

## Prospect Capital Corporation

Series A1 & A3 Convertible Preferred Stock ("Series A") & Series M2 & M3 Convertible Preferred Stock ("Series M")

### Instructions *For any help or questions please call 855-422-3223 or email [investorservices@pcsalts.com](mailto:investorservices@pcsalts.com)*

Prospect Capital Corporation (PSEC) accepts conversion or redemption 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 (each, a conversion or redemption deadline, as applicable). Please allow approximately 15-30 calendar days for processing upon a submission of a conversion or redemption request that is in good order. Requests will be processed twice a month. **PSEC may elect to settle conversions or redemptions 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 or redemption 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 is not permitted. If proceeds are in the form of common stock, 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.

In addition, you may use this form to request that your conversions or redemptions be processed over the next four, eight, or twelve conversion or redemption deadlines, as applicable (see Alternative Conversion / Redemption Processing Option in the "Conversion / Redemption Request" section below). The price of PSEC's common stock may fluctuate significantly and therefore selection of the Alternative Conversion / Redemption Processing Option will result in averaging over a variety of settlement rates.

#### For All Conversions:

- This form must be completed with an Original Medallion Stamp Guarantee,
- Signatures of all required investors, and
- 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 Redemptions require the same as above as well as:

- A copy of the death certificate,
- Submission of this form by an authorized representative(s) of the deceased with signature(s), and
- 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 Shareholder Services  
 Attn: Investor Services - Conversions  
 3290 Northside Parkway NW, Suite 800 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 A1 & A3	Series M2 & M3
1	9%	0%*
2	8%	
3	7%	
4	6%	
5	5%	

\*For Series M2 & 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](http://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 upon the directions on the page.

## Conversion / Redemption Request

Full Conversion

Partial Conversion

Death Redemption

Number of shares for  
conversion / redemption

Preferred CUSIP

## Alternative Conversion / Redemption Processing Option

Four Deadlines

Eight Deadlines

Twelve Deadlines

Holders may use this form to request that their conversion or redemption be processed over the next four, eight or twelve conversion or redemption deadlines, as applicable (which generally occur twice per month). One-fourth, one-eighth or one-twelfth of the preferred shares such holder requests for conversion or redemption will be applied to and processed at the settlement rate applicable to each of the next four, eight or twelve conversion or redemption deadlines, as applicable. Please select Alternative Conversion/ Redemption Processing only if you wish to have your request processed over the next four, eight or twelve conversion or redemption deadlines, as applicable. The price of PSEC's common stock may fluctuate significantly and therefore selection of the Alternative Conversion / Redemption Processing Option will result in averaging over a variety of settlement rates.

## Investor Information

Investor Name

Social Security or Tax ID

Co-Investor Name

Social Security or Tax ID

Address

City, State & Zip

Daytime Phone Number

E-mail Address

## Conversion / Redemption Proceeds Instructions

**Conversion or redemption of preferred shares will settle in common stock unless cash settlement is elected by PSEC, subject to the terms and conditions described in the prospectus.**

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

Account #

Have stock or cash remitted to the following 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 party bank account via ACH

Bank Name

Routing #

Account #

## Investor Acknowledgment & Signature

The undersigned is the owner (or duly authorized agent of the owner) of the shares presented for conversion or redemption and thus is authorized to present the shares for conversion or redemption. The shares presented for conversion or redemption 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 encumbered in any way. The undersigned acknowledges that PSEC has the choice to convert or redeem 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, and expenses (including reasonable legal fees) arising out of or in connection with any misrepresentation made herein.

Investor Signature

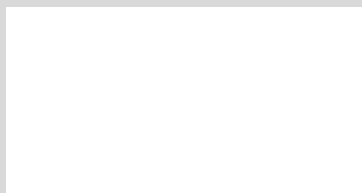
Custodian (if qualified account)

Co-Investor Signature

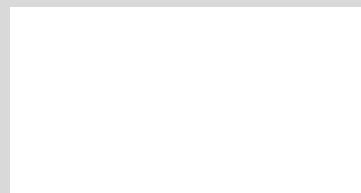
Custodian Signature

Date

Date



Medallion Stamp Signature Guarantee



Medallion Stamp Signature Guarantee

## Advisor Information

Account Name

Daytime Phone Number

Address

E-mail Address

City, State & Zip

## Broker Dealer / Custodian Information

Broker Dealer Name

Daytime Phone Number

Operations Contact

E-mail Address

Address

Clearing Firm

City, State & Zip

**Please send all paperwork to the following address:  
Preferred Shareholder Services  
3290 Northside Parkway NW, Suite 800 Atlanta, GA 30327  
Attn: Investor Services - Conversions**

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

## Back Office Use Only

Date Received

Payment Type

Date Completed

Date Submitted for Payment

Notes