.

Loans are generally placed on non-accrual status when principal or interest payments are past due 30 days or more or when there is reasonable doubt that principal or interest will be collected in full. Accrued and unpaid interest is generally reversed when a loan is placed on non-accrual status. Interest payments received on non-accrual loans may be recognized as income or applied to principal depending upon the Company's judgment regarding collectability. Non-accrual loans are restored to accrual status when past due principal and interest are paid or there is no longer any reasonable doubt that such principal or interest will be collected in full and, in the Company's judgment, are likely to remain current. The Company may make exceptions to this policy if the loan has sufficient collateral value (i.e., typically measured as enterprise value of the portfolio company) or is in the process of collection.

Dividend Income Recognition

Dividend income on preferred equity is recorded on an accrual basis to the extent that such amounts are payable by the portfolio company and are expected to be collected. Dividend income on common equity is recorded on the record date for private portfolio companies or on the ex-dividend date for publicly traded portfolio companies. To the extent a preferred equity contains PIK provisions, PIK dividends, computed at the contractual rate specified in each applicable agreement, are accrued and recorded as dividend income and added to the principal balance of the preferred equity. PIK dividends added to the principal balance are generally collected upon redemption of the equity.

Capital Structuring Service Fees and Other Income

In pursuit of the Company's investment objective, the Company's investment adviser seeks to provide assistance to its portfolio companies and in return the Company may receive fees for capital structuring services. These fees are fixed based on contractual terms, are generally only available to the Company as a result of the Company's underlying investments, are normally paid at the closing of the investments, are generally non-recurring and non-refundable and are recognized as revenue when earned upon closing of the investment. The services that the Company's investment adviser provides vary by investment, but generally include reviewing existing credit facilities, arranging bank financing, arranging equity financing, structuring financing from multiple lenders, structuring financing from multiple equity investors, restructuring existing loans, raising equity and debt capital, and providing general financial advice, which concludes upon closing of the investment. Any services of the above nature subsequent to the closing would generally generate a separate fee payable to the Company. In certain instances where the Company is invited to participate as a co-lender in a transaction and does not provide significant services in connection with the investment, a portion of loan fees paid to the Company in such situations will be deferred and amortized over the contractual life of the loan.

Other income includes amendment fees that are fixed based on contractual terms and are generally non-recurring and non-refundable and are recognized as revenue when earned upon closing of the related transaction. Other income also includes fees for management and consulting services, agency services, loan guarantees, commitments, and other services rendered by the Company to portfolio companies. Such fees are fixed based on contractual terms and are recognized as income as services are rendered.

Foreign Currency Translation

The Company's books and records are maintained in U.S. dollars. Any foreign currency amounts are translated into U.S. dollars on the following basis:

(1) Fair value of investment securities, other assets and liabilities—at the exchange rates prevailing at the end of the period.

(2) Purchases and sales of investment securities, income and expenses—at the exchange rates prevailing on the respective dates of such transactions, income or expenses.

Results of operations based on changes in foreign exchange rates are separately disclosed in the statement of operations, if any. Foreign security and currency translations may involve certain considerations and risks not typically associated with investing in U.S. companies and U.S. government securities. These risks include, but are not limited to, currency fluctuations and revaluations and future adverse political, social and economic developments, which could cause investments in foreign markets to be less liquid and prices more volatile than those of comparable U.S. companies or U.S. government securities.

Derivative Instruments

The Company does not utilize hedge accounting and as such values its derivatives at fair value with the unrealized gains or losses recorded in "net unrealized gains (losses) from foreign currency and other transactions" in the Company's consolidated statement of operations.

Equity Offering Expenses

The Company's offering costs are charged against the proceeds from equity offerings when proceeds are received.

Debt Issuance Costs

Debt issuance costs are amortized over the life of the related debt instrument using the straight line method or the effective yield method, depending on the type of debt instrument.

Secured Borrowings

The Company follows the guidance in ASC Topic 860, *Transfers and Servicing*, when accounting for participations and other partial loan sales. Certain loan sales do not qualify for sale accounting under ASC Topic 860 because these sales do not meet the definition of a "participating interest," as defined in the guidance, in order for sale treatment to be allowed. Participations or other partial loan sales which do not meet the definition of a participating interest or which are not eligible for sale accounting remain as an investment on the consolidated balance sheet as required under GAAP and the proceeds are recorded as a secured borrowing. Secured borrowings are carried at fair value.

Leases

The Company is obligated under a number of operating leases pursuant to which it is leasing office facilities from third parties with remaining terms ranging from approximately one to four years. Such operating leases are included in operating lease right-of-use (“ROU”) assets and operating lease liabilities in the accompanying consolidated balance sheets. The Company does not have any finance leases.

The ROU asset represents the Company’s right to use an underlying asset for the lease term and the operating lease liability represents the Company’s obligation to make lease payments arising from such lease. Operating lease ROU assets and liabilities are recognized at the commencement date based on the present value of lease payments over the remaining lease term. The Company’s leases do not provide an implicit discount rate, and as such the Company uses its weighted average borrowing rate based on the information available at the commencement date in determining the present value of the remaining lease payments. Lease expense is recognized on a straight-line basis over the remaining lease term. The Company has elected as a practical expedient to treat non-lease components as part of the lease as these components are not significant when compared to the lease component.

Income Taxes

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

Depending on the level of taxable income earned in a tax year, the Company may choose to carry forward taxable income in excess of current year dividend distributions from such current year taxable income into the next tax year and pay a 4% excise tax on such income, as required. To the extent that the Company determines that its estimated current year taxable income will be in excess of estimated dividend distributions for the current year from such income, the Company accrues excise tax, if any, on estimated excess taxable income as such taxable income is earned.

The Company may hold certain portfolio company investments through consolidated taxable subsidiaries. Such subsidiaries may be subject to U.S. federal and state corporate-level income taxes. These consolidated subsidiaries recognize deferred tax assets and liabilities for the estimated future tax effects attributable to temporary differences between the tax basis of certain assets and liabilities and the reported amounts included in the accompanying consolidated balance sheet using the applicable statutory tax rates in effect for the year in which any such temporary differences are expected to reverse.

Dividends to Common Stockholders

Dividends and distributions to common stockholders are recorded on the ex-dividend date. The amount to be paid out as a dividend is determined by the Company’s board of directors each quarter and is generally based upon the earnings estimated by management and considers the level of undistributed taxable income carried forward from the prior year for distribution in the current year. Net realized capital gains, if any, are generally distributed, although the Company may decide to retain such capital gains for investment.

The Company has adopted a dividend reinvestment plan that provides for reinvestment of any distributions the Company declares in cash on behalf of its stockholders, unless a stockholder elects to receive cash. As a result, if the Company’s board of directors authorizes, and the Company declares, a cash dividend, then the Company’s stockholders who have not “opted out” of the Company’s dividend reinvestment plan will have their cash dividends automatically reinvested in additional shares of the Company’s common stock, rather than receiving the cash dividend. The Company may use newly issued shares to implement the dividend reinvestment plan or, if the Company is otherwise permitted under applicable law to purchase such shares, the Company may purchase shares in the open market in connection with the Company’s obligations under the dividend reinvestment plan.

Use of Estimates in the Preparation of Financial Statements

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of actual and contingent assets and liabilities at the date of the financial statements and the reported amounts of income or loss and expenses during the reporting period. Actual results could differ from those estimates. Significant estimates include the valuation of investments.

Recent Accounting Pronouncements

The Company considers the applicability and impact of all accounting standard updates ("ASU") issued by the Financial Accounting Standards Board ("FASB"). ASUs not listed below were assessed and either determined to be not applicable or expected to have minimal impact on its consolidated financial statements.

In August 2020, the FASB issued ASU No. 2020-06, "*Debt-Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging-Contracts in Entity's Own Equity (Subtopic 815-40): Accounting for Convertible Instruments and Contracts in an Entity's Own Equity,"* which simplifies the accounting for convertible instruments by removing the separation models for (1) convertible debt with a cash conversion feature and (2) convertible instruments with a beneficial conversion feature. As a result, after adoption, a convertible debt instrument will be accounted for as a single liability measured at its amortized cost. Additionally, ASU 2020-06 requires the application of the if-converted method to calculate the impact of convertible instruments on diluted earnings per share. ASU 2020-06 is effective for fiscal years beginning after December 15, 2021 and can be adopted on either a fully retrospective or modified retrospective basis. The Company adopted ASU 2020-06 on January 1, 2022, electing the modified retrospective transition method that allows for a cumulative-effect adjustment in the period of adoption. As a result of adopting the guidance, the Company is no longer separating the convertible instruments into debt and equity components, and is instead accounting for convertible instruments as entirely debt.

The impact of the Company's adoption under the modified retrospective basis required a cumulative effect adjustment to opening net assets for the remaining unamortized discount on the $403 in aggregate principal amount of unsecured convertible notes outstanding as of March 31, 2022, and a requirement for the Company to calculate diluted earnings per share using the if-converted method which assumes full share settlement for the aggregate value of the $403 in aggregate principal amount of unsecured convertible notes. The Company's adoption of this guidance did not have a material impact on the Company's financial position, results of operations or cash flows. See Notes 5 and 10 for additional information on the effects of the adoption of ASU 2020-06.

In March 2020, the FASB issued ASU No. 2020-04, "*Reference Rate Reform (Topic 848),*" which provides optional expedients and exceptions for applying GAAP to contracts, hedging relationships, and other transactions affected by reference rate reform if certain criteria are met. The amendments apply only to contracts, hedging relationships, and other transactions that reference London Interbank Offered Rate ("LIBOR") or another reference rate expected to be discontinued because of reference rate reform. In January 2021, the FASB issued ASU No. 2021-01, *Reference Rate Reform (Topic 848)*, which expanded the scope of Topic 848 to include derivative instruments impacted by discounting transition. ASU 2020-04 and ASU 2021-01 are effective for all entities through December 31, 2022. The expedients and exceptions provided by the amendments do not apply to contract modifications and hedging relationships entered into or evaluated after December 31, 2022, except for hedging transactions as of December 31, 2022, that an entity has elected certain optional expedients for and that are retained through the end of the hedging relationship. In December 2022, the FASB issued ASU No. 2022-06, *Reference Rate Reform (Topic 848): Deferral of the Sunset Date of Topic 848*, which deferred the sunset day of this guidance to December 31, 2024. The Company is currently evaluating the impact of this guidance on its consolidated financial statements.

3. AGREEMENTS

Investment Advisory and Management Agreement

The Company is party to an investment advisory and management agreement (the "investment advisory and management agreement") with Ares Capital Management. Subject to the overall supervision of the Company's board of directors, Ares Capital Management provides investment advisory and management services to the Company. For providing these services, Ares Capital Management receives fees from the Company consisting of a base management fee, a fee based on the Company's net investment income ("income based fee") and a fee based on the Company's net capital gains ("capital gains incentive fee"). The investment advisory and management agreement may be terminated by either party without penalty upon 60 days' written notice to the other party.

Effective June 21, 2019, in connection with the Company's board of directors' approval of the modification of the asset coverage requirement applicable to senior securities from 200% to 150%, the investment advisory and management agreement was amended to reduce the Company's annual base management fee rate from 1.5% to 1.0% on all assets financed using leverage over 1.0x debt to equity. For all assets financed using leverage up to 1.0x debt to equity, the annual base management fee rate remains at 1.5%. The base management fee is based on the average value of the Company's total assets (other than cash or cash equivalents but including assets purchased with borrowed funds) at the end of the two most recently completed calendar quarters and is calculated by applying the applicable fee rate. The base management fee is payable quarterly in arrears. See Note 5 for additional information.

The income based fee is calculated and payable quarterly in arrears based on the Company's pre-incentive fee net investment income, as defined in the investment advisory and management agreement, for the quarter. Pre-incentive fee net investment income means interest income, dividend income and any other income (including any other fees such as commitment, origination, structuring, diligence and consulting fees or other fees that the Company receives from portfolio companies but excluding fees for providing managerial assistance) accrued during the calendar quarter, minus operating expenses for the quarter (including the base management fee, any expenses payable under the administration agreement, and any interest expense and dividends paid on any outstanding preferred stock, but excluding the income based fee and capital gains incentive fee accrued under GAAP). Pre-incentive fee net investment income includes, in the case of investments with a deferred income feature such as market discount, debt instruments with PIK interest, preferred stock with PIK dividends and zero coupon securities, accrued income that the Company has not yet received in cash. The Company's investment adviser is not under any obligation to reimburse the Company for any part of the income based fees it received that was based on accrued income that the Company never actually received.

Pre-incentive fee net investment income does not include any realized capital gains, realized capital losses, unrealized capital appreciation, unrealized capital depreciation or income tax expense related to realized gains and losses. Because of the structure of the income based fee, it is possible that the Company may pay such fees in a quarter where the Company incurs a loss. For example, if the Company earns pre-incentive fee net investment income in excess of the hurdle rate (as defined below) for a quarter, the Company will pay the applicable income based fee even if the Company has incurred a loss in that quarter due to realized and/or unrealized capital losses.

Pre-incentive fee net investment income, expressed as a rate of return on the value of the Company's net assets (defined as total assets less indebtedness and before taking into account any income based fees and capital gains incentive fees payable during the period) at the end of the immediately preceding calendar quarter, is compared to a fixed "hurdle rate" of 1.75% per quarter. If market credit spreads rise, the Company may be able to invest its funds in debt instruments that provide for a higher return, which may increase the Company's pre-incentive fee net investment income and make it easier for the Company's investment adviser to surpass the fixed hurdle rate and receive an income based fee based on such net investment income. To the extent the Company has retained pre-incentive fee net investment income that has been used to calculate the income based fee, it is also included in the amount of the Company's total assets (other than cash and cash equivalents but including assets purchased with borrowed funds) used to calculate the base management fee.

The Company pays its investment adviser an income based fee with respect to the Company's pre-incentive fee net investment income in each calendar quarter as follows:

- No income based fee in any calendar quarter in which the Company's pre-incentive fee net investment income does not exceed the hurdle rate;

- 100% of the Company's pre-incentive fee net investment income with respect to that portion of such pre-incentive fee net investment income, if any, that exceeds the hurdle rate but is less than 2.1875% in any calendar quarter. The Company refers to this portion of its pre-incentive fee net investment income (which exceeds the hurdle rate but is less than 2.1875%) as the "catch-up" provision. The "catch-up" is meant to provide the Company's investment adviser with 20% of the pre-incentive fee net investment income as if a hurdle rate did not apply if this net investment income exceeded 2.1875% in any calendar quarter; and

- 20% of the amount of the Company's pre-incentive fee net investment income, if any, that exceeds 2.1875% in any calendar quarter.

These calculations are adjusted for any share issuances or repurchases during the quarter.

The capital gains incentive fee is determined and payable in arrears as of the end of each calendar year (or, upon termination of the investment advisory and management agreement, as of the termination date) and is calculated at the end of each applicable year by subtracting (a) the sum of the Company's cumulative aggregate realized capital losses and aggregate unrealized capital depreciation from (b) the Company's cumulative aggregate realized capital gains, in each case calculated from October 8, 2004 (the date the Company completed its initial public offering). Realized capital gains and losses include gains and losses on investments and foreign currencies, gains and losses on extinguishment of debt and from other assets, as well as any income tax and other expenses related to cumulative aggregate realized gains and losses. If such amount is positive at the end of such year, then the capital gains incentive fee for such year is equal to 20% of such amount, less the aggregate amount of capital gains incentive fees paid in all prior years. If such amount is negative, then there is no capital gains incentive fee for such year.

The cumulative aggregate realized capital gains are calculated as the sum of the differences, if positive, between (a) the net sales price of each investment in the Company's portfolio when sold and (b) the accreted or amortized cost basis of such investment.

The cumulative aggregate realized capital losses are calculated as the sum of the amounts by which (a) the net sales price of each investment in the Company's portfolio when sold is less than (b) the accreted or amortized cost basis of such investment.

The aggregate unrealized capital depreciation is calculated as the sum of the differences, if negative, between (a) the valuation of each investment in the Company's portfolio as of the applicable capital gains incentive fee calculation date and (b) the accreted or amortized cost basis of such investment.

Notwithstanding the foregoing, if the Company is required by GAAP to record an investment at its fair value as of the time of acquisition instead of at the actual amount paid for such investment by the Company (including, for example, as a result of the application of the asset acquisition method of accounting), then solely for the purposes of calculating the capital gains incentive fee, the "accreted or amortized cost basis" of an investment shall be an amount (the "Contractual Cost Basis") equal to (1) (x) the actual amount paid by the Company for such investment plus (y) any amounts recorded in the Company's financial statements as required by GAAP that are attributable to the accretion of such investment plus (z) any other adjustments made to the cost basis included in the Company's financial statements, including PIK interest or additional amounts funded (net of repayments) minus (2) any amounts recorded in the Company's financial statements as required by GAAP that are attributable to the amortization of such investment, whether such calculated Contractual Cost Basis is higher or lower than the fair value of such investment (as determined in accordance with GAAP) at the time of acquisition.

The base management fees, income based fees and capital gains incentive fees for the years ended December 31, 2022, 2021 and 2020 were as follows:

	For the Years Ended December 31,		
	2022	2021	2020
Base management fees	$ 305	$ 253	$ 217
Income based fees	$ 252	$ 225	$ 184
Capital gains incentive fees(1)	$ (101)	$ 161	$ (58)

(1) Calculated in accordance with GAAP as discussed below.

There was no capital gains incentive fee payable to the Company's investment adviser as calculated under the investment advisory and management agreement for the years ended December 31, 2022 and 2020. The capital gains incentive fee payable to the Company's investment adviser as calculated under the investment advisory and management agreement for the year ended December 31, 2021 was $26. In addition, in accordance with GAAP, the Company had cumulatively accrued a capital gains incentive fee of $35 as of December 31, 2022. GAAP requires that the capital gains incentive fee accrual consider the cumulative aggregate unrealized capital appreciation in the calculation, as a capital gains incentive fee would be payable if such unrealized capital appreciation were realized, even though such unrealized capital appreciation is not permitted to be considered in calculating the fee actually payable under the investment advisory and management agreement. This GAAP accrual is calculated using the aggregate cumulative realized capital gains and losses and aggregate cumulative unrealized capital depreciation included in the calculation of the capital gains incentive fee plus the aggregate cumulative unrealized capital appreciation, net of any expense associated with cumulative unrealized capital depreciation or appreciation. If such amount is positive at the end of a period, then GAAP requires the Company to record a capital gains incentive fee equal to 20% of such cumulative amount, less the aggregate amount of actual capital gains incentive fees paid or capital gains incentive fees accrued under GAAP in all prior periods. As of December 31, 2022, the Company has paid capital gains incentive fees since inception totaling $133. The resulting accrual for any capital gains incentive fee under GAAP in a given period may result in an additional expense if such cumulative amount is greater than in the prior period or a reversal of previously recorded expense if such cumulative amount is less than in the prior period. If such cumulative amount is negative, then there is no accrual. There can be no assurance that such unrealized capital appreciation will be realized in the future.

Cash payment of any income based fees and capital gains incentive fees otherwise earned by the Company's investment adviser is deferred if during the most recent four full calendar quarter period ending on or prior to the date such payment is to be made the sum of (a) the aggregate distributions to the Company's stockholders and (b) the change in net assets (defined as total assets less indebtedness and before taking into account any income based fees and capital gains incentive fees payable during the period) is less than 7.0% of the Company's net assets (defined as total assets less indebtedness) at the beginning of such period. These calculations will be adjusted for any share issuances or repurchases. Any income based fees and capital gains incentive fees deferred for payment are carried over for payment in subsequent calculation periods to the extent such fees are payable under the terms of the investment advisory and management agreement. Pursuant to the terms under the investment advisory and management agreement, as of December 31, 2022, payment of $81 of the income based fees earned by the Company's investment adviser during the year ended December 31, 2022 has been deferred.

The services of all investment professionals and staff of the Company's investment adviser, when and to the extent engaged in providing investment advisory and management services to the Company, and routine overhead expenses of such personnel allocable to such services, are provided and paid for by the Company's investment adviser. Under the investment
advisory and management agreement, the Company bears all other costs and expenses of its operations and transactions, including, but not limited to, those relating to: organization; calculation of the Company's net asset value (including, but not limited to, the cost and expenses of any independent third-party valuation firm); expenses incurred by the Company's investment adviser payable to third parties, including agents, consultants or other advisers, in monitoring the Company's financial and legal affairs and in monitoring the Company's investments (including the cost of consultants hired to develop information technology systems designed to monitor the Company's investments) and performing due diligence on the Company's prospective portfolio companies; interest payable on indebtedness, if any, incurred to finance the Company's investments (including payments to third party vendors for financial information services); offerings of the Company's common stock and other securities; investment advisory and management fees; administration fees; fees payable to third parties, including agents, consultants or other advisers, relating to, or associated with, evaluating and making investments in portfolio companies, regardless of whether such transactions are ultimately consummated; transfer agent and custodial fees; registration fees; listing fees; taxes; independent directors' fees and expenses; costs of preparing and filing reports or other documents with the SEC; the costs of any reports, proxy statements or other notices to stockholders, including printing costs; to the extent the Company is covered by any joint insurance policies, the Company's allocable portion of the insurance premiums for such policies; direct costs and expenses of administration, including auditor and legal costs; and all other expenses incurred by the Company or its administrator in connection with administering the Company's business as described in more detail under "Administration Agreement" below.

Administration Agreement

The Company is party to an administration agreement, referred to herein as the "administration agreement", with its administrator, Ares Operations. Pursuant to the administration agreement, Ares Operations furnishes the Company with office equipment and clerical, bookkeeping and record keeping services at the Company's office facilities. Under the administration agreement, Ares Operations also performs, or oversees the performance of, the Company's required administrative services, which include, among other things, providing assistance in accounting, legal, compliance, operations, technology and investor relations, being responsible for the financial records that the Company is required to maintain and preparing reports to its stockholders and reports filed with the SEC. In addition, Ares Operations assists the Company in determining and publishing its net asset value, assists the Company in providing managerial assistance to its portfolio companies, oversees the preparation and filing of the Company's tax returns and the printing and dissemination of reports to its stockholders, and generally oversees the payment of its expenses and the performance of administrative and professional services rendered to the Company by others. Payments under the administration agreement are equal to an amount based upon its allocable portion of Ares Operations' overhead and other expenses (including travel expenses) incurred by Ares Operations in performing its obligations under the administration agreement, including the Company's allocable portion of the compensation, rent and other expenses of certain of its officers (including the Company's chief compliance officer, chief financial officer, chief accounting officer, general counsel, secretary, treasurer and assistant treasurer) and their respective staffs. The administration agreement may be terminated by either party without penalty upon 60 days' written notice to the other party.

For the years ended December 31, 2022, 2021 and 2020, the Company incurred $11, $15 and $13, respectively, in administrative fees. As of December 31, 2022 and 2021, $2 and $4, respectively, in administrative fees were unpaid and included in "accounts payable and other liabilities" in the accompanying consolidated balance sheet.

4. INVESTMENTS

As of December 31, 2022 and 2021, investments consisted of the following:

	As of December 31,			
	2022		2021	
	Amortized Cost(1)	Fair Value	Amortized Cost(1)	Fair Value
First lien senior secured loans(2)	$ 9,684	$ 9,373	$ 9,583	$ 9,459
Second lien senior secured loans	4,218	3,934	4,614	4,524
Subordinated certificates of the SDLP(3)	1,274	1,249	987	987
Senior subordinated loans	1,163	1,079	896	890
Preferred equity	2,095	2,027	1,547	1,561
Ivy Hill Asset Management, L.P.(4)	2,048	2,201	781	936
Other equity	1,561	1,917	1,402	1,652
Total	$ 22,043	$ 21,780	$ 19,810	$ 20,009

(1) The amortized cost represents the original cost adjusted for any accretion of discounts, amortization of premiums and PIK interest or dividends.

(2) First lien senior secured loans include certain loans that the Company classifies as "unitranche" loans. The total amortized cost and fair value of the loans that the Company classified as "unitranche" loans were $4,983 and $4,841 respectively, as of December 31, 2022, and $5,210 and $5,163, respectively, as of December 31, 2021.

(3) The proceeds from these certificates were applied to co-investments with Varagon and its clients to fund first lien senior secured loans to 22 and 19 different borrowers as of December 31, 2022 and 2021, respectively.

(4) Includes the Company's equity and subordinated loan investments in IHAM, as applicable.

The Company uses Global Industry Classification Standards for classifying the industry groupings of its portfolio companies. The industrial and geographic compositions of the Company's portfolio at fair value as of December 31, 2022 and 2021 were as follows:

	As of December 31,	
	2022	2021
Industry		
Software & Services	21.9 %	21.9 %
Diversified Financials(1)	13.3	7.5
Health Care Services	10.8	10.8
Commercial & Professional Services	9.5	9.2
Investment Funds and Vehicles(2)	6.0	5.2
Insurance Services	5.2	5.8
Power Generation	4.5	4.5
Consumer Services	4.2	3.9
Consumer Durables & Apparel	3.7	4.4
Capital Goods	3.6	4.8
Automobiles & Components	2.6	4.6
Media & Entertainment	2.1	2.2
Food & Beverage	2.0	2.2
Energy	2.0	1.9
Pharmaceuticals, Biotechnology & Life Sciences	1.7	1.9
Other	6.9	9.2
Total	100.0 %	100.0 %

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(1) Includes the Company's investment in IHAM.

(2) Includes the Company's investment in the SDLP, which had made first lien senior secured loans to 22 and 19 different borrowers as of December 31, 2022 and 2021, respectively. The portfolio companies in the SDLP are in industries similar to the companies in the Company's portfolio.

	As of December 31,	
	2022	2021
Geographic Region		
West(1)	24.5 %	26.6 %
Midwest	23.9	27.9
Southeast	17.1	17.2
Mid-Atlantic	14.9	14.5
Northeast(2)	14.0	9.4
International	5.6	4.4
Total	100.0 %	100.0 %

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(1) Includes the Company's investment in the SDLP, which represented 5.7% and 4.9% of the total investment portfolio at fair value as of December 31, 2022 and 2021, respectively.

(2) Includes the Company's investment in IHAM, which represented 10.1% and 4.7% of the total investment portfolio at fair value as of December 31, 2022 and 2021, respectively.

As of December 31, 2022 and 2021, loans on non-accrual status represented 1.7% of the total investments at amortized cost (or 1.1% at fair value) and 0.8% at amortized cost (or 0.5% at fair value), respectively.

Senior Direct Lending Program

The Company has established a joint venture with Varagon to make certain first lien senior secured loans, including certain stretch senior and unitranche loans, primarily to U.S. middle-market companies. Varagon was formed in 2013 as a lending platform by American International Group, Inc. and other partners. The joint venture is called the SDLP. In July 2016, the Company and Varagon and its clients completed the initial funding of the SDLP. The SDLP may generally commit and hold individual loans of up to $450. The Company and other accounts managed by the Company's investment adviser and its affiliates may directly co-invest with the SDLP to accommodate larger transactions. The SDLP is capitalized as transactions are completed and all portfolio decisions and generally all other decisions in respect of the SDLP must be approved by an investment committee of the SDLP consisting of representatives of the Company and Varagon (with approval from a representative of each required).

The Company provides capital to the SDLP in the form of subordinated certificates (the "SDLP Certificates"), and Varagon and its clients provide capital to the SDLP in the form of senior notes, intermediate funding notes and SDLP Certificates. As of December 31, 2022 and 2021, the Company and a client of Varagon owned 87.5% and 12.5%, respectively, of the outstanding SDLP Certificates.

As of December 31, 2022 and 2021, the Company and Varagon and its clients had agreed to make capital available to the SDLP of $6,150 and $6,150, respectively, in the aggregate, of which $1,444 and $1,444, respectively, is to be made available from the Company. The Company will continue to provide capital to the SDLP in the form of SDLP Certificates, and Varagon and its clients will provide capital to the SDLP in the form of senior notes, intermediate funding notes and SDLP Certificates. This capital will only be committed to the SDLP upon approval of transactions by the investment committee of the SDLP as discussed above. Below is a summary of the funded capital and unfunded capital commitments of the SDLP.

	As of December 31,	
	2022	2021
Total capital funded to the SDLP(1)	$ 5,127	$ 4,168
Total capital funded to the SDLP by the Company(1)	$ 1,274	$ 987
Total unfunded capital commitments to the SDLP(2)	$ 294	$ 262
Total unfunded capital commitments to the SDLP by the Company(2)	$ 68	$ 62

(1) At principal amount.

(2) These commitments to fund delayed draw loans have been approved by the investment committee of the SDLP and will be funded if and when conditions to funding such delayed draw loans are met.

The SDLP Certificates pay a coupon equal to LIBOR plus 8.0% and also entitle the holders thereof to receive a portion of the excess cash flow from the loan portfolio, after expenses, which may result in a return to the holders of the SDLP Certificates that is greater than the stated coupon. The SDLP Certificates are junior in right of payment to the senior notes and intermediate funding notes.

The amortized cost and fair value of the SDLP Certificates held by the Company were $1,274 and $1,249, respectively, as of December 31, 2022 and $987 and $987, respectively, as of December 31, 2021. The Company's yield on its investment in the SDLP Certificates at amortized cost and fair value was 13.5% and 13.8%, respectively, as of December 31, 2022, and 13.5% and 13.5%, respectively, as of December 31, 2021. The interest income from the Company's investment in the SDLP Certificates and capital structuring service and other fees earned for the years ended December 31, 2022, 2021 and 2020 were as follows:

	For the Years Ended December 31,		
	2022	2021	2020
Interest income	$ 146	$ 138	$ 127
Capital structuring service and other fees	$ 22	$ 22	$ 23

As of December 31, 2022 and 2021, the SDLP's portfolio was comprised entirely of first lien senior secured loans to U.S. middle-market companies and were in industries similar to the companies in the Company's portfolio. As of December 31, 2022, one of the loans was on non-accrual status. As of December 31, 2021, none of the loans were on non-accrual status. Below is a summary of the SDLP's portfolio.

	As of December 31,	
	2022	2021
Total first lien senior secured loans(1)(2)	$ 5,174	$ 4,194
Largest loan to a single borrower(1)	$ 377	$ 342
Total of five largest loans to borrowers(1)	$ 1,631	$ 1,540
Number of borrowers in the SDLP	22	19
Commitments to fund delayed draw loans(3)	$ 294	$ 262

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(1) At principal amount.

(2) First lien senior secured loans include certain loans that the SDLP classifies as "unitranche" loans. As of December 31, 2022 and 2021, the total principal amount of loans in the SDLP portfolio that the SDLP classified as "unitranche" loans was $4,108 and $2,908, respectively.

(3) As discussed above, these commitments have been approved by the investment committee of the SDLP.

Pursuant to Rule 4-08(g) of Regulation S-X, selected financial information of the SDLP, in conformity with GAAP, as of December 31, 2022 and 2021 and for the years ended December 31, 2022, 2021 and 2020 are presented below:

	As of December 31,	
	2022	2021
Selected Balance Sheet Information:		
Investments at fair value (amortized cost of $5,166 and $4,193, respectively)	$ 4,958	$ 4,127
Other assets	150	84
Total assets	$ 5,108	$ 4,211
Senior notes	$ 3,538	$ 2,939
Intermediate funding notes	132	101
Other liabilities	110	51
Total liabilities	3,780	3,091
Subordinated certificates and members' capital	1,328	1,120
Total liabilities and members' capital	$ 5,108	$ 4,211

	For the Years Ended December 31,		
	2022	2021	2020
Selected Statement of Operations Information:			
Total investment income	$ 365	$ 282	$ 302
Interest expense	155	91	113
Other expenses	20	18	16
Total expenses	175	109	129
Net investment income	190	173	173
Net realized and unrealized gains (losses) on investments	(147)	70	(64)
Net increase in members' capital resulting from operations	$ 43	$ 243	$ 109

Ivy Hill Asset Management, L.P.

Ivy Hill Asset Management, L.P. ("IHAM"), a wholly owned portfolio company of the Company, is an asset management services company and an SEC-registered investment adviser. As of December 31, 2022, IHAM had assets under management of approximately $13.1 billion. As of December 31, 2022, IHAM managed 21 vehicles and served as the sub-manager/sub-servicer for one other vehicle (these vehicles managed or sub-managed/sub-serviced by IHAM are referred to as the "IHAM Vehicles"). IHAM earns fee income from managing the IHAM Vehicles and has also invested in certain of these vehicles as part of its business strategy. The amortized cost of IHAM's total investments as of December 31, 2022 and 2021 was $2,370 and $966, respectively. For the years ended December 31, 2022, 2021 and 2020, IHAM had management and incentive fee income of $48, $31 and $28, respectively, and other investment-related income of $189, $91 and $75, respectively.

The amortized cost and fair value of the Company's investment in IHAM as of December 31, 2022 and 2021 were as follows:

	As of December 31,			
	2022		2021	
	Amortized Cost	Fair Value	Amortized Cost	Fair Value
Subordinated debt	$ 500	$ 500	$ 16	$ 16
Equity investment	1,548	1,701	765	920
Total Company's investment in IHAM	$ 2,048	$ 2,201	$ 781	$ 936

The interest income and dividend income that the Company earned from IHAM for the years ended December 31, 2022, 2021 and 2020 were as follows:

	For the Years Ended December 31,		
	2022	2021	2020
Interest income	$ 23	$ 3	$ 6
Dividend income	$ 205	$ 93	$ 74

From time to time, IHAM or certain IHAM Vehicles may purchase investments from, or sell investments to, the Company. For any such sales or purchases by the IHAM Vehicles to or from the Company, the IHAM Vehicle must obtain approval from third parties unaffiliated with the Company or IHAM, as applicable. During the year ended December 31, 2022, 2021 and 2020, IHAM or certain of the IHAM Vehicles purchased $3,358, $2,407 and $940, respectively, of loans from the Company. For the years ended December 31, 2022, 2021 and 2020, the Company recognized $20, $7 and $21, respectively, of net realized losses from these sales. During the year ended December 31, 2022, the Company purchased $27 of investments from certain IHAM Vehicles.

IHAM is party to an administration agreement, referred to herein as the "IHAM administration agreement," with Ares Operations. Pursuant to the IHAM administration agreement, Ares Operations provides IHAM with, among other things, office facilities, equipment, clerical, bookkeeping and record keeping services, services relating to the marketing and sale of interests in vehicles managed by IHAM, services of, and oversight of, custodians, depositories, accountants, attorneys, underwriters and such other persons in any other capacity deemed to be necessary. Under the IHAM administration agreement, IHAM reimburses Ares Operations for all of the actual costs associated with such services, including Ares Operations' allocable portion of the compensation, rent and other expenses of its officers, employees and respective staff in performing its obligations under the IHAM administration agreement.

Selected Financial Information

Pursuant to Rule 4-08(g) of Regulation S-X, selected financial information of IHAM, in conformity with GAAP, as of December 31, 2022 and 2021 and for the years ended December 31, 2022, 2021 and 2020 are presented below.

In conformity with GAAP, IHAM is required to consolidate entities in which IHAM has a direct or indirect controlling financial interest based on either a variable interest model or voting interest model, which include certain of the IHAM Vehicles (the "Consolidated IHAM Vehicles"). As such, for GAAP purposes only, IHAM consolidates (a) entities in which it holds a majority voting interest or has majority ownership and control over the operational, financial and investing decisions of that entity and (b) entities that it concludes are variable interest entities in which IHAM has more than insignificant economic interest and power to direct the activities that most significantly impact the entities, and for which IHAM is deemed to be the primary beneficiary.

When IHAM consolidates an IHAM Vehicle for GAAP purposes only, IHAM reflects the assets, liabilities, revenues and expenses of the Consolidated IHAM Vehicles on a gross basis, including the economic interests held by third-party investors in the Consolidated IHAM Vehicles as debt obligations, subordinated notes or non-controlling interests, in the consolidated IHAM financials below. All of the revenues earned by IHAM as the investment manager of the IHAM Consolidated Vehicles are eliminated in GAAP consolidation. However, because the eliminated amounts are earned from and funded by third-party investors, the GAAP consolidation of an IHAM Vehicle does not impact the net income or loss attributable to IHAM. As a result, the Company believes an assessment of IHAM's business and the impact to the Company's investment in IHAM is best viewed on a stand-alone basis as reflected in the first column in the tables below.

	As of December 31, 2022			
	IHAM	Consolidated IHAM Vehicles(1)	Eliminations	Consolidated
Selected Balance Sheet Information:				
Assets				
Investments at fair value(2)	$ 2,340	$ 8,973	$ (2,315)	$ 8,998
Cash and cash equivalents	5	499	—	504
Other assets	55	94	(51)	98
Total assets	$ 2,400	$ 9,566	$ (2,366)	$ 9,600
Liabilities				
Debt	$ 308	$ 6,968	$ —	$ 7,276
Subordinated note from ARCC	500	—	—	500
Subordinated notes(3)	—	1,374	(1,093)	281
Other liabilities	17	129	(15)	131
Total liabilities	825	8,471	(1,108)	8,188
Equity				
Contributed capital	1,547	—	—	1,547
Accumulated earnings	61	—	—	61
Net unrealized losses on investments and foreign currency transactions	(33)	—	—	(33)
Non-controlling interests in Consolidated IHAM Vehicles(4)	—	1,095	(1,258)	(163)
Total equity	1,575	1,095	(1,258)	1,412
Total liabilities and equity	$ 2,400	$ 9,566	$ (2,366)	$ 9,600

	As of December 31, 2021			
	IHAM	Consolidated IHAM Vehicles(1)	Eliminations	Consolidated
Selected Balance Sheet Information:				
Assets				
Investments at fair value(2)	$ 966	$ 5,510	$ (927)	$ 5,549
Cash and cash equivalents	8	416	—	424
Other assets	12	79	(8)	83
Total assets	$ 986	$ 6,005	$ (935)	$ 6,056
Liabilities				
Debt	$ 125	$ 4,656	$ —	$ 4,781
Subordinated note from ARCC	16	—	—	16
Subordinated notes(3)	—	983	(700)	283
Other liabilities	2	98	(9)	91
Total liabilities	143	5,737	(709)	5,171
Equity				
Contributed capital	765	—	—	765
Accumulated earnings	78	—	—	78
Net unrealized gains on investments and foreign currency transactions	—	—	—	—
Non-controlling interests in Consolidated IHAM Vehicles(4)	—	268	(226)	42
Total equity	843	268	(226)	885
Total liabilities and equity	$ 986	$ 6,005	$ (935)	$ 6,056

(1) Consolidated for GAAP purposes only.

(2) The determination of such fair value is determined in accordance with IHAM's valuation procedures (separate and apart from the Company's valuation process described elsewhere herein). The amortized cost of IHAM's total investments as of December 31, 2022 and 2021 was $2,370 and $966, respectively. The amortized cost of the total investments of IHAM on a consolidated basis as of December 31, 2022 and 2021 was $9,306 and $5,588, respectively.

(3) Subordinated notes generally represent the most junior capital in certain of the Consolidated IHAM Vehicles and effectively represent equity in such vehicles.

(4) Non-controlling interests in Consolidated IHAM Vehicles includes net unrealized depreciation in the Consolidated IHAM Vehicles of $309 and $30 as of December 31, 2022 and 2021, respectively.

	For the Year Ended December 31, 2022			
	IHAM	Consolidated IHAM Vehicles(1)	Eliminations	Consolidated
Selected Statement of Operations Information:				
Revenues				
Investment income	$ 188	$ 594	$ (185)	$ 597
Management fees and other income	49	7	(46)	10
Total revenues	237	601	(231)	607
Expenses				
Interest expense	35	261	—	296
Distributions to subordinated notes	—	130	(95)	35
Management fees and other expenses	14	56	(46)	24
Total expenses	49	447	(141)	355
Net operating income	188	154	(90)	252
Net realized losses on investments and other transactions	—	(12)	—	(12)
Net unrealized losses on investments and other transactions	(33)	(279)	31	(281)
Total net realized and unrealized losses on investments and other transactions	(33)	(291)	31	(293)
Net income (loss)	155	(137)	(59)	(41)
Less: Net income (loss) attributable to non-controlling interests in Consolidated IHAM Vehicles	—	(137)	(59)	(196)
Net income attributable to Ivy Hill Asset Management, L.P.	$ 155	$ —	$ —	$ 155

	For the Year Ended December 31, 2021			
	IHAM	Consolidated IHAM Vehicles(1)	Eliminations	Consolidated
Selected Statement of Operations Information:				
Revenues				
Investment income	$ 97	$ 285	$ (93)	$ 289
Management fees and other income	31	7	(27)	11
Total revenues	128	292	(120)	300
Expenses				
Interest expense	5	99	—	104
Distributions to subordinated notes	—	135	(101)	34
Management fees and other expenses	12	38	(27)	23
Total expenses	17	272	(128)	161
Net operating income	111	20	8	139
Net realized gains (losses) on investments and other transactions	(6)	80	(28)	46
Net unrealized gains on investments and other transactions	18	91	(15)	94
Total net realized and unrealized gains on investments and other transactions	12	171	(43)	140
Net income	123	191	(35)	279
Less: Net income attributable to non-controlling interests in Consolidated IHAM Vehicles	—	191	(35)	156
Net income attributable to Ivy Hill Asset Management, L.P.	$ 123	$ —	$ —	$ 123

	For the Year Ended December 31, 2020			
	IHAM	Consolidated IHAM Vehicles(1)	Eliminations	Consolidated
Selected Statement of Operations Information:				
Revenues				
Investment income	$ 79	$ 288	$ (78)	$ 289
Management fees and other income	28	7	(26)	9
Total revenues	107	295	(104)	298
Expenses				
Interest expense	8	119	—	127
Distributions to subordinated notes	—	113	(79)	34
Management fees and other expenses	12	33	(26)	19
Total expenses	20	265	(105)	180
Net operating income	87	30	1	118
Net realized gains (losses) on investments and other transactions	(4)	50	—	46
Net unrealized losses on investments and other transactions	(7)	(26)	6	(27)
Total net realized and unrealized gains (losses) on investments and other transactions	(11)	24	6	19
Net income	76	54	7	137
Less: Net income attributable to non-controlling interests in Consolidated Funds	—	54	7	61
Net income attributable to Ivy Hill Asset Management, L.P.	$ 76	$ —	$ —	$ 76

(1) Consolidated for GAAP purposes only.

5. DEBT

In accordance with the Investment Company Act, the Company is allowed to borrow amounts such that its asset coverage, calculated pursuant to the Investment Company Act, is at least 150% after such borrowing. The Company's asset coverage requirement applicable to senior securities was reduced from 200% to 150% effective June 21, 2019. As of December 31, 2022, the aggregate principal amount outstanding of the senior securities issued by the Company was $12,245 and the Company's asset coverage was 177%.

The Company's outstanding debt as of December 31, 2022 and 2021 was as follows:

	As of December 31,					
	2022			2021		
	Total Aggregate Principal Amount Committed/ Outstanding (1)	Principal Amount Outstanding	Carrying Value	Total Aggregate Principal Amount Committed/ Outstanding (1)	Principal Amount Outstanding	Carrying Value
Revolving Credit Facility	$ 4,843 (2)	$ 2,246	$ 2,246	$ 4,232 (2)	$ 1,507	$ 1,507
Revolving Funding Facility	1,775	800	800	1,525	762	762
SMBC Funding Facility	800 (3)	451	451	800 (3)	401	401
BNP Funding Facility	300	245	245	300	—	—
2022 Convertible Notes	—	—	—	388	388	388 (4)
2024 Convertible Notes	403	403	399 (4)	403	403	395 (4)
2023 Notes	750	750	750 (5)	750	750	748 (5)
2024 Notes	900	900	898 (6)	900	900	897 (6)
March 2025 Notes	600	600	597 (7)	600	600	596 (7)
July 2025 Notes	1,250	1,250	1,258 (8)	1,250	1,250	1,260 (8)
January 2026 Notes	1,150	1,150	1,144 (9)	1,150	1,150	1,143 (9)
July 2026 Notes	1,000	1,000	991 (10)	1,000	1,000	988 (10)
2027 Notes	500	500	494 (11)	—	—	—
2028 Notes	1,250	1,250	1,247 (12)	1,250	1,250	1,246 (12)
2031 Notes	700	700	690 (13)	700	700	689 (13)
Total	$ 16,221	$ 12,245	$ 12,210	$ 15,248	$ 11,061	$ 11,020

(1) Represents the total aggregate amount committed or outstanding, as applicable, under such instrument. Borrowings under the committed Revolving Credit Facility, Revolving Funding Facility, SMBC Funding Facility and BNP Funding Facility (each as defined below) are subject to borrowing base and other restrictions.

(2) Provides for a feature that allows the Company, under certain circumstances, to increase the size of the Revolving Credit Facility (as defined below) to a maximum of $7,265.

(3) Provides for a feature that allows ACJB (as defined below), under certain circumstances, to increase the size of the SMBC Funding Facility (as defined below) to a maximum of $1,000.

(4) Represents the aggregate principal amount outstanding of the 2024 Convertible Notes (as defined below). As of December 31, 2022, the total unamortized debt issuance costs and the unamortized discount for the 2024 Convertible Notes (as defined below) was $4. As of December 31, 2021, the total unamortized debt issuance costs and the unamortized discount for the 2022 Convertible Notes and the 2024 Convertible Notes (each as defined below) were $0 and $8, respectively. In February 2022, the Company repaid in full the 2022 Convertible Notes upon their maturity.

(5) Represents the aggregate principal amount outstanding of the 2023 Notes (as defined below), less unamortized debt issuance costs and the unamortized discount recorded upon the issuance of the 2023 Notes. As of December 31, 2022 and 2021, the total unamortized debt issuance costs and the unamortized discount was $0 and $2, respectively.

(6) Represents the aggregate principal amount outstanding of the 2024 Notes (as defined below), less unamortized debt issuance costs and the net unamortized discount recorded upon the issuance of the 2024 Notes. As of December 31, 2022 and 2021, the total unamortized debt issuance costs and the net unamortized discount was $2 and $3, respectively.

(7) Represents the aggregate principal amount outstanding of the March 2025 Notes (as defined below), less unamortized debt issuance costs and the unamortized discount recorded upon the issuance of the March 2025 Notes. As of

December 31, 2022 and 2021, the total unamortized debt issuance costs and the unamortized discount was $3 and $4, respectively.

(8) Represents the aggregate principal amount outstanding of the July 2025 Notes (as defined below), less unamortized debt issuance costs and the net unaccreted premium recorded upon the issuance of the July 2025 Notes. As of December 31, 2022 and 2021, the total unamortized debt issuance costs and the net unaccreted premium was $8 and $10, respectively.

(9) Represents the aggregate principal amount outstanding of the January 2026 Notes (as defined below), less unamortized debt issuance costs and the unamortized discount recorded upon the issuance of the January 2026 Notes. As of December 31, 2022 and 2021, the total unamortized debt issuance costs and the unamortized discount was $6 and $7, respectively.

(10) Represents the aggregate principal amount outstanding of the July 2026 Notes (as defined below), less unamortized debt issuance costs and the unamortized discount recorded upon the issuance of the July 2026 Notes. As of December 31, 2022 and 2021, the total unamortized debt issuance costs and the unamortized discount was $9 and $12, respectively.

(11) Represents the aggregate principal amount outstanding of the 2027 Notes (as defined below), less unamortized debt issuance costs and the net unamortized discount recorded upon the issuance of the 2027 Notes. As of December 31, 2022, the total unamortized debt issuance costs and the net unamortized discount was $6.

(12) Represents the aggregate principal amount outstanding of the 2028 Notes (as defined below), less unamortized debt issuance costs and the net unamortized discount recorded upon the issuance of the 2028 Notes. As of December 31, 2022 and 2021, the total unamortized debt issuance costs and the net unamortized discount was $3 and $4, respectively.

(13) Represents the aggregate principal amount outstanding of the 2031 Notes (as defined below), less unamortized debt issuance costs and the unamortized discount recorded upon the issuance of the 2031 Notes. As of December 31, 2022 and 2021, the total unamortized debt issuance costs and the unamortized discount was $10 and $11, respectively.

The weighted average stated interest rate and weighted average maturity, both on aggregate principal amount outstanding, of all the Company's outstanding debt as of December 31, 2022 were 4.2% and 3.6 years, respectively, and as of December 31, 2021 were 3.1% and 4.2 years, respectively.

Revolving Credit Facility

The Company is party to a senior secured revolving credit facility (as amended and restated, the "Revolving Credit Facility"), that allows the Company to borrow up to $4,843 at any one time outstanding. The Revolving Credit Facility consists of a $1,087 term loan tranche and a $3,756 revolving tranche. For $1,009 of the term loan tranche, the stated maturity date is March 31, 2027. For $28 of the term loan tranche, the stated maturity date is March 31, 2026. For the remaining $50 of the term loan tranche, the stated maturity date is March 30, 2025. For $3,499 of the revolving tranche, the end of the revolving period and the stated maturity date are March 31, 2026 and March 31, 2027, respectively. For $107 of the revolving tranche, the end of the revolving period and the stated maturity date are March 31, 2025 and March 31, 2026, respectively. For the remaining $150 of the revolving tranche, the end of the revolving period and the stated maturity date are March 30, 2024 and March 30, 2025, respectively. The Revolving Credit Facility also provides for a feature that allows the Company, under certain circumstances, to increase the overall size of the Revolving Credit Facility to a maximum of $7,265. The Revolving Credit Facility generally requires payments of interest at the end of each Secured Overnight Financing Rate ("SOFR") interest period, but no less frequently than quarterly, on SOFR based loans, and monthly payments of interest on other loans. Subsequent to the end of the respective revolving periods and prior to the respective stated maturity dates, the Company is required to repay the relevant outstanding principal amounts under both the term loan tranche and revolving tranche on a monthly basis in an amount equal to 1/12th of the outstanding principal amount at the end of the respective revolving periods.

Under the Revolving Credit Facility, the Company is required to comply with various covenants, reporting requirements and other customary requirements for similar revolving credit facilities, including, without limitation, covenants related to: (a) limitations on the incurrence of additional indebtedness and liens, (b) limitations on certain investments, (c) limitations on certain restricted payments, (d) maintaining a certain minimum stockholders' equity, (e) maintaining a ratio of total assets (less total liabilities not representing indebtedness) to total indebtedness of the Company and its consolidated subsidiaries (subject to certain exceptions) of not less than 1.5:1.0, (f) limitations on pledging certain unencumbered assets, and

(g) limitations on the creation or existence of agreements that prohibit liens on certain properties of the Company and certain of its subsidiaries. These covenants are subject to important limitations and exceptions that are described in the documents governing the Revolving Credit Facility. Amounts available to borrow under the Revolving Credit Facility (and the incurrence of certain other permitted debt) are also subject to compliance with a borrowing base that applies different advance rates to different types of assets (based on their value as determined pursuant to the Revolving Credit Facility) that are pledged as collateral. As of December 31, 2022, the Company was in compliance in all material respects with the terms of the Revolving Credit Facility.

As of December 31, 2022 and 2021, there was $2,246 and $1,507 outstanding, respectively, under the Revolving Credit Facility. The Revolving Credit Facility also provides for a sub-limit for the issuance of letters of credit for up to an aggregate amount of $250 with the ability to increase by an incremental $50 on an uncommitted basis. As of December 31, 2022 and 2021, the Company had $86 and $68, respectively, in letters of credit issued through the Revolving Credit Facility. The amount available for borrowing under the Revolving Credit Facility is reduced by any letters of credit issued. As of December 31, 2022, there was $2,511 available for borrowing (net of letters of credit issued) under the Revolving Credit Facility, subject to borrowing base restrictions.

Since March 31, 2022, the interest rate charged on the Revolving Credit Facility is based on SOFR plus a credit spread adjustment of 0.10% (or an alternate rate of interest for certain loans, commitments and/or other extensions of credit denominated in Sterling, Canadian Dollars, Euros and certain other foreign currencies plus a spread adjustment, if applicable) and an applicable spread of either 1.75% or 1.875% or an "alternate base rate" (as defined in the agreements governing the Revolving Credit Facility) plus an applicable spread of 0.75% or 0.875%, in each case, determined monthly based on the total amount of the borrowing base relative to the sum of (i) the greater of (a) the aggregate amount of revolving exposure and term loans outstanding under the Revolving Credit Facility and (b) 85% of the total commitments of the Revolving Credit Facility (or, if higher, the total revolving exposure) plus (ii) other debt, if any, secured by the same collateral as the Revolving Credit Facility. The Revolving Credit Facility allows for borrowings to be made using one, three or six month SOFR. Prior to March 31, 2022, the interest rate charged on the Revolving Credit Facility was based on LIBOR (or an alternate rate of interest for certain loans, commitments and/or other extensions of credit denominated in Sterling, Canadian Dollars, Euros and certain other foreign currencies) plus an applicable spread of either 1.75% or 1.875% or an "alternate base rate" (as defined in the agreements governing the Revolving Credit Facility) plus an applicable spread of 0.75% or 0.875%, in each case, determined monthly based on the total amount of the borrowing base relative to the sum of (i) the greater of (a) the aggregate amount of revolving exposure and term loans outstanding under the Revolving Credit Facility and (b) 85% of the total commitments of the Revolving Credit Facility (or, if higher, the total revolving exposure) plus (ii) other debt, if any, secured by the same collateral as the Revolving Credit Facility. As of December 31, 2022, the one, three and six month SOFR was 4.36%, 4.59% and 4.78%, respectively. As of December 31, 2022, the applicable spread in effect was 1.75%. In addition to the stated interest expense on the Revolving Credit Facility, the Company is required to pay a commitment fee of 0.375% per annum on any unused portion of the Revolving Credit Facility. The Company is also required to pay a letter of credit fee of either 2.00% or 2.125% per annum on letters of credit issued, determined monthly based on the total amount of the borrowing base relative to the total commitments of the Revolving Credit Facility and other debt, if any, secured by the same collateral as the Revolving Credit Facility.

In December 2017, in connection with $395 of the term loan tranche of the Revolving Credit Facility, the Company entered into a three-year interest rate swap agreement to mitigate its exposure to adverse fluctuations in interest rates for a total notional amount of $395, which matured on January 4, 2021.

The Revolving Credit Facility is secured by certain assets in the Company's portfolio and excludes investments held by Ares Capital CP under the Revolving Funding Facility, those held by ACJB under the SMBC Funding Facility and those held by AFB under the BNP Funding Facility, each as described below, and certain other investments.

For the years ended December 31, 2022, 2021 and 2020, the components of interest and credit facility fees expense, cash paid for interest expense, average stated interest rates (i.e., rate in effect plus the spread) and average outstanding balances for the Revolving Credit Facility were as follows:

	For the Years Ended December 31,		
	2022	2021	2020
Stated interest expense	$ 71	$ 21	$ 43
Credit facility fees	10	17	7
Amortization of debt issuance costs	8	7	7
Total interest and credit facility fees expense	$ 89	$ 45	$ 57
Cash paid for interest expense	$ 62	$ 20	$ 41
Average stated interest rate	4.11 %	2.14 %	2.58 %
Average outstanding balance	$ 1,701	$ 1,014	$ 1,576

Revolving Funding Facility

The Company and the Company's consolidated subsidiary, Ares Capital CP Funding LLC ("Ares Capital CP"), are party to a revolving funding facility (as amended, the "Revolving Funding Facility"), that allows Ares Capital CP to borrow up to $1,775 at any one time outstanding. The Revolving Funding Facility is secured by all of the assets held by, and the membership interest in, Ares Capital CP. The end of the reinvestment period and the stated maturity date for the Revolving Funding Facility are December 29, 2024 and December 29, 2026, respectively.

Amounts available to borrow under the Revolving Funding Facility are subject to a borrowing base that applies different advance rates to different types of assets held by Ares Capital CP. Ares Capital CP is also subject to limitations with respect to the loans securing the Revolving Funding Facility, including restrictions on sector concentrations, loan size, payment frequency and status, collateral interests and loans with fixed rates, as well as restrictions on portfolio company leverage, all of which may also affect the borrowing base and therefore amounts available to borrow. The Company and Ares Capital CP are also required to comply with various covenants, reporting requirements and other customary requirements for similar facilities. These covenants are subject to important limitations and exceptions that are described in the agreements governing the Revolving Funding Facility. As of December 31, 2022, the Company and Ares Capital CP were in compliance in all material respects with the terms of the Revolving Funding Facility.

As of December 31, 2022 and 2021, there was $800 and $762 outstanding, respectively, under the Revolving Funding Facility. Since June 30, 2022, the interest rate charged on the Revolving Funding Facility is based on SOFR plus a credit spread adjustment of 0.10% or a "base rate" (as defined in the agreements governing the Revolving Funding Facility) plus an applicable spread of 1.90% per annum. From December 29, 2021 to June 29, 2022, the interest rate charged on the Revolving Funding Facility is based on one month LIBOR plus 1.90% per annum or a "base rate" (as defined in the agreements governing the Revolving Funding Facility) plus 1.00% per annum. Prior to December 29, 2021, the interest rate charged on the Revolving Funding Facility was based on one month LIBOR plus 2.00% per annum or a "base rate" plus 1.00% per annum. Since December 29, 2021, Ares Capital CP is also required to pay a commitment fee of between 0.50% and 1.25% per annum depending on the size of the unused portion of the Revolving Funding Facility. Prior to and including December 29, 2021, Ares Capital CP was required to pay a commitment fee of between 0.50% and 1.50% per annum depending on the size of the unused portion of the Revolving Funding Facility.

For the years ended December 31, 2022, 2021 and 2020, the components of interest and credit facility fees expense, cash paid for interest expense, average stated interest rates (i.e., rate in effect plus the spread) and average outstanding balances for the Revolving Funding Facility were as follows:

	For the Years Ended December 31,		
	2022	2021	2020
Stated interest expense	$ 31	$ 15	$ 20
Credit facility fees	5	6	5
Amortization of debt issuance costs	3	4	4
Total interest and credit facility fees expense	$ 39	$ 25	$ 29
Cash paid for interest expense	$ 29	$ 17	$ 19
Average stated interest rate	3.81 %	2.33 %	2.54 %
Average outstanding balance	$ 820	$ 643	$ 761

SMBC Funding Facility

The Company and the Company's consolidated subsidiary, Ares Capital JB Funding LLC ("ACJB"), are party to a revolving funding facility (as amended, the "SMBC Funding Facility"), with ACJB, as the borrower, and Sumitomo Mitsui Banking Corporation, as the administrative agent and collateral agent, that allows ACJB to borrow up to $800 at any one time outstanding. The SMBC Funding Facility also provides for a feature that allows ACJB, subject to receiving certain consents, to increase the overall size of the SMBC Funding Facility to $1,000. The SMBC Funding Facility is secured by all of the assets held by ACJB. The end of the reinvestment period and the stated maturity date for the SMBC Funding Facility are May 28, 2024 and May 28, 2026, respectively. The reinvestment period and the stated maturity date are both subject to two one-year extensions by mutual agreement.

Amounts available to borrow under the SMBC Funding Facility are subject to a borrowing base that applies an advance rate to assets held by ACJB. ACJB is also subject to limitations with respect to the loans securing the SMBC Funding Facility, including restrictions on sector concentrations, loan size, payment frequency and status, collateral interests and loans with fixed rates, as well as restrictions on portfolio company leverage, all of which may also affect the borrowing base and therefore amounts available to borrow. The Company and ACJB are also required to comply with various covenants, reporting requirements and other customary requirements for similar facilities. These covenants are subject to important limitations and exceptions that are described in the documents governing the SMBC Funding Facility. As of December 31, 2022, the Company and ACJB were in compliance in all material respects with the terms of the SMBC Funding Facility.

As of December 31, 2022 and 2021, there was $451 and $401 outstanding, respectively, under the SMBC Funding Facility. The interest rate charged on the SMBC Funding Facility is based on an applicable spread of either 1.75% or 2.00% over one month LIBOR or 0.75% or 1.00% over a "base rate" (as defined in the agreements governing the SMBC Funding Facility), in each case, determined monthly based on the amount of the average borrowings outstanding under the SMBC Funding Facility. As of December 31, 2022, the applicable spread in effect was 1.75%. ACJB is required to pay a commitment fee of between 0.50% and 1.00% per annum depending on the size of the unused portion of the SMBC Funding Facility.

For the years ended December 31, 2022, 2021 and 2020, the components of interest and credit facility fees expense, cash paid for interest expense, average stated interest rates (i.e., rate in effect plus the spread) and average outstanding balances for the SMBC Funding Facility were as follows:

	For the Years Ended December 31,		
	2022	2021	2020
Stated interest expense	$ 15	$ 4	$ 10
Credit facility fees	2	6	1
Amortization of debt issuance costs	2	3	3
Total interest and credit facility fees expense	$ 19	$ 13	$ 14
Cash paid for interest expense	$ 14	$ 4	$ 10
Average stated interest rate	3.58 %	2.05 %	2.36 %
Average outstanding balance	$ 414	$ 191	$ 390

BNP Funding Facility

The Company and the Company's consolidated subsidiary, ARCC FB Funding LLC ("AFB"), are party to a revolving funding facility (as amended, the "BNP Funding Facility") with AFB, as the borrower, and BNP Paribas, as the administrative agent and lender, that allows AFB to borrow up to $300 at any one time outstanding. The BNP Funding Facility is secured by all of the assets held by AFB. The end of the reinvestment period and the stated maturity date for the BNP Funding Facility are June 11, 2023 and June 11, 2025, respectively. The reinvestment period and the stated maturity date are both subject to a one-year extension by mutual agreement. See Note 15 for a subsequent event relating to the BNP Funding Facility.

Amounts available to borrow under the BNP Funding Facility are subject to a borrowing base that applies an advance rate to assets held by AFB. AFB is also subject to limitations with respect to the loans securing the BNP Funding Facility, including restrictions on sector concentrations, loan size, payment frequency and status, collateral interests and loans with fixed rates, as well as restrictions on portfolio company leverage, all of which may also affect the borrowing base and therefore amounts available to borrow. The Company and AFB are also required to comply with various covenants, reporting requirements and other customary requirements for similar facilities. These covenants are subject to important limitations and exceptions that are described in the documents governing the BNP Funding Facility. As of December 31, 2022, the Company and AFB were in compliance in all material respects with the terms of the BNP Funding Facility.

As of December 31, 2022, there was $245 outstanding under the BNP Funding Facility. As of December 31, 2021, there were no amounts outstanding under the BNP Funding Facility. Since June 29, 2021, the interest rate charged on the BNP Funding Facility is based on three month LIBOR, or a "base rate" (as defined in the agreements governing the BNP Funding Facility) plus a margin of (i) 1.80% during the reinvestment period and (ii) 2.30% following the reinvestment period. Prior to June 29, 2021, the interest rate charged on the BNP Funding Facility was based on three month LIBOR (subject to a floor of 0.45%), or a "base rate" (as defined in the agreements governing the BNP Funding Facility) plus a margin that generally ranged between 2.65% and 3.15% (depending on the types of assets such advances relate to), with a weighted average margin floor for all classes of advances of (i) 2.75% during the reinvestment period and (ii) 3.25% following the reinvestment period. As of December 31, 2022, the applicable spread in effect was 1.80%. AFB is required to pay a commitment fee of between 0.00% and 1.25% per annum depending on the size of the unused portion of the BNP Funding Facility.

For the years ended December 31, 2022 and 2021, the components of interest and credit facility fees expense, cash paid for interest expense, average stated interest rates (i.e., rate in effect plus the spread) and average outstanding balances for the BNP Funding Facility were as follows:

	For the Years Ended December 31,	
	2022	2021
Stated interest expense	$ 5	$ 1
Credit facility fees	1	4
Amortization of debt issuance costs	1	1
Total interest and credit facility fees expense	$ 7	$ 6
Cash paid for interest expense	$ 3	$ 1
Average stated interest rate	4.71 %	3.46 %
Average outstanding balance	$ 110	$ 15

Convertible Unsecured Notes

The Company has issued $403 in aggregate principal amount of unsecured convertible notes that mature on March 1, 2024 (the "2024 Convertible Notes") unless previously converted or repurchased in accordance with its terms. The Company does not have the right to redeem the 2024 Convertible Notes prior to maturity. The 2024 Convertible Notes bear interest at a rate of 4.625% per annum, payable semi-annually.

In certain circumstances, assuming the conversion date below has not already passed, the 2024 Convertible Notes will be convertible into cash, shares of the Company's common stock or a combination of cash and shares of its common stock, at the Company's election, at the conversion rate (listed below as of December 31, 2022) subject to customary anti-dilution adjustments and the requirements of the indenture (the "2024 Convertible Notes Indenture"). Prior to the close of business on the business day immediately preceding the conversion date (listed below), holders may convert their 2024 Convertible Notes only under certain circumstances set forth in the 2024 Convertible Notes Indenture. On or after the conversion date until the close of business on the second scheduled trading day immediately preceding the maturity date for the 2024 Convertible Notes, holders may convert their 2024 Convertible Notes at any time. In addition, if the Company engages in certain corporate events as described in the 2024 Convertible Notes Indenture, holders of the 2024 Convertible Notes may require the Company to repurchase for cash all or part of the 2024 Convertible Notes at a repurchase price equal to 100% of the principal amount of the 2024 Convertible Notes to be repurchased, plus accrued and unpaid interest through, but excluding, the required repurchase date.

Certain key terms related to the convertible features for the 2024 Convertible Notes as of December 31, 2022 are listed below.

	2024 Convertible Notes
Conversion premium	15.0 %
Closing stock price at issuance	$ 17.29
Closing stock price date	March 5, 2019
Conversion price (1)	$ 19.68
Conversion rate (shares per one thousand dollar principal amount)(1)	50.8028
Conversion date	December 1, 2023

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(1) Represents conversion price and conversion rate, as applicable, as of December 31, 2022, taking into account any applicable de minimis adjustments that will be made on the conversion date.

As of December 31, 2022, the principal amount of the 2024 Convertible Notes exceeded the value of the underlying shares multiplied by the per share closing price of the Company's common stock.

The 2024 Convertible Notes Indenture contains certain covenants, including covenants requiring the Company to comply with Section 18(a)(1)(A) as modified by Section 61(a) of the Investment Company Act, or any successor provisions, and to provide financial information to the holders of the 2024 Convertible Notes under certain circumstances. These covenants are subject to important limitations and exceptions that are described in the 2024 Convertible Notes Indenture. As of December 31, 2022, the Company was in compliance in all material respects with the terms of the 2024 Convertible Notes Indenture.

The 2024 Convertible Notes as well as any other convertible notes outstanding during the periods presented (collectively referred to as the "Convertible Unsecured Notes") are accounted for in accordance with ASC 470-20, *Debt*. Upon conversion of the 2024 Convertible Notes, the Company intends to pay the outstanding principal amount in cash and to the extent that the conversion value exceeds the principal amount, the Company has the option to pay in cash or shares of the Company's common stock (or a combination of cash and shares) in respect of the excess amount, subject to the requirements of the 2024 Convertible Notes Indenture. The Company has determined that the embedded conversion options in the 2024 Convertible Notes are not required to be separately accounted for as a derivative under GAAP. In accounting for the Convertible Unsecured Notes, the Company estimated at the time of issuance separate debt and equity components for the Convertible Unsecured Notes. An original issue discount equal to the equity components of the Convertible Unsecured Notes was recorded in "capital in excess of par value" in the accompanying consolidated balance sheet. Additionally, the issuance costs associated with the Convertible Unsecured Notes were allocated to the debt and equity components in proportion to the allocation of the proceeds and accounted for as debt issuance costs and equity issuance costs, respectively. As a result of adopting ASU 2020-06 on January 1, 2022, the Company is no longer separating the 2024 Convertible Notes into debt and equity components, and is instead accounting for the 2024 Convertible Notes entirely as debt.

In connection with the issuance of the 2024 Convertible Notes, the Company incurred debt issuance costs of $4. The 2024 Convertible Notes were issued at a discount. The Company records interest expense comprised of both stated interest expense as well as accretion of any original issue discount or debt issuance costs.

As of December 31, 2022, the components of the carrying value of the 2024 Convertible Notes, the stated interest rate and the effective interest rate were as follows:

	2024 Convertible Notes
Principal amount of debt	$ 403
Original issue discount, net of accretion	(1)
Debt issuance costs, net of amortization	(3)
Carrying value of debt	$ 399
Stated interest rate	4.625 %
Effective interest rate(1)	5.10 %

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(1) The effective interest rate of the 2024 Convertible Notes is equal to the stated interest rate plus the accretion of original issue discount and amortization of debt issuance costs.

In February 2022, the Company repaid in full the $388 in aggregate principal amount of unsecured convertible notes (the "2022 Convertible Notes") upon their maturity, resulting in a realized loss on the extinguishment of debt of $48. The 2022 Convertible Notes bore interest at a rate of 4.60% per year, payable semi-annually.

For the years ended December 31, 2022, 2021 and 2020, the components of interest expense and cash paid for interest expense for the 2024 Convertible Notes, as well as any other convertible notes outstanding during the periods presented were as follows.

	For the Years Ended December 31,		
	2022	2021	2020
Stated interest expense	$ 20	$ 33	$ 33
Amortization of debt issuance costs	1	3	3
Accretion of original issue discount	2	6	5
Total interest expense	$ 23	$ 42	$ 41
Cash paid for interest expense	$ 26	$ 34	$ 33

Unsecured Notes

The Company has issued certain unsecured notes (each issuance of which is referred to herein using the "defined term" set forth under the "Unsecured Notes" column of the table below and collectively referred to as the "Unsecured Notes"), that pay interest semi-annually and all principal amounts are due upon maturity. Each of the Unsecured Notes may be redeemed in whole or in part at any time at the Company's option at a redemption price equal to par plus a "make whole" premium, if applicable, as determined pursuant to the indentures governing each of the Unsecured Notes, plus any accrued and unpaid interest. Certain key terms related to the features for the Unsecured Notes as of December 31, 2022 are listed below.

Unsecured Notes	Aggregate Principal Amount Issued	Interest Rate	Original Issuance Date	Maturity Date
2023 Notes	$ 750	3.500%	August 10, 2017	February 10, 2023
2024 Notes	$ 900	4.200%	June 10, 2019	June 10, 2024
March 2025 Notes	$ 600	4.250%	January 11, 2018	March 1, 2025
July 2025 Notes	$ 1,250	3.250%	January 15, 2020	July 15, 2025
January 2026 Notes	$ 1,150	3.875%	July 15, 2020	January 15, 2026
July 2026 Notes	$ 1,000	2.150%	January 13, 2021	July 15, 2026
2027 Notes	$ 500	2.875%	January 13, 2022	June 15, 2027
2028 Notes	$ 1,250	2.875%	June 10, 2021	June 15, 2028
2031 Notes	$ 700	3.200%	November 4, 2021	November 15, 2031

For the years ended December 31, 2022, 2021 and 2020, the components of interest expense and cash paid for interest expense for the Unsecured Notes, as well as any other unsecured notes outstanding during the periods presented are listed below.

	For the Years Ended December 31,		
	2022	2021	2020
Stated interest expense	$ 269	$ 234	$ 168
Amortization of debt issuance costs	15	11	6
Net (amortization) accretion of original issue premium/discount	(6)	(4)	1
Accretion of purchase discount	—	—	1
Total interest expense	$ 278	$ 241	$ 176
Cash paid for interest expense	$ 268	$ 234	$ 140

The Unsecured Notes contain certain covenants, including covenants requiring the Company to comply with Section 18(a)(1)(A) as modified by Section 61(a) of the Investment Company Act, or any successor provisions, and to provide financial information to the holders of such notes under certain circumstances. These covenants are subject to important limitations and exceptions set forth in the indentures governing such notes. As of December 31, 2022, the Company was in compliance in all material respects with the terms of the respective indentures governing each of the Unsecured Notes.

The 2024 Convertible Notes and the Unsecured Notes are the Company's senior unsecured obligations and rank senior in right of payment to any future indebtedness that is expressly subordinated in right of payment to the 2024 Convertible Notes and the Unsecured Notes; equal in right of payment to the Company's existing and future unsecured indebtedness that is not expressly subordinated; effectively junior in right of payment to any of its secured indebtedness (including existing unsecured indebtedness that the Company later secures) to the extent of the value of the assets securing such indebtedness; and structurally junior to all existing and future indebtedness (including trade payables) incurred by the Company's subsidiaries, financing vehicles or similar facilities.

6. DERIVATIVE INSTRUMENTS

The Company enters into forward currency contracts from time to time to help mitigate the impact that an adverse change in foreign exchange rates would have on the value of the Company's investments denominated in foreign currencies. As of December 31, 2022 and 2021, the counterparty to these forward currency contracts was Royal Bank of Canada and Truist Financial Corporation, respectively.

In December 2017, in connection with $395 of the term loan tranche of the Revolving Credit Facility, the Company entered into a three-year interest rate swap agreement to mitigate its exposure to adverse fluctuations in interest rates for a total notional amount of $395, which matured on January 4, 2021. Under the interest rate swap agreement, the Company paid a fixed interest rate of 2.06% and received a floating rate based on the prevailing one-month LIBOR plus a spread of 1.75%.

Certain information related to the Company's derivative instruments as of December 31, 2022 and 2021 is presented below.

	As of December 31, 2022				
Derivative Instrument	**Notional Amount**	**Maturity Date**	**Gross Amount of Recognized Assets**	**Gross Amount of Recognized Liabilities**	**Balance Sheet Location of Net Amounts**
Foreign currency forward contract	CAD 264	1/27/2023	$ 195	$ (196)	Accounts payable and other liabilities
Foreign currency forward contract	CAD 242	1/18/2023	178	(179)	Accounts payable and other liabilities
Foreign currency forward contract	€ 158	1/27/2023	159	(169)	Accounts payable and other liabilities
Foreign currency forward contract	£ 125	1/27/2023	145	(151)	Accounts payable and other liabilities
Foreign currency forward contract	NZD 59	1/27/2023	34	(37)	Accounts payable and other liabilities
Foreign currency forward contract	CAD 17	1/27/2023	12	(12)	Accounts payable and other liabilities
Total			$ 723	$ (744)	

Derivative Instrument	Notional Amount		Maturity Date	Gross Amount of Recognized Assets (As of December 31, 2021)	Gross Amount of Recognized Liabilities (As of December 31, 2021)	Balance Sheet Location of Net Amounts
Foreign currency forward contract	CAD	309	1/28/2022	$ 240	$ (245)	Accounts payable and other liabilities
Foreign currency forward contract	CAD	209	1/19/2022	163	(165)	Accounts payable and other liabilities
Foreign currency forward contract	€	153	1/28/2022	172	(174)	Accounts payable and other liabilities
Foreign currency forward contract	£	95	1/28/2022	126	(129)	Accounts payable and other liabilities
Foreign currency forward contract	CAD	2	1/28/2022	1	(1)	Accounts payable and other liabilities
Total				$ 702	$ (714)	

Net realized gains (losses) on derivative instruments recognized by the Company for the years ended December 31, 2022, 2021 and 2020 is in the following location in the consolidated statements of operations:

Derivative Instrument	Statement Location	2022 (For the Years Ended December 31,)	2021	2020
Interest rate swap	Net realized gains (losses) from foreign currency and other transactions	$ —	$ —	$ (6)
Foreign currency forward contract	Net realized gains (losses) from foreign currency and other transactions	62	13	(9)
Total		$ 62	$ 13	$ (15)

Net unrealized gains (losses) on derivative instruments recognized by the Company for the years ended December 31, 2022, 2021 and 2020 is in the following location in the consolidated statements of operations:

Derivative Instrument	Statement Location	2022 (For the Years Ended December 31,)	2021	2020
Interest rate swap	Net unrealized gains (losses) from foreign currency and other transactions	$ —	$ —	$ 1
Foreign currency forward contract	Net unrealized gains (losses) from foreign currency and other transactions	(9)	(14)	(1)
Total		$ (9)	$ (14)	$ —

7. COMMITMENTS AND CONTINGENCIES

Investment Commitments

The Company has various commitments to fund investments in its portfolio as described below. As of December 31, 2022 and 2021, the Company had the following commitments to fund various revolving and delayed draw senior secured and subordinated loans, including commitments to fund which are at (or substantially at) the Company's discretion:

	As of December 31, 2022	2021
Total revolving and delayed draw loan commitments	$ 2,916	$ 2,733
Less: funded commitments	(526)	(352)
Total unfunded commitments	2,390	2,381
Less: commitments substantially at discretion of the Company	—	—
Less: unavailable commitments due to borrowing base or other covenant restrictions	(13)	(4)
Total net adjusted unfunded revolving and delayed draw loan commitments	$ 2,377	$ 2,377

Included within the total revolving and delayed draw loan commitments as of December 31, 2022 and 2021 were delayed draw loan commitments totaling $1,229 and $1,273, respectively. The Company's commitment to fund delayed draw loans is triggered upon the satisfaction of certain pre-negotiated terms and conditions. Generally, the most significant and uncertain term requires the borrower to satisfy a specific use of proceeds covenant. The use of proceeds covenant typically requires the borrower to use the additional loans for the specific purpose of a permitted acquisition or permitted investment, for example. In addition to the use of proceeds covenant, the borrower is generally required to satisfy additional negotiated covenants (including specified leverage levels).

Also included within the total revolving loan commitments as of December 31, 2022 were commitments to issue up to $366 in letters of credit through a financial intermediary on behalf of certain portfolio companies. As of December 31, 2022, the Company had $46 in letters of credit issued and outstanding under these commitments on behalf of the portfolio companies. For all these letters of credit issued and outstanding, the Company would be required to make payments to third parties if the portfolio companies were to default on their related payment obligations. All of the $46 in letters of credit are due to expire in 2023.

The Company also has commitments to co-invest in the SDLP for the Company's portion of the SDLP's commitments to fund delayed draw loans to certain portfolio companies of the SDLP. See Note 4 for more information.

As of December 31, 2022 and 2021, the Company was party to subscription agreements to fund equity investments in private equity investment partnerships as follows:

	As of December 31,	
	2022	2021
Total private equity commitments	$ 120	$ 111
Less: funded private equity commitments	(69)	(68)
Total unfunded private equity commitments	51	43
Less: private equity commitments substantially at discretion of the Company	(51)	(43)
Total net adjusted unfunded private equity commitments	$ —	$ —

In the ordinary course of business, the Company may sell certain of its investments to third party purchasers. In particular, in connection with the sale of certain controlled portfolio company equity investments (as well as certain other sales) the Company has, and may continue to do so in the future, agreed to indemnify such purchasers for future liabilities arising from the investments and the related sale transaction. Such indemnification provisions have given rise to liabilities in the past and may do so in the future.

In addition, in the ordinary course of business, the Company may guarantee certain obligations in connection with its portfolio companies (in particular, certain controlled portfolio companies). Under these guarantee arrangements, payments may be required to be made to third parties if such guarantees are called upon or if the portfolio companies were to default on their related obligations, as applicable.

Lease Commitments

The Company is obligated under a number of operating leases pursuant to which it is leasing office facilities from third parties with remaining terms ranging from approximately one to four years. For certain of its operating leases, the Company had previously entered into subleases. The components of operating lease expense for the years ended December 31, 2022, 2021 and 2020 were as follows:

	For the Years Ended December 31,		
	2022	2021	2020
Operating lease costs	$ 9	$ 10	$ 17
Less: sublease income	(9)	(9)	(16)
Total operating lease costs (1)	$ —	$ 1	$ 1

(1) Total operating lease costs are incurred from office leases assumed as part of the Company's acquisition of American Capital, Ltd.

Supplemental cash flow information related to operating leases for the years ended December 31, 2022 and 2021 were as follows:

	For the Years Ended December 31,	
	2022	2021
Cash paid for amounts included in the measurement of operating lease liabilities	$ 16	$ 16
Operating ROU assets obtained in exchange for operating lease liabilities	$ 9	$ 11

Supplemental balance sheet information as of December 31, 2022 and 2021 related to operating leases were as follows:

	As of December 31,	
	2022	2021
Operating lease ROU assets	$ 20	$ 27
Operating lease liabilities	$ 31	$ 43
Weighted average remaining lease term	3.1 years	3.7 years
Weighted average discount rate	4.2 %	3.1%

The following table shows future minimum lease payments under the Company's operating leases and a reconciliation to the operating lease liability as of December 31, 2022:

	Amount
2023	$ 16
2024	6
2025	6
2026	6
Total lease payments	34
Less imputed interest	(3)
Total operating lease liabilities	$ 31

The following table shows future expected rental payments to be received under the Company's subleases where the Company is the sublessor as of December 31, 2022:

	Amount
2023	$ 9
2024	4
2025	4
2026	4
Total	$ 21

8. FAIR VALUE OF FINANCIAL INSTRUMENTS

The Company follows ASC 825-10, R*ecognition and Measurement of Financial Assets and Financial Liabilities* ("ASC 825-10"), which provides companies the option to report selected financial assets and liabilities at fair value. ASC 825-10 also establishes presentation and disclosure requirements designed to facilitate comparisons between companies that choose different measurement attributes for similar types of assets and liabilities and to more easily understand the effect of the company's choice to use fair value on its earnings. ASC 825-10 also requires entities to display the fair value of the selected assets and liabilities on the face of the balance sheet. The Company has not elected the ASC 825-10 option to report selected financial assets and liabilities at fair value. With the exception of the line items entitled "other assets" and "debt," which are reported at amortized cost, the carrying value of all other assets and liabilities approximate fair value.

The Company also follows ASC 820-10, *Fair Value Measurements and Disclosures* ("ASC 820-10"), which expands the application of fair value accounting. ASC 820-10 defines fair value, establishes a framework for measuring fair value in accordance with GAAP and expands disclosure of fair value measurements. ASC 820-10 determines fair value to be the price that would be received for an investment in a current sale, which assumes an orderly transaction between market participants on the measurement date. ASC 820-10 requires the Company to assume that the portfolio investment is sold in its principal market to market participants or, in the absence of a principal market, the most advantageous market, which may be a hypothetical market. Market participants are defined as buyers and sellers in the principal or most advantageous market that are independent, knowledgeable, and willing and able to transact. In accordance with ASC 820-10, the Company has considered its principal market as the market in which the Company exits its portfolio investments with the greatest volume and level of activity. ASC 820-10 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. In accordance with ASC 820-10, these inputs are summarized in the three broad levels listed below:

- Level 1—Valuations based on quoted prices in active markets for identical assets or liabilities that the Company has the ability to access.
- Level 2—Valuations based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly.
- Level 3—Valuations based on inputs that are unobservable and significant to the overall fair value measurement.

In addition to using the above inputs in investment valuations, the Company continues to employ the net asset valuation policy approved by the Company's board of directors that is consistent with ASC 820-10 (see Note 2 for more information). Consistent with the Company's valuation policy, the Company's investment adviser evaluates the source of inputs, including any markets in which the Company's investments are trading (or any markets in which securities with similar attributes are trading), in determining fair value. The Company's valuation policy considers the fact that because there is not a readily available market value for most of the investments in the Company's portfolio, the fair value of the investments must typically be determined using unobservable inputs.

The Company's portfolio investments (other than as described below in the following paragraph) are typically valued using two different valuation techniques. The first valuation technique is an analysis of the enterprise value ("EV") of the portfolio company. Enterprise value means the entire value of the portfolio company to a market participant, including the sum of the values of debt and equity securities used to capitalize the enterprise at a point in time. The primary method for determining EV uses a multiple analysis whereby appropriate multiples are applied to the portfolio company's EBITDA (generally defined as net income before net interest expense, income tax expense, depreciation and amortization). EBITDA multiples are typically determined based upon review of market comparable transactions and publicly traded comparable companies, if any. The Company's investment adviser also may employ other valuation multiples to determine EV, such as revenues or, in the case of certain portfolio companies in the power generation industry, kilowatt capacity. The second method for determining EV uses a discounted cash flow analysis whereby future expected cash flows of the portfolio company are discounted to determine a present value using estimated discount rates (typically a weighted average cost of capital based on costs of debt and equity consistent with current market conditions). The EV analysis is performed to determine the value of equity investments, the value of debt investments in portfolio companies where the Company has control or could gain control through an option or warrant security, and to determine if there is credit impairment for debt investments. If debt investments are credit impaired, an EV analysis may be used to value such debt investments; however, in addition to the methods outlined above, other methods such as a liquidation or wind-down analysis may be utilized to estimate enterprise value. The second valuation technique is a yield analysis, which is typically performed for non-credit impaired debt investments in portfolio companies where the Company does not own a controlling equity position. To determine fair value using a yield analysis, a current price is imputed for the investment based upon an assessment of the expected market yield for a similarly structured investment with a similar level of risk. In the yield analysis, the investment adviser considers the current contractual interest rate, the maturity and other terms of the investment relative to risk of the company and the specific investment. A key determinant of risk, among other things, is the leverage through the investment relative to the enterprise value of the portfolio company. As debt investments held by the Company are substantially illiquid with no active transaction market, the Company's investment adviser depends on primary market data, including newly funded transactions, as well as secondary market data with respect to high yield debt instruments and syndicated loans, as inputs in determining the appropriate market yield, as applicable.

For other portfolio investments such as investments in the SDLP Certificates and IHAM, discounted cash flow analysis is the primary technique utilized to determine fair value. Expected future cash flows associated with the investment are discounted to determine a present value using a discount rate that reflects estimated market return requirements.

The following tables summarize the significant unobservable inputs the Company used to value the majority of its investments categorized within Level 3 as of December 31, 2022 and 2021. The tables are not intended to be all-inclusive, but instead capture the significant unobservable inputs relevant to the Company's determination of fair values.

	As of December 31, 2022				
			Unobservable Input		
Asset Category	**Fair Value**	**Primary Valuation Techniques**	**Input**	**Estimated Range**	**Weighted Average[(1)]**
First lien senior secured loans	$ 9,165	Yield analysis	Market yield	7.6% - 26.1%	12.3%
Second lien senior secured loans	3,841	Yield analysis	Market yield	11.0% - 32.4%	14.9%
Subordinated certificates of the SDLP	1,249	Discounted cash flow analysis	Discount rate	12.4% - 14.8%	13.5%
Senior subordinated loans	1,021	Yield analysis	Market yield	8.0% - 16.3%	12.9%
Preferred equity	2,023	EV market multiple analysis	EBITDA multiple	2.6x - 40.6x	15.7x
Ivy Hill Asset Management, L.P.(2)	2,201	Discounted cash flow analysis	Discount rate	12.9% - 25.7%	14.2%
Other equity	1,861	EV market multiple analysis	EBITDA multiple	2.1x - 52.1x	15.6x
Total investments	$ 21,361				

(1) Unobservable inputs were weighted by the relative fair value of the investments.

(2) Includes the Company's equity and subordinated loan investments in IHAM, as applicable.

	As of December 31, 2021				
			Unobservable Input		
Asset Category	**Fair Value**	**Primary Valuation Techniques**	**Input**	**Estimated Range**	**Weighted Average[(1)]**
First lien senior secured loans	$ 9,456	Yield analysis	Market yield	2.0% - 16.5%	7.6%
Second lien senior secured loans	4,432	Yield analysis	Market yield	6.8% - 22.9%	9.5%
Subordinated certificates of the SDLP	987	Discounted cash flow analysis	Discount rate	8.8% - 9.7%	9.3%
Senior subordinated loans	889	Yield analysis	Market yield	7.1% - 27.8%	11.5%
Preferred equity	1,561	EV market multiple analysis	EBITDA multiple	3.2x - 64.4x	16.5x
Ivy Hill Asset Management, L.P.(2)	936	Discounted cash flow analysis	Discount rate	9.9% - 27.9%	16.3%
Other equity	1,647	EV market multiple analysis	EBITDA multiple	4.9x - 32.1x	14.9x
Total investments	$ 19,908				

(1) Unobservable inputs were weighted by the relative fair value of the investments.

(2) Includes the Company's equity and subordinated loan investments in IHAM, as applicable.

Changes in market yields, discount rates or EBITDA multiples, each in isolation, may change the fair value of certain of the Company's investments. Generally, an increase in market yields or discount rates or decrease in EBITDA multiples may result in a decrease in the fair value of certain of the Company's investments.

Due to the inherent uncertainty of determining the fair value of investments that do not have a readily available market value, the fair value of the Company's investments may fluctuate from period to period. Additionally, the fair value of the Company's investments may differ significantly from the values that would have been used had a ready market existed for such investments and may differ materially from the values that the Company may ultimately realize. Further, such investments are generally subject to legal and other restrictions on resale or otherwise are less liquid than publicly traded securities. If the

Company was required to liquidate a portfolio investment in a forced or liquidation sale, it could realize significantly less than the value at which the Company has recorded it.

In addition, changes in the market environment and other events that may occur over the life of the investments may cause the gains or losses ultimately realized on these investments to be different than the unrealized gains or losses reflected in the valuations currently assigned.

The following table presents fair value measurements of cash and cash equivalents, restricted cash, investments, derivatives and unfunded revolving and delayed draw loan commitments as of December 31, 2022:

		Fair Value Measurements Using		
	Total	Level 1	Level 2	Level 3
Cash and cash equivalents	$ 303	$ 303	$ —	$ —
Restricted cash	$ 34	$ 34	$ —	$ —
Investments not measured at net asset value	$ 21,775	$ 54	$ 360	$ 21,361
Investments measured at net asset value(1)	5			
Total investments	$ 21,780			
Derivatives	$ (21)	$ —	$ (21)	$ —
Unfunded revolving and delayed draw loan commitments(2)	$ (57)	$ —	$ —	$ (57)

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(1) Certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been categorized in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the consolidated balance sheet.

(2) The fair value of unfunded revolving and delayed draw loan commitments is included in "accounts payable and other liabilities" in the accompanying consolidated balance sheet.

The following table presents fair value measurements of cash and cash equivalents, restricted cash, investments, derivatives and unfunded revolving and delayed draw loan commitments as of December 31, 2021:

		Fair Value Measurements Using		
	Total	Level 1	Level 2	Level 3
Cash and cash equivalents	$ 372	$ 372	$ —	$ —
Restricted cash	$ 114	$ 114	$ —	$ —
Investments not measured at net asset value	$ 20,004	$ —	$ 96	$ 19,908
Investments measured at net asset value (1)	5			
Total investments	$ 20,009			
Derivatives	$ (12)	$ —	$ (12)	$ —
Unfunded revolving and delayed draw loan commitments(2)	$ (20)	$ —	$ —	$ (20)

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(1) Certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been categorized in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the consolidated balance sheet.

(2) The fair value of unfunded revolving and delayed draw loan commitments is included in "accounts payable and other liabilities" in the accompanying consolidated balance sheet.

The following table presents changes in investments that use Level 3 inputs as of and for the year ended December 31, 2022:

	As of and For the Year Ended December 31, 2022
Balance as of December 31, 2021	$ 19,908
Net realized gains	24
Net unrealized losses	(461)
Purchases	9,341
Sales	(4,685)
Repayments	(3,009)
PIK interest and dividends	312
Net accretion of discount on securities	12
Net transfers in and/or out of Level 3	(81)
Balance as of December 31, 2022	$ 21,361

Investments were transferred into and out of Level 3 during the year ended December 31, 2022. Transfers into and out of Level 3 were generally as a result of changes in the observability of significant inputs or available market data for certain portfolio companies.

As of December 31, 2022, the net unrealized depreciation on the investments that use Level 3 inputs was $216.

For the year ended December 31, 2022, the total amount of gains (losses) for the period included in earnings attributable to the change in unrealized gains (losses) relating to the Company's Level 3 assets still held as of December 31, 2022, and reported within the net unrealized gains (losses) on investments, foreign currency and other transactions in the Company's consolidated statement of operations was $(471).

The following table presents changes in investments that use Level 3 inputs as of and for the year ended December 31, 2021:

	As of and For the Year Ended December 31, 2021
Balance as of December 31, 2020	$ 15,506
Net realized gains	258
Net unrealized gains	597
Purchases	13,704
Sales	(5,573)
Repayments	(4,894)
PIK interest and dividends	250
Net accretion of discount on securities	16
Net transfers in and/or out of Level 3	44
Balance as of December 31, 2021	$ 19,908

Investments were transferred into and out of Level 3 during the year ended December 31, 2021. Transfers into and out of Level 3 were generally as a result of changes in the observability of significant inputs or available market data for certain portfolio companies.

As of December 31, 2021, the net unrealized appreciation on the investments that use Level 3 inputs was $165.

For the year ended December 31, 2021, the total amount of gains (losses) for the period included in earnings attributable to the change in unrealized gains (losses) relating to the Company's Level 3 assets still held as of December 31, 2021, and reported within the net unrealized gains (losses) on investments, foreign currency and other transactions in the Company's consolidated statement of operations was $649.

The following are the carrying and fair values of the Company's debt obligations as of December 31, 2022 and 2021. Fair value is estimated by discounting remaining payments using applicable current market rates, which take into account changes in the Company's marketplace credit ratings, or market quotes, if available.

	As of December 31,			
	2022		2021	
	Carrying value(1)	Fair value(4)	Carrying value(1)	Fair value(4)
Revolving Credit Facility	$ 2,246	$ 2,246	$ 1,507	$ 1,507
Revolving Funding Facility	800	800	762	762
SMBC Funding Facility	451	451	401	401
BNP Funding Facility	245	245	—	—
2022 Convertible Notes (principal amount outstanding of $0 and $388, respectively)	—	—	388 (2)	433
2024 Convertible Notes (principal amount outstanding of $403)	399 (2)	428	395 (2)	457
2023 Notes (principal amount outstanding of $750)	750 (2)	749	748 (2)	768
2024 Notes (principal amount outstanding of $900)	898 (2)	873	897 (2)	952
March 2025 Notes (principal amount outstanding of $600)	597 (2)	570	596 (2)	637
July 2025 Notes (principal amount outstanding of $1,250)	1,258 (2)	1,157	1,260 (2)	1,297
January 2026 Notes (principal amount outstanding of $1,150)	1,144 (2)	1,059	1,143 (2)	1,213
July 2026 Notes (principal amount outstanding of $1,000)	991 (2)	850	988 (2)	989
2027 Notes (principal amount outstanding of $500 and $0, respectively)	494 (2)	427	— (2)	—
2028 Notes (principal amount outstanding of $1,250)	1,247 (2)	1,007	1,246 (2)	1,248
2031 Notes (principal amount outstanding of $700)	690 (2)	516	689 (2)	687
Total	$ 12,210 (3)	$ 11,378	$ 11,020 (3)	$ 11,351

(1) The Revolving Credit Facility, the Revolving Funding Facility, the SMBC Funding Facility and the BNP Funding Facility carrying values are the same as the principal amounts outstanding.

(2) Represents the aggregate principal amount outstanding, less unamortized debt issuance costs and the net unaccreted/amortized discount or premium recorded upon issuance.

(3) Total principal amount of debt outstanding totaled $12,245 and $11,061 as of December 31, 2022 and 2021, respectively.

(4) The fair value of these debt obligations would be categorized as Level 2 under ASC 820-10.

9. STOCKHOLDERS' EQUITY

The Company may from time to time issue and sell shares of its common stock through public or "at the market" offerings. In connection with the issuance of its common stock, the Company issued and sold the following shares of common stock during the year ended December 31, 2022:

Issuances of Common Stock	Number of Shares Issued	Gross Proceeds	Underwriting Fees/Offering Expenses	Net Proceeds	Average Offering Price Per Share(1)
Public offerings	29.6	$ 613.5	$ 29.2	$ 584.3	$ 19.74 (2)
"At the market" offerings	20.6	421.8	4.8	417.0	$ 20.52
Total	50.2	$ 1,035.3	$ 34.0	$ 1,001.3	

(1) Represents the gross offering price per share before deducting underwriting discounts and commissions and offering expenses.

(2) 11.2, 9.2 and 9.2 of the shares were sold to the underwriters for a price of $21.06 per share, $19.00 per share and $18.87 per share, respectively, which the underwriters were then permitted to sell at variable prices to the public. See Note 15 for a subsequent event relating to the Company's public equity offerings.

"At the Market" Offerings

The Company is party to equity distribution agreements with several banks (the "Equity Distribution Agreements"). The Equity Distribution Agreements provide that the Company may from time to time issue and sell, by means of "at the market" offerings, up to $500 shares of its common stock. Subject to the terms and conditions of the Equity Distribution Agreements, sales of common stock, if any, may be made in transactions that are deemed to be "at the market" offerings as defined in Rule 415(a)(4) under the Securities Act of 1933, as amended. Under the Equity Distribution Agreements, common stock with an aggregate offering amount of $394 remained available for issuance as of December 31, 2022.

See Note 12 for information regarding shares of common stock issued or purchased in accordance with the Company's dividend reinvestment plan.

Stock Repurchase Program

The Company is authorized under its stock repurchase program to purchase up to $500 in the aggregate of its outstanding common stock in the open market at certain thresholds below its net asset value per share, in accordance with the guidelines specified in Rule 10b-18 under the Securities Exchange Act of 1934, as amended. The timing, manner, price and amount of any share repurchases will be determined by the Company, in its sole discretion, based upon an evaluation of economic and market conditions, stock price, applicable legal and regulatory requirements and other factors. The stock repurchase program does not require the Company to repurchase any specific number of shares of common stock or any shares of common stock at all. Consequently, the Company cannot assure stockholders that any specific number of shares of common stock, if any, will be repurchased under the stock repurchase program. As of December 31, 2022, the expiration date of the stock repurchase program is February 15, 2023. The program may be suspended, extended, modified or discontinued at any time. As of December 31, 2022, there was $500 available for repurchases under the stock repurchase program.

During the years ended December 31, 2022 and 2021, the Company did not repurchase any shares of the Company's common stock under the stock repurchase program.

10. EARNINGS PER SHARE

The following information sets forth the computations of basic and diluted net increase in stockholders' equity resulting from operations per share for the years ended December 31, 2022, 2021 and 2020:

	For the Years Ended December 31,		
	2022	2021	2020
Net increase in stockholders' equity resulting from operations—basic	$ 600	$ 1,567	$ 484
Adjustment for interest expense on 2024 Convertible Notes(1)	17	—	—
Net increase in stockholders' equity resulting from operations—diluted	$ 617	$ 1,567	$ 484
Weighted average shares of common stock outstanding—basic	498	446	424
Assumed conversion of 2024 Convertible Notes	20	—	—
Weighted average shares of common stock outstanding—diluted	518	446	424
Net increase in stockholders' equity resulting from operations per share—basic	$ 1.21	$ 3.51	$ 1.14
Net increase in stockholders' equity resulting from operations per share—diluted	$ 1.19	$ 3.51	$ 1.14

(1) Includes the impact of income based fees.

Subsequent to the adoption of ASU 2020-06 on January 1, 2022, for the purpose of calculating diluted net increase in stockholders' equity resulting from operations per share for the year ended December 31, 2022, the Company utilized the if-converted method which assumes full share settlement for the aggregate value of the 2024 Convertible Notes. Under the allowed modified retrospective method, diluted net increase in stockholders' equity resulting from operations per share for prior periods were not restated to reflect the impact of ASU 2020-06. Prior to the adoption of ASU 2020-06, for the purpose of calculating diluted net increase in stockholders' equity resulting from operations per share, the average closing price of the Company's common stock for the year ended December 31, 2021 was more than the conversion price for the 2022 Convertible Notes outstanding as of December 31, 2021. For the year ended December 31, 2021, the average closing price of the Company's common stock was less than the conversion price for the 2024 Convertible Notes outstanding as of December 31, 2021. For the year ended December 31, 2020, the average closing price of the Company's common stock was less than the conversion price for all of the Convertible Unsecured Notes outstanding as of December 31, 2020. Therefore, the underlying shares for the intrinsic value of the embedded options in the Convertible Unsecured Notes outstanding during the year ended December 31, 2021 and 2020 had no impact on the computation of diluted net increase in stockholders' equity resulting from operations per share.

11. INCOME AND EXCISE TAXES

For U.S. federal income tax purposes, amounts distributed to the Company's stockholders as dividends are reported as ordinary income, capital gains, or a combination thereof. Dividends paid per common share for the years ended December 31, 2022, 2021 and 2020 were taxable as follows (unaudited):

	For the Years Ended December 31,		
	2022	2021	2020
Ordinary income(1)	$ 1.80	$ 1.62	$ 1.60
Capital gains	0.07	—	—
Total(2)	$ 1.87	$ 1.62	$ 1.60

(1) For the years ended December 31, 2022, 2021 and 2020, ordinary income included dividend income of approximately $0.0582, $0.0461 and $0.0157 per share, respectively, that qualified to be taxed at the maximum capital gains rate and, in the case of certain eligible corporate shareholders, dividends that were eligible for the dividends received deduction.

(2) For the years ended December 31, 2022, 2021 and 2020, the percentage of total dividends paid that constituted interest-related dividends were 76.6%, 84.6% and 88.4%, respectively.

The following reconciles net increase in stockholders' equity resulting from operations to taxable income for the years ended December 31, 2022, 2021 and 2020:

	For the Years Ended December 31,		
	2022 (Estimated)(1)	2021	2020
Net increase in stockholders' equity resulting from operations	$ 600	$ 1,567	$ 484
Adjustments:			
Net unrealized losses (gains) on investments, foreign currency and other transactions	525	(586)	144
Income not currently taxable(2)	(232)	(223)	(147)
Income for tax but not book	90	162	133
Expenses not currently deductible	56	165	19
Expenses for tax but not book	—	—	(59)
Realized gain/loss differences(3)	(101)	(199)	149
Taxable income	$ 938	$ 886	$ 723

(1) The calculation of estimated 2022 U.S. federal taxable income is based on certain estimated amounts, including information received from third parties and, as a result, actual 2022 U.S. federal taxable income will not be finally determined until the Company's 2022 U.S. federal tax return is filed in 2023 (and, therefore, such estimate is subject to change).

(2) Includes a reduction for dividend income from preferred equity that is not taxable until collected totaling $175, $91 and $67, respectively, net of dividend income collected of $71, $122 and $1, respectively, for the years ended December 31, 2022, 2021 and 2020, respectively.

(3) Certain realized gain/loss differences are the result of the realization of certain tax only capital losses on the investments and liabilities acquired in the acquisition of Allied Capital Corporation in April 2010 (the "Allied Acquisition"). Because the Allied Acquisition was a "tax-free" reorganization under the Code, realized losses for tax purposes can differ from GAAP. Note that unlike the Allied Acquisition, the American Capital Acquisition was treated as a taxable purchase of the American Capital assets for purposes of the Company's taxable income calculations; therefore, realized gains or losses for tax purposes are generally consistent with realized gains or losses under GAAP.

Taxable income generally differs from net increase in stockholders' equity resulting from operations for financial reporting purposes due to temporary and permanent differences in the recognition of income and expenses, and generally excludes net unrealized gains or losses, as unrealized gains or losses are generally not included in taxable income until they are realized. In addition, on April 1, 2010, the Company acquired Allied Capital in a "tax-free" merger under the Code, which has caused certain merger-related items to vary in their deductibility for GAAP and tax purposes.

Capital losses in excess of capital gains earned in a tax year may generally be carried forward and used to offset capital gains, subject to certain limitations. As of December 31, 2022, the Company estimates that it will have a capital loss carryforward of approximately $92 available for use in later tax years. While the Company's ability to utilize losses in the future depends on a variety of factors that cannot be known in advance, approximately $92 of the capital loss carryforwards will be subject to limitations under Section 382 of the Code. The unused balance will be carried forward and utilized as gains are realized, subject to such limitations.

For the year ended December 31, 2022, the Company estimated U.S. federal taxable income exceeded its distributions made from such taxable income during the year; consequently, the Company has elected to carry forward the excess for distribution to shareholders in 2023. The amount carried forward to 2023 is estimated to be approximately $675, substantially all of which is expected to be ordinary income, although these amounts will not be finalized until the 2022 tax returns are filed in 2023. For the years ended December 31, 2021 and 2020, the Company had taxable income in excess of the distributions made from such taxable income during the year, and therefore, the Company elected to carry forward the excess for distribution to shareholders in 2022 and 2021, respectively. The amounts carried forward to 2022 and 2021 were $679 and $471, respectively. To the extent that the Company determines that its estimated current year annual taxable income will exceed its estimated current year dividends from such taxable income, the Company accrues excise tax on estimated excess taxable income. For the years ended December 31, 2022, 2021 and 2020, a net expense of $30, $24 and $17, respectively, was recorded for U.S. federal excise tax. The net expense for the years ended December 31, 2021 and 2020 each included a reduction in expense related to an expected refund request arising from the overpayment of the prior year's excise tax of $1and $1, respectively.

As of December 31, 2022, the estimated cost basis of investments for U.S. federal tax purposes was $22 billion resulting in estimated gross unrealized gains and losses of $1.0 billion and $(1.2) billion, respectively. As of December 31, 2021, the estimated cost basis of investments for U.S. federal tax purposes was $19.9 billion resulting in estimated gross unrealized gains and losses of $0.8 billion and $0.7 billion, respectively. As of December 31, 2022, the cost of investments for U.S. federal tax purposes was less than the amortized cost of investments for book purposes of $22.0 billion. As of December 31, 2021, the cost of investments for U.S federal tax purposes was greater than the amortized book cost of $19.8 billion primarily as a result of tax versus book basis differences in connection with the Allied Acquisition. The Allied Acquisition qualified as a "tax-free" reorganization under the Code, which resulted in the assets acquired by the Company retaining Allied Capital's tax cost basis at the merger date.

The Company may adjust the classification of stockholders' equity as a result of permanent book-to-tax differences, which may include merger-related items, differences in the book and tax basis of certain assets and liabilities, and nondeductible federal taxes (including excise taxes), among other items. These adjustments are reclassifications among the individual components of stockholders' equity and have no effect on total stockholders' equity. For the year ended December 31, 2022, the Company decreased capital in excess of par value by $22 and increased accumulated undistributed/(overdistributed) earnings by $22 in the consolidated statement of stockholders' equity. After adjusting for these reclassifications, the capital in excess of par value, accumulated undistributed net investment income, accumulated net realized losses and accumulated net unrealized gains were $9,556, $519, $(146) and $(375), respectively. The adjustments made for the year ended December 31, 2022 are based on certain estimated amounts and assumptions and, as a result, such adjustments are subject to change until the Company's 2022 U.S. federal tax return is filed in 2023. For the year ended December 31, 2021, the Company increased capital in excess of par value by $40 and decreased accumulated undistributed/(overdistributed) earnings by $40 in the consolidated statement of stockholders' equity. After adjusting for these reclassifications, the capital in excess of par value, accumulated undistributed net investment income, accumulated net realized losses and accumulated net unrealized gains were $8,553, $253, $(88) and $150, respectively.

Certain of the Company's consolidated subsidiaries are subject to U.S. federal and state income taxes. For the years ended December 31, 2022, 2021 and 2020, the Company recorded a net tax expense of approximately $25, $6 and $2, respectively, for these subsidiaries.

12. DIVIDENDS AND DISTRIBUTIONS

The following table summarizes the Company's dividends declared and payable during the years ended December 31, 2022, 2021 and 2020:

Date declared	Record date	Payment date	Per share amount	Total amount
October 25, 2022	December 15, 2022	December 29, 2022	$ 0.48	$ 249
February 9, 2022	December 15, 2022	December 29, 2022	0.03 (1)	15
July 26, 2022	September 15, 2022	September 30, 2022	0.43	219
February 9, 2022	September 15, 2022	September 30, 2022	0.03 (1)	15
April 26, 2022	June 15, 2022	June 30, 2022	0.42	208
February 9, 2022	June 15, 2022	June 30, 2022	0.03 (1)	15
February 9, 2022	March 15, 2022	March 31, 2022	0.42	205
February 9, 2022	March 15, 2022	March 31, 2022	0.03 (1)	15
Total dividends declared and payable for the year ended December 31, 2022			$ 1.87	$ 941
October 26, 2021	December 15, 2021	December 30, 2021	$ 0.41	$ 191
July 28, 2021	September 15, 2021	September 30, 2021	0.41	189
April 28, 2021	June 15, 2021	June 30, 2021	0.40	177
February 10, 2021	March 15, 2021	March 31, 2021	0.40	175
Total dividends declared and payable for the year ended December 31, 2021			$ 1.62	$ 732
October 27, 2020	December 15, 2020	December 30, 2020	$ 0.40	$ 169
August 4, 2020	September 15, 2020	September 30, 2020	0.40	169
May 5, 2020	June 15, 2020	June 30, 2020	0.40	169
February 12, 2020	March 16, 2020	March 31, 2020	0.40	172
Total dividends declared and payable for the year ended December 31, 2020			$ 1.60	$ 679

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(1) Represents an additional dividend.

The Company has a dividend reinvestment plan, whereby the Company may buy shares of its common stock in the open market or issue new shares in order to satisfy dividend reinvestment requests. When the Company issues new shares in connection with the dividend reinvestment plan, the issue price is equal to the closing price of its common stock on the dividend payment date. Dividend reinvestment plan activity for the years ended December 31, 2022, 2021 and 2020, was as follows:

	For the Years Ended December 31,		
	2022	2021	2020
Shares issued	1.5	1.9	—
Average issue price per share	$ 19.58	$ 19.86	$ —
Shares purchased by plan agent to satisfy dividends declared and payable during the period for stockholders	1.6 (1)	—	2.6 (2)
Average purchase price per share	$ 17.85	$ —	$ 13.76

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(1) Shares were purchased in July 2022 and October 2022.

(2) Shares were purchased in April 2020, July 2020, October 2020 and January 2021.

13. RELATED PARTY TRANSACTIONS

In accordance with the investment advisory and management agreement, the Company bears all costs and expenses of the operation of the Company and reimburses its investment adviser or its affiliates for certain of such costs and expenses paid for by the investment adviser or its affiliates on behalf of the Company. For the years ended December 31, 2022, 2021 and 2020, the Company's investment adviser or its affiliates incurred and the Company reimbursed such expenses totaling $5, $5 and $7, respectively.

The Company is party to office leases pursuant to which it is leasing office facilities from third parties. For certain of these office leases, the Company had previously entered into separate subleases with Ares Management LLC, the sole member of Ares Capital Management, whereby Ares Management LLC subleased the full amount of certain of the Company's office leases. During the year ended December 31, 2020, the Company assigned to Ares Management LLC all of its rights, title and interest in the offices it subleased to Ares Management LLC and Ares Management LLC assumed all of the Company's obligations.

The Company has also entered into agreements with Ares Management LLC and IHAM, pursuant to which Ares Management LLC and IHAM are entitled to use the Company's proprietary portfolio management software. For the years ended December 31, 2022, 2021 and 2020, amounts payable to the Company under these agreements totaled $0, $0 and $0, respectively.

In November 2022, the Company completed a public underwritten equity offering. In connection with this offering, Ares Capital Management LLC paid the underwriters approximately $2, or $0.24 per share. This payment is not subject to reimbursement by the Company. See Note 9 for additional information on the Company's public offering during the year ended December 31, 2022.

See Notes 3 and 4 for descriptions of other related party transactions.

14. FINANCIAL HIGHLIGHTS

The following is a schedule of financial highlights as of and for the years ended December 31, 2022, 2021, 2020, 2019, 2018, 2017, 2016, 2015, 2014 and 2013:

	As of and For the Years Ended December 31,				
Per Share Data:	**2022**	**2021**	**2020**	**2019**	**2018**
Net asset value, beginning of period(1)	$ 18.96	$ 16.97	$ 17.32	$ 17.12	$ 16.65
Issuances of common stock	0.10	0.11	—	0.02	—
Repurchases of common stock	—	—	0.11	—	—
Net investment income for period(2)	2.19	1.66	1.87	1.90	1.63
Net realized and unrealized gains (losses) for period(2)	(0.98)	1.84	(0.73)	(0.04)	0.38
Net increase in stockholders' equity	1.31	3.61	1.25	1.88	2.01
Total distributions to stockholders(3)	(1.87)	(1.62)	(1.60)	(1.68)	(1.54)
Net asset value at end of period(1)	$ 18.40	$ 18.96	$ 16.97	$ 17.32	$ 17.12
Per share market value at end of period	$ 18.47	$ 21.19	$ 16.89	$ 18.65	$ 15.58
Total return based on market value(4)	(3.83)%	36.18 %	(0.86)%	30.49 %	8.91 %
Total return based on net asset value(5)	7.13 %	21.97 %	5.20 %	12.14 %	12.10 %
Shares outstanding at end of period	519	468	423	431	426
Ratio/Supplemental Data:					
Net assets at end of period	$ 9,555	$ 8,868	$ 7,176	$ 7,467	$ 7,300
Ratio of operating expenses to average net assets(6)(7)	10.19 %	13.05 %	10.27 %	9.92 %	8.63 %
Ratio of net investment income to average net assets(6)(8)	11.73 %	9.19 %	11.39 %	11.01 %	9.60 %
Portfolio turnover rate(6)	37 %	60 %	40 %	38 %	54 %

	As of and For the Years Ended December 31,				
Per Share Data:	**2017**	**2016**	**2015**	**2014**	**2013**
Net asset value, beginning of period(1)	$ 16.45	$ 16.46	$ 16.82	$ 16.46	$ 16.04
Issuances of common stock	(0.01)	—	0.01	—	0.16
Repurchases of common stock	—	—	(0.01)	—	—
Deemed contribution from Ares Capital Management	0.13	—	—	—	—
Issuances of convertible notes	0.04	—	—	—	—
Net investment income for period(2)	1.20	1.57	1.62	1.43	1.61
Net realized and unrealized gains (losses) for period(2)	0.36	(0.06)	(0.41)	0.50	0.22
Net increase in stockholders' equity	1.72	1.51	1.21	1.93	1.99
Total distributions to stockholders(3)	(1.52)	(1.52)	(1.57)	(1.57)	(1.57)
Net asset value at end of period(1)	$ 16.65	$ 16.45	$ 16.46	$ 16.82	$ 16.46
Per share market value at end of period	$ 15.72	$ 16.49	$ 14.25	$ 15.61	$ 17.77
Total return based on market value(4)	4.55 %	26.39 %	1.35 %	(3.32)%	10.51 %
Total return based on net asset value(5)	10.53 %	9.15 %	7.16 %	11.79 %	11.41 %
Shares outstanding at end of period	426	314	314	314	298
Ratio/Supplemental Data:					
Net assets at end of period	$ 7,098	$ 5,165	$ 5,173	$ 5,284	$ 4,904
Ratio of operating expenses to average net assets(6)(7)	9.45 %	9.59 %	9.51 %	10.46 %	10.03 %
Ratio of net investment income to average net assets(6)(8)	7.65 %	9.58 %	9.75 %	8.71 %	9.86 %
Portfolio turnover rate(6)	51 %	39 %	42 %	39 %	27 %

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(1) The net assets used equals the total stockholders' equity on the consolidated balance sheet.

(2) Weighted average basic per share data.

(3) Includes additional dividend of (a) $0.12 per share for the year ended December 31, 2022, (b) $0.08 per share for the year ended December 31, 2019, (c) $0.05 per share for the year ended December 31, 2015, (d) $0.05 per share for the year ended December 31, 2014 and (e) $0.05 per share for the year ended December 31, 2013.

(4) For the year ended December 31, 2022, the total return based on market value equaled the decrease of the ending market value at December 31, 2022 of $18.47 per share from the ending market value at December 31, 2021 of $21.19 per share plus the declared and payable dividends of $1.87 per share for the year ended December 31, 2022, divided by the market value at December 31, 2021. For the year ended December 31, 2021, the total return based on market value equaled the increase of the ending market value at December 31, 2021 of $21.19 per share from the ending market value at December 31, 2020 of $16.89 per share plus the declared and payable dividends of $1.62 per share for the year ended December 31, 2021, divided by the market value at December 31, 2020. For the year ended December 31, 2020, the total return based on market value equaled the decrease of the ending market value at December 31, 2020 of $16.89 per share from the ending market value at December 31, 2019 of $18.65 per share plus the declared and payable dividends of $1.60 per share for the year ended December 31, 2020, divided by the market value at December 31, 2019. For the year ended December 31, 2019, the total return based on market value equaled the increase of the ending market value at December 31, 2019 of $18.65 per share from the ending market value at December 31, 2018 of $15.58 per share plus the declared and payable dividends of $1.68 per share for the year ended December 31, 2019, divided by the market value at December 31, 2018. For the year ended December 31, 2018, the total return based on market value equaled the decrease of the ending market value at December 31, 2018 of $15.58 per share from the ending market value at December 31, 2017 of $15.72 per share plus the declared and payable dividends of $1.54 per share for the year ended December 31, 2018, divided by the market value at December 31, 2017. For the year ended December 31, 2017, the total return based on market value equaled the decrease of the ending market value at December 31, 2017 of $15.72 per share from the ending market value at December 31, 2016 of $16.49 per share plus the declared and payable dividends of $1.52 per share for the year ended December 31, 2017, divided by the market value at December 31, 2016. For the year ended December 31, 2016, the total return based on market value equaled the increase of the ending market value at December 31, 2016 of $16.49 per share from the ending market value at December 31, 2015 of $14.25 per share plus the declared and payable dividends of $1.52 per share for the year ended December 31, 2016, divided by the market value at December 31, 2015. For the year ended December 31, 2015, the total return based on market value equaled the decrease of the ending market value at December 31, 2015 of $14.25 per share from the ending market value at December 31, 2014 of $15.61 per share plus the declared and payable dividends of $1.57 per share for the year ended December 31, 2015, divided by the market value at December 31, 2014. For the year ended December 31, 2014, the total return based on market value equaled the decrease of the ending market value at December 31, 2014 of $15.61 per share from the ending market value at December 31, 2013 of $17.77 per share plus the declared and payable dividends of $1.57 per share for the year ended December 31, 2014, divided by the market value at December 31, 2013. For the year ended December 31, 2013, the total return based on market value equaled the increase of the ending market value at December 31, 2013 of $17.77 per share from the ending market value at December 31, 2012 of $17.50 per share plus the declared and payable dividends of $1.57 per share for the year ended December 31, 2013, divided by the market value at December 31, 2012. The Company’s performance changes over time and currently may be different than that shown. Past performance is no guarantee of future results.

(5) For the year ended December 31, 2022, the total return based on net asset value equaled the change in net asset value during the period plus the declared and payable dividends of $1.87 per share for the year ended December 31, 2022, divided by the beginning net asset value for the period. For the year ended December 31, 2021, the total return based on net asset value equaled the change in net asset value during the period plus the declared and payable dividends of $1.62 per share for the year ended December 31, 2021, divided by the beginning net asset value for the period. For the year ended December 31, 2020, the total return based on net asset value equaled the change in net asset value during the period plus the declared and payable dividends of$1.60 per share for the year ended December 31, 2020, divided by the beginning net asset value for the period. For the year ended December 31, 2019, the total return based on net asset value equaled the change in net asset value during the period plus the declared and payable dividends of $1.68 per share for the year ended December 31, 2019, divided by the beginning net asset value for the period. For the year ended December 31, 2018, the total return based on net asset value equaled the change in net asset value during the period plus the declared and payable dividends of $1.54 per share for the year ended December 31, 2018, divided by the beginning net asset value for the period. For the year ended December 31, 2017, the total return based on net asset value equaled the change in net asset value during the period plus the declared and payable dividends of $1.52 per share for the year ended December 31, 2017, divided by the beginning net asset value for the period. These calculations are adjusted for shares issued in connection with the dividend reinvestment plan, the issuance of common

stock in connection with any equity offerings and the equity components of any convertible notes issued during the period. For the year ended December 31, 2016, the total return based on net asset value equaled the change in net asset value during the period plus the declared and payable dividends of $1.52 per share for the year ended December 31, 2016, divided by the beginning net asset value for the period. For the year ended December 31, 2015, the total return based on net asset value equaled the change in net asset value during the period plus the declared and payable dividends of $1.57 per share for the year ended December 31, 2015, divided by the beginning net asset value for the period. For the year ended December 31, 2014, the total return based on net asset value equaled the change in net asset
value during the period plus the declared and payable dividends of $1.57 per share for the year ended December 31, 2014, divided by the beginning net asset value for the period. For the year ended December 31, 2013, the total return based on net asset value equaled the change in net asset value during the period plus the declared and payable dividends of $1.57 per share for the year ended December 31, 2013, divided by the beginning net asset value for the period. The Company's performance changes over time and currently may be different than that shown. Past performance is no guarantee of future results.

(6) The ratios reflect an annualized amount.

(7) For the years ended December 31, 2022, 2021, 2020, 2019, 2018, 2017, 2016, 2015, 2014 and 2013 the ratio of operating expenses to average net assets consisted of the following:

	For the Years Ended December 31,				
	2022	2021	2020	2019	2018
Base management fees	3.27 %	3.14 %	3.10 %	2.78 %	2.49 %
Income based fees and capital gains incentive fees, net of the fee waiver	1.61 %	4.80 %	1.80 %	2.23 %	2.24 %
Income based fees and capital gains incentive fees excluding the fee waiver	1.61 %	4.80 %	1.80 %	2.64 %	2.79 %
Cost of borrowing	4.89 %	4.61 %	4.54 %	3.94 %	3.33 %
Other operating expenses	0.42 %	0.50 %	0.83 %	0.97 %	0.57 %

	For the Years Ended December 31,				
	2017	2016	2015	2014	2013
Base management fees	2.57 %	2.64 %	2.55 %	2.51 %	2.40 %
Income based fees and capital gains incentive fees, net of the fee waiver	2.18 %	2.29 %	2.31 %	2.90 %	2.80 %
Income based fees and capital gains incentive fees excluding the fee waiver	2.32 %	2.29 %	2.31 %	2.90 %	2.80 %
Cost of borrowing	3.37 %	3.58 %	4.32 %	4.24 %	3.94 %
Other operating expenses	1.33 %	1.08 %	0.33 %	0.81 %	0.89 %

(8) The ratio of net investment income to average net assets excludes income taxes related to realized gains and losses.

15. SUBSEQUENT EVENTS

The Company's management has evaluated subsequent events through the date of issuance of the consolidated financial statements included herein. There have been no subsequent events that occurred during such period that would require disclosure in this Form 10-K or would be required to be recognized in the consolidated financial statements as of and for the year ended December 31, 2022, except as discussed below.

In January 2023, the Company and AFB, a wholly owned subsidiary of Ares Capital, entered into an agreement to amend the BNP Funding Facility. The amendment, among other things, (a) increased the commitments under the facility from $300 to $500 and (b) adjusted the interest rate charged on the BNP Funding Facility from an applicable LIBOR (subject to a floor of 0.00%) or a “base rate” plus a margin of (i) 1.80% during the reinvestment period and (ii) 2.30% following the reinvestment period to an applicable SOFR (subject to a floor of 0.00%) plus a credit spread adjustment of 0.10% or a “base rate” plus a margin of (i) 2.30% during the reinvestment period and (ii) 2.80% following the reinvestment period.

In January 2023, the Company completed a public equity offering pursuant to which it sold approximately 12.1 shares of common stock at a price of $18.53 per share to the participating underwriters, with net proceeds totaling approximately $223.4, after giving effect to underwriting fees and estimated offering expenses.

In February 2023, the Company’s board of directors authorized an amendment to the Company’s existing stock repurchase program to extend the expiration date of the program from February 15, 2023 to February 15, 2024. Under the program, the Company may repurchase up to $500 in the aggregate of its outstanding common stock in the open market at a price per share that meets certain thresholds below its net asset value per share, in accordance with the guidelines specified in Rule 10b-18 of the Exchange Act. The timing, manner, price and amount of any share repurchases will be determined by the Company, in its discretion, based upon the evaluation of economic and market conditions, stock price, applicable legal and regulatory requirements and other factors.

SIGNATURES

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

ARES CAPITAL CORPORATION

By: /s/ R. KIPP DEVEER
R. Kipp deVeer
Chief Executive Officer and Director
Date: February 7, 2023

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By: /s/ R. KIPP DEVEER
R. Kipp deVeer
Chief Executive Officer (principal executive officer) and Director
Date: February 7, 2023

By: /s/ PENNI F. ROLL
Penni F. Roll
Chief Financial Officer (principal financial officer)
Date: February 7, 2023

By: /s/ SCOTT C. LEM
Scott C. Lem
Chief Accounting Officer (principal accounting officer)
Date: February 7, 2023

By: /s/ MICHAEL J AROUGHETI
Michael J Arougheti
Director
Date: February 7, 2023

By: /s/ ANN TORRE BATES
Ann Torre Bates
Director
Date: February 7, 2023

By: /s/ MARY BETH HENSON
Mary Beth Henson
Director
Date: February 7, 2023

By: /s/ DANIEL KELLY, JR.
Daniel Kelly, Jr.
Director
Date: February 7, 2023

By: /s/ STEVEN B. MCKEEVER

Steven B. McKeever
Director
Date: February 7, 2023

By: /s/ MICHAEL PARKS

Michael Parks
Director
Date: February 7, 2023

By: /s/ ROBERT L. ROSEN

Robert L. Rosen
Director
Date: February 7, 2023

By: /s/ BENNETT ROSENTHAL

Bennett Rosenthal
Director
Date: February 7, 2023

By: /s/ ERIC B. SIEGEL

Eric B. Siegel
Director
Date: February 7, 2023

By: /s/ MICHAEL SMITH

Michael Smith
Director
Date: February 7, 2023

This THIRD AMENDMENT TO THE REVOLVING CREDIT AND SECURITY AGREEMENT (this "Amendment"), dated as of August 17, 2022 (the "Amendment Date"), is entered into by and among ARCC FB FUNDING LLC, a Delaware limited liability company, as the borrower (the "Borrower"), the LENDERS party to the Revolving Credit Agreement, BNP PARIBAS, as the administrative agent (the "Administrative Agent"), ARES CAPITAL CORPORATION, a Maryland corporation, as the equityholder (in such capacity, the "Equityholder"), ARES CAPITAL CORPORATION, a Maryland corporation, as the servicer (in such capacity, the "Servicer"), and U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, as successor in interest to U.S. Bank National Association, as collateral agent (the "Collateral Agent").

WHEREAS, the Borrower, the lenders from time to time party thereto, the Administrative Agent, the Equityholder, the Servicer and the Collateral Agent are party to the Revolving Credit and Security Agreement, dated as of June 11, 2020 (as amended from time to time prior to the date hereof, the "Revolving Credit Agreement"); and

WHEREAS, the parties hereto desire to amend the Revolving Credit Agreement, in accordance with Section 13.01(b) of the Revolving Credit Agreement subject to the terms and conditions set forth herein.

NOW THEREFORE, in consideration of the foregoing premises and the mutual agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, hereby agree as follows:

ARTICLE I.

Definitions

SECTION 1.1. Defined Terms. Terms used but not defined herein have the respective meanings given to such terms in the Revolving Credit Agreement.

ARTICLE II.

Amendments to Revolving Credit Agreement

SECTION 2.1. As of the Amendment Date, the Revolving Credit Agreement is hereby amended to delete the stricken text (indicated textually in the same manner as the following example: ~~stricken text~~) and to add the bold and double-underlined text (indicated textually in the same manner as the following example: **bold and double-underlined text**) as set forth on the pages attached as Appendix A hereto.

SECTION 2.2. As of the Amendment Date, Schedule 4 to the Revolving Credit Agreement is hereby amended by replacing Schedule 4 in its entirety with the pages set attached as Appendix B hereto.

ARTICLE III.

Omnibus Amendment to Transaction Documents

SECTION 3.1. The parties hereto acknowledge and agree that U.S. Bank Trust Company, National Association is the successor in interest to U.S. Bank National Association by an assignment from U.S. Bank National Association of its rights, interests and obligations in its roles as Secured Party or Collateral Agent, as applicable, and all Facility Documents are hereby amended to delete all references to U.S. Bank National Association in its role as Collateral Agent, and insert U.S. Bank Trust Company, National Association in lieu thereof.

ARTICLE IV.

Representations and Warranties

SECTION 4.1. The Borrower and the Equityholder hereby represent and warrant to the Administrative Agent and the Lender that, as of the Amendment Date, (i) no Default, Event of Default, Potential Servicer Removal Event or Servicer Removal Event has occurred and is continuing and (ii) the representations and warranties of the Borrower, the Servicer and the Equityholder contained in Sections 4.01, 4.02 and 4.03 of the Revolving Credit Agreement are true and correct in all material respects on and as of the Amendment Date (other than any representation and warranty that is made as of a specific date).

ARTICLE V.

Conditions Precedent

SECTION 5.1. This Amendment will be effective upon the satisfaction of each of the following conditions:

(a) the execution and delivery of this Amendment by the Borrower, the Lenders, the Administrative Agent, the Equityholder and the Servicer; and

(b) all fees due and owing to the Administrative Agent and each Lender on or prior to the Amendment Date have been paid.

ARTICLE VI.

Miscellaneous

SECTION 6.1. Governing Law. THIS AMENDMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES UNDER THIS AMENDMENT SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

SECTION 6.2. Severability Clause. In case any provision in this Amendment is deemed to be invalid, illegal or unenforceable, the remaining provisions of this Amendment remain in full force and effect.

SECTION 6.3. Ratification. Except as expressly amended hereby, the Revolving Credit Agreement is in all respects ratified and confirmed and all the terms, conditions and provisions thereof will remain in full force and effect. When effective, this Amendment will form a part of the Revolving Credit Agreement for all purposes.

SECTION 6.4. Counterparts. The parties hereto may sign one or more copies of this Amendment in counterparts, all of which together constitute one and the same agreement. Delivery of an executed signature page of this Amendment by facsimile or email transmission (including electronic signature pursuant to and in accordance with the Revolving Credit Agreement) is effective as delivery of a manually executed counterpart hereof.

SECTION 6.5. Headings. The headings of the Articles and Sections in this Amendment are for convenience of reference only and are not deemed to alter or affect the meaning or interpretation of any provisions hereof.

SECTION 6.6. Direction to Execute. The Administrative Agent hereby authorizes and directs the Collateral Agent to execute this Amendment.

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed as of the Amendment Date.

BORROWER:

ARCC FB FUNDING LLC

By:	/s/ Scott Lem
Name:	Scott Lem
Title:	Authorized Signatory

EQUITYHOLDER:

ARES CAPITAL CORPORATION,
as Equityholder

By:	/s/ Scott Lem
Name:	Scott Lem
Title:	Authorized Signatory

SERVICER:

ARES CAPITAL CORPORATION,
as Servicer

By:	/s/ Scott Lem
Name:	Scott Lem
Title:	Authorized Signatory

ADMINISTRATIVE AGENT:

BNP PARIBAS,
as Administrative Agent

By: /s/ Meredith Middleton
Name: Meredith Middleton
Title: Director

By: /s/ Sohaib Naim
Name: Sohaib Naim
Title: Director

LENDER:

BNP PARIBAS,
as Lender

By: /s/ Meredith Middleton
Name: Meredith Middleton
Title: Director

By: /s/ Sohaib Naim
Name: Sohaib Naim
Title: Director

COLLATERAL AGENT:

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION
as Collateral Agent

By:	/s/ Ralph J. Creasia, Jr.
Name:	Ralph J. Creasia, Jr.
Title:	Senior Vice President

APPENDIX A

EXECUTION VERSION
Conformed through ~~Second~~Third Amendment, dated ~~June 29~~August 17, ~~2021~~2022

REVOLVING CREDIT AND SECURITY AGREEMENT

Among

ARCC FB FUNDING LLC,
as the Borrower

THE LENDERS FROM TIME TO TIME PARTIES HERETO,

BNP PARIBAS,
as Administrative Agent,

ARES CAPITAL CORPORATION,
as Equityholder,

ARES CAPITAL CORPORATION,
as Servicer,

and

US BANK TRUST COMPANY, NATIONAL ASSOCIATION,
as Collateral Agent

Dated as of June 11, 2020

and

THIS AGREEMENT PROVIDES FOR AN UNCOMMITTED FACILITY. ALL ADVANCES ARE DISCRETIONARY ON THE PART OF THE LENDERS IN THEIR SOLE AND ABSOLUTE DISCRETION.

ARTICLE XIII. MISCELLANEOUS

SCHEDULES

EXHIBITS

REVOLVING CREDIT AND SECURITY AGREEMENT

REVOLVING CREDIT AND SECURITY AGREEMENT, dated as of June 11, 2020, among **ARCC FB FUNDING LLC**, a Delaware limited liability company, as borrower (the "Borrower"), the **LENDERS** from time to time party hereto, **BNP PARIBAS** ("BNP"), as administrative agent for the Secured Parties (as hereinafter defined) (in such capacity, the "Administrative Agent"), **ARES CAPITAL CORPORATION**, a Maryland corporation, as equityholder (in such capacity, the "Equityholder"), **ARES CAPITAL CORPORATION**, a Maryland corporation, as servicer (in such capacity, the "Servicer"), and **U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION** ("U.S. Bank"), as successor in interest to U.S. Bank National Association, as collateral agent for the Secured Parties (as hereinafter defined) (in such capacity, the "Collateral Agent").

W I T N E S S E T H:

WHEREAS, the Borrower desires that the Lenders make advances on a revolving basis to the Borrower on the terms and subject to the conditions set forth in this Agreement; and

WHEREAS, each Lender is willing to make such advances to the Borrower on the terms and subject to the conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the premises and of the mutual covenants herein contained, the parties hereto agree as follows:

ARTICLE I

DEFINITIONS; RULES OF CONSTRUCTION; COMPUTATIONS

Section 1.01 Definitions. As used in this Agreement, the following terms shall have the meanings indicated:

"Account Control Agreement" means that certain Account Control Agreement, dated as of the Closing Date, among the Borrower, the Servicer, the Collateral Agent and U.S. Bank National Association, as Securities Intermediary, which agreement relates to the Covered Accounts.

"Adjusted Principal Balance" means, for any Eligible Collateral Loan, as of any date of determination, an amount equal to the Loan Value of such Eligible Collateral Loan as of such date *multiplied by* the Principal Balance of such Eligible Collateral Loan as of such date; provided that, the parties hereby agree that the Adjusted Principal Balance of any Ineligible Collateral Loan as of such date of determination shall be zero.

"Administrative Agent" has the meaning assigned to such term in the introduction to this Agreement.

purchase of Collateral Loans) and (b) after the date that is the six-month anniversary of the Closing Date, the Aggregate Adjusted Collateral Balance.

"Concentration Limitations" means, as of any date of determination, the following limitations (calculated without duplication) as applied to the Eligible Collateral Loans owned (or, in relation to a proposed purchase of an Eligible Collateral Loan, proposed to be owned, with respect to which, if such purchase results in noncompliance with the limitations, the relevant requirements must be maintained or improved after giving effect to the purchase) by the Borrower, unless a waiver is provided in writing by the Administrative Agent specifying the agreed treatment of such Collateral Loan or Concentration Limitation:

(a). not more than 15.00% of the Concentration Calculation Amount may consist of First Lien Last Out Loans or Second Lien Loans;

(b). not more than 10.00% of the Concentration Calculation Amount may consist of Second Lien Loans;

(c). (i) not more than 20.00% of the Concentration Calculation Amount may consist of Class 1 Loans and Class 2 Loans that are Cov-Lite Loans and (ii) not more than 10.00% of the Concentration Calculation Amount may consist of Class 2 Loans that are Cov-Lite Loans;

(d). not less than 80.00% of the Concentration Calculation Amount may consist of Collateral Loans denominated in Dollars;

(e). not less than 80.00% of the Concentration Calculation Amount may consist of Collateral Loans the Obligors of which have their headquarters in, a principal place of business in or are organized, formed or incorporated in the United States;

(f). not more than 10.00% of the Concentration Calculation Amount may consist of Revolving Collateral Loans or Delayed Drawdown Collateral Loans;

(g). not more than 5.00% of the Maximum Portfolio Amount may consist of Collateral Loans that are issued by any Obligor and its Affiliates, except that Collateral Loans that are issued by the two largest Obligors and their respective Affiliates may consist of up to 10.00% and 7.50% of the Maximum Portfolio Amount, respectively;

(h). not more than 7.50% of the Concentration Calculation Amount may consist of Collateral Loans that are issued by Obligors and their Affiliates that belong to any single ~~Moody's~~ Industry Classification, except that (i) up to 25.00% may consist of Collateral Loans with Obligors and their Affiliates in the largest ~~Moody's~~ Industry Classification, (ii) up to 20.00% may consist of Collateral Loans with Obligors and their Affiliates in the second largest ~~Moody's~~ Industry Classification ~~and~~, (iii) up to 15.00% may consist of Collateral Loans with Obligors and their Affiliates in the third largest ~~Moody's~~ Industry Classification and (iv) up to 10.00% may consist of Collateral Loans with Obligors and their Affiliates in each of the fourth and fifth largest Industry Classifications;

(i). not more than 5.00% of the Concentration Calculation Amount may consist of Fixed Rate Loans;

(j). not more than 10.00% of the Concentration Calculation Amount may consist of Partial PIK Loans; and

(k). not more than 10.00% of the Concentration Calculation Amount may consist of Recurring Revenue Loans.

"Constituent Documents" means, in respect of any Person, the certificate or articles of formation or organization, the limited liability company agreement, operating agreement, partnership agreement, joint venture agreement or other applicable agreement of formation or organization (or equivalent or comparable constituent documents) and other organizational documents and by-laws and any certificate of incorporation, certificate of formation, certificate of limited partnership and other agreement, similar instrument filed or made in connection with its formation or organization, in each case, as the same may be amended, restated, replaced, supplemented or otherwise modified from time to time.

"Contribution Notice" has the meaning assigned to such term in Section 10.04(a).

"Control" means the direct or indirect possession of the power to vote 50% or

more of the voting securities of such Person or the power to direct or cause the direction of the management or policies of a Person, whether through ownership, by contract, arrangement or understanding, or otherwise. "Controlled" and "Controlling" have the meaning correlative thereto.

"Cov-Lite Loan" means a loan that does not (I) contain any financial covenants or (II) require the related Obligor of such loan to comply with any maintenance covenant; provided that a loan described in clause (I) or (II) above that either (i) contains a cross-default provision to, or (ii) is *pari passu* with, another loan of the Obligor that requires the Obligor to comply with a maintenance covenant will be deemed not to be a Cov-Lite Loan. For the avoidance of doubt, a loan that is capable of being described in clause (I) or (II) above only (x) until the expiration of a period of twelve months or less after the initial issuance thereof or (y) for so long as there is no funded balance in respect thereof, in each case as set forth in the applicable Related Documents, will be deemed not to be a Cov-Lite Loan.

"Covered Account" means each of the Collection Accounts (including the Interest Collection Subaccount, the Principal Collection Subaccount, the CAD Collection Account, the EUR Collection Account and the GBP Collection Account), the Payment Account, the Collateral Account, the Revolving Reserve Account and any other account established by the Borrower at the Securities Intermediary with the consent of the Administrative Agent and subject to the Lien of the Collateral Agent and subject to an agreement establishing "control" (as used in the UCC) over such account in favor of the Collateral Agent pursuant to the terms of the Facility Documents.

"Custodian" means U.S. Bank National Association in its capacity as custodian under the Custodian Agreement, and any successor thereto under the Custodian Agreement.

her service as an Independent Director or officer of the Borrower or any other Affiliates that are structured to be "bankruptcy remote"); (iii) a Person controlling or under common control with any partner, shareholder, member, manager, Affiliate or supplier of the Borrower or any Affiliate of the Borrower or (iv) any member of the immediate family of a person described in clauses (i), (ii) or (iii); and (B) has (i) prior experience as an independent director for a Person whose charter documents required the consent of the independent director thereof before such Person could consent to the institution of bankruptcy or insolvency proceedings against it or could file a petition seeking relief under any applicable federal or state law relating to bankruptcy and (ii) at least three years of employment experience with one or more entities that provide, in the ordinary course of their respective businesses, advisory, management or placement services to issuers of securitization or structured finance instruments, agreements or securities.

"Individual Lender Maximum Funding Amount" means, as to each Lender on any date of determination, the maximum amount of Advances to the Borrower that may be lent by such Lender pursuant to Section 2.01 in an aggregate principal amount at any one time outstanding for such Lender up to but not exceeding the amount applicable to such Lender on such date of determination as specified on Schedule 1 or in the Assignment and Acceptance pursuant to which such Lender shall have assumed its Individual Lender Maximum Funding Amount, as applicable, as such amount may be reduced from time to time pursuant to Section 2.07 or increased or reduced from time to time pursuant to assignments effected in accordance with Section 13.06(a).

"Industry Classification" means the industry classifications set forth in Schedule 4 hereto, including, at the Servicer's request, any modifications that may be made thereto or additional categories that may be subsequently established by reference to the Global Industry Classification Standard codes. The determination of which Industry Classification to which an Obligor belongs shall be made in good faith by the Servicer.

"Ineligible Collateral Loan" means, at any time, a Collateral Loan or any portion thereof, that fails to satisfy any criteria of the definition of Eligible Collateral Loan as of the date when such criteria are applicable (other than any criteria that has been waived pursuant to the definition thereof); it being understood that such criteria in the definition of Eligible Collateral Loan that is specified to be applicable only as of the date of acquisition of such Collateral Loan shall not be applicable after the date of acquisition of such Collateral Loan.

"Initial AUP Report Date" has the meaning assigned to such term in Section 8.09(a).

"Insolvency Event" means, with respect to a specified Person, (a) the filing of a decree or order for relief by a court having jurisdiction in the premises in respect of such Person or any substantial part of its property in an involuntary case under the Bankruptcy Code or any other applicable insolvency law now or hereafter in effect, or appointing a receiver, liquidator, assignee, custodian, trustee, sequestrator or similar official for such Person or for any substantial part of its property, or ordering the winding-up or liquidation of such Person's affairs, and such decree or order shall remain unstayed and in effect for a period of sixty (60) consecutive days; or (b) the commencement by such Person of a voluntary case under the Bankruptcy Code or any other applicable insolvency law now or hereafter in effect, or the consent by such Person to the

"Minimum OC Coverage Test" means, as of any date, a test that is satisfied if the OC Ratio as of such date is equal to or greater than 1.00:1.00.

"Money" has the meaning specified in Section 1-201(24) of the UCC. "Moody's" means Moody's Investors Service, Inc.,

together with its successors. ~~"Moody's Industry Classification" means the industry classifications set forth in~~

~~Schedule 4 hereto, as such industry classifications shall be updated at the option of the Servicer if Moody's publishes revised industry classifications. The determination of which Moody's Industry Classification to which an Obligor belongs shall be made in good faith by the Servicer.~~

"Multiemployer Plan" means a "multiemployer plan" within the meaning of Section 4001(a)(3) of ERISA that is sponsored by the Borrower or a member of its ERISA Group or to which the Borrower or a member of its ERISA Group is obligated to make contributions or has any liability.

"Net-Debt-to-Recurring-Revenue Ratio" means, with respect to any Collateral Loan for any period, the meaning of "Net-Debt-to-Recurring-Revenue Ratio" or any comparable term defined in the Related Documents for such Collateral Loan, and in any case that "Net-Debt-to-Recurring-Revenue Ratio" or such comparable term is not defined in such Related Documents, the ratio of (a) indebtedness of the related Obligor under such Collateral Loan and all other indebtedness of such Obligor that is senior or *pari passu* in right of payment to such Collateral Loan *minus* Unrestricted Cash and cash equivalents to (b) TTM Recurring Revenue, as calculated by the Servicer in good faith in accordance with the Servicing Standard using information from and calculations consistent with the relevant compliance statements and financial reporting packages provided by the relevant Obligor as per the requirements of the Related Documents; provided that, in the event of a lack of any such information necessary to calculate the Net-Debt-to-Recurring-Revenue Ratio for any Collateral Loan, the Net-Debt-to-Recurring-Revenue Ratio for such Collateral Loan shall be a ratio calculated by the Administrative Agent in its sole discretion after consultation with the Servicer or, if agreed to by the Administrative Agent, by the Servicer in good faith in accordance with the Servicing Standard.

"Non-Approval Event" means an event that (x) will be deemed to have occurred if the ratio (measured on a rolling three-month basis) of (i) the number or Dollar amount of Approval Requests for loans that satisfy the requirements of an Eligible Collateral Loan rejected by the Administrative Agent over (ii) the total number or aggregate Dollar amount of Approval Requests is greater than 70% and (y) will be continuing until the conditions set forth in clause (x) of this definition are no longer true; provided that, until ten (10) loans have been submitted for approval to the Administrative Agent by the Servicer, the ratio of clause (x)(i) over clause (x)(ii) shall be deemed to be zero.

"Note" means each promissory note, if any, issued by the Borrower to a Lender in accordance with the provisions of Section 2.04(b), substantially in the form of Exhibit A.

"Notice of Borrowing" has the meaning assigned to such term in Section 2.03(a).

"Secured Parties" means the Administrative Agent, the Collateral Agent, the Custodian, each Lender and the Securities Intermediary.

"Securities Act" means the Securities Act of 1933 and the rules and regulations promulgated thereunder, all as from time to time in effect.

"Securities Intermediary" means U.S. Bank National Association in its capacity as Securities Intermediary under the Account Control Agreement and any other entity as defined in Section 8-102(a)(14) of the UCC.

"Securitisation Regulation" means Regulation (EU) 2017/2402.

"Security Entitlement" has the meaning specified in Section 8-102(a)(17) of the UCC.

"Senior Net Leverage Ratio" means, with respect to any Collateral Loan for any Relevant Test Period, the meaning of "Senior Net Leverage Ratio" or any comparable term defined in the Related Documents for such Collateral Loan, and in any case that "Senior Net Leverage Ratio" or such comparable term is not defined in such Related Documents, the ratio of
(a) total indebtedness of the Obligor (other than indebtedness of such Obligor that is junior in terms of lien subordination to indebtedness of such Obligor held by the Borrower) *minus* Unrestricted Cash and cash equivalents to (b) EBITDA as calculated by the Servicer in accordance with the Servicing Standard.

"Servicer" means Ares Capital Corporation, in its capacity as servicer hereunder and any successor thereto in accordance herewith.

"Servicer Expense Cap" means, for any Payment Date, an amount not to exceed $75,000 during any twelve (12) month period.

"Servicer Expenses" means the out-of-pocket expenses incurred by the Servicer in connection with the Facility Documents.

"Servicer Fee" means, for any Collection Period, an amount equal to the product of (i) 0.50% *per annum* multiplied by (ii) the Fee Basis Amount (calculated on the basis of a 360-day year and the actual number of days elapsed in the related Collection Period).

"Servicer Removal Event" means any one of the following events:

(a). except as set forth in another clause of this definition, the Servicer breaches in any material respect any covenant or agreement applicable to it under this Agreement or any other Facility Document to which it is a party (it being understood that failure to meet the Minimum OC Coverage Test, any Concentration Limitation or the Collateral Quality Test is not a breach under this clause (a)), and, if capable of being cured, is not cured within 30 days of the earlier of (i) a Responsible Officer of the Servicer acquiring actual knowledge of such breach or (ii) the Servicer receiving written notice from either Agent of such breach;

Documents. If no successor Collateral Agent shall have been appointed and an instrument of acceptance by a successor Collateral Agent shall not have been delivered to the Collateral Agent within sixty days after giving of notice of resignation by the Collateral Agent, the resigning Collateral Agent may petition any court of competent jurisdiction for the appointment of a successor Collateral Agent.

(b). Any Person (i) into which the Collateral Agent may be merged or consolidated, (ii) that may result from any merger or consolidation to which the Collateral Agent shall be a party, or (iii) that may succeed to all or substantially all of the corporate trust ~~properties and assets~~business of the Collateral Agent substantially as a whole, shall be the successor to the Collateral Agent under this Agreement without further act of any of the parties to this Agreement.

Section 12.06 The Collateral Agent. (a) The Collateral Agent shall have no liability for losses arising from (i) any cause beyond its control, (ii) any delay, error, omission or default of any mail, telegraph, cable or wireless agency or operator, or (iii) the acts or edicts of any government or governmental agency or other group or entity exercising governmental powers.

(b). It is expressly acknowledged and agreed that the Collateral Agent is not guaranteeing the performance of or assuming any liability for the obligations of the other parties hereto or any portion of the Collateral.

(c). The Collateral Agent shall not be responsible for the preparation or filing of any UCC financing statements or continuation statements or the correctness of any financing statements filed in connection with this Agreement or the validity or perfection of any lien or security interest created pursuant to this Agreement.

(d). The Collateral Agent shall not be liable for interest on any money received by it except as the Collateral Agent may agree in writing with the Borrower. In no event shall the Collateral Agent be liable for the selection of any investments or any losses in connection therewith (except in its capacity as obligor thereunder, if applicable), or for any failure of the relevant party to provide investment instruction to the Collateral Agent in connection with the investment of funds in or from any account set forth herein.

(e). The Collateral Agent shall have no liability for any failure, inability or unwillingness on the part of the Servicer, the Borrower or the Administrative Agent to provide accurate and complete information on a timely basis to the Collateral Agent, or otherwise on the part of any such party to comply with the terms of this Agreement, and shall have no liability for any inaccuracy or error in the performance or observance on the Collateral Agent's part of any of its duties hereunder that is caused by or results from any such inaccurate, incomplete or untimely information received by it, or other failure on the part of any such other party to comply with the terms hereof.

(f). The Collateral Agent shall not be bound to make any investigation into the facts or matters stated in any certificate, report or other document or electronic communication; provided, however, that, if the form thereof is prescribed by this Agreement, the Collateral

Agent shall examine the same to determine whether it conforms on its face to the requirements hereof. The Collateral Agent shall not be deemed to have knowledge or notice of any matter unless actually known to a Responsible Officer. It is expressly acknowledged by the Borrower, the Servicer, the Lenders and the Administrative Agent that performance by the Collateral Agent of its various duties hereunder (including recalculations to be performed in respect of the matters contemplated hereby) shall be based upon, and in reliance upon, data, information and notices provided to it by the Servicer (and/or the Borrower) and/or any related bank agent, obligor or similar party with respect to the Collateral, and the Collateral Agent shall have no responsibility for the accuracy of any such information or data provided to it by such persons and shall be entitled to update its records (as it may deem necessary or appropriate). Nothing herein shall impose or imply any duty or obligation on the part of the Collateral Agent to verify, investigate or audit any such information or data, or to determine or monitor on an independent basis whether any issuer of the Collateral is in default or in compliance with the underlying documents governing or securing such item of Collateral, from time to time.

(g). The Collateral Agent shall have no duty to determine or inquire into the happening or occurrence of any event or contingency, and it is agreed that its duties hereunder are purely ministerial in nature.

(h). Should any controversy arise between the undersigned with respect to the Collateral held by the Collateral Agent, the Collateral Agent shall follow the instructions of the Administrative Agent on behalf of the Secured Parties (provided that to the extent practicable, the Collateral Agent shall provide written notice of such controversy to the Servicer).

(i). The powers conferred on the Collateral Agent hereunder are solely to protect its interest (on behalf of the Secured Parties) in the Collateral and shall not impose any duty on it to exercise any such powers. Except for performing the obligations expressly imposed on the Collateral Agent hereunder, the Collateral Agent shall have no duty as to any Collateral or responsibility for ascertaining or taking action with respect to calls, conversions, exchanges, maturities, tenders or other matters relative to any Collateral, whether or not the Collateral Agent has or is deemed to have knowledge of such matters or taking any steps to preserve rights against prior parties or other rights pertaining to any Collateral.

(j). In order to comply with the laws, rules, regulations and executive orders in effect from time to time applicable to banking institutions, including those relating to the funding of terrorist activities and money laundering, the Collateral Agent may be required to obtain, verify and record certain information relating to individuals and entities which maintain a business relationship with the Collateral Agent. Accordingly, each of the parties hereto agrees to provide to the Collateral Agent upon its request from time to time such identifying information and documentation as may be available to such party in order to enable the Collateral Agent to comply with such requirements.

(k). If U.S. Bank, U.S. Bank National Association or the Collateral Agent is also acting in another capacity, including as Custodian or Securities Intermediary, the rights, protections, immunities and indemnities afforded to U.S. Bank, U.S. Bank National Association or the Collateral Agent pursuant to this Article XII shall also be afforded to U.S. Bank, U.S. Bank National Association or the Collateral Agent acting in such capacities; provided that such rights, protections, benefits, immunities and indemnities shall be in addition to, and not in limitation of, any rights, protections, benefits, immunities and indemnities provided in the Custodian Agreement, Account Control Agreement or any other Facility Documents to which U.S. Bank, U.S. Bank National Association or the Collateral Agent in such capacity is a party.

(l). The Collateral Agent shall not have any obligation to determine if a Collateral Loan meets the criteria specified in the definition of Eligible Collateral Loan or if the requirements set forth in the definition of "Deliver" have been satisfied.

(m). The Collateral Agent shall not be under any obligation (i) to monitor, determine or verify the unavailability or cessation of LIBOR (or any other applicable index, floating rate, interest rate or Benchmark Replacement), or whether or when there has occurred, or to give notice to any other transaction party of the occurrence of, any Benchmark Replacement Date, Benchmark Transition Event, Benchmark Unavailability Period or Early Opt-In Election, (ii) to select, determine or designate any Benchmark Replacement or other alternate benchmark rate, or other successor or replacement rate, or whether any conditions to the designation of such a rate have been satisfied, or (iii) to select, determine or designate any Benchmark Replacement Adjustment or other modifier to any Benchmark Replacement or other replacement or successor rate or index, or (iv) to determine whether or what Benchmark Replacement Conforming Changes are necessary or advisable, if any, in connection with any of the foregoing.

(n). The Collateral Agent shall not be liable for any inability, failure or delay on its part to perform any of its duties set forth in this Agreement as a result of the unavailability of LIBOR (or any Benchmark Replacement or other applicable index, floating rate or other Interest Rate) and absence of any Benchmark Replacement or other replacement index or floating rate, including as a result of any inability, delay, error or inaccuracy on the part of any other transaction party, including without limitation the Administrative Agent, the Borrower or the Servicer, in providing any direction, instruction, notice or information required or contemplated by the terms of this Agreement and reasonably required for the performance of such duties.

ARTICLE XIII MISCELLANEOUS

Section 13.01 No Waiver; Modifications in Writing. (a) No failure or delay on the part of any Secured Party exercising any right, power or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, power or remedy preclude any other or further exercise thereof or the exercise of any other right, power or remedy. Any waiver of any provision of this Agreement or any other Facility Document, and any consent to any departure by any party to this Agreement or any other Facility Document from the terms of any provision of this Agreement or such other Facility Document, shall be effective only in the specific instance and for the specific purpose for which given. No notice to or demand on the Borrower or the Servicer in any case shall entitle the Borrower or the Servicer to any other or further notice or demand in similar or other circumstances.

Each of U.S. Bank and U.S. Bank National Association in each of ~~its~~their respective capacities under the Facility Documents agrees to accept and act upon instructions or directions pursuant to this Agreement, any other Facility Document, or any Related Document or any document executed in connection herewith or therewith sent by unsecured email, facsimile transmission or other similar unsecured electronic methods; provided, however, that any person providing such instructions or directions shall provide to U.S. Bank or U.S. Bank National Association an incumbency certificate listing persons designated to provide such instructions or directions as such incumbency certificate may be supplemented from time to time. If any person elects to give U.S. Bank or U.S. Bank National Association email or facsimile instructions (or instructions by a similar electronic method) and U.S. Bank or U.S. Bank National Association, as applicable in its discretion elects to act upon such instructions, U.S. Bank's or U.S. Bank National Association's reasonable understanding of such instructions shall be deemed controlling. U.S. Bank and U.S. Bank National Association shall not be liable for any losses, costs or expenses arising directly or indirectly from U.S. Bank's or U.S. Bank National Association's reliance upon and compliance with such instructions notwithstanding such instructions conflicting with or being inconsistent with a subsequent written instruction. Any person providing such instructions or directions acknowledges and agrees that there may be more secure methods of transmitting such instructions than the method(s) selected by it and agrees that the security procedures (if any) to be followed in connection with its transmission of such instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances.

In addition to all other instruction methods permitted under this Agreement, the Borrower hereby directs U.S. Bank in each of its capacities under the Facility Documents to accept instructions sent pursuant to secure financial messaging services provided by SWIFT, which shall constitute instructions from the Borrower (or the Servicer on behalf of the Borrower) for all purposes hereunder. The Borrower instructs U.S. Bank to accept and process SWIFT transmissions initiated by the Borrower or the Servicer on its behalf to the same extent that written wire transfer instructions are accepted and processed by U.S. Bank. U.S. Bank in each of its capacities under the Facility Documents may conclusively rely on SWIFT transmissions to release payments as instructed, subject to any verification of information as requested by U.S. Bank in such capacity, including the call back process to an individual designated by the Borrower or the Servicer as authorized to provide such verification. U.S. Bank may also request, and the Borrower or the Servicer will provide, an additional signed direction (whether by manual, facsimile, PDF or other electronic signature) in order for U.S. Bank to make such payment in connection with any SWIFT transmission. For purposes of compliance with any incumbency certificate of the Borrower or the Servicer, all instructions received by U.S. Bank through the methodology described herein shall be deemed in compliance with the procedures outlined therein (to the extent applicable).

Section 13.03 Taxes. (a) Any and all payments by or on account of any obligation of the Borrower under any Facility Document shall be made without deduction or withholding for any and all Taxes with respect thereto, unless required by Applicable Law. If any Applicable Law (as determined in the good faith discretion of the Borrower or Administrative Agent) requires the deduction or withholding of any Tax from any such payment by the Borrower or the Administrative Agent, then the Borrower or the Administrative Agent shall be entitled to make

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION
as Collateral Agent

By: ______________________________

Name:

Title:

APPENDIX B

SCHEDULES

Asset Type Code	Asset Type Description
1020000	Energy Equipment & Services
1030000	Oil, Gas & Consumable Fuels
1033403	Mortgage Real Estate Investment Trusts (REITs)
2020000	Chemicals
2030000	Construction Materials
2040000	Containers & Packaging
2050000	Metals & Mining
2060000	Paper & Forest Products
3020000	Aerospace & Defense
3030000	Building Products
3040000	Construction & Engineering
3050000	Electrical Equipment
3060000	Industrial Conglomerates
3070000	Machinery
3080000	Trading Companies & Distributors
3110000	Commercial Services & Supplises
3210000	Air Freight & Logistics
3220000	Airlines
3230000	Marine
3240000	Road & Rail
3250000	Transportation Infrastructure
4011000	Auto Components
4020000	Automobiles
4110000	Household Durables
4120000	Leisure Products
4130000	Textiles, Apparel & Luxury Goods
4210000	Hotels, Restaurants & Leisure
4310000	Media
4310001	Entertainment
4310002	Interactive Media and Services
4410000	Distributors
4420000	Internet and Direct Marketing Retail
4430000	Multiline Retail
4440000	Specialty Retail
5020000	Food & Staples Retailing
5110000	Beverages

5130000	Tobacco
5210000	Household Products
5220000	Personal Products
6020000	Healthcare Equipment & Supplies
6030000	Healthcare Providers & Services
6110000	Biotechnology
6120000	Pharmaceuticals
7011000	Banks
7020000	Thrifts & Mortgage Finance
7110000	Diversified Financial Services
7120000	Consumer Finance
7130000	Capital Markets
7210000	Insurance
7310000	Real Estate Management & Development
7311000	Equity Real Estate Investment Trusts (REITs)
8030000	IT Services
8040000	Software
8110000	Communications Equipment
8120000	Technology Hardware, Storage & Peripherals
8130000	Electronic Equipment, Instruments & Components
8210000	Semiconductors & Semiconductor Equipment
9020000	Diversified Telecommunication Services
9030000	Wireless Telecommunication Services
9520000	Electric Utilities
9530000	Gas Utilities
9540000	Multi-Utilities
9550000	Water Utilities
9551701	Diversified Consumer Services
9551702	Independent Power and Renewable Electricity Producers
9551727	Life Sciences Tools & Services
9551729	Healthcare Technology
9612010	Professional Services

Exhibit 10.38
EXECUTION VERSION

This FOURTH AMENDMENT TO THE REVOLVING CREDIT AND SECURITY AGREEMENT (this "Amendment"), dated as of January 9, 2023 (the "Amendment Date"), is entered into by and among ARCC FB FUNDING LLC, a Delaware limited liability company, as the borrower (the "Borrower"), the LENDERS party to the Revolving Credit Agreement, BNP PARIBAS, as the administrative agent (the "Administrative Agent"), ARES CAPITAL CORPORATION, a Maryland corporation, as the equityholder (in such capacity, the "Equityholder"), ARES CAPITAL CORPORATION, a Maryland corporation, as the servicer (in such capacity, the "Servicer"), and U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, as successor in interest to U.S. Bank National Association, as collateral agent (the "Collateral Agent").

WHEREAS, the Borrower, the lenders from time to time party thereto, the Administrative Agent, the Equityholder, the Servicer and the Collateral Agent are party to the Revolving Credit and Security Agreement, dated as of June 11, 2020 (as amended from time to time prior to the date hereof, the "Revolving Credit Agreement");

WHEREAS, the Relevant Recipients (as defined in Appendix A hereto) have received from the Borrower the transaction summary as set out in Schedule 10 in Appendix A hereto in accordance with Article 7(1)(c) of the Securitisation Regulation; and

WHEREAS, the parties hereto desire to amend the Revolving Credit Agreement, in accordance with Section 13.01(b) of the Revolving Credit Agreement subject to the terms and conditions set forth herein.

NOW THEREFORE, in consideration of the foregoing premises and the mutual agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, hereby agree as follows:

ARTICLE I

Definitions

SECTION 1.1. Defined Terms. Terms used but not defined herein have the respective meanings given to such terms in the Revolving Credit Agreement.

ARTICLE II

Amendments to Revolving Credit Agreement

SECTION 2.1. As of the Amendment Date, the Revolving Credit Agreement is hereby amended to delete the stricken text (indicated textually in the same manner as the following example: ~~stricken text~~) and to add the bold and double-underlined text (indicated textually in the same manner as the following example: **bold and double-underlined text**) as set forth on the pages attached as Appendix A hereto.

SECTION 2.2. As of the Amendment Date, Schedule 1 to the Revolving Credit Agreement is hereby amended by replacing Schedule 1 in its entirety with the pages set attached as Appendix B hereto.

ARTICLE III

Representations and Warranties

SECTION 3.1. The Borrower and the Equityholder hereby represent and warrant to the Administrative Agent and the Lender that, as of the Amendment Date, (i) no Default, Event of Default, Potential Servicer Removal Event or Servicer Removal Event has occurred and is continuing or shall occur on the Amendment Date after giving effect to this Amendment and the transaction contemplated hereby and (ii) the representations and warranties of the Borrower, the Servicer and the Equityholder contained in Sections 4.01, 4.02 and 4.03 of the Revolving Credit Agreement are true and correct in all material respects on and as of the Amendment Date (other than any representation and warranty that is made as of a specific date); provided that, to the extent that any such representation and warranty is otherwise qualified by materiality or Material Adverse Effect, such representation and warranty shall be true and correct in all respects.

ARTICLE IV

Conditions Precedent

SECTION 4.1. This Amendment will be effective upon the satisfaction of each of the following conditions:

(a) the execution and delivery of this Amendment by the Borrower, the Lenders, the Administrative Agent, the Equityholder and the Servicer;

(b) all fees due and owing to the Administrative Agent and each Lender on or prior to the Amendment Date have been paid; and

(c) the Administrative Agent shall have received the executed legal opinion of Latham & Watkins LLP, counsel to the Borrower, in form and substance acceptable to the Administrative Agent in its reasonable discretion.

ARTICLE V
Miscellaneous

SECTION 5.1. Governing Law. THIS AMENDMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES UNDER THIS AMENDMENT AND ANY CLAIM, CONTROVERSY, DISPUTE OR CAUSE OF ACTION (WHETHER IN CONTRACT OR TORT OR OTHERWISE) BASED UPON, ARISING OUT OF OR RELATING TO THIS AMENDMENT OR ANY OTHER FACILITY DOCUMENT (EXCEPT, AS TO ANY OTHER FACILITY DOCUMENT, AS EXPRESSLY SET FORTH THEREIN) AND THE

TRANSACTIONS CONTEMPLATED HEREBY AND THEREBY SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

SECTION 5.2. Severability Clause. In case any provision in this Amendment is deemed to be invalid, illegal or unenforceable, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

SECTION 5.3. Ratification. Except as expressly amended hereby, the Revolving Credit Agreement is in all respects ratified and confirmed and all the terms, conditions and provisions thereof will remain in full force and effect. All obligations under the Revolving Credit Agreement (as such obligations may be modified by this Amendment on the Amendment Date) shall continue to be valid, enforceable, and in full force and effect and shall not be impaired, in any respect, by the effectiveness of this Amendment. This Amendment shall form a part of the Revolving Credit Agreement for all purposes and reference to this specific Amendment need not be made in the Revolving Credit Agreement or any other instrument or document executed in connection therewith, or in any certificate, letter or communication issued or made pursuant to or with respect to the Revolving Credit Agreement, any reference in any of such items to the Revolving Credit Agreement being sufficient to refer to the Revolving Credit Agreement as amended hereby. On and after the effectiveness of this Amendment, this Amendment shall for all purposes constitute a "Facility Document" and each reference in the Revolving Credit Agreement to "herein", "hereunder" or words of like import referring to the Revolving Credit Agreement and each reference in any other Facility Document to "Revolving Credit Agreement", "thereunder", "thereof" or words of like import referring to the "Revolving Credit Agreement" shall mean and be a reference to the Revolving Credit Agreement as amended hereby. The execution, delivery and performance of this Amendment shall not constitute a waiver of any provision of or operate as a waiver of any right, power or remedy under the Revolving Credit Agreement or any of the other Facility Documents. This Amendment shall not constitute a novation of the obligations and liabilities of the parties under the Revolving Credit Agreement or the other Facility Documents as in effect on or prior to the Amendment Date.

SECTION 5.4. Counterparts. The parties hereto may sign one or more copies of this Amendment in counterparts, all of which together constitute one and the same agreement. Delivery of an executed signature page of this Amendment by facsimile or email transmission (including electronic signature pursuant to and in accordance with the Revolving Credit Agreement) is effective as delivery of a manually executed counterpart hereof. This Amendment shall be valid, binding, and enforceable against a party when executed and delivered by an authorized individual on behalf of such party by means of (i) an original manual signature; (ii) a faxed, scanned, or photocopied manual signature; or (iii) any other electronic signature permitted by the federal Electronic Signatures in Global and National Commerce Act, state enactments of the Uniform Electronic Transactions Act, and/or any other relevant electronic signatures law, including any relevant provisions of the UCC (collectively, "Signature Law"), in each case to the extent applicable; provided that no electronic signatures may be affixed through the use of a third-party service provider. Each faxed, scanned, or photocopied manual signature, or other electronic signature, shall for all purposes have the same validity, legal effect, and admissibility in evidence as an original manual signature. Each party hereto shall be entitled to conclusively rely upon, and shall have no liability with respect to, any faxed, scanned, or photocopied manual signature, or other electronic signature, of any other party and shall have no duty to investigate, confirm or otherwise verify the validity or authenticity thereof. For the avoidance of doubt, original manual signatures shall be used for execution or indorsement of writings when required under the UCC or other Signature Law due to the character or intended character of the writings.

SECTION 5.5. Headings. The headings of the Articles and Sections in this Amendment are for convenience of reference only and are not deemed to alter or affect the meaning or interpretation of any provisions hereof.

SECTION 5.6. Direction to Execute. The Administrative Agent hereby authorizes and directs the Collateral Agent to execute this Amendment.

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed as of the Amendment Date.

BORROWER:

ARCC FB FUNDING LLC

By:	/s/ Ian Fitzgerald
Name:	Ian Fitzgerald
Title:	Authorized Signatory

[Signature Page to Fourth Amendment to Revolving Credit and Security Agreement]

EQUITYHOLDER:

ARES CAPITAL CORPORATION,
as the Equityholder

By:	/s/ Ian Fitzgerald
Name:	Ian Fitzgerald
Title:	Authorized Signatory

ARES CAPITAL CORPORATION,
as the Servicer

By:	/s/ Ian Fitzgerald
Name:	Ian Fitzgerald
Title:	Authorized Signatory

ADMINISTRATIVE AGENT:

BNP PARIBAS,
as Administrative Agent

By: /s/ Sohaib Naim
Name: Sohaib Naim
Title: Director

By: /s/ Meredith Middleton
Name: Meredith Middleton
Title: Director

LENDER:

BNP PARIBAS,
as Lender

By:	/s/ Sohaib Naim
Name:	Sohaib Naim
Title:	Director

By:	/s/ Meredith Middleton
Name:	Meredith Middleton
Title:	Director

[Signature Page to Fourth Amendment to Revolving Credit and Security Agreement]

U.S. BANK TRUST COMPANY NATIONAL ASSOCIATION,
as a Collateral Agent

By: /s/ Daniel Scully
Name: Daniel Scully
Title: Vice President

[Signature Page to Fourth Amendment to Revolving Credit and Security Agreement]

APPENDIX A

[Revolving Credit Agreement]

EXECUTION VERSION

Conformed through ~~Third~~Fourth Amendment, dated ~~August 17~~January 9, ~~2022~~2023

REVOLVING CREDIT AND SECURITY AGREEMENT

among

ARCC FB FUNDING LLC,
as Borrower,

THE LENDERS FROM TIME TO TIME PARTIES HERETO,

BNP PARIBAS,
as Administrative Agent,

ARES CAPITAL CORPORATION,
as Equityholder,

ARES CAPITAL CORPORATION,
as Servicer,

and

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION,
as Collateral Agent

Dated as of June 11, 2020

THIS AGREEMENT PROVIDES FOR AN UNCOMMITTED FACILITY. ALL ADVANCES ARE DISCRETIONARY ON THE PART OF THE LENDERS IN THEIR SOLE AND ABSOLUTE DISCRETION.

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ARTICLE XI

THE AGENTS

SCHEDULES

"Administrative Agent Fee Letter" means that certain fee letter, dated as of the Closing Date, by and among the Administrative Agent, the Structuring Agent, the Borrower and the Servicer, as amended or supplemented from time to time.

"Administrative Expense Cap" means, for any Payment Date, an amount not to exceed $225,000 for any twelve (12) month period.

"Administrative Expenses" means the fees and expenses (including indemnities) and other amounts of the Borrower due or accrued with respect to any Payment Date and payable in the following order:

(a) *first*, on a *pro rata* basis, to the Collateral Agent, the Custodian and the Securities Intermediary, any amounts and indemnities payable to such entities pursuant to the Facility Documents (including any amounts payable in connection with the EU Transparency Reporting Side Letter Agreement); ~~and~~

(b) *second*, on a *pro rata* basis, to:

(i) the Independent Accountants, agents (other than the Servicer) and outside counsel of the Borrower for fees and expenses related to the Collateral and the Facility Documents and to the Independent Director of the Borrower for its fees and expenses incurred in acting in such capacity; and

(ii) to any rating agency for fees and expenses in connection with the rating of (or provision of credit estimates in respect of) any Collateral Loan; and

(c) *third*, to the payment of any expenses of obtaining documents, reports or information to enable compliance by any Lender with Article 5 of the Securitisation Regulation (other than the amounts specified in clause (a) above).

"Advance" means each loan advanced by each Lender to the Borrower on a Borrowing Date pursuant to Article II.

"Advance Rate" means, with respect to any Collateral Loan, the percentage set forth in the below table corresponding to the Loan Type and Loan Class of such Collateral Loan, subject to the exceptions and adjustments set forth immediately following such table:

Loan Type	Loan Class	Advance Rate
First Lien Loans that are not Recurring Revenue Loans	Class 1 Loans	65%
	Class 2 Loans	62.5%
	Class 3 Loans	60%
First Lien Last Out Loans	Class 1 Loans	55%
	Class 2 Loans	55%
	Class 3 Loans	55%
Second Lien Loans	Class 1 Loans	35%

"AUP Report Date" has the meaning assigned to such term in Section 8.09.

"Bail-In Action" means the exercise of any Write-Down and Conversion Powers by the applicable Resolution Authority in respect of any liability of an Affected Financial Institution.

"Bail-In Legislation" means, (a) with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union (as amended or re-enacted) establishing a framework for the recovery and resolution of credit institutions and investment firms, the relevant implementing law, regulation, rule or requirement for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule and (b) with respect to the United Kingdom, Part I of the United Kingdom Banking Act 2009 (as amended from time to time) and any other law, regulation or rule applicable in the United Kingdom relating to the resolution of unsound or failing banks, investment firms or other financial institutions or their affiliates (other than through liquidation, administration or other insolvency proceedings). For the purposes of this definition, a reference to "regulation" includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or of any regulatory, self-regulatory or other authority or organisation.

"Bankruptcy Code" means the United States Bankruptcy Code, Title 11, United States Code §§101 et seq., or foreign bankruptcy, insolvency, receivership or similar law from time to time in effect and affecting the rights of creditors generally.

"Base Rate" means, on any date, a fluctuating interest rate *per annum* equal to the highest of (a) the Prime Rate or (b) the Federal Funds Rate plus 0.50%. The Base Rate is a reference rate and does not necessarily represent the lowest or best rate actually charged to any customer of any Agent or any Lender. Interest calculated pursuant to clause (a) above will be determined based on a year of 365 or 366 days, as applicable, and actual days elapsed. Interest calculated pursuant to clause (b) above will be determined based on a year of 360 days and actual days elapsed. If the calculation of the Base Rate results in a Base Rate of less than zero (0), the Base Rate shall be deemed to be zero (0) for all purposes hereunder.

"Benchmark" means, initially, ~~LIBOR~~the Term SOFR Reference Rate; provided that if a Benchmark Transition Event~~, a Term SOFR Transition Event or an Early Opt-in Election, as applicable,~~ and its related Benchmark Replacement Date have occurred with respect to ~~LIBOR~~the Term SOFR Reference Rate or the then-current Benchmark, then "Benchmark" means the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate pursuant to Section 2.18(~~b) or (c~~a).

"BNP" has the meaning assigned to such term in the introduction to this Agreement.

"Borrower" has the meaning assigned to such term in the introduction to this Agreement.

"Borrowing Base" means, at any time and date, an amount equal to the sum of (i) the Dollar Equivalent of the amounts in the Principal Collection Subaccount, (ii) an amount equal to the product of (x) the Weighted Average Advance Rate as of such date (excluding any Sale Settlement Pending Collateral from the calculation of the Weighted Average Advance Rate), (y) the Aggregate Net Collateral Balance as of such date (excluding any Sale Settlement Pending Collateral from the calculation of the Aggregate Net Collateral Balance) and (z) the Portfolio Advance Rate Adjustment as of such date and (iii) the aggregate sale price (expressed in Dollars) of the Sale Settlement Pending Collateral as of such date.

"Borrowing Base Calculation Statement" means a statement in substantially the form attached to the form of Notice of Borrowing attached hereto as Exhibit B, as such form of Borrowing Base Calculation Statement may be modified as mutually agreed by the Administrative Agent and the Borrower from time to time.

"Borrowing Date" means the date of an Advance.

"Business Day" means (a) any day of the year except~~: (a)~~ a Saturday, Sunday or other day on which commercial banks in New York City, Boston, Massachusetts, St. Paul, Minnesota, Florence, South Carolina or the city in which the offices of the Collateral Agent, the Custodian or the Securities Intermediary are located are authorized or required by law to close~~; and~~ or (b) if ~~such~~any day relates to ~~any~~an interest rate setting as to an Advance determined by reference to ~~LIBOR, any day on which banks are not open for dealings in Dollars in the London interbank market~~Term SOFR Reference Rate, a U.S. Government Securities Business Day.

"CAD Collection Account" means the single, segregated account with respect to Collections in Canadian Dollars at the Securities Intermediary in the name of the Borrower subject to the lien of the Collateral Agent for the benefit of the Secured Parties.

"Canadian Dollars" means the lawful currency of Canada.

"Cash" means Dollars immediately available on the day in question. "Certificated Security" has the meaning specified

in Section 8-102(a)(4) of the

UCC.

"Change in Law" means (a) the adoption of any law, rule or regulation after the Closing Date, (b) any change in any law, rule or regulation or in the interpretation or application thereof by any Governmental Authority after the Closing Date or (c) compliance by any Lender (or, for purposes of Section 2.10(b), by any lending office of such Lender or by such Lender's holding company, if any) with any request, guideline or directive (whether or not having the force of law) of any Governmental Authority made or issued after the Closing Date; provided that, notwithstanding anything herein to the contrary, (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines, requirements or directives thereunder or issued in connection therewith or in implementation thereof, (y) the Securitisation Regulation and all rules promulgated thereunder and (z) all requests, rules, guidelines, requirements or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States

"Collateral Loan Buy Confirmation" means with respect to any Collateral Loan, documentation evidencing, in reasonable detail, the Borrower's acquisition of such Collateral Loan, and which shall identify at least the obligor, price and the Principal Balance of such Collateral Loan.

"Collateral Quality Test" means a test that is satisfied as of any Business Day on or after the date that is three (3) months after the Closing Date if, in the aggregate, the Collateral Loans owned (or, in relation to a proposed purchase of a Collateral Loan, both owned and proposed to be owned) by the Borrower satisfy the Maximum Weighted Average Life Test (or in relation to a proposed purchase after the date that is three (3) months after the Closing Date, if not in compliance, the test is maintained or improved after giving effect to any purchase or sale effected on any such Business Day), calculated in accordance with Section 1.04.

"Collection Account" has the meaning assigned to such term in Section 8.02(a)(ii), including the Principal Collection Subaccount, the Interest Collection Subaccount, the CAD Collection Account, the EUR Collection Account and the GBP Collection Account.

"Collection Date" means the date on which the aggregate outstanding principal amount of the Advances have been repaid in full and all Interest and fees and all other Obligations (other than contingent indemnification and reimbursement obligations which are unknown, unmatured and/or for which no claim giving rise thereto has been asserted) have been paid in full, and the Borrower shall have no further right to request any additional Advances.

"Collection Period" means, with respect to any Payment Date, the monthly period from and including the date on which the first Advance is made hereunder to but excluding the first Collection Period Start Date following the date of such Advance and each successive monthly period from and including a Collection Period Start Date to but excluding the immediately succeeding Collection Period Start Date or, in the case of the Collection Period immediately preceding the Final Maturity Date or the Collection Period immediately preceding an optional prepayment in whole of the Advances, ending on the day preceding the Final Maturity Date or the date of such prepayment, respectively.

"Collection Period Start Date" means the first calendar day of each month of each year (or, if any such date is not a Business Day, the immediately succeeding Business Day), commencing in July 2020.

"Collections" means all cash collections, distributions, payments or other amounts received, or to be received, by the Borrower from any Person in respect of any Collateral Loan constituting Collateral, including all principal, interest, fees, distributions and redemption and withdrawal proceeds payable to the Borrower under or in connection with any such Collateral Loans and all Proceeds from any sale or disposition of any such Collateral Loans.

"Competent Authority" has the meaning given to it in the Securitisation

Regulation.

"Concentration Calculation Amount" means (a) from the Closing Date to the date that is the six-month anniversary of the Closing Date, the greater of (i) the Maximum Portfolio

(i) not more than 5.00% of the Concentration Calculation Amount may consist of Fixed Rate Loans;

(ii) not more than 10.00% of the Concentration Calculation Amount may consist of Partial PIK Loans; and

(iii) not more than 10.00% of the Concentration Calculation Amount may consist of Recurring Revenue Loans.

Conforming Changes" means, with respect to either the use or administration of Term SOFR or the use, administration, adoption, or implementation of any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of "Business Day," the definition of "U.S. Government Securities Business Day," the definition of "Interest Accrual Period" or any similar or analogous definition (or the addition of a concept of "interest period"), timing and frequency of determining rates and making payments of interest, timing of borrowing request or prepayment, conversion or continuance notices, the applicability and length of lookback periods, the applicability of any breakage payments under Section 2.11 and other technical, administrative or operational matters) that the Administrative Agent in consultation with the Borrower, decides in its reasonable discretion may be appropriate to reflect the adoption and implementation of any such rate or to permit the use and administration thereof by the Administrative Agent in a manner substantially consistent with market practices (or, if the Administrative Agent decides that adoption of any portion of such market practice is not administratively feasible or if the Administrative Agent determines that no market practice for the administration of any such rate exists, in such other manner of administration as the Administrative Agent decides is reasonably necessary in connection with the administration of the Agreement and the other Facility Documents).

"Constituent Documents" means, in respect of any Person, the certificate or articles of formation or organization, the limited liability company agreement, operating agreement, partnership agreement, joint venture agreement or other applicable agreement of formation or organization (or equivalent or comparable constituent documents) and other organizational documents and by-laws and any certificate of incorporation, certificate of formation, certificate of limited partnership and other agreement, similar instrument filed or made in connection with its formation or organization, in each case, as the same may be amended, restated, replaced, supplemented or otherwise modified from time to time.

"Contribution Notice" has the meaning assigned to such term in Section 10.04(a).

"Control" means the direct or indirect possession of the power to vote 50% or more of the voting securities of such Person or the power to direct or cause the direction of the management or policies of a Person, whether through ownership, by contract, arrangement or understanding, or otherwise. "Controlled" and "Controlling" have the meaning correlative thereto.

"Cov-Lite Loan" means a loan that does not (I) contain any financial covenants or (II) require the related Obligor of such loan to comply with any maintenance covenant; provided that a loan described in clause (I) or (II) above that either (i) contains a cross-default provision to, determination that any Plan is, or is expected to be, in "at risk" status (as defined in Section 430 of the Code or Section 303 of ERISA); (e) the incurrence by the Borrower or any member of its ERISA Group of any liability under Title IV of ERISA with respect to the termination of any Plan; (f) (i) the receipt by the Borrower or any member of its ERISA Group from the PBGC of a notice of determination that the PBGC intends to seek termination of any Plan or to have a trustee appointed for any Plan under Section 4042 of ERISA, or (ii) the filing by the Borrower or any member of its ERISA Group of a notice of intent to terminate any Plan; (g) the incurrence by the Borrower or any member of its ERISA Group of any liability (i) with respect to a Plan pursuant to Sections 4063 and 4064 of ERISA, (ii) with respect to a facility closing pursuant to Section 4062(e) of ERISA, or (iii) with respect to the complete withdrawal or partial withdrawal from any Multiemployer Plan; (h) the receipt by the Borrower or any member of its ERISA Group of any notice concerning the imposition of Withdrawal Liability or a determination that a Multiemployer Plan is, or is expected to be, in endangered status or critical status, within the meaning of Section 432 of the Code or Section 305 of ERISA or is or is expected to be insolvent, within the meaning of Title IV of ERISA; or (i) the failure of the Borrower or any member of its ERISA Group to make any required contribution to a Multiemployer Plan, in each case of subsections (a) through (i), that would, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect.

"ERISA Group" means each controlled group of corporations or trades or businesses (whether or not incorporated) under common control that is treated as a single employer under Section 414(b) or (c) of the Code or, for purposes of Section 302 of ERISA or Section 412 of the Code (and the regulations promulgated and rulings issued thereunder), Section 414(m) or (o) of the Code, with the Borrower.

"EU Bail-In Legislation Schedule" means the document described as the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor person), as in effect from time to time.

"EU Due Diligence Requirements" means the due diligence and verification requirements applicable to EU Institutional Investors under Article 5 of the Securitisation Regulation (together with any delegated regulations, applicable guidance, regulatory technical standards, or implementing technical standards made thereunder) in respect of securitization positions, as in effect and/or amended or supplemented from time to time.

"EU Institutional Investor" has the meaning given to "institutional investor" under the Securitisation Regulation.

"EU Risk Retention Requirement" means Article 6 of the Securitisation Regulation (together with any delegated regulations, applicable guidance, regulatory technical standards, or implementing technical standards made thereunder).

"EU Transparency Reporting Side Letter Agreement" means any side letter agreement between the Borrower and the Collateral Agent that identifies itself as an EU Transparency Reporting Side Letter Agreement (or equivalent or similar name) thereunder.

"EU Transparency Requirements" means Article 7 of the Securitisation Regulation (together with any delegated regulations, applicable guidance, regulatory technical standards, or implementing technical standards made thereunder).

"EUR Collection Account" means the single, segregated account with respect to Collections in Euros at the Securities Intermediary in the name of the Borrower subject to the lien of the Collateral Agent for the benefit of the Secured Parties.

"Euros" or "€" means the lawful currency of the EEA Member Countries that have adopted and retain the single currency in accordance with the treaty establishing the European Community, as amended from time to time.

"Event of Default" means the occurrence of any of the events, acts or circumstances set forth in Section 6.01.

"Excess Concentration Amount" means, as of any date of determination on which any one or more of the Concentration Limitations are exceeded, an amount (calculated by the Servicer and without duplication) equal to the Dollar Equivalent of the portion of the Adjusted Principal Balance of each Eligible Collateral Loan that causes such Concentration Limitation to be exceeded.

"Excess Interest Proceeds" means, at any time of determination, the excess of (1) amounts then on deposit in the Interest Collection Subaccount representing Interest Proceeds over (2) the projected amount required to be paid pursuant to Section 9.01(a)(i)(A), (B), (C) and (D), on the next Payment Date, any prepayment date or the Final Maturity Date, as applicable, in each case, as determined by the Borrower in good faith and in a commercially reasonable manner.

"Exchange Act" means the Securities Exchange Act of 1934 and the rules and regulations promulgated thereunder, all as from time to time in effect, or any successor law, rules or regulations, and any reference to any statutory or regulatory provision shall be deemed to be a reference to any successor statutory or regulatory provision.

"Excluded Affiliate" means any portfolio company of (x) the Servicer, (y) the Equityholder or (z) any Affiliate thereof, as applicable, that is not consolidated on the financial statements of the Servicer or the Equityholder, as applicable.

"Excluded Amounts" means (a) any amount received in the Collection Account with respect to any Collateral Loan included as part of the Collateral, which amount is attributable to the payment of any Taxes, fees or other charges imposed by any Governmental Authority on such Collateral Loan or on any underlying asset securing such Collateral Loan and (b) any amount received in the Collection Account (or other applicable account) representing (i) any amount representing a reimbursement of insurance premiums, (ii) any escrows relating to Taxes, insurance and other amounts in connection with Collateral Loans which are held in an escrow account for the benefit of the Obligor and the applicable secured party pursuant to escrow arrangements under a Related Document, (iii) any amount received in the Collection Account with respect to any Collateral Loan sold or transferred by the Borrower pursuant to Section 10.01

interpretations thereof, any agreements entered into pursuant to Section 1471(b)(1) of the Code and any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement, treaty or convention among Governmental Authorities and implementing such Sections of the Code.

"Federal Funds Rate" means, for any period, the greater of (a) 0% and (b) a fluctuating interest rate *per annum* equal for each day during such period to the weighted average of the rates on overnight federal funds transactions with members of the Federal Reserve System arranged by federal funds brokers, as published for such day (or, if such day is not a Business Day, for the next preceding Business Day) by the Federal Reserve Bank of New York, or, if such rate is not so published for any day which is a Business Day, the average of the quotations for such day on such transactions received by the Administrative Agent from three federal funds brokers of recognized standing selected by it; provided that, if at any time a Lender is borrowing overnight funds from a Federal Reserve Bank that day, the Federal Funds Rate for such Lender for such day shall be the average rate *per annum* at which such overnight borrowings are made on that day as promptly reported by such Lender to the Borrower and the Agents in writing. Each determination of the Federal Funds Rate by a Lender pursuant to the foregoing proviso shall be conclusive and binding except in the case of manifest error.

"Federal Reserve Board" means the Board of Governors of the Federal Reserve System of the United States of America.

"Fee Basis Amount" means, for any Payment Date, an amount equal to the Aggregate Principal Balance.

"Final Maturity Date" means the earlier to occur of (i) the Business Day 24 months after the Facility Termination Date and (ii) the date on which the Final Maturity Date is declared pursuant to Section 6.01.

"Financial Asset" has the meaning specified in Section 8-102(a)(9) of the UCC.

"First Lien First Out Loan" means one or more tranches of First Lien Loans issued by an Obligor under the same Related Documents as a First Lien Last Out Loan that at any time prior to and/or after an event of default under the Related Documents, will be paid in full in accordance with a specified waterfall or other priority of payments as specified in the Related Documents, an agreement among lenders or other applicable agreement before such First Lien Last Out Loan is paid.

"First Lien Last Out Loan" means a Collateral Loan that would be a First Lien Loan but for the fact that at any time prior to and/or after an event of default under the Related Documents, such Collateral Loan will be paid after any First Lien First Out Loan issued by the Obligor have been paid in full in accordance with a specified waterfall or other priority of payments as specified in the Related Documents, an agreement among lenders or other applicable agreement or the Obligor has a Working Capital Revolver that is at any time prior to and/or after an event of default, senior to such Collateral Loan in payment priority or in lien priority with respect to all collateral securing such Collateral Loan; provided that if the First Out Leverage of such Collateral Loan is less than 0.25:1.00, as determined by the Servicer in

"First Out Leverage" means the ratio of (x) the sum of first out indebtedness and Working Capital Revolver capacity that is secured by a Permitted Working Capital Lien to (y) EBITDA.

"Fixed Rate Loan" means any Collateral Loan that bears a fixed rate of interest. "Floor" means a rate of interest equal to 0.0%.

"Foreign Lender" means

a Lender that is resident or organized under the laws of a jurisdiction other than that in which the Borrower is resident for tax purposes.

"Fourth Amendment Effective Date" means January 9, 2023.

"FRB" has the meaning specified in the definition of Deliver.

"Fundamental Amendment" means, with respect to each Lender, any amendment, modification, waiver or supplement of or to this Agreement that would (a) increase or extend the term of the Individual Lender Maximum Funding Amounts or change the Final Maturity Date (other than an increase of the Individual Lender Maximum Funding Amount of a particular Lender or the addition of a new Lender agreed to by the relevant Lender), (b) extend the date fixed for the payment of principal of or interest on any Advance or any fee hereunder, (c) reduce the amount of any such payment of principal, (d) reduce the rate at which Interest is payable thereon or any fee is payable hereunder (other than in connection with the appointment of a Benchmark Replacement), (e) release any material portion of the Collateral, except in connection with dispositions permitted hereunder, (f) alter the terms of Section 9.01 or Section 13.01(b), (g) modify the definition of the terms "Majority Lenders," "Required Lenders," "Maximum Available Amount," "Advance Rate," "Borrowing Base," "Minimum OC Coverage Test," "Collateral Quality Test," "Collateral Loan," "Eligible Collateral Loan," "Eligible Country," "Class 1 Borrowing Base," "Class 2 Borrowing Base," "Class 3 Borrowing Base," "Class 1 Minimum OC Coverage Test," "Class 2 Minimum OC Coverage Test," "Class 3 Minimum OC Coverage Test," "Class 1 Loan," "Class 2 Loan" or "Class 3 Loan" or any component thereof defined therein (in each case, other than any administrative, non-material amendment agreed to by the Borrower and the Administrative Agent); (h) modify in any other manner the number or percentage of the Lenders required to make any determinations or waive any rights hereunder or to modify any provision hereof or (i) extend the Reinvestment Period, in each case to the extent such amendment, modification, waiver or supplement relates to such Lender.

"GAAP" means generally accepted accounting principles in effect from time to time in the United States.

"GBP Collection Account" means the single, segregated account with respect to Collections in Pounds Sterling at the Securities Intermediary in the name of the Borrower subject to the lien of the Collateral Agent for the benefit of the Secured Parties.

"Government Security" has the meaning specified in the definition of Deliver.

(b) all principal and interest payments received by the Borrower during such Collection Period on Eligible Investments purchased with Interest Proceeds and all interest payments received by the Borrower during such Collection Period on Eligible Investments purchased with amounts credited to the Revolving Reserve Account;

(c) all amendment and waiver fees, late payment fees (including compensation for delayed settlement or trades), and all protection fees and other fees and commissions received by the Borrower during such Collection Period unless the Servicer has determined in its sole discretion that such payments are to be treated as Principal Proceeds; and

(d) commitment fees, facility fees, anniversary fees, ticking fees and other similar fees received by the Borrower during such Collection Period unless the Servicer has determined in its sole discretion that such payments are to be treated as Principal Proceeds;

provided that:

(1) as to any Defaulted Collateral Loan (and only so long as it remains a Defaulted Collateral Loan), any amounts received in respect thereof will constitute Principal Proceeds (and not Interest Proceeds) until the aggregate of all Collections in respect thereof since it became a Defaulted Collateral Loan equals the Principal Balance of such Defaulted Collateral Loan at the time as of which it became a Defaulted Collateral Loan and all amounts received in excess thereof will constitute Interest Proceeds; and

(2) any amounts received in respect of any Equity Security that was received in exchange for a Defaulted Collateral Loan will constitute Principal Proceeds (and not Interest Proceeds) until the aggregate of all collections in respect of such Equity Security equals the outstanding Principal Balance of the related Collateral Loan, at the time it became a Defaulted Collateral Loan, for which such Equity Security was received in exchange.

"Interest Rate" means, for any Class as of any date of determination, an interest rate *per annum* equal to ~~the Benchmark~~Term SOFR (or the Base Rate, if applicable) *plus* the Applicable Margin.

"Investment Company Act" means the Investment Company Act of 1940, as amended, and the rules and regulations promulgated thereunder.

"Investor Report" means the ongoing quarterly investor reports required pursuant to and in accordance with Article 7(1)(e) of the Securitisation Regulation.

"Law" means any action, code, consent decree, constitution, decree, directive, enactment, finding, guideline, law, injunction, interpretation, judgment, order, ordinance, policy statement, proclamation, promulgation, regulation, requirement, rule, rule of law, treaty, rule of public policy, settlement agreement, statute, or writ, of any Governmental Authority, or any particular section, part or provision thereof.

"Lender" means each Person listed on Schedule 1 and any other Person that shall have become a party hereto in accordance with the terms hereof pursuant to an Assignment and Acceptance, other than any such Person that ceases to be a party hereto pursuant to an Assignment and Acceptance.

"Lender Fee Letter" means that certain fee letter, dated as of the Closing Date, by and among the Lenders, the Borrower and the Servicer, as amended or supplemented from time to time, and any other fee letter between a Lender, the Borrower and the Servicer that identifies itself as a Lender Fee Letter hereunder.

"Liabilities" means all liabilities, obligations, losses, claims, damages, penalties, actions, judgments, suits, costs, expenses (including reasonable and documented out-of-pocket fees and expenses of agents, experts and outside attorneys) and disbursements of any kind or nature whatsoever.

~~"LIBOR" means, for any LIBOR Period, the ICE Benchmark Administration Limited London interbank offered rate *per annum* for deposits in the relevant currency for a period equal to three months as displayed in the Bloomberg Financial Markets System (or such other page on that service or such other service designated by the ICE Benchmark Limited for the display of such administration's London interbank offered rate for deposits in the relevant currency) as of 11:00 a.m., London time on the day that is two Business Days prior to the first day of the LIBOR Period (the "Screen Rate"); provided that if the Administrative Agent determines that the relevant foregoing sources are unavailable for the relevant LIBOR Period, LIBOR shall mean the rate of interest determined by the Administrative Agent to be the average (rounded upward, if necessary, to the nearest 1/100th of 1%) of the rates *per annum* at which deposits in the relevant currency are offered to the Administrative Agent two (2) Business Days preceding the first day of such LIBOR Period by four leading banks (selected by the Administrative Agent after consultation with the Borrower) in the London or other offshore interbank market for the relevant currency as of 11:00 a.m. for delivery on the first day of such LIBOR Period, for the number of days comprised therein and in an amount comparable to the amount of the Administrative Agent's portion of the relevant Advance; provided, if such rate is less than 0.00%, such rate shall be deemed to be 0.00% for purposes of this Agreement.~~

~~"LIBOR Period" means (a) with respect to the first LIBOR Period, the period from and including the Closing Date to and including the last day of September 2020 and (b) with respect to any subsequent LIBOR Period, the three-month period commencing from and including the first day of the next calendar month after the previous LIBOR Period ended and ending on the last day of the third calendar month after the previous LIBOR Period ended; provided that the final LIBOR Period hereunder shall end on and include the day prior to the payment in full of the Advances hereunder.~~

"Lien" means any mortgage, pledge, hypothecation, assignment, encumbrance, lien or security interest (statutory or other), or preference, priority or other security agreement, charge or preferential arrangement of any kind or nature whatsoever (including any conditional

"Maximum Facility Amount" means $~~300,000,000~~500,000,000 (as such amount may be reduced pursuant to Section 2.07); provided that it is understood that the loan facility established under this Agreement is an uncommitted facility and there is no express or implied commitment on the part of the Administrative Agent or any Lender to provide any Advance except that, in the case of Collateral Loans approved by means of an Approval Request or Approved List, the Lenders shall have committed to fund the related Advances (up to the amount(s) specified in the related Approval Request or Approved List), provided that the related conditions precedent set forth in Article III are satisfied with respect to such Advances on the applicable Borrowing Date.

"Maximum Portfolio Amount" means, as of any date of determination, the sum of (i) the Maximum Facility Amount as of such date and (ii) the aggregate amount of all contributions by the Equityholder to the Borrower (other than contributions made to cure a Default or an Event of Default) *less* any principal distributions that constitute a return of capital to the Equityholder other than Excluded Principal Distributions.

"Maximum Weighted Average Life Test" means a test that will be satisfied on any date of determination if the Weighted Average Life of the Collateral Loans as of such date is less than or equal to six and a half (6.5) years.

"Measurement Date" means (a) the Closing Date, (b) each Borrowing Date, (c) each Payment Date Report Determination Date and (d) each other date reasonably requested by the Administrative Agent.

"Mezzanine Obligations" means unsecured obligations that are contractually subordinated in right of payment to other debt of the same issuer.

"Minimum OC Coverage Test" means, as of any date, a test that is satisfied if the OC Ratio as of such date is equal to or greater than 1.00:1.00.

"Money" has the meaning specified in Section 1-201(24) of the UCC.

"Moody's" means Moody's Investors Service, Inc., together with its successors.

"Multiemployer Plan" means a "multiemployer plan" within the meaning of Section 4001(a)(3) of ERISA that is sponsored by the Borrower or a member of its ERISA Group or to which the Borrower or a member of its ERISA Group is obligated to make contributions or has any liability.

"Net-Debt-to-Recurring-Revenue Ratio" means, with respect to any Collateral Loan for any period, the meaning of "Net-Debt-to-Recurring-Revenue Ratio" or any comparable term defined in the Related Documents for such Collateral Loan, and in any case that "Net-Debt-to-Recurring-Revenue Ratio" or such comparable term is not defined in such Related Documents, the ratio of (a) indebtedness of the related Obligor under such Collateral Loan and all other indebtedness of such Obligor that is senior or *pari passu* in right of payment to such Collateral Loan *minus* Unrestricted Cash and cash equivalents to (b) TTM Recurring Revenue, as calculated by the Servicer in good faith in accordance with the Servicing Standard using information from and calculations consistent with the relevant compliance statements and financial reporting packages provided by the relevant Obligor as per the requirements of the Related Documents; provided that, in the event of a lack of any such information necessary to calculate the Net-Debt-to-Recurring-Revenue Ratio for any Collateral Loan, the Net-Debt-to-Recurring-Revenue Ratio for such Collateral Loan shall be a ratio calculated by the Administrative Agent in its sole discretion after consultation with the Servicer or, if agreed to by the Administrative Agent, by the Servicer in good faith in accordance with the Servicing Standard.

"Non-Approval Event" means an event that (x) will be deemed to have occurred if the ratio (measured on a rolling three-month basis) of (i) the number or Dollar amount of Approval Requests for loans that satisfy the requirements of an Eligible Collateral Loan rejected by the Administrative Agent over (ii) the total number or aggregate Dollar amount of Approval Requests is greater than 70% and (y) will be continuing until the conditions set forth in clause (x) of this definition are no longer true; provided that, until ten (10) loans have been submitted for approval to the Administrative Agent by the Servicer, the ratio of clause (x)(i) over clause (x)(ii) shall be deemed to be zero.

"Note" means each promissory note, if any, issued by the Borrower to a Lender in accordance with the provisions of Section 2.04(b), substantially in the form of Exhibit A.

"Notice of Borrowing" has the meaning assigned to such term in Section 2.03(a). "Notice of Prepayment" has the meaning assigned to such term in Section 2.06(a). "NYFRB" means the Federal Reserve Bank of New York.

"Obligations" means all indebtedness, whether absolute, fixed or contingent, at any time or from time to time owing by the Borrower to any Secured Party or any Affected Person under or in connection with this Agreement, the Notes or any other Facility Document, including all amounts payable by the Borrower in respect of the Advances, with interest thereon, and all other amounts payable hereunder or thereunder by the Borrower.

"Obligor" means, in respect of any loan, each Person obligated to pay Collections in respect of such loan, including any applicable guarantors; provided that for purposes of determining the domicile of an Obligor for purposes of the definitions of Concentration Limitations and Eligible Collateral Loan, the term "Obligor" shall only include the Person in respect of which the Collateral Loan was principally underwritten.

"Obligor Measurement Date" means the last day of each relevant period for which an Obligor delivers financial reporting information that includes the calculation of financial covenants, as certified by a Responsible Officer of such Obligor (which is required to occur no less frequently than quarterly).

"OC Ratio" means, as of any Business Day, the ratio of (a) the Borrowing Base to (b) the sum of (x) the aggregate outstanding principal balance of the Advances and (y) the Dollar Equivalent of the aggregate purchase price of all Collateral Loans for which the Borrower has entered into a binding commitment to purchase that have not yet settled.

"Participant Register" has the meaning assigned to such term in Section 13.06(c)(ii).

"PATRIOT Act" has the meaning assigned to such term in Section 13.15.

"Payment Date" means the 15th day of each month, commencing with October 2020; provided that, if any such day is not a Business Day, then such Payment Date shall be the next succeeding Business Day.

"Payment Date Report" has the meaning assigned to such term in Section 8.07(b).

"Payment Date Report Determination Date" has the meaning assigned to such term in Section 8.07(b).

"PBGC" means the Pension Benefit Guaranty Corporation, or any successor agency or entity performing substantially the same functions.

"Percentage" means with respect to any Lender as of any date of determination,
(a) with respect to each Lender party hereto and listed on Schedule 1, the percentage applicable to such Lender on such date of determination as specified on Schedule 1, as such amount is reduced by any Assignment and Acceptance entered into by such Lender with an assignee or increased by any Assignment and Acceptance entered into by such Lender with an assignor, and
(b) with respect to each Lender that has become a party hereto pursuant to an Assignment and Acceptance and not listed on Schedule 1, the percentage set forth therein as such Lender's Percentage, in each case as such amount is reduced by an Assignment and Acceptance entered into between such Lender and an assignee or increased by any Assignment and Acceptance entered into by such Lender with an assignor.

"Periodic Term SOFR Determination Day" has the meaning specified in the definition of "Term SOFR".

"Permitted Assignee" means (a) a Lender or any of its Affiliates or (b) any Person managed by a Lender or any of its Affiliates.

"Permitted Currencies" means Pounds Sterling, Euro, Dollars and Canadian Dollars.

"Permitted Distribution" means, on any Business Day, distributions of (x) Interest Proceeds so long as immediately after giving effect to such Permitted Distribution, sufficient Interest Proceeds remain to pay all amounts payable on the immediately following Payment Date pursuant to Section 9.01(a)(i) as determined by the Servicer in good faith and/or (y) prior to the last day of the Reinvestment Period, Principal Proceeds; provided that amounts may be distributed pursuant to this definition so long as (i) no Event of Default has occurred and is continuing (or would occur after giving effect to such Permitted Distribution), (ii) the Minimum OC Coverage Test is satisfied immediately prior to and immediately after giving effect to such

"PIK Loan" means a loan (other than a Partial PIK Loan) that permits the Obligor thereon to defer or capitalize any portion of the accrued interest thereon.

"Plan" means an employee pension benefit plan (other than a Multiemployer Plan) that is covered by Title IV of ERISA or subject to the minimum funding standards under Section 412 of the Code, in any case, which is sponsored by the Borrower or a member of its ERISA Group or to which the Borrower or a member of its ERISA Group is obligated to make contributions or has any liability.

"Plan Asset Rule" has the meaning assigned to such term in Section 4.01(m).

"Portfolio Advance Rate Adjustment" means, as of any date of determination, the percentage set forth on the table below corresponding to the highest Diversity Score then-applicable to the Collateral Loans:

Diversity Score	**Advance Rate Adjustment**
Less than 4	0%
Greater than or equal to 4, but less than 6	40%
Greater than or equal to 6, but less than 10	60%
Greater than or equal to 10, but less than 14	80%
Greater than or equal to 14	100%

"Portfolio Report" means the ongoing quarterly portfolio level disclosure required pursuant and in accordance with Article 7(1)(a) of the Securitisation Regulation.

"Post-Default Rate" means a rate *per annum* equal to the Interest Rate otherwise in effect pursuant to this Agreement *plus* 2.00% *per annum*.

"Potential Servicer Removal Event" means any event which, with the passage of time, the giving of notice, or both, would (if not cured or otherwise remedied during such time) constitute a Servicer Removal Event.

"Pounds Sterling" and "£" means the lawful currency of the United Kingdom.

"Pricing Source" means any of Loan Pricing Corporation, Mark-it Partners (formerly known as Loan X), Interactive Data Corporation or another nationally recognized broker-dealer or nationally recognized quotation service mutually agreed from time to time by (a) the Administrative Agent and (b) the Servicer.

"Prime Rate" means the rate determined by BNP from time to time as its prime rate in the United States, such rate to change as and when such designated rate changes. The Prime Rate is not intended to be the lowest rate of interest charged by BNP in connection with extensions of credit to debtors.

"Principal Balance" means, with respect to any loan, as of any date of determination, the outstanding principal amount of such loan, excluding any capitalized interest.

"Relevant Governmental Body" means the Federal Reserve Board or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board of the Federal Reserve Bank of New York, or any successor thereto.

"Relevant Recipients" has the meaning specified in Section 13.24(a).

"Relevant Test Period" means, with respect to any Collateral Loan, the relevant test period for the calculation of EBITDA, Interest Coverage Ratio or Senior Net Leverage Ratio, as applicable, for such Collateral Loan in the applicable Related Documents or, if no such period is provided for therein, for Obligors delivering monthly financial statements, each period of the last twelve consecutive reported calendar months, and for Obligors delivering quarterly financial statements, each period of the last four consecutive reported fiscal quarters of the principal Obligor on such Collateral Loan; provided that, with respect to any Collateral Loan for which the relevant test period is not provided for in the applicable Related Documents, if an Obligor is a newly-formed entity as to which twelve consecutive calendar months have not yet elapsed, "Relevant Test Period" shall initially include the period from the date of formation of such Obligor or closing date of the applicable Collateral Loan to the end of the twelfth calendar month or fourth fiscal quarter (as the case may be) from the date of formation or closing, as applicable, and shall subsequently include each period of the last twelve consecutive reported calendar months or four consecutive reported fiscal quarters (as the case may be) of such Obligor.

"Requested Amount" has the meaning assigned to such term in Section 2.03.

"Required Lenders" means, as of any date of determination, the Administrative Agent and Lenders having aggregate Percentages greater than or equal to 66 2/3%; provided, however, that if any Lender shall be a Defaulting Lender at such time, then Advances owing to such Defaulting Lender and such Defaulting Lender's unfunded Individual Lender Maximum Funding Amounts shall be excluded from the determination of Required Lenders.

"Resolution Authority" means an EEA Resolution Authority or, with respect to any UK Financial Institution, a UK Resolution Authority.

"Responsible Officer" means (a) in the case of (i) a corporation or (ii) a partnership or limited liability company that, in each case, pursuant to its Constituent Documents, has officers, any chief executive officer, chief financial officer, chief administrative officer, managing director, president, senior vice president, vice president, assistant vice president, treasurer, director or manager, and, in any case where two Responsible Officers are acting on behalf of such entity, the second such Responsible Officer may be a secretary or assistant secretary (provided that a director or manager of the Borrower shall be a Responsible Officer regardless of whether its Constituent Documents provide for officers), (b) without limitation of clause (a)(ii), in the case of a limited partnership, the Responsible Officer of the general partner, acting on behalf of such general partner in its capacity as general partner, (c) without limitation of clause (a)(ii), in the case of a limited liability company, any Responsible Officer of the sole member or managing member, acting on behalf of the sole member or managing member in its capacity as sole member or managing member, (d) in the case of a trust, the Responsible Officer of the trustee, acting on behalf of such trustee in its capacity as trustee, which the Administrative Agent may agree)), has entered into a binding commitment to sell that has not settled.

"Sanctioned Country" has the meaning given to such term in Section 4.01(r).

"Sanctioned Person" has the meaning given to such term in Section 4.01(r).

"Sanctions" means any economic or trade sanctions or restrictive measures enacted, administered, imposed or enforced by the U.S. Department of the Treasury's Office of Foreign Assets Control (OFAC), the U.S. Department of State, the United Nations Security Council, the European Union or any EU member state, the French Republic, Her Majesty's Treasury and/or any other relevant sanctions authority.

"Scheduled Distribution" means, with respect to any Collateral Loan, for each Due Date, the scheduled payment of principal and/or interest and/or fees due on such Due Date with respect to such Collateral Loan.

~~"Screen Rate" has the meaning assigned to it in the definition of "LIBOR."~~

"Second Lien Loan" means any Collateral Loan (for purposes of this definition, a "loan") that meets the following criteria:

(a) is secured by a pledge of collateral, which security interest is validly perfected and second priority (subject to liens permitted under the related underlying instruments that are reasonable and customary for similar Collateral Loans) under Applicable Law (other than a Collateral Loan that is second priority to a Permitted Working Capital Lien); and

(b) the Servicer determines in good faith that the value of the collateral securing the Collateral Loan (including based on enterprise value) on or about the time of origination or acquisition by the Borrower equals or exceeds the outstanding principal balance of the Collateral Loan plus the aggregate outstanding balances of all other Collateral Loans of equal or higher seniority secured by the same collateral.

"Secured Parties" means the Administrative Agent, the Collateral Agent, the Custodian, each Lender and the Securities Intermediary.

"Securities Act" means the Securities Act of 1933 and the rules and regulations promulgated thereunder, all as from time to time in effect.

"Securities Intermediary" means U.S. Bank National Association in its capacity as Securities Intermediary under the Account Control Agreement and any other entity as defined in Section 8-102(a)(14) of the UCC.

"Securitisation Regulation" means Regulation (EU) 2017/2402.

"Security Entitlement" has the meaning specified in Section 8-102(a)(17) of the UCC.

"Solvent" means, as to any Person, such Person is not "insolvent" within the meaning of Section 101(32) of the Bankruptcy Code or Section 271 of the Debtor and Creditor Law of the State of New York.

"Specified Eligible Investment" means an Eligible Investment meeting the requirements of Section 8.06(a) and that is available to the Collateral Agent, specified by the Servicer to the Collateral Agent (with a copy to the Administrative Agent) on or prior to the initial Borrowing Date; provided that, so long as no Event of Default shall have occurred and then be continuing, at any time with not less than five Business Days' notice to the Collateral Agent (with a copy to the Administrative Agent) the Servicer may (and, if the then Specified Eligible Investment is no longer available to the Collateral Agent, shall) designate another Eligible Investment that meets the requirements of Section 8.06(a) and that is available to the Collateral Agent to be the Specified Eligible Investment for purposes hereof. After the occurrence and continuation of an Event of Default, a Specified Eligible Investment shall mean an Eligible Investment meeting the requirements of Section 8.06(a) and which has been selected by the Administrative Agent and specified to the Collateral Agent.

"Structured Finance Obligation" means any debt obligation owing by a special purpose finance vehicle that is secured directly and primarily by, primarily referenced to, and/or primarily representing ownership of, a pool of receivables or a pool of other assets, including collateralized debt obligations, residential mortgage-backed securities, commercial mortgage-backed securities, other asset-backed securities, "future flow" receivable transactions and other similar obligations; provided that loans to financial service companies, factoring businesses, health care providers and other genuine operating businesses do not constitute Structured Finance Obligations.

"Structuring Agent" means BNP Paribas Securities Corp.

"Substitute Eligible Collateral Loan" means each Eligible Collateral Loan pledged by the Borrower to the Collateral Agent, on behalf of the Secured Parties, pursuant to Section 10.01(d).

"Synthetic Security" means a security or swap transaction (excluding, for purposes of this Agreement, a participation interest) that has payments associated with either payments of interest and/or principal on a reference obligation or the credit performance of a reference obligation.

"Taxes" means all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

"Term SOFR" means, for any calculation with respect to an Advance, the Term SOFR Reference Rate for a tenor comparable to the applicable Interest Accrual Period on the day (such day, the "Periodic Term SOFR Determination Day") that is two (2) U.S. Government Securities Business Days prior to the first day of such Interest Accrual Period, as such rate is published by the Term SOFR Administrator; provided, however, that if as of 5:00 p.m. (New York City time) on any Periodic Term SOFR Determination Day the Term SOFR Reference Rate for the applicable tenor has not been published by the Term SOFR Administrator and a Benchmark Replacement Date with respect to the Term SOFR Reference Rate has not occurred, then Term SOFR will be the Term SOFR Reference Rate for such tenor as published by the Term SOFR Administrator on the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate for such tenor was published by the Term SOFR Administrator so long as such first preceding U.S. Government Securities Business Day is not more than three (3) U.S. Government Securities Business Days prior to such Periodic Term SOFR Determination Day; provided, further, that if Term SOFR determined as provided above (including pursuant to the proviso above) shall ever be less than the Floor, then Term SOFR shall be deemed to be the Floor.

"Term SOFR Administrator" means CME Group Benchmark Administration Limited (CBA) (or a successor administrator of the Term SOFR Reference Rate selected by the Administrative Agent in its reasonable discretion).

"Term SOFR Reference Rate" means the forward-looking term rate based on SOFR.

"Trade Date" has the meaning assigned to such terms in Section 1.04(1).

"TTM Recurring Revenue" means, with respect to any Obligor and any date, the Recurring Revenue for such Obligor for the trailing twelve months ending on such date, as calculated by the Servicer in good faith in accordance with the Servicing Standard using information from and calculations consistent with the relevant compliance statements and financial reporting packages provided by the relevant Obligor as per the requirements of the Related Documents.

"UCC" means the New York Uniform Commercial Code; provided that if, by reason of any mandatory provisions of law, the perfection, the effect of perfection or non-perfection or priority of the security interests granted to the Collateral Agent pursuant to this Agreement are governed by the Uniform Commercial Code as in effect in a jurisdiction of the United States of America other than the State of New York, then "UCC" means the Uniform Commercial Code as in effect from time to time in such other jurisdiction for purposes of such perfection, effect of perfection or non-perfection or priority.

"UK Financial Institution" means any BRRD Undertaking (as such term is defined under the PRA Rulebook (as amended form time to time) promulgated by the United Kingdom Prudential Regulation Authority) or any person falling within IFPRU 11.6 of the FCA Handbook (as amended from time to time) promulgated by the United Kingdom Financial Conduct Authority, which includes certain credit institutions and investment firms, and certain affiliates of such credit institutions or investment firms.

"UK Resolution Authority" means the Bank of England or any other public administrative authority having responsibility for the resolution of any UK Financial Institution.

"Uncertificated Security" has the meaning specified in Section 8-102(a)(18) of the UCC.

"Unfunded Amount" means, with respect to any Collateral Loan, as of any date of determination, the unfunded commitment of the Borrower with respect to such Collateral Loan as of such date.

"Unrestricted Cash" has the meaning assigned to the term "Unrestricted Cash" or any comparable term defined in the Related Documents for each Collateral Loan, and in any case that "Unrestricted Cash" or such comparable term is not defined in such Related Documents, all cash available for use for general corporate purposes and not held in any reserve account or legally or contractually restricted for any particular purposes or subject to any lien (other than blanket liens permitted under or granted in accordance with such Related Documents).

"Unused Fees" has the meaning assigned to such term in the Lender Fee Letter.

"U.S. Government Securities Business Day" means any day except for (a) a Saturday, (b) a Sunday or (c) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.

"U.S. Person" means any Person that is a "United States person" as defined in Section 7701(a)(30) of the Code.

"U.S. Tax Compliance Certificate" has the meaning assigned to such term in Section 13.03(g)(iii).

"Volcker Rule" means Section 13 of the U.S. Bank Holding Company Act of 1956, as amended, and the applicable rules and regulations thereunder.

"Weighted Average Advance Rate" means, as of any date of determination with respect to all Eligible Collateral Loans included in the Aggregate Net Collateral Balance, the number obtained by (a) summing the products obtained by *multiplying* (i) the Advance Rate of each Eligible Collateral Loan by (ii) such Eligible Collateral Loan's contribution to the Aggregate Net Collateral Balance and *dividing* (b) such sum by the Aggregate Net Collateral Balance.

"Weighted Average Class 1 Advance Rate" means, as of any date of determination with respect to all Class 1 Loans included in the Aggregate Class 1 Net Collateral Balance, the number obtained by (a) summing the products obtained by *multiplying* (i) the Advance Rate of each Class 1 Loan by (ii) such Class 1 Loan's contribution to the Aggregate Class 1 Net Collateral Balance and *dividing* (b) such sum by the Aggregate Class 1 Net Collateral Balance.

"Weighted Average Class 2 Advance Rate" means, as of any date of determination with respect to all Class 2 Loans included in the Aggregate Class 2 Net Collateral Balance, the number obtained by (a) summing the products obtained by *multiplying* (i) the Advance Rate of each Class 2 Loan by (ii) such Class 2 Loan's contribution to the Aggregate Class 2 Net Collateral Balance and *dividing* (b) such sum by the Aggregate Class 2 Net Collateral Balance.

reduction of the Facility Amount pursuant to this Section 2.07 shall be applied ratably among the Lenders in accordance with their respective Individual Lender Maximum Funding Amounts.

Section 2.08 Maximum Lawful Rate. It is the intention of the parties hereto that the interest on the Advances shall not exceed the maximum rate permissible under Applicable Law. Accordingly, anything herein or in any Note to the contrary notwithstanding, in the event any interest is charged to, collected from or received from or on behalf of the Borrower by the Lenders pursuant hereto or thereto in excess of such maximum lawful rate, then the excess of such payment over that maximum shall be applied first to the payment of amounts then due and owing by the Borrower to the Secured Parties under this Agreement (other than in respect of principal of and interest on the Advances) and then to the reduction of the outstanding principal amount of the Advances of the Borrower.

Section 2.09 Several Obligations. The failure of any Lender to make any Advance to be made by it on the date specified therefor shall not relieve any other Lender of its obligation to make its Advance on such date. Neither Agent shall be responsible for the failure of any Lender to make any Advance, and no Lender shall be responsible for the failure of any other Lender to make an Advance required to be made by such other Lender.

Section 2.10 Increased Costs.

(a) Increased Costs Generally. If any Change in Law shall:

(i) impose, modify or deem applicable any reserve, compulsory loan, insurance charge, special deposit or similar requirement against assets of, deposits with or for account of, or credit extended by, any Affected Person;

(ii) subject any Affected Person to any Taxes (other than (A) Indemnified Taxes and (B) Excluded Taxes) on its loans, loan principal, letters of credit, commitments, or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto; or

(iii) impose on any Affected Person~~ or the London interbank market~~ any other condition, cost or expense (other than Taxes), affecting this Agreement or Advances made by such Affected Person by reference to ~~LIBOR~~the Benchmark or any participation therein;

and the result of any of the foregoing shall be to increase the cost to such Affected Person of making, continuing, converting into or maintaining any Advance made by reference to ~~LIBOR~~the Benchmark (or of maintaining its obligation to make any such Advance) or to reduce the amount of any sum received or receivable by such Affected Person hereunder (whether of principal, interest or otherwise), then the Borrower will pay to such Lender such additional amount or amounts as will compensate such Affected Person for such additional costs incurred or reduction suffered as specified in a certificate delivered to the Borrower pursuant to clause (c) of this Section 2.10.

(b) Capital Requirements. If any Affected Person determines that any Change in Law regarding capital or liquidity requirements has or would have the effect of reducing the rate of return on such Affected Person's capital or on the capital of such Affected Person's holding company, if any, as a consequence of this Agreement or the Advances made by such Affected Person to a level below that which such Affected Person or such Affected Person's holding company could have achieved but for such Change in Law (taking into consideration such Affected Person's policies and the policies of such Affected Person's holding company with respect to capital adequacy and liquidity coverage), by an amount deemed to be material by such Affected Person, then from time to time the Borrower will pay to such Affected Person in Dollars, such additional amount or amounts as will compensate such Affected Person or such Affected Person's holding company for any such reduction suffered or charge imposed; provided that the amounts payable under this Section 2.10(b) shall be without duplication of amounts payable under Section 13.03 and shall not include any Indemnified Taxes or Excluded Taxes.

(c) Certificates from Lenders. A certificate of an Affected Person setting forth in reasonable detail the basis for such demand and the amount or amounts, in Dollars, necessary to compensate such Affected Person or its holding company as specified in clause (a) or (b) of this Section 2.10 shall be promptly delivered to the Borrower and shall be conclusive absent manifest error. The Borrower shall pay such amount shown as due on any such certificate on the next Payment Date after receipt thereof.

(d) Delay in Requests. Failure or delay on the part of any Affected Person to demand compensation pursuant to this Section 2.10 shall not constitute a waiver of such Affected Person's right to demand such compensation; provided that the Borrower shall not be required to compensate an Affected Person pursuant to this Section 2.10 for any costs, reductions, penalties or interest incurred more than nine months prior to the date that such Affected Person notifies the Borrower of the Change in Law giving rise to any increased costs or reductions and of such Affected Person's intention to claim compensation therefor; provided, further, that, if the Change in Law giving rise to such increased costs or reductions is retroactive, then the nine-month period referred to above shall be extended to include the period of retroactive effect thereof.

(e) Lending Office. Upon the occurrence of any event giving rise to the Borrower's obligation to pay additional amounts to a Lender pursuant to clauses (a) or (b) of this Section 2.10, such Lender will, if requested by the Borrower, use reasonable efforts (subject to overall policy considerations of such Lender) to designate a different lending office if such designation would reduce or obviate the obligations of the Borrower to make future payments of such additional amounts; provided that such designation is made on such terms that such Lender and its lending office suffer no unreimbursed cost or material legal or regulatory disadvantage (as reasonably determined by such Lender), with the object of avoiding future consequence of the event giving rise to the operation of any such provision.

Section 2.11 Compensation; Breakage Payments. The Borrower agrees to compensate each Affected Person from time to time, on the Payment Date (or on the applicable date of prepayment) immediately following such Affected Person's written request (which request shall set forth the basis for requesting such amounts) in accordance with the Priority of Payments, for all reasonable and documented actual losses, expenses and liabilities (including any interest paid by such Affected Person to lenders of funds borrowed to make or carry an Advance bearing interest that was computed by reference to ~~LIBOR~~the Benchmark and any loss sustained by such Affected Person in connection with the re-employment of such funds but excluding loss of anticipated profits), which such Affected Person may sustain: (i) if for any reason (including any failure of a condition precedent set forth in Article III but excluding a default by the applicable Lender) any Advance bearing interest that was computed by reference to ~~LIBOR~~the Benchmark by the Borrower does not occur on the Borrowing Date specified therefor in the applicable Notice of Borrowing delivered by the Borrower, and (ii) if any payment or prepayment of any Advance bearing interest that was computed by reference to ~~LIBOR~~the Benchmark is not made on a Payment Date or pursuant to a Notice of Prepayment given by the Borrower. A certificate as to any amounts payable pursuant to this Section 2.11 submitted to the Borrower by any Lender (with a copy to the Agents, and accompanied by a reasonably detailed calculation of such amounts and a description of the basis for requesting such amounts) shall be conclusive in the absence of manifest error.

Section 2.12 Inability to Determine Rates. If, prior to the first day of any Interest Accrual Period ~~or prior to the date of any Advance, as applicable,~~

(a) the Administrative Agent determines (which determination shall be conclusive and binding absent manifest error) that Term SOFR cannot be determined pursuant to the definition thereof, or

(b) the Administrative Agent determines, following notice from the Required Lenders, that for any reason ~~adequate and reasonable means do not exist for determining~~ ~~LIBOR for the applicable Advances~~in connection with any request for an Advance or a conversion thereto or a continuation thereof that Term SOFR for any requested Interest Accrual Period with respect to a proposed Advance does not adequately and fairly reflect the cost to such Lenders of making and maintaining such Advance, the Administrative Agent will promptly so notify the Borrower, the Collateral Agent and each Lender; provided that the Administrative Agent has made a similar determination with respect to similarly situated borrowers in similar facilities. ~~Thereafter,~~Upon notice thereof by the Administrative Agent to the Borrower, any obligation of the Lenders to make or maintain Advances with reference to Term SOFR shall be suspended (to the extent of the affected Advances or affected Interest Accrual Periods) until the Administrative Agent (upon the instruction of the Majority Lenders) revokes such notice~~; provided that new Advances~~ ~~may be made at, and existing~~ (it being understood that the occurrence of any such event shall not require repayment of any Advances). Upon receipt of such notice, (i) the Borrower may revoke any pending request for borrowing of, conversion to or continuation of Advances (to the extent of the affected Advances or affected Interest Accrual Periods) or, failing that, will be deemed to have converted such request into a request for Advances in the amount specified therein bearing interest at a rate *per annum* equal to the Base Rate plus the Applicable Margin and (ii) any outstanding affected Advances ~~would~~will be ~~maintained and~~deemed to have been converted ~~to bear~~into Advances bearing interest at~~,~~ the Base Rate. For the avoidance of doubt, this Section 2.12 shall not apply during a Benchmark Unavailability Period.

Section 2.13 Rescission or Return of Payment. The Borrower agrees that, if at any time (including after the occurrence of the Final Maturity Date) all or any part of any payment theretofore made by it to any Secured Party or any designee of a Secured Party is or

Advances in respect of which that Defaulting Lender has not fully funded its appropriate share, such payment shall be applied solely to pay the Advances of all non-Defaulting Lenders on a *pro rata* basis prior to being applied to the payment of any Advances of that Defaulting Lender. Any payments, prepayments or other amounts paid or payable to a Defaulting Lender that are applied (or held) to pay amounts owed by a Defaulting Lender or to post cash collateral pursuant to this Section 2.17 shall be deemed paid to and redirected by that Defaulting Lender, and each Lender irrevocably consents hereto.

(iii) For any period during which that Lender is a Defaulting Lender, that Defaulting Lender shall not be entitled to receive any Unused Fee for any period during which that Lender is a Defaulting Lender (and the Borrower shall not be required to pay any such fee that otherwise would have been required to have been paid to such Defaulting Lender).

(b) If the Administrative Agent and the Borrower agree that a Defaulting Lender should no longer be deemed to be a Defaulting Lender, the Administrative Agent will so notify the parties hereto, whereupon as of the effective date specified in such notice and subject to any conditions set forth therein (which may include arrangements with respect to any cash collateral), that Lender will, to the extent applicable, purchase that portion of outstanding Advances of the other Lenders or take such other actions as the Administrative Agent may determine to be necessary to cause the Advances to be held on a *pro rata* basis by the Lenders in accordance with their respective Individual Lender Maximum Funding Amounts, whereupon that Lender will cease to be a Defaulting Lender; provided that no adjustments will be made retroactively with respect to fees accrued or payments made by or on behalf of the Borrowers while that Lender was a Defaulting Lender; and provided, further, that except to the extent otherwise expressly agreed by the affected parties, no change hereunder from Defaulting Lender to Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender's having been a Defaulting Lender.

Section 2.18 ~~LIBOR Discontinuation. Without prejudice to any other provision of this Agreement, each party hereto acknowledges and agrees for the benefit of each of the other parties hereto: (x) LIBOR (i) may be subject to methodological or other changes which could affect its value and/or (ii) may be permanently discontinued; and (y) the occurrence of any of the aforementioned events and/or a Benchmark Transition Event may have adverse consequences which may materially impact the economies of the financing transactions contemplated under this Agreement.~~Benchmark Replacement Setting.

(a) ~~(b)~~ Benchmark Replacement. Notwithstanding anything to the contrary herein or in any other Facility Document, ~~if~~upon the occurrence of a Benchmark Transition Event ~~or an Early Opt-in Election, as applicable,~~ and its related Benchmark Replacement Date ~~have occurred prior to the Reference Time in respect of any setting of~~, the Administrative Agent and the Borrower may amend this Agreement to replace the then-current Benchmark~~, then (x) if~~ with a Benchmark Replacement~~ is determined in accordance with clause (1) or (2) of the definition of "Benchmark Replacement" for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Facility Document in respect of such Benchmark setting and subsequent Benchmark settings without any amendment to, or further action or consent of any other party to, this Agreement or~~

~~any other Facility Document and (y) if a Benchmark Replacement is determined in accordance with clause (3) of the definition of “Benchmark Replacement” for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Facility Document in respect of any Benchmark setting~~. Any such amendment with respect to a Benchmark Transition Event will become effective at ~~or after~~ 5:00 p.m. (New York City time) on the fifth (5th) Business Day after the ~~date notice of such Benchmark Replacement is provided~~Administrative Agent has posted such proposed amendment to ~~the~~all affected Lenders ~~without any amendment to, or further action or consent of any other party to, this Agreement or any other Facility Document~~and the Borrower so long as the Administrative Agent has not received, by such time, written notice of objection to such ~~Benchmark Replacement~~amendment from Lenders comprising the ~~Majority~~Required Lenders. No replacement of a Benchmark with a Benchmark Replacement pursuant to this Section 2.18(a) will occur prior to the applicable Benchmark Transition Start Date.

~~(c) Term SOFR Transition Event. Notwithstanding anything to the contrary herein or in any other Facility Document and subject to the proviso below in this paragraph, if a Term SOFR Transition Event and its related Benchmark Replacement Date have occurred prior to the Reference Time in respect of any setting of the then-current Benchmark, then the applicable Benchmark Replacement will replace the then-current Benchmark for all purposes hereunder or under any Facility Document in respect of such Benchmark setting and subsequent Benchmark settings, without any amendment to, or further action or consent of any other party to, this Agreement or any other Facility Document; provided that, this clause (c) shall not be effective unless the Administrative Agent has delivered to the Lenders and the Borrower a Term SOFR Notice.~~

(b) ~~(d)~~ Benchmark Replacement Conforming Changes. In connection with the use, administration, adoption or implementation of a Benchmark Replacement, the Administrative Agent, in consultation with the Borrower, will have the right to make ~~Benchmark Replacement Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Facility Document, any amendments implementing such Benchmark Replacement~~Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Facility Document, any amendments implementing such Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Facility Document; provided that the Administrative Agent will promptly notify the Servicer and all the parties hereto of any such amendment.

(c) ~~(e)~~ Notices; Standards for Decisions and Determinations. The Administrative Agent will promptly notify the Borrower, the ~~Lenders, the~~ Servicer~~, the Equityholder~~ and the Lenders (with a copy to the Collateral Agent) of (i) the implementation of any ~~occurrence of a Benchmark Transition Event, a Term SOFR Transition Event or an Early Opt-in Election, as applicable, and its related~~ Benchmark Replacement ~~Date,~~and (ii) the effectiveness of any Conforming Changes in connection with the use, administration, adoption or implementation of ~~any~~a Benchmark Replacement~~, (iii) the effectiveness of any Benchmark Replacement Conforming Changes,~~. The Administrative Agent will promptly notify the Borrower of (~~iv~~x) the removal or reinstatement of any tenor of a Benchmark pursuant to ~~clause~~ Section 2.18(~~f~~d) ~~below~~ and (~~v~~y) the commencement ~~or conclusion~~ of any Benchmark Unavailability Period. Any determination, decision or election that may be made by the

Administrative Agent or, if applicable, any Lender (or group of Lenders) pursuant to this Section 2.18, including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error and may be made in its or their sole discretion and without consent from any other party to this Agreement or any other Facility Document, except, in each case, as expressly required pursuant to this Section 2.18.

(d) ~~(f)~~ Unavailability of Tenor of Benchmark. Notwithstanding anything to the contrary herein or in any other Facility Document, at any time (including in connection with the implementation of a Benchmark Replacement), (x) if the then-current Benchmark is a term rate (including the Term SOFR ~~or LIBOR~~Reference Rate) and either (A) any tenor for such Benchmark is not displayed on a screen or other information service that publishes such rate from time to time as selected by the Administrative Agent in its reasonable discretion, in consultation with the Borrower, or (B) the regulatory supervisor for the administrator of such Benchmark has provided a public statement or publication of information announcing that any tenor for such Benchmark is not or will not be ~~no longer~~ representative, then the Administrative Agent may, in consultation with the Borrower, ~~may~~ modify the definition of "Interest Accrual Period" (or any similar or analogous definition) for any Benchmark settings at or after such time to remove such unavailable or non-representative tenor and (y) if a tenor that was removed pursuant to clause (x) above either (A) is subsequently displayed on a screen or information service for a Benchmark (including a Benchmark Replacement) or (B) is not, or is no longer, subject to an announcement that it is not or will ~~no longer~~not be representative for a Benchmark (including a Benchmark Replacement), then the Administrative Agent, in consultation with the Borrower, may modify the definition of "Interest Accrual Period" (or any similar or analogous definition) for all Benchmark settings at or after such time to reinstate such previously removed tenor.

(e) ~~(g)~~ Benchmark Unavailability Period. Upon the Borrower''s receipt of notice of the commencement of a Benchmark Unavailability Period, the Borrower may revoke any Notice of Borrowing, or a request for a conversion to or continuation of ~~an Advance~~Advances to be made, converted or continued during any Benchmark Unavailability Period and, failing that, the Borrower will be deemed to have converted any such request into a Notice of Borrowing of or conversion to Advances bearing interest at a rate *per annum* equal to the Base Rate plus the Applicable Margin.

(f) Term SOFR Conforming Changes. In connection with the use or administration of Term SOFR, the Administrative Agent, in consultation with the Borrower, will have the right to make Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Facility Document, any amendments implementing such Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Facility Document. The Administrative Agent will promptly notify the Borrower and the Lenders (with a copy to the Collateral Agent) of the effectiveness of any Conforming Changes in connection with the use or administration of Term SOFR.

(g) ~~(h)~~ Certain Defined Terms. As used in this Section 2.18:

~~"~~“Available Tenor~~"~~” means, as of any date of determination and with respect to the then-current Benchmark, as applicable, (x) if such Benchmark is a term rate, any tenor for such Benchmark (or component thereof) that is or may be used for determining the length of an interest period pursuant to this Agreement or (y) otherwise, any payment period for interest calculated with reference to such Benchmark~~, as~~ ~~applicable,~~ (or component thereof) that is or may be used for determining ~~the length of an~~ ~~Interest Accrual Period~~any frequency of making payments of interest calculated with reference to such Benchmark pursuant to this Agreement, in each case, as of such date and not including, for the avoidance of doubt, any tenor for such Benchmark that is then-removed from the definition of “Interest Accrual Period” pursuant to Section 2.18(~~e~~d).

~~"~~“Benchmark Replacement~~"~~” means~~, for~~ with respect to any ~~Available~~ ~~Tenor, the first alternative set forth in the order below that can be determined by the~~ ~~Administrative Agent for the applicable~~ Benchmark ~~Replacement Date:~~

~~(1) the sum of: (a) Term SOFR and (b) the related Benchmark~~ ~~Replacement Adjustment;~~

~~(2) the sum of: (a) Daily Simple SOFR and (b) the related~~ ~~Benchmark Replacement Adjustment;(3)~~ Transition Event, the sum of: (a) the alternate benchmark rate that has been selected by the Administrative Agent and the Borrower ~~as the replacement for the then-current~~ ~~Benchmark for the applicable Corresponding Tenor~~ giving due consideration to (i) any selection or recommendation of a replacement benchmark rate or the mechanism for determining such a rate by the Relevant Governmental Body or (ii) any evolving or then-prevailing market convention for determining a benchmark rate as a replacement ~~for~~to the then-current Benchmark for Dollar-denominated syndicated credit facilities at such time and (b) the related Benchmark Replacement Adjustment; provided that, ~~in the case of clause (1),~~if such~~ Unadjusted~~ Benchmark Replacement ~~is displayed on a screen or other information~~ ~~service that publishes such rate from time to time as selected by the Administrative Agent in its reasonable discretion, in consultation with the Borrower; provided further that, notwithstanding anything to the contrary in this Agreement or in any other Facility Document, upon the occurrence of a Term SOFR Transition Event, and the delivery of a Term SOFR Notice, on the applicable Benchmark Replacement Date the “Benchmark Replacement” shall revert to and shall be deemed to be the sum of (a) Term SOFR and (b) the related Benchmark Replacement Adjustment, as set forth in clause (1) of this definition (subject to the first proviso above).~~

~~If the Benchmark Replacement as~~as so determined ~~pursuant to clause (1),~~ ~~(2) or (3) above~~ would be less than the Floor, ~~the~~such Benchmark Replacement will be deemed to be the Floor for the purposes of this Agreement and the other Facility Documents.

~~"~~"Benchmark Replacement Adjustment~~"~~" means, with respect to any replacement of the then-current Benchmark with an Unadjusted Benchmark Replacement ~~for any applicable Interest Accrual Period and Available Tenor for any setting of such Unadjusted Benchmark Replacement:~~

~~(1) for purposes of clauses (1) and (2) of the definition of "Benchmark Replacement," the first alternative set forth in the order below that can be determined by the Administrative Agent in consultation with the Borrower:~~

~~(a)~~ , the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) ~~as of the Reference Time such Benchmark Replacement is first set for such Interest Accrual Period that has been selected or recommended by the Relevant Governmental Body for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement for the applicable Corresponding Tenor;~~

~~(b) the spread adjustment (which may be a positive or negative value or zero) as of the Reference Time such Benchmark Replacement is first set for such Interest Accrual Period that would apply to the fallback rate for a derivative transaction referencing the ISDA Definitions to be effective upon an index cessation event with respect to such Benchmark for the applicable Corresponding Tenor; and~~

~~(2) for purposes of clause (3) of the definition of "Benchmark Replacement," the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero)~~ that has been selected by the Administrative Agent and the Borrower ~~for~~(or the ~~applicable~~ ~~Corresponding Tenor~~Servicer on its behalf) giving due consideration to (~~x~~a) any selection or recommendation of a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement by the Relevant Governmental Body ~~on the~~ ~~applicable Benchmark Replacement Date and/~~or (~~y~~b) any evolving or then-prevailing market convention for determining a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement for Dollar-denominated syndicated credit facilities at such time~~;~~

~~provided that, in the case of clause (1) above, such adjustment is displayed on a screen or other information service that publishes such Benchmark Replacement Adjustment from time to time as selected by the Administrative Agent in its reasonable discretion~~.

~~"Benchmark Replacement Conforming Changes" means, with respect to any Benchmark Replacement, any technical, administrative or operational changes~~

~~(including changes to the definition of "Business Day," the definition of "Interest Accrual Period," timing and frequency of determining rates and making payments of interest, timing of borrowing requests or prepayment, conversion or continuation notices, length of lookback periods, the applicability of breakage provisions, and other technical, administrative or operational matters) that the Administrative Agent reasonably decides in consultation with the Borrower may be appropriate to reflect the adoption and implementation of such Benchmark Replacement and to permit the administration thereof by the Administrative Agent in a manner substantially consistent with market practice (or, if the Administrative Agent decides that adoption of any portion of such market practice is not administratively feasible or if the Administrative Agent determines that no market practice for the administration of such Benchmark Replacement exists, in such other manner of administration as the Administrative Agent decides is reasonably necessary in connection with the administration of this Agreement and the other Facility Documents).~~

~~"~~

"Benchmark Replacement Date~~"~~" means the earliest to occur of the following events with respect to the then-current Benchmark:

~~(1)~~ (1) in the case of clause (1) or (2) of the definition of ~~"~~"Benchmark Transition Event,~~"~~" the later of (a) the date of the public statement or publication of information referenced therein and (b) the date on which the administrator of such Benchmark (or the published component used in the calculation thereof) permanently or indefinitely ceases to provide all Available Tenors of such Benchmark (or such component thereof); or

~~(2)~~ (2) in the case of clause (3) of the definition of ~~"~~"Benchmark Transition Event,~~"~~" the first date ~~of~~on which such Benchmark (or the published component used in the calculation thereof) has been determined and announced by the regulatory supervisor for the administrator of such Benchmark (or such component thereof) to be non-representative; provided that such non-representativeness will be determined by reference to the ~~public~~most recent statement or publication ~~of information~~ referenced ~~therein;(3)~~ in ~~the case of a Term SOFR Transition Event, the date that is thirty (30) days after the date a Term SOFR Notice is provided to the Lenders and the Borrower pursuant to Section 2.18(e); or~~such clause (3) and even if any Available Tenor of such Benchmark (or such component thereof) continues to be provided on such date.

~~(4) in the case of an Early Opt-in Election, the sixth (6th) Business Day after the date notice of such Early Opt-in Election is provided to the Lenders, so long as the Administrative Agent has not received, by 5:00 p.m. (New York City time) on the fifth (5th) Business Day after the date notice of such Early Opt-in Election is provided to the Lenders, written notice of objection to such Early Opt-in Election from Lenders comprising the Required Lenders; provided that the Lenders may object to the Benchmark Replacement Adjustment only.~~

For the avoidance of doubt, ~~(i) if the event giving rise to the Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination and (ii)~~ the "Benchmark Replacement Date" will be deemed to have occurred in the case of clause (1) or (2) with respect to any Benchmark upon the occurrence of the applicable event or events set forth therein with respect to all then-current Available Tenors of such Benchmark (or the published component used in the calculation thereof).

~~"~~"Benchmark Transition Event~~"~~" means the occurrence of one or more of the following events with respect to the then-current Benchmark:

~~(1)~~ (1) a public statement or publication of information by or on behalf of the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that such administrator has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof), permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof);

~~(2)~~ (2) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof), the Federal Reserve Board, the NYFRB, an insolvency official with jurisdiction over the administrator for such Benchmark (or such component), a resolution authority with jurisdiction over the administrator for such Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark (or such component), which states that the administrator of such Benchmark (or such component) has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof) permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof); or

~~(3)~~ (3) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that all Available Tenors of such Benchmark (or such component thereof) are ~~no longer~~not, or as of a specified future date will not be, representative.

For the avoidance of doubt, a "Benchmark Transition Event" will be deemed to have occurred with respect to any Benchmark if a public statement or publication of information set forth above has occurred with respect to each then-current Available Tenor of such Benchmark (or the published component used in the calculation thereof).

~~"~~

"Benchmark Transition Start Date" means, in the case of a Benchmark Transition Event, the earlier of (1) the applicable Benchmark Replacement Date and (2) if such Benchmark Transition Event is a public statement or publication of information of a prospective event, the 90th day prior to the expected date of such event as of such public statement or publication of information (or if the expected date of such prospective event is fewer than 90 days after such statement or publication, the date of such statement or publication).

"Benchmark Unavailability Period~~"~~" means the period (if any) (x) beginning at the time that a Benchmark Replacement Date ~~pursuant to clauses (1) or (2) of that definition~~ has occurred if, at such time, no Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Facility Document in accordance with Section 2.18 and (y) ending at the time that a Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Facility Document in accordance with Section 2.18.

~~"Corresponding Tenor" with respect to any Available Tenor means, as applicable, either a tenor (including overnight) or an interest payment period having approximately the same length (disregarding business day adjustment) as such Available Tenor.~~

~~"Daily Simple SOFR" means, for any day, SOFR, with the conventions for this rate (which will include a lookback) being established by the Administrative Agent in accordance with the conventions for this rate selected or recommended by the Relevant Governmental Body for determining "Daily Simple SOFR" for business loans; provided, that if the Administrative Agent decides that any such convention is not administratively feasible for the Administrative Agent, then the Administrative Agent may establish another convention in its reasonable discretion.~~

~~"Early Opt-in Election" means, if the then-current Benchmark is LIBOR, the occurrence of:~~

~~(1)~~ ~~a notification by the Administrative Agent to (or the~~ request by the Borrower to the Administrative Agent to notify) each of the other parties hereto that at least five currently outstanding Dollar-denominated syndicated credit facilities at such time contain (as a result of amendment or as originally executed) a SOFR-based rate (including SOFR, a term SOFR or any other rate based upon SOFR) as a benchmark rate (and such syndicated credit facilities are identified in such ~~notice and are publicly available for review), and~~

~~(2)~~ ~~the joint election by the Administrative Agent and the~~ Borrower to trigger a fallback from LIBOR and the provision by the ~~Administrative Agent of written notice of such election to the Lenders.~~

~~"Federal Reserve Board" means the Board of Governors of the Federal Reserve System of the United States of America.~~

~~"Floor" means the benchmark rate floor, if any, provided in this Agreement initially (as of the execution of this Agreement, the modification, amendment or renewal of this Agreement or otherwise) with respect to LIBOR.~~

~~"ISDA Definitions" means the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. or any successor thereto, as amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time by the International Swaps and Derivatives Association, Inc. or such successor thereto.~~

~~"NYFRB" means the Federal Reserve Bank of New York.~~

~~"NYFRB's Website" means the website of the NYFRB at http://www. newyorkfed.org, or any successor source.~~

~~"Reference Time" with respect to any setting of the then-current Benchmark means (1) if such Benchmark is LIBOR, 11:00 a.m. (London time) on the day that is two Business Days prior to the first day of the LIBOR Period, and (2) if such Benchmark is not LIBOR, the time determined by the Administrative Agent in its reasonable discretion.~~

~~"Relevant Governmental Body" means the Federal Reserve Board or the NYFRB, or a committee officially endorsed or convened by the Federal Reserve Board or the NYFRB, or any successor thereto.~~

~~"SOFR" means, with respect to any Business Day, a rate *per annum* equal to the secured overnight financing rate for such Business Day published by the SOFR Administrator on the SOFR Administrator's Website at approximately 8:00 a.m. (New York City time) on the immediately succeeding Business Day.~~

~~"SOFR Administrator" means the NYFRB (or a successor administrator of the secured overnight financing rate).~~

~~"SOFR Administrator's Website" means the NYFRB's Website, currently at http://www. newyorkfed.org, or any successor source for the secured overnight financing rate identified as such by the SOFR Administrator from time to time.~~

~~"Term SOFR" means, for the applicable Corresponding Tenor as of the applicable Reference Time, the forward-looking term rate based on SOFR that has been selected or recommended by the Relevant Governmental Body.~~

~~"Term SOFR Notice" means a notification by the Administrative Agent to the Lenders and the Borrower of the occurrence of a Term SOFR Transition Event.~~

~~"Term SOFR Transition Event" means the determination by the Administrative Agent in its reasonable discretion in consultation with the Borrower that~~
~~(a) Term SOFR has been recommended for use by the Relevant Governmental Body, (b)~~

~~the administration of Term SOFR is administratively feasible for the Administrative Agent and (c) a Benchmark Transition Event or an Early Opt-in Election, as applicable, has previously occurred resulting in a Benchmark Replacement in accordance with Section 2.18 that is not Term SOFR.~~

"Unadjusted Benchmark Replacement" means the applicable Benchmark Replacement excluding the related Benchmark Replacement Adjustment.

ARTICLE III

CONDITIONS PRECEDENT

Section 3.01 Conditions Precedent to Initial Advance. The obligation of each Lender to make its initial Advance hereunder shall be subject to the conditions precedent that the Administrative Agent shall have received on or before the Closing Date the following, each in form and substance reasonably satisfactory to the Administrative Agent:

(a) each of the Facility Documents (other than the Collateral Agent Fee Letter, which shall be delivered directly to the Collateral Agent) duly executed and delivered by the parties thereto, which shall each be in full force and effect;

(b) true and complete copies of the Constituent Documents of the Borrower, the Equityholder and the Servicer as in effect on the Closing Date;

(c) a certificate of a Responsible Officer of the Borrower certifying (i) as to its Constituent Documents, (ii) as to its resolutions or other action of its member approving this Agreement and the other Facility Documents to which it is a party and the transactions contemplated hereby and thereby, (iii) that its representations and warranties set forth in the Facility Documents to which it is a party are true and correct in all material respects as of the Closing Date (except to the extent such representations and warranties expressly relate to any earlier date, in which case such representations and warranties shall be true and correct in all material respects as of such earlier date), (iv) that no Default or Event of Default has occurred and is continuing, and (v) as to the incumbency and specimen signature of each of its Responsible Officers authorized to execute the Facility Documents to which it is a party;

(d) [Reserved];

(e) [Reserved];

(f) a certificate of a Responsible Officer of the Servicer certifying (i) as to its Constituent Documents, (ii) as to its resolutions or other action of its board of directors or members approving this Agreement and the other Facility Documents to which it is a party and the transactions contemplated hereby and thereby, (iii) that its representations and warranties set forth in the Facility Documents to which it is a party are true and correct in all material respects as of the Closing Date (except to the extent such representations and warranties expressly relate to any earlier date, in which case such representations and warranties shall be true and correct in all material respects as of such earlier date), and (iv) as to the incumbency and specimen has or is deemed to have knowledge of such matters or taking any steps to preserve rights against prior parties or other rights pertaining to any Collateral.

(j) In order to comply with the laws, rules, regulations and executive orders in effect from time to time applicable to banking institutions, including those relating to the funding of terrorist activities and money laundering, the Collateral Agent may be required to obtain, verify and record certain information relating to individuals and entities which maintain a business relationship with the Collateral Agent. Accordingly, each of the parties hereto agrees to provide to the Collateral Agent upon its request from time to time such identifying information and documentation as may be available to such party in order to enable the Collateral Agent to comply with such requirements.

(k) If U.S. Bank, U.S. Bank National Association or the Collateral Agent is also acting in another capacity, including as Custodian or Securities Intermediary, the rights, protections, immunities and indemnities afforded to U.S. Bank, U.S. Bank National Association or the Collateral Agent pursuant to this Article XII shall also be afforded to U.S. Bank, U.S. Bank National Association or the Collateral Agent acting in such capacities; provided that such rights, protections, benefits, immunities and indemnities shall be in addition to, and not in limitation of, any rights, protections, benefits, immunities and indemnities provided in the Custodian Agreement, Account Control Agreement or any other Facility Documents to which U.S. Bank, U.S. Bank National Association or the Collateral Agent in such capacity is a party.

(l) The Collateral Agent shall not have any obligation to determine if a Collateral Loan meets the criteria specified in the definition of Eligible Collateral Loan or if the requirements set forth in the definition of "Deliver" have been satisfied.

(m) The Collateral Agent shall not be under any obligation (i) to monitor, determine or verify the unavailability or cessation of ~~LIBOR~~Term SOFR (or any other applicable index, floating rate, interest rate or Benchmark Replacement), or whether or when there has occurred, or to give notice to any other transaction party of the occurrence of, any Benchmark Replacement Date, Benchmark Transition Event~~,~~ or Benchmark Unavailability Period ~~or Early Opt-In Election~~, (ii) to select, determine or designate any Benchmark Replacement or other alternate benchmark rate, or other successor or replacement rate, or whether any conditions to the designation of such a rate have been satisfied, or (iii) to select, determine or designate any Benchmark Replacement Adjustment or other modifier to any Benchmark Replacement or other replacement or successor rate or index, or (iv) to determine whether or what ~~Benchmark Replacement~~ Conforming Changes are necessary or advisable, if any, in connection with any of the foregoing.

(n) The Collateral Agent shall not be liable for any inability, failure or delay on its part to perform any of its duties set forth in this Agreement as a result of the unavailability of ~~LIBOR~~Term SOFR (or any Benchmark Replacement or other applicable index, floating rate or other Interest Rate) and absence of any Benchmark Replacement or other replacement index or floating rate, including as a result of any inability, delay, error or inaccuracy on the part of any other transaction party, including without limitation the Administrative Agent, the Borrower or the Servicer, in providing any direction, instruction, notice or information required or

Section 13.24 EU Transparency Requirements.

(a) The Borrower has agreed to be the designated reporting entity for purposes of Article 7(2) of the Securitisation Regulation, and has agreed to make available to (A) any Lender, (B) any potential Lender and (C) any Competent Authority (as defined under the Securitisation Regulation) (each, a "Relevant Recipient") the documents, reports and information necessary to fulfil any applicable reporting obligations under the EU Transparency Requirements, including, but not limited to each of the Investor Reports and the Portfolio Reports.

(b) Without prejudice to their rights hereunder and without accepting any liability, each Relevant Recipient a party hereto acknowledges (or in the case of additional Lenders, shall acknowledge) that the agreed form of the transaction summary as set out in Schedule 10 is the transaction summary to be provided to each Relevant Recipient by the Borrower in accordance with the requirements of Article 7(1)(c) of the Securitisation Regulation. The Borrower (or the Servicer on its behalf) shall make the same available to the Competent Authorities to the extent required under the EU Transparency Requirements.

(c) None of the Borrower and the Servicer shall be liable for the relevant Lender's compliance with such Lender's own obligations under the Securitisation Regulation or any other similar regulatory obligations. For the avoidance of doubt, the preceding sentence shall not limit the liability of the Borrower or the Servicer for any breach of their respective obligations under this Agreement, including this Section 13.24.

APPENDIX B

SCHEDULE 1

INITIAL INDIVIDUAL LENDER MAXIMUM FUNDING AMOUNTS AND PERCENTAGES

Lender	Initial Individual Lender Maximum Funding Amount	Percentage of Initial Individual Lender Maximum Funding Amount to Maximum Facility Amount
BNP Paribas	$500,000,000	100%

Exhibit 21.1

SUBSIDIARIES OF ARES CAPITAL CORPORATION

Name	Jurisdiction
AC CORPORATE HOLDINGS, INC.	DELAWARE
ACAS CRE CDO 2007-1, LLC	DELAWARE
ACAS, LLC	DELAWARE
ALLIED CRESCENT EQUITY, LLC	DELAWARE
ARCC APEX SPV, LLC	DELAWARE
ARCC BEACON LLC	DELAWARE
ARCC BLOCKER CORP.	DELAWARE
ARCC BLOCKER II LLC	DELAWARE
ARCC BLOCKER III LLC	DELAWARE
ARCC BLOCKER IV LLC	DELAWARE
ARCC BLOCKER V LLC	DELAWARE
ARCC BLOCKER VI LLC	DELAWARE
ARCC BLOCKER VII LLC	DELAWARE
ARCC BLOCKER VIII LLC	DELAWARE
ARCC ED CORP.	DELAWARE
ARCC FB FUNDING LLC	DELAWARE
ARCC FD CORP.	DELAWARE
ARCC FGP LLC	DELAWARE
ARCC GREEN ENERGY PARTNERS BLOCKER LLC	DELAWARE
ARCC HEELSTONE LLC	DELAWARE
ARCC HS LLC	DELAWARE
ARCC KPS CORP.	DELAWARE
ARCC LSQ LLC	DELAWARE
ARCC MBU HOLDINGS LLC	DELAWARE
ARCC MCF 1, LLC (f/k/a DYNAMIC EQUITY, LLC)	DELAWARE
ARCC MCF 2 LLC	DELAWARE
ARCC MH LLC	DELAWARE
ARCC NV1 CORP.	DELAWARE
ARCC NV2 CORP.	DELAWARE
ARCC OTG CORP.	DELAWARE
ARCC OTG PREFERRED CORP.	DELAWARE
ARCC PCGI III AIV BLOCKER, INC.	DELAWARE
ARCC PCP GP, LLC	DELAWARE
ARCC PCP L.P.	CAYMAN ISLANDS
ARCC PG LLC	DELAWARE
ARCC PH CORP.	DELAWARE
ARCC PJMB LLC	DELAWARE
ARCC PT CORP	DELAWARE
ARCC RB LLC	DELAWARE
ARCC RT LLC	DELAWARE
ARCC S2 LLC (F/K/A AC POSTLE, LLC)	DELAWARE
ARCC SC LLC	DELAWARE
ARCC SHC LLC	DELAWARE
ARCC SK BLOCKER CORP.	DELAWARE
ARCC TM CORP.	DELAWARE
ARCC ULTIMUS LLC	DELAWARE
ARCC UNIVERSAL CORP.	DELAWARE
ARES CAPITAL CP FUNDING HOLDINGS LLC	DELAWARE
ARES CAPITAL CP FUNDING LLC	DELAWARE
ARES CAPITAL JB FUNDING LLC	DELAWARE

BW LANDCO LLC	DELAWARE
CALDER EQUITY, LLC	DELAWARE
ECAS 2016 LTD.	GUERNSEY
EUROPEAN CAPITAL LIMITED	GUERNSEY
HCI EQUITY, LLC	ILLINOIS
IVY HILL ASSET MANAGEMENT GP, LLC	DELAWARE
MULTIAD EQUITY CORP.	DELAWARE
POTOMAC ENERGY CENTER, LLC	VIRGINIA
POTOMAC INTERMEDIATE HOLDINGS II LLC	DELAWARE
POTOMAC INTERMEDIATE HOLDINGS III LLC	DELAWARE
S2 EQUITY CORP.	DELAWARE
STARTEC EQUITY, LLC	DELAWARE

In addition, we may be deemed to control certain portfolio companies identified as “Affiliated” companies that we “Control” in footnote 5 to the Consolidated Schedule of Investments as of December 31, 2022 included in the Financial Statements portion of Ares Capital Corporation’s Form 10-K for the year ended December 31, 2022.

Exhibit 23.1

Consent of Independent Registered Public Accounting Firm

The Board of Directors
Ares Capital Corporation

We consent to the incorporation by reference in the registration statement on Form N-2 of Ares Capital Corporation of our reports dated February 7, 2023, with respect to the consolidated balance sheets of Ares Capital Corporation and its subsidiaries, including the consolidated schedules of investments, as of December 31, 2022 and 2021, the related consolidated statements of operations, stockholders' equity, and cash flows for each of the years in the three-year period ended December 31, 2022, and the related notes, and the effectiveness of internal control over financial reporting as of December 31, 2022, which reports appear in the annual report on Form 10-K of Ares Capital Corporation for the year ended December 31, 2022, and the report dated February 7, 2023 on the senior securities table attached as an exhibit to the Form 10-K. We also consent to the references to our firm under the headings "Controls and Procedures" and "Senior Securities" in the Form 10-K.

/s/ KPMG LLP

Los Angeles, California

February 7, 2023

Exhibit 31.1

Certification of Chief Executive Officer
of Periodic Report Pursuant to Rule 13a-14(a) and Rule 15d-14(a)

I, R. Kipp deVeer, certify that:

1. I have reviewed this Annual Report on Form 10-K of Ares Capital Corporation;

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

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

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

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

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

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

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

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

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

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

Date: February 7, 2023

/s/ R. KIPP DEVEER

R. Kipp deVeer
Chief Executive Officer (principal executive officer)

Exhibit 31.2

Certification of Chief Financial Officer
of Periodic Report Pursuant to Rule 13a-14(a) and Rule 15d-14(a)

I, Penni F. Roll, certify that:

1. I have reviewed this Annual Report on Form 10-K of Ares Capital Corporation;

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

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

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

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

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

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

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

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

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

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

Date: February 7, 2023

/s/ PENNI F. ROLL

Penni F. Roll
Chief Financial Officer (principal financial officer)

Exhibit 32.1

Certification of Chief Executive Officer and Chief Financial Officer
Pursuant to
18 U.S.C. Section 1350

In connection with the Annual Report on Form 10-K of Ares Capital Corporation (the “Company”) for the year ended December 31, 2022 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), R. Kipp deVeer, as Chief Executive Officer of the Company, and Penni F. Roll, as Chief Financial Officer of the Company, each hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of his or her knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 7, 2023

/s/ R. KIPP DEVEER

R. Kipp deVeer
Chief Executive Officer (principal executive officer)

Date: February 7, 2023

/s/ PENNI F. ROLL

Penni F. Roll
Chief Financial Officer (principal financial officer)

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to Ares Capital Corporation and will be retained by Ares Capital Corporation and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 99.1

Report of Independent Registered Public Accounting Firm on Supplemental Information

To the Stockholders and Board of Directors
Ares Capital Corporation:

We have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (the PCAOB), the consolidated financial statements of Ares Capital Corporation and subsidiaries (the Company) as of December 31, 2022 and 2021, and for each of the years in the three-year period ended December 31, 2022, and our report dated February 7, 2023 expressed an unqualified opinion on those consolidated financial statements.

We have also previously audited, in accordance with the standards of the PCAOB, the consolidated balance sheets of the Company, including the consolidated schedules of investments, as of December 31, 2020, 2019, and 2018, and the related consolidated statements of operations, stockholders' equity, and cash flows for the years ended December 31, 2019 and 2018 (none of which is presented herein), and we expressed unqualified opinions on those consolidated financial statements.

The senior securities information included in Part II, Item 5 of the Annual Report on Form 10-K of the Company for the year ended December 31, 2022, under the caption "Senior Securities" (the Senior Securities Table), has been subjected to audit procedures performed in conjunction with the audit of the Company's respective consolidated financial statements. The Senior Securities Table is the responsibility of the Company's management. Our audit procedures included determining whether the Senior Securities Table reconciles to the Company's respective consolidated financial statements or the underlying accounting and other records, as applicable, and performing procedures to test the completeness and accuracy of the information presented in the Senior Securities Table. In forming our opinion on the Senior Securities Table, we evaluated whether the Senior Securities Table, including its form and content, is presented in conformity with the instructions to Form N-2. In our opinion, the Senior Securities Table is fairly stated, in all material respects, in relation to the Company's respective consolidated financial statements as a whole.

/s/ KPMG LLP

Los Angeles, California

February 7, 2023