PSEC Preferred Conversion / Redemption Form

PROSPECT CAPITAL

Prospect Capital Corporation
Series A1 & A3 Convertible Preferred Stock ("Series A")

Instructions

For any help or questions please call 855-422-3223 or email psecredemptions@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). Upon receipt of a conversion or redemption request that is in good order by the conversion or redemption deadlines referenced previously, please allow up to 30 calendar days for processing and subsequent exercise of a conversion or redemption. 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.

All Conversion requests must include:
• 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
1	9%
2	8%
3	7%
4	6%
5	5%

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 Prospect Capital Preferred Stock logo in the gray navigation bar and scroll down to the bottom of the page to find the box titled 'CUSIP Information' and click on 'view CUSIP info' to locate your CUSIP information. Information, your Preferred Series, and locate your CUSIP based upon the directions on the page.

Conversion / Redemption Request (Select One)

☐ Full Holder Conversion ☐ Partial Holder Conversion ☐ Death Conversion / 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

Phone Number

City, State & Zip

E-mail

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 Equiniti Financial (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

Account #

Have cash remitted to the following bank account via wire

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

Advisor Name		Phone Number	
Address		E-mail	
City, State & Zip			

Broker Dealer / Custodian Information

Broker Dealer Name		Phone Number	
Operations Contact		E-mail	
Address		Clearing Firm	
City, State & Zip		DTC Participant ID (optional)	

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: psecredemptions@pcsalts.com

Back Office Use Only

Date Received		Payment Type	
Date Completed		Date Submitted for Payment	
Notes			