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

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): May 25, 2023

HORIZON TECHNOLOGY FINANCE CORPORATION

(Exact name of registrant as specified in its charter)

Delaware	**814-00802**	**27-2114934**
(State or other jurisdiction of incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

312 Farmington Avenue
Farmington, CT 06032
(Address of principal executive offices and zip code)

Registrant's telephone number, including area code: **(860) 676-8654**

Check the appropriate box below if the Form 8-K is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

Emerging growth company ☐

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

Title of each class	Ticker symbol(s)	Name of each exchange on which registered
Common Stock, par value $0.001 per share	HRZN	The Nasdaq Stock Market LLC
4.875% Notes due 2026	HTFB	The New York Stock Exchange
6.25% Notes due 2027	HTFC	The New York Stock Exchange

Section 1 Registrant's Business and Operations
Item 1.01 Entry into a Material Definitive Agreement

On May 24, 2023, Horizon Technology Finance Corporation (the "Company"), a leading specialty finance company that provides capital in the form of secured loans to venture capital backed companies in the technology, life science, healthcare information and services, and sustainability industries, issued a press release announcing an amendment and extension of its senior secured credit facility with a large U.S. based insurance company. A copy of the press release is furnished herewith as Exhibit 99.1.

On May 24, 2023 (the "2023 Amendment Date"), Horizon Funding I, LLC, a Delaware limited liability company and indirect wholly owned subsidiary of the Company (the "Issuer"), executed a Third Supplemental Indenture by and among the Issuer and U.S. Bank Trust Company, National Association, as successor in interest to U.S. Bank National Association as trustee (the "Trustee") (the "Third Supplemental Indenture"), which amended that certain Indenture by and between the Issuer and the Trustee, dated as of June 1, 2018 (the "Indenture"), which increased the maximum Commitment Amount from $200 million to $250 million and extended the Legal Final Payment Date to June 2029. Concurrently, the Issuer entered into the Third Amended and Restated Note Funding Agreement by and among the Issuer and the Initial Purchasers (as defined therein) (the "Third A&R Note Funding Agreement"). In addition, the Company entered into that certain Amendment No. 4 to Sale and Servicing Agreement by and among the Issuer, the Company, Horizon Secured Loan Fund I LLC ("HSLFI"), the Trustee and U.S. Bank National Association ("U.S. Bank") (the "Amendment No. 4"), which amended that certain Sale and Servicing Agreement by and among the Issuer, the Company, HSFLI, and U.S. Bank, dated as of June 1, 2018 (as amended, the "Sale and Servicing Agreement"). The Amendment No. 4, among other things, (1) amended the Interest Rate for borrowings made after the 2023 Amendment Date, fixing the interest rate at the greater of (i) 4.60% and (ii) the Pricing Benchmark (as defined therein) plus 3.50% with the Interest Rate to be reset on any Advance Date (as defined therein) according to the terms therein, (2) extended the term of the Investment Period Termination Date from June 5, 2023 to June 5, 2024 or such later date upon the mutual agreement of HSLFI and the Noteholders (as defined therein), and (3) extended the Legal Final Payment Date from June 2028 to June 2029.

The description of the documentation related to the Amendment No. 4, the Third Supplemental Indenture and the Third A&R Note Funding Agreement contained in this Current Report on Form 8-K is only a summary of the material terms of the Amendment No. 4, the Third Supplemental Indenture and the Third A&R Note Funding Agreement and are qualified in their entirety by the terms of the Amendment No. 4, the Third Supplemental Indenture and the Third A&R Note Funding Agreement filed as exhibits hereto, which are incorporated herein by reference.

Section 9 Financial Statements and Exhibits
Item 9.01 Financial Statements and Exhibits

(d) Exhibits.

Exhibit No.	Description
10.1	Sale and Servicing Agreement, dated as of June 1, 2018, by and among Horizon Funding I, LLC, the issuer, Horizon Secured Lending Fund I LLC, the originator and seller, Horizon Technology Finance Corporation, the servicer, and U.S. Bank National Association (Incorporated by reference to Exhibit 10.1 of the Company's Current Report on Form 8-K, filed on June 26, 2020).
10.2	Amendment No. 4 to Sale and Servicing Agreement, dated as of May 24, 2023, by and among Horizon Funding I, LLC, the issuer, Horizon Secured Lending Fund I LLC, the originator and seller, Horizon Technology Finance Corporation, the servicer, U.S. Bank Trust Company, National Association and U.S. Bank National Association.
10.3	Third Amended and Restated Note Funding Agreement, dated as of May 24, 2023, by and among Horizon Funding I, LLC, the issuer, and the Initial Purchasers (as defined therein).
10.4	Indenture, dated as of June 1, 2018, by and among Horizon Funding I, LLC, the issuer, and U.S. Bank National Association (Incorporated by reference to Exhibit 10.5 of the Company's Current Report on Form 8-K, filed on June 26, 2020).
10.5	Third Supplemental Indenture, dated as of May 24, 2023, by and among Horizon Funding I, LLC, the issuer, and U.S. Bank Trust Company, National Association.
99.1	Press Release of the Company dated May 24, 2023.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: May 25, 2023 HORIZON TECHNOLOGY FINANCE CORPORATION

By: /s/ Robert D. Pomeroy, Jr.
Robert D. Pomeroy, Jr.
Chief Executive Officer

Exhibit 10.2

AMENDMENT NO. 4 TO SALE AND SERVICING AGREEMENT

This Amendment No. 4 to Sale and Servicing Agreement, dated as of May 24, 2023 (this "***Amendment***") is by and among Horizon Funding I, LLC, a Delaware limited liability company, as issuer (the "***Issuer***"), Horizon Secured Loan Fund I LLC, a Delaware limited liability company, as the seller (the "***Seller***") and as the originator (the "***Originator***"), Horizon Technology Finance Corporation, a Delaware corporation, as the servicer (the "***Servicer***") and U.S. Bank Trust Company, National Association as successor in interest to U.S. Bank National Association ("***U.S. Bank***"), not in its individual capacity but as the indenture trustee (the "***Trustee***"), and U.S. Bank National Association not in its individual capacity but as the backup servicer (the "***Backup Servicer***"), not in its individual capacity but as the custodian (the "***Custodian***"), not in its individual capacity but as the lockbox bank (the "***Lockbox Bank***") and not in its individual capacity but solely as securities intermediary (the "***Securities Intermediary***"). Each of the Issuer, the Originator, the Servicer, the Trustee, the Backup Servicer, the Lockbox Bank and the Securities Intermediary may be referred to herein as a "***Party***" or collectively as the "***Parties***."

PRELIMINARY STATEMENTS

WHEREAS, each of the Parties is a party to that certain Sale and Servicing Agreement, dated as of June 1, 2018, among the Issuer, the Seller, the Originator, the Servicer, the Trustee, the Backup Servicer, the Custodian, the Securities Intermediary and the Lockbox bank (the "***Agreement***") as amended on June 19, 2019 (the "***Amendment No. 1***"), as further amended on Jun 5, 2020 (the "***Amendment No. 2***"), and as further amended on February 25, 2022 (the "***Amendment No. 3***"); and

WHEREAS, the Parties desire to amend the Agreement in the manner set forth in this Amendment and in accordance with Section 13.01(b) of the Agreement.

NOW, THEREFORE, in consideration of the premises and the mutual agreements herein set forth, the Parties hereby agree as follows:

ARTICLE I.
AMENDMENT

Section 1.1 Amendment.

The Agreement is hereby amended to delete the stricken text (indicated textually in the same manner as the following example: ~~stricken text~~) and to add the bold and double-underlined text (indicated textually in the same manner as the following example: **bold and double-underlined text**) as set forth on the pages of the Agreement attached as Exhibit A hereto.

Section 1.2 Representations and Warranties.

Each of the Issuer, Originator, the Servicer and the Backup Servicer with respect to itself, represents and warrants as of the date of this Amendment as follows:

(a) This Amendment has been duly and validly executed and delivered by such party and constitutes its valid and binding obligation, legally enforceable against such party in accordance with its terms, except as enforceability may be limited by applicable Insolvency Laws and general principles of equity, whether considered in a proceeding at law or in equity;

(b) no Rapid Amortization Event or Event of Default exists as of the date hereof (the "***Amendment Effective Date***") and will result from this Amendment, both immediately before and after giving effect to this Amendment; and

(c) all representations and warranties of the Originator, the Servicer and the Backup Servicer contained in this Amendment, Article III of the Agreement or any other Transaction Document shall be true and correct in all material respects (or in all respects if any such representation or warranty is already qualified by materiality), except that any representation or warranty which by its terms is made as of a specified date shall be true and correct in all material respects (or in all respects if any such representation or warranty is already qualified by materiality) as of such specified date.

Each of the Seller, the Trustee, the Custodian, the Lockbox Bank, and the Securities Intermediary with respect to itself, represents and warrants as of the date of this Amendment that this Amendment has been duly and validly executed and delivered by such party and constitutes its valid and binding obligation, legally enforceable against such party in accordance with its terms, except as enforceability may be limited by applicable Insolvency Laws and general principles of equity, whether considered in a proceeding at law or in equity.

ARTICLE II.
MISCELLANEOUS

Section 2.1 Definitions; Interpretation. All capitalized terms used but not otherwise defined herein shall have the meanings assigned thereto in the Agreement.

Section 2.2 Headings. The section headings contained in this Amendment are for reference purposes only and shall not affect the meaning or interpretation of this Amendment.

Section 2.3 Amendment. No provision of this Amendment may be amended, modified or supplemented except by the written agreement of all of the Parties.

Section 2.4 Counterparts. This Amendment may be executed in any number of counterparts and by different Parties in separate counterparts, each of which when so executed shall be deemed to be an original and all of which when taken together shall constitute one and the same Agreement.

Section 2.5 Transaction Document. This Amendment shall constitute a Transaction Document.

Section 2.6 Conditions to Effectiveness. This Amendment shall become effective on the date on which (i) each party hereto shall have delivered an executed signature page hereto to the Trustee, (ii) the Trustee has received the consent of the Majority Noteholders and (iii) the Rating Agency Condition has been satisfied.

Section 2.7 GOVERNING LAW. (a) THIS AMENDMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK, WITHOUT REFERENCE TO ITS CONFLICT OF LAW PROVISIONS (OTHER THAN SECTIONS 5-1401 AND 5-1402 OF THE NEW YORK GENERAL OBLIGATIONS LAW), AND THE OBLIGATIONS, RIGHTS, AND REMEDIES OF THE PARTIES UNDER THE AGREEMENT AS AMENDED BY THIS AMENDMENT SHALL BE DETERMINED IN ACCORDANCE WITH SUCH LAWS.

(b) EACH PARTY HERETO HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH THE AGREEMENT AS AMENDED BY THIS AMENDMENT. EACH PARTY HERETO (I) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (II) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 2.7(b).

Section 2.8 Jurisdiction. Any legal action or proceeding with respect to this Amendment may be brought in the courts of the United States for the Southern District of New York, and by execution and delivery of this Amendment, each party hereto consents, for itself and in respect of its property, to the nonexclusive jurisdiction of those courts. Each such party irrevocably waives any objection, including any objection to the laying of venue or based on the grounds of forum non conveniens, which it may now or hereafter have to the bringing of any action or proceeding in such jurisdiction in respect of this Amendment or any document related hereto.

IN WITNESS WHEREOF, the Parties have caused this Amendment to be duly executed as of the date first above written.

HORIZON FUNDING I, LLC, as the Issuer

By: /s/Daniel S. Devorsetz
Name: Daniel S. Devorsetz
Title: Manager

HORIZON SECURED LOAN FUND I LLC, as the Originator and as the Seller

By: /s/Daniel S. Devorsetz
Name: Daniel S. Devorsetz
Title: Manager

HORIZON TECHNOLOGY FINANCE CORPORATION, as the Servicer

By: /s/Daniel R. Trolio
Name: Daniel R. Trolio
Title: Executive Senior Vice President, Chief Financial Officer and Treasurer

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, not in its individual capacity but as the Trustee

By: /s/Eric Ott
Name: Eric Ott
Title: Vice President

U.S. BANK NATIONAL ASSOCIATION, not in its individual capacity but as Securities Intermediary

By: /s/Eric Ott
Name: Eric Ott
Title: Vice President

U.S. BANK NATIONAL ASSOCIATION, not in its individual capacity but as Custodian

By: /s/Samantha Howe
Name: Samantha Howe
Title: Vice President

U.S. BANK NATIONAL ASSOCIATION, not in its individual capacity but as Backup Servicer

By: /s/Eric Ott
Name: Eric Ott
Title: Vice President

U.S. BANK NATIONAL ASSOCIATION, not in its individual capacity but as Lockbox Bank

By: /s/Eric Ott
Name: Eric Ott
Title: Vice President

Acknowledged and agreed:

NEW YORK LIFE INSURANCE AND ANNUITY CORPORATION, as Initial Purchaser
By: NYL Investors LLC, its Investment Manager

By: /s/Scott R. Seewald
Name: Scott R. Seewald
Title: Managing Director

NEW YORK LIFE INSURANCE COMPANY, as initial purchaser

By: /s/Scott R. Seewald
Name: Scott R. Seewald
Title: Vice President

NEW YORK LIFE INSURANCE AND ANNUITY CORPORATION INSTITUTIONALLY OWNED LIFE INSURANCE SEPARATE ACCOUNT (BOLI 30C), as initial purchaser
By: NYL Investors LLC, its Investment Manager

By: /s/Scott R. Seewald
Name: Scott R. Seewald
Title: Managing Director

NEW YORK LIFE INSURANCE AND ANNUITY CORPORATION INSTITUTIONALLY OWNED LIFE INSURANCE SEPARATE ACCOUNT (BOLI 30E), as initial purchaser
By: NYL Investors LLC, its Investment Manager

By: /s/Scott R. Seewald
Name: Scott R. Seewald
Title: Managing Director

THE BANK OF NEW YORK MELLON, A BANKING CORPORATION ORGANIZED UNDER THE LAWS OF NEW YORK, NOT IN ITS INDIVIDUAL CAPACITY BUT SOLELY AS TRUSTEE UNDER THAT CERTAIN TRUST AGREEMENT DATED AS OF JULY 1st, 2015 BETWEEN NEW YORK LIFE INSURANCE COMPANY OF NEW YORK, AS BENEFICIARY, AND THE BANK OF NEW YORK MELLON, AS TRUSTEE, as Initial Purchaser
By: New York Life Insurance Company, its attorney-in-fact

By: /s/Scott R. Seewald
Name: Scott R. Seewald
Title: Vice President

SALE AND SERVICING AGREEMENT

THIS SALE AND SERVICING AGREEMENT, dated as of June 1, 2018, is by and among:

(1) HORIZON FUNDING I, LLC, a limited liability company created and existing under the laws of the State of Delaware (together with its successors and assigns, the "Issuer");

(2) HORIZON SECURED LOAN FUND I LLC, a limited liability company created and existing under the laws of the State of Delaware (together with its successors and assigns, the "Fund"), as the seller (together with its successors and assigns, in such capacity, the "Seller"), and as the originator (together with its successors and assigns, in such capacity, the "Originator");

(3) HORIZON TECHNOLOGY FINANCE CORPORATION, a corporation created and existing under the laws of the State of Delaware (together with its successors and assigns, the "BDC"), as the servicer (together with its successors and assigns, in such capacity, the "Servicer"); and

(4) U.S. BANK NATIONAL ASSOCIATION (together with its successors and assigns, "U.S. Bank"), not in its individual capacity but as the indenture trustee (together with its successors and assigns, in such capacity, the "Trustee"), not in its individual capacity but as the backup servicer (together with its successors and assigns, in such capacity, the "Backup Servicer"), not in its individual capacity but as the custodian (together with its successors and assigns in such capacity, the "Custodian"), not in its individual capacity but as the lockbox bank (together with its successors and assigns in such capacity, the "Lockbox Bank") and not in its individual capacity but solely as securities intermediary (together with its successors and assigns, in such capacity, the "Securities Intermediary").

RECITALS

WHEREAS, in the regular course of its business, the Originator originates and/or otherwise acquires Loans (as defined herein);

WHEREAS, on the Closing Date, the Originator will sell, convey and assign all its right, title and interest in the Initial Loan Assets and certain other assets to the Issuer as provided herein;

WHEREAS, on each Transfer Date, the Originator may sell, convey and assign all its right, title and interest in Subsequent Loan Assets and/or Substitute Loan Assets, as applicable, and certain other assets to the Issuer as provided herein;

WHEREAS, it is a condition to the Issuer's acquisition of the Initial Loan Assets and any Subsequent Loan Assets and Substitute Loan Assets from the Originator that the Originator make certain representations and warranties regarding the Loan Assets for the benefit of the Issuer;

WHEREAS, the Issuer is willing to purchase and accept assignment of the Loan Assets from the Originator pursuant to the terms hereof;

WHEREAS, the Servicer is willing to service the Loan Assets for the benefit and account of the Issuer pursuant to the terms hereof; and

WHEREAS, the Backup Servicer is willing to provide backup servicing for all such Loan Assets.

NOW, **THEREFORE**, based upon the above recitals, the mutual premises and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, hereby agree as follows:

ARTICLE I

DEFINITIONS

Section 1.01 Definitions.

Whenever used in this Agreement, the following words and phrases, unless the context otherwise requires, shall have the following meanings:

"1940 Act" means the Investment Company Act of 1940, as amended.

"2023 Amendment Date" means May 24, 2023.

"Adjusted Pool Balance" means, as of any date of determination, the Aggregate Outstanding Loan Balance minus (a) the Excess Concentration Amounts and (b) the aggregate Outstanding Loan Balance of all Delinquent Loans (other than such Delinquent Loans that are Defaulted Loans), Defaulted Loans and Ineligible Loans required to be repurchased by the Originator pursuant to Section 11.01, in each case, as of such date of determination and only to the extent not included in the Excess Concentration Amounts determined in clause (a).

"Administrative Expenses" means fees and expenses (excluding amounts related to indemnification) due or accrued with respect to any Payment Date and payable by the Issuer in the following order of priority:

(a) to any Person in respect of any governmental fee, charge or tax in relation to the Issuer;

(b) to the Trustee, the Custodian and the Lockbox Bank, (i) the Trustee Fee, (ii) any fees of the Custodian and the Lockbox Bank and any additional fees, expenses or other amounts not to exceed $280,000 for any 12-month period and (iii) if a Successor Servicer is being appointed, any Servicing Transfer Costs incurred by the Trustee;

(c) to the Backup Servicer, (i) the Backup Servicer Fee and (ii) any additional fees, expenses or other amounts not to exceed $20,000 for any 12-month period;

ownership of, or control by, a common owner which is a financial institution, fund or other investment vehicle which is in the business of making diversified investments including investments independent from the Loans. For the purposes of this definition, "control" (including the terms "controlling," "controlled by" and "under common control with"), when used with respect to any specified Person means the possession, direct or indirect, of the power to vote 25% or more of the voting securities of such Person or to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract or otherwise. The Trustee may conclusively presume that a Person is not an Affiliate of another Person unless a Responsible Officer of the Trustee has actual knowledge to the contrary.

"Agented Loan" means, with respect to any Loan, (a) the Loan is originated or purchased by the Originator in accordance with the Operating Guidelines as a part of a syndicated loan transaction that has been fully consummated prior to such Loan becoming part of the Collateral, (b) the Issuer, as assignee of the Loan, has all of the rights (including without limitation voting rights) of the Originator with respect to such Loan and the Originator's right, title and interest in and to the Related Property, (c) the Loan is secured by an undivided interest in the Related Property that also secures and is shared by, on a pro rata basis, all other holders of such Obligor's notes of equal priority issued in such syndicated loan transaction and (d) the Originator (or a wholly owned subsidiary of the Originator) is the lead agent or collateral agent for all lenders in such syndicated loan transaction and receives payment directly from the Obligor and may collect such payments on behalf of such lenders.

"Aggregate Outstanding Loan Balance" means, as of any date, the sum of the Outstanding Loan Balance for each Loan owned by the Issuer, **as adjusted by the Principal Pricing Resets**.

"Aggregate Outstanding Note Balance" means, as of any date of determination, the sum of the Outstanding Note Balances of the Notes on such date.

"Agreement" means this Sale and Servicing Agreement, as amended, modified, waived, supplemented or restated from time to time in accordance with the terms hereof.

"Amendment Date" means June 5, 2020.

"Amortization Period" means the period commencing on the earlier of (i) the Investment Period Termination Date and (ii) the date of an Investment Period Termination Event, and ending on the date the Aggregate Outstanding Note Balance and all related obligations have been reduced to zero.

"Applicable Law" means, for any Person or property of such Person, all existing and future applicable laws, rules, regulations (including proposed, temporary and final income tax regulations), statutes, treaties, codes, ordinances, permits, certificates, orders and licenses of and interpretations by any Governmental Authority (including, without limitation, usury laws, the Federal Truth in Lending Act, and Regulation Z and Regulation B of the Board of Governors of the Federal Reserve System), and applicable judgments, decrees, injunctions, writs, awards or orders of any court, arbitrator or other administrative, judicial, or quasi-judicial tribunal or agency of competent jurisdiction.

"Interest Amount" means, for each Interest Period, the sum of (A) product of (i) the Interest Rate for each day during such Interest Period, (ii) the Aggregate Outstanding Note Balance on such day (giving effect to Advances funded and Investment Period Principal Distribution Amounts applied), and (iii) 1/365, and (B) all unpaid Interest Shortfalls from any prior Payment Dates (and interest accrued thereon at the Interest Rate).

"Interest Collections" means the aggregate of:

(a) amounts deposited into the Collection Account in respect of:

(i) all payments received on or after the Cutoff Date on account of interest on the Initial Loans (including Finance Charges and fees) and all late payment, default and waiver charges;

(ii) all payments received on or after the Subsequent Loan Cutoff Date in the case of any Subsequent Loans and the applicable Substitute Loan Cutoff Date in the case of any Substitute Loans on account of interest of such Loans (including Finance Charges and fees) and all late payment, default and waiver charges; and

(iii) the interest portion of any amounts received (x) in connection with the purchase or repurchase of any Loan and (y) as Scheduled Payment Advances (if any); plus

(b) investment earnings on funds invested in Permitted Investments in the Collection Account; minus

(c) the amount of any losses incurred in connection with investments in Permitted Investments in the Collection Account.

"Interest Period" means, with respect to (i) the first Payment Date, the period from and including the Amendment Date to but excluding July 10, 2020, (ii) any Payment Date thereafter other than the Legal Final Payment Date, the period from and including the 10th day of the calendar month in which the prior Payment Date occurred to but excluding the 10th day of the calendar month in which such Payment Date occurs and (iii) the Legal Final Payment Date or any other date on which the full principal amount of the Notes are paid in full, including any redemption date, the period from and including the 10th day of the calendar month in which the prior Payment Date occurred to but excluding the Legal Final Payment Date or such other date on which the full principal amount of the Notes are paid in full, including any redemption.

~~"Interest Rate" means~~

~~(a)~~ **"Interest Rate" means** for all Advances after the ~~Upsize~~**2023 Amendment** Date,~~ but prior to the Upsize Event~~ the greater of (i) 4.60% and (ii) the Pricing Benchmark plus ~~3.55~~**3.50%**; provided that on any Advance Date, the Interest Rate will be reset as (A) the sum of (1) the Interest Rate multiplied by the Aggregate Outstanding Note Balance, in each case, in effect immediately prior to such Advance Date **(as adjusted by the Principal Pricing Resets)** and (2) the Interest Rate calculated on such Advance Date multiplied by the principal amount of the Advance made on such

Advance Date **(as adjusted by the Principal Pricing Resets)**, divided by (B) the Aggregate Outstanding Note Balance taking into account the Advance made on such Advance Date~~;~~.

~~(b) upon the occurrence of an Upsize Event, for the portion of an Advance which when added to the Aggregate Outstanding Note Balance in effect immediately prior to such Advance Date equals $100,000,000, the greater of (i) 4.60% and (ii) the Pricing Benchmark plus 3.55%;~~

~~(c) for all Advances after an Upsize Event, the Pricing Benchmark plus 3.00%; *provided* that on any Advance Date, the Interest Rate will be reset as (A) the sum of (1) the Interest Rate multiplied by the Aggregate Outstanding Note Balance, in each case, in effect immediately prior to such Advance Date and (2) the Interest Rate calculated on such Advance Date multiplied by the principal amount of the Advance made on such Advance Date, divided by (B) the Aggregate Outstanding Note Balance taking into account the Advance made on such Advance Date.~~

"Interest Shortfall" means, with respect to the Notes and any Payment Date, as applicable, an amount equal to the excess, if any, of (a) the related Interest Amount over (b) the amount of interest actually paid to the Notes on such Payment Date.

"Investment Period" means the period commencing on the Amendment Date and ending on the Investment Period Termination Date.

"Investment Period Principal Distribution Amount" means the amount determined by the Servicer pursuant to Section 5.16 that will be paid to the Noteholders during the Investment Period as a payment of principal.

"Investment Period Termination Date" means the earliest to occur of (i) June 5, ~~2023~~**2024**, or such later date as may be mutually agreed by the Noteholders and the Fund with Rating Agency Confirmation, (ii) the date on which an Investment Period Termination Event has occurred or (iii) the Portfolio Profile Milestone Test Date, if the Loans do not satisfy the Portfolio Profile Milestone Criteria as of such date, unless waived by the Majority Noteholders.

"Investment Period Termination Event" means (i) the Aggregate Outstanding Loan Balance of all Defaulted Loans minus the Liquidation Proceeds divided by the original Aggregate Outstanding Loan Balance of all Loans exceeds 8% from the Amendment Date, or (ii) the occurrence of a Rapid Amortization Event.

"Issuer" has the meaning provided in the Preamble.

"Issuer LLC Agreement" means that certain amended and restated limited liability company agreement dated June 1, 2018 as may be amended from time to time.

"Legal Final Payment Date" means the Payment Date occurring in June ~~2028~~**2029**.

"Lien" means any pledge, hypothecation, assignment, deposit arrangement, encumbrance, lien (statutory or other), preference, priority or other security agreement or preferential arrangement of any kind or nature whatsoever, including, without limitation, any conditional sale or other title retention agreement, and any financing lease having substantially the same economic effect as any

(d) substitutes, alters or releases the Underlying Notes related to such Loan, and such substitution, alteration or release, individually or in the aggregate and as determined with reasonable discretion, materially and adversely affects the value of such Loan; or

(e) waives any other material requirement under such Underlying Loan Agreement;

provided that no Material Modification may extend the maturity of any Loan beyond the Legal Final Payment Date

"Monthly Report" shall have the meaning provided in Section 9.01.

"Moody's" means Moody's Investors Service, Inc. and any successor thereto.

"Nonrecoverable Advance" means any Scheduled Payment Advance or Servicing Advance, as applicable, previously made in respect of a Loan or any Related Property that, as determined by the Servicer in its reasonable, good faith judgment, will not be ultimately recoverable from subsequent payments or collections with respect to the applicable Loan including, without limitation, payments or reimbursements from the related Obligor, Insurance Proceeds or Liquidation Proceeds on or in respect of such Loan or Related Property.

"Note" means any one of the notes of the Issuer, executed and authenticated in accordance with the Indenture.

"Note Funding Agreement" means that certain ~~Second~~**Third** Amended and Restated Note Funding Agreement, dated as of the ~~Upsize~~**2023 Amendment** Date, between the Issuer and the Initial Purchasers, as such agreement may be amended, modified, waived, supplemented or restated from time to time.

"Note Register" shall have the meaning provided in Section 4.02(a) of the Indenture.

"Noteholder" or "Holder" means each Person in whose name a Note is registered in the Note Register; *provided* that an Owner of a Note shall be deemed a Holder of such Note as provided in Section 13.13.

"Noteless Loan" means any Loan that, pursuant to the terms of the related credit agreement (or equivalent document), is not evidenced by a promissory note.

"Notice of Substitution" shall have the meaning provided in Section 2.07.

"Obligor" means, with respect to any Loan, any Person or Persons obligated to make payments pursuant to or with respect to such Loan, including any guarantor thereof, but excluding, in each case, any such Person that is an obligor or guarantor that is in addition to the primary obligors or guarantors with respect to the assets, cash flows or credit of which the related Loan is principally underwritten.

any beneficiary thereof), unincorporated organization or government or any agency or political subdivision thereof or other entity.

"Portfolio Profile Milestone Test Date" means, each of (i) the last day of the Collection Period for the Payment Date occurring in June 2021 and (ii) the last day of the Collection Period for the Payment Date occurring in June 2022.

"Predecessor Servicer Work Product" shall have the meaning provided in Section 8.03(e).

"Prepayments" means any and all (a) prepayments, including prepayment premiums, on or with respect to a Loan (including, with respect to any Loan and any Collection Period, any Scheduled Payment, Finance Charge or portion thereof that is due in a subsequent Collection Period that the Servicer has received and expressly permitted the related Obligor to make in advance of its scheduled due date, and that will be applied to such Scheduled Payment on such due date), (b) Liquidation Proceeds, and (c) Insurance Proceeds.

"Pricing Benchmark" means with respect to any Advance Date, the ~~Three Year USD mid market swap rate as mutually agreed by the Servicer and the Noteholders at 11:00 A.M. New York City time on the Business Day immediately preceding such Advance Date.~~**yield determined by the Issuer in accordance with the following two paragraphs.**

The Pricing Benchmark shall be determined by the Issuer after 4:15 p.m., New York City time (or after such time as yields on U.S. government securities are posted daily by the Board of Governors of the Federal Reserve System), on the third business day immediately preceding the Advance Date based upon the yield for the most recent day that appears after such time on such day in the most recent statistical release published by the Board of Governors of the Federal Reserve System designated as "Selected Interest Rates (Daily) - H.15" (or any successor designation or publication) ("H.15") under the caption "U.S. government securities–Treasury constant maturities–Nominal" (or any successor caption or heading) ("H.15 TCM"). In determining the Pricing Benchmark, the Issuer shall select the yield for the Treasury constant maturity 3-year on H.15.

If on the third business day preceding the Advance Date H.15 TCM is no longer published, the Issuer shall calculate the Pricing Benchmark based on the rate per annum equal to the semi-annual equivalent yield to maturity at 11:00 a.m., New York City time, on the second business day preceding such Advance Date of the 3-year United States Treasury. In determining the Pricing Benchmark in accordance with the terms of this paragraph, the semi-annual yield to maturity of the 3-year United States Treasury security shall be based upon the average of the bid and asked prices (expressed as a percentage of principal amount) at 11:00 a.m., New York City time, of the 3-year United States Treasury security, and rounded to three decimal places.

The Issuer shall provide notice to the Noteholders no later than one business day immediately preceding the Advance Date of the relevant Pricing Benchmark.

None of the Trustee, Securities Intermediary, Custodian or Back-up Servicer shall be under any obligation (i) to monitor, determine or verify the unavailability or cessation of the Pricing Benchmark, (ii) to select, determine or designate any alternative reference rate or Pricing

Benchmark, or other successor or replacement benchmark index, or whether any conditions to the designation of such a rate have been satisfied, or (iii) to select, determine or designate any adjustment to the Pricing Benchmark, or other modifier to any replacement or successor index, or (iv) to determine whether or what amendments are necessary or advisable, if any, in connection with any of the foregoing.

None of the Trustee, Securities Intermediary, Custodian or Back-up Servicer shall be liable for any inability, failure or delay on its part to perform any of its duties set forth in this Agreement as a result of the unavailability of the Pricing Benchmark and the absence of a designated replacement Pricing Benchmark, including as a result of any inability, delay, error or inaccuracy on the part of any other transaction party, in providing any direction, instruction, notice or information required or contemplated by the terms of this Agreement and reasonably required for the performance of such duties.

"Principal Collections" means amounts deposited into the Collection Account in respect of payments received on or after the Cutoff Date in the case of the Initial Loans and the applicable Subsequent Loan Cutoff Date in the case of any Subsequent Loans and the applicable Substitute Loan Cutoff Date in the case of any Substitute Loans on account of principal of the Loans, including (without duplication):

(a) the principal portion of:

(i) any Scheduled Payments and Prepayments; and

(ii) any amounts received (1) in connection with the purchase or repurchase of any Loan (other than interest on Loans accrued to the date of purchase) and (2) as Scheduled Payment Advances (if any);

(b) all Curtailments;

(c) all Liquidation Proceeds;

(c) Insurance Proceeds (other than amounts to be applied to the restoration or repair of the Related Property, or released or to be released to the Obligor or others);

(d) all Sale Proceeds;

(e) all other amounts not specifically included in Interest Collections; and

(f) all payments received related to the exercise of any warrant under the Underlying Loan Agreement;

provided that with respect to a Defaulted Loan, all payments made by an Obligor shall be deemed to be in respect of Principal Proceeds until the Outstanding Loan Balance of such Defaulted Loan has been paid in full.

"Principal Distribution Amount" means, for any Payment Date, an amount equal to the excess, if any, of the Aggregate Outstanding Note Balance over the Borrowing Base for such Payment Date.

"**Principal Pricing Reset" means, prior to the Investment Period Termination Date, on each Payment Date, the Issuer shall reclassify an amount of the Aggregate Outstanding Note Balance equal to the Principal Pricing Reset Amount (or, in the event that the Principal Pricing Reset Amount exceeds the Aggregate Outstanding Note Balance, an amount equal to the Aggregate Outstanding Note Balance) as though it were an Advance bearing an interest rate equal to the greater of (i) 4.60% and (ii) the Pricing Benchmark plus 3.50% for the purposes of determining Interest Amounts on future Payment Dates and the Interest Rate.**

"**Principal Pricing Reset Amount" means, prior to the Investment Period Termination Date, on each Payment Date, the product of (1) the Principal Collections received during the Interest Period relevant to the Payment Date and (2) Aggregate Outstanding Note Balance divided by Adjusted Pool Balance.**

"Principal Reinvestment Account" means the segregated account so designated and established and maintained pursuant to Section 7.01(b).

"Principal Reinvestment Account Allocation Amount" means the amount determined by the Servicer pursuant to Section 5.16 that is to be deposited into the Principal Reinvestment Account during the Investment Period.

"Priority of Payments" means, collectively, the payments made on each Payment Date in accordance with Section 7.05(a), Section 7.05(b) and Section 7.05(c), as applicable.

"Proceeds" means, with respect to any Collateral, whatever is receivable or received when such Collateral is sold, liquidated, foreclosed, exchanged, or otherwise disposed of, whether such disposition is voluntary or involuntary, and includes all rights to payment with respect to any insurance relating to such Collateral and all "proceeds" as defined in the New York UCC.

"Qualified Institution" means (a) the corporate trust department of the Trustee, or (b) a depository institution organized under the laws of the United States or any one of the states thereof or the District of Columbia (or any domestic branch of a foreign bank), that has a long term unsecured debt rating of at least "A3" from Moody's, "A-" from S&P or the equivalent rating from DBRS Morningstar (if rated by DBRS Morningstar), and whose deposits are insured by the FDIC.

"Ramp-Up Period" means the period beginning on the Closing Date and ending at the earlier of (i) nine months from the Amendment Date or (ii) the time at which Eligible Loans equal or exceed $50,000,000.

"Rapid Amortization Event" shall mean the occurrence of any of the following:

(a) the aggregate Outstanding Loan Balance of all Delinquent Loans (other than such Delinquent Loans that are Defaulted Loans) exceeds 20% of the Aggregate Outstanding Loan Balance as of the last day of the most recent Collection Period;

Exhibit 10.3

THIRD AMENDED AND RESTATED
NOTE FUNDING AGREEMENT
Between

HORIZON FUNDING I, LLC,

as Issuer,

and

NEW YORK LIFE INSURANCE AND ANNUITY CORPORATION, NEW YORK LIFE INSURANCE COMPANY, NEW YORK LIFE INSURANCE AND ANNUITY CORPORATION INSTITUTIONALLY OWNED LIFE INSURANCE SEPARATE ACCOUNT (BOLI 30C) AND NEW YORK LIFE INSURANCE AND ANNUITY CORPORATION INSTITUTIONALLY OWNED LIFE INSURANCE SEPARATE ACCOUNT (BOLI 30E) AND THE BANK OF NEW YORK MELLON, A BANKING CORPORATION ORGANIZED UNDER THE LAWS OF NEW YORK, NOT IN ITS INDIVIDUAL CAPACITY BUT SOLELY AS TRUSTEE UNDER THAT CERTAIN TRUST AGREEMENT DATED AS OF JULY 1ST, 2015 BETWEEN NEW YORK LIFE INSURANCE COMPANY, AS GRANTOR, JOHN HANCOCK LIFE INSURANCE COMPANY (U.S.A.), AS BENEFICIARY, JOHN HANCOCK LIFE INSURANCE COMPANY OF NEW YORK, AS BENEFICIARY, AND THE BANK OF NEW YORK MELLON, AS TRUSTEE

as the Initial Purchasers

dated as of May 24, 2023

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This THIRD AMENDED AND RESTATED NOTE FUNDING AGREEMENT (this "Agreement"), dated as of May 24, 2023, is by and among HORIZON FUNDING I, LLC, as Issuer (the "Issuer"), NEW YORK LIFE INSURANCE AND ANNUITY CORPORATION, NEW YORK LIFE INSURANCE COMPANY, NEW YORK LIFE INSURANCE AND ANNUITY CORPORATION INSTITUTIONALLY OWNED LIFE INSURANCE SEPARATE ACCOUNT (BOLI 30C), NEW YORK LIFE INSURANCE AND ANNUITY CORPORATION INSTITUTIONALLY OWNED LIFE INSURANCE SEPARATE ACCOUNT (BOLI 30E), and THE BANK OF NEW YORK MELLON, A BANKING CORPORATION ORGANIZED UNDER THE LAWS OF NEW YORK, NOT IN ITS INDIVIDUAL CAPACITY BUT SOLELY AS TRUSTEE UNDER THAT CERTAIN TRUST AGREEMENT DATED AS OF JULY 1ST, 2015 BETWEEN NEW YORK LIFE INSURANCE COMPANY, AS GRANTOR, JOHN HANCOCK LIFE INSURANCE COMPANY (U.S.A.), AS BENEFICIARY, JOHN HANCOCK LIFE INSURANCE COMPANY OF NEW YORK, AS BENEFICIARY, AND THE BANK OF NEW YORK MELLON, AS TRUSTEE, as initial purchasers (the "Initial Purchasers").

RECITALS

WHEREAS, the Issuer issued the Notes (the "Notes") pursuant to an Indenture, dated as of June 1, 2018 (as amended, supplemented or otherwise modified from time to time, the "Indenture"), between the Issuer and U.S. Bank National Association, as Trustee (the "Trustee");

WHEREAS, the Initial Purchasers previously acquired such Notes and have committed to fund Advances (as defined below) in an amount not to exceed the Commitment Amount (as defined below);

WHEREAS, reference is made to the Amended and Restated Note Funding Agreement, dated as June 5, 2020 (the "First Amended and Restated NFA"), by and among the Issuer and the Initial Purchasers;

WHEREAS, reference is made to the Second Amended and Restated Note Funding Agreement, dated as February 25, 2022 (the "Second Amended and Restated NFA"), by and among the Issuer and the Initial Purchasers;

WHEREAS, the parties hereto desire to amend and restate the Second Amended and Restated NFA in its entirety, pursuant to and in accordance with Section 7.1 of the Second Amended and Restated NFA;

NOW, THEREFORE, based upon the above Recitals, the mutual premises and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, hereby agree as follows:

ARTICLE I.

DEFINITIONS

SECTION 1.1 Certain Defined Terms. Capitalized terms used herein without definition shall have the meanings set forth in the Indenture and the Sale and Servicing Agreement. Additionally, the following terms shall have the following meanings:

"Advance" means an advance made by the Initial Purchasers to the Issuer under and in accordance with the terms of this Agreement.

"Advance Account" shall mean, unless another account is specified by the Issuer in the Advance Request, the Principal Reinvestment Account.

"Advance Date" means the day on which the Initial Purchasers make an Advance in accordance with and subject to the terms and conditions of this Agreement.

"Advance Availability" means, for any Advance Date, the lesser of (i) the Commitment Amount minus the Aggregate Outstanding Note Balance and (ii) the Borrowing Base minus the Aggregate Outstanding Note Balance, in each case measured as of the Business Day before the Issuer's delivery of an Advance Request (giving pro forma effect to the Advance requested and any Loans to be acquired on the proposed Advance Date). Following the occurrence of the Investment Period Termination Date, the Advance Availability shall be zero.

"Advance Request" means a written notice in the form of Exhibit A, to be used by the Issuer to request the funding of an Advance from the Initial Purchasers.

"Amendment Date" has the meaning specified in Section 4.3.

"Commitment Amount" means, collectively, the commitment of the Initial Purchasers to fund Advances during the Investment Period in an amount not to exceed $250,000,000 in the aggregate outstanding at any given time.

"Indenture" has the meaning specified in the recitals.

"Initial Advance" has the meaning specified in Section 2.1(a).

"Initial Purchasers" is defined in the Preamble.

"Percentage Interest" means, for New York Life Insurance and Annuity Corporation, 27%, New York Life Insurance Company, 68%, New York Life Insurance and Annuity Corporation Institutionally Owned Life Insurance Separate Account (BOLI 30C), 2%, New York Life Insurance and Annuity Corporation Institutionally Owned Life Insurance Separate Account (BOLI 30E), 1%, and The Bank of New York Mellon, a banking corporation organized under the laws of New York, not in its individual capacity but solely as Trustee under that certain Trust Agreement dated as of July 1st, 2015 between New York Life Insurance Company, as Grantor, John Hancock Life Insurance Company (U.S.A.), as Beneficiary, John Hancock Life Insurance Company of New York, as Beneficiary, and The Bank of New York Mellon, as Trustee, 2%.

"Sale and Servicing Agreement" means that certain sale and servicing agreement, as amended, by and among the Issuer, Horizon Secured Loan Fund I LLC, as Originator and Seller, Horizon Technology Finance Corporation, as Servicer and U.S. Bank National Association, as Trustee, Backup Servicer, Custodian, Lockbox Bank and Securities Intermediary.

SECTION 1.2 Other Definitional Provisions. (a) All terms defined in this Agreement shall have the meanings defined herein when used in any certificate or other document made or delivered pursuant hereto unless otherwise defined therein.

(a) As used herein and in any certificate or other document made or delivered pursuant hereto or thereto, accounting terms not defined in Section 1.1 hereof, and accounting terms partially defined in Section 1.1 hereof to the extent not defined, shall have the respective meanings given to them under GAAP. To the extent that the definitions of accounting terms herein are inconsistent with the meanings of such terms under generally accepted accounting principles, the definitions contained herein shall control.

(b) The words "hereof," "herein" and "hereunder" and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement; and Section, subsection, and Exhibit references contained in this Agreement are references to Sections, subsections and the Exhibits in or to this Agreement unless otherwise specified.

ARTICLE II.

PURCHASE OF NOTES; ADVANCES

SECTION 2.1 Purchase of Notes; Initial Advance; Commitment. (a) On the terms and subject to the conditions set forth in the First Amended and Restated NFA, New York Life Insurance and Annuity Corporation, New York Life Insurance Company, New York Life Insurance and Annuity Corporation Institutionally Owned Life Insurance Separate Account (BOLI 30C), New York Life Insurance and Annuity Corporation Institutionally Owned Life Insurance Separate Account (BOLI 30E) and The Bank of New York Mellon, a banking corporation organized under the laws of New York, not in its individual capacity but solely as Trustee under that certain Trust Agreement dated as of July 1st, 2015 between New York Life Insurance Company, as Grantor, John Hancock Life Insurance Company (U.S.A.), as Beneficiary, John Hancock Life Insurance Company of New York, as Beneficiary, and The Bank of New York Mellon, as Trustee acquired Notes with initial Outstanding Note Balances of up to $54,000,000, up to $136,000,000, up to $4,000,000, up to $2,000,000 and up to $4,000,000, respectively (the "Initial Advance"). Subject to the terms and conditions of this Agreement, each of New York Life Insurance and Annuity Corporation, New York Life Insurance Company, New York Life Insurance and Annuity Corporation Institutionally Owned Life Insurance Separate Account (BOLI 30C), New York Life Insurance and Annuity Corporation Institutionally Owned Life Insurance Separate Account (BOLI 30E) and The Bank of New York Mellon, a banking corporation organized under the laws of New York, not in its individual capacity but solely as Trustee under that certain Trust Agreement dated as of July 1st,

2015 between New York Life Insurance Company, as Grantor, John Hancock Life Insurance Company (U.S.A.), as Beneficiary, John Hancock Life Insurance Company of New York, as Beneficiary, and The Bank of New York Mellon, as Trustee, severally, but not jointly, agree to enlarge upwards the maximum Advances to the Issuer from up to $54,000,000 to up to $67,500,000, from up to $136,000,000 to up to $170,000,000, from up to $4,000,000 to up to $5,000,000, from up to $2,000,000 to up to $2,500,000 and from up to $4,000,000 to up to $5,000,000, respectively as of the Amendment date.

(b) Subject to the terms and conditions of this Agreement, during the Investment Period, each Initial Purchaser agrees to make Advances to the Issuer in an amount not to exceed its Percentage Interest of the Advance Availability in effect for each Advance Date. The Initial Purchasers shall have no obligation to make Advances hereunder to the extent any additional Advances would cause the Aggregate Outstanding Note Balance to exceed the Commitment Amount. Amounts advanced pursuant to this Agreement may be repaid in accordance with Section 7.05(b)(i)(2) of the Sale and Servicing Agreement and, subject to the terms and conditions of this Agreement, re-borrowed at any time during the Investment Period.

SECTION 2.2 Procedures for Advances. (a) On the terms and conditions hereinafter set forth, the Issuer may, by delivery of an Advance Request to the Initial Purchasers and the Trustee, from time to time, on any Business Day during the Investment Period, request that each Initial Purchaser make Advances to it in an amount which, at any time, shall not exceed its Percentage Interest of the Advance Availability in effect for the proposed Advance Date.

(b) Each Advance Request shall be delivered not later than 12:00 P.M. (New York time) on the date which is two (2) Business Days prior to the requested Advance Date; *provided*, *however*, that the Issuer may revoke an Advance Request upon written notice to the Initial Purchasers delivered not later than 12:00 P.M. (New York time) on the Business Day prior to the requested Advance Date.

(c) Each Advance Request shall contain the following information:

(i) the proposed Advance Date;

(ii) the amount of the requested Advance;

(iii) the Advance Availability for such Advance Date;

(iv) the amount of Principal Proceeds to be withdrawn from the Collection Account and deposited to the Principal Reinvestment Account on such Advance Date;

(v) the Advance Account to which the Advance should be funded; and

(vi) a certification that, as of the related Advance Date, the conditions set forth in Section 3.1 hereof have been satisfied.

(d) Each Advance Request must be accompanied by (i) a Borrowing Base Certificate as of the Business Day before the Issuer's delivery of such Advance Request (giving pro forma effect to the Advance requested and any Loans to be acquired on the proposed Advance Date) and (ii) an updated List of Loans (including any Loans to be acquired on such Advance Date).

(e) On each Advance Date, upon the satisfaction of the applicable conditions set forth in this Section 2.2 and Article III hereof, the Initial Purchasers shall transfer to the Advance Account, an amount equal to the requested Advance. Each wire transfer of an Advance to the Issuer shall be initiated by the Initial Purchasers at the later of (i) 12:00 P.M. (New York time) on the applicable Advance Date and (ii) satisfaction of the conditions set forth in Section 3.1 hereof.

ARTICLE III.

CONDITIONS TO ADVANCES

SECTION 3.1 Conditions Precedent to Advances. (a) The Initial Purchasers shall not be obligated to make an Advance on any Advance Date unless the following conditions have been satisfied or waived by the Initial Purchasers:

(i) The representations and warranties of the Issuer in Section 3.25 of the Indenture and of the Servicer and the Originator, as applicable, set forth in Sections 3.01, 3.02, 3.04 and 3.06 of the Sale and Servicing Agreement are true and correct on and as of such Advance Date, before and after giving effect to such Advance;

(ii) The Investment Period Termination Date shall not have occurred and as of the date of the Advance Request, (A) the aggregate Outstanding Loan Balance of Loans that became Defaulted Loans since the Amendment Date is less than $25,000,000 and (B) no Rapid Amortization Event has occurred since the Amendment Date;

(iii) No Event of Default, Rapid Amortization Event or Servicer Default has occurred since the Amendment Date or will occur, after giving effect to such Advance;

(iv) After giving effect to such Advance and to the application of proceeds therefrom, the Aggregate Outstanding Note Balance will not exceed the Borrowing Base;

(v) After giving effect to such Advance and to the application of proceeds therefrom, the Aggregate Outstanding Note Balance shall not exceed the Commitment Amount;

(vi) The Issuer shall have caused the Required Loan Documents for any Loans being acquired on such Advance Date to be delivered to the Custodian in accordance with the Sale and Servicing Agreement;

(vii) To the extent the Issuer is directing that Principal Proceeds be withdrawn from the Collection Account and deposited to the Principal Reinvestment Account on such Advance Date, the Issuer reasonably believes that funds on deposit in the Collection Account will be sufficient to pay Required Payments on the next Payment Date; and

(viii) At the time of any Advance, the Notes have a rating of no lower than "A (low) (sf)" from the Rating Agency.

(b) To the extent the Initial Purchasers shall fund an Advance on an Advance Date, it shall be deemed to have agreed that each of the foregoing conditions have been satisfied or waived as to such Advance and Advance Date.

ARTICLE IV.

AMENDMENT

SECTION 4.1 Amendment. The amendment and restatement of the Second Amended and Restated NFA shall occur on at 5:00 P.M. (New York time), on May 24, 2023 (the "Amendment Date").

ARTICLE V.

REPRESENTATIONS AND WARRANTIES
WITH RESPECT TO THE INITIAL PURCHASERS

SECTION 5.1 Securities Laws; Transfer Restrictions. Each Initial Purchaser represents and warrants that:

(a) it has (i) reviewed the Indenture, the Sale and Servicing Agreement and all other documents which have been provided by the Issuer to it with respect to the transactions contemplated thereby, (ii) participated in due diligence sessions with the Originator and (iii) had an opportunity to discuss the Issuer's, the Servicer's and the Originator's businesses, management and financial affairs, and the terms and conditions of the proposed purchase with the Issuer, the Originator and the Servicer and their respective representatives;

(b) it is an "accredited investor" within the meaning of Rule 501(a)(1), (2), (3) or (7) of Regulation D under the Securities Act and has sufficient knowledge and experience in financial and business matters to be capable of evaluating the merits and risks of investing in, and it is able and prepared to bear the economic risk of investing in, the Notes;

(c) it is a "qualified purchaser" within the meaning of Section 2(A)(51) of the Investment Company Act of 1940 pursuant to an exemption under the Securities Act; and

(d) it understands and acknowledges and agrees that the Notes are subject to the transfer restrictions set forth in the Indenture.

ARTICLE VI.

COVENANTS

SECTION 6.1 Reports and Notices under the Transaction Documents. So long as the Initial Purchasers own 100% of the Notes:

(a) Monthly Report and Liquidation Report. The Issuer will cause each Monthly Report and Liquidation Report under the Sale and Servicing Agreement to be delivered to the Initial Purchasers, contemporaneously with the delivery thereof to the Trustee.

(b) Notices. The Issuer will cause a copy of all notices required to be delivered by it or the Servicer under the Sale and Servicing Agreement or the Indenture to be promptly delivered to the Initial Purchasers.

(c) Annual Report. Provided that the Initial Purchasers execute such specified user forms as required by the Independent Accountants, if any, the Issuer will cause to be delivered to the Initial Purchasers the annual reports prepared by the Independent Accountants pursuant to Article IX of the Sale and Servicing Agreement.

SECTION 6.2 Amendments to Indenture and Sale and Servicing Agreement. Notwithstanding that Section 9.01 of the Indenture permits the Issuer and the Trustee to enter into a supplemental indenture without the consent of the Noteholders and Section 13.01(a) of the Sale and Servicing Agreement permits the parties thereto to enter into certain amendments without the consent of the Noteholders, so long as the Initial Purchasers own 100% of the Notes, the Issuer agrees that it will not enter into any such supplemental indenture or amendment to the Indenture or the Sale and Servicing Agreement without the prior written consent of the Initial Purchasers.

ARTICLE VII.

MISCELLANEOUS

SECTION 7.1 Amendments. No amendment or waiver of any provision of this Agreement shall in any event be effective without the written agreement of the Issuer and the Initial Purchasers.

SECTION 7.2 Notices. All notices and other communications hereunder, except as herein otherwise specifically provided, shall be in writing and, if to the Initial Purchasers, shall be mailed, delivered or telegraphed and confirmed to the Initial Purchasers at the following address:

New York Life Insurance and Annuity Corporation, New York Life Insurance Company, New York Life Insurance and Annuity Corporation Institutionally Owned Life Insurance Separate Account (BOLI 30C), New York Life Insurance and Annuity Corporation Institutionally Owned Life Insurance Separate Account (BOLI 30E) or The Bank of New York Mellon, a banking corporation organized under the laws of New York, not in its individual capacity but solely as Trustee under that certain Trust Agreement dated as of July 1st, 2015 between New York Life Insurance Company, as Grantor, John Hancock Life Insurance Company (U.S.A.), as Beneficiary, John Hancock Life Insurance Company of New York, as Beneficiary, and The Bank of New York Mellon, as Trustee
c/o NYL Investors LLC
51 Madison Avenue
2nd Floor, Room 208
New York, New York 10010

Attention: Fixed Income Investors Group
Private Finance
2nd Floor
Facsimile: (212) 447-4122

with an electronic copies to:

FIIGLibrary@nylim.com
TraditionalPVtOps@nylim.com

if to the Issuer, shall be mailed, delivered or telegraphed and confirmed to the Issuer at the following address:

Horizon Funding I, LLC
312 Farmington Avenue
Farmington, CT 06032
Telephone: 860-674-9977
Fax: 860-676-8655
Email: dtrolio@horizontechfinance.com

SECTION 7.3 No Waiver; Remedies. No failure on the part of any party hereto to exercise, and no delay in exercising, any right hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right hereunder preclude any other or further exercise thereof or the exercise of any other right. The remedies herein provided are cumulative and not exclusive of any remedies provided by law.

SECTION 7.4 Binding Effect; Assignability. (a) This Agreement shall be binding on the parties hereto and their respective successors and assigns; provided, however, that the Issuer

may not assign any of its rights or delegate any of its duties hereunder without the prior written consent of the Initial Purchasers; provided, further that each Initial Purchaser acknowledges and agrees that it is subject to the transfer restrictions related to the Notes that are set forth in the Indenture.

(b) This Agreement shall create and constitute the continuing obligation of the parties hereto in accordance with its terms, and shall remain in full force and effect until such time as all amounts payable with respect to the Notes shall have been paid in full.

SECTION 7.5 Confidentiality. Unless otherwise consented to by each of the Initial Purchasers or the Issuer, as applicable, each of the Initial Purchasers and the Issuer hereby agree that it will not disclose the contents of any Transaction Document, or any other confidential or proprietary information furnished by the Initial Purchasers or the Issuer, to any Person other than its Affiliates (which Affiliates shall have executed an agreement satisfactory in form and in substance to the Purchaser to be bound by this Section 7.5), auditors and attorneys or as required by applicable law.

SECTION 7.6 GOVERNING LAW; JURISDICTION. THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK, WITHOUT REFERENCE TO ITS CONFLICT OF LAW PROVISIONS (OTHER THAN SECTIONS 5-1401 AND 5-1402 OF THE NEW YORK GENERAL OBLIGATIONS LAW). EACH OF THE PARTIES TO THIS AGREEMENT HEREBY AGREES TO THE NON-EXCLUSIVE JURISDICTION OF THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK AND ANY APPELLATE COURT HAVING JURISDICTION TO REVIEW THE JUDGMENTS THEREOF. EACH OF THE PARTIES HEREBY WAIVES ANY OBJECTION BASED ON FORUM NON CONVENIENS AND ANY OBJECTION TO VENUE OF ANY ACTION INSTITUTED HEREUNDER IN ANY OF THE AFOREMENTIONED COURTS AND CONSENTS TO THE GRANTING OF SUCH LEGAL OR EQUITABLE RELIEF AS IS DEEMED APPROPRIATE BY SUCH COURT.

SECTION 7.7 Wavier of Trial by Jury. To the extent permitted by applicable law, each of the parties hereto irrevocably waives all right of trial by jury in any action, proceeding or counterclaim arising out of or in connection with this Agreement or any matter arising hereunder.

SECTION 7.8 Execution in Counterparts. This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which when taken together shall constitute one and the same agreement.

SECTION 7.9 No Recourse. Notwithstanding anything to the contrary contained herein, the obligations of the Initial Purchasers under this Agreement are solely the corporate obligations of the Initial Purchasers.

No recourse under any obligation, covenant or agreement of any Initial Purchaser contained in this Agreement shall be had against any incorporator, stockholder, officer, director, member, manager, employee or agent of such Initial Purchaser (solely by virtue of such capacity) by the enforcement of any assessment or by any legal or equitable proceeding, by virtue of any statute or otherwise; it being expressly agreed and understood that this Agreement is solely a corporate obligation of the Initial Purchasers, and that no personal liability whatever shall attach to or be incurred by any incorporator, stockholder, officer, director, member, manager, employee or agent of any Initial Purchaser (solely by virtue of such capacity) or any of them under or by reason of any of the obligations, covenants or agreements of the Initial Purchasers contained in this Agreement, or implied therefrom, and that any and all personal liability for breaches by any Initial Purchaser of any of such obligations, covenants or agreements, either at common law or at equity, or by statute, rule or regulation, of every such incorporator, stockholder, officer, director, member, manager, employee or agent is hereby expressly waived as a condition of and in consideration for the execution of this Agreement; provided that the foregoing shall not relieve any such Person from any liability it might otherwise have as a result of fraudulent actions taken or fraudulent omissions made by them.

SECTION 7.10 No Petition. Each Initial Purchaser hereby covenants and agrees that it will not prior to the date which is one year and one day or, if longer, the preference period then in effect after payment in full of the Notes rated by the Rating Agency, institute against the Issuer, or join in any institution against the Issuer of, any bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings, or other proceedings under any United States federal or state bankruptcy or similar law in connection with any obligations relating to the Notes, this Agreement or any of the other Transaction Documents.

SECTION 7.11 Survival. All representations, warranties, covenants and guaranties contained in this Agreement and in any document, certificate or statement delivered pursuant hereto or in connection herewith shall survive the sale, transfer or repayment of the Notes.

SECTION 7.12 Waiver of Special Damages. In no event shall the Purchaser be liable under or in connection with this Agreement or any other Transaction Document to any Person for indirect, special, or consequential losses or damages of any kind, including lost profits, even if advised of the possibility thereof and regardless of the form of action by which such losses or damages may be claimed.

[SIGNATURE PAGE FOLLOWS.]

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their respective officers thereunto duly authorized, as of the date first above written.

HORIZON FUNDING I, LLC,
as Issuer

By: /s/Daniel S. Devorsetz
Name: Daniel S. Devorsetz
Title: Manager

NEW YORK LIFE INSURANCE AND ANNUITY CORPORATION, as Initial Purchaser

By: NYL Investors LLC, its Investment Manager

By: /s/Scott R. Seewald
Name: Scott R. Seewald
Title: Managing Director

NEW YORK LIFE INSURANCE COMPANY, as Initial Purchaser

By: /s/Scott R. Seewald
Name: Scott R. Seewald
Title: Vice President

NEW YORK LIFE INSURANCE AND ANNUITY CORPORATION INSTITUTIONALLY OWNED LIFE INSURANCE SEPARATE ACCOUNT (BOLI 30C), as Initial Purchaser

By: NYL Investors LLC, its Investment Manager

By: /s/Scott R. Seewald
Name: Scott R. Seewald
Title: Managing Director

NEW YORK LIFE INSURANCE AND ANNUITY CORPORATION INSTITUTIONALLY OWNED LIFE INSURANCE SEPARATE ACCOUNT (BOLI 30E), as Initial Purchaser

By: NYL Investors LLC, its Investment Manager

By: /s/Scott R. Seewald
Name: Scott R. Seewald
Title: Managing Director

THE BANK OF NEW YORK MELLON, A BANKING CORPORATION ORGANIZED UNDER THE LAWS OF NEW YORK, NOT IN ITS INDIVIDUAL CAPACITY BUT SOLELY AS TRUSTEE UNDER THAT CERTAIN TRUST AGREEMENT DATED AS OF JULY 1ST, 2015 BETWEEN NEW YORK LIFE INSURANCE COMPANY, AS GRANTOR, JOHN HANCOCK LIFE INSURANCE COMPANY (U.S.A.), AS BENEFICIARY, JOHN HANCOCK LIFE INSURANCE COMPANY OF NEW YORK, AS BENEFICIARY, AND THE BANK OF NEW YORK MELLON, AS TRUSTEE, as Initial Purchaser

By: New York Life Insurance Company, its attorney-in-fact

By: /s/Scott R. Seewald
Name: Scott R. Seewald
Title: Vice President

Exhibit A

Form of Advance Request

Date: [_____], 202 _

New York Life Insurance and Annuity Corporation, New York Life Insurance Company, New York Life Insurance and Annuity Corporation Institutionally Owned Life Insurance Separate Account (BOLI 30C) New York Life Insurance and Annuity Corporation Institutionally Owned Life Insurance Separate Account (BOLI 30E) or The Bank of New York Mellon, a banking corporation organized under the laws of New York, not in its individual capacity but solely as Trustee under that certain Trust Agreement dated as of July 1st, 2015 between New York Life Insurance Company, as Grantor, John Hancock Life Insurance Company (U.S.A.), as Beneficiary, John Hancock Life Insurance Company of New York, as Beneficiary, and The Bank of New York Mellon, as Trustee
c/o NYL Investors LLC
51 Madison Avenue
2nd Floor, Room 208
New York, New York 10010
Attention: Fixed Income Investors Group
Facsimile: (212) 447-4122

Reference is made to that certain Third Amended and Restated Note Funding Agreement, dated as of May 24, 2023, by and among Horizon Funding I, LLC, as Issuer (the "Issuer"), New York Life Insurance and Annuity Corporation, New York Life Insurance Company, New York Life Insurance and Annuity Corporation Institutionally Owned Life Insurance Separate Account (BOLI 30C), New York Life Insurance and Annuity Corporation Institutionally Owned Life Insurance Separate Account (BOLI 30E) or The Bank of New York Mellon, a banking corporation organized under the laws of New York, not in its individual capacity but solely as Trustee under that certain Trust Agreement dated as of July 1st, 2015 between New York Life Insurance Company, as Grantor, John Hancock Life Insurance Company (U.S.A.), as Beneficiary, John Hancock Life Insurance Company of New York, as Beneficiary, and The Bank of New York Mellon, as Trustee, as Initial Purchasers (as the same may be amended, supplemented, restated or otherwise modified from time to time, the "Third Amended and Restated Note Funding Agreement". Capitalized terms used herein and not otherwise defined herein shall have the meanings set forth in the Third Amended and Restated Note Funding Agreement. The Issuer hereby gives you notice, pursuant to Section 2.1 of the Third Amended and Restated Note Funding Agreement, that it requests an Advance under the Third Amended and Restated Note Funding Agreement.

The Issuer hereby certifies as follows:

1. The Issuer hereby requests that such Advance be made on _____.

2. The Issuer hereby requests an Advance of $ _____.

3. The Advance Availability for the requested Advance Date is $ _____.

4. [The Issuer hereby requests that the Advance be funded to the Principal Reinvestment Account set forth in the Amended and Restated Note Funding Agreement.] [The Issuer hereby requests that the Advance be funded to the following account: [__].]

5. The Issuer has directed the Servicer to withdraw Principal Proceeds in the amount of $_____ from the Collection Account and to deposit such amount to the Principal Reinvestment Account on such Advance Date;

6. The Issuer hereby certifies that the conditions set forth in Section 3.1 of the Amended and Restated Note Funding Agreement have been satisfied.

7. The Issuer hereby certifies that the Borrowing Base Certificate attached hereto as Schedule A is a true, accurate and complete calculation of the Borrowing Base.

8. The Issuer hereby certifies that the attached List of Loans attached hereto as Schedule B is a true, accurate and complete list of Loans that are owned by the Issuer and subject to the lien of the Indenture.

[The Remainder Of This Page Is Intentionally Left Blank]

IN WITNESS WHEREOF, each of the undersigned has executed the Advance Request this day of _____ day of _____, 202_.

Horizon Funding I, LLC, as Issuer

By: _____
Name: _____
Title: _____

Schedule B to Advance Request
[Attach List of Loans]

Exhibit 10.5

THIRD SUPPLEMENTAL INDENTURE

by and between

HORIZON FUNDING I, LLC,
as the Issuer,

and

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION,
as the Trustee

Dated as of May 24, 2023

HORIZON FUNDING I, LLC
Asset Backed Notes

THIS THIRD SUPPLEMENTAL INDENTURE, dated as of May 24, 2023 (as amended, modified, restated, supplemented and/or waived from time to time, this "Third Supplemental Indenture"), is by and between HORIZON FUNDING I, LLC, a Delaware limited liability company, as the issuer (together with its successors and assigns, the "Issuer"), and U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, a national banking association, as successor in interest to U.S. BANK NATIONAL ASSOCIATION ("U.S. Bank") not in its individual capacity, but solely in its capacity as the trustee (together with its successors and assigns, in such capacity, the "Trustee").

Each party hereto agrees as follows for the benefit of the other party and for the equal and ratable benefit of the Holders of the Notes.

WHEREAS, the Issuer and the Trustee entered into an indenture (the "Base Indenture") dated June 1, 2018 providing for the Asset Backed Notes (the "Notes");

WHEREAS, the Issuer and the Trustee entered into a supplemental indenture on June 5, 2020 (the "First Supplemental Indenture");

WHEREAS, the Issuer and the Trustee entered into a second supplemental indenture on February 25, 2022 (the "Second Supplemental Indenture," together with the Base Indenture and the First Supplemental Indenture, the "Indenture");

WHEREAS, the Issuer proposes to amend the Indenture ("Proposed Amendment") as set forth in Section 2.01 hereto;

WHEREAS, pursuant to Section 9.02(b) of the Indenture, the Issuer and Trustee may amend or supplement the Indenture pursuant to the Proposed Amendment provided that the Holders of each Note have consented;

WHEREAS, the Holders of each Note have consented to the Proposed Amendment;

WHEREAS, pursuant to Section 9.02(a) of the Indenture, the Trustee is authorized to enter into this Third Supplemental Indenture pursuant to an Issuer Order;

WHEREAS, pursuant to 9.02(a) of the Indenture, the Rating Agency and the Servicer have been provided prior notice of this Third Supplemental Indenture;

WHEREAS, the Servicer is not required to consent to this Third Supplemental Indenture pursuant to Section 9.06 of the Indenture;

WHEREAS, as required by Section 6.2 of that certain Second Amended and Restated Note Funding Agreement, dated as of February 25, 2022, among the Issuer and the Initial Purchasers (the "Note Funding Agreement") the Initial Purchasers (as defined therein) have consented to this Amendment;

THIS INDENTURE WITNESSES THAT, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency

of which is hereby acknowledged by each of the parties hereto, the parties hereto covenant, agree and declare as follows:

ARTICLE I — INTERPRETATION

Section 1.01 Definitions.

Unless otherwise set out in this Third Supplemental Indenture, all initially capitalized terms used herein without definition shall have the respective meanings assigned in the Indenture.

Section 1.02 Applicable Law.

(a) THIS THIRD SUPPLEMENTAL INDENTURE SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK, WITHOUT REFERENCE TO ITS CONFLICT OF LAW PROVISIONS (OTHER THAN SECTIONS 5-1401 AND 5-1402 OF THE NEW YORK GENERAL OBLIGATIONS LAW), AND THE OBLIGATIONS, RIGHTS, AND REMEDIES OF THE PARTIES UNDER THE INDENTURE AS AMENDED BY THIS THIRD SUPPLEMENTAL INDENTURE AND NOTES SHALL BE DETERMINED IN ACCORDANCE WITH SUCH LAWS.

(b) EACH PARTY HERETO HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH THE INDENTURE AS AMENDED BY THIS THIRD SUPPLEMENTAL INDENTURE. Each party hereto (i) certifies that no representative, agent or attorney of any other party has represented, expressly or otherwise, that such other party would not, in the event of litigation, seek to enforce the foregoing waiver and (ii) acknowledges that it and the other parties hereto have been induced to enter into this Indenture by, among other things, the mutual waivers and certifications in this Section 1.02(b).

Article II

AMENDMENT

Section 2.01 Legal Final Payment Date.

Pursuant to Section 9.02(b) of the Indenture, Section 1.01 of the Indenture is hereby amended by deleting the definition of “Commitment Amount” in its entirety and replacing it with the following:

“Commitment Amount” means the commitment of the Noteholders to fund Advances during the Investment Period in an amount not to exceed $250,000,000 outstanding at any given time.

Pursuant to Section 9.02(b) of the Indenture, Section 1.01 of the Indenture is hereby amended by deleting the definition of “Legal Final Payment Date” in its entirety and replacing it with the following:

"Legal Final Payment Date" means the Payment Date occurring in June 2029.

Pursuant to Section 9.02(b) of the Indenture, Section 1.01 of the Indenture is hereby amended by deleting the definition of "Prepayment Benchmark Rate" in its entirety and replacing it with the following:

"Prepayment Benchmark Rate" means the yield determined by the Issuer in accordance with the following two paragraphs.

The Prepayment Benchmark Rate shall be determined by the Issuer after 4:15 p.m., New York City time (or after such time as yields on U.S. government securities are posted daily by the Board of Governors of the Federal Reserve System), on the third business day immediately preceding the Redemption Date based upon the yield for the most recent day that appear after such time on such day in the most recent statistical release published by the Board of Governors of the Federal Reserve System designated as "Selected Interest Rates (Daily) - H.15" (or any successor designation or publication) ("H.15") under the caption "U.S. government securities–Treasury constant maturities–Nominal" (or any successor caption or heading) ("H.15 TCM"). In determining the Prepayment Benchmark Rate, the Issuer shall select the yield for the Treasury constant maturity 3-year on H.15.

If on the third business day preceding the Redemption Date H.15 TCM is no longer published, the Issuer shall calculate the Prepayment Benchmark Rate based on the rate per annum equal to the semi-annual equivalent yield to maturity at 11:00 a.m., New York City time, on the second business day preceding such Redemption Date of the 3-year United States Treasury. In determining the Prepayment Benchmark Rate in accordance with the terms of this paragraph, the semi-annual yield to maturity of the 3-year United States Treasury security shall be based upon the average of the bid and asked prices (expressed as a percentage of principal amount) at 11:00 a.m., New York City time, of the 3-year United States Treasury security, and rounded to three decimal places.

The Issuer shall provide notice to the Noteholders no later than one business day immediately preceding the Redemption Date of the relevant Prepayment Benchmark Rate.

None of the Trustee, Securities Intermediary, Custodian or Back-up Servicer shall be under any obligation (i) to monitor, determine or verify the unavailability or cessation of the Prepayment Benchmark Rate, (ii) to select, determine or designate any alternative reference rate or Prepayment Benchmark Rate, or other successor or replacement benchmark index, or whether any conditions to the designation of such a rate have been satisfied, or (iii) to select, determine or designate any adjustment to the Prepayment Benchmark Rate, or other modifier to any replacement or successor index, or (iv) to determine whether or what amendments are necessary or advisable, if any, in connection with any of the foregoing.

None of the Trustee, Securities Intermediary, Custodian or Back-up Servicer shall be liable for any inability, failure or delay on its part to perform any of its duties set forth in this Agreement as a result of the unavailability of the Prepayment Benchmark Rate and the absence of a designated replacement Prepayment Benchmark Rate, including as a result of any inability, delay, error or inaccuracy on the part of any other transaction party, in providing any direction, instruction, notice

or information required or contemplated by the terms of this Agreement and reasonably required for the performance of such duties.

Section 2.02 Full Force and Effect.

Each of the parties hereto acknowledges and agrees that all other provisions of the Indenture remain in full force and effect.

Section 2.03 Further Acts.

Each of the parties hereto agrees to do and execute all such further and other acts, deeds, things, devices, documents and assurances as may be required in order to carry out the true intent and meaning of this Third Supplemental Indenture.

Article III

THE NOTES

Section 3.01 Issuance of New Notes. Following the execution of this Third Supplemental Indenture, and the surrender of the outstanding Notes by the Noteholders pursuant to Section 4.02 of the Indenture, the Trustee shall authenticate and deliver new Notes substantially in the forms set forth as Exhibit A to this Indenture with such appropriate insertions, omissions, substitutions and other variations as are required or permitted by this Indenture and may have such letters, numbers or other marks of identification and such legends or endorsements placed thereon as may, consistently herewith, be determined by the appropriate Responsible Officers executing such Notes, as evidenced by their execution of the Notes. Any portion of the text of any Note may be set forth on the reverse thereof, with an appropriate reference thereto on the face of the Note.

The Notes shall be typewritten, printed, lithographed or engraved or produced by any combination of these methods (with or without steel engraved borders), all as determined by the Responsible Officers executing such Notes, as evidenced by their execution of such Notes.

Section 3.02 Effect of Transfer. For the avoidance of doubt, the exchange of existing Notes for the New Notes shall have no effect other than to reflect the increase in the Commitment Amount

Article IV
MISCELLANEOUS

Section 4.01 Counterpart Execution. This Third Supplemental Indenture may be executed in any number of counterparts (including by facsimile), each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

Section 4.02 Effect of Headings. The Article and Section headings herein are for convenience only and shall not affect the construction hereof.

[Rest of the Page Intentionally Left Blank]

IN WITNESS WHEREOF, the Issuer and the Trustee have caused their names to be signed hereto by their respective officers thereunto duly authorized, all as of the day and year first above written.

HORIZON FUNDING I, LLC

By: /s/ Daniel Devorsetz
Name: Daniel Devorsetz
Title: Manager

IN WITNESS WHEREOF, the Issuer and the Trustee have caused their names to be signed hereto by their respective officers thereunto duly authorized, all as of the day and year first above written

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION,
not in its individual capacity, except as expressly set forth herein, but solely as the Trustee

By: /s/ Eric Ott
Name: Eric Ott
Title: Vice President

Horizon Technology Finance Strengthens Capital Resources and Increases Capacity of Credit Facility to $250 Million

Farmington, Connecticut – **May 24, 2023** – Horizon Technology Finance Corporation (NASDAQ: HRZN) ("Horizon" or the "Company"), a leading specialty finance company that provides capital in the form of secured loans to venture capital backed companies in the technology, life science, healthcare information and services, and sustainability industries, today announced that Horizon Secured Loan Fund I LLC, Horizon's wholly-owned subsidiary ("HSLF"), has amended its senior secured debt facility with a large U.S. based insurance company. Under the amended agreement, the commitment to HSLF has increased by $50 million, allowing HSLF to issue up to $250 million of secured notes, of which HSLF currently has outstanding $177 million.

The amendment to the credit facility also extends the investment period to June 2024. In addition, the amendment, among other things, changes the pricing structure for future borrowings to the three-year I-curve rate plus 3.50%. The facility is collateralized by the assets of HSLF, which consist of cash and debt investments.

"We are pleased to further expand our borrowing capacity, which increases our ability to provide quality companies with venture debt solutions and allows us to thoughtfully grow our venture debt portfolio," said Daniel R. Trolio, Executive Vice President and Chief Financial Officer of Horizon. "The continued support of our lenders is a testament to our discipline with respect to underwriting and our focused efforts to strengthen our balance sheet. We believe Horizon remains well-positioned to deliver additional value to its shareholders."

About Horizon Technology Finance

Horizon Technology Finance Corporation (NASDAQ: HRZN) is a leading specialty finance company that provides capital in the form of secured loans to venture capital backed companies in the technology, life science, healthcare information and services, and sustainability industries. The investment objective of HRZN is to maximize its investment portfolio's return by generating current income from the debt investments it makes and capital appreciation from the warrants it receives when making such debt investments. Horizon Technology Finance Management LLC is headquartered in Farmington, Connecticut, with a regional office in Pleasanton, California, and investment professionals located in Portland, Maine, Austin, Texas, and Reston, Virginia. To learn more, please visit www.horizontechfinance.com.

Forward-Looking Statements
Statements included herein may constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Statements other than statements of historical facts included in this press release may constitute forward-looking statements and are not guarantees of future performance, condition or results and involve a number of risks and uncertainties. Actual results may differ materially from those in the forward-looking statements as a result of a number of factors, including those described from time to time in the Company's filings with the Securities and Exchange Commission. Horizon undertakes no duty to update any forward-looking statement made herein. All forward-looking statements speak only as of the date of this press release.

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