

Prospect Capital Corporation Series A3 & M3 Convertible Preferred Stock

Instructions

For any help or questions please call 855-422-3223 or email investorservices@pcsalts.com

Prospect Capital Corporation (PSEC) accepts conversion requests on a continual basis with deadlines on the 15th (or the preceding business day if the 15th is not a business day) and last business day of every month. Please allow approximately 15-30 calendar days for processing upon a submission of a conversion request that is in good order. Requests will be processed twice a month. **PSEC may elect to settle conversion of preferred shares in cash or common stock in accordance with the terms of the preferred shares and that decision will be made on an individual conversion basis.** Any cash proceeds will be remitted based upon instructions provided on this form. The default payment method is via check. A wire can be requested but a \$100 fee will be deducted from the payment to the shareholder. ACH however is not permitted. If proceeds are in the form of common stock then a DWAC (Deposit/ Withdrawal at Custodian) of shares will be remitted based upon instructions provided on this form. On this form please check an option for both stock or cash payments. Physical certificates will not be remitted to the investor. PSEC's transfer agents may coordinate further with institutions based upon the information provided to properly deliver cash or shares of common stock.

For All Conversions:

- This form must be completed with Original Medallion Stamp Guarantee
- Signatures of all required investors
- A recent account statement showing where the preferred shares are being held

Trust Conversions require the same as above as well as:

- A copy of the Trust Documents.

Death Conversions require the same as above as well as:

- A copy of the death certificate
- Submission of form by an authorized representative(s) of the deceased with signature(s)
- Documentation showing that the redeeming individual(s) have authority (e.g. POA, TOD, LOT, Trust docs etc.)

Please send all paperwork to the following address:

Preferred Capital Securities
 Attn: Investor Services - Conversions
 3284 Northside Parkway NW, Suite 150 Atlanta, GA 30327

Conversion Fee Details

All conversions are completed at stated value, which is \$25 per share. A conversion fee may apply based upon the original purchase date and the length of time the preferred shares were outstanding; the conversion fee schedule is as follows:

Year	Series A	Series M1 & M2
1	9%	0%*
2	8%	
3	7%	
4	6%	
5	5%	

*For Series M3 Preferred: During year one, the settlement amount is reduced by the aggregate amount of all dividends, whether paid or accrued, on such M Share in the three full months prior to the exercise date. For all preferred shares, the conversion fee drops to 0% following the last conversion fee in the chart above.

To find the conversion schedule for your specific CUSIP please consult your advisor or our website www.pcsalts.com. Click on the Investment Programs in the upper right hand corner, select Prospect Capital Series A and M Offering Information, your Preferred Series, and locate your CUSIP based up the the directions on the page.

Conversion Request

Full Conversion Partial Conversion Death Redemption

Number of shares for conversion/ redemption

Preferred CUSIP

Investor Information

Investor Name

Social Security or Tax ID

Co-Investor Name

Social Security or Tax ID

Address

City, State & Zip

Daytime phone number

Email Address

Conversion / Redemption Proceeds Instructions *Must select option for both cash AND stock delivery*

CASH STOCK

Have stock remitted to an AST (common stock transfer agent) account or cash remitted to my Computershare account

Account #

Have stock or cash remitted to qualifying brokerage account

Institution Name & address

Account #

Have cash remitted via check to the following address:

Name & address

If third party include Account #

Have cash remitted to the following third party bank account via ACH

Bank Name

Routing #

Account #

Investment Acknowledgments & Signatures

The undersigned is the owner (or duly authorized agent of the owner) of the shares presented for conversion and thus is authorized to present the shares for conversion or redemption. The shares presented for conversion are eligible for conversion or redemption pursuant to the terms of the preferred shares. The shares are fully transferable and have not been assigned, pledged, or otherwise unencumbered in any way. The undersigned acknowledges that the company has the choice to convert the shares by delivering stock or cash in accordance with the terms of the preferred shares. The undersigned acknowledges that there may be a conversion fee. The undersigned hereby indemnifies and holds harmless PSEC, and its respective officers and directors from and against any liabilities, damages, expenses including reasonable legal fees, arising out of or in connection with any misrepresentation made herein.

Investor Signature:

Custodian
(if qualified account)

Co-Investor Signature:

Custodian Signature

Date:

Date:

Medallion Stamp Signature Guarantee

Medallion Stamp Signature Guarantee

Advisor Information

Advisor Name

Address

City, State & Zip

Daytime phone number

Email Address

Broker Dealer/ Custodian Information

Broker Dealer Name

Operations Contact

Address

City, State & Zip

Daytime phone number

Email Address

Clearing Firm

Please send all paperwork to the following address:

Preferred Capital Securities
3284 Northside Parkway NW, Suite 150
Atlanta, GA 30327
Attn: Investor Services - Redemptions

**For any help or questions please
Call: 1-855-422-3223
Email:
investorservices@pcsalts.com**

Back Office Use Only

Date Received:

 / /

Payment Type:

Date Completed:

 / /

Date Submitted for
Payment:

 / /

Notes: