

TCP Capital Corp.
Form 497
December 16, 2013

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PROSPECTUS SUPPLEMENT

(To Prospectus dated December 10, 2013)

4,500,000 Shares

Common Stock
\$72,000,000

We are offering for sale 4,500,000 shares of our common stock.

We are a holding company (the "Holding Company") with no direct operations of our own, and currently our only business and sole asset is our ownership of all of the common limited partner interests in Special Value Continuation Partners, LP (the "Operating Company"), which represents approximately 100% of the common equity and 74.8% of the combined common and preferred equity interests of the Operating Company as of September 30, 2013. We and the Operating Company are externally managed, closed-end, non-diversified management investment companies that have elected to be treated as business development companies under the Investment Company Act of 1940 (the "1940 Act"). Our and the Operating Company's investment objective is to achieve high total returns through current income and capital appreciation, with an emphasis on principal protection. Both we and the Operating Company seek to achieve this investment objective primarily through investments in debt securities of middle-market companies. Our primary investment focus is investing in and originating leveraged loans to performing middle-market companies.

Tennenbaum Capital Partners, LLC (the "Advisor") serves as our and the Operating Company's investment advisor. The Advisor is a leading investment manager and specialty lender to middle-market companies that had in excess of \$5.0 billion in capital commitments from investors ("committed capital") under management as of September 30, 2013, approximately 15% of which consists of our committed capital. SVOF/MM, LLC, an affiliate of the Advisor, is the Operating Company's general partner and provides the administrative services necessary for us to operate.

See "Underwriting" beginning on page S-31 of this prospectus supplement for more information regarding this offering. The net asset value of our common stock on September 30, 2013 (the last date prior to the date of this prospectus supplement on which net asset value was approved by our board of directors) was \$15.06 per share. Our common stock is traded on The Nasdaq Global Select Market under the symbol "TCPC." The last reported closing price for our common stock on December 11, 2013 was \$16.57 per share. The offering price per share of our common stock sold in this offering less any underwriting commissions or discounts payable by us will not be less than the net

asset value per share of our common stock at the time we make this offering.

You should read this prospectus supplement and the accompanying prospectus carefully before you invest in shares of our common stock. We may not sell any shares of our common stock through agents, underwriters or dealers without delivery of the prospectus and a prospectus supplement describing the method and terms of the offering of such shares of common stock.

This prospectus supplement and the accompanying prospectus contain important information you should know before investing in our common stock. Please read it carefully before you invest and keep it for future reference. We file annual, quarterly and current reports, proxy statements and other information about us with the Securities and Exchange Commission (the "SEC"). A Statement of Additional Information, dated December 13, 2013, containing additional information about the Holding Company and the Operating Company has been filed with the SEC and is incorporated by reference in its entirety into this prospectus supplement. The Advisor maintains a website at <http://www.tennenbaumcapital.com>, and we make all of our annual, quarterly and current reports, proxy statements and other publicly filed information available, free of charge, on or through this website. You may also obtain free copies of our annual and quarterly reports, request a free copy of the Statement of Additional Information, the table of contents of which is on page S-40 of this prospectus supplement, and make stockholder inquiries by contacting us at Tennenbaum Capital Partners, LLC, c/o Investor Relations, 2951 28th Street, Suite 1000, Santa Monica, California 90405 or by calling us collect at (310) 566-1094. The SEC maintains a website at <http://www.sec.gov> where such information is available without charge upon request. Information contained on our website is not incorporated by reference into this prospectus supplement or the accompanying prospectus, and you should not consider information contained on our website to be part of this prospectus supplement or the accompanying prospectus.

The debt securities in which we typically invest are either rated below investment grade by independent rating agencies or would be rated below investment grade if such securities were rated by rating agencies. Below investment grade securities, which are often referred to as "hybrid securities," "junk bonds" or "leveraged loans" are regarded as having predominantly speculative characteristics with respect to the issuer's capacity to pay interest and repay principal. They may be illiquid and difficult to value and typically do not require repayment of principal prior to maturity, which potentially heightens the risk that we may lose all or part of our investment. In addition, a substantial majority of the Operating Company's debt investments include interest reset provisions that may make it more difficult for the borrowers to make debt repayments to the Operating Company if the reset provision has the effect of increasing the applicable interest rate.

Shares of closed-end investment companies, including business development companies, frequently trade at a discount from their net asset value. If our shares trade at a discount to our net asset value, it will likely increase the risk of loss for purchasers in the offerings. Investing in our common stock involves a high degree of risk, including credit risk and the risk of the use of leverage. Before buying any shares of our common stock, you should read the discussion of the material risks of investing in our common stock in "Risks" beginning on page S-10 of this prospectus supplement and on page 23 of the accompanying prospectus.

Neither the SEC nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

	Per Share	Total
Public offering price	\$16.00	\$72,000,000
Sales Load (underwriting discounts and commissions)	\$ 0.50	\$ 2,250,000
Proceeds, before expenses, to the Company (1)	\$15.50	\$69,750,000

(1)

We estimate that we will incur expenses of approximately \$300,000 (\$0.07 per share) in connection with this offering. Such expenses will be borne by us. Stockholders will indirectly bear such expenses, which will reduce the net asset value per share of the shares purchased by investors in this offering. Net proceeds, after expenses and sales load, will be approximately \$69,450,000 (\$15.43 per share).

The underwriters expect to deliver the shares to purchasers on or about December 18, 2013.

We have granted the underwriters an option to purchase up to 675,000 additional shares of our common stock at the public offering price, less the sales load, within 30 days of the date of this prospectus supplement. If the underwriters exercise this option in full, the total price to the public, sales load and proceeds, before expenses, will be \$82,800,000, \$2,587,500, and \$80,212,500, respectively. See "Underwriting."

Joint Book-Running Managers
(underwriters)

Deutsche Bank Securities

Raymond James

Keefe, Bruyette & Woods
A Stifel
Company

RBC Capital Markets

Lead Manager
(underwriters)

Oppenheimer & Co.

Co-Managers
(underwriters)

JMP Securities

National Securities Corporation

Prospectus Supplement dated December 13, 2013

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SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

In addition to factors previously identified elsewhere in this prospectus supplement and the accompanying prospectus, including the "Risks" section of the accompanying prospectus, the following factors, among others, could cause actual results to differ materially from forward-looking statements or historical performance:

the introduction, withdrawal, success and timing of business initiatives and strategies;

changes in political, economic or industry conditions, the interest rate environment or financial and capital markets, which could result in changes in the value of our assets;

the valuation of our investments in portfolio companies, particularly those having no liquid trading market;

the relative and absolute investment performance and operations of the Advisor;

the impact of increased competition;

the impact of future acquisitions and divestitures;

the unfavorable resolution of legal proceedings;

our business prospects and the financial condition and prospects of our portfolio companies;

the adequacy of our cash resources and working capital;

the timing of cash flows, if any, from the operations of our portfolio companies;

the impact of legislative and regulatory actions and reforms and regulatory, supervisory or enforcement actions of government agencies relating to us, the Advisor or our portfolio companies;

the ability of the Advisor to identify suitable investments for us and to monitor and administer our investments;

our contractual arrangements and relationships with third parties;

any future financings and investments by us;

the ability of the Advisor to attract and retain highly talented professionals;

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fluctuations in interest rates or foreign currency exchange rates; and

the impact of changes to tax legislation and, generally, our tax position.

This prospectus supplement and the accompanying prospectus contain, and other statements that we may make may contain, forward-looking statements with respect to future financial or business performance, strategies or expectations. Forward-looking statements are typically identified by words or phrases such as "trend," "opportunity," "pipeline," "believe," "comfortable," "expect," "anticipate," "current," "intention," "estimate," "position," "assume," "potential," "outlook," "continue," "remain," "maintain," "sustain," "seek," "achieve" and similar expressions, or future or conditional verbs such as "will," "would," "should," "could," "may" or similar expressions.

Forward-looking statements are subject to numerous assumptions, risks and uncertainties, which change over time. Forward-looking statements speak only as of the date they are made, and we assume no duty to and do not undertake to update forward-looking statements. These forward-looking statements do not meet the safe harbor for forward-looking statements pursuant to Section 27A of the Securities Act of 1933 (the "Securities Act") or Section 21E of

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the Securities Exchange Act of 1934 (the "Securities Exchange Act"). Actual results could differ materially from those anticipated in forward-looking statements and future results could differ materially from historical performance. Statistical and market data used in this prospectus supplement has been obtained from governmental and independent industry sources and publications. We have not independently verified the data obtained from these sources. Forward-looking information obtained from these sources is subject to the same qualifications and the additional uncertainties regarding the other forward-looking statements contained in this prospectus supplement, for which the safe harbor provided in Section 27A of the Securities Act and Section 21E of the Securities Exchange Act is not available.

You should rely only on the information contained in this prospectus supplement, the accompanying prospectus, the Statement of Additional Information, dated December 13, 2013, or SAI, incorporated by reference in its entirety in the accompanying prospectus, and the documents incorporated by reference herein or therein. We have not, and the underwriters have not, authorized any other person to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. We are not, and the underwriters are not, making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. You should assume that the information in this prospectus supplement and the accompanying prospectus is accurate only as of the date on the front of this prospectus supplement and of the accompanying prospectus, respectively, and the information in the SAI and the documents incorporated by reference herein or in the accompanying prospectus or the SAI is accurate only as of their respective dates. Our business, financial condition and prospects may have changed since that date. To the extent required by applicable law, we will update this prospectus supplement, the accompanying prospectus and the SAI during the offering period to reflect material changes to the disclosure herein.

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PROSPECTUS SUMMARY

This summary highlights some of the information in this prospectus supplement. This summary is not complete and may not contain all of the information that you may want to consider before investing in our common stock. You should read the entire prospectus supplement, the accompanying prospectus, including "Risks," and the Statement of Additional Information dated December 13, 2013 (the "SAI").

Throughout this prospectus supplement, unless the context otherwise requires, a reference to:

"Holding Company" refers to Special Value Continuation Fund, LLC, a Delaware limited liability company, for the periods prior to the consummation of the Conversion (as defined below) described elsewhere in this prospectus supplement and to TCP Capital Corp. for the periods after the consummation of the Conversion;

"Operating Company" refers to Special Value Continuation Partners, LP, a Delaware limited partnership;

"TCPC Funding" refers to TCPC Funding I LLC, a Delaware limited liability company;

"Advisor" refers to Tennenbaum Capital Partners, LLC, a Delaware limited liability company and the investment manager; and

"General Partner" and "Administrator" refer to SVOF/MM, LLC, a Delaware limited liability company, the general partner of the Operating Company and an affiliate of the Advisor and administrator of the Holding Company and the Operating Company.

For simplicity, this prospectus supplement uses the term "Company," "we," "us" and "our" to include the Holding Company and, where appropriate in the context, the Operating Company and TCPC Funding, on a consolidated basis. For example, (i) although all or substantially all of the net proceeds from this offering will be invested in the Operating Company and all or substantially all of the Holding Company's investments will be made through the Operating Company, this prospectus supplement generally refers to the Holding Company's investments through the Operating Company as investments by the "Company," and (ii) although the Operating Company and TCPC Funding and not the Holding Company has entered into the Leverage Program (defined below), this prospectus supplement generally refers to the Operating Company's use of the Leverage Program as borrowings by the "Company," in all instances in order to make the operations and investment strategy easier to understand. The Holding Company and the Operating Company have the same investment objective and policies and the assets, liabilities and results of operations of the Holding Company are consolidated with those of the Operating Company as described in the accompanying prospectus under "Prospectus Summary Operating and Regulatory Tax Structure."

On April 2, 2012, we completed a conversion under which TCP Capital Corp. succeeded to the business of Special Value Continuation Fund, LLC and its consolidated subsidiaries, and the members of Special Value Continuation Fund, LLC became stockholders of TCP Capital Corp. In this prospectus supplement, we refer to such transactions as the "Conversion." Unless otherwise indicated, the disclosure in this prospectus supplement gives effect to the Conversion.

The Company

We are an externally managed, non-diversified closed-end management investment company that has elected to be regulated as a business development company, or BDC, under

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the Investment Company Act of 1940 or the 1940 Act. See the accompanying prospectus "Prospectus Summary Company History and BDC Conversion." We completed our initial public offering on April 10, 2012.

Our investment objective is to achieve high total returns through current income and capital appreciation, with an emphasis on principal protection. We seek to achieve our investment objective primarily through investments in debt securities of middle-market companies, which we typically define as those with enterprise values between \$100 million and \$1.5 billion. While we primarily focus on privately negotiated investments in debt of middle-market companies, we make investments of all kinds and at all levels of the capital structure, including in equity interests such as preferred or common stock and warrants or options received in connection with our debt investments. Our investment activities benefit from what we believe are the competitive advantages of the Advisor, including its diverse in-house skills, proprietary deal flow, and consistent and rigorous investment process focused on established, middle-market companies. We expect to generate returns through a combination of the receipt of contractual interest payments on debt investments and origination and similar fees, and, to a lesser extent, equity appreciation through options, warrants, conversion rights or direct equity investments. Substantially all of our operating history and performance results have been achieved through our predecessor, Special Value Continuation Fund, LLC, which was a registered investment company but was neither a business development company nor a publicly traded company. There are no material operating differences between us and our predecessor, however, as a BDC we are deemphasizing distressed debt investments, which may adversely affect our investment returns. See the accompanying prospectus "Prospectus Summary Company History and BDC Conversion".

To achieve our investment objectives, we intend to focus on a subset of the broader investment strategies historically pursued by the Advisor. Our primary investment focus is the ongoing origination of and investments in leveraged loans of performing middle-market companies. For the purposes of this prospectus supplement, the term "leveraged loans" refers to senior debt investments that rank ahead of subordinated debt and that generally have the benefit of security interests in the assets of the borrower.

Our investments generally range from \$10 million to \$35 million per company, the size of which may grow over time in proportion with our capital base. We expect to generate current returns through a combination of the receipt of contractual interest payments on debt investments and origination and similar fees, and, to a lesser extent, equity appreciation through options, warrants, conversion rights or direct equity investments. We often receive equity interests such as preferred or common stock and warrants or options in connection with our debt investments. From time to time we may also use other investment strategies, which are not our primary focus, to attempt to enhance the overall return of our portfolio. These investment strategies may include, but are not limited to, the purchase of discounted debt, opportunistic investments, and financial instruments to hedge currency or interest rate risk associated with our portfolio.

As described in the accompanying prospectus under "Prospectus Summary Company History and BDC Conversion," we have no employees of our own and currently our only business and sole asset is the ownership of all of the common limited partner interests of the Operating Company. Our investment activities are externally managed by the Advisor. Additionally, the Holding Company expects that it will continue to seek to qualify as a regulated investment company, or RIC, under Subchapter M of the Internal Revenue Code (the "Code").

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As of September 30, 2013, we held investments in 66 portfolio companies. The aggregate fair value as of September 30, 2013 of investments in these portfolio companies was approximately \$704.1 million. Our portfolio across all our long-term debt investments had a weighted average annual effective yield of 10.8% as of September 30, 2013. In addition to the annual stated interest rate, this figure includes amortization of deferred debt origination fees and accretion of original issue discount, but excludes market discount, any prepayment and make-whole fee income, and any debt investments on non-accrual status.

Company Information

Our administrative and executive offices are located at 2951 28th Street, Suite 1000, Santa Monica, CA 90405, and our telephone number is (310) 566-1094. The Advisor maintains a website at <http://www.tennenbaumcapital.com>. Information contained on this website is not incorporated by reference into this prospectus supplement or the accompanying prospectus, and you should not consider information contained on the Advisor's website to be part of this prospectus supplement or the accompanying prospectus.

Presentation of Historical Financial Information

Unless otherwise indicated, historical references contained in this prospectus supplement and the accompanying prospectus, as applicable, in " Selected Financial Data," "Capitalization," "Management's Discussion and Analysis of Financial Condition and Results of Operations," "Senior Securities" and "Portfolio Companies" relate to the Holding Company and the Operating Company on a consolidated basis.

For further information please see the "Prospectus Summary" in the accompanying prospectus.

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The following table is intended to assist you in understanding the costs and expenses that an investor in this offering will bear directly or indirectly. The expenses shown in the table under "Annual Expenses" (excluding incentive compensation payable under the investment management agreement) are based on the offering of 4,500,000 shares of our common stock offered in this offering at \$16.00 per share. The following table and example should not be considered a representation of our future expenses. Actual expenses may be greater or less than shown. The following table and example represent our best estimate of the fees and expenses that we expect to incur during the next twelve months. Further, the fees and expenses below are presented on a consolidated basis directly or indirectly to include expenses of the Company and the Operating Company that investors in this offering will bear.

Stockholder Transaction Expenses:	
Sales Load (as a percentage of offering price)	3.13% (1)
Offering Expenses (as a percentage of offering price)	0.42% (2)
Dividend Reinvestment Plan Fees	(3)
Total Stockholder Transaction Expenses (as a percentage of offering price)	3.55%
Annual expenses (as a percentage of consolidated net assets attributable to common stock) (4):	
Base Management Fees	2.54% (5)
Incentive Compensation Payable Under the Investment Management Agreement (20% of ordinary income and capital gains)	2.38% (6)
Interest Payments on Borrowed Funds	0.89% (7)
Preferred Dividends	0.25% (8)
Other Expenses (estimated)	0.57% (9)
Total Annual Expenses	6.63%

-
- (1) The underwriting discount and commission with respect to shares sold in this offering, which are one-time fees to the underwriters in connection with this offering, are the only sales load being paid in connection with this offering.
- (2) Amount reflects estimated offering expenses of approximately \$300,000 and based on the 4,500,000 shares of our common stock offered in this offering at a price of \$16.00 per share, and which assumes no exercise of the underwriters' option to purchase additional shares.
- (3) The expenses of the dividend reinvestment plan are included in "other expenses." See "Dividend Reinvestment Plan" in the SAI.
- (4) The "consolidated net assets attributable to common stock" used to calculate the percentages in this table is our average consolidated net assets attributable to common stock of \$352.5 million for the 12 month period ending September 30, 2013.
- (5) Base management fees are paid quarterly in arrears. The base management fee of 1.5% per year is calculated based on the value of our total assets (excluding cash and cash equivalents) at the end of the most recently

completed calendar quarter. The percentage shown in the table, which assumes all capital and leverage is invested at the maximum level, is calculated by determining the ratio that the aggregate base management fee bears to our net assets attributable to common stock and not to our total assets. We make this conversion because all of our interest and preferred stock dividend payments are indirectly borne by our common stockholders. If we borrow money or issue preferred stock and invest the proceeds other than in cash and cash equivalents, our base management fees will increase. The base management fee for any partial quarter is appropriately pro-rated. See the accompanying prospectus "Management of the Company Investment Management Agreements."

- (6) Under the investment management agreements and the amended and restated limited partnership agreement of the Operating Company dated April 2, 2012, (the "Amended and Restated Limited Partnership Agreement"), no incentive compensation was incurred until after January 1, 2013. The incentive

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compensation has two components, ordinary income and capital gains. Each component is payable quarterly in arrears (or upon termination of the Advisor as the investment manager or the General Partner as of the termination date) and is calculated based on the cumulative return for periods beginning January 1, 2013 and ending on the relevant calculation date.

Each of the two components of incentive compensation is separately subject to a total return limitation. Thus, notwithstanding the following provisions, we are not obligated to pay or distribute any ordinary income incentive compensation or any capital gains incentive compensation if our cumulative total return does not exceed an 8% annual return on daily weighted average contributed common equity. The incentive compensation we would pay is subject to a total return limitation. That is, no incentive compensation is paid if our cumulative annual total return is less than 8% of our average contributed common equity. If our cumulative annual total return is above 8%, the total cumulative incentive compensation we pay is not more than 20% of our cumulative total return, or, if lower, the amount of our cumulative total return that exceeds the 8% annual rate.

Subject to the above limitation, the ordinary income component is the amount, if positive, equal to 20% of the cumulative ordinary income before incentive compensation, less cumulative ordinary income incentive compensation previously paid or distributed.

Subject to the above limitation, the capital gains component will be the amount, if positive, equal to 20% of the cumulative realized capital gains (computed net of cumulative realized losses and cumulative net unrealized capital depreciation), less cumulative capital gains incentive compensation previously paid or distributed. For assets held on January 1, 2013, capital gain, loss and depreciation will be measured on an asset by asset basis against the value thereof as of December 31, 2012. The capital gains component will be allocated, paid or distributed in full prior to payment or distribution of the ordinary income component.

- (7) "Interest Payments on Borrowed Funds" represents dividends, interest and fees estimated to be accrued on the Revolving Facilities (as defined below) and amortization of debt issuance costs, and assumes the Revolving Facilities are fully drawn (subject to asset coverage limitations under the 1940 Act) and that the interest rate on the debt issued under the Operating Company Facility (as defined below) is the rate in effect as of September 30, 2013, which was 0.62%. When we borrow money or issue preferred stock, all of our interest and preferred stock dividend payments are indirectly borne by our common stockholders.
- (8) "Preferred Dividends" represents dividends estimated to be accumulated on the Preferred Interests and assumes that the dividend rate on the Preferred Interests is the rate in effect as of September 30, 2013 which was 1.03%. When we borrow money or issue preferred stock, all of our interest and preferred stock dividend payments are indirectly borne by our common stockholders.
- (9) "Other Expenses" includes our estimated overhead expenses, including expenses of the Advisor reimbursable under the investment management agreements and of the Administrator reimbursable under the administration agreement. Such expense estimate, other than the Administrator expenses, is based on actual other expenses for the three months ended September 30, 2013.

Example

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The following example demonstrates the projected dollar amount of total cumulative expenses (including stockholder transaction expenses and annual expenses) that would be incurred over various periods with respect to a hypothetical investment in our common stock. In calculating the following expense amounts, we have assumed that our annual operating expenses remain at the levels set forth in the table above.

	1 year	3 years	5 years	10 years
You would pay the following expenses on a \$1000 investment assuming a 5% annual return	\$ 71	\$ 155	\$ 240	\$ 458

While the example assumes, as required by the SEC, a 5% annual return, our performance will vary and may result in a return greater or less than 5%. There is no incentive compensation either on income or on capital gains under our investment management agreements and the Amended and Restated Limited Partnership Agreement assuming a 5% annual return and therefore it is not included in the example. If we achieve sufficient returns on our investments, including through the realization of capital gains, to

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trigger an incentive compensation of a material amount, our distributions to our common stockholders and our expenses would likely be higher. In addition, while the example assumes reinvestment of all dividends and distributions at net asset value, participants in our dividend reinvestment plan will receive a number of shares of our common stock, determined by dividing the total dollar amount of the dividend or distribution payable to a participant by the market price per share of our common stock at the close of trading on the valuation date for the dividend. See "Dividend Reinvestment Plan" in the SAI for additional information regarding our dividend reinvestment plan.

Except where the context suggests otherwise, whenever this prospectus supplement or the accompanying prospectus contains a reference to fees or expenses paid by "you," the "Company," the "Holding Company," the "Operating Company" or "us," our common stockholders will indirectly bear such fees or expenses, including through the Company's investment in the Operating Company.

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

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SELECTED FINANCIAL DATA

The selected consolidated financial and other data below reflects the consolidated historical operations of the Holding Company and the Operating Company. This consolidated financial and other data is the Holding Company's historical financial and other data. The Operating Company will continue to be the Holding Company's sole investment following the completion of this offering.

The selected consolidated financial data below for the years ended December 31, 2012, 2011, 2010, 2009 and 2008 has been derived from the consolidated financial statements that were audited by our independent registered public accounting firm. The selected consolidated financial data at and for the three and nine months ended September 30, 2013 and 2012 have been derived from unaudited financial data, but in the opinion of our management, reflects all adjustments (consisting only of normal recurring adjustments) that are necessary to present fairly the results for such interim periods. Interim results at and for the three and nine months ended September 30, 2013 are not necessarily indicative of the results that may be expected for the year ending December 31, 2013. This selected financial data should be read in conjunction with our financial statements and related notes thereto, which are incorporated by reference into the SAI, and "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Senior Securities" included elsewhere in this prospectus supplement.

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The historical and future financial information may not be representative of the Company's financial information in future periods.

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,			For the Year Ended December 31,				
	2013	2012	2013	2012	2012	2011	2010	2009	2008	
Performance										
Net income	\$ 16,489,727	\$ 11,834,133	\$ 46,716,446	\$ 32,057,289	\$ 49,243,332	\$ 42,113,358	\$ 32,410,819	\$ 26,678,140	\$ 34,719,000	
Net income				1,811,189	1,811,189	10,610,159	13,547,924		2,250,000	
Net income	798,644	276,840	1,906,863	1,143,278	1,138,238	2,134,159	1,842,469	417,533	238,000	
Net income										
Net income	17,288,371	12,110,973	48,623,309	35,011,756	52,192,759	54,857,676	47,801,212	27,095,673	37,208,000	
Net income										
Net income										
Net income	645,224	206,039	1,280,905	614,390	857,757	942,288	893,806	949,554	5,314,000	
Net income										
Net income	2,205,517	1,737,237	6,110,550	4,986,901	6,908,942	6,787,188	6,787,188	6,787,188	8,287,000	
Net income	849,651	564,044	2,186,234	1,647,672	4,105,700	1,520,474	1,213,685	1,426,099	1,086,000	
Net income	3,700,392	2,507,320	9,577,689	7,248,963	11,872,399	9,249,950	8,894,679	9,162,841	14,688,000	
Net income										
Net income	13,587,979	9,603,653	39,045,620	27,762,793	41,800,338	45,607,726	38,906,533	17,932,832	22,519,000	
Net income										
Net income				502,978	1,479,978					
Net income	13,587,979	9,603,653	39,045,620	27,259,815	40,320,360	45,607,726	38,906,533	17,932,832	22,519,000	
Net income										
Net income	2,937,047	344,397	5,950,799	(7,040,664)	(12,784,251)	(38,878,881)	31,621,019	36,142,346	(209,274,000)	
Net income										
Net income	(387,982)	(399,121)	(1,138,942)	(1,211,397)	(1,602,799)	(1,545,555)	(1,519,759)	(1,740,964)	(5,190,000)	
Net income										
Net income	(2,694,156)		(7,893,933)							
Net income	(533,253)		(877,563)						3,149,000	

increase (decrease) in assets from contributions	\$ 12,909,635	\$ 9,548,929	\$ 35,085,981	\$ 19,007,754	\$ 25,933,310	\$ 5,183,290	\$ 69,007,793	\$ 52,334,214	\$ (188,795)
Per share (at the end of the period):*									
increase (decrease) in assets from contributions	\$ 0.48	\$ 0.44	\$ 1.47	N/A	\$ 1.21	\$ 12.37	\$ 164.72	\$ 124.92	\$ (45.19)
decrease (increase) in assets from contributions	(0.36)	(0.35)	(1.12)	(1.03)	(1.43)	(75.19)	(89.99)	(36.28)	(1.00)
weighted average shares outstanding for the period	26,654,702	21,475,635	23,942,996	N/A	21,475,847	418,956	418,956	418,956	418,956

*

Per share amounts prior to the Conversion on April 2, 2012 are calculated based on 418,956 shares outstanding. Per share amounts subsequent to the Conversion are calculated on weighted-average shares outstanding for each period.

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	For the Three Months Ended September 30,		For the Nine Months Ended September 30,		For the Year Ended December 31,			
	2013	2012	2013	2012	2012	2011	2010	2009
	\$ 704,095,487	\$ 490,122,518	\$ 704,095,487	\$ 490,122,518	517,683,087	378,960,536	453,034,872	343,062,967
	25,161,493	31,150,235	25,161,493	31,150,235	31,559,015	24,492,967	20,604,286	119,642,507
	729,256,980	521,272,753	729,256,980	521,272,753	549,242,102	403,453,503	473,639,158	462,705,474
	150,000,000	48,000,000	150,000,000	48,000,000	74,000,000	29,000,000	50,000,000	75,000,000
	42,341,463	21,101,742	42,341,463	21,101,742	24,728,267	2,116,211	25,050,178	20,431,955
	192,341,463	69,101,742	192,341,463	69,101,742	98,728,267	31,116,211	75,050,178	95,431,955
							23,527	25,391
	134,534,213	134,535,582	134,534,213	134,535,582	134,526,285	134,466,418	134,377,869	134,368,337
	877,563		877,563					
	\$ 401,503,741	\$ 317,635,429	\$ 401,503,741	\$ 317,635,429	\$ 315,987,550	\$ 237,870,874	\$ 264,187,584	\$ 232,879,791
	66	46	66	46	54	41	44	40
	\$ 183,678,453	\$ 80,043,384	\$ 354,541,956	\$ 245,594,683	\$ 359,020,926	\$ 171,842,663	\$ 262,837,727	\$ 144,313,178
	\$ 55,466,349	\$ 43,488,614	\$ 176,516,172	\$ 129,105,822	\$ 211,216,033	\$ 216,916,444	\$ 192,419,667	\$ 195,383,341
	10.8%	11.3%	10.8%	11.3%	11.3%	14.1%	13.1%	12.5%

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RISKS

Investing in our common stock involves a high degree of risk. You should carefully consider the risks described below and in the accompanying prospectus on page 23, together with all of the other information included in this prospectus supplement and in the accompanying prospectus, before you decide whether to make an investment in our common stock. The risks set forth below and in the accompanying prospectus are not the only risks we face. If any of the adverse events or conditions described below or in the accompanying prospectus occur, our business, financial condition and results of operations could be materially adversely affected. In such case, our net asset value, or NAV, and the trading price of our common stock could decline, we could reduce or eliminate our dividend and you could lose all or part of your investment.

Our most recent NAV was calculated on September 30, 2013 and our NAV when calculated effective December 31, 2013 may be higher or lower.

Our NAV per share most recently approved by our board of directors is \$15.06 as of September 30, 2013. We estimate our NAV per share as of December 11, 2013 is \$15.13, however such estimate has not been approved by our board of directors, which retains ultimate authority for valuing our assets. Our NAV per share as of the date of this prospectus supplement may be higher or lower than the NAV per share approved or estimated, as applicable as of September 30, 2013 and December 11, 2013. Our board of directors has not yet approved the fair value of portfolio investments at any date subsequent to September 30, 2013. Our board of directors approves the fair value of our portfolio investments on a quarterly basis in connection with the preparation of quarterly financial statements and based on input from an independent valuation firm, our Advisor and the audit committee of our board of directors.

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**MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS**

The information contained in this section should be read in conjunction with the selected financial data appearing elsewhere in this prospectus supplement and our financial statements and notes thereto, which are incorporated by reference into the SAI.

Overview

The Holding Company is a Delaware corporation formed on April 2, 2012 and is an externally managed, closed-end, non-diversified management investment company. The Holding Company elected to be treated as a business development company ("BDC") under the Investment Company Act of 1940, as amended (the "1940 Act"). Our investment objective is to seek to achieve high total returns through current income and capital appreciation, with an emphasis on principal protection. We invest primarily in the debt of middle-market companies, including senior secured loans, junior loans, mezzanine debt and bonds. Such investments may include an equity component, and, to a lesser extent, we may make equity investments directly. Investment operations are conducted either in Special Value Continuation Partners, LP, a Delaware Limited Partnership (the "Operating Company"), of which the Holding Company owns 100% of the common limited partner interests, or in the Operating Company's wholly-owned subsidiary, TCPC Funding I, LLC ("TCPC Funding"). The Operating Company has also elected to be treated as a BDC under the 1940 Act. The general partner of the Operating Company is SVOF/MM, LLC (the "General Partner"), which also serves as the administrator ("Administrator") of the Holding Company and the Operating Company. The managing member of the General Partner is Tennenbaum Capital Partners, LLC (the "Advisor"), which serves as the investment manager to the Holding Company, the Operating Company and TCPC Funding. Most of the equity interests in the General Partner are owned directly or indirectly by the Advisor and its employees.

The Holding Company has elected to be treated as a regulated investment company ("RIC") for U.S. federal income tax purposes. As a RIC, the Holding Company will not be taxed on its income to the extent that it distributes such income each year and satisfies other applicable income tax requirements. The Operating Company and TCPC Funding have elected to be treated as partnerships for U.S. federal income tax purposes.

On April 2, 2012, Special Value Continuation Fund, LLC ("SVCF") converted from a limited liability company to a corporation, leaving the Holding Company as the surviving entity (the "Conversion"). At the time of the Conversion, all limited liability company interests were exchanged for 15,725,635 shares of common stock in the Holding Company. As a result of the Conversion, the books and records of SVCF have become the books and records of the surviving entity and the Operating Company became a wholly owned subsidiary of the Holding Company. On April 3, 2012, the Holding Company completed its initial public offering.

Our leverage program is comprised of \$116 million in available debt under a senior secured revolving credit facility issued by the Operating Company (the "Operating Company Facility"), \$100 million in available debt under a senior secured revolving credit facility issued by TCPC Funding, (the "TCPC Funding Facility," and, together with the Operating Company Facility, the "Revolving Facilities"), and \$134 million of outstanding preferred limited partner interests in the Operating Company (the "Preferred Interests," and, together with the Revolving Facilities, the "Leverage Program").

To qualify as a RIC, we must, among other things, meet certain source-of-income and asset diversification requirements and timely distribute to our stockholders generally at least 90% of our investment company taxable income, as defined by the Internal Revenue Code of