

Solar Capital Ltd.  
Form 40-APP  
January 13, 2017

No. 812-

**U.S. SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

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

**SOLAR CAPITAL LTD.**

**SOLAR SENIOR CAPITAL LTD.**

**SOLAR CAPITAL PARTNERS, LLC**

**500 Park Avenue**

**New York, NY 10022**

**(212) 993-1670**

*All Communications, Notices and Orders to:*

**Michael S. Gross**

**Chief Executive Officer**

**Solar Capital Ltd.**

**Solar Senior Capital Ltd.**

**500 Park Avenue**

**New York, NY 10022**

**(212) 993-1670**

*Copies to:*

**Steven B. Boehm**

**Anne G. Oberndorf**

**Sutherland Asbill & Brennan LLP**

**700 Sixth Street, NW**

**Washington, DC 20001**

**(202) 383-0100**

**January 13, 2017**

UNITED STATES OF AMERICA

Before the

SECURITIES AND EXCHANGE COMMISSION

*In the Matter of:* )  
) )  
) )  
**SOLAR CAPITAL LTD.** ) APPLICATION FOR AN AMENDED ORDER PURSUANT TO  
) SECTIONS 17(d), 57(a)(4) AND 57(i) OF THE INVESTMENT  
**SOLAR SENIOR CAPITAL LTD.** ) COMPANY ACT OF 1940 AND RULE 17d-1 UNDER THE  
) INVESTMENT COMPANY ACT OF 1940 PERMITTING CERTAIN  
**SOLAR CAPITAL PARTNERS, LLC** ) JOINT TRANSACTIONS OTHERWISE PROHIBITED BY  
) SECTIONS 17(d), 57(a)(4) AND 57(i) OF THE INVESTMENT  
) COMPANY ACT OF 1940 AND RULE 17d-1 UNDER THE  
) INVESTMENT COMPANY ACT OF 1940.  
500 Park Avenue )  
New York, NY 10022 )  
(212) 993-1670 )  
) )  
File No. 812- )  
Investment Company Act of 1940 )

**I. SUMMARY OF APPLICATION**

On July 28, 2014, Solar Capital Ltd. ( *Solar Capital* ), Solar Senior Capital Ltd. ( *Solar Senior* ) and together with Solar Capital, the *Solar Funds* ) and Solar Capital Partners, LLC ( *Solar Adviser* ) and, collectively with the Solar Funds, the *Applicants* ) obtained an order from the Securities and Exchange Commission (the *Commission* ) pursuant to Sections 17(d), 57(a)(4) and 57(i) of the Investment Company Act of 1940, as amended (the *Act*<sup>1</sup>), and Rule 17d-1<sup>2</sup> under the Act permitting certain joint transactions otherwise prohibited by Sections 17(d), 57(a)(4) and 57(i) and Rule 17d-1, as described more fully therein (the *Prior Order*<sup>3</sup> Except as stated herein, defined terms used in this application (the *Application* ) have the meanings provided in the application for the Prior Order, as amended and restated (the *Prior Application* ).

The Applicants hereby seek an amended order ( *Amended Order* ) from the Commission under Sections 17(d), 57(a)(4) and 57(i) and Rule 17d-1 to extend the relief granted in the Prior Order such that it no longer applies to Future Regulated Funds and Affiliated Funds only if their respective investment adviser is Solar Adviser, but also applies to Future Regulated Funds and Affiliated Funds whose investment adviser is an investment adviser that controls, is controlled by or is under common control with Solar Adviser and is registered as an investment adviser under the Advisers Act. Applicants propose to:

<sup>1</sup> Unless otherwise indicated, all section references herein are to the Act.  
<sup>2</sup> Unless otherwise indicated, all rule references herein are to rules under the Act.  
<sup>3</sup> Solar Capital Ltd., et al. (File No. 812-14195) Release No. IC-31143 (July 1, 2014) (notice) and Release No. IC-31187 (July 28, 2014) (order).



amend the term *Adviser* defined in the Prior Application to include (a) Solar Adviser and (b) any future investment adviser that controls, is controlled by or is under common control with Solar Adviser and is registered as an investment adviser under the Advisers Act;

amend the term *Future Regulated Fund* defined in the Prior Application to include any registered closed-end management investment company or BDC whose investment adviser is *an Adviser*;

amend the term *Affiliated Fund* defined in the Prior Application to include an entity whose investment adviser is *an Adviser*; and

amend the Conditions of the Prior Application to reference the *applicable Adviser* as necessary and to include Condition 14, as provided herein.

## **II. BACKGROUND**

### **A. The Solar Funds**

Each of Solar Capital and Solar Senior is a Maryland corporation that is an externally managed, non-diversified, closed-end management investment company that has elected to be regulated as a BDC under the Act. Solar Capital was formed in February 2007 as Solar Capital LLC. Immediately prior to Solar Capital's initial public offering, Solar Capital LLC was merged with and into Solar Capital. Solar Capital completed its initial public offering on February 12, 2010. Solar Senior was formed in December 2010 and completed its initial public offering on February 24, 2011. Each of Solar Capital and Solar Senior is managed by Solar Adviser and is provided with administrative services by Solar Capital Management, LLC. The Solar Funds' business models are focused primarily on the origination of investments through portfolio companies or their financial sponsors.

The Solar Funds invest primarily in U.S. middle-market companies, where they believe the supply of primary capital is limited and the investment opportunities are most attractive. Solar Capital's investment objective is to generate both current income and capital appreciation through debt and equity investments. Solar Capital invests primarily in leveraged middle-market companies in the form of senior secured loans, mezzanine loans and equity securities. Solar Capital's investments generally range between \$5 million and \$100 million each, although Solar Capital expects that investment size will vary proportionately with the size of its capital base and/or with strategic initiatives.

Solar Senior's investment objective is to seek to maximize current income consistent with the preservation of capital. Solar Senior seeks to achieve its investment objective by directly and indirectly investing primarily in senior loans, including first lien and second lien debt instruments, made to private middle-market companies whose debt is rated below investment grade, which we refer to collectively as *senior loans*. Solar Senior's investments generally range between \$5 million and \$30 million each, although Solar Senior expects that investment size will vary proportionately with the size of its capital base. From time to time, the Solar Funds may each invest in public companies that are thinly traded.

Solar Capital and Solar Senior each has a five-member Board, of which the same three members serve as Non-Interested Directors. As of June 24, 2016, the principals of Solar Adviser, in the aggregate, held, either directly or indirectly, voting power over and a pecuniary interest in approximately 5.9% of Solar Capital's common stock. As of June 30, 2016, the principals of Solar Adviser, in the aggregate, held, either directly or indirectly, voting power over and a pecuniary interest in approximately 7.6% of Solar Senior's common stock.

## **B. Solar Adviser**

Solar Adviser, a privately held investment adviser registered with the Commission pursuant to Section 203 of the Advisers Act, was organized as a limited liability company under the laws of the state of Delaware in January 2007. Solar Adviser serves as the investment adviser to each of Solar Capital and Solar Senior and manages their respective portfolios in accordance with each Solar Fund's Objectives and Strategies, makes investment decisions for each Solar Fund, places purchase and sale orders for portfolio transactions for each Solar Fund and otherwise manages the day-to-day operations of each Solar Fund, subject to the oversight of each Solar Fund's Board.

Solar Adviser manages the investment activities of Solar Capital pursuant to an investment advisory agreement with Solar Capital and the investment activities of Solar Senior pursuant to an investment advisory agreement with Solar Senior. The management of Solar Adviser currently consists of the following individuals:

Michael S. Gross, Managing Member

Bruce J. Spohler, Senior Vice President and Partner

Guy F. Talarico, Chief Compliance Officer

Richard L. Peteka, Chief Financial Officer

## **III. ORDER REQUESTED**

The Applicants respectfully request an Amended Order of the Commission under Sections 17(d) and 57(i) and Rule 17d-1 to permit, subject to the terms and conditions set forth in the Prior Application and condition 14 herein (together, the *Conditions*), one or more Regulated Funds to be able to participate in Co-Investment Transactions with one or more other Regulated Funds and/or one or more Affiliated Funds. Applicants seek the Amended Order in order to permit such Regulated Funds and/or Affiliated Funds participating in Co-Investment Transactions to be advised either by Solar Adviser or a future investment adviser that controls, is controlled by or is under common control with Solar Adviser and is registered as an investment adviser under the Advisers Act.

Except as discussed below, the analysis in Section III, Order Requested, of the Prior Application is equally applicable to this Application, which differs only from the Prior Application in so far as it is intended to apply not only to Solar Adviser, but also to any future investment adviser that controls, is controlled by or is under common control with Solar Adviser and is registered as an investment adviser under the Advisers Act. Accordingly, that prior analysis is not restated herein.

### **A. Protection Provided by the Proposed Conditions**

Applicants believe that the Conditions of the Prior Order, as stated in Section III.D of the Prior Application, together with Condition 14 herein will ensure the protection of shareholders of the Regulated Funds and compliance with the purposes and policies of the Act with respect to the Co-Investment Transactions.

If the Advisers, the principal owners of any of the Advisers (the *Principals* ), or any person controlling, controlled by, or under common control with the Advisers or the Principals, and the Affiliated Funds (collectively, the  *Holders*  ) own in the aggregate more than 25 percent of the outstanding voting shares of a Regulated Fund (the  *Shares*  ), then the Holders will vote such Shares as required under Condition 14.

Applicants believe that this condition will ensure that the Non-Interested Directors will act independently in evaluating the Co-Investment Program, because the ability of the Advisers or the Principals to influence the Non-Interested Directors by a suggestion, explicit or implied, that the Non-Interested Directors can be removed will be limited significantly. The Non-Interested Directors shall evaluate and approve any such independent party, taking into account its qualifications, reputation for independence, cost to the shareholders, and other factors that they deem relevant.

### **B. Conditions**

The Conditions of the Prior Order, as stated in Section III.D of the Prior Application, will remain in effect and references to the Adviser in the Conditions of the Prior Application shall be updated to reflect that the Application applies to multiple Advisers, as set forth below. In addition, Applicants agree that an Amended Order granting the requested relief shall also be subject to Condition 14.

1. Each time an Adviser considers a Potential Co-Investment Transaction for another Regulated Fund or an Affiliated Fund that falls within a Regulated Fund s then-current Objectives and Strategies, the Regulated Fund s Adviser will make an independent determination of the appropriateness of the investment for the Regulated Fund in light of the Regulated Fund s then-current circumstances.
2.
  - a. If the Adviser deems a Regulated Fund s participation in any Potential Co-Investment Transaction to be appropriate for the Regulated Fund, the Adviser will then determine an appropriate level of investment for the Regulated Fund.
  - b. If the aggregate amount recommended by the applicable Adviser to be invested by the applicable Regulated Fund in the Potential Co-Investment Transaction, together with the amount proposed to be invested by the other participating Regulated Funds and Affiliated Funds, collectively, in the same transaction, exceeds the amount of the investment opportunity, the investment opportunity

will be allocated among them pro rata based on each participant's capital available for investment in the asset class being allocated, up to the amount proposed to be invested by each. The applicable Adviser will provide the Eligible Directors of each participating Regulated Fund with information concerning each participating party's available capital to assist the Eligible Directors with their review of the Regulated Fund's investments for compliance with these allocation procedures.

- c. After making the determinations required in conditions 1 and 2(a), the applicable Adviser will distribute written information concerning the Potential Co-Investment Transaction (including the amount proposed to be invested by each Regulated Fund and each Affiliated Fund) to the Eligible Directors of each participating Regulated Fund for their consideration. A Regulated Fund will co-invest with another Regulated Fund or an Affiliated Fund only if, prior to the Regulated Fund's participation in the Potential Co-Investment Transaction, a Required Majority concludes that:
  - i. the terms of the Potential Co-Investment Transaction, including the consideration to be paid, are reasonable and fair to the Regulated Fund and its shareholders and do not involve overreaching in respect of the Regulated Fund or its shareholders on the part of any person concerned;
  - ii. the Potential Co-Investment Transaction is consistent with:
    - A. the interests of the Regulated Fund's shareholders; and
    - B. the Regulated Fund's then-current Objectives and Strategies;
  - iii. the investment by any other Regulated Funds or any Affiliated Funds would not disadvantage the Regulated Fund, and participation by the Regulated Fund would not be on a basis different from or less advantageous than that of any other Regulated Funds or any Affiliated Funds; provided that, if any other Regulated Fund or any Affiliated Fund, but not the Regulated Fund itself, gains the right to nominate a director for election to a portfolio company's board of directors or the right to have a board observer or any similar right to participate in the governance or management of the portfolio company, such event shall not be interpreted to prohibit the Required Majority from reaching the conclusions required by this condition 2(c)(iii), if:
    - A. the Eligible Directors will have the right to ratify the selection of such director or board observer, if any; and
    - B. the applicable Adviser agrees to, and does, provide periodic reports to the Board of the Regulated Fund with respect to the actions of such director or the information received by such board observer or obtained through the exercise of any similar right to participate in the governance or management of the portfolio company; and
    - C.



any fees or other compensation that any Regulated Fund or any Affiliated Fund or any affiliated person of any Regulated Fund or

any Affiliated Fund receives in connection with the right of a Regulated Fund or an Affiliated Fund to nominate a director or appoint a board observer or otherwise to participate in the governance or management of the portfolio company will be shared proportionately among the participating Affiliated Funds (who may each, in turn, share its portion with its affiliated persons) and the participating Regulated Funds in accordance with the amount of each party's investment; and

the proposed investment by the Regulated Fund will not benefit the Advisers, the other Regulated Funds, the Affiliated Funds, or any affiliated person of any of them (other than the parties to the Co-Investment Transaction), except (A) to the extent permitted by condition 13, (B) to the extent permitted by Section 17(e) or 57(k) of the Act, as applicable, (C) indirectly, as a result of an interest in the securities issued by one of the parties to the Co-Investment Transaction, or (D) in the case of fees or other compensation described in condition 2(c)(iii)(c).

3. Each Regulated Fund has the right to decline to participate in any Potential Co-Investment Transaction or to invest less than the amount proposed.
4. The applicable Adviser will present to the Board of each Regulated Fund, on a quarterly basis, a record of all investments in Potential Co-Investment Transactions made by any of the other Regulated Funds or Affiliated Funds during the preceding quarter that fell within the Regulated Fund's then-current Objectives and Strategies that were not made available to the Regulated Fund, and an explanation of why the investment opportunities were not offered to the Regulated Fund. All information presented to the Board pursuant to this condition will be kept for the life of the Regulated Fund and at least two years thereafter, and will be subject to examination by the Commission and its staff.
5. Except for Follow-On Investments made in accordance with condition 8, a Regulated Fund will not invest in reliance on the Order in any issuer in which another Regulated Fund, Affiliated Fund, or any affiliated person of another Regulated Fund or Affiliated Fund is an existing investor.
6. A Regulated Fund will not participate in any Potential Co-Investment Transaction unless the terms, conditions, price, class of securities to be purchased, settlement date, and registration rights will be the same for each participating Regulated Fund and Affiliated Fund. The grant to another Regulated Fund or an Affiliated Fund, but not the Regulated Fund, of the right to nominate a director for election to a portfolio company's board of directors, the right to have an observer on the board of directors or similar rights to participate in the governance or management of the portfolio company will not be interpreted so as to violate this condition 6, if conditions 2(c)(iii)(A),(B) and (C) are met.

7.

- a. If any Regulated Fund or any Affiliated Fund elects to sell, exchange or otherwise dispose of an interest in a security that was acquired in a Co-Investment Transaction, the applicable Advisers will:
  - i. notify each Regulated Fund that participated in the Co-Investment Transaction of the proposed disposition at the earliest practical time; and
  - ii. formulate a recommendation as to participation by each Regulated Fund in the disposition.
- b. Each Regulated Fund will have the right to participate in such disposition on a proportionate basis, at the same price and on the same terms and conditions as those applicable to the participating Regulated Funds and Affiliated Funds.
- c. A Regulated Fund may participate in such disposition without obtaining prior approval of the Required Majority if: (i) the proposed participation of each Regulated Fund and each Affiliated Fund in such disposition is proportionate to its outstanding investments in the issuer immediately preceding the disposition; (ii) the Board of the Regulated Fund has approved as being in the best interests of the Regulated Fund the ability to participate in such dispositions on a pro rata basis (as described in greater detail in this Application); and (iii) the Board of the Regulated Fund is provided on a quarterly basis with a list of all dispositions made in accordance with this condition. In all other cases, the Adviser will provide its written recommendation as to the Regulated Fund's participation to the Regulated Fund's Eligible Directors, and the Regulated Fund will participate in such disposition solely to the extent that a Required Majority determines that it is in the Regulated Fund's best interests.
- d. Each Regulated Fund and each Affiliated Fund will bear its own expenses in connection with any such disposition.

8.

- a. If any Regulated Fund or any Affiliated Fund desires to make a Follow-On Investment in a portfolio company whose securities were acquired in a Co-Investment Transaction, the applicable Advisers will:
  - i. notify each Regulated Fund that participated in the Co-Investment Transaction of the proposed transaction at the earliest practical time; and
  - ii. formulate a recommendation as to the proposed participation, including the amount of the proposed Follow-On Investment, by each Regulated Fund.
- b.

A Regulated Fund may participate in such Follow-On Investment without obtaining prior approval of the Required Majority if: (i) the proposed participation of each Regulated Fund and each Affiliated Fund in such investment is proportionate to its outstanding investments in the issuer immediately preceding the Follow-On Investment; and (ii) the Board of the Regulated Fund has approved as being in the best interests of the Regulated Fund the ability to participate in Follow-On Investments on a pro rata basis (as described in greater detail in this Application). In all other cases, the Adviser will provide its written recommendation as to the Regulated Fund's participation to the Eligible Directors, and the Regulated Fund will participate in such Follow-On Investment solely to the extent that a Required Majority determines that it is in the Regulated Fund's best interests.

- c. If, with respect to any Follow-On Investment:
    - i. the amount of a Follow-On Investment is not based on the Regulated Funds and the Affiliated Funds outstanding investments immediately preceding the Follow-On Investment; and
    - ii. the aggregate amount recommended by the applicable Adviser to be invested by the applicable Regulated Fund in the Follow-On Investment, together with the amount proposed to be invested by the other participating Regulated Funds and Affiliated Funds, collectively, in the same transaction, exceeds the amount of the opportunity; then the investment opportunity will be allocated among them pro rata based on each participant's capital available for investment in the asset class being allocated, up to the maximum amount proposed to be invested by each.
  - d. The acquisition of Follow-On Investments as permitted by this condition will be considered a Co-Investment Transaction for all purposes and subject to the other conditions set forth in this Application.
9. The Non-Interested Directors of each Regulated Fund will be provided quarterly for review all information concerning Potential Co-Investment Transactions and Co-Investment Transactions, including investments made by other Regulated Funds and the Affiliated Funds that the Regulated Fund considered but declined to participate in, so that the Non-Interested Directors may determine whether all investments made during the preceding quarter, including those investments which the Regulated Fund considered but declined to participate in, comply with the conditions of the Order. In addition, the Non-Interested Directors will consider at least annually the continued appropriateness for the Regulated Fund of participating in new and existing Co-Investment Transactions.
  10. Each Regulated Fund will maintain the records required by section 57(f)(3) of the Act as if each of the Regulated Funds were a business development company and each of the investments permitted under these conditions were approved by the Required Majority under section 57(f).
  11. No Non-Interested Director of a Regulated Fund will also be a director, general partner, managing member or principal, or otherwise an affiliated person (as defined in the Act), of an Affiliated Fund.
  12. The expenses, if any, associated with acquiring, holding or disposing of any securities acquired in a Co-Investment Transaction (including, without limitation, the expenses of the distribution of any such securities registered for sale under the 1933 Act) will, to the extent not payable by the Advisers under their respective investment advisory agreements with the Regulated Funds and the Affiliated Funds, be shared by the Affiliated Funds and the Regulated Funds in proportion to the relative amounts of the securities held or to be acquired or disposed of, as the case may be.

13. Any transaction fee (including break-up or commitment fees but excluding broker's fees contemplated by Section 17(e) or 57(k) of the Act, as applicable) received in connection with a Co-Investment Transaction will be distributed to the participating Regulated Funds and Affiliated Funds on a pro rata basis based on the amounts they invested or committed, as the case may be, in such Co-Investment Transaction. If any transaction fee is to be held by an Adviser pending consummation of the transaction, the fee will be deposited into an account maintained by such Adviser at a bank or banks having the qualifications prescribed in Section 26(a)(1) of the Act, and the account will earn a competitive rate of interest that will also be divided pro rata among the participating Regulated Funds and Affiliated Funds based on the amounts they invest in such Co-Investment Transaction. None of the Affiliated Funds, the Advisers, the other Regulated Funds or any affiliated person of the Regulated Funds or Affiliated Funds will receive additional compensation or remuneration of any kind as a result of or in connection with a Co-Investment Transaction (other than (a) in the case of the Regulated Funds and Affiliated Funds, the pro rata transaction fees described above and fees or other compensation described in condition 2(c)(iii)(C) and (b) in the case of an Adviser, investment advisory fees paid in accordance with the agreements between the Adviser and the Regulated Funds or the Affiliated Funds).
  
14. If the Holders own in the aggregate more than 25% of the Shares of a Regulated Fund, then the Holders will vote such Shares as directed by an independent third party when voting on (1) the election of directors; (2) the removal of one or more directors; or (3) any other matter under either the Act or applicable State law affecting the Board's composition, size or manner of election.

#### **IV. STATEMENT IN SUPPORT OF RELIEF REQUESTED**

Applicants submit that the analysis in Section IV, Statement in Support of Relief Requested, of the Prior Application is equally applicable to this Application, which differs only from the Prior Application in so far as it is intended to apply not only to Solar Adviser, but also to any future investment adviser that controls, is controlled by or is under common control with Solar Adviser and is registered as an investment adviser under the Advisers Act. Accordingly, that prior analysis is not restated herein.

## V. PRECEDENTS

The Commission previously has issued orders permitting certain investment companies subject to regulation under the Act and their affiliated persons to co-invest in Private Placement Securities. Many precedent orders have granted relief to future investment advisers registered under the Advisers Act that either control, are controlled by or are under common control with an existing investment adviser applicant.<sup>4</sup> Applicants note, in particular, that the amended co-investment protocol to be followed by Applicants in this Application, as it pertains to the definition of Adviser and Condition 14, is substantially similar to the protocol followed by OFS Capital Corporation and its affiliates for which an order was granted on October 12, 2016.<sup>5</sup>

## VI. PROCEDURAL MATTERS

### A. Communications

Please address all communications concerning this Application to:

Michael S. Gross  
Chief Executive Officer  
Solar Capital Ltd.  
Solar Senior Capital Ltd.  
500 Park Avenue  
New York, NY 10022

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

Steven B. Boehm, Esq.  
Anne G. Oberndorf, Esq.  
Sutherland Asbill & Brennan LLP  
700 Sixth Street N.W.  
Washington, D.C. 20001

<sup>4</sup> See Fidus Investment Corporation, et al. (File No. 812-14605) Investment Company Act Rel. Nos. 32381 (December 7, 2016) (notice) and 32411 (January 4, 2017) (order); Goldman Sachs BDC Inc., et al. (File No. 812-14219) Investment Company Act Rel. Nos. 32382 (December 7, 2016) (notice) and 32409 (January 4, 2017) (order); NF Investment Corp., et al. (File No. 812-14472) Investment Company Act Rel. Nos. 32340 (October 27, 2016) (notice) and 32362 (November 22, 2016) (order); Terra Income Fund 6, Inc., et al. (File No. 812-14452)

Investment Company Act Rel. Nos. 32303 (October 4, 2016) (notice) and 32349 (November 1, 2016) (order); Altegris KKR Commitments Master Fund, et al. (File No. 812-14410) Investment Company Act Rel. Nos. 32265 (September 19, 2016) (notice) and 32319 (October 17, 2016) (order); OFS Capital Corporation, et al. (File No. 812-14602) Investment Company Act Rel. Nos. 32197 (September 13, 2016) (notice) and 32312 (October 12, 2016) (order); AB Private Credit Investors Corporation, et al. (File No. 812-14453) Investment Company Act Rel. Nos. 32261 (September 13, 2016) (notice) and 32310 (October 11, 2016) (order); Bain Capital Specialty Finance, Inc., et al. (File No. 812-14575) Investment Company Act Rel. Nos. 32197 (July 29, 2016) (notice) and 32226 (August 23, 2016) (order); Carey Credit Income Fund, et al. (File No. 812-14426) Investment Company Act Rel. Nos. 32138 (June 2, 2016) (notice) and 32164 (June 28, 2016) (order); Triloma EIG Global Energy Fund, et al. (File No. 812-14429) Investment Company Act Rel. Nos. 32106 (May 5, 2016) (notice) and 32132 (May 31, 2016) (order); Capitala Finance Corp., et al. (File No. 812-14544) Investment Company Act Rel. Nos. 32102 (May 4, 2016) (notice) and 32136 (June 1, 2016) (order); OHA Investment Corporation, et al. (File No. 812-14482) Investment Company Act Rel. Nos. 32061 (March 30, 2016) (notice) and 32094 (April 25, 2016) (order); NexPoint Capital, Inc., et al. (File No. 812-14430) Investment Company Act Rel. Nos. 32048 (March 24, 2016) (notice) and 32078 (April 29, 2016) (order); Crescent Capital BDC Inc., et al. (File No. 812-14454) Investment Company Act Rel. Nos. 32018 (March 2, 2016) (notice) and 32056 (March 29, 2016) (order).  
5 OFS Capital Corporation, et al. (File No. 812-14602) Investment Company Act Rel. Nos. 32197 (September 13, 2016) (notice) and 32312 (October 12, 2016) (order).



B. Authorizations

The filing of this Application for the order sought hereby and the taking of all acts reasonably necessary to obtain the relief requested herein was authorized by each Board of the Regulated Fund pursuant to resolutions duly adopted by each Board on January 13, 2017 (attached hereto as Exhibits A and B). All requirements for the execution and filing of this Application in the name and on behalf of each Applicant by the undersigned have been complied with and the undersigned is fully authorized to do so and has duly executed this Application this 13<sup>th</sup> day of January 2017.

**SOLAR CAPITAL, LTD.**

By: /s/ Michael S. Gross  
Name: Michael S. Gross  
Title: Chief Executive Officer, President,  
Chairman of the Board of Directors

**SOLAR SENIOR CAPITAL LTD.**

By: /s/ Michael S. Gross  
Name: Michael S. Gross  
Title: Chief Executive Officer, President,  
Chairman of the Board of Directors

**SOLAR CAPITAL PARTNERS, LLC**

By: /s/ Michael S. Gross  
Name: Michael S. Gross  
Title: Managing Member

**VERIFICATION**

STATE OF NEW YORK            )  
  )  
COUNTY OF NEW YORK        )

The undersigned states that he has duly executed the attached application dated as of January 13, 2017 for and on behalf of Solar Capital, Ltd., Solar Capital Partners, LLC, and Solar Senior Capital Ltd. that he is the Chief Executive Officer, President and Chairman of the Board of Directors of Solar Capital, Ltd. and Solar Senior Capital Ltd., and the Managing Member of Solar Capital Partners, LLC, and that all action by officers, directors, and other bodies necessary to authorize the undersigned to execute and file such instrument has been taken. The undersigned further states that he is familiar with such instrument, and the contents thereof, and that the facts therein set forth are true to the best of his knowledge, information and belief.

**SOLAR CAPITAL, LTD.**

By:    /s/ Michael S. Gross  
Name: Michael S. Gross  
Title: Chief Executive Officer,  
       President, Chairman of the  
       Board of Directors

**SOLAR SENIOR CAPITAL LTD.**

By:    /s/ Michael S. Gross  
Name: Michael S. Gross  
Title: Chief Executive Officer, President,  
       Chairman of the Board of Directors

**SOLAR CAPITAL PARTNERS, LLC**

By:    /s/ Michael S. Gross  
Name: Michael S. Gross  
Title: Managing Member

**Resolutions of the Board of Directors of Solar Capital Ltd.**

**WHEREAS**, the Board of Directors has reviewed Solar Capital Ltd. s (the *Company* ) Co-Investment Exemptive Application (the *Exemptive Application* ) involving the Company, Solar Senior Capital Ltd. and certain affiliates thereof as specified in the Exemptive Application, a copy of which is attached hereto as Exhibit A, for an amended order of the U.S. Securities and Exchange Commission (the *SEC* ) pursuant to Section 57(i) of the Investment Company Act of 1940, as amended (the *1940 Act* ), and Rule 17d-1 promulgated under the 1940 Act, permitting certain joint transactions that otherwise may be prohibited by Section 17(d) and Section 57(a)(4) of the 1940 Act.

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

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

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

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

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

**Resolutions of the Board of Directors of Solar Senior Capital Ltd.**

**WHEREAS**, the Board of Directors has reviewed Solar Senior Capital Ltd. s (the *Company* ) Co-Investment Exemptive Application (the *Exemptive Application* ) involving the Company, Solar Capital Ltd. and certain affiliates thereof as specified in the Exemptive Application, a copy of which is attached hereto as Exhibit A, for an amended order of the U.S. Securities and Exchange Commission (the *SEC* ) pursuant to Section 57(i) of the Investment Company Act of 1940, as amended (the *1940 Act* ), and Rule 17d-1 promulgated under the 1940 Act, permitting certain joint transactions that otherwise may be prohibited by Section 17(d) and Section 57(a)(4) of the 1940 Act.

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

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

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

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

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

SPLAY: inline"> 3,800

Wal-Mart Stores, Inc. (b)

290,586

Services - Business Services (2.67%)

2,300

Accenture plc

187,036

Edgar Filing: Solar Capital Ltd. - Form 40-APP

Services-Prepackaged Software (3.98%)	
6,000	
Microsoft Corporation	278,160
Soap, Detergents, Cleaning Preparations, Perfumes, Cosmetics (4.79%)	
4,000	
The Procter & Gamble Company (b)	334,960
Trucking & Courier Services (4.22%)	
3,000	
United Parcel Service, Inc. (b)	294,870
Total common stocks (Cost \$4,358,364)	6,241,419
PREFERRED STOCKS (1.50%)	
Retail Consulting and Investment (1.50%)	
187,390	
Amerivon Holdings LLC (c) (Cost \$518,620)	104,938
Money Market Fund (10.23%)	
715,397	
SSgA Money Market Fund, 7 day annualized yield 0.00% (Cost \$715,397)	715,397
Total investments (\$5,592,381) (100.98%)	7,061,754
Liabilities in excess of other assets (-0.98%)	(68,704)
Net assets (100.00%)	\$6,993,050

(a) Non-income producing.

(b) All or a portion of these securities have been segregated as collateral pursuant to the bank credit facility.

As of September 30, 2014, the value of securities pledged as collateral was \$3,662,556 and there were no securities on loan under the lending agreement.

(c) Illiquid and/or restricted security that has been fair valued.

## Notes to Schedule of Portfolio Investments (Unaudited)

### Valuation of Investments

Portfolio securities are valued by various methods depending on the primary market or exchange on which they trade. Most equity securities for which the primary market is in the United States are valued at the official closing price, last sale price or, if no sale has occurred, at the closing bid price. Most equity securities for which the primary market is outside the United States are valued using the official closing price or the last sale price in the principal market in which they are traded. If the last sale price on the local exchange is unavailable, the last evaluated quote or closing bid price normally is used. Debt obligations with remaining maturities of 60 days or less generally are valued at cost adjusted for amortization of premiums and accretion of discounts when it can be reasonably concluded, at each time a valuation is determined, that the amortized cost value of such security is approximately the same as the fair value of the security as determined without the use of amortized cost valuation. Certain debt securities may be priced through pricing services that may utilize a matrix pricing system which takes into consideration factors such as yields, prices, maturities, call features, and ratings on comparable securities or according to prices quoted by a securities dealer that offers pricing services. Open end investment companies are valued at their net asset value. Foreign securities markets may be open on days when the U.S. markets are closed. For this reason, the value of any foreign securities owned by the Fund could change on a day when shareholders cannot buy or sell shares of the Fund. Securities for which market quotations are not readily available or reliable and other assets may be valued as determined in good faith by Midas Management Corporation, the Fund's Investment Manager, under the direction of or pursuant to procedures approved by the Fund's Board of Directors. Due to the inherent uncertainty of valuation, such fair value pricing values may differ from the values that would have been used had a readily available market for the securities existed. These differences in valuation could be material. A security's valuation may differ depending on the method used for determining value. The use of fair value pricing by the Fund may cause the net asset value of its shares to differ from the net asset value that would be calculated using market prices. A fair value price is an estimate and there is no assurance that such price will be at or close to the price at which a security is next quoted or next trades.

### Value Measurements

Inputs to valuation methods are prioritized by a three level hierarchy as follows:

- Level 1 – unadjusted quoted prices in active markets for identical assets or liabilities including securities actively traded on a securities exchange.
- Level 2 – observable inputs other than quoted prices included in level 1 that are observable for the asset or liability which may include quoted prices for similar instruments, interest rates, prepayment speeds, credit risk, yield curves, default rates, and similar data.
- Level 3 – unobservable inputs for the asset or liability including the Fund's own assumptions about the assumptions a market participant would use in valuing the asset or liability.

The availability of observable inputs can vary from security to security and is affected by a wide variety of factors, including, for example the type of security, whether the security is new and not yet established in the marketplace, the liquidity of markets, and other characteristics particular to the security. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Accordingly, the degree of judgment exercised in determining fair value is greatest for investments categorized in level 3.

The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, the level in the fair value hierarchy within which the fair value measurement falls in its entirety is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

The inputs or methodology used for valuing investments are not an indication of the risk associated with investing in those securities.

The following is a description of the valuation techniques applied to the Fund's major categories of assets and liabilities measured at fair value on a recurring basis:

3

---

Equity securities (common and preferred stock) – Most publicly traded equity securities are valued normally at the most recent official closing price, last sale price, evaluated quote, or closing bid price. To the extent these securities are actively traded and valuation adjustments are not applied, they may be categorized in level 1 of the fair value hierarchy. Equities on inactive markets or valued by reference to similar instruments may be categorized in level 2.

Restricted and/or illiquid securities – Restricted and/or illiquid securities for which quotations are not readily available or reliable may be valued with fair value pricing as determined in good faith by the Investment Manager under the direction of or pursuant to procedures approved by the Fund’s Board of Directors. Restricted securities issued by publicly traded companies are generally valued at a discount to similar publicly traded securities. Restricted or illiquid securities issued by nonpublic entities may be valued by reference to comparable public entities or fundamental data relating to the issuer or both or similar inputs. Depending on the relative significance of valuation inputs, these instruments may be categorized in either level 2 or level 3 of the fair value hierarchy.

The following is a summary of the inputs used as of September 30, 2014 in valuing the Fund’s assets. Refer to the Schedule of Portfolio Investments (unaudited) for detailed information on specific investments.



Edgar Filing: Solar Capital Ltd. - Form 40-APP

	Level 1	Level 2	Level 3	Total
<b>Assets</b>				
<b>Investments, at value</b>				
<b>Common stocks</b>				
Arrangement of Transportation of Freight & Cargo	\$ 159,168	\$ -	\$ -	\$ 159,168
Computer Communications Equipment	226,530	-	-	226,530
Crude Petroleum & Natural Gas	373,405	-	-	373,405
Fire, Marine & Casualty Insurance	483,490	-	-	483,490
Information Retrieval Services	294,205	-	-	294,205
Investment Advice	491,490	-	-	491,490
In Vitro & In Vivo Diagnostic Substances	231,420	-	-	231,420
Leather & Leather Products	106,830	-	-	106,830
National Commercial Banks	311,220	-	-	311,220
Oil and Gas Field Services	201,790	-	-	201,790
Petroleum Refining	342,513	-	-	342,513
Plastic Mail, Synth Resin/Rubber, Cellulose	161,259	-	-	161,259
Printed Circuit Boards	188,125	-	-	188,125
Real Estate	92,100	-	-	92,100
Real Estate Investment Trusts	88,350	-	-	88,350
Retail Consulting and Investment	-	-	727	727
Retail - Drug Stores and Proprietary Stores	176,575	-	-	176,575
Retail - Eating Places	284,430	-	-	284,430
Retail - Lumber & Other Building Materials Dealers	642,180	-	-	642,180
Retail - Variety Stores	290,586	-	-	290,586
Services - Business Services	187,036	-	-	187,036
Services - Prepackaged Software	278,160	-	-	278,160
Soap, Detergents, Cleaning Preparations, Perfumes, Cosmetics	334,960	-	-	334,960
Trucking & Courier Services	294,870	-	-	294,870
<b>Preferred stocks</b>				
Retail Consulting and Investment	-	-	104,938	104,938
Money market fund	715,397	-	-	715,397
<b>Total investments, at value</b>				
	\$ 6,956,089	\$ -	\$ 105,665	\$ 7,061,754

There were no securities transferred from level 1 on December 31, 2013 to level 2 on September 30, 2014.

The following is a reconciliation of level 3 assets:



	Common Stocks	Preferred Stocks	Total
Balance at December 31, 2013	\$0	\$100,583	\$100,583
Payment in-kind dividends	-	9,647	9,647
Change in unrealized depreciation	727	(5,292 )	(4,565 )
Balance at September 30, 2014	\$727	\$104,938	\$105,665
Net change in unrealized depreciation attributable to assets still held as level 3 at September 30, 2014	\$727	\$(5,292 )	\$(4,565 )

There were no transfers into or out of level 3 assets during the period.

The Investment Manager under the direction of the Fund's Board of Directors considers various valuation approaches for valuing assets categorized within level 3 of the fair value hierarchy. The factors used in determining the value of such assets may include, but are not limited to: the discount applied due to the private nature of the asset; the type of the security; the size of the asset; the initial cost of the security; the existence of any contractual restrictions on the security's disposition; the price and extent of public trading in similar securities of the issuer or of comparable companies; quotations or evaluated prices from broker-dealers and/or pricing services; information obtained from the issuer or analysts; an analysis of the company's or issuer's financial statements; or an evaluation of the forces that influence the issuer and the market in which the asset is purchased and sold. Significant changes in any of those inputs in isolation may result in a significantly lower or higher fair value measurement. The pricing of all fair value assets is normally reported to the Fund's Board of Directors.

The following table presents additional information about valuation methodologies and inputs used for assets that are measured at fair value and categorized as level 3 as of September 30, 2014:

September 30, 2014	Fair Value	Valuation Technique	Unobservable Input	Range
<b>Common stocks</b>				
Retail - Consulting and Investment	\$727	Value of liquidation preference per share	Discount rate due to lack of marketability	80 %
<b>Preferred stocks</b>				
Retail - Consulting and Investment	\$104,938	Value of liquidation preference per share	Discount rate due to lack of marketability	80 %

#### Cost for Federal Income Tax Purposes

As of September 30, 2014, for federal income tax purposes, subject to change, the aggregate cost of securities was \$5,592,381 and net unrealized appreciation was \$1,469,373, comprised of gross unrealized appreciation of \$2,009,059 and gross unrealized depreciation of \$539,686. The aggregate cost of investments for tax purposes will depend upon the Fund's investment experience during the entirety of its fiscal year and may be subject to changes based on tax regulations.

**ILLIQUID AND RESTRICTED SECURITIES** The Fund owns securities which have a limited trading market and/or certain restrictions on trading and, therefore, may be considered illiquid and/or restricted. Such securities have been valued using fair value pricing. Due to the inherent uncertainty of valuation, fair value pricing values may differ from the values that would have been used had a readily available market for the securities existed. These differences in valuation could be material. Illiquid and/or restricted securities owned at September 30, 2014 were as follows:

6

---

Security	Acquisition Date	Cost	Value
Amerivon Holdings LLC preferred units	9/20/07	\$518,620	\$104,938
Amerivon Holdings LLC common equity units	9/20/07	0	727
		\$518,620	\$105,665
Percent of net assets		7	% 2 %

7

---

Item 2. Controls and Procedures

- (a) The registrant's principal executive officer and principal financial officer have concluded that the registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940, as amended (the "1940 Act")) are effective as of a date within 90 days of the filing date of this report that includes the disclosure required by this paragraph, based on their evaluation of the disclosure controls and procedures required by Rule 30a-3(b) under the 1940 Act and 15d-15(b) under the Securities Exchange Act of 1934.
- (b) There were no changes in the registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the 1940 Act) that occurred during the registrant's last fiscal quarter that have materially affected, or are reasonably likely to materially affect, the registrant's internal control over financial reporting.

Item 3. Exhibits

- (a) Certifications of the registrant's principal executive officer and principal financial officer as required by Rule 30a-2(a) under the 1940 Act.

Signatures

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Foxby Corp.

By : /s/ Thomas B. Winmill  
Thomas B. Winmill, President

Date: November 11, 2014

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, 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/ Thomas B. Winmill  
Thomas B. Winmill, President

Date: November 11, 2014

By: /s/ Thomas O'Malley  
Thomas O'Malley, Chief Financial Officer

Date: November 11, 2014

Exhibit Index

(a)

Edgar Filing: Solar Capital Ltd. - Form 40-APP

Certifications of the registrant's principal executive and principal financial officer as required by Rule 30a-2(a) under the 1940 Act. (EX-99.CERT)

