

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): March 30, 2021

HORIZON TECHNOLOGY FINANCE
CORPORATION

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

814-00802
(Commission File Number)

27-2114934
(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
6.25% Notes due 2022	HTFA	The New York Stock Exchange

Item 1.01. Entry into a Material Definitive Agreement.

On March 30, 2021, in connection with a previously announced public offering, Horizon Technology Finance Corporation (the “Company”) and U.S. Bank National Association, as trustee (the “Trustee”), entered into a Third Supplemental Indenture (the “Third Supplemental Indenture”) to the Indenture, dated March 23, 2012, between the Company and the Trustee (together with the Third Supplemental Indenture, the “Indenture”). The Third Supplemental Indenture relates to the Company’s issuance, offer and sale of \$57.5 million in aggregate principal amount of its 4.875% Notes due 2026 (the “Notes”).

The Notes will mature on March 30, 2026, unless previously redeemed or repurchased in accordance with their terms. The interest rate of the Notes is 4.875% per year and will be paid quarterly in arrears on March 30, June 30, September 30 and December 30 of each year, commencing June 30, 2021. The Notes are the Company’s direct unsecured obligations and rank pari passu with the Company’s existing and future unsecured, unsubordinated indebtedness, including the Company’s 6.25% Notes due 2022 (the “2022 Notes”); senior to any series of preferred stock that the Company may issue in the future; senior to any of the Company’s future indebtedness that expressly provides it is subordinated to the Notes; effectively subordinated to all of the Company’s existing and future secured indebtedness (including indebtedness that is initially unsecured to which the Company subsequently grants security), to the extent of the value of the assets securing such indebtedness, including, without limitation, borrowings under the Company’s revolving credit facility with KeyBank National Association (the “Key Facility”), the Company’s secured credit facility with New York Life Insurance Company (the “NYL Facility,” together with the Key Facility, the “Credit Facilities”), and the 2019-1 Securitization; and structurally subordinated to all existing and future indebtedness and other obligations of any of the Company’s existing or future subsidiaries.

The Notes may be redeemed in whole or in part at any time or from time to time at the Company's option on or after March 30, 2023, upon not less than 30 days nor more than 60 days written notice by mail prior to the date fixed for redemption thereof, at a redemption price of \$25 per Note plus accrued and unpaid interest payments otherwise payable for the then-current quarterly interest period accrued to the date fixed for redemption.

The Indenture contains certain covenants, including covenants requiring the Company to comply with Section 18(a)(1)(A) as modified by Section 61(a)(2) of the Investment Company Act of 1940, as amended (the “1940 Act”), or any successor provisions, to comply with Section 18(a)(1)(B) as modified by Section 61(a)(2) of the 1940 Act, or any successor provisions, whether or not the Company continues to be subject to such provisions of the 1940 Act, but giving effect, in either case, to any exemptive relief granted to the Company by the Securities and Exchange Commission (the “SEC”) and certain other exceptions, and to provide financial information to the holders of the Notes and the Trustee if the Company should no longer be subject to the reporting requirements under the Securities Exchange Act of 1934, as amended. These covenants are subject to important limitations and exceptions that are set forth in the Indenture.

The Notes were offered and sold in an offering registered under the Securities Act of 1933, as amended, pursuant to the Company’s registration statement on Form N-2 (Registration No. 333-225698) previously filed with the SEC, as supplemented by a preliminary prospectus supplement dated March 23, 2021 and a final prospectus supplement dated March 23, 2021. This Current Report on Form 8-K shall not constitute an offer to sell or a solicitation of an offer to buy any securities, nor shall there be any sale of these securities in any state or jurisdiction in which such an offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or other jurisdiction. The transaction closed on March 30, 2021.

The Company intends to use the net proceeds of this offering to redeem the outstanding 2022 Notes and for the general corporate purposes of the Company and its subsidiaries. Pending such use, the Company may use the net proceeds to invest the net proceeds of this offering to temporarily repay borrowings under the Credit Facilities or may invest the net proceeds primarily in cash, cash equivalents, U.S. Government securities and high-quality debt investments that mature in one year or less from the date of investment.

The foregoing descriptions of the Third Supplemental Indenture and the Notes do not purport to be complete and are qualified in their entirety by reference to the full text of the Third Supplemental Indenture and the form of global note representing the Notes, respectively, each filed or incorporated by reference as exhibits hereto and incorporated by reference herein.

Item 2.03. Creation of a Direct Financial Obligation or an Obligation Under an Off-Balance Sheet Arrangement of a Registrant

The information set forth under Item 1.01 of this Form 8-K is incorporated herein by reference.

Item 8.01. Other Events.

On March 25, 2021, Company notified the Trustee for the Company's 6.25% Senior Notes due 2022 (the "2022 Notes"), of the Company's election to redeem the \$37,375,000 aggregate principal amount of the 2022 Notes outstanding, and instructed the Trustee to provide notice of such redemption to the holders of the 2022 Notes in accordance with the terms of the indenture governing the 2022 Notes. The Company expects the redemption to be completed on April 24, 2021. Following the redemption, none of the 2022 Notes will remain outstanding, and they will be delisted from the New York Stock Exchange. This Current Report on Form 8-K does not constitute a notice of redemption of the 2022 Notes.

Item 9.01. Financial Statements and Exhibits

(d) Exhibits.

Number	Exhibit
4.1	Indenture, dated as of March 23, 2012, between the Registrant and U.S. Bank National Association (Incorporated by reference to Exhibit (d)(7) of the Company's Post-Effective Amendment No. 2 to the Registration Statement on Form N-2, File No. 333-178516, filed on March 23, 2012).
4.2	Third Supplemental Indenture, dated as of March 30, 2021 between the Registrant and U.S. Bank National Association (incorporated by reference to Exhibit 4.2 of the Company's Current Report on Form 8-K filed on March 30, 2021).
4.3	Form of Global Note (included in Exhibit 4.2).
5.1	Opinion of Dechert LLP.
23.1	Consent of Dechert LLP (included in Exhibit 5.1 hereto).

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: March 30, 2021

HORIZON TECHNOLOGY FINANCE CORPORATION

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

THIRD SUPPLEMENTAL INDENTURE

between

HORIZON TECHNOLOGY FINANCE CORPORATION

and

U.S. BANK NATIONAL ASSOCIATION,

as Trustee

Dated as of March 30, 2021

THIRD SUPPLEMENTAL INDENTURE

THIS THIRD SUPPLEMENTAL INDENTURE (this "Third Supplemental Indenture"), dated as of March 30, 2021, is between Horizon Technology Finance Corporation, a Delaware corporation (the "Company"), and U.S. Bank National Association, as trustee (the "Trustee"). All capitalized terms used herein shall have the meaning set forth in the Base Indenture (as defined below).

RECITALS OF THE COMPANY

The Company and the Trustee executed and delivered an Indenture, dated as of March 23, 2012 (the "Base Indenture" and, as supplemented by this Third Supplemental Indenture, the "Indenture"), to provide for the issuance by the Company from time to time of the Company's unsecured debentures, notes or other evidences of indebtedness (the "Securities"), to be issued in one or more series as provided in the Base Indenture.

The Company previously entered into the First Supplemental Indenture, dated as of March 23, 2012 (the "First Supplemental Indenture"), and the Second Supplemental Indenture, dated as of September 29, 2017 (the "Second Supplemental Indenture"), which each amended and supplemented the Base Indenture. Neither the First Supplemental Indenture nor the Second Supplemental Indenture is applicable to the 2026 Notes (as defined below).

The Company desires to initially issue and sell up to \$57,500,000 aggregate principal amount (including up to \$7,500,000 aggregate principal amount pursuant to an underwriters' overallotment option) of the Company's 4.875% Notes due 2026 (the "2026 Notes").

Sections 9.01(iv) and 9.01(vi) of the Base Indenture provide that, without the consent of Holders of the Securities of any series issued under the Indenture, the Company, when authorized by or pursuant to a Board Resolution, and the Trustee, at any time and from time to time, may enter into one or more indentures supplemental to the Base Indenture to (i) change or eliminate any of the provisions of the Indenture when there is no Security Outstanding of any series created prior to the execution of a supplemental indenture that is entitled to the benefit of such provision and (ii) establish the form or terms of Securities of any series as permitted by Section 2.01 and Section 3.01 of the Base Indenture.

The Company desires to establish the form and terms of the 2026 Notes and to modify, alter, supplement and change certain provisions of the Base Indenture for the benefit of the Holders of the 2026 Notes (except as may be provided in a future supplemental indenture to the Indenture ("Future Supplemental Indenture").

The Company has duly authorized the execution and delivery of this Third Supplemental Indenture to provide for the issuance of the 2026 Notes and all acts and things necessary to make this Third Supplemental Indenture a valid, binding, and legal obligation of the Company and to constitute a valid agreement of the Company, in accordance with its terms, have been done and performed.

NOW, THEREFORE, THIS INDENTURE WITNESSETH:

For and in consideration of the premises and the purchase of the 2026 Notes by the Holders thereof, it is mutually agreed, for the equal and proportionate benefit of all Holders of the 2026 Notes, as follows:

**ARTICLE I
TERMS OF THE 2026 NOTES**

Section 1.01. Terms of the 2026 Notes. The following terms relating to the 2026 Notes are hereby established:

(a) The 2026 Notes shall constitute a series of Securities having the title “4.875% Notes due 2026” and shall be designated as “Senior Securities” under the Indenture. The 2026 Notes shall bear a CUSIP number of 44045A 409 and an ISIN number of US44045A4094.

(b) The aggregate principal amount of the 2026 Notes that may be initially authenticated and delivered under the Indenture (except for 2026 Notes authenticated and delivered upon registration of, transfer of, or in exchange for, or in lieu of, other 2026 Notes pursuant to Sections 3.04, 3.05, 3.06, 9.06 or 11.07 of the Base Indenture) shall be \$57,500,000 (including up to \$7,500,000 aggregate principal amount pursuant to an underwriters’ over-allotment option). Under a Board Resolution, Officers’ Certificate pursuant to Board Resolutions or a Future Supplemental Indenture, the Company may from time to time, without the consent of the Holders of 2026 Notes, issue additional 2026 Notes (in any such case, “Additional Notes”) having the same ranking and the same interest rate, maturity and other terms as the 2026 Notes initially issued. Any Additional Notes and the existing 2026 Notes shall constitute a single series under the Indenture, and all references to the relevant 2026 Notes herein shall include the Additional Notes unless the context otherwise requires.

(c) The entire outstanding principal of the 2026 Notes shall be payable on March 30, 2026 unless earlier redeemed or repurchased in accordance with the provisions of the Indenture.

(d) The rate at which the 2026 Notes shall bear interest shall be 4.875% per annum. The date from which interest shall accrue on the 2026 Notes shall be March 30, 2021, or the most recent Interest Payment Date to which interest has been paid or provided for; the Interest Payment Dates for the 2026 Notes shall be March 30, June 30, September 30 and December 30 of each year, commencing June 30, 2021 (*provided that*, if an Interest Payment Date falls on a day that is not a Business Day, then the applicable interest payment shall be made on the next succeeding Business Day, and no additional interest shall accrue as a result of such delayed payment); the initial interest period shall be the period from and including March 30, 2021 (or the most recent Interest Payment Date to which interest has been paid or provided for), to, but excluding, the initial Interest Payment Date, and the subsequent interest periods shall be the periods from and including an Interest Payment Date to, but excluding, the next Interest Payment Date or the Stated Maturity, as the case may be; the interest so payable, and punctually paid or duly provided for, on any Interest Payment Date, shall be paid to the Person in whose name the 2026 Note (or one or more predecessor 2026 Notes) is registered at the close of business on the Regular Record Date for such interest, which shall be March 15, June 15, September 15 or December 15 (whether or not a Business Day), as the case may be, next preceding such Interest Payment Date. Payment of principal of (and premium, if any) and any such interest on the 2026 Notes shall be made at the Corporate Trust Office of the Trustee in Hartford, Connecticut in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts; *provided, however*, that, at the option of the Company payment of interest may be made by check mailed to the address of the Person entitled thereto as such address shall appear in the Security Register. Interest on the 2026 Notes shall be computed on the basis of a 360-day year of twelve 30-day months.

(e) The 2026 Notes shall be initially issuable in global form (each such 2026 Note, a “Global Note”). The Global Notes and the Trustee’s certificate of authentication thereon shall be substantially in the form of Exhibit A to this Third Supplemental Indenture. Each Global Note shall represent the outstanding 2026 Notes as shall be specified therein and each shall provide that it shall represent the aggregate amount of outstanding 2026 Notes from time to time endorsed thereon and that the aggregate amount of outstanding 2026 Notes represented thereby may from time to time be reduced or increased, as appropriate, to reflect exchanges and redemptions. Any endorsement of a Global Note to reflect the amount of any increase or decrease in the amount of outstanding 2026 Notes represented thereby shall be made by the Trustee or the Security Registrar, in accordance with Sections 2.03 and 3.05 of the Base Indenture.

(f) The depositary for such Global Notes (the “Depositary”) shall be The Depositary Trust Company, New York, New York. The Security Registrar with respect to the Global Notes shall be the Trustee.

(g) The 2026 Notes shall be defeasible pursuant to Section 14.02 or Section 14.03 of the Base Indenture. Covenant defeasance contained in Section 14.03 of the Base Indenture shall apply to the covenants contained in Sections 10.06, 10.08, 10.09 and 10.10 of the Indenture.

(h) The 2026 Notes shall be redeemable pursuant to Section 11.01 of the Base Indenture and as follows:

(i) The 2026 Notes shall be redeemable in whole or in part at any time or from time to time, at the option of the Company, on or after March 30, 2023, at a redemption price of \$25 per 2026 Note plus accrued and unpaid interest payments otherwise payable for the then-current quarterly interest period accrued to, but excluding, the date fixed for redemption.

(ii) Notice of redemption shall be given in writing and mailed, first-class postage prepaid or by overnight courier guaranteeing next-day delivery, to each Holder of the 2026 Notes to be redeemed, not less than thirty (30) nor more than sixty (60) days prior to the Redemption Date, at the Holder’s address appearing in the Security Register. All notices of redemption shall contain the information set forth in Section 11.04 of the Base Indenture.

(iii) Any exercise of the Company’s option to redeem the 2026 Notes shall be done in compliance with the Investment Company Act.

(iv) If the Company elects to redeem only a portion of the 2026 Notes, the Trustee shall determine the method for selecting the particular 2026 Notes to be redeemed, in accordance with Section 11.03 of the Base Indenture and the Investment Company Act.

(v) Unless the Company defaults in payment of the Redemption Price, on and after the Redemption Date, interest shall cease to accrue on the 2026 Notes called for redemption hereunder.

(i) The 2026 Notes shall not be subject to any sinking fund pursuant to Section 12.01 of the Base Indenture.

(j) The 2026 Notes shall be issuable in denominations of \$25 and integral multiples of \$25 in excess thereof.

(k) Holders of the 2026 Notes shall not have the option to have the 2026 Notes repaid prior to the Stated Maturity.

ARTICLE II

DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 2.01. Except as may be provided in a Future Supplemental Indenture, for the benefit of the Holders of the 2026 Notes but no other series of Securities under the Base Indenture, whether now or hereafter issued and Outstanding, Article One of the Base Indenture shall be amended by adding or amending and restating, as applicable, the following defined terms to Section 1.01 thereof in appropriate alphabetical sequence, as follows:

“Affiliate” of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For the purposes of this definition, “control” when used with respect to any specified Person means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms “controlling” and “controlled” have meanings correlative to the foregoing.”

“Business Day’, when used with respect to any Place of Payment or any other particular location referred to in this Indenture or in the Securities, means, each Monday, Tuesday, Wednesday, Thursday and Friday that is not a day on which banking institutions in New York City and Chicago are authorized or obligated by law or executive order to close.”

“Code’ means the Internal Revenue Code of 1986, as amended.”

“Corporate Trust Office” means the office of the Trustee at which, at any particular time, its corporate trust business shall be principally administered, which office at the date hereof is located at 185 Asylum Street, 27th Floor Hartford, CT 06103; Attn: Horizon Technology Finance Corporation; provided that for purposes of presentment or surrender of securities for transfer or payment or exchange, such office is located at 60 Livingston Avenue, 1st Floor, St. Paul, MN 55107, Attn: Bondholder Services, or such other address as the Trustee may designate from time to time by notice to the Holders and the Issuer, or the principal corporate trust office of any successor Trustee (or such other address as such successor Trustee may designate from time to time by notice to the Holders and the Company).

“Exchange Act’ means the Securities Exchange Act of 1934, as amended, and any statute successor thereto.”

“FATCA’ means sections 1471 through 1474 of the Code (or any amended or successor version) and any current or future regulations or official interpretations thereof.”

“FATCA Withholding Tax’ means any withholding or deduction pursuant to an agreement described in Section 1471(b) of the Code or otherwise imposed pursuant to FATCA.”

“GAAP’ means generally accepted accounting principles in the United States set forth in the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants, the opinions and pronouncements of the Public Company Accounting Oversight Board and the statements and pronouncements of the Financial Accounting Standards Board or in such other statements by such other entity as have been approved by a significant segment of the accounting profession in the United States, which are in effect from time to time.”

“Investment Company Act’ means the Investment Company Act of 1940, as amended, and the rules, regulations and interpretations promulgated thereunder, to the extent applicable, and any statute successor thereto.”

“Noteholder FATCA Information’ means, with respect to any Holder of a 2026 Note or Holder of an interest in a 2026 Note, information sufficient to eliminate the imposition of, or determine the amount of, U.S. withholding tax under FATCA.”

“Noteholder Tax Identification Information’ means properly completed and signed tax certifications (generally, in the case of U.S. federal income tax, IRS Form W-9 (or applicable successor form) in the case of a person that is a “United States Person” within the meaning of Section 7701(a)(30) of the Code or the appropriate IRS Form W-8 (or applicable successor form) in the case of a person that is not a “United States Person” within the meaning of Section 7701(a)(30) of the Code).”

“Significant Subsidiary’ means any direct or indirect Subsidiary of the Company that would be a “significant subsidiary” as defined in Article 1, Rule 1-02 of Regulation S-X under the Exchange Act.”

ARTICLE III THE SECURITIES

Section 3.01. Except as may be provided in a Future Supplemental Indenture, for the benefit of the Holders of the 2026 Notes but no other series of Securities under the Base Indenture, whether now or hereafter issued and Outstanding, the first paragraph of Section 3.03 of the Base Indenture shall be amended and restated in with respect to the 2026 Notes as follows:

“The Securities shall be executed on behalf of the Company by the Chairman of the Board, the Chief Executive Officer, the Chief Financial Officer or its President, and attested by its Secretary. The signature of any of these officers on the Securities may be manual or facsimile, .pdf attachment or other electronically transmitted signature (with an original manual signature to be sent to the Trustee via overnight mail immediately thereafter) of the present or any future such authorized officer and may be imprinted or otherwise reproduced on the Securities.”

Section 3.02. Except as may be provided in a Future Supplemental Indenture, for the benefit of the Holders of the 2026 Notes but no other series of Securities under the Base Indenture, whether now or hereafter issued and Outstanding, the first sentence of the second paragraph of Section 3.03 of the Base Indenture shall be amended with respect to the 2026 Notes by adding, after the word “facsimile” and before the word “signatures”, the following:

“,.pdf attachment or other electronically transmitted”

Section 3.03. Except as may be provided in a Future Supplemental Indenture, for the benefit of the Holders of the 2026 Notes but no other series of Securities under the Base Indenture, whether now or hereafter issued and Outstanding, Article Three of the Base Indenture shall be amended with respect to the 2026 Notes by adding the following Section 3.15:

“Section 3.15. FATCA Withholding. Each Holder of a 2026 Note or Holder of an interest in a 2026 Note shall provide to the Trustee, any Paying Agent or the Company, upon its request, the Noteholder Tax Identification Information and, to the extent FATCA Withholding Tax is applicable, the Noteholder FATCA Information. The Trustee has the right to withhold any amounts of interest (properly withholdable under law and without any corresponding gross-up) payable to a Holder of a 2026 Note or a Holder of an interest in a 2026 Note that fails to comply with the requirements of the preceding sentence.”

ARTICLE IV SATISFACTION AND DISCHARGE

Section 4.01. Except as may be provided in a Future Supplemental Indenture, for the benefit of the Holders of the 2026 Notes but no other series of Securities under the Base Indenture, whether now or hereafter issued and Outstanding, Section 4.01 of the Base Indenture shall be amended by replacing clause (b) thereof with the following:

“(b) the Company has irrevocably paid or caused to be irrevocably paid all other sums payable hereunder by the Company, including sums payable to the Trustee; and.”

ARTICLE V REMEDIES

Section 5.01. Except as may be provided in a Future Supplemental Indenture, for the benefit of the Holders of the 2026 Notes but no other series of Securities under the Base Indenture, whether now or hereafter issued and Outstanding, Section 5.01 of the Base Indenture shall be amended by replacing clause (ii) thereof with the following:

“(ii) default in the payment of the principal of (or premium, if any) any Note when it becomes due and payable at its Maturity; or”

Section 5.02. Except as may be provided in a Future Supplemental Indenture, for the benefit of the Holders of the 2026 Notes but no other series of Securities under the Base Indenture, whether now or hereafter issued and Outstanding, Section 5.01 of the Base Indenture shall be amended by replacing clauses (v) and (vi) thereof with the following:

“(v) the Company or any of its Significant Subsidiaries or any group of Subsidiaries of the Company that, taken together, would constitute a Significant Subsidiary, pursuant to or within the meaning of the Bankruptcy Law:

- (1) commences a voluntary case or proceeding under any Bankruptcy Law,
- (2) consents to the commencement of any bankruptcy or insolvency case or proceeding against it, or files a petition or answer or consent seeking reorganization or relief against it,
- (3) consents to the entry of a decree or order for relief against it in an involuntary case or proceeding,
- (4) consents to the filing of such petition or to the appointment of or taking possession by a Custodian of it or for all or substantially all of its property, or
- (5) makes an assignment for the benefit of creditors, or admits in writing of its inability to pay its debts generally as they become due or takes any corporate action in furtherance of any such action; or

(vi) a court of competent jurisdiction enters an order or decree under any Bankruptcy Law that:

- (1) is for relief against the Company or any of its Significant Subsidiaries or any group of Subsidiaries of the Company that, taken together, would constitute a Significant Subsidiary in an involuntary case,
- (2) adjudges the Company or any of its Significant Subsidiaries or any group of Subsidiaries of the Company that, taken together, would constitute a Significant Subsidiary bankrupt or insolvent, or approves as properly filed a petition seeking reorganization, arrangement, adjustment or composition of or in respect of the Company, any of its Significant Subsidiaries or any group of Subsidiaries of the Company that, taken together, would constitute a Significant Subsidiary,
- (3) appoints a Custodian of the Company or any of its Significant Subsidiaries or any group of Subsidiaries of the Company that, taken together, would constitute a Significant Subsidiary or for all or substantially all of the property of the Company or any of its Significant Subsidiaries or any group of Subsidiaries of the Company that, taken together, would constitute a Significant Subsidiary, or
- (4) orders the winding up or liquidation of the Company or any of its Significant Subsidiaries or any group of Subsidiaries of the Company that, taken together, would constitute a Significant Subsidiary,

and the continuance of any such decree or order for relief or any such other decree or order remains unstayed and in effect for a period of 60 calendar days; or”

Section 5.03. Except as may be provided in a Future Supplemental Indenture, for the benefit of the Holders of the 2026 Notes but no other series of Securities under the Base Indenture, whether now or hereafter issued and Outstanding, Section 5.01 of the Base Indenture shall be amended by adding the following clauses (ix) and (x):

“(ix) acceleration of the Company’s or any of its Subsidiaries’ indebtedness for money borrowed in aggregate principal amount of \$10 million or more so that it becomes due and payable, if such acceleration is not rescinded within 30 days after notice to the Company by the Trustee or to the Company by holders of at least 25% of the principal amount of the 2026 Notes then outstanding; or

(x) failure by the Company or any of its Subsidiaries, within 30 days, to pay, bond or otherwise discharge any final, non-appealable judgments or orders for the payment of money the total uninsured amount of which for the Company or any of its Subsidiaries exceeds \$10 million, which are not stayed on appeal.”

Section 5.04. Except as may be provided in a Future Supplemental Indenture, for the benefit of the Holders of the 2026 Notes but no other series of Securities under the Base Indenture, whether now or hereafter issued and Outstanding, Section 5.02 of the Base Indenture shall be amended by replacing the first paragraph thereof with the following:

“If an Event of Default (other than an Event of Default under Section 5.01(v) or Section 5.01(vi), unless such default under Section 5.01(v) or Section 5.01(vi) relates solely to a Significant Subsidiary or any group of Subsidiaries of the Company that, taken together, would constitute a Significant Subsidiary) with respect to the 2026 Notes at the time Outstanding occurs and is continuing, then and in every such case the Trustee or the Holders of not less than 25% in principal amount of the Outstanding 2026 Notes may (and the Trustee shall at the request of such Holders) declare the principal of all the 2026 Notes to be due and payable immediately, by a notice in writing to the Company (and to the Trustee if given by the Holders), and upon any such declaration such principal or specified portion thereof shall become immediately due and payable. If an Event of Default under Section 5.01(v) or Section 5.01(vi) occurs with respect to the Company and not solely with respect to a Significant Subsidiary or any group of Subsidiaries of the Company that, taken together, would constitute a Significant Subsidiary, the entire principal amount of all the 2026 Notes shall automatically become due and immediately payable.”

ARTICLE VI COVENANTS

Section 6.01. Except as may be provided in a Future Supplemental Indenture, for the benefit of the Holders of the 2026 Notes but no other series of Securities under the Base Indenture, whether now or hereafter issued and Outstanding, Article Ten of the Base Indenture shall be amended by adding the following new Sections 10.08, 10.09 and 10.10 thereto, each as set forth below:

“Section 10.08 Section 18(a)(1)(A) of the Investment Company Act.

The Company hereby agrees that for the period of time during which 2026 Notes are Outstanding, the Company will not violate, whether or not it is subject to, Section 18(a)(1)(A) as modified by Section 61(a)(1) of the Investment Company Act or any successor provisions thereto of the Investment Company Act.”

“Section 10.09 Section 18(a)(1)(B) of the Investment Company Act.

The Company hereby agrees that for the period of time during which 2026 Notes are Outstanding, the Company will not violate Section 18(a)(1)(B) as modified by Section 61(a)(2) and the definitional provisions of the Investment Company Act or any successor provisions thereto of the Investment Company Act, whether or not the Company is subject to such provisions of the Investment Company Act, and after giving effect to any exemptive relief granted to the Company by the Commission, except that the Company may declare a cash dividend or distribution, notwithstanding the prohibition contained in Section 18(a)(1)(B) as modified by Section 61(a)(2) and the definitional provisions of the Investment Company Act, but only up to such amount as is necessary in order for the Company to maintain its status as a regulated investment company under Subchapter M of the Internal Revenue Code of 1986; provided, however, that the prohibition in this Section 10.09 shall not apply until such time as the Company’s asset coverage has been below the minimum asset coverage required pursuant to Section 18(a)(1)(B) as modified by Section 61(a)(2) and the definitional provisions of the Investment Company Act or any successor provisions thereto of the Investment Company Act (after giving effect to any exemptive relief granted to the Company by the Commission) for more than six (6) consecutive months.”

“Section 10.10 Commission Reports and Reports to Holders.

If, at any time, the Company is not subject to the reporting requirements of Sections 13 or 15(d) of the Exchange Act to file any periodic reports with the Securities and Exchange Commission, the Company agrees to furnish to the Holders of 2026 Notes and the Trustee for the period of time during which the 2026 Notes are Outstanding: (i) within 90 days after the end of the each fiscal year of the Company, audited annual consolidated financial statements of the Company and (ii) within 45 days after the end of each fiscal quarter of the Company (other than the Company’s fourth fiscal quarter), unaudited interim consolidated financial statements of the Company. All such financial statements shall be prepared, in all material respects, in accordance with GAAP.”

**ARTICLE VII
DEFEASANCE**

Section 7.01. Except as may be provided in a Future Supplemental Indenture, for the benefit of the Holders of the 2026 Notes but no other series of Securities under the Base Indenture, whether now or hereafter issued and Outstanding, Section 14.04 of the Base Indenture shall be amended by adding the following clause (ix):

“(ix) In the case of an election under Section 14.02, in addition to the amounts deposited for the benefit of the Holders pursuant to clause (i) of this Section 14.04, the Company shall have irrevocably deposited or caused to be irrevocably deposited with the Trustee all amounts then due to the Trustee under the Indenture.”

**ARTICLE VIII
MEETINGS OF HOLDERS OF SECURITIES**

Section 8.01 Except as may be provided in a Future Supplemental Indenture, for the benefit of the Holders of the 2026 Notes but no other series of Securities under the Base Indenture, whether now or hereafter issued and Outstanding, Section 15.05 of the Base Indenture shall be amended by replacing clause (c) thereof with the following:

“(c) At any meeting of Holders, each Holder of a 2026 Note or proxy shall be entitled to one vote for each \$25.00 principal amount of the Outstanding Securities of such series held or represented by such Holder; provided, however, that no vote shall be cast or counted at any meeting in respect of any Security challenged as not Outstanding and ruled by the chairman of the meeting to be not Outstanding. The chairman of the meeting shall have no right to vote, except as a Holder of a Security of such series or proxy.”

**ARTICLE IX
MISCELLANEOUS**

Section 9.01. This Third Supplemental Indenture and the 2026 Notes shall be governed by and construed in accordance with the laws of the State of New York, without regard to principles of conflicts of laws that would cause the application of laws of another jurisdiction. This Third Supplemental Indenture is subject to the provisions of the Trust Indenture Act, that are required to be part of the Indenture and shall, to the extent applicable, be governed by such provisions.

Section 9.02. Except as may be provided in a Future Supplemental Indenture, Article Six of the Base Indenture shall be amended by adding the following Section 6.13:

“Section 6.13 Trustee’s Cooperation.

So long as the outstanding 2026 Notes are registered in the name of Cede & Co. or its registered assigns, the Trustee shall cooperate with Cede & Co., as sole registered Owner, and its registered assigns in effecting payment of the principal of, Redemption Price and interest on the 2026 Notes by arranging for payment in such manner that funds for such payments are properly identified and are made immediately available on the date they are due. The Company acknowledges that in order for the Trustee to make funds for such payments immediately available to the Depository on the date they are due, the Company shall ensure the funds for such payments are remitted and made immediately available to the Trustee, no later than 10:00 a.m. Eastern Time on the date they are due to Cede & Co. in order for the Trustee to conform to the payment guidelines of the Depository. Funds for such payments received by the Trustee after 10:00 a.m. Eastern Time on the date they are due to Cede & Co. may not be assured of timely payment and detail payment notification to the Depository for subsequent allocation to the noteholders.”

Section 9.03. In case any provision in this Third Supplemental Indenture or in the 2026 Notes shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 9.04. This Third Supplemental Indenture may be executed in any number of counterparts, each of which shall be deemed to be an original, but all such counterparts shall together constitute but one and the same Third Supplemental Indenture. The exchange of copies of this Third Supplemental Indenture and of signature pages by facsimile, .pdf transmission, email or other electronic means shall constitute effective execution and delivery of this Third Supplemental Indenture for all purposes. Signatures of the parties hereto transmitted by facsimile, .pdf transmission, email or other electronic means shall be deemed to be their original signatures for all purposes. All notices, approvals, consents, requests and any communications hereunder must be in writing (provided that any communication sent to the Trustee hereunder must be in the form of a document that is signed manually or by way of a digital signature provided by <ADD Provider such as DocuSign > (or such other digital signature provider as specified in writing to the Trustee by the authorized representative), in English. The Company agrees to assume all risks arising out of the use of using digital signatures and electronic methods to submit communications to the Trustee, including without limitation the risk of the Trustee acting on unauthorized instructions, and the risk of interception and misuse by third parties. The Trustee shall have no liability for relying on such digital signatures or electronic methods.

Section 9.05. The Base Indenture, as supplemented and amended by this Third Supplemental Indenture, is in all respects ratified and confirmed, and the Base Indenture and this Third Supplemental Indenture shall be read, taken and construed as one and the same instrument with respect to the 2026 Notes. All provisions included in this Third Supplemental Indenture supersede any conflicting provisions included in the Base Indenture with respect to the 2026 Notes, unless not permitted by law. The Trustee accepts the trusts created by the Base Indenture, as supplemented by this Third Supplemental Indenture, and agrees to perform the same upon the terms and conditions of the Base Indenture, as supplemented by this Third Supplemental Indenture.

Section 9.06. The provisions of this Third Supplemental Indenture shall become effective as of the date hereof.

Section 9.07. Notwithstanding anything else to the contrary herein, the terms and provisions of this Third Supplemental Indenture shall apply only to the 2026 Notes and shall not apply to any other series of Securities under the Base Indenture, and this Third Supplemental Indenture shall not and does not otherwise affect, modify, alter, supplement or change the terms and provisions of any other series of Securities under the Base Indenture, whether now or hereafter issued and Outstanding.

Section 9.08. The recitals contained herein and in the 2026 Notes, except the Trustee's certificate of authentication, shall be taken as the statements of the Company, and the Trustee assumes no responsibility for their correctness. The Trustee makes no representations as to the validity or sufficiency of this Third Supplemental Indenture, the 2026 Notes or any Additional Notes, except that the Trustee represents that it is duly authorized to execute and deliver this Third Supplemental Indenture, authenticate the 2026 Notes and any Additional Notes and perform its obligations hereunder. The Trustee shall not be accountable for the use or application by the Company of the 2026 Notes or any Additional Notes or the proceeds thereof.

IN WITNESS WHEREOF, the parties hereto have caused this Third Supplemental Indenture to be duly executed as of the date first above written.

HORIZON TECHNOLOGY FINANCE CORPORATION

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

U.S. BANK NATIONAL ASSOCIATION, as Trustee

By: _____
Name:
Title:

[Signature page to Third Supplemental Indenture]

Exhibit A — Form of Global Note

This Security is a Global Note within the meaning of the Indenture hereinafter referred to and is registered in the name of The Depository Trust Company or a nominee thereof. This Security may not be exchanged in whole or in part for a Security registered, and no transfer of this Security in whole or in part may be registered, in the name of any Person other than The Depository Trust Company or a nominee thereof, except in the limited circumstances described in the Indenture.

Unless this certificate is presented by an authorized representative of The Depository Trust Company to the issuer or its agent for registration of transfer, exchange or payment and such certificate issued in exchange for this certificate is registered in the name of Cede & Co., or such other name as requested by an authorized representative of The Depository Trust Company, any transfer, pledge or other use hereof for value or otherwise by or to any person is wrongful, as the registered owner hereof, Cede & Co., has an interest herein.

Horizon Technology Finance Corporation

No.	\$
	CUSIP No. 44045A 409
	ISIN No. US44045A4094

4.875% Notes due 2026

Horizon Technology Finance Corporation, a corporation duly organized and existing under the laws of Delaware (herein called the “Company”, which term includes any successor Person under the Indenture hereinafter referred to), for value received, hereby promises to pay to Cede & Co., or registered assigns, the principal sum of _____ (U.S. \$ _____) on March 30, 2026, and to pay interest thereon from March 30, 2021 or from the most recent Interest Payment Date to which interest has been paid or duly provided for, quarterly on March 30, June 30, September 30 and December 30 in each year, commencing June 30, 2021 (*provided*, that if an Interest Payment Date falls on a day that is not a Business Day, then the applicable interest payment shall be made on the next succeeding Business Day and no additional interest shall accrue as a result of such delayed payment), at the rate of 4.875% per annum, until the principal hereof is paid or made available for payment. The interest so payable, and punctually paid or duly provided for, on any Interest Payment Date shall, as provided in such Indenture, be paid to the Person in whose name this Security is registered at the close of business on the Regular Record Date for such interest, which shall be March 15, June 15, September 15 or December 15 (whether or not a Business Day), as the case may be, next preceding such Interest Payment Date. Any such interest not so punctually paid or duly provided for shall forthwith cease to be payable to the Holder on such Regular Record Date and may either be paid to the Person in whose name this Security is registered at the close of business on a Special Record Date for the payment of such Defaulted Interest to be fixed by the Trustee, notice whereof shall be given to Holders of Securities of this series not less than 10 days prior to such Special Record Date, or be paid at any time in any other lawful manner not inconsistent with the requirements of any securities exchange on which the Securities of this series may be listed, and upon such notice as may be required by such exchange, all as more fully provided in said Indenture. This Security may be issued as part of a series.

Payment of the principal of (and premium, if any) and any such interest on this Security shall be made at the Corporate Trust Office of the Trustee in Chicago, Illinois in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts; *provided, however*, that at the option of the Company payment of interest may be made by check mailed to the address of the Person entitled thereto as such address shall appear in the Security Register.

Reference is hereby made to the further provisions of this Security set forth on the reverse hereof, which further provisions shall for all purposes have the same effect as if set forth at this place.

Unless the certificate of authentication hereon has been executed by the Trustee referred to on the reverse hereof by manual signature, this Security shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

IN WITNESS WHEREOF, the Company has caused this instrument to be duly executed.

Dated:

HORIZON TECHNOLOGY FINANCE CORPORATION

By: /s/Daniel R. Trolio

Name: Daniel R. Trolio

Title: Senior Vice President, Chief Financial Officer and Treasurer

Attest

By: /s/ John Bombara

Name: John Bombara

Title: Secretary, Horizon Technology Finance Corporation.

This is one of the Securities of the series designated therein referred to in the within-mentioned Indenture.

Dated:

U.S. BANK NATIONAL ASSOCIATION,
as Trustee

By: /s/ Alicia Pelletier

Authorized Signatory

Horizon Technology Finance Corporation

4.875% Notes due 2026

This Security is one of a duly authorized issue of Senior Securities of the Company (herein called the “Securities”), issued and to be issued in one or more series under an Indenture, dated as of March 23, 2012 (herein called the “Base Indenture”), between the Company and U.S. Bank National Association, as Trustee (herein called the “Trustee”, which term includes any successor trustee under the Base Indenture), and reference is hereby made to the Base Indenture for a statement of the respective rights, limitations of rights, duties and immunities thereunder of the Company, the Trustee, and the Holders of the Securities and of the terms upon which the Securities are, and are to be, authenticated and delivered, as supplemented by the Third Supplemental Indenture, dated as of March 30, 2021, by and between the Company and the Trustee (herein called the “Third Supplemental Indenture”, the Third Supplemental Indenture and the Base Indenture collectively are herein called the “Indenture”). In the event of any conflict between the Base Indenture and the Third Supplemental Indenture, the Third Supplemental Indenture shall govern and control.

This Security is one of the series designated on the face hereof, initially limited in aggregate principal amount to \$57,500,000. Under a Board Resolution, Officers’ Certificate pursuant to Board Resolutions or an indenture supplement, the Company may from time to time, without the consent of the Holders of Securities, issue additional Securities of this series (in any such case “Additional Securities”) having the same ranking and the same interest rate, maturity and other terms as the Securities. Any Additional Securities and the existing Securities will constitute a single series under the Indenture and all references to the relevant Securities herein shall include the Additional Securities unless the context otherwise requires. The aggregate amount of outstanding Securities represented hereby may from time to time be reduced or increased, as appropriate, to reflect exchanges and redemptions.

The Securities of this series are subject to redemption in whole or in part at any time or from time to time, at the option of the Company, on or after March 30, 2023, at a redemption price of \$25 per security plus accrued and unpaid interest payments otherwise payable for the then-current quarterly interest period accrued to, but excluding, the date fixed for redemption.

Notice of redemption shall be given in writing and mailed, first-class postage prepaid or by overnight courier guaranteeing next-day delivery, to each Holder of the Securities to be redeemed, not less than thirty (30) nor more than sixty (60) days prior to the Redemption Date, at the Holder’s address appearing in the Security Register. All notices of redemption shall contain the information set forth in Section 11.04 of the Base Indenture.

Any exercise of the Company’s option to redeem the Securities shall be done in compliance with the Investment Company Act, and the rules, regulations and interpretations promulgated thereunder, to the extent applicable.

If the Company elects to redeem only a portion of the Securities, the Trustee shall determine the method for selecting the particular Securities to be redeemed, in accordance with Section 11.03 of the Base Indenture and the Investment Company Act, and the rules and regulations promulgated thereunder, to the extent applicable. In the event of redemption of this Security in part only, a new Security or Securities of this series and of like tenor for the unredeemed portion hereof shall be issued in the name of the Holder hereof upon the cancellation hereof.

Unless the Company defaults in payment of the Redemption Price, on and after the Redemption Date, interest shall cease to accrue on the Securities called for redemption.

Holders of Securities do not have the option to have the Securities repaid prior to March 30, 2026.

The Indenture contains provisions for defeasance at any time of the entire indebtedness of this Security or certain restrictive covenants and Events of Default with respect to this Security, in each case upon compliance with certain conditions set forth in the Indenture.

If an Event of Default with respect to Securities of this series shall occur and be continuing, the principal of the Securities of this series may be declared due and payable in the manner and with the effect provided in the Indenture.

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the Company and the rights of the Holders of the Securities of each series to be affected under the Indenture at any time by the Company and the Trustee with the consent of the Holders of not less than a majority in principal amount of the Securities at the time Outstanding of each series to be affected. The Indenture also contains provisions permitting the Holders of specified percentages in principal amount of the Securities of each series at the time Outstanding, on behalf of the Holders of all Securities of such series, to waive compliance by the Company with certain provisions of the Indenture and certain past defaults under the Indenture and their consequences. Any such consent or waiver by the Holder of this Security shall be conclusive and binding upon such Holder and upon all future Holders of this Security and of any Security issued upon the registration of transfer hereof or in exchange herefor or in lieu hereof, whether or not notation of such consent or waiver is made upon this Security.

As provided in and subject to the provisions of the Indenture, the Holder of this Security shall not have the right to institute any proceeding with respect to the Indenture or for the appointment of a receiver or trustee or for any other remedy thereunder, unless such Holder shall have previously given the Trustee written notice of a continuing Event of Default, other than an Event of Default referred to in Section 5.01(v) or Section 5.01(vi) of the Indenture with respect to the Company (but including an Event of Default referred to in that section solely with respect to a Significant Subsidiary, or group of Subsidiaries that in the aggregate would constitute a Significant Subsidiary of the Company), with respect to the Securities of this series, the Holders of not less than 25% in principal amount of the Securities of this series at the time Outstanding shall have made written request to the Trustee to institute proceedings in respect of such Event of Default as Trustee and offered the Trustee reasonable indemnity against the costs, expenses and liabilities to be incurred in compliance with such request, and the Trustee shall not have received from the Holders of a majority in principal amount of Securities of this series at the time Outstanding a direction inconsistent with such request, and shall have failed to institute any such proceeding, for sixty (60) days after receipt of such notice, request and offer of indemnity. The foregoing shall not apply to any suit instituted by the Holder of this Security for the enforcement of any payment of principal hereof or any premium or interest hereon on or after the respective due dates expressed herein. If an Event of Default referred to in Section 5.01(v) or Section 5.01(vi) of the Indenture with respect to the Company (and not solely with respect to a Significant Subsidiary, or group of Subsidiaries that in the aggregate would constitute a Significant Subsidiary of the Company) has occurred, the entire principal amount of all the Securities of this series shall automatically become due and immediately payable.

No reference herein to the Indenture and no provision of this Security or of the Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of and any premium and interest on this Security at the times, place and rate, and in the coin or currency, herein prescribed.

As provided in the Indenture and subject to certain limitations therein set forth, the transfer of this Security is registrable in the Security Register, upon surrender of this Security for registration of transfer at the office or agency of the Company in any place where the principal of and any premium and interest on this Security are payable, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Company and the Security Registrar duly executed by, the Holder hereof or his attorney duly authorized in writing, and thereupon one or more new Securities of this series and of like tenor, of authorized denominations and for the same aggregate principal amount, will be issued to the designated transferee or transferees.

The Securities of this series are issuable only in registered form without coupons in denominations of \$25 and any integral multiples of \$25 in excess thereof. As provided in the Indenture and subject to certain limitations therein set forth, Securities of this series are exchangeable for a like aggregate principal amount of Securities of this series and of like tenor of a different authorized denomination, as requested by the Holder surrendering the same.

No service charge shall be made for any such registration of transfer or exchange, but the Company or Trustee may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

Prior to due presentment of this Security for registration of transfer, the Company, the Trustee and any agent of the Company or the Trustee may treat the Person in whose name this Security is registered as the owner hereof for all purposes, whether or not this Security be overdue, and neither the Company, the Trustee nor any such agent shall be affected by notice to the contrary.

All terms used in this Security which are defined in the Indenture shall have the meanings assigned to them in the Indenture.

The Indenture and this Security shall be governed by and construed in accordance with the laws of the State of New York, without regard to principles of conflicts of laws.



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Boston, MA 02110-2605
+1 617 728 7100 Main
+1 617 426 6567 Fax
www.dechert.com

March 30, 2021

Horizon Technology Finance Corporation
312 Farmington Avenue
Farmington, Connecticut 06032

Re: Registration Statement on Form N-2

Ladies and Gentlemen:

We have acted as counsel to Horizon Technology Finance Corporation, a Delaware corporation (the "Company"), in connection with the preparation and filing of a registration statement on Form N-2 (File No. 333-225698) as originally filed with the U.S. Securities and Exchange Commission (the "Commission") previously declared effective by the Commission on July 11, 2019 (the "Prospectus"), relating to the public offering of securities of the Company that may be offered by the Company from time to time as set forth in the prospectus dated June 18, 2018, which forms a part of the Registration Statement at the time it becomes effective, and as may be set forth from time to time in amounts, at prices, and on terms to be set forth in one or more supplements to the Prospectus. This opinion letter is rendered in connection with the issuance and sale by the Company of \$50,000,000 in aggregate principal amount of the Company's 4.875% Notes due 2026 (the "Notes"), as described in the prospectus supplement dated March 24, 2021 (the "Prospectus Supplement"), filed with the Commission pursuant to Rule 424 under the Securities Act. All of the Notes are to be sold by the Company as described in the Registration Statement and related Prospectus and Prospectus Supplement. This opinion letter is being furnished to the Company in accordance with the requirements of Item 25 of Form N-2 under the Investment Company Act of 1940, as amended, and no opinion is expressed herein as to any matter other than as to the legality of the Indenture (as defined below) and the Notes.

The Notes have been issued pursuant to the indenture dated as of March 23, 2012 (the "Base Indenture"), between the Company and U.S. Bank National Association, as trustee (the "Trustee"), as supplemented by the third supplemental indenture, dated as of March 30, 2021 (together with the Base Indenture, the "Indenture"), between the Company and the Trustee.

In rendering the opinions expressed below, we have examined and relied on originals or copies, certified or otherwise identified to our satisfaction, of such documents, corporate records and other instruments and such agreements, certificates and receipts of public officials, certificates of officers or other representatives of the Company and others, and such other documents as we have deemed necessary or appropriate as a basis for rendering this opinion, including the following documents:

- (i) the Registration Statement;
- (ii) the Underwriting Agreement;
- (iii) the Indenture;
- (iv) a specimen copy of the form of the Notes to be issued pursuant to the Indenture;
- (v) the Amended and Restated Certificate of Incorporation of the Company;
- (vi) the Amended and Restated Bylaws of the Company;
- (vii) a certificate of good standing with respect to the Company issued by the Secretary of State of the State of Delaware as of a recent date;
and
- (viii) resolutions of the board of directors of the Company relating to, among other things, the authorization and issuance of the Notes.

As to the facts upon which this opinion is based, we have relied, to the extent we deem proper, upon certificates of public officials and certificates and written statements of officers, directors, employees and representatives of the Company.

In our examination, we have assumed the genuineness of all signatures, the authenticity of all documents submitted to us as original documents and the conformity to original documents of all documents submitted to us as copies. In addition, we have assumed (i) the legal capacity of natural persons and (ii) the legal power and authority of all persons signing on behalf of the parties to all documents (other than the Company).

On the basis of the foregoing and subject to the assumptions and qualifications set forth in this letter, we are of the opinion that:

1. The Indenture has been duly authorized, executed and delivered by the Company and constitutes the valid and legally binding obligation of the Company, enforceable against the Company in accordance with its terms.

2. Assuming the Notes have been duly authenticated by the Trustee in accordance with the terms of the Indenture, the Notes constitute valid and legally binding obligations of the Company, enforceable against the Company in accordance with their terms.

The opinions set forth herein are subject to the following assumptions and qualifications being true and correct at or before the issuance of the Notes:

- (i) the Indenture and the Notes have been duly authorized, executed and delivered by each party thereto (other than the Company); and
- (ii) the terms of the Notes as established comply with the applicable requirements of the Investment Company Act.

The opinions set forth herein as to enforceability of obligations of the Company are subject to: (i) bankruptcy, insolvency, reorganization, fraudulent conveyance, moratorium or similar laws now or hereinafter in effect affecting the enforcement of creditors' rights generally, and by general principles of equity (regardless of whether enforcement is sought in a proceeding in equity or at law) and the discretion of the court or other body before which any proceeding may be brought; (ii) the unenforceability under certain circumstances under law or court decisions of provisions providing for the indemnification of, or contribution to, a party with respect to a liability where such indemnification or contribution is contrary to public policy; and (iii) an implied covenant of good faith and fair dealing.

We express no opinion as to the validity, legally binding effect or enforceability of any provision in any agreement or instrument that (i) requires or relates to payment of any interest at a rate or in an amount which a court may determine in the circumstances under applicable law to be commercially unreasonable or a penalty or forfeiture or (ii) relates to governing law and submission by the parties to the jurisdiction of one or more particular courts.

The opinions expressed herein are limited to the federal laws of the United States of America, the laws of the State of New York and the General Corporation Law of the State of Delaware. We are members of the bar of the State of New York.

We assume no obligation to advise you of any changes in the foregoing subsequent to the date of this opinion.

We hereby consent to the filing of this opinion as an exhibit to the Registration Statement and to the reference to this firm under the caption "Legal Matters" in the prospectus which forms a part of the Registration Statement. In giving such consent, we do not thereby admit that we are in the category of persons whose consent is required under Section 7 of the Securities Act or the rules and regulations of the Commission thereunder.

Very truly yours,

/s/ Dechert LLP

TJF/at/tjc
MJC
