

Sondag Eric
 Form 3
 April 05, 2018

FORM 3 UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL

OMB Number: 3235-0104
 Expires: January 31, 2005
 Estimated average burden hours per response... 0.5

INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,
 Section 17(a) of the Public Utility Holding Company Act of 1935 or Section
 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

| | | | | |
|---|---------|--------------------------------------|--|--|
| 1. Name and Address of Reporting Person * | | 2. Date of Event Requiring Statement | 3. Issuer Name and Ticker or Trading Symbol | |
| Â Sondag Eric | | (Month/Day/Year) | Global Eagle Entertainment Inc. [ENT] | |
| (Last) | (First) | (Middle) | 03/27/2018 | |
| 6100 CENTER DRIVE,Â SUITE 1020 | | | 4. Relationship of Reporting Person(s) to Issuer | 5. If Amendment, Date Original Filed(Month/Day/Year) |
| (Street) | | | (Check all applicable) | |
| LOS ANGELES,Â CAÂ 90045 | | | <input checked="" type="checkbox"/> Director | <input type="checkbox"/> 10% Owner |
| (City) | (State) | (Zip) | <input type="checkbox"/> Officer | <input checked="" type="checkbox"/> Other |
| | | | (give title below) | (specify below) |
| | | | See explanation of responses | |
| | | | 6. Individual or Joint/Group Filing(Check Applicable Line) | |
| | | | <input checked="" type="checkbox"/> Form filed by One Reporting Person | |
| | | | <input type="checkbox"/> Form filed by More than One Reporting Person | |

Table I - Non-Derivative Securities Beneficially Owned

| | | | |
|------------------------------------|--|---|--|
| 1. Title of Security (Instr. 4) | 2. Amount of Securities Beneficially Owned (Instr. 4) | 3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5) | 4. Nature of Indirect Beneficial Ownership (Instr. 5) |
|------------------------------------|--|---|--|

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

SEC 1473 (7-02)

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Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

| | | | | | |
|---|---|--|--|--|--|
| 1. Title of Derivative Security (Instr. 4) | 2. Date Exercisable and Expiration Date (Month/Day/Year) | 3. Title and Amount of Securities Underlying Derivative Security (Instr. 4) | 4. Conversion or Exercise Price of Derivative Security | 5. Ownership Form of Derivative Security: Direct (D) or Indirect (I) | 6. Nature of Indirect Beneficial Ownership (Instr. 5) |
| | Date Exercisable | Expiration Date | Title | Amount or Number of Shares | |

| | | | | | | | |
|----------------------------|-----------------|------------|-------------------------|------------|---------|---|----------------------|
| Market Warrants <u>(1)</u> | Â <u>(2)(3)</u> | 03/27/2028 | Common Stock <u>(1)</u> | 13,000,000 | \$ 1.57 | I | See Below <u>(4)</u> |
| Penny Warrants <u>(1)</u> | Â <u>(5)(6)</u> | 03/27/2028 | Common Stock <u>(1)</u> | 18,065,775 | \$ 0.01 | I | See Below <u>(4)</u> |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | | |
|---|---------------|-----------|---------|-------|------------------------------|
| | Director | 10% Owner | Officer | Other | |
| Sondag Eric 6100 CENTER DRIVE SUITE 1020 LOS ANGELES, CA 90045 | Â X | Â | Â | | See explanation of responses |

Signatures

/s/ Colleen Brooks,
Attorney-in-Fact

04/05/2018

__Signature of Reporting Person

Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 5(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) On March 27, 2018, Global Eagle Entertainment Inc. (the "Company") sold to Searchlight II TBO-W, L.P., an affiliated investment vehicle of Searchlight Capital Partners II GP, L.P., warrants to acquire an aggregate of 18,065,775 shares of the Company's common stock, par value \$0.0001 per share (the "Common Stock"), at an exercise price of \$0.01 per share (the "Penny Warrants"), and warrants to acquire an aggregate of 13,000,000 shares of Common Stock at an exercise price of \$1.57 per share (the "Market Warrants" and, together with the Penny Warrants, the "Warrants").

(2) The Market Warrants will vest and become exercisable on January 1, 2021 (the "MW Vesting Date"), if the 45-day volume-weighted average price of the Common Stock is at or above \$2.40 at any time following March 27, 2018. The Market Warrants are exercisable at any time and from time to time after the MW Vesting Date until on or prior to the close of business on March 27, 2028. The holders of the Market Warrants cannot exercise the Market Warrants if and to the extent, as a result of such exercise, either (i) such holder's (together with its affiliates) aggregate voting power on any matter that could be voted on by holders of the Common Stock would exceed 19.9% of the maximum voting power outstanding or (ii) such holder (together with its affiliates) would beneficially own more than 19.9% of the then outstanding Common Stock, subject to customary exceptions in connection with public sales or the consummation of a specified liquidity event described in the Market Warrants. (cont'd in FN 3)

(3) (cont'd from FN 2) Notwithstanding the foregoing, the Market Warrants automatically will vest upon the occurrence of certain change of control events or certain liquidity events.

(4) The Warrants are directly held by Searchlight II TBO-W, L.P. The reporting person is a limited partner of Searchlight Capital Partners II GP, L.P. and may be deemed to have a pecuniary interest in the subject securities. The reporting person does not alone have dispositive or voting power with respect to the subject securities and hereby disclaims beneficial ownership of such securities, except to the extent of any indirect pecuniary interest therein, and this Form 3 shall not be deemed an admission that such person is the beneficial owner of such subject securities for purposes of Section 16 of the Securities Exchange Act of 1934, as amended, or for any other purpose.

(5) The Penny Warrants will vest and become exercisable on January 1, 2021 (the "PW Vesting Date"), if the 45-day volume-weighted average price of the Common Stock is at or above \$4.00 at any time following March 27, 2018. The Penny Warrants are exercisable at any time and from time to time after the PW Vesting Date until on or prior to the close of business on March 27, 2028. The holders of the Penny Warrants cannot exercise the Penny Warrants if and to the extent, as a result of such exercise, either (i) such holder's (together with its affiliates) aggregate voting power on any matter that could be voted on by holders of the Common Stock would exceed 19.9% of the maximum voting power outstanding or (ii) such holder (together with its affiliates) would beneficially own more than 19.9% of the then outstanding Common Stock, subject to customary exceptions in connection with public sales or the consummation of a specified liquidity

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event described in the Penny Warrants.(cont'd in FN 6)

- (6) (cont'd from FN 5) Notwithstanding the foregoing, the Penny Warrants automatically will vest upon the occurrence of certain change of control events or certain liquidity events.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *See* Instruction 6 for procedure.

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number. align="bottom" bgcolor="#CCEEFF" style="background:#CCEEFF;padding:0in 0in 0in 0in;width:70.0%;">

Basic and diluted net increase in stockholders' equity resulting from operations per share

\$ 0.32

\$ 0.39

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 three months ended March 31, 2015 and 2014 was less than the conversion price for each of the Convertible Unsecured Notes outstanding as of March 31, 2015 and 2014. Therefore, for all periods presented in the financial statements, the underlying shares for the intrinsic value of the embedded options in the Convertible Unsecured Notes have no impact on the computation of diluted net increase in stockholders' equity resulting from operations per share.

Table of Contents**11. DIVIDENDS AND DISTRIBUTIONS**

The following table summarizes the Company's dividends declared and payable during the three months ended March 31, 2015 and 2014:

| Date declared | Record date | Payment date | Per share amount | | Total amount |
|--|--------------------|---------------------|-------------------------|---------|---------------------|
| February 26, 2015 | March 13, 2015 | March 31, 2015 | \$ | 0.38 | \$ 119,361 |
| February 26, 2015 | March 13, 2015 | March 31, 2015 | | 0.05(1) | 15,705 |
| Total declared and payable for the three months ended March 31, 2015 | | | \$ | 0.43 | \$ 135,066 |
| February 26, 2014 | March 14, 2014 | March 31, 2014 | | 0.38 | 113,228 |
| November 5, 2013 | March 14, 2014 | March 28, 2014 | | 0.05(1) | 14,899 |
| Total declared and payable for the three months ended March 31, 2014 | | | \$ | 0.43 | \$ 128,127 |

(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 three months ended March 31, 2015 and 2014, was as follows:

| | For the Three Months Ended March 31, | |
|-------------------------|---|-------------|
| | 2015 | 2014 |
| Shares issued | 361 | 299 |
| Average price per share | \$ 17.17 | \$ 17.61 |

12. 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 incurred in the operation of the Company. For the three months ended March 31, 2015 and 2014, the Company's investment adviser or its affiliates incurred such expenses totaling \$1,568 and \$1,449, 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 has also entered into separate subleases with Ares Management LLC, the sole member of Ares Capital Management, and IHAM, pursuant to which Ares Management LLC and IHAM sublease a portion of these leases. For the three months ended March 31, 2015 and 2014, amounts payable to the Company under these subleases totaled \$1,157 and \$698, respectively.

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Ares Management LLC has also entered into separate subleases with the Company, pursuant to which the Company subleases certain office spaces from Ares Management LLC. For the three months ended March 31, 2015 and 2014, amounts payable to Ares Management LLC under these subleases totaled \$187 and \$92, respectively.

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 three months ended March 31, 2015, amounts payable to the Company under these agreements totaled \$495.

See Note 3 for descriptions of other related party transactions.

Table of Contents**13. FINANCIAL HIGHLIGHTS**

The following is a schedule of financial highlights as of and for the three months ended March 31, 2015 and 2014:

| Per Share Data: | As of and For the Three Months Ended March 31, | | | | |
|--|--|-----------|----|-----------|--|
| | | 2015 | | 2014 | |
| Net asset value, beginning of period(1) | \$ | 16.82 | \$ | 16.46 | |
| Net investment income for period(2) | | 0.39 | | 0.38 | |
| Net realized and unrealized gains (losses) for period(2) | | (0.07) | | 0.01 | |
| Net increase in stockholders' equity | | 0.32 | | 0.39 | |
| Total distributions to stockholders(3) | | (0.43) | | (0.43) | |
| Net asset value at end of period(1) | \$ | 16.71 | \$ | 16.42 | |
| Per share market value at end of period | \$ | 17.17 | \$ | 17.62 | |
| Total return based on market value(4) | | 12.75% | | 1.58% | |
| Total return based on net asset value(5) | | 1.90% | | 2.37% | |
| Shares outstanding at end of period | | 314,469 | | 298,270 | |
| Ratio/Supplemental Data: | | | | | |
| Net assets at end of period | \$ | 5,255,417 | \$ | 4,898,566 | |
| Ratio of operating expenses to average net assets(6)(7) | | 9.79% | | 10.09% | |
| Ratio of net investment income to average net assets(6)(8) | | 9.30% | | 9.29% | |
| Portfolio turnover rate(6) | | 27% | | 35% | |

(1) The net assets used equals the total stockholders' equity on the consolidated balance sheet.

(2) Weighted average basic per share data.

(3) Includes an additional dividend of \$0.05 per share for both periods presented.

(4) For the three months ended March 31, 2015, the total return based on market value equaled the increase of the ending market value at March 31, 2015 of \$17.17 per share from the ending market value at December 31, 2014 of \$15.61 per share plus the declared and payable dividends of \$0.43 per share for the three months ended March 31, 2015, divided by the market value at December 31, 2014. For the three months ended March 31, 2014, the total return based on market value equaled the decrease of the ending market value at March 31, 2014 of \$17.62 per share from the ending market value at December 31, 2013 of \$17.77 per share plus the declared and payable dividends of \$0.43 per share for the three months ended March 31, 2014, divided by the market value at December 31, 2013. The Company's shares fluctuate in value. 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 three months ended March 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 \$0.43 per share for the three months ended March 31, 2015, divided by the beginning net asset value for the period. For the three months ended March 31, 2014, the total return based on net asset value equaled the change

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in net asset value during the period plus the declared and payable dividends of \$0.43 per share for the three months ended March 31, 2014, 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. 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 three months ended March 31, 2015, the ratio of operating expenses to average net assets consisted of 2.59% of base management fees, 1.92% of income based fees and capital gains incentive fees, 4.48% of the cost of borrowing and 0.80% of other operating expenses. For the three months ended March 31, 2014, the ratio of operating expenses to average net assets consisted of 2.49% of base management fees, 2.42% of income based fees and capital gains incentive fees, 4.34% of the cost of borrowing and 0.84% of other operating expenses.

(8) The ratio of net investment income to average net assets excludes income taxes related to realized gains and losses.

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14. LITIGATION

The Company is party to certain lawsuits in the normal course of business. In addition, Allied Capital was involved in various legal proceedings that the Company assumed in connection with the Allied Acquisition. Furthermore, third parties may try to seek to impose liability on the Company in connection with the activities of its portfolio companies. While the outcome of any such legal proceedings cannot at this time be predicted with certainty, the Company does not expect that these legal proceedings will materially affect its business, financial condition or results of operations.

On May 20, 2013, the Company was named as one of several defendants in an action (the "Action") filed in the United States District Court for the Eastern District of Pennsylvania (the "Pennsylvania Court") by the bankruptcy trustee of DSI Renal Holdings LLC and two related companies. On March 17, 2014, the Action was transferred to the United States District Court for the District of Delaware (the "Delaware Court") pursuant to a motion filed by the defendants and granted by the Pennsylvania Court. On May 6, 2014, the Delaware Court referred the Action to the United States Bankruptcy Court for the District of Delaware. The complaint in the Action alleges, among other things, that each of the named defendants participated in a purported fraudulent transfer involving the restructuring of a subsidiary of DSI Renal Holdings LLC. Among other things, the complaint seeks, jointly and severally from all defendants, (1) damages of approximately \$425 million, of which the complaint states the Company's individual share is approximately \$117 million, and (2) punitive damages. The Company is currently unable to assess with any certainty whether it may have any exposure in the Action. The Company believes the plaintiff's claims are without merit and intends to vigorously defend itself in the Action.

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-Q or would be required to be recognized in the consolidated financial statements as of and for the three months ended March 31, 2015, except as disclosed below.

In April 2015, Ares Venture Finance, L.P., a wholly owned subsidiary of the Company, received approval for a license from the SBA to operate as an SBIC under the provisions of Section 301(c) of the Small Business Investment Act of 1958, as amended.

In April 2015, General Electric Company announced that it intends to sell most of the assets of General Electric Capital Corporation (GECC). These assets include the interests held by GECC and GE Global Sponsor Finance in the SSLP. The Company is in an active dialogue with GECC regarding the future of the SSLP and the SSLP continues to make loans and otherwise conduct its business in the ordinary course. Although the Company will seek to continue the program with another partner, the Company may be unable to identify such a partner or to agree with such a partner on terms comparable to those contained in the existing SSLP agreements. If the Company ceases to make new investments through the SSLP and the aggregate SSLP portfolio declines over time as loans in the program are repaid or exited, the portion of the Company's earnings attributable to the SSLP could be adversely affected.

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Item 2. 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 Quarterly Report. In addition, some of the statements in this Quarterly 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, ARCC, 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 a protracted decline in the liquidity of credit markets on our business;
- the impact of fluctuations in interest rates on our business;
- the impact of changes in laws or regulations (including the interpretation thereof) 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 alternative debt markets and additional debt and equity capital;
- our contractual arrangements and relationships with third parties;

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- the general economy and its impact on the industries in which we invest;
- uncertainty surrounding the financial stability of the U.S. and the EU;
- Middle East turmoil and the potential for fluctuating energy prices and its impact on the industries in which we invest;
- the financial condition of and ability of our current and prospective portfolio companies to achieve their objectives;
- our expected financings and investments;
- our ability to successfully complete and integrate any acquisitions;
- 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, will, should, 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 elsewhere in our annual report on Form 10-K for the fiscal year ended December 31, 2014.

We have based the forward-looking statements included in this Quarterly Report on information available to us on the date of this Quarterly 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 Securities and Exchange Commission (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.

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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 L.P. (NYSE: ARES) (Ares Management), a publicly traded, leading global alternative asset 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), second lien senior secured loans and mezzanine debt, which in some cases includes an equity component like warrants.

To a lesser extent, we also make preferred and/or 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 on October 8, 2004 through March 31, 2015, our exited investments resulted in an aggregate cash flow realized internal rate of return to us of approximately 13% (based on original cash invested, net of syndications, of approximately \$10.5 billion and total proceeds from such exited investments of approximately \$12.9 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 70% of these exited investments resulted in an aggregate cash flow realized internal rate of return to us of 10% or greater.

Additionally, since our initial public offering on October 8, 2004 through March 31, 2015, our realized gains have exceeded our realized losses by approximately \$383 million (excluding a one-time gain on the acquisition of Allied Capital Corporation (Allied Capital) and realized gains/losses from the extinguishment of debt and other assets). For this same time period, our average annualized net realized gain rate was approximately 1.1% (excluding a one-time gain on the acquisition of Allied Capital 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.

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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, or a 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 things, meet certain source-of-income and asset diversification requirements and timely distribute to our stockholders generally at least 90% of our investment company taxable income, as defined by the Code, for each year.

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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.

PORTFOLIO AND INVESTMENT ACTIVITY

Our investment activity for the three months ended March 31, 2015 and 2014 is presented below (information presented herein is at amortized cost unless otherwise indicated).

| (in millions) | For the Three Months Ended March 31, | |
|---|--------------------------------------|----------|
| | 2015 | 2014 |
| New investment commitments(1): | | |
| New portfolio companies | \$ 252.9 | \$ 442.2 |
| Existing portfolio companies(2) | 247.3 | 409.9 |
| Total new investment commitments(3) | 500.2 | 852.1 |
| Less: | | |
| Investment commitments exited(4) | 1,123.3 | 849.2 |
| Net investment commitments | \$ (623.1) | \$ 2.9 |
| Principal amount of investments funded: | | |
| First lien senior secured loans | \$ 133.0 | \$ 646.2 |
| Second lien senior secured loans | 380.5 | 14.1 |
| Subordinated certificates of the SSLP(5) | 33.3 | 87.5 |
| Senior subordinated debt | 28.8 | 64.4 |
| Preferred equity securities | | 7.7 |
| Other equity securities | 2.1 | 6.3 |
| Total | \$ 577.7 | \$ 826.2 |
| Principal amount of investments sold or repaid: | | |
| First lien senior secured loans | \$ 924.8 | \$ 503.9 |
| Second lien senior secured loans | 55.9 | 127.2 |
| Subordinated certificates of the SSLP | 93.2 | 17.9 |
| Senior subordinated debt | 0.9 | 0.3 |
| Preferred equity securities | 1.3 | 2.7 |
| Other equity securities | 7.5 | 5.2 |
| Commercial real estate | 0.4 | |
| Total | \$ 1,084.0 | \$ 657.2 |
| Number of new investment commitments(6) | 18 | 24 |
| Average new investment commitment amount | \$ 27.8 | \$ 35.5 |
| Weighted average term for new investment commitments (in months) | 71 | 66 |
| Percentage of new investment commitments at floating rates | 94% | 92% |
| Percentage of new investment commitments at fixed rates | 6% | 6% |
| Weighted average yield of debt and other income producing securities(7): | | |
| Funded during the period at amortized cost | 10.1% | 9.3% |
| Funded during the period at fair value(8) | 10.0% | 9.3% |
| Exited or repaid during the period at amortized cost | 7.5% | 8.7% |
| Exited or repaid during the period at fair value(8) | 7.4% | 8.7% |

(1) New investment commitments include new agreements to fund revolving credit facilities or delayed draw loans. See Off Balance Sheet Arrangements as well as Note 7 to our consolidated financial statements for the three months ended March 31, 2015, for more

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information on our commitments to fund revolving credit facilities or delayed draw loans.

(2) Includes investment commitments to the SSLP to make co-investments with GE Global Sponsor Finance LLC and General Electric Capital Corporation (together, "GE") in first lien senior secured loans of middle-market companies of \$25.5 million and \$60.7 million for the three months ended March 31, 2015 and 2014, respectively.

(3) Includes both funded and unfunded commitments. Of these new investment commitments, we funded \$472.7 million and \$727.9 million for the three months ended March 31, 2015 and 2014, respectively.

(4) Includes both funded and unfunded commitments. For the three months ended March 31, 2015 and 2014, investment commitments exited included exits of unfunded commitments of \$70.6 million and \$215.2 million, respectively.

(5) See "Senior Secured Loan Program" below and Note 4 to our consolidated financial statements for the three months ended March 31, 2015 for more information on the SSLP.

(6) 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).

(7) Weighted average yield of debt and other income producing securities at amortized cost is computed as the (a) 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, divided by (b) total accruing debt and other income producing securities at amortized cost. Weighted average yield of debt and other income producing securities at fair value is computed as the (a) 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, divided by (b) total accruing debt and other income producing securities at fair value.

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

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As of March 31, 2015 and December 31, 2014, our investments consisted of the following:

| (in millions) | March 31, 2015 | | December 31, 2014 | |
|--|-------------------|-------------------|-------------------|-------------------|
| | Amortized Cost | Fair Value | Amortized Cost | Fair Value |
| First lien senior secured loans | \$ 2,938.8 | \$ 2,897.4 | \$ 3,728.9 | \$ 3,700.6 |
| Second lien senior secured loans | 2,236.5 | 2,201.2 | 1,938.9 | 1,900.5 |
| Subordinated certificates of the SSLP(1) | 1,974.7 | 2,004.3 | 2,034.5 | 2,065.0 |
| Senior subordinated debt | 555.3 | 554.4 | 524.1 | 523.3 |
| Preferred equity securities | 234.5 | 203.4 | 206.5 | 190.2 |
| Other equity securities | 434.8 | 616.3 | 440.1 | 642.8 |
| Commercial real estate | 1.7 | 4.9 | 2.1 | 6.0 |
| Total | \$ 8,376.3 | \$ 8,481.9 | \$ 8,875.1 | \$ 9,028.4 |

(1) The proceeds from these certificates were applied to co-investments with GE to fund first lien senior secured loans to 50 different borrowers as of both March 31, 2015 and December 31, 2014.

The weighted average yields at amortized cost and fair value of the following portions of our portfolio as of March 31, 2015 and December 31, 2014 were as follows:

| | March 31, 2015 | | December 31, 2014 | |
|---|----------------|------------|-------------------|------------|
| | Amortized Cost | Fair Value | Amortized Cost | Fair Value |
| Debt and other income producing securities(1) | 10.5% | 10.5% | 10.1% | 10.1% |
| Total portfolio(2) | 9.6% | 9.5% | 9.3% | 9.1% |
| First lien senior secured loans(2) | 8.6% | 8.7% | 8.1% | 8.2% |
| Second lien senior secured loans(2) | 9.2% | 9.3% | 8.7% | 8.8% |
| Subordinated certificates of the SSLP(2)(3) | 13.8% | 13.5% | 13.8% | 13.5% |
| Senior subordinated debt(2) | 11.2% | 11.2% | 11.2% | 11.2% |
| Income producing equity securities (2) | 9.4% | 9.6% | 9.4% | 9.4% |

(1) Weighted average yield of debt and other income producing securities at amortized cost is computed as the (a) 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, divided by (b) total accruing debt and other income producing securities at amortized cost. Weighted average yield of debt and other income producing securities at fair value is computed as the (a) 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, divided by (b) total accruing debt and other income producing securities at fair value.

(2) Weighted average yields at amortized cost are computed as the (a) 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 debt and other income producing securities, divided by (b) the total relevant investments at amortized cost. Weighted average yields at fair value are computed as the (a) 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 debt and other income producing securities, divided by (b) the total relevant investments at fair value.

- (3) The proceeds from these certificates were applied to co-investments with GE to fund first lien senior secured loans.

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Ares Capital Management, 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. Under this system, investments with a grade of 4 involve 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. Investments graded 3 involve 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. Investments graded 2 indicate 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. An investment grade of 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 or 2, our investment adviser enhances its level of scrutiny over the monitoring of such portfolio company. The grade of a portfolio investment may be reduced or increased over time.

Set forth below is the grade distribution of our portfolio companies as of March 31, 2015 and December 31, 2014:

| (in millions) | As of | | | | | | | | | |
|---------------|----------------|--------|---------------------|--------|-------------------|--------|---------------------|--------|--|--|
| | March 31, 2015 | | | | December 31, 2014 | | | | | |
| | Fair Value | % | Number of Companies | % | Fair Value | % | Number of Companies | % | | |
| Grade 1 | \$ 55.5 | 0.7% | 6 | 3.0% | \$ 49.9 | 0.6% | 5 | 2.4% | | |
| Grade 2 | 293.3 | 3.4% | 10 | 5.0% | 298.5 | 3.3% | 11 | 5.4% | | |
| Grade 3 | 7,334.9 | 86.5% | 164 | 81.6% | 7,847.6 | 86.9% | 171 | 83.4% | | |
| Grade 4 | 798.2 | 9.4% | 21 | 10.4% | 832.4 | 9.2% | 18 | 8.8% | | |
| Total | \$ 8,481.9 | 100.0% | 201 | 100.0% | \$ 9,028.4 | 100.0% | 205 | 100.0% | | |

As of March 31, 2015 and December 31, 2014, the weighted average grade of the investments in our portfolio at fair value was 3.0 and 3.0, respectively.

As of March 31, 2015, loans on non-accrual status represented 1.7% and 1.3% of the total investments at amortized cost and at fair value, respectively. As of December 31, 2014, loans on non-accrual status represented 2.2% and 1.7% of the total investments at amortized cost and at fair value, respectively.

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Senior Secured Loan Program

We co-invest in first lien senior secured loans of middle-market companies with GE through an unconsolidated Delaware limited liability company, the Senior Secured Loan Fund LLC (d/b/a the Senior Secured Loan Program) or the SSLP. The SSLP is capitalized as transactions are completed and all portfolio decisions and generally all other decisions in respect of the SSLP must be approved by an investment committee of the SSLP consisting of representatives of ours and GE (with approval from a representative of each required). We provide capital to the SSLP in the form of subordinated certificates (the SSLP Certificates).

As of March 31, 2015 and December 31, 2014, we and GE had agreed to make \$11.0 billion of capital available to the SSLP, of which approximately \$9.6 billion and \$9.9 billion in aggregate principal amount, respectively, was funded. Additionally, as of March 31, 2015 and December 31, 2014, the SSLP had commitments to fund various delayed draw investments to certain of its portfolio companies of \$384.6 million and \$484.3 million, respectively, which had been approved by the investment committee of the SSLP described above. As of March 31, 2015 and December 31, 2014, the total amounts funded and/or committed to the SSLP by GE and us were \$10.0 billion and \$10.4 billion, respectively. All investments of the SSLP must be approved by the investment committee of the SSLP as described above.

As of March 31, 2015 and December 31, 2014, we had agreed to make available to the SSLP (subject to the approval of the investment committee of the SSLP as described above) approximately \$2.3 billion, of which approximately \$2.0 billion and \$2.0 billion in aggregate principal amount, respectively, was funded. Additionally, as of March 31, 2015 and December 31, 2014, we had commitments to co-invest in the SSLP for our portion of the SSLP s commitments to fund delayed draw investments of up to \$72.9 million and \$92.5 million, respectively, bringing total amounts funded and/or committed to the SSLP by us to \$2.0 billion and \$2.1 billion, respectively.

As of March 31, 2015 and December 31, 2014, the SSLP had total assets of \$9.6 billion and \$10.0 billion, respectively. As of March 31, 2015 and December 31, 2014, GE s investment in the SSLP consisted of senior notes of \$7.3 billion and \$7.6 billion, respectively, and SSLP Certificates of \$282.1 million and \$290.6 million, respectively. As of March 31, 2015 and December 31, 2014, we and GE owned 87.5% and 12.5%, respectively, of the outstanding SSLP Certificates.

The SSLP Certificates pay a weighted average coupon of LIBOR plus approximately 8.0% 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 SSLP Certificates that is greater than the coupon. The SSLP Certificates are junior in right of payment to the senior notes held by GE.

As of March 31, 2015 and December 31, 2014, the SSLP portfolio was comprised of all first lien senior secured loans to U.S. middle-market companies. As of March 31, 2015 and December 31, 2014, one loan was on non-accrual status, representing 1.0% and 1.0%, respectively, of the total loans at principal amount in the SSLP. The portfolio companies in the SSLP are in industries similar to the companies in our portfolio.

See Recent Developments, as well as Note 15 to our consolidated financial statements for the three months ended March 31, 2015 for more information on the SSLP.

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Below is a summary of the SSLP's portfolio, followed by a listing of the individual first lien senior secured loans in the SSLP's portfolio as of March 31, 2015 and December 31, 2014:

| (in millions) | As of | |
|--|----------------|-------------------|
| | March 31, 2015 | December 31, 2014 |
| Total first lien senior secured loans(1) | \$ 9,558.4 | \$ 9,522.6 |
| Weighted average yield on first lien senior secured loans(2) | 6.7% | 6.7% |
| Number of borrowers in the SSLP | 50 | 50 |
| Largest loan to a single borrower(1) | \$ 348.5 | \$ 331.5 |
| Total of five largest loans to borrowers(1) | \$ 1,629.7 | \$ 1,571.7 |

(1) At principal amount.

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

Table of Contents**SSLP Loan Portfolio as of March 31, 2015**

| (in millions) Portfolio Company | Business Description | Maturity Date | Stated Interest Rate(1) | Principal Amount |
|---|---|------------------|-------------------------------|---------------------|
| ADG, LLC | Dental services provider | 9/2019 | 8.1% | \$ 212.0 |
| AMZ Holding Corp. | Specialty chemicals manufacturer | 12/2018 | 6.8% | 234.6 |
| Argon Medical Devices, Inc. | Manufacturer and marketer of single-use specialty medical devices | 4/2018 | 6.5% | 220.8 |
| Argotec LLC | Producer of thermoplastic polyurethane film and sheet used for paint production, glass lamination, medical use, graphics, and textile lamination. | 12/2019 | 7.5% | 93.0 |
| Athletico Management, LLC and Accelerated Holdings, LLC | Provider of outpatient rehabilitation services | 12/2020 | 6.3% | 324.2 |
| Breg, Inc. | Designer, manufacturer, and distributor of non-surgical orthopedic products for preventative, post-operative and rehabilitative use | 10/2020 | 6.3% | 150.0 |
| Brewer Holdings Corp. and Zywave, Inc. | Provider of software and technology-enabled content and analytical solutions to insurance brokers | 11/2019 | 8.0% | 250.0 |
| Cambridge International, Inc. | Manufacturer of custom designed and engineered metal products | 4/2018 | 8.0% | 82.9 |
| CH Hold Corp. | Collision repair company | 11/2019 | 5.5% | 348.5 |
| Chariot Acquisition, LLC | Distributor and designer of aftermarket golf cart parts and accessories | 1/2019 | 7.8% | 151.2 |
| CIBT Holdings, Inc.(4) | Expedited travel document processing services | 12/2018 | 6.8% | 201.8 |
| Connoisseur Media, LLC | Owner and operator of radio stations | 6/2019 | 7.3% | 132.4 |
| CWD, LLC | Supplier of automotive aftermarket brake parts | 6/2016 | 7.0% | 124.7 |
| DFS Holding Company, Inc. | Distributor of maintenance, repair, and operations parts, supplies, and equipment to the foodservice industry | 2/2022 | 6.5% | 194.0 |
| Drayer Physical Therapy Institute, LLC | Outpatient physical therapy provider | 7/2018 | 8.0% | 133.9 |
| Driven Brands, Inc.(2)(4) | Automotive aftermarket car care franchisor | 3/2017 | 6.0% | 200.2 |
| DTI Holdco, Inc.(2)(4) | Provider of legal process outsourcing and managed services | 8/2020 | 5.8% | 299.5 |
| ECI Purchaser Company, LLC | Manufacturer of equipment to safely control pressurized gases | 12/2019 | 6.0% | 234.4 |
| Excelligence Learning Corporation | Developer, manufacturer and retailer of educational products | 12/2020 | 6.8% | 180.0 |
| Gehl Foods, LLC | Producer of low-acid, aseptic food and beverage products | 3/2021 | 7.5% | 161.5 |
| Gentle Communications, LLC | Dental services provider | 6/2020 | 6.5% | 84.6 |
| III US Holdings, LLC | Provider of library automation software and systems | 6/2018 | 6.0% | 214.7 |
| Implus Footcare, LLC(4) | Provider of footwear and other accessories | 4/2019 | 6.8% | 264.9 |
| | Private school operator | 12/2016 | | 93.3(5) |

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| | | | | |
|---|---|---------|------|-------|
| Instituto de Banca y Comercio, Inc.(2)(4) | | | | |
| Intermedix Corporation(3) | Revenue cycle management provider to the emergency healthcare industry | 12/2019 | 5.8% | 266.2 |
| ISS Compressors Industries, Inc. | Provider of repairs, refurbishments and services to the broader industrial end user markets | 6/2018 | 6.5% | 117.9 |
| Laborie Medical Technologies Corp(4) | Developer and manufacturer of medical equipment | 9/2019 | 7.3% | 170.2 |
| Mavis Tire Supply LLC | Auto parts retailer | 10/2020 | 6.3% | 184.0 |
| MCH Holdings, Inc.(4) | Healthcare professional provider | 1/2020 | 6.3% | 178.6 |
| MWI Holdings, Inc.(2) | Engineered springs, fasteners, and other precision components | 3/2019 | 7.4% | 258.5 |
| Noranco Manufacturing (USA) Ltd. | Supplier of complex machined and sheet metal components for the aerospace industry | 4/2019 | 6.8% | 156.3 |

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| (in millions) Portfolio Company | Business Description | Maturity Date | Stated Interest Rate(1) | Principal Amount |
|---|---|------------------|-------------------------------|---------------------|
| Nordco Inc. | Designer and manufacturer of railroad maintenance-of-way machinery | 8/2019 | 7.0% | 217.3 |
| Oak Parent, Inc.(2) | Manufacturer of athletic apparel | 4/2018 | 7.5% | 290.8 |
| Palermo Finance Corporation | Provider of mission-critical integrated public safety software and services to local, state, and federal agencies | 11/2020 | 7.0% | 190.0 |
| Penn Detroit Diesel Allison, LLC | Distributor of new equipment and aftermarket parts to the heavy-duty truck industry | 10/2019 | 7.3% | 71.4 |
| PetroChoice Holdings, LLC | Provider of lubrication solutions | 1/2017 | 10.0% | 237.0 |
| Pretium Packaging, L.L.C(4) | Manufacturer and supplier of high performance plastic containers | 6/2020 | 6.3% | 218.7 |
| Restaurant Technologies, Inc. | Provider of bulk cooking oil management services to the restaurant and fast food service industries | 6/2018 | 7.0% | 198.0 |
| Sanders Industries Holdings, Inc.(4) | Elastomeric parts, mid-sized composite structures, and composite tooling | 5/2020 | 7.0% | 80.1 |
| Selig Sealing Products, Inc. | Manufacturer of container sealing products for rigid packaging applications | 10/2019 | 6.8% | 179.4 |
| Singer Sewing Company | Manufacturer of consumer sewing machines | 6/2017 | 7.3% | 194.5 |
| STATS Acquisition, LLC | Sports technology, data and content company | 6/2020 | 7.0% | 103.5 |
| Strategic Partners, Inc.(4) | Supplier of medical uniforms, specialized medical footwear and accessories | 8/2018 | 7.3% | 288.6 |
| TA THI Buyer, Inc. and TA THI Parent, Inc.(4) | Collision repair company | 7/2020 | 6.5% | 311.9 |
| The Linen Group | Provider of outsourced commercial linen and laundry services | 8/2019 | 8.0% | 92.4 |
| The Teaching Company, LLC(2)(4) | Education publications provider | 3/2017 | 9.0% | 108.6 |
| Towne Holdings, Inc. | Provider of contracted hospitality services and parking systems | 12/2019 | 6.8% | 167.8 |
| U.S. Anesthesia Partners, Inc.(2)(3) | Anesthesiology service provider | 12/2019 | 6.0% | 263.3 |
| Universal Services of America, LP | Provider of security officer and guard services | 7/2019 | 6.0% | 345.6 |
| WCI-Quantum Holdings, Inc.(4) | Distributor of instructional products, services and resources | 10/2020 | 5.8% | 80.7 |
| | | | | \$ 9,558.4 |

(1) Represents the weighted average annual stated interest rate as of March 31, 2015. All interest rates are payable in cash. For loans on non-accrual status, the stated interest rate is not shown as there is no current yield on such loans.

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

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

Explanation of Responses:

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

(5) Loan was on non-accrual status, as determined by the investment committee of the SSLP, as of March 31, 2015.

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SSLP Loan Portfolio as of December 31, 2014

| (in millions) Portfolio Company | Business Description | Maturity Date | Stated Interest Rate(1) | Principal Amount | Fair Value(2) |
|--|---|---------------|-------------------------|------------------|---------------|
| ADG, LLC | Dental services provider | 9/2019 | 8.1% | \$ 212.6 | \$ 212.6 |
| AMZ Holding Corp. | Specialty chemicals manufacturer | 12/2018 | 6.8% | 235.2 | 230.5 |
| Argon Medical Devices, Inc. | Manufacturer and marketer of single-use specialty medical devices | 4/2018 | 6.5% | 221.3 | 221.3 |
| Argotec LLC | Producer of thermoplastic polyurethane film and sheet used for paint production, glass lamination, medical use, graphics, and textile lamination. | 12/2019 | 7.5% | 93.0 | 93.0 |
| Athletico Management, LLC and Accelerated Holdings, LLC(3) | Provider of outpatient rehabilitation services | 12/2020 | 6.3% | 325.0 | 325.0 |
| Breg, Inc. | Designer, manufacturer, and distributor of non-surgical orthopedic products for preventative, post-operative and rehabilitative use | 10/2020 | 6.5% | 150.0 | 150.0 |
| Brewer Holdings Corp. and Zywave, Inc. | Provider of software and technology-enabled content and analytical solutions to insurance brokers | 11/2019 | 7.0% | 173.7 | 173.7 |
| Cambridge International, Inc. | Manufacturer of custom designed and engineered metal products | 4/2018 | 8.0% | 82.9 | 82.1 |
| CH Hold Corp.(3) | Collision repair company | 11/2019 | 5.5% | 298.5 | 298.5 |
| Chariot Acquisition, LLC | Distributor and designer of aftermarket golf cart parts and accessories | 1/2019 | 7.8% | 152.2 | 152.2 |
| CIBT Holdings, Inc.(5) | Expedited travel document processing services | 12/2018 | 6.8% | 204.4 | 204.4 |
| Connoisseur Media, LLC | Owner and operator of radio stations | 6/2019 | 7.3% | 134.3 | 133.0 |
| CWD, LLC | Supplier of automotive aftermarket brake parts | 6/2016 | 7.0% | 125.9 | 125.9 |
| Drayer Physical Therapy Institute, LLC | Outpatient physical therapy provider | 7/2018 | 8.0% | 133.9 | 133.9 |
| Driven Brands, Inc.(3)(5) | Automotive aftermarket car care franchisor | 3/2017 | 6.0% | 201.2 | 201.2 |
| DTI Holdco, Inc.(3)(5) | Provider of legal process outsourcing and managed services | 8/2020 | 5.8% | 300.3 | 300.3 |
| ECI Purchaser Company, LLC | Manufacturer of equipment to safely control pressurized gases | 12/2019 | 6.0% | 235.0 | 232.6 |
| Excelligence Learning Corporation | Developer, manufacturer and retailer of educational products | 12/2020 | 6.8% | 180.0 | 180.0 |
| Fleischmann's Vinegar Company, Inc. | Manufacturer and marketer of industrial vinegar products | 5/2016 | 8.0% | 70.4 | 70.4 |
| Gentle Communications, LLC | Dental services provider | 6/2020 | 6.5% | 84.8 | 84.0 |
| III US Holdings, LLC | Provider of library automation software and systems | 6/2018 | 6.0% | 215.2 | 213.0 |
| Implus Footcare, LLC(5) | Provider of footwear and other accessories | 4/2019 | 6.8% | 264.9 | 264.9 |
| Instituto de Banca y Comercio, Inc.(3)(5) | Private school operator | 12/2016 | | 91.5 | 73.2(6) |
| Intermedix Corporation(4) | | 12/2019 | 5.8% | 267.9 | 267.9 |

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| Revenue cycle management provider to the emergency healthcare industry | | | | | |
|--|---|---------|------|-------|-------|
| Laborie Medical Technologies Corp(5) | Developer and manufacturer of medical equipment | 10/2018 | 6.8% | 125.4 | 125.4 |
| Mavis Tire Supply LLC | Auto parts retailer | 10/2020 | 6.3% | 184.5 | 184.5 |
| MCH Holdings, Inc.(5) | Healthcare professional provider | 1/2020 | 6.3% | 179.1 | 179.1 |
| MWI Holdings, Inc.(3) | Engineered springs, fasteners, and other precision components | 3/2019 | 7.4% | 259.2 | 259.2 |
| Noranco Manufacturing (USA) Ltd. | Supplier of complex machined and sheet metal components for the aerospace industry | 4/2019 | 6.8% | 156.3 | 156.3 |
| Nordco Inc. | Designer and manufacturer of railroad maintenance-of-way machinery | 8/2019 | 7.0% | 217.3 | 217.3 |
| Oak Parent, Inc.(3) | Manufacturer of athletic apparel | 4/2018 | 7.5% | 297.6 | 297.6 |
| Palermo Finance Corporation | Provider of mission-critical integrated public safety software and services to local, state, and federal agencies | 11/2020 | 7.0% | 135.0 | 135.0 |

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| (in millions) Portfolio Company | Business Description | Maturity Date | Stated Interest Rate(1) | Principal Amount | Fair Value(2) |
|---|---|------------------|-------------------------------|---------------------|------------------|
| Penn Detroit Diesel Allison, LLC | Distributor of new equipment and aftermarket parts to the heavy-duty truck industry | 10/2019 | 7.3% | 71.6 | 71.6 |
| PetroChoice Holdings, LLC | Provider of lubrication solutions | 1/2017 | 10.0% | 238.5 | 238.5 |
| PODS Funding Corp. II(3) | Storage and warehousing | 12/2018 | 7.0% | 331.5 | 331.5 |
| Pretium Packaging, L.L.C(5) | Manufacturer and supplier of high performance plastic containers | 6/2020 | 6.2% | 209.2 | 209.2 |
| Protective Industries, Inc. (3)(5) | Plastic protection products | 10/2019 | 6.3% | 275.5 | 275.5 |
| Restaurant Technologies, Inc. | Provider of bulk cooking oil management services to the restaurant and fast food service industries | 6/2018 | 7.0% | 198.5 | 198.5 |
| Sanders Industries Holdings, Inc.(5) | Elastomeric parts, mid-sized composite structures, and composite tooling | 5/2020 | 7.0% | 83.8 | 83.8 |
| Selig Sealing Products, Inc. | Manufacturer of container sealing products for rigid packaging applications | 10/2019 | 6.8% | 188.5 | 188.5 |
| Singer Sewing Company | Manufacturer of consumer sewing machines | 6/2017 | 7.3% | 195.0 | 191.1 |
| STATS Acquisition, LLC | Sports technology, data and content company | 6/2020 | 7.0% | 103.5 | 103.5 |
| Strategic Partners, Inc.(5) | Supplier of medical uniforms, specialized medical footwear and accessories | 8/2018 | 7.3% | 289.3 | 289.3 |
| TA THI Buyer, Inc. and TA THI Parent, Inc.(5) | Collision repair company | 7/2020 | 6.5% | 312.7 | 312.7 |
| The Linen Group | Provider of outsourced commercial linen and laundry services | 8/2019 | 8.0% | 92.6 | 92.6 |
| The Teaching Company, LLC(3)(5) | Education publications provider | 3/2017 | 9.0% | 109.2 | 108.1 |
| Towne Holdings, Inc. | Provider of contracted hospitality services and parking systems | 12/2019 | 6.8% | 167.8 | 167.8 |
| U.S. Anesthesia Partners, Inc.(3)(4) | Anesthesiology service provider | 12/2019 | 6.0% | 264.0 | 264.0 |
| Universal Services of America, LP | Provider of security officer and guard services | 7/2019 | 6.0% | 302.2 | 302.2 |
| WCI-Quantum Holdings, Inc.(5) | Distributor of instructional products, services and resources | 10/2020 | 5.8% | 80.7 | 80.7 |
| | | | | \$ 9,522.6 | \$ 9,487.1 |

(1) Represents the weighted average annual stated interest rate as of December 31, 2014. All interest rates are payable in cash. For loans on non-accrual status, the stated interest rate is not shown as there is no current yield on such loans.

(2) Represents the fair value in accordance with Accounting Standards Codification (ASC) 820-10. The determination of such fair value is not included in our board of directors valuation process described elsewhere herein.

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- (3) We also hold a portion of this company's first lien senior secured loan.
- (4) We also hold a portion of this company's second lien senior secured loan.
- (5) We hold an equity investment in this company.
- (6) Loan was on non-accrual status, as determined by the investment committee of the SSLP, as of December 31, 2014.

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The amortized cost and fair value of our SSLP Certificates was \$2.0 billion and \$2.0 billion, respectively, as of March 31, 2015, and \$2.0 billion and \$2.1 billion, respectively, as of December 31, 2014. As described above, the SSLP Certificates pay a weighted average coupon of LIBOR plus approximately 8.0% and also entitle the holders thereof to receive a portion of the excess cash flow from the underlying loan portfolio, which may result in a return to the holders of the SSLP Certificates that is greater than both the coupon on the SSLP Certificates as well as the weighted average yield on the SSLP's portfolio of 6.7% and 6.7% at March 31, 2015 and December 31, 2014, respectively. Our yield on our investment in the SSLP at amortized cost and fair value was 13.8% and 13.5%, respectively, as of March 31, 2015, and 13.8% and 13.5%, respectively, as of December 31, 2014. For the three months ended March 31, 2015 and 2014, we earned interest income of \$68.3 million and \$67.7 million, respectively, from our investment in the SSLP Certificates.

We are also entitled to certain fees in connection with the SSLP. For the three months ended March 31, 2015 and 2014, in connection with the SSLP, we earned capital structuring service, sourcing and other fees totaling \$14.7 million and \$12.5 million, respectively.

Selected financial information for the SSLP as of and for the year ended December 31, 2014 was as follows:

| (in millions) | As of and For the Year Ended December 31, 2014 | |
|--|--|----------|
| Selected Balance Sheet Information: | | |
| Investments in loans receivable, net | \$ | 9,442.6 |
| Cash and other assets | \$ | 563.3 |
| Total assets | \$ | 10,005.9 |
| Senior notes | \$ | 7,613.7 |
| Other liabilities | \$ | 77.3 |
| Total liabilities | \$ | 7,691.0 |
| Subordinated certificates and members' capital | \$ | 2,314.9 |
| Total liabilities and members' capital | \$ | 10,005.9 |
| Selected Statement of Operations Information: | | |
| Total revenues | \$ | 668.3 |
| Total expenses | \$ | 362.1 |
| Net income | \$ | 306.2 |

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RESULTS OF OPERATIONS

For the three months ended March 31, 2015 and 2014

Operating results for the three months ended March 31, 2015 and 2014 were as follows:

(in millions)

**For the Three Months Ended March 31,
2015**