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**As filed with the Securities and Exchange Commission on March 14, 2011**

File No. 000-54245

# UNITED STATES
# SECURITIES AND EXCHANGE COMMISSION
**Washington, D.C. 20549**

**Amendment No. 1**

# FORM 10

## GENERAL FORM FOR REGISTRATION OF SECURITIES
## PURSUANT TO SECTION 12(b) OR 12(g) OF THE SECURITIES EXCHANGE ACT OF 1934

# TPG Specialty Lending, Inc.

(Exact Name of Registrant as Specified in Its Charter)

| **Delaware** | 27-3380000 |
|---|---|
| (State or Other Jurisdiction of Incorporation or Organization) | (I.R.S. Employer Identification No.) |
| 301 Commerce Street, Suite 3300, Fort Worth, TX | 76102 |
| (Address of Principal Executive Offices) | (Zip Code) |

**(817) 871-4000**
(Registrant's telephone number, including area code)

**with copies to:**

| Ronald Cami, Esq. | Michael L. Ryan, Esq. | Steven B. Boehm, Esq. |
|---|---|---|
| TPG Capital, L.P. | Cleary Gottlieb Steen & Hamilton LLP | Sutherland Asbill & Brennan LLP |
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| Suite 3300 | New York, New York 10006 | Washington, DC 20004-2415 |
| Fort Worth, TX 76102 | (212) 225-2000 | (202) 637-3593 fax |
| (817) 871-4000 | | |

**Securities to be registered pursuant to Section 12(b) of the Act:**

None

**Securities to be registered pursuant to Section 12(g) of the Act:**

Common Stock, par value $0.01 per share
(Title of class)

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a small reporting company. See definitions of "large accelerated filer," "accelerated filer" and "small reporting company" in Rule 12b-2 of the Exchange Act. (Check one)

| **Large accelerated filer** ☐ | **Accelerated filer** ☐ | **Non-accelerated filer** ☑ (Do not check if a smaller reporting company) | **Smaller reporting company** ☐ |
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## EXPLANATORY NOTE

TPG Specialty Lending, Inc. is filing this amendment no. 1 to the registration statement on Form 10 (the "Registration Statement") under the Securities Exchange Act of 1934, as amended (the "1934 Act"), on a voluntary basis to permit it to file an election to be regulated as a business development company, (a "BDC"), under the Investment Company Act of 1940, as amended (the "1940 Act"), to provide current public information to the investment community and to comply with applicable requirements for the quotation or listing of its securities on a national securities exchange or other public trading market. In this Registration Statement, the "Company," "TSL," "we," "us," and "our" refer to TPG Specialty Lending, Inc., unless otherwise specified.

Once this Registration Statement has been deemed effective, we will be subject to the requirements of Section 13(a) of the 1934 Act, including the rules and regulations promulgated thereunder, which will require us, among other things, to file annual reports on Form 10-K, quarterly reports on Form 10-Q, and current reports on Form 8-K, and we will be required to comply with all other obligations of the 1934 Act applicable to issuers filing registration statements pursuant to Section 12(g) of the 1934 Act.

Shortly after the effectiveness of this Registration Statement, we will file an election to be regulated as a BDC under the 1940 Act. Upon filing of such election, we will become subject to the 1940 Act requirements applicable to BDCs.

## FORWARD-LOOKING STATEMENTS

This Registration Statement contains forward-looking statements that involve substantial risks and uncertainties. These forward-looking statements are not historical facts, but rather are based on current expectations, estimates and projections about us, our prospective portfolio investments, our industry, our beliefs, and our assumptions. Words such as "anticipates," "expects," "intends," "plans," "believes," "seeks," "estimates," "would," "should," "targets," "projects," and variations of these words and similar expressions are intended to identify forward-looking statements. These statements are not guarantees of future performance and are subject to risks, uncertainties, and other factors, some of which are beyond our control and are difficult to predict, that could cause actual results to differ materially from those expressed or forecasted in the forward-looking statements including, without limitation:

- an economic downturn, or a continuation or worsening of the current global recession, could impair our portfolio companies' abilities to continue to operate, which could lead to the loss of some or all of our investments in such portfolio companies;
- such an economic downturn could disproportionately impact the companies which we intend to target for investment, potentially causing us to experience a decrease in investment opportunities and diminished demand for capital from these companies;
- such an economic downturn could also impact availability and pricing of our financing;
- an inability to access the equity markets could impair our ability to raise capital and our investment activities; and
- the risks, uncertainties and other factors we identify in the section entitled "Risk Factors" and elsewhere in this Registration Statement and in our filings with the Securities Exchange Commission (the "SEC").

Although we believe that the assumptions on which these forward-looking statements are based are reasonable, some of those assumptions are based on the work of third parties and any of those assumptions could prove to be inaccurate; as a result, the forward-looking statements based on those assumptions also could prove to be inaccurate. In light of these and other uncertainties, the inclusion of a projection or forward-looking statement in this

prospectus should not be regarded as a representation by us that our plans and objectives will be achieved. These risks and uncertainties include those described or identified in the section entitled "*Item 1A. Risk Factors*" and elsewhere in this Registration Statement. You should not place undue reliance on these forward-looking statements, which apply only as of the date of this Registration Statement. We do not undertake any obligation to update or revise any forward-looking statements or any other information contained herein, except as required by applicable law. The safe harbor provisions of Section 21E of the 1934 Act, which preclude civil liability for certain forward-looking statements, do not apply to the forward-looking statements in this Registration Statement because we are not yet subject to the periodic reporting obligations of Section 13(a) or Section 15(a) of the 1934 Act.

## Item 1. Business

(a) General Development of Business

We were formed on July 21, 2010 as a corporation under the laws of the State of Delaware. We expect to conduct private offerings (the "Private Offering") of our common shares to investors in reliance on exemptions from the registration requirements of the U.S. Securities Act of 1933, as amended (the "1933 Act"). At the closing of any Private Offering, each investor will make a capital commitment to purchase shares of our common stock pursuant to a subscription agreement entered into with the Company. Investors will be required to fund drawdowns to purchase shares of the Company's common stock up to the amount of their respective capital commitments on an as-needed basis with a minimum of 10 business days' prior notice to the investors. See " *Item 1(c). Description of Business—The Private Offering*." We anticipate commencing our loan origination and investment activities contemporaneously with the initial closing of the Private Offering, which is expected to occur in the second quarter of 2011 (the "Closing").

Shortly after the effectiveness of this Registration Statement, we intend to file with the SEC an election to be treated as a BDC under the 1940 Act. We also intend to elect to be treated for U.S. federal income tax purposes as a regulated investment company (a "RIC") under Subchapter M of the Internal Revenue Code of 1986, as amended (the "Code"). As a BDC and a RIC, we are required to comply with certain regulatory requirements. See " *Item 1(c). Description of Business—Regulation as a Public Business Development Company* " and "*Item 1(c). Description of Business—Certain U.S. Federal Income Tax Consequences*."

(b) Financial Information about Industry Segments

Our operations comprise only a single reportable segment. See " *Item 2. Financial Information*."

(c) Description of Business

### General

We are a specialty finance investment company. Our primary focus is to generate current income and capital appreciation through direct investments in senior secured loans, mezzanine loans and, to a lesser extent, equity securities of eligible portfolio companies (i.e., U.S. domiciled, middle-market issuers). By "middle-market issuers," we mean companies that have annual earnings before interest, income taxes, depreciation and amortization (EBITDA), which we believe is a useful proxy for cash flow, of $10 million to $250 million. We currently do not expect to limit our focus on any specific industry and we may on occasion invest in larger or smaller companies. We also may invest up to 30% of our portfolio opportunistically in non-eligible portfolio companies.

Our business model is focused primarily on the direct origination of loans to middle-market companies. We expect to generate returns through a combination of contractual interest payments on debt investments, equity appreciation (through options, warrants, conversion rights or direct equity investments) and origination and similar fees. Our primary focus is to generate current income and capital appreciation through these direct investments. We can offer no assurances that we will achieve our investment objective.

We expect our capital will be used to support organic growth, acquisitions, market or product expansion and/or recapitalizations. Over time, as we build our portfolio, we expect no single investment to be larger than 10% of our available capital base. The debt in which we invest typically will not be initially rated by any rating agency,

but if such investments were rated, it is likely they would be below investment grade. We expect most of our investments to be floating-rate in nature, which we believe will help act as a portfolio-wide hedge against inflation.

Because we intend to be a BDC, and we intend to qualify as a RIC under the Code, our portfolio will be subject to diversification and other requirements. See "*—Certain U.S. Federal Income Tax Consequences.*"

We may borrow money from time to time within the levels permitted by the 1940 Act (which generally allows us to incur leverage for up to one-half of our assets). In determining whether to borrow money, we will analyze the maturity, covenant package and rate structure of the proposed borrowings as well as the risks of such borrowings compared to our investment outlook. The use of borrowed funds or the proceeds of preferred stock offerings to make investments would have its own specific set of benefits and risks, and all of the costs of borrowing funds or issuing preferred stock would be borne by holders of our common stock. See "*Item 1A. Risk Factors—Risks Relating to Our Business and Structure—We may borrow money, which may magnify the potential for gain or loss and may increase the risk of investing in us*."

*The Investment Adviser*

TSL Advisers, LLC (the "Adviser"), a Delaware limited liability company and an affiliate of TPG Capital, L.P. ("TPG"), will act as our investment adviser. The Adviser has filed an application with the SEC for registration as a registered investment adviser under the Investment Advisers Act of 1940, as amended (the "Advisers Act"). We expect that the Adviser will source and manage our portfolio through a team of investment professionals (the "Investment Team"), led by Co-Chief Investment Officers Alan Waxman and Joshua Easterly, who have substantial experience in credit origination. Mr. Waxman was the co-founder of the Goldman Sachs Specialty Lending Group ("GSSLG") and Mr. Easterly is the former co-head of GSSLG. Our investments will also be made in coordination with an investment review committee (the "Investment Review Committee") that includes senior partners of TPG.

The Adviser is affiliated with TPG, one of the largest diversified alternative investment firms in the world, with total assets under management of approximately $48.3 billion as of September 30, 2010. Management of the Adviser will consist primarily of senior executives of TPG Opportunities Partners, L.P. ("TOP"), formed in 2009 as TPG's distressed and special situations platform. Along with Messrs. Waxman and Easterly, TOP has a team of over 20 dedicated professionals and collectively brings extensive experience in the credit markets and special situations investing. See " *Item 7. Certain Relationships and Related Transactions, and Director Independence*."

*The Board of Directors*

Our board of directors (the "Board") will have ultimate authority as to our investments, but we expect it will delegate authority to the Adviser to select and monitor our investments, subject to the supervision of the Board. Pursuant to our amended and restated certificate of incorporation, (the "Amended and Restated Certificate of Incorporation"), the Board initially consists of four members. A majority of the Board will at all times consist of directors who are not "interested persons" of the Company, of the Adviser or of any of their respective affiliates, as defined in the 1940 Act (the "Independent Directors"). The Board is divided into three classes, each serving staggered, three-year terms: the terms of our Class I directors will expire at the 2012 annual meeting of stockholders; the terms of our Class II directors will expire at the 2013 annual meeting of stockholders; and the terms of our Class III directors will expire at the 2014 annual meeting of stockholders.

*Advisory Agreement; Administration Agreement; License Agreement*

We will enter into an Advisory Agreement with our Adviser, which we refer to as the "Advisory Agreement," under which the Adviser will:

- determine the composition of our portfolio, the nature and timing of the changes to our portfolio and the manner of implementing such changes;
- identify, evaluate and negotiate the structure of the investments we make (including performing due diligence on our prospective portfolio companies);

- determine the assets we will originate, purchase, retain or sell;
- close, monitor and administer the investments we make, including the exercise of any rights in our capacity as a lender; and
- provide us such other investment advice, research and related services as we may, from time to time, require.

The Adviser's services under the Advisory Agreement are not exclusive, and it is free to furnish similar or other services to others so long as its services to us are not impaired.

Under the terms of the Advisory Agreement, we will pay the Adviser a base management fee (the "Management Fee") and may also pay to it incentive fees (each, an "Incentive Fee"). The Management Fee will be payable quarterly in arrears as of the last day of the quarter to which it relates. Following any initial public offering of the Company's common stock (an "IPO"), the Management Fee will be payable at an annual rate of 1.5% of the average of the Company's total gross assets as of the end of any quarter and the immediately preceding quarter. Prior to an IPO, the Management Fee will be determined based on the total capital available to the Company.

The Incentive Fee will consist of two components:

(i) Following an IPO, the first component of the Incentive Fee will equal 100% of the excess (if any) of pre-Incentive Fee net investment income over a 1.5% quarterly (6% annualized) hurdle rate, until the Adviser has received 17.5% of total net investment income for that quarter, and 17.5% of all remaining pre-Incentive Fee net investment income for that quarter. No Incentive Fee will be payable under this component for any quarter in which pre-Incentive Fee net investment does not exceed the hurdle rate for that quarter. Prior to an IPO, the first component of the Incentive Fee payable by the Company will be subject to a reduced rate.

"Pre-Incentive Fee net investment income" means dividends (whether or not reinvested), interest and fee income less operating expenses, calculated on an accrual basis.

(ii) Following an IPO, the second component, payable at the end of each fiscal year in arrears, will equal a percentage, which we refer to as the "Weighted Percentage," of the cumulative capital gains from the inception of the Company to the end of such fiscal year, minus the aggregate amount of any previously paid capital gain Incentive Fees for prior periods; but in no event will be less than zero. The Weighted Percentage will be calculated at the end of each fiscal year of the Company that occurs following an IPO and is intended to ensure that the portion of the Company's cumulative capital gains that accrued following an IPO will be subject to an incentive fee rate of 17.5% and the portion of the Company's cumulative capital gains that accrued prior to an IPO will be subject to an incentive fee rate of 15%. The Weighted Percentage will be calculated in the manner set forth in the Advisory Agreement and will generally be equal to the sum of (i) a percentage determined by multiplying 15% by a fraction, the numerator of which is the dollar amount representing the portion of the Company's cumulative capital gains that accrued prior to an IPO and the denominator of which is the dollar amount of the Company's cumulative capital gains and (ii) a percentage determined by multiplying 17.5% by a faction, the numerator of which is the dollar amount representing the portion of the Company's cumulative capital gains that accrued following an IPO and the denominator of which is the dollar amount of the Company's cumulative capital gains.

"Cumulative capital gains" means, on any relevant date, cumulative realized capital gains, less the sum of (a) realized capital losses and (b) unrealized capital depreciation on investments, in each case as of such date.

Our Board will monitor the mix and performance of our investments over time and will seek to satisfy itself that the Adviser is acting in our interests and that our fee structure appropriately incentivizes the Adviser to do so.

We will also enter into an Administration Agreement with our Adviser, which we refer to as the "Administration Agreement," under which the Adviser will provide administrative services to us. These services will include providing office space to us, providing us with equipment and office services, maintaining our financial records, preparing reports to our stockholders and reports filed with the SEC and managing the payment of our expenses and the performance of administrative and professional services rendered to us by others. We will reimburse the Adviser for all reasonable costs and expenses incurred by the Adviser in providing these services, facilities and personnel, as provided by the Administration Agreement. We will also reimburse the Adviser for the allocable portion of the compensation paid by the Adviser (or its affiliates) to the Company's chief compliance officer and chief financial officer (based on the percentage of time such individuals devote, on an estimated basis, to the business and affairs of the Company). See " *Fees and Expenses*." In addition, the Adviser is permitted to delegate its duties under the Administration Agreement to affiliates or third parties and we will reimburse the expenses of these parties incurred and paid by the Adviser on our behalf.

Both the Advisory Agreement and the Administration Agreement have been approved by our Board. Unless earlier terminated as described below, both the Advisory Agreement and the Administration Agreement will remain in effect for a period of two years from their effective date and will remain in effect from year to year thereafter if approved annually by (i) the vote of our Board, or by the vote of a majority of our outstanding voting securities, and (ii) the vote of a majority of our Independent Directors. The Advisory Agreement and the Administration Agreement will automatically terminate in the event of assignment. Both the Advisory Agreement and the Administration Agreement may be terminated by either party without penalty upon not less than 60 days' written notice to the other. See "*Item 1A. Risk Factors—Risks Relating to Our Business and Structure—We will be dependent upon management personnel of the Adviser for our future success*."

The Adviser will not assume any responsibility to us other than to render the services described in, and on the terms of, the Advisory Agreement and the Administration Agreement, and will not be responsible for any action of our Board in declining to follow the advice or recommendations of the Adviser. Under the terms of the Advisory Agreement and the Administration Agreement, the Adviser (and its members, managers, officers, employees, agents, controlling persons and any other person or entity affiliated with it) shall not be liable to the Company for any action taken or omitted to be taken by the Adviser in connection with the performance of any of its duties or obligations under the Advisory Agreement, the Administration Agreement or otherwise as an investment adviser of the Company (except to the extent specified in Section 36(b) of the Investment Company Act concerning loss resulting from a breach of fiduciary duty (as the same is finally determined by judicial proceedings) with respect to the receipt of compensation for services). The Company shall, to the fullest extent permitted by law, provide indemnification and the right to the advancement of expenses, to each person who was or is made a party or is threatened to be made a party to or is involved (including, without limitation, as a witness) in any actual or threatened action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he/she is or was a member, manager, officer, employee, agent, controlling person of the Adviser or any other person or entity affiliated with the Adviser or is or was a member of the Adviser's Investment Review Committee, on the same general terms set forth in Article VIII of our Amended and Restated Certificate of Incorporation.

United States federal and state securities laws may impose liability under certain circumstances on persons who act in good faith. Nothing in the Advisory Agreement will constitute a waiver or limitation of any rights that the Company may have under any applicable federal or state securities laws.

We have also entered into a license agreement (the "License Agreement") with an affiliate of TPG, pursuant to which we have been granted a non-exclusive license to use the name "TPG." Under the License Agreement, we have a right to use the TPG name and logo, for a nominal fee, for so long as the Adviser or one of its affiliates remains our investment adviser. Other than with respect to this limited license, we will have no legal right to the "TPG" name or logo.

*Investment Decision Process*

The Adviser will be responsible for managing our day-to-day business affairs, including implementing investment policies and strategic initiatives set by the Investment Team and managing our portfolio and under the general oversight of the Investment Review Committee. The Investment Review Committee will be comprised of senior personnel of TPG, TOP, senior members of the Adviser and certain other persons appointed by the Adviser

from time to time. The investment professionals of the Adviser and the Investment Review Committee will be supported by and have access to the investment professionals, analytical capabilities and support personnel of TPG or its affiliates. Some of the officers and employees of the Adviser, including some of its senior officers, will be also employees of TPG. See "*Item 7. Certain Relationships and Related Transactions, and Director Independence* ."

The Adviser will keep our Board well informed as to the identity and title of each member of its Investment Review Committee and provide to the Board such other information with respect to such persons and the functioning of the Investment Review Committee and the Investment Team as the Board may from time to time request.

*Portfolio Composition*

Our investments will primarily take the form of senior secured loans with embedded first lien and junior secured risk; standalone senior secured loans that are typically senior on a lien basis to other liabilities in the issuer's capital structure and have the benefit of a security interest over the assets of the portfolio company; standalone second lien loans (i.e., senior secured loans that are typically senior on a lien basis to other liabilities in the issuer's capital structure and have the benefit of a security interest over the assets of the borrower, though ranking junior to first lien loans); and mezzanine loans/structured equity. Any of our loans may also include an equity component such as a warrant or profit participation right. In certain instances we will also make direct equity investments, although typically in connection with making an investment in a more senior part of the capital structure.

*Competition*

We will compete for investments with a number of business development companies and other investment funds (including private equity funds and venture capital funds), special purpose acquisition company ("SPAC") sponsors, investment banks that underwrite initial public offerings, hedge funds that invest in private investments in public equities ("PIPEs"), traditional financial services companies such as commercial banks, and other sources of financing. Many of these entities have greater financial and managerial resources than we do. Furthermore, many of our competitors are not subject to the regulatory restrictions that the 1940 Act will impose on us as a BDC. For additional information concerning the competitive risks we expect to face, see " *Item 1A. Risk Factors—Risks Relating to Our Business and Structure—We will operate in a highly competitive market for investment opportunities* ."

*Fees and Expenses*

We anticipate that all investment professionals and staff of the Adviser, when and to the extent engaged in providing us investment advisory and management services, and the base compensation, bonus and benefits, and the routine overhead expenses, of such personnel allocable to such services, will be provided and paid for by the Adviser.

We will bear all other costs and expenses of our operations, administration and transactions, including, but not limited to, those relating to:

- our initial organization costs and operating costs incurred prior to the commencement of our operations (up to an aggregate of $1,500,000);
- calculating individual asset values and our net asset value (including the cost and expenses of any independent valuation firms);
- expenses, including travel expense, incurred by the Adviser, or members of the Investment Team, or payable to third parties, performing due diligence on prospective portfolio companies and, if necessary, enforcing our rights;
- the costs of the offerings of common shares and other securities, if any;

- the Management Fee and any Incentive Fee;
- certain costs and expenses relating to distributions paid on our shares;
- administration fees payable under our Administration Agreement;
- debt service and other costs of borrowings or other financing arrangements;
- the allocated costs incurred by the Adviser in providing managerial assistance to those portfolio companies that request it;
- amounts payable to third parties relating to, or associated with, making or holding investments;
- transfer agent and custodial fees;
- costs of hedging;
- commissions and other compensation payable to brokers or dealers;
- taxes;
- Independent Director fees and expenses;
- costs of preparing financial statements and maintaining books and records and filing reports or other documents with the SEC (or other regulatory bodies) and other reporting and compliance costs, including registration and listing fees, and the compensation of professionals responsible for the preparation of the foregoing;
- the costs of any reports, proxy statements or other notices to our stockholders (including printing and mailing costs), the costs of any stockholders' meetings and the compensation of investor relations personnel responsible for the preparation of the foregoing and related matters;
- our fidelity bond (as described more fully under "*Item 1(c). Description of Business—Regulation as a Public Business Development Company* ," below);
- directors and officers/errors and omissions liability insurance, and any other insurance premiums;
- indemnification payments;
- direct costs and expenses of administration, including audit, accounting, consulting and legal costs; and
- all other expenses reasonably incurred by us in connection with making investments and administering our business.

From time to time, the Adviser may pay amounts owed by us to third-party providers of goods or services. We will subsequently reimburse the Adviser for such amounts paid on our behalf. Other than with respect to our initial organization and operating costs, as described above, there is no contractual cap on the reasonable costs and expenses for which the Adviser will be reimbursed. In addition, we will reimburse the Adviser for the allocable portion of the compensation paid by the Adviser (or its affiliates) to the Company's chief compliance officer and chief financial officer (based on the percentage of time such individuals devote, on an estimated basis, to the business and affairs of the Company). All of these expenses will ultimately be borne by our shareholders.

*Capital Resources and Borrowings*

We anticipate cash to be generated from the Private Offering and other future offerings of securities (including an IPO), and cash flows from operations, including interest earned from the temporary investment of cash in cash equivalents, U.S. government securities and other high-quality debt investments that mature in one year or less. Additionally, we will be permitted, under specified conditions, to issue multiple classes of indebtedness and one class of stock senior to our common stock if our asset coverage, as defined in the 1940 Act, is at least equal to 200% immediately after each such issuance. Furthermore, while any indebtedness and senior securities remain outstanding, we must make provisions to prohibit any distribution to our stockholders or the repurchase of such securities or shares unless we meet the applicable asset coverage ratios at the time of the distribution or repurchase. In connection with borrowings, our lenders may require us to pledge assets, investor commitments to fund capital calls and/or the proceeds of those capital calls. In addition, the lenders may ask us to comply with positive or negative covenants that could have an effect on our operations.

*Dividend Reinvestment Plan*

We have adopted a dividend reinvestment plan, pursuant to which the Company will reinvest all cash dividends declared by the Board on behalf of investors who do not elect to receive their dividends in cash as provided below. As a result, if the Board authorizes, and we declare, a cash dividend or other distribution, then our stockholders who have not opted out of our dividend reinvestment plan will have their cash distributions automatically reinvested in additional shares of our common stock as described below, rather than receiving the cash dividend or other distribution.

The number of shares to be issued to a stockholder under the dividend reinvestment plan will be determined by dividing the total dollar amount of the distribution payable to such stockholder by (i) prior to an IPO, the net asset value per share of our common stock, as of the last day of our fiscal quarter immediately preceding the date such distribution was declared, or (ii) following an IPO, the market price of our common stock. We intend to use primarily newly issued shares to implement the plan.

No action will be required on the part of a registered stockholder to have his, her or its cash dividend or other distribution reinvested in shares of our common stock. A registered stockholder will be able to elect to receive an entire cash dividend or other distribution in cash by notifying the Adviser in writing, so that such notice is received by the Adviser no later than 10 days prior to the record date for distributions to the stockholders.

There will be no brokerage charges or other charges to stockholders who participate in the plan.

The plan will be terminable by us upon notice in writing mailed to each shareholder of record at least 30 days prior to any record date for the payment of any distribution by us.

*Employees*

We do not currently have any employees and do not expect to have any employees. Services necessary for our business will be provided by individuals who are employees of our Adviser or its affiliates, pursuant to the terms of the Advisory Agreement and the Administration Agreement. Each of our executive officers described under "*Item 5. Directors and Executive Officers*" will be an employee of our Adviser or its affiliates. Our day-to-day investment operations will be managed by our Adviser. The services necessary for the origination and administration of our investment portfolio will be provided by investment professionals employed by our Adviser or its affiliates. This Investment Team will focus on origination and transaction development and the ongoing monitoring of our investments. In addition, we will reimburse the Adviser for the allocable portion of the compensation paid by the Adviser (or its affiliates) to the Company's chief compliance officer and chief financial officer (based on the percentage of time such individuals devote, on an estimated basis, to the business and affairs of the Company). See "*Item 1(c). Description of Business—General—Advisory Agreement; Administration Agreement; License Agreement*."

**The Private Offering**

We expect to enter into separate subscription agreements with a number of investors providing for the private placement of the Company's common shares pursuant to the Private Offering. Each investor will make a capital commitment to purchase shares of our common stock pursuant to the subscription agreement. Investors will be required to make capital contributions to purchase shares of the Company's common stock each time the Company delivers a drawdown notice, which will be issued based on the Company's anticipated investment activities and capital needs and delivered at least 10 business days prior to the required funding date, in an aggregate amount not to exceed their respective capital commitments. All purchases will generally be made *pro rata* in accordance with the investors' capital commitments, at a per-share price equal to the net asset value per share of the Company's common stock as of the close of the last quarter preceding the drawdown date. Upon the earlier to occur of an IPO of the Company's common stock that results in an unaffiliated public float of at least $75 million (a "Qualified IPO"), and the fourth anniversary of the Closing (the "Commitment Period"), investors will be released from any further obligation to purchase additional shares, subject to certain exceptions contained in the subscription agreement. Prior to a Qualified IPO, no investor who participated in the Private Offering will be permitted to sell, assign, transfer or otherwise dispose of its shares or capital commitment unless the Adviser provides its prior written consent and the transfer is otherwise made in accordance with applicable law.

While the Company expects each subscription agreement to reflect the terms and conditions summarized in the preceding paragraph, the Company reserves the right to enter into subscription agreements that contain terms and conditions not found in the subscription agreements entered into with other investors, subject to applicable law. For example, we anticipate entering into a subscription agreement with one of our founding investors that would permit such investor to nominate a representative to serve as a director on the Company's Board at any time that a representative of such investor does not already serve on our Board. Pursuant to this subscription agreement, the Adviser will be required to cause a representative of the investor to be nominated for election as a director of the Company at each annual meeting of the Company's shareholders during which a representative of the investor does not already serve on our Board, subject to applicable law. Furthermore, for so long as the investor's representative continues to serve as a director of the Company, the Adviser will be required to use its reasonable efforts to cause the investor's representative to be appointed to the Board's IPO committee. During any period in which the investor's representative does not serve on the Board, the Company will generally be required to invite a representative of the investor to attend meetings of the Board in a nonvoting observer capacity. No investor in the Private Offering will be permitted to make an investment in the Company on economic terms and conditions that are more favorable than the economic terms and conditions contained in the subscription agreements entered into with all other investors.

**Regulation as a Public Business Development Company**

We intend to be regulated as a BDC under the 1940 Act. The 1940 Act contains prohibitions and restrictions relating to transactions between BDCs and their affiliates (including any investment advisers or sub-advisers), principal underwriters and affiliates of those affiliates or underwriters. In addition, a BDC must be organized in the United States for the purpose of investing in or lending to primarily private companies and making significant managerial assistance available to them. A BDC may use capital provided by public stockholders and from other sources to make long-term, private investments in businesses.

As with other companies regulated by the 1940 Act, a BDC must adhere to certain substantive regulatory requirements. A majority of our directors must be persons who are not "interested persons," as that term is defined in the 1940 Act. Additionally, we are required to provide and maintain a bond issued by a reputable fidelity insurance company to protect us against larceny and embezzlement. Furthermore, as a BDC, we are prohibited from protecting any director or officer against any liability to us or our stockholders arising from willful misfeasance, bad faith, gross negligence or reckless disregard of the duties involved in the conduct of such person's office. As a BDC, we are also required to meet a coverage ratio of the value of total assets to total senior securities, which include all of our borrowings and any preferred stock we may issue in the future, of at least 200%.

We may not change the nature of our business so as to cease to be, or withdraw our election as, a BDC unless authorized by vote of a majority of the outstanding voting securities, as required by the 1940 Act. A majority of the outstanding voting securities of a company is defined under the 1940 Act as the lesser of: (a) 67% or more of such company's voting securities present at a meeting if more than 50% of the outstanding voting securities of such

company are present or represented by proxy, or (b) more than 50% of the outstanding voting securities of such company. We do not anticipate any substantial change in the nature of our business.

We may invest up to 100% of our assets in securities acquired directly from, or loans originated directly to, issuers in privately-negotiated transactions. We do not intend to acquire securities issued by any investment company that exceed the limits imposed by the 1940 Act. Under these limits, except for registered money market funds, the Company generally cannot acquire more than 3% of the voting stock of any investment company, invest more than 5% of the value of our total assets in the securities of one investment company or invest more than 10% of the value of our total assets in the securities of investment companies in the aggregate. The portion of our portfolio invested in securities issued by investment companies ordinarily will subject our stockholders to additional expenses. Our investment portfolio is also subject to diversification requirements by virtue of our status as a RIC for U.S. tax purposes; the related requirements are set forth below. See "*—Certain U.S. Federal Income Tax Considerations—Regulated Investment Company Classification* ."

We are generally not able to issue and sell our common stock at a price below net asset value per share. See " *Item 1A. Risk Factors—Risks Relating to Our Business and Structure—Regulations governing our operation as a BDC affect our ability to, and the way in which we, raise additional capital.* " We may, however, issue and sell our common stock, or warrants, options or rights to acquire our common stock, at a price below the then current net asset value of our common stock if our Board determines that such sale is in our best interests and the best interests of our stockholders, and our stockholders have approved our policy and practice of making such sales within the preceding 12 months. In any such case, the price at which our securities are to be issued and sold may not be less than a price that, in the determination of our Board, closely approximates the market value of such securities. In addition, we may generally issue new shares of our common stock at a price below net asset value in rights offerings to existing stockholders, in payment of dividends and in certain other limited circumstances.

We may also be prohibited under the 1940 Act from knowingly participating in certain transactions with our affiliates without the prior approval of the members of our Board who are not interested persons and, in some cases, prior approval by the SEC through an exemptive order (other than in certain limited situations pursuant to current regulatory guidance). We will apply for an exemptive order from the SEC that will permit us to co-invest with funds or other pools of capital or persons managed by TPG or its affiliates. Any such order will be subject to certain terms and conditions and there can be no assurance that the application for exemptive relief will be granted by the SEC. Accordingly, we cannot assure you that the Company will be permitted to co-invest with funds managed by TPG, other than in the limited circumstances currently permitted by regulatory guidance. See " *Item 7. Certain Relationships and Related Transactions*, *and Director Independence*."

We will be subject to periodic examination by the SEC for compliance with the 1940 Act.

As a BDC, we are subject to certain risks and uncertainties. See "*Item 1A. Risk Factors—Risks Relating to Our Business and Structure.* "

*Qualifying Assets*

Under the 1940 Act, a BDC may not acquire any assets other than assets of the type listed in section 55(a) of the 1940 Act, which are referred to as qualifying assets, unless, at the time the acquisition is made, qualifying assets represent at least 70% of the company's total assets. The principal categories of qualifying assets relevant to our business are the following:

- Securities purchased in transactions not involving any public offering from the issuer of such securities, which issuer (subject to certain limited exceptions) is an eligible portfolio company, or from any person who is, or has been during the preceding 13 months, an affiliated person of an eligible portfolio company, or from any other person, subject to such rules as may be prescribed by the SEC. An eligible portfolio company is defined in the 1940 Act as any issuer which:
    - is organized under the laws of, and has its principal place of business in, the United States;

- is not an investment company (other than a small business investment company wholly owned by the Company) or a company that would be an investment company but for certain exclusions under the 1940 Act; and
- satisfies either of the following:
  - has a market capitalization of less than $250 million or does not have any class of securities listed on a national securities exchange; or
  - is controlled by a BDC or a group of companies including a BDC, the BDC actually exercises a controlling influence over the management or policies of the eligible portfolio company, and, as a result thereof, the BDC has an affiliated person who is a director of the eligible portfolio company.

- Securities of any eligible portfolio company that we control.
- Securities purchased in a private transaction from a U.S. issuer that is not an investment company or from an affiliated person of the issuer, or in transactions incident thereto, if the issuer is in bankruptcy and subject to reorganization or if the issuer, immediately prior to the purchase of its securities was unable to meet its obligations as they came due without material assistance other than conventional lending or financing arrangements.
- Securities of an eligible portfolio company purchased from any person in a private transaction if there is no ready market for such securities and we already own 60% of the outstanding equity of the eligible portfolio company.
- Securities received in exchange for or distributed on or with respect to securities described above, or pursuant to the exercise of warrants or rights relating to such securities.
- Cash, cash equivalents, U.S. Government securities or high-quality debt securities maturing in one year or less from the time of investment.

*Limitations on Leverage*

As a BDC, the Company generally must have 200% asset coverage for its debt after incurring any new indebtedness, meaning that the total value of the Company's assets must be at least twice the amount of the debt (i.e., 50% leverage). However, we intend to use less than this amount of allowed leverage.

*Managerial Assistance to Portfolio Companies*

A BDC must be operated for the purpose of making investments in the types of securities described under " *Qualifying Assets*," above. However, in order to count portfolio securities as qualifying assets for the purpose of the 70% test, the BDC must either control the issuer of the securities or must offer to make available to the issuer of the securities significant managerial assistance; except that, where the BDC purchases such securities in conjunction with one or more other persons acting together, the BDC will satisfy this test if one of the other persons in the group may make available such managerial assistance. Making available managerial assistance means, among other things, any arrangement whereby the BDC, through its directors, officers or employees, offers to provide, and, if accepted, does in fact provide, significant guidance and counsel concerning the management, operations or business objectives and policies of a portfolio company.

*Ongoing Relationships with Portfolio Companies; Valuation*

The Adviser will monitor the Company's portfolio companies on an ongoing basis. The Adviser will monitor the financial trends of each portfolio company to determine if it is meeting its business plans and to assess the appropriate course of action for each company.

The Adviser has several methods of evaluating and monitoring the performance and fair value of the Company's investments, which may include, but are not limited to, the following:

- Assessment of success of the portfolio company in adhering to its business plan and compliance with covenants;
- Periodic and regular contact with portfolio company management and, if appropriate, the financial or strategic sponsor, to discuss financial position, requirements and accomplishments;
- Comparisons to other companies in the industry;
- Attendance at and participation in board meetings; and
- Review of monthly and quarterly financial statements and financial projections for portfolio companies.

See "*Item 9. Market Price of and Dividends on the Registrant's Common Equity and Related Stockholder Matters—Valuation of Portfolio Securities*."

*Temporary Investments*

Pending investment in other types of "qualifying assets," as described above, our investments may consist of cash, cash equivalents, U.S. Government securities or high-quality debt securities maturing in one year or less from the time of investment, which we refer to, collectively, as temporary investments, such that at least 70% of our assets are qualifying assets. See " *Item I. Certain U.S. Federal Income Tax Consequences—Regulated Investment Company Classification*." Our investment adviser will monitor the creditworthiness of the counterparties with which we enter into repurchase agreement transactions.

*Senior Securities*

We are permitted, under specified conditions, to issue multiple classes of indebtedness and one class of stock senior to our common stock if our asset coverage, as defined in the 1940 Act, is at least equal to 200% immediately after each such issuance. In addition, while any preferred stock or publicly traded debt securities are outstanding, we may be prohibited from making distributions to our stockholders or the repurchasing of such securities or shares unless we meet the applicable asset coverage ratios at the time of the distribution or repurchase. We may also borrow amounts up to 5% of the value of our total assets for temporary or emergency purposes without regard to asset coverage. For a discussion of the risks associated with leverage, see " *Item 1A. Risk Factors—Risks Relating to Our Business and Structure—We may borrow money, which may magnify the potential for gain or loss and may increase the risk of investing in us*."

The 1940 Act imposes limitations on a BDC's issuance of preferred shares, which are considered "senior securities" and thus are subject to the 200% asset coverage requirement described above. In addition, (i) preferred shares must have the same voting rights as the common stockholders (one share, one vote); and (ii) preferred stockholders must have the right, as a class, to appoint directors to the board of directors.

*Code of Ethics*

We and our Adviser have each adopted a code of ethics pursuant to Rule 17j-1 under the 1940 Act and Rule 204A-1 under the Advisers Act, respectively, that establishes procedures for personal investments and restricts certain transactions by our personnel. Our code of ethics generally does not permit investments by our employees in securities that may be purchased or held by us. Once it is filed, you may read and copy this code of ethics at the SEC's Public Reference Room in Washington, D.C. You may obtain information on the operation of the Public Reference Room by calling the SEC at (202) 551-8090. You may also obtain copies of the codes of ethics, after paying a duplicating fee, by electronic request at the following email address:

publicinfo@sec.gov, or by writing the SEC's Public Reference Section, 100 F Street, N.E., Washington, D.C. 20549.

*Compliance Policies and Procedures*

We and our Adviser have adopted and implemented written policies and procedures reasonably designed to detect and prevent violation of the federal securities laws and will be required to review these compliance policies and procedures annually for their adequacy and the effectiveness of their implementation and designate a chief compliance officer to be responsible for administering the policies and procedures. The chief compliance officer of TPG, David Reintjes, is our chief compliance officer.

*Sarbanes-Oxley Act of 2002*

The Sarbanes-Oxley Act of 2002 imposes a wide variety of regulatory requirements on certain publicly held companies and their insiders. Assuming certain requirements are met, many of these requirements affect us. For example:

- pursuant to Rule 13a-14 of the Exchange Act, our chief executive officer and chief financial officer would have to certify the accuracy of the financial statements contained in our periodic reports;
- pursuant to Item 307 of Regulation S-K, our periodic reports would have to disclose our conclusions about the effectiveness of our disclosure controls and procedures;
- pursuant to Rule 13a-15 of the Exchange Act, subject to certain assumptions, our management will in the future be required to prepare an annual report regarding its assessment of our internal control over financial reporting and, depending on our accelerated filer status, this report may be required to be audited by our independent registered public accounting firm; and
- pursuant to Item 308 of Regulation S-K and Rule 13a-15 of the 1934 Act, our periodic reports must disclose whether there were significant changes in our internal controls over financial reporting or in other factors that could significantly affect these controls subsequent to the date of their evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

The Sarbanes-Oxley Act will require us to review our current policies and procedures to determine whether we comply with the Sarbanes-Oxley Act and the regulations promulgated thereunder. We will continue to monitor our compliance with all regulations that are adopted under the Sarbanes-Oxley Act and will take actions necessary to ensure that we are in compliance therewith.

*Proxy Voting Policies and Procedures*

We intend to delegate our proxy voting responsibility to our Adviser. The Proxy Voting Policies and Procedures of our Adviser are set forth below. The guidelines will be reviewed periodically by our investment adviser and our non-interested directors, and, accordingly, are subject to change.

An investment adviser registered under the Advisers Act has a fiduciary duty to act solely in the best interests of its clients. As part of this duty, the Adviser recognizes that it must vote client securities in a timely manner free of conflicts of interest and in the best interests of its clients. These policies and procedures for voting proxies for the Adviser's investment advisory clients are intended to comply with Section 206 of, and Rule 206(4)-6 under, the Advisers Act.

The Adviser will vote all proxies based upon the guiding principle of seeking the maximization of the ultimate long term economic value of our shareholders' holdings, and ultimately all votes are cast on a case-by-case basis, taking into consideration the contractual obligations under the relevant advisory agreements or comparable documents, and all other relevant facts and circumstances at the time of the vote. All proxy voting decisions will require a mandatory conflicts of interest review by the Company's Chief Compliance Officer in accordance with

these policies and procedures, which will include consideration of whether the Adviser or any investment professional or other person recommending how to vote the proxy has an interest in how the proxy is voted that may present a conflict of interest. It is the Adviser's general policy to vote or give consent on all matters presented to security holders in any proxy, and these policies and procedures have been designed with that in mind. However, the Adviser reserves the right to abstain on any particular vote or otherwise withhold its vote or consent on any matter if, in the judgment of the Company's Chief Compliance Officer or the relevant investment professional(s) employed by the Adviser, the costs associated with voting such proxy outweigh the benefits to our shareholders or if the circumstances make such an abstention or withholding otherwise advisable and in the best interest of the relevant shareholder(s).

*Privacy Principles*

We are committed to maintaining the confidentiality, integrity and security of nonpublic personal information relating to investors. The following information is provided to help you understand what personal information we collect, how we protect that information and why, in certain cases, we may share information with select other parties.

We may collect nonpublic personal information regarding investors from sources such as subscription agreements, investor questionnaires and other forms; individual investors' account histories; and correspondence between us and individual investors. We may share information that we collect regarding an investor with our affiliates and the employees of such affiliates for legitimate business purposes, for example, in order to service the investor's accounts or provide the investor with information about other products and services offered by us or our affiliates that may be of interest to the investor. In addition, we may disclose information that we collect regarding investors to third parties who are not affiliated with us (i) as authorized by our investors in investor subscription agreements or our organizational documents, (ii) as required by law or in connection with regulatory or law enforcement inquiries, or (iii) as otherwise permitted by law to the extent necessary to effect, administer or enforce investor or Company transactions.

Any party that receives nonpublic personal information relating to investors from the Company is permitted to use the information only for legitimate business purposes or as otherwise required or permitted by applicable law or regulation. In this regard, for officers, employees and agents of the Company and its affiliates, access to such information is restricted to those who need such access in order to provide services to the Company and investors. The Company maintains physical, electronic and procedural safeguards to seek to guard investor nonpublic personal information.

*Reporting Obligations*

We will furnish our stockholders with annual reports containing audited financial statements, quarterly reports, and such other periodic reports as we determine to be appropriate or as may be required by law. We are filing this Registration Statement with the SEC voluntarily with the intention of establishing the Company as a reporting company under the 1934 Act. Upon the effectiveness of this Registration Statement, we will be required to comply with all periodic reporting, proxy solicitation and other applicable requirements under the 1934 Act.

Because we do not currently maintain a corporate website, we do not intend to make available on a website our annual reports on Form 10-K, quarterly reports on Form 10-Q and our current reports on Form 8-K. We do intend, however, to provide electronic or paper copies of our filings free of charge upon request.

Stockholders and the public may also read and copy any materials we file with the SEC at the SEC's Public Reference Room at 450 Fifth Street, NW, Washington, DC 20549. The public may also obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330. The SEC also maintains a website (*www.sec.gov*) that contains such information.

**Certain U.S. Federal Income Tax Consequences**

The following is a summary of certain material U.S. federal income tax considerations related to an investment in our shares. This summary is based upon the provisions of the Code, as amended, the Treasury

regulations promulgated thereunder, published rulings of the Internal Revenue Service (the "IRS") and judicial decisions in effect as of the date hereof, all of which are subject to change, possibly with retroactive effect. The discussion does not purport to describe all of the U.S. federal income tax consequences that may be relevant to a particular investor in light of that investor's particular circumstances and is not directed to investors subject to special treatment under the U.S. federal income tax laws, such as banks, dealers in securities, tax-exempt entities and insurance companies. In addition, this summary does not discuss any aspect of state, local or foreign tax law and assumes that investors will hold their interests in us as capital assets (generally, assets held for investment).

For purposes of this discussion, a "U.S. Holder" is a holder that is, for U.S. federal income tax purposes: (a) an individual who is a citizen or resident of the United States; (b) a corporation created or organized in or under the laws of the United States, any state thereof or the District of Columbia; (c) an estate, the income of which is subject to U.S. federal income taxation regardless of its source or (d) a trust if a court within the United States can exercise primary supervision over its administration and certain other conditions are met. A "Non-U.S. Holder" is a holder who is not a U.S. Holder.

If a partnership (including an entity treated as a partnership for U.S. federal income tax purposes) holds shares of our common stock, the tax treatment of a partner in the partnership will generally depend upon the status of the partner and the activities of the partnership. A prospective investor that will own shares of our common stock through a partnership should consult its tax advisors with respect to the purchase, ownership and disposition of those shares.

*Regulated Investment Company Classification.*

We intend to qualify as a RIC for U.S. tax purposes. Our status as a RIC will enable us to deduct qualifying distributions to our stockholders, so that we will be subject to U.S. federal income taxation only in respect of earnings that we retain and do not distribute. In addition, certain distributions that we make to our stockholders may be eligible for look-through tax treatment determined by reference to the earnings from which the distribution is made.

In order to qualify as a RIC, we must, among other things, (a) derive in each taxable year at least 90% of our gross income from dividends, interest, gains from the sale or other disposition of stock or securities and other specified categories of investment income; and (b) diversify our holdings so that, subject to certain exceptions and cure periods, at the end of each quarter (i) at least 50% of the value of our total assets is represented by cash and cash items, U.S. government securities, the securities of other RICs and "other securities," provided that such "other securities" shall not include any amount of any one issuer, if our holdings of such issuer are greater in value than 5% of our total assets and greater than 10% of the outstanding voting securities of such issuer, and (ii) no more than 25% of the value of our assets may be invested in securities of any one issuer, the securities of any two or more issuers that are controlled by us and are engaged in the same or similar or related trades or businesses (excluding U.S. government securities and securities of other RICs), or the securities of one or more "qualified publicly traded partnerships."

As a RIC, in any taxable year with respect to which we distribute at least 90% of our investment company taxable income (which includes, among other items, dividends, interest and the excess of any net short-term capital gains over net long-term capital losses and other taxable income other than any net capital gain reduced by deductible expenses), we generally will not be subject to U.S. federal income tax on our investment company taxable income and net capital gains that we distribute to stockholders. If we fail to distribute our income on a timely basis, we will be subject to a nondeductible 4% excise tax. To avoid this tax, we must distribute (or be deemed to have distributed) during each calendar year an amount equal to the sum of:

- at least 98% of our ordinary income (not taking into account any capital gains or losses) for the calendar year;
- at least 98.2% of our capital gains in excess of our capital losses (adjusted for certain ordinary losses) for a one-year period generally ending on October 31 of the calendar year; and
- any undistributed amounts from previous years on which we paid no U.S. federal income tax.

We generally expect to distribute all of our earnings on a quarterly basis, but will reinvest dividends on behalf of those investors that do not elect to receive their dividends in cash. See "*Item 1(c). Description of—General—Dividend Reinvestment Plan.* " One or more of the considerations described below, however, could result in the deferral of dividend distributions until the end of the fiscal year:

- We may make investments that are subject to tax rules that require us to include amounts in our income before we receive cash corresponding to that income or that defer or limit our ability to claim the benefit of deductions or losses. For example, if we hold securities issued with original issue discount, that discount will be included in income in the taxable year of accrual and before we receive any corresponding cash payments.
- In cases where our taxable income exceeds our available cash flow, we will need to fund distributions with the proceeds of sale of securities or with borrowed money, and will raise funds for this purpose opportunistically over the course of the year.
- The withholding tax treatment of dividends payable to certain non-U.S. stockholders will depend on the extension by Congress of the pass-through rules applicable to "interest-related dividends" and "short-term capital gain dividends" (see " *Taxation of Non-U.S. Holders*," below) for periods after December 31, 2011, and we may defer dividends pending the resolution of this issue in those periods.

In certain circumstances (e.g., where we are required to recognize income before or without receiving cash representing such income), we may have difficulty making distributions in the amounts necessary to satisfy the requirements for maintaining RIC status and for avoiding income and excise taxes. Accordingly, we may have to sell investments at times we would not otherwise consider advantageous, raise additional debt or equity capital or reduce new investment originations to meet these distribution requirements. If we are not able to obtain cash from other sources, we may fail to qualify as a RIC and thereby be subject to corporate-level income tax.

While we intend to distribute income and capital gains to the extent necessary to avoid or minimize exposure to the 4% excise tax, we may not be able to distribute amounts sufficient to avoid the imposition of the tax entirely. In that event, we will be liable for the tax only on the amount by which we do not meet the foregoing distribution requirement.

If in any particular taxable year, we do not qualify as a RIC, all of our taxable income (including our net capital gains) will be subject to tax at regular corporate rates without any deduction for distributions to stockholders, and distributions will be taxable to our stockholders as ordinary dividends to the extent of our current and accumulated earnings and profits.

In the event we invest in foreign securities, we may be subject to withholding and other foreign taxes with respect to those securities. We do not expect to satisfy the conditions necessary to pass through to our stockholders their share of the foreign taxes paid by us.

*Taxation of U.S. Holders*.

Distributions from our investment company taxable income (consisting generally of net investment income, net short-term capital gain, and net gains from certain foreign currency transactions) generally will be taxable to U.S. Holders as ordinary income to the extent made out of our current or accumulated earnings and profits. Distributions generally will not be eligible for the dividends received deduction allowed to corporate stockholders. Distributions that we designate as net capital gain distributions will be taxable to U.S. Holders as long-term capital gain regardless of how long particular U.S. Holders have held their shares.

We expect to give holders the option of participating in a dividend reinvestment plan that will allow them to elect to receive dividends in the form of additional shares instead of in cash. If you elect to reinvest dividends in additional shares, you will be treated as if you had received a distribution in the amount of cash that you would have

received if you had not made the election. Any such additional shares will have a basis equal to the amount of the distribution.

Distributions declared by us in October, November, or December of any year and payable to stockholders of record on a specified date in such a month will be deemed to have been paid by us on December 31st if the distributions are paid by us during the following January. Accordingly, distributions received in January may be subject to taxation in the preceding year.

If a U.S. Holder sells or exchanges shares of our common stock, the holder will recognize gain or loss equal to the difference between its adjusted basis in the shares sold and the amount received. Any such gain or loss will be treated as a capital gain or loss and will be long-term capital gain or loss if the shares have been held for more than one year. Any loss recognized on a sale or exchange of shares that were held for six months or less will be treated as long-term, rather than short-term, capital loss to the extent of any capital gain distributions previously received (or deemed to be received) thereon.

*Limitation on Deduction for Certain Expenses* .

If our shares are not beneficially owned by at least 500 persons at all times during the taxable year, then a U.S. Holder that is an individual, estate or trust may be subject to limitations on miscellaneous itemized deductions in respect of its share of expenses that we incur, to the extent that the expenses would have been subject to limitations if the holder had incurred them directly. The Company does not expect its shares to be beneficially owned by 500 or more persons until the occurrence of an IPO.

If we do not satisfy the 500-stockholder requirement, we would be required to report the relevant expenses, including the management fee, on Form 1099-DIV, and affected holders will be required to take into account their allocable share of such income and expenses.

*U.S. Taxation of Tax-Exempt U.S. Holders.*

A U.S. Holder that is a tax-exempt organization for U.S. federal income tax purposes and therefore generally exempt from U.S. federal income taxation may nevertheless be subject to taxation to the extent that it is considered to derive unrelated business taxable income ("UBTI"). The direct conduct by a tax-exempt U.S. Holder of the activities that we propose to conduct could give rise to UBTI. However, a BDC is a corporation for U.S. federal income tax purposes and its business activities generally will not be attributed to its stockholders for purposes of determining their treatment under current law. Therefore, a tax-exempt U.S. Holder should not be subject to U.S. taxation solely as a result of the holder's ownership of our shares and receipt of dividends that we pay. Moreover, under current law, if we incur indebtedness, such indebtedness will not be attributed to portfolio investors in our stock. Therefore, a tax-exempt U.S. Holder should not be treated as earning income from "debt-financed property" and dividends we pay should not be treated as "unrelated debt-financed income" solely as a result of indebtedness that we incur. Proposals periodically are made to change the treatment of "blocker" investment vehicles interposed between tax-exempt investors and nonqualifying investments. In the event that any such proposals were to be adopted and applied to BDCs, the treatment of dividends payable to tax-exempt investors could be adversely affected.

*Taxation of Non-U.S. Holders*.

Dividends that we pay to a Non-U.S. Holder will be subject to U.S. withholding tax at a 30% rate unless (i) the dividend qualifies for pass-through treatment under the rules described below, and the holder could have received the underlying income free of tax; or (ii) the holder qualifies for, and complies with the procedures for claiming, an exemption or reduced rate under an applicable income tax treaty; or (iii) the holder qualifies, and complies with the procedures for claiming, an exemption by reason of its status as a foreign government-related entity. Non-U.S. Holders generally are not subject to U.S. tax on capital gains realized on the sale of our shares if (i) such gains are not effectively connected with the conduct of a U.S. trade or business by the holder, (ii) the holder is not present in the United States for 183 or more days during the taxable year; and (iii) the holder is not a former citizen or resident of the United States.

In recent years, Congress has renewed the pass-through rules under which certain dividend distributions by RICs qualify for an exemption from U.S. withholding tax annually for a one-year period. The exemption expired at the end of 2009, and a two-year exemption (applicable to dividends distributed in 2010 and 2011) was enacted in December 2010. Further legislation would be required to make the exemption available in years beyond 2011. **There can be no assurance that Congress will extend the pass-through rules for periods after December 31, 2011, or that any such extension will apply to dividends that we distribute after that date**. If, and for so long as, Congress extends the exemption, dividends that we designate as "interest-related dividends" or "short-term capital gain dividends" generally will be exempt from U.S. withholding tax if the holder could have received the underlying income free of tax. If the exemption is not extended, some Non-U.S. Holders may qualify for a reduced rate of U.S. withholding tax under an applicable tax treaty or for an exemption from U.S. withholding tax by reason of their status as a foreign sovereign or under special treaty provisions for certain foreign pension funds. Prospective investors should consult their own advisers regarding the potential implications of a failure to extend the U.S. withholding tax exemption in light of their particular circumstances, and regarding their eligibility for a reduced rate or exemption as described above.

In order to qualify for an exemption or reduced rate of U.S. withholding tax (under a treaty, by reason of an exemption for sovereign investors, or under the rules applicable to interest-related dividends or short-term capital gain dividends), a holder must comply with the U.S. tax certification requirements described below. A Non-U.S. Holder must deliver and maintain in effect a valid IRS Form W-8BEN or other applicable tax certification establishing its entitlement to the exemption or reduced rate. In the case of distributions and proceeds from the sale of shares after December 31, 2012, additional requirements will apply to Non-U.S. Holders that are considered for U.S. tax purposes to be a foreign financial institution or entity and to Non-U.S. Holders that hold their shares through such an institution or entity. In general, an exemption from U.S. withholding tax will be available only if the foreign financial institution or entity has entered into an agreement with the U.S. government to collect and provide to the U.S. tax authorities information about its accountholders (including certain investors in such institution or entity) and, if required, the Non-U.S. Holder has provided the withholding agent with a certification identifying its direct and indirect U.S. owners.

A BDC is a corporation for U.S. federal income tax purposes. Under current law, a Non-U.S. Holder will not be considered to be engaged in the conduct of a business in the United States solely by reason of its ownership in a BDC. Proposals periodically are made to change the treatment of "blocker" investment vehicles interposed between foreign investors and investments that would otherwise result in such investors being considered to be engaged in the conduct of a business in the United States. In the event that any such proposals were to be adopted and applied to BDCs, the treatment of dividends payable to foreign investors could be adversely affected.

*Backup Withholding*.

U.S. information reporting requirements and backup withholding tax will not apply to dividends paid on our shares to a Non-U.S. Holder, provided the Non-U.S. Holder provides a Form W-8BEN (or satisfies certain documentary evidence requirements for establishing that it is a non-United States person) or otherwise establishes an exemption. Information reporting and backup withholding also generally will not apply to a payment of the proceeds of a sale of our shares effected outside the United States by a foreign office of a foreign broker. However, information reporting requirements (but not backup withholding) will apply to a payment of the proceeds of a sale of our shares effected outside the United States by a foreign office of a broker if the broker (i) is a United States person, (ii) derives 50% or more of its gross income for certain periods from the conduct of a trade or business in the United States, (iii) is a "controlled foreign corporation" as to the United States, or (iv) is a foreign partnership that, at any time during its taxable year is more than 50% (by income or capital interest) owned by United States persons or is engaged in the conduct of a U.S. trade or business, unless in any such case the broker has documentary evidence in its records that the holder is a non U.S. holder and certain conditions are met, or the holder otherwise establishes an exemption. Payment by a United States office of a broker of the proceeds of a sale of our shares will be subject to both backup withholding and information reporting unless the holder certifies its non United States status under penalties of perjury or otherwise establishes an exemption. Backup withholding is not an additional tax. Any amounts withheld from payments made to a stockholder may be refunded or credited against such stockholder's U.S. federal income tax liability, if any, provided that the required information is furnished to the IRS.

## Item 1A. Risk Factors

An investment in our securities involves certain risks relating to our structure and investment objective. The risks set forth below are not the only risks we face, and we may face other risks that we have not yet identified, which we do not currently deem material or which are not yet predictable. If any of the following risks occur, our business, financial condition and results of operations could be materially adversely affected. In such case, our net asset value and the price of our common stock could decline, and you may lose all or part of your investment.

### Risks Relating to Our Business and Structure

*We are a newly-formed company with no operating history.*

We were initially formed in July 2010. As a result, we have limited financial information on which you can evaluate an investment in our company or our prior performance. We are subject to all of the business risks and uncertainties associated with any new business, including the risk that we will not achieve our investment objective and that the value of your investment could decline substantially or your investment could become worthless. We anticipate that it may take multiple years to invest substantially all of the capital commitments we expect to receive from the Private Offering due to market conditions generally and the time necessary to identify, evaluate, structure, negotiate and close suitable investments in private middle-market companies. To the extent required to comply with diversification requirements during the startup period, we will use funds to invest in temporary investments, such as cash, cash equivalents, U.S. government securities and other high-quality debt investments that mature in one year or less, which we expect will earn yields substantially lower than the interest, dividend or other income that we anticipate receiving in respect of suitable portfolio investments. We may not be able to pay any significant dividends during this period, and any such dividends may be substantially lower than the dividends we expect to pay when our portfolio is fully invested.

We will pay a Management Fee to the Adviser throughout this interim period. If the Management Fee and our other expenses exceed the return on the temporary investments, our equity capital will be eroded.

*We will be dependent upon management personnel of the Adviser for our future success.*

We will depend on the experience, diligence, skill and network of business contacts of the Adviser's senior investment professionals. The senior investment professionals, together with other investment professionals that the Adviser currently retains or may subsequently retain, will identify, evaluate, negotiate, structure, close, monitor and manage our investments. Our future success will depend to a significant extent on the continued service and coordination of the Adviser's senior investment professionals. The departure of any of the Adviser's key personnel, including members of the Adviser's Investment Review Committee, or of a significant number of the investment professionals or partners of TPG, could have a material adverse effect on our business, financial condition or results of operations. In addition, we cannot assure you that the Adviser will remain our investment adviser or that we will continue to have access to TPG or its investment professionals.

*The Adviser and its management have no prior experience managing a BDC.*

The senior investment professionals of the Adviser have no prior experience managing a business development company, and the investment philosophy and techniques used by the Adviser to manage a public company may differ from the investment philosophy and techniques previously employed by the Adviser's senior investment professionals in identifying and managing past investments. Accordingly, we can offer no assurance that we will replicate the historical performance of other businesses or companies with which the Adviser's senior investment professionals have been affiliated, and we caution you that our investment returns could be substantially lower than the returns achieved by such other companies.

*Regulations governing our operation as a BDC affect our ability to, and the way in which we, raise additional capital.*

The 1940 Act imposes numerous constraints on the operations of business development companies. See " *Item 1(c). Regulation as a Public Business Development Company*" for a discussion of business development company limitations. For example, business development companies are required to invest at least 70% of their total assets in securities of nonpublic or thinly traded U.S. companies, cash, cash equivalents, U.S. government securities and other high quality debt investments that mature in one year or less. These constraints may hinder the Adviser's ability to take advantage of attractive investment opportunities and to achieve our investment objective.

Regulations governing our operation as a business development company affect our ability to raise additional capital, and the ways in which we can do so. Raising additional capital may expose us to risks, including the typical risks associated with leverage, and may result in dilution to our current stockholders. The 1940 Act limits our ability to issue debt and preferred stock ("senior securities") to amounts such that our asset coverage ratio is at least 200% of assets less liabilities and other indebtedness. Consequently, if the value of our assets declines, we may be required to sell a portion of our investments and, depending on the nature of our leverage, repay a portion of our indebtedness at a time when this may be disadvantageous.

We are not generally able to issue and sell our common stock at a price below net asset value per share. We may, however, sell our common stock, or warrants, options or rights to acquire our common stock, at a price below the then-current net asset value per share of our common stock if our Board determines that a sale is in the best interests of us and our stockholders, and our stockholders approve it.

*We may borrow money, which may magnify the potential for gain or loss and may increase the risk of investing in us.*

As part of our business strategy, we may borrow from and issue senior debt securities to banks, insurance companies, and other lenders. Holders of these senior securities will have fixed-dollar claims on our assets that are superior to the claims of our common stockholders. If the value of our assets decreases, leveraging would cause net asset value to decline more sharply than it otherwise would have had we not leveraged. Similarly, any decrease in our income would cause net income to decline more sharply than it would have had we not borrowed. Such a decline could negatively affect our ability to make common stock dividend payments. Our ability to service any debt that we incur will depend largely on our financial performance and will be subject to prevailing economic conditions and competitive pressures. Moreover, the Management Fee will be payable based on our gross assets, including those assets acquired through the use of leverage.

Furthermore, any debt facility into which we may enter may impose financial and operating covenants that restrict our business activities, our ability to call capital, remedies on default and similar matters. In connection with borrowings, our lenders may also require us to pledge assets, subscription commitments and/or the proceeds of our capital calls.

Lastly, we may be unable to obtain our desired leverage, which would, in turn, affect our return on capital.

*We will operate in a highly competitive market for investment opportunities.*

Other entities, including commercial banks, commercial financing companies, other business development companies and insurance companies compete with us to make the types of investments that we plan to make in middle-market companies. Certain of these competitors may be substantially larger, have considerably greater financial, technical and marketing resources than we will have and offer a wider array of financial services. For example, some competitors may have a lower cost of funds and access to funding sources that are not available to us. Many competitors are not subject to the regulatory restrictions that the 1940 Act will impose on us as a business development company or the restrictions that the Code will impose on us as a RIC.

*Even in the event the value of your investment declines, the Management Fee and, in certain circumstances, the Incentive Fee will still be payable.*

Even in the event the value of your investment declines, the Management Fee and, in certain circumstances, the Incentive Fee will still be payable. Following an IPO, the Management Fee will be calculated as a percentage of the value of our gross assets at a specific time. Accordingly, the Management Fee will be payable regardless of

whether the value of our gross assets and/or your investment have decreased. Moreover, one component of the Incentive Fee is calculated annually based upon our realized capital gains, computed net of realized capital losses and unrealized capital depreciation on a cumulative basis. As a result, we may owe the Adviser an Incentive Fee during one year as a result of realized capital gains on certain investments, and then later incur significant realized capital losses and unrealized capital depreciation on the remaining investments in our portfolio during subsequent years.

In addition, the Incentive Fee payable by us to the Adviser may create an incentive for the Adviser to make investments on our behalf that are risky or more speculative than would be the case in the absence of such a compensation arrangement. The Adviser receives the Incentive Fee based, in part, upon capital gains realized on our investments. Unlike the portion of the Incentive Fee that is based on income, there is no hurdle rate applicable to the portion of the Incentive Fee based on capital gains. As a result, the Adviser may have an incentive to invest more in companies whose securities are likely to yield capital gains, as compared to income producing securities. Such a practice could result in our investing in more speculative securities than would otherwise be the case, which could result in higher investment losses, particularly during cyclical economic downturns.

*We will be subject to corporate-level income tax if we are unable to qualify as a RIC under Subchapter M of the Code.*

We will incur corporate-level income tax costs if we are unable to qualify as a RIC for U.S. tax purposes or if we are not able to distribute all of our income in a timely fashion. Although we intend to elect to be treated as a RIC shortly after the effectiveness of this Registration Statement, no assurance can be given that we will be able to qualify for and maintain RIC status. To obtain and maintain RIC tax treatment under the Code, we must meet the following annual distribution, income source and asset diversification requirements:

- We must distribute to our stockholders on an annual basis at least 90% of our net ordinary income and realized net short-term capital gains in excess of realized net long-term capital losses, if any. In the event we use debt financing, we will be subject to certain asset coverage ratio requirements under the 1940 Act and financial covenants under loan and credit agreements that could, under certain circumstances, restrict us from making distributions necessary to satisfy the distribution requirement. In addition, as discussed in more detail below, our income for tax purposes may exceed our available cash flow. If we are unable to obtain cash from other sources, we could fail to qualify for RIC tax treatment and thus become subject to corporate-level income tax.
- We must derive at least 90% of our gross income for each year from dividends, interest, gains from the sale of stock or securities or similar sources.
- We must meet specified asset diversification requirements at the end of each quarter of our taxable year. The need to satisfy these requirements in order to prevent the loss of RIC status may result in our having to dispose of certain investments quickly on unfavorable terms. Because most of our investments will be relatively illiquid, any such dispositions could be made at disadvantageous prices and could result in substantial losses.

If we fail to qualify for RIC tax treatment for any reason, the resulting federal income tax liability could substantially reduce our net assets, the amount of income available for distribution, and the amount of our distributions.

*There is a risk that you may not receive dividends or that our dividends may not grow over time.*

We cannot assure you that we will achieve investment results or maintain a tax status that will allow or require any specified level of cash distributions or year-to-year increases in cash distributions. Although a portion of our expected earnings and dividend distributions will be attributable to net interest income, we do not expect to generate capital gains from the sale of our portfolio investments on a level or uniform basis from quarter to quarter. This may result in substantial fluctuations in our quarterly dividend payments.

In certain cases, we may recognize income before or without receiving cash representing the income. Depending on the amount of noncash income, this could result in difficulty satisfying the annual distribution requirement applicable to RICs. Accordingly, we may delay distributions during a year until we generate cash or we may have to sell some of our investments at times we would not consider advantageous, raise additional debt or equity capital or reduce new investments to meet these distribution requirements. In addition, the withholding tax treatment of our distributions to certain of our non-U.S. stockholders will depend on whether and when Congress enacts legislation extending the pass-through treatment of "interest-related dividends," and we may elect to defer the payment of dividends in any year pending the resolution of this issue.

Since we expect to have an average holding period for our portfolio company investments of two to four years, it is unlikely we will generate any capital gains during our initial years of operation and thus we are likely to pay dividends in those years principally from interest we receive from our initial and follow-on investments prior to the sale or refinancing of loans we make. Moreover, our ability to pay dividends in our initial years of operation will be based on our ability to invest our capital in suitable portfolio companies in a timely manner.

In addition, the middle-market companies in which we intend to invest are generally more susceptible to economic downturns than larger operating companies, and therefore may be more likely to default on their payment obligations to us during recessionary periods, including the current economic environment. Any such defaults could substantially reduce our net investment income available for distribution in the form of dividends to our stockholders.

*You may be subject to filing requirements under the 1934 Act as a result of your investment in the Company.*

Because our common stock will be registered under the 1934 Act, ownership information for any person who beneficially owns 5% or more of our common stock will have to be disclosed in a Schedule 13G or other filings with the SEC. Beneficial ownership for these purposes is determined in accordance with the rules of the SEC, and includes having voting or investment power over the securities. In some circumstances, investors who choose to reinvest their dividends may see their percentage stake in the Company increased to more than 5%, thus triggering this filing requirement. Although we will provide in our quarterly statements the amount of outstanding stock and the amount of the investor's stock, the responsibility for determining the filing obligation and preparing the filing remains with the investor.

*You may be subject to the short-swing profits rules under the 1934 Act as a result of your investment in the Company.*

Persons with the right to appoint a director or who hold more than 10% of a class of our shares may be subject to Section 16(b) of the 1934 Act, which recaptures for the benefit of the Company profits from the purchase and sale of registered stock within a six-month period.

*Potential conflicts of interest could impact our investment returns.*

Stockholders should note the matters discussed in "*Item 7. Certain Relationships and Related Transactions, and Director Independence*."

*Our Board may change our investment objective, operating policies and strategies without prior notice or stockholder approval.*

Our Board has the authority to modify or waive certain of our operating policies and strategies without prior notice (except as required by the 1940 Act) and without stockholder approval. However, absent stockholder approval, we may not change the nature of our business so as to cease to be, or withdraw our election as, a business development company. We cannot predict the effect any changes to our current operating policies and strategies would have on our business, operating results and value of our stock. Nevertheless, the effects may adversely affect our business and impact our ability to make distributions.

*Changes in laws or regulations governing our operations may adversely affect our business.*

Changes to the laws and regulations governing our operations may cause us to alter our investment strategy in order to avail ourselves of new or different opportunities. These changes could result in material differences to the strategies and plans described herein and may result in our investment focus shifting.

*The Adviser can resign on 60 days' notice. We may not be able to find a suitable replacement within that time, resulting in a disruption in our operations that could adversely affect our financial condition, business and results of operations.*

The Adviser has the right, under the Advisory Agreement, to resign at any time upon not less than 60 days' written notice, regardless of whether we have found a replacement. If the Adviser resigns, we may not be able to find a new investment adviser or hire internal management with similar expertise and ability to provide the same or equivalent services on acceptable terms within 60 days, or at all. If we are unable to do so quickly, our operations are likely to experience a disruption, our financial condition, business and results of operations as well as our ability to pay distributions are likely to be adversely affected, and the market price of our common stock may decline.

*To the extent that we do not realize income or choose not to retain after-tax realized capital gains, we will have a greater need for additional capital to fund our investments and operating expenses.*

As a RIC, we must annually distribute at least 90% of our investment company taxable income as a dividend and may either distribute or retain our realized net capital gains from investments. Unless investors elect to reinvest dividends, earnings that we are required to distribute to stockholders will not be available to fund future investments. Accordingly, we may have insufficient funds to make new and follow-on investments, which could have a material adverse effect on our financial condition and results of operations. Because of the structure and objectives of our business, we may experience operating losses and expect to rely on proceeds from sales of investments, rather than on interest and dividend income, to pay our operating expenses. There is no assurance that we will be able to sell our investments and thereby fund our operating expenses.

**Risks Related to Our Portfolio Company Investments**

*Our investments are very risky and highly speculative.*

We will invest primarily in senior secured term loans, and select mezzanine and/or equity investments issued by middle-market companies.

*Senior Secured Loans.* When we make a senior secured loan, we generally take a security interest in the available assets of the portfolio company, including the equity interests of its subsidiaries, which we expect to help mitigate the risk that we will not be repaid. However, there is a risk that the collateral securing our loans may decrease in value over time, may be difficult to sell in a timely manner, may be difficult to appraise, and may fluctuate in value based upon the success of the business and market conditions, including as a result of the inability of the portfolio company to raise additional capital. In some circumstances, our lien could be subordinated to claims of other creditors. In addition, deterioration in a portfolio company's financial condition and prospects, including its inability to raise additional capital, may be accompanied by deterioration in the value of the collateral for the loan. Consequently, the fact that a loan is secured does not guarantee that we will receive principal and interest payments according to the loan's terms, or at all, or that we will be able to collect on the loan should we be forced to enforce our remedies.

*Mezzanine or Other Junior Debt.* Our junior debt investments generally will be subordinated to senior loans and will either have junior security interests or be unsecured. As such, other creditors may rank senior to us in the event of an insolvency. This may result in an above average amount of risk and loss of principal.

*Equity Investments.* When we invest in senior secured loans or mezzanine loans, we may acquire equity securities as well. In addition, we may invest directly in the equity securities of portfolio companies. Our goal is ultimately to dispose of such equity interests and realize gains upon our disposition of such interests. However, the

equity interests we receive may not appreciate in value and, in fact, may decline in value. Accordingly, we may not be able to realize gains from our equity interests, and any gains that we do realize on the disposition of any equity interests may not be sufficient to offset any other losses we experience.

In addition, investing in middle-market companies involves a number of significant risks, including:

- such companies may have limited financial resources and may be unable to meet their obligations under their debt securities that we hold, which may be accompanied by a deterioration in the value of any collateral and a reduction in the likelihood of us realizing any guarantees we may have obtained in connection with our investment;
- such companies typically have shorter operating histories, narrower product lines and smaller market shares than larger businesses, which tend to render them more vulnerable to competitors' actions and market conditions, as well as general economic downturns;
- such companies are more likely to depend on the management talents and efforts of a small group of persons; therefore, the death, disability, resignation or termination of one or more of these persons could have a material adverse impact on our portfolio company and, in turn, on us;
- such companies generally have less predictable operating results, may from time to time be parties to litigation, may be engaged in rapidly changing businesses with products subject to a substantial risk of obsolescence, and may require substantial additional capital to support their operations, finance expansion or maintain their competitive position;
- our executive officers, directors and our investment adviser may, in the ordinary course of business, be named as defendants in litigation arising from our investments in the portfolio companies; and
- such companies may have difficulty accessing the capital markets to meet future capital needs, which may limit their ability to grow or to repay their outstanding indebtedness upon maturity.

*The value of our portfolio securities may not have a readily available market price and, in such a case, we will value these securities at fair value as determined in good faith by our Board, which valuation is inherently subjective and may not reflect what we may actually realize for the sale of the investment.*

Investments are valued at the end of each fiscal quarter. Substantially all of our investments are expected to be in loans that do not have readily ascertainable market prices. The fair value of assets that are not publicly traded or whose market prices are not readily available will be determined in good faith by the valuation committee of our Adviser and reviewed by the audit committee of our Board. Pursuant to a letter agreement, the Board has retained Duff & Phelps, a global independent provider of financial advisory and investment banking services, to assist the Board by performing certain limited third-party valuation services. In connection with that determination, investment professionals from the Adviser will prepare portfolio company valuations using sources and/or proprietary models depending on the availability of information on our assets and the type of asset being valued, all in accordance with our valuation policy. The participation of the Adviser in our valuation process could result in a conflict of interest, since the Management Fee is based in part on our gross assets.

Because fair valuations, and particularly fair valuations of private securities and private companies, are inherently uncertain, may fluctuate over short periods of time and are often based to a large extent on estimates, comparisons and qualitative evaluations of private information, our determinations of fair value may differ materially from the values that would have been determined if a ready market for these securities existed. This could make it more difficult for investors to value accurately our portfolio investments and could lead to undervaluation or overvaluation of our common shares. In addition, the valuation of these types of securities may result in substantial write-downs and earnings volatility.

*Our portfolio securities may be thinly traded and, as a result, the lack of liquidity in our investments may adversely affect our business.*

We will generally make loans to private companies. The illiquidity of these investments may make it difficult for us to sell positions if the need arises. In addition, if we are required to liquidate all or a portion of our portfolio quickly, we may realize significantly less than the value at which we had previously recorded such investments. In addition, we may face other restrictions on our ability to liquidate an investment in a portfolio company to the extent that we hold a significant portion of a company's equity or if we have material non-public information regarding that company.

*Our portfolio may be focused in a limited number of portfolio companies, which will subject us to a risk of significant loss if any of these companies defaults on its obligations under any of its debt instruments or if there is a downturn in a particular industry.*

Our portfolio may be concentrated in a limited number of portfolio companies and industries. Beyond the asset diversification requirements associated with our qualification as a RIC for U.S. tax purposes, we do not have fixed guidelines for diversification, and while we are not targeting any specific industries, our investments may be concentrated in relatively few industries. As a result, the aggregate returns we realize may be significantly adversely affected if a small number of investments perform poorly or if we need to write down the value of any one investment. Additionally, a downturn in any particular industry in which we are invested could significantly affect our aggregate returns.

*We have not yet identified any potential investments.*

We have not identified any of the portfolio companies in which we will invest the net proceeds of this offering. Our investments will be selected by our Adviser's investment professionals, subject to the approval of its Investment Review Committee, and our stockholders will not have input into our investment decisions. These factors will increase the uncertainty, and possibly also the risk, of investing in our common stock as compared with an established portfolio and operating history.

*We are currently in a period of capital markets disruption and recession and do not expect these conditions to improve in the near future; as a result, we may be unable to list shares of our common stock.*

The U.S. capital markets have been experiencing extreme volatility and disruption for more than two years and we believe that the U.S. economy has not fully emerged from a period of recession. Disruptions in the capital markets have increased the spread between the yields realized on risk-free and higher risk securities, resulting in illiquidity in parts of the capital markets. We believe these conditions may continue for a prolonged period of time or worsen in the future. A prolonged period of market illiquidity may have an adverse effect on our business, financial condition and results of operations. Unfavorable economic conditions could also increase our portfolio companies' funding costs, limit their access to the capital markets or result in a decision by lenders not to extend credit to them. These events could limit our investment originations, limit their ability to grow, negatively impact our operating results, and delay or prevent us from launching or completing an IPO of our common stock.

*We may enter into collateralized loan obligations, which may subject us to certain structured financing risks.*

To finance investments, the Company may securitize certain of its investments, including through the formation of one or more Collateralized Loan Obligations ("CLOs"), while retaining all or most of the exposure to the performance of these investments. This would involve contributing a pool of assets to a special purpose entity, and selling debt interests in such entity on a non-recourse or limited-recourse basis to purchasers. Any interest in any such CLO held by the Company may be considered a "non-qualifying asset" for purposes of Section 55 of the 1940 Act.

If the Company creates a CLO, the Company depends on distributions from the CLO's assets out of its earnings and cash flows to enable it to make distributions to its stockholders. The ability of a CLO to make

distributions or pay dividends will be subject to various limitations, including the terms and covenants of the debt it issues. For example, tests (based on interest coverage or other financial ratios or other criteria) may restrict our ability, as holder of a CLO's equity interests, to receive cash flow from these investments. There is no assurance any such performance tests will be satisfied. Also, a CLO may take actions that delay distributions in order to preserve ratings and to keep the cost of present and future financings lower or the CLO may be obligated to retain cash or other assets to satisfy over-collateralization requirements commonly provided for holders of the CLO's debt. As a result, there may be a lag, which could be significant, between the repayment or other realization on a loan or other assets in, and the distribution of cash out of, a CLO, or cash flow may be completely restricted for the life of the CLO.

In addition, a decline in the credit quality of loans in a CLO due to poor operating results of the relevant borrower, declines in the value of loan collateral or increases in defaults, among other things, may force a CLO to sell certain assets at a loss, reducing their earnings and, in turn, cash potentially available for distribution to the Company for distribution to its stockholders.

To the extent that any losses are incurred by the CLO in respect of any collateral, such losses will be borne first by the Company as owner of equity interests. Finally, any equity interests that the Company retains in a CLO will not be secured by the assets of the CLO and the Company will rank behind all creditors of the CLO.

*Because we likely will not hold controlling interests in our portfolio companies, we may not be in a position to exercise control over such portfolio companies or to prevent decisions by management of such portfolio companies that could decrease the value of our investments.*

We are a lender, and loans (and any equity investments we make) will be non-controlling investments, meaning we will not be in a position to control the management, operation and strategic decision-making of the companies we invest in. As a result, we will be subject to the risk that a portfolio company we do not control, or in which we do not have a majority ownership position, may make business decisions with which we disagree, and the equityholders and management of such a portfolio company may take risks or otherwise act in ways that are adverse to our interests. Due to the lack of liquidity for the debt and equity investments that we will typically hold in our portfolio companies, we may not be able to dispose of our investments in the event that we disagree with the actions of a portfolio company, and may therefore suffer a decrease in the value of our investments.

*We will be exposed to risks associated with changes in interest rates.*

The majority of our debt investments are likely to be based on floating rates, such as LIBOR, EURIBOR, the Federal Funds Rate or the Prime Rate. General interest rate fluctuations may have a substantial negative impact on our investments, the value of our common stock and our rate of return on invested capital. A reduction in the interest rates on new investments relative to interest rates on current investments could also have an adverse impact on our net interest income. An increase in interest rates could decrease the value of any investments we hold which earn fixed interest rates, including subordinated loans, senior and junior secured and unsecured debt securities and loans and high yield bonds, and also could increase our interest expense, thereby decreasing our net income. Also, an increase in interest rates available to investors could make investment in our common stock less attractive if we are not able to increase our dividend rate, which could reduce the value of our common stock.

*A portion of our debt securities may be rated below investment grade, or of comparative quality, and may be considered speculative.*

Our investments are likely to be in lower grade obligations. The lower grade investments in which we invest may be rated below investment grade by one or more nationally recognized statistical rating agencies at the time of investment or may be unrated but determined by the Adviser to be of comparable quality. Loans or debt securities rated below investment grade are considered speculative with respect to the issuer's capacity to pay interest and repay principal.

*By originating loans to companies that are experiencing significant financial or business difficulties, we may be exposed to distressed lending risks.*

As part of our lending activities, we may originate loans to companies that are experiencing significant financial or business difficulties, including companies involved in bankruptcy or other reorganization and liquidation proceedings. Although the terms of such financing may result in significant financial returns to us, they involve a substantial degree of risk. The level of analytical sophistication, both financial and legal, necessary for successful financing to companies experiencing significant business and financial difficulties is unusually high. There is no assurance that we will correctly evaluate the value of the assets collateralizing our loans or the prospects for a successful reorganization or similar action. In any reorganization or liquidation proceeding relating to a company that we fund, we may lose all or part of the amounts advanced to the borrower or may be required to accept collateral with a value less than the amount of the loan advanced by us to the borrower.

*We may be exposed to special risks associated with bankruptcy cases.*

Many of the events within a bankruptcy case are adversarial and often beyond the control of the creditors. While creditors generally are afforded an opportunity to object to significant actions, there can be no assurance that a bankruptcy court would not approve actions that may be contrary to the interests of the Company. Furthermore, there are instances where creditors can lose their ranking and priority if they are considered to have taken over management of a borrower.

The reorganization of a company can involve substantial legal, professional and administrative costs to a lender and the borrower; it is subject to unpredictable and lengthy delays; and during the process a company's competitive position may erode, key management may depart and a company may not be able to invest adequately. In some cases, the debtor company may not be able to reorganize and may be required to liquidate assets. The debt of companies in financial reorganization will, in most cases, not pay current interest, may not accrue interest during reorganization and may be adversely affected by an erosion of the issuer's fundamental value.

In addition, lenders can be subject to lender liability claims for actions taken by them where they become too involved in the borrower's business or exercise control over the borrower. For example, we could become subject to a lender's liability claim, if, among other things, the borrower requests significant managerial assistance from us and we provide such assistance as contemplated by the 1940 Act.

*We cannot guarantee that we will be able to obtain various required state licenses.*

The Company may be required to obtain various state licenses in order to, among other things, originate commercial loans. Applying for and obtaining required licenses can be costly and take several months. There is no assurance that the Company will obtain all of the licenses that we need on a timely basis. Furthermore, the Company will be subject to various information and other requirements in order to obtain and maintain these licenses, and there is no assurance that the Company will satisfy those requirements. Our failure to obtain or maintain licenses might restrict investment options and have other adverse consequences.

*We will have broad discretion over the use of proceeds of the funds we raise from investors and will use proceeds in part to satisfy operating expenses.*

There can be no assurance that we will be able to locate a sufficient number of suitable investment opportunities to allow us to successfully deploy substantially all of the net proceeds of the offering in a timeframe that will permit investors to earn above-market returns. To the extent we are unable to invest substantially all of the net proceeds of the offering within our contemplated timeframe after the completion of the offering, our investment income, and in turn our results of operations, will likely be materially adversely affected.

We will have significant flexibility in applying the proceeds of the funds we raise from investors and may use the net proceeds in ways with which stockholders may not agree, or for purposes other than those contemplated at the time of the capital raising. We will also pay operating expenses, and may pay other expenses such as due diligence expenses of potential new investments, from net proceeds. Our ability to achieve our investment objective may be limited to the extent that net proceeds of the funds we raise from investors, pending full investment by us in portfolio companies, are used to pay operating expenses.

## Item 2. Financial Information

### Management's Discussion and Analysis of Financial Condition and Results of Operations.

*Overview*

We were incorporated under the laws of the State of Delaware on July 21, 2010. We intend to file an election to be treated as a business development company under the 1940 Act, and as a regulated investment company for federal income tax purposes. As such, we will be required to comply with various regulatory requirements, such as the requirement to invest at least 70% of our assets in "qualifying assets," source of income limitations, asset diversification requirements, and the requirement to distribute annually at least 90% of our taxable income and tax-exempt interest. See " *Item 1(c). Description of Business—Regulation as a Public Business Development Company* " and "*Item 1(c). Description of Business—Certain U.S. Federal Income Tax Consequences—Regulated Investment Company Classification* ."

TSL is currently in the development stage and has not commenced commercial operations. Since inception, there has been no activity other than an initial $1,000 capital contribution received from Tarrant Advisors, Inc., an affiliate of TPG and our initial shareholder, in exchange for 1,000 shares of our common stock. To date our efforts have been limited to organizational and initial operating activities, the cost of which has been borne by the Adviser. We have agreed to repay the Adviser for initial organization and operating costs incurred up to a maximum of $1.5 million, upon receipt of a formal commitment of external capital. In the event receipt of a formal commitment of external capital does not occur, all initial organization and operating costs will be borne by the Adviser. As there has been no formal commitment of external capital to date, no such costs have been recorded by the Company.

*Revenues*

We plan to generate revenues in the form of interest income from the debt securities we hold and dividends and capital appreciation on either direct equity investments or equity interests obtained in connection with originating loans, such as options, warrants or conversion rights. We expect most of the debt securities we will hold will be floating rate in nature. The debt we invest in will typically not be rated by any rating agency, but if it were, it is likely that such debt would be below investment grade. We intend to structure our debt investments with interest payable quarterly, semi-annually or annually, but we may structure certain investments with terms to provide for longer interest payment periods or to allow interest to be paid by adding amounts due to the principal balance of the loan, resulting in deferred cash receipts. In addition, we may also generate revenue in the form of commitment, loan origination, structuring or diligence fees, fees for providing managerial assistance to our portfolio companies, and possibly consulting fees. Certain of these fees may be capitalized and amortized as additional interest income over the life of the related loan.

*Expenses*

All of our officers are employees of TSL Advisers, LLC or of other TPG affiliated companies. We do not have any direct employees. Once we commence commercial operations, our primary operating expenses will include those related to:

- our initial organization costs and operating costs incurred prior to the commencement of our operations (up to an aggregate of $1,500,000);
- calculating individual asset values and our net asset value (including the cost and expenses of any independent valuation firms);
- expenses, including travel expense, incurred by the Adviser, or members of the Investment Team, or payable to third parties, performing due diligence on prospective portfolio companies and, if necessary, enforcing our rights;

- the costs of the offerings of common shares and other securities, if any;
- the Management Fee and any Incentive Fee;
- certain costs and expenses relating to distributions paid on our shares;
- administration fees payable under our Administration Agreement;
- debt service and other costs of borrowings or other financing arrangements;
- the allocated costs incurred by the Adviser in providing managerial assistance to those portfolio companies that request it;
- amounts payable to third parties relating to, or associated with, making or holding investments;
- transfer agent and custodial fees;
- costs of hedging;
- commissions and other compensation payable to brokers or dealers;
- taxes;
- Independent Director fees and expenses;
- costs of preparing financial statements and maintaining books and records and filing reports or other documents with the SEC (or other regulatory bodies) and other reporting and compliance costs, including registration and listing fees, and the compensation of professionals responsible for the preparation of the foregoing;
- the costs of any reports, proxy statements or other notices to our stockholders (including printing and mailing costs), the costs of any stockholders' meetings and the compensation of investor relations personnel responsible for the preparation of the foregoing and related matters;
- our fidelity bond (as described more fully under "Item 1(c). Description of Business—Regulation as a Public Business Development Company," below);
- directors and officers/errors and omissions liability insurance, and any other insurance premiums;
- indemnification payments;
- direct costs and expenses of administration, including audit, accounting, consulting and legal costs; and
- all other expenses reasonably incurred by us in connection with making investments and administering our business.

From time to time, the Adviser may pay amounts owed by us to third-party providers of goods or services. We will subsequently reimburse the Adviser for such amounts paid on our behalf. Other than with respect to our initial organization and operating costs, as described above, there is no contractual cap on the amount of reasonable costs and expenses for which the Adviser will be reimbursed. In addition, we will reimburse the Adviser for the allocable portion of the compensation paid by the Adviser (or its affiliates) to the Company's chief compliance officer and chief financial officer (based on the percentage of time such individuals devote, on an estimated basis, to the business and affairs of the Company).

We may also enter into a credit facility or other debt arrangements to partially fund our operations, and could incur costs and expenses including commitment, origination, or structuring fees and the related interest costs associated with any amounts borrowed.

*Hedging*

We may, but are not required to, enter into interest rate, foreign exchange or other derivative agreements to hedge interest rate, currency, credit or other risks, but we do not generally intend to enter into any such derivative agreements for speculative purposes. Such hedging activities, which will be in compliance with applicable legal and regulatory requirements, may include the use of futures, options and forward contracts. We will bear the costs incurred in connection with entering into, administering and settling any such derivative contracts. There can be no assurance any hedging strategy we employ will be successful.

*Financial Condition, Liquidity and Capital Resources*

As we have not yet commenced commercial activities, the only transaction to date has been the receipt of an initial capital contribution of $1,000 from Tarrant Advisors, Inc., an affiliate of TPG and our initial shareholder, in exchange for 1,000 shares of our securities. We expect to generate cash from (1) future offerings of our common or preferred stock, (2) cash flows from operations and (3) borrowings from banks or other lenders. We will seek to enter into any bank debt, credit facility or other financing arrangements on at least customary market terms; however, we cannot assure you we will be able to do so.

Our primary use of cash will be for (1) investments in portfolio companies and other investments to comply with certain portfolio diversification requirements, (2) the cost of operations (including paying the Adviser), (3) debt service of any borrowings and (4) cash distributions to the holders of our stock.

*Current Economic Environment*

The U.S. capital markets have been experiencing extreme volatility and disruption for more than two years, and we believe that the U.S. economy has not fully emerged from a period of recession. Disruptions in the capital markets have increased the spread between the yields realized on risk-free and higher risk securities, resulting in illiquidity in parts of the capital markets. We believe these conditions may continue for a prolonged period of time or worsen in the future. A prolonged period of market illiquidity may have an adverse effect on our business, financial condition and results of operations. Unfavorable economic conditions could also increase our portfolio companies' funding costs, limit their access to the capital markets or result in a decision by lenders not to extend credit to them. These events could limit our investment originations, limit their ability to grow, negatively impact our operating results, and delay or prevent us from launching or completing an IPO of our common stock.

*Quantitative and Qualitative Disclosures about Market Risk*

We are subject to financial market risks, including changes in interest rates. We plan to invest primarily in illiquid debt and equity securities of private companies. Most of our investments will not have a readily available market price, and we will value these investments at fair value as determined in good faith by the Board in accordance with our valuation policy. There is no single standard for determining fair value in good faith. As a result, determining fair value requires that judgment be applied to the specific facts and circumstances of each portfolio investment while employing a consistently applied valuation process for the types of investments we make. See "*Item 9. Market Price of and Dividends on the Registrant's Common Equity and Related Stockholder Matters—Valuation of Portfolio Securities*."

**Item 3. Properties**

We maintain our principal executive office at 301 Commerce Street, Suite 3300, Fort Worth, TX 76102. We do not own any real estate. We believe that our present facilities are adequate to meet our current needs. If new or additional space is required, we believe that adequate facilities are available at competitive prices in the same area.

**Item 4. Security Ownership of Certain Beneficial Owners and Management.**

In conjunction with our initial incorporation, Tarrant Advisors, Inc., an affiliate of TPG, purchased 1,000 common shares of the Company at a price of $1.00 per share as our initial capital. The Company intends to redeem these shares at cost immediately prior to the initial capital drawdown date and the issuance of shares of our common stock pursuant to the Private Offering.

**Item 5. Directors and Executive Officers.**

Our Board will oversee our management. Our Board elects our officers, who will serve at the discretion of the Board. Pursuant to our Amended and Restated Certificate of Incorporation and our Bylaws, our Board initially consists of four members, a majority of whom are Independent Directors. The responsibilities of each director include, among other things, the oversight of our investment activity, the quarterly valuation of our assets, and oversight of our financing arrangements. The Board currently maintains an Audit Committee and an IPO Committee, but may establish additional committees in the future. Unless approved by our Board, we will not permit our executive officers or directors to serve as officers, directors or principals of entities that operate in the same or related line of business as we do, other than investment funds, if any, managed by the Adviser and its affiliates.

**Board of Directors and Executive Officers**

Under our Amended and Restated Certificate of Incorporation, our directors are divided into three classes. Each class of directors will hold office for a three-year term. However, the initial members of the three classes have initial terms of one, two and three years, respectively. At each annual meeting of our stockholders, the successors to the class of directors whose terms expire at such meeting will be elected to hold office for a term expiring at the annual meeting of stockholders held in the third year following the year of their election. Each director will hold office for the term to which he or she is elected and until his or her successor is duly elected and qualified.

*Directors*

The address for each director is c/o TPG Specialty Lending, Inc., 301 Commerce Street, Suite 3300, Fort Worth, TX 76102. Information regarding the Board is as follows:

| Name | Age | Position(s) | Expiration of Term |
|---|---|---|---|
| *Independent Directors*: | | | |
| Richard Higginbotham | 63 | Director | 2012 |
| John Ross | 66 | Director | 2013 |
| Ronald Tanemura | 47 | Director | 2012 |
| *Interested Directors*: | | | |
| Joshua Easterly | 34 | Vice President, Director and Chairman of the Board | 2014 |

*Executive Officers who are not Directors*

Information regarding our executive officers who are not directors is as follows:

| Name | Age | Position(s) |
|---|---|---|
| Ronald Cami | 43 | Vice President |
| David Reintjes | 39 | Chief Compliance Officer and Secretary |
| David Stiepleman | 39 | Vice President |
| John Viola | 45 | Chief Financial Officer |
| Alan Waxman | 36 | Vice President |

**Biographical Information**

*Independent Directors*

**Richard Higginbotham** was elected a director of TSL in March 2011. From 2004 to 2005, Mr. Higginbotham was the President of Asset Based Lending and Leasing at Bank of America. Prior to that, he worked for 35 years, including in various senior executive positions, at Fleet Bank, Fleet Financial Group, Inc., and FleetBoston Financial, Inc. Mr. Higginbotham holds a BA in Political Science from Brown University.

**John Ross** was elected a director of TSL in March 2011. Mr. Ross is also a director of DBS Bank Ltd., Singapore. From 1992 to 2002, Mr. Ross worked at Deutsche Bank Group, where he served as Corporate Chief Operating Officer from 2001 to 2002. Mr. Ross holds a BA in American History from Hobart & William Smith Colleges and an MBA from The Wharton School of the University of Pennsylvania.

**Ronald Tanemura** was elected a director of TSL in March 2011. Mr. Tanemura is also a director of ICE Clear Europe in London. Prior to that, Mr. Tanemura was a Partner at Goldman, Sachs & Co. where he was the Global Co-Head of Credit Derivatives from 2000 to 2004. In addition, Mr. Tanemura has led a variety of fixed income businesses working at Deutsche Bank from 1996 to 2000 and at Salomon Brothers from 1985 to 1996. Mr. Tanemura holds an AB in Computer Science from the University of California, Berkeley.

*Interested Directors*

**Joshua Easterly** was appointed a vice president and elected a director of TSL in March 2011. Mr. Easterly is a Managing Director of TPG Opportunities Partners and the Co-Chief Investment Officer of TPG Specialty Lending. Until 2010, he was a Managing Director at Goldman, Sachs & Co. in the Americas Special Situations Group, which invested Goldman's capital in both the public markets and private transactions in distressed and special situations. Prior to joining Goldman Sachs in March 2006, Mr. Easterly was Senior Vice President, Northeast Regional Originations Manager at Wells Fargo Foothill, the $8 billion commercial finance company of Wells Fargo and Company. Mr. Easterly graduated from California State University, Fresno with a Bachelor of Science degree in Business Administration, magna cum laude.

*Executive Officers who are not Directors*

**Ronald Cami** is a vice president of the Company. Mr. Cami joined TPG as a Partner and General Counsel in June 2010. Prior to TPG, Mr. Cami was a Partner at Cravath, Swaine & Moore LLP, where he advised a wide variety of corporate clients on mergers and acquisitions, securities offerings, risk management and compliance. Prior to joining Cravath, Mr. Cami was a clerk for the US District Court for the Southern District of New York. Mr. Cami received his JD from Rutgers University Law School and also holds a BA in Government from Harvard University.

**David Reintjes** is the Chief Compliance Officer and Assistant Secretary of the Company. He is also Chief Compliance Officer and Deputy General Counsel of TPG. Prior to joining TPG in 2007, Mr. Reintjes was a member of the corporate practice group at Sonnenschein Nath & Rosenthal LLP, and, from 1997 to 2005, he was a member of the corporate and securities practice group at Kelly, Hart & Hallman LLP. Mr. Reintjes received a J.D. from the University of Kansas and a B.A. from the University of Notre Dame.

**David Stiepleman** is a vice president of the Company. He is also the Chief Operating Officer and a Managing Director of TPG Opportunities Partners. Until 2010, Mr. Stiepleman was a Managing Director and the Deputy General Counsel of Fortress Investment Group LLC, where he was the lead lawyer responsible for the firm's new business initiatives. Prior to that, he was lead counsel to the Americas Special Situations Group and the Mortgages Department at Goldman, Sachs & Co. Mr. Stiepleman received a BA in French and Political Science from Amherst College and a JD from Columbia University.

**John Viola** is Chief Financial Officer of the Company. He is also a partner of TPG, TPG's Chief Financial Officer and a member of the TPG's Management Committee. Prior to joining TPG in 2001, Mr. Viola was Vice President of Colony Capital, LLC, responsible for the general management of Colony Capital, LLC's operations and for certain financial matters, including investor reporting and deal structuring. Prior to joining Colony Capital, LLC in 1993, Mr. Viola was controller for the California Community Reinvestment Corporation ("CCRC"). Before joining CCRC, Mr. Viola spent five years in the Los Angeles office of Ernst & Young, where he worked with a number of public and private entrepreneurial clients. Mr. Viola received a B.S. from Loyola Marymount University and an M.B.A. from the UCLA Anderson School of Management. Mr. Viola is a Certified Public Accountant and a member of the American Institute of Certified Public Accountants.

**Alan Waxman** is a vice president of the Company. Mr. Waxman is a TPG Partner and is a member of the firm's Executive Committee. He is the Chief Investment Officer of TPG Opportunities Partners and Co-Chief Investment Officer of TPG Specialty Lending. Prior to joining TPG in 2009, Mr. Waxman was a Partner at Goldman, Sachs & Co. During his career at Goldman Sachs, he co-headed the Americas Special Situations Group, which invested Goldman's capital in both the public markets and private transactions in distressed and special situations. Mr. Waxman began his career at Goldman Sachs in 1998. He holds a B.A. in International Relations from University of Pennsylvania.

**Committees of the Board**

*Audit Committee*

The audit committee operates pursuant to our bylaws (the "Bylaws"). The Bylaws set forth the responsibilities of the audit committee. The primary function of the audit committee is to serve as an independent and objective party to assist the Board in fulfilling its responsibilities for valuing our assets, overseeing and monitoring the quality and integrity of our financial statements, the adequacy of our system of internal controls, the review of the independence and performance of, as well as communicate openly with, our registered public accounting firm and our compliance with legal and regulatory requirements. Our Board has designated Mr. John Ross as an "audit committee financial expert" pursuant to the provisions of Item 407(d)(5) of Regulation S-K, and pursuant to the Bylaws, our audit committee is comprised solely of members who are Independent Directors.

*IPO Committee*

The Bylaws also establish an IPO committee. The IPO committee's primary function is to advise the Board regarding matters relating to an IPO of the Company, including: (i) the preparation of any registration statement and prospectus in connection with an IPO, (ii) the issuance and sale of the Company's common stock, (iii)

the negotiation of the terms and conditions of any underwriting agreements relating to an IPO, (iv) the determination that all common stock is validly issued and (v) the authorization of certain of the Company's officers to execute and deliver the documents relevant to an IPO. The IPO committee acts solely in an advisory capacity to the Board and is not authorized to take any actions on behalf of the Board or the Company.

*Compensation Committee*

The Board does not currently intend to delegate any authority to a compensation committee because our executive officers will not receive any direct compensation from us.

**Code of Ethics**

A code of ethics relates to written standards that are reasonably designed to deter wrongdoing and to promote:

- honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- full, fair, accurate, timely and understandable disclosure in reports and documents that are filed with, or submitted to, the SEC and in other public communications made by us;
- compliance with applicable governmental laws, rules and regulations;
- the prompt internal reporting of violations of the code to an appropriate person or persons identified in the code; and
- accountability for adherence to the code.

Our Board has adopted a corporate code of ethics that applies to our executive officers. See " *Item I(c). Description of Business—Regulation as a Business Development Company—Code of Ethics* ."

**Item 6. Executive Compensation.**

(a) Compensation of Executive Officers

We do not currently have any employees and do not expect to have any employees. Services necessary for our business will be provided by individuals who are employees of TSL Advisers, LLC or its affiliates, pursuant to the terms of our Advisory and Administration Agreements. Each of our executive officers will be an employee of the Adviser or its affiliates. Our day-to-day investment operations will be managed by the Adviser. Most of the services necessary for the origination and administration of our investment portfolio will be provided by investment professionals employed by the Adviser or its affiliates.

None of our executive officers will receive direct compensation from us. We will reimburse the Adviser the allocable portion of the compensation paid by the Adviser (or its affiliates) to the Company's chief compliance officer and chief financial officer (based on the percentage of time such individuals devote, on an estimated basis, to the business and affairs of the Company). Certain of our executive officers and other members of our Investment Team, through their ownership interest in or management positions with the Adviser, may be entitled to a portion of any profits earned by the Adviser, which includes any fees payable to the Adviser under the terms of our Advisory Agreement, less expenses incurred by the Adviser in performing its services under our Advisory Agreement. The Adviser may pay additional salaries, bonuses, and individual performance awards and/or individual performance bonuses to our executive officers in addition to their ownership interest.

(b) Compensation of Independent Directors

We will pay no compensation to officers who are "interested persons" (as defined in the 1940 Act) of the Adviser or to directors other than the Independent Directors. We are authorized to pay each Independent Director the following amounts for serving as a director: (i) $75,000 ($100,000 after an IPO) per year, (ii) $2,500 for each meeting of the Board attended, (iii) $1,000 for each committee meeting of the Company attended, (iv) an additional fee of $5,000 ($7,500 after an IPO) per year for the chairman of the audit committee and (v) an additional fee of $2,500 per year for each chairman of any other committee of the Board. We are also authorized to pay the reasonable out-of-pocket expenses of each Independent Director incurred by such director in connection with the fulfillment of his or her duties as an Independent Director.

**Item 7. Certain Relationships and Related Transactions, and Director Independence.**

(a) Transactions with Related Persons; Review Approval or Ratification of Transaction with Related Persons

**Relationship with TPG**

Our investment activities are managed by our Adviser, which is responsible for sourcing, researching and structuring potential investments, monitoring our portfolio companies and providing operating, managerial and administrative assistance to the Company and to our portfolio companies as required.

The Adviser has filed an application with the SEC for registration as a registered investment adviser under the Advisers Act, and is an affiliate of TPG. Another affiliate of TPG is also an SEC-registered investment adviser and provides investment advisory services to a number of private investment funds. However, the Adviser, and not TPG, will be responsible for providing the services to the Company described herein. In addition, TPG and its affiliates engage in a broad range of other investment activities, including pursuing investments for their own account and for the account of associated funds and providing other services to these funds and their portfolio companies.

In addition, the Adviser will make capital commitments to purchase shares of our common stock as of the Closing. These capital commitments will be made by the Adviser pursuant to a subscription agreement entered into with the Company, on terms and conditions substantially the same as those offered to our other investors.

We expect to benefit from the Adviser's relationships with TPG, since the Adviser will have access to the contacts and industry knowledge of TPG's investment professionals, and will also be able to consult with TPG investment professionals on specific industry issues, trends and other matters to complement our investment process. However, the Adviser and members of the Adviser's Investment Review Committee are expected to face a number of actual and potential conflicts of interest involving the Company, TPG and other private investment funds affiliated with TPG, including conflicts in the allocation of investment opportunities among the Company and other TPG-affiliated funds as well as in their time and attention requirements to these other funds. Various potential and actual conflicts of interest may arise from the overall advisory, investment and other activities of the Adviser, its affiliates, including TPG, and their respective clients.

**Allocations of Investment Opportunities**

In the ordinary course of conducting its activities, the Adviser and members of the Adviser's Investment Review Committee are expected to encounter situations in which they must determine how to allocate investment opportunities among the Company and other investment funds affiliated with TPG. The Adviser, TOP and TPG expect to first make all loan origination opportunities to middle-market borrowers (including any equity or equity-like interests connected to such opportunities) available to the Company.

*Obligations to TPG-Affiliated Funds*

Members of the Adviser's senior management and Investment Review Committee are and will continue to be active in other investment funds affiliated with TPG that pursue investment opportunities that could overlap with those pursued by the Company. Under the agreements governing these other investment funds, such investment opportunities may be required to be offered first to these funds. While the investment strategy pursued by these funds may overlap with the investment objective pursued by the Company in certain respects, members of the

Adviser's senior management and Investment Review Committee are generally not required to offer investment opportunities in middle-market loan originations, which is the Company's primary investment focus, to TPG's existing funds.

*Allocation of Loan Origination Investment Opportunities*

Subject to the above, TPG intends to conduct all middle-market loan origination activities through the Company, unless it would not be permissible, advisable or otherwise suitable for the Company to pursue a particular investment opportunity. For example, certain loan origination investment opportunities may not be appropriate for the Company if they might cause the Company to violate asset coverage or concentration limitations imposed by the 1940 Act or the Code, would be ineligible for financing under the Company's financing arrangements, pose adverse legal, regulatory or tax risks, constrain the Company's resources to make future investments or would otherwise be inappropriate or inadvisable as an investment for the Company. TPG or TOP may in the future organize a separate investment vehicle aimed specifically at non-U.S. middle-market loan originations or other loan origination opportunities that are inappropriate for the Company. Any such loan origination opportunities not pursued by the Company may then be presented to other TPG-managed or sponsored vehicles, including vehicles managed by TOP investment professionals. However, pursuant to the subscription agreement, the Adviser and its affiliates are not permitted to act as manager of, or the primary source of transactions for, other pooled investment funds, the principal objective of which is to source, originate and manage loans to middle-market companies whose principal business operations are in the United States, and from which the Company does not derive a direct or indirect benefit, until the first to occur of (i) the fourth anniversary of the Closing, (ii) the date of a Qualified IPO and (iii) the time that at least 75% of the investors' aggregate capital commitments have been contributed to the Company.

*Allocation of Non-Loan Origination Investment Opportunities*

While our primary focus is to generate current income and capital appreciation through direct lending to eligible portfolio companies (i.e., U.S. domiciled, middle-market issuers in which a BDC must invest at least 70% of its total assets), we also may invest up to 30% of our portfolio opportunistically in non-eligible portfolio companies. These non-eligible assets may include, among other things, debt issued by companies located outside the United States, publicly and privately traded debt and equity securities, high yield bonds and other instruments or assets (including consumer and commercial loans).

In the event that TPG is not required to forward a particular investment opportunity to an affiliated fund, then the Company may be permitted to take up such opportunity. The decision to allocate any such opportunity as between the Company and other TPG-managed or TPG-sponsored vehicles will take into account various factors that TPG and the Adviser deem appropriate. It is possible that the Company may not be given the opportunity to participate in certain investments made by other TPG-affiliated funds that would otherwise be suitable for the Company.

If TPG and the Adviser were to determine that an investment is appropriate both for the Company and for one or more other TPG-managed or TPG-sponsored vehicles, the Company would only be able to make any such investments subject to compliance with applicable regulations and interpretations and in accordance with the Adviser's allocation procedures. In certain circumstances, co-investments with affiliates may be made only if the Company requests and receives an order from the SEC permitting us to do so. There can be no assurance that such an order will be obtained.

The Adviser will also serve as our administrator. The administrator, on behalf of and at the expense of the Company, may retain one or more service providers that may also be affiliates of TPG to serve as sub-administrator, custodian, accounting agent, investor services agent, transfer agent or other service provider for the Company. Any fees paid by the Company, or indemnification obligations undertaken by the Company, in respect of the administrator and such other service providers that are TPG affiliates will be set at arm's length and approved by the Independent Directors.

**Fees**

In the course of our investing activities, we will pay Management Fees and Incentive Fees to the Adviser, incur direct expenses and will reimburse the Adviser for certain expenses it incurs. See "*Item 1(c). Description of Business—General—The Investment Adviser* ."

**Certain Business Relationships**

Certain of the current directors and officers of the Company are directors or officers of the Adviser. See Item 7(b) below for a description of the Advisory Agreement and the Administration Agreement.

**Indebtedness of Management**

None.

(b) Promoters and Certain Control Persons

The Adviser may be deemed a promoter of the Company. The Company will enter into the Advisory Agreement and the Administration Agreement with the Adviser.

Pursuant to the Advisory Agreement, the Adviser will act as the investment adviser to the Company and manage the investment and reinvestment of the assets of the Company, subject to the supervision of the Board, in accordance with the investment objective, policies and restrictions set forth in this Registration Statement, in accordance with all applicable federal and state laws, rules and regulations, and the Company's certificate of incorporation and bylaws (as amended from time to time), and in accordance with the 1940 Act. In carrying out its duties as the investment adviser to the Company pursuant to the Advisory Agreement, the Adviser will:

- determine the composition of the portfolio of the Company, the nature and timing of the changes therein and the manner of implementing such changes;
- identify/source, research, evaluate and negotiate the structure of the investments made by the Company;
- close and monitor the Company's investments;
- determine the assets that the Company will originate, purchase, retain, or sell;
- perform due diligence on prospective portfolio companies; and
- provide the Company with such other investment advisory, research, and related services as the Company may, from time to time, reasonably require for the investment of its funds, including providing operating and managerial assistance to the Company and its portfolio companies as required.

We will also enter into the Administration Agreement with our Adviser, under which the Adviser will provide administrative services to us. These services will include providing office space to us, providing us with equipment and office services, maintaining our financial records, preparing reports to our stockholders and reports filed with the SEC and managing the payment of our expenses and the performance of administrative and professional services rendered to us by others. We will reimburse the Adviser for reasonable costs and expenses incurred by the Adviser in providing these services, facilities and personnel, as provided by the Administration Agreement. In addition, the Adviser is permitted to delegate its duties under the Administration Agreement to affiliates or third parties and we will reimburse the expenses of these parties incurred and paid by the Adviser on our behalf.

Except as otherwise provided herein, the Adviser will bear all costs and expenses of its employees and any overhead incurred in connection with its duties under the Advisory Agreement and Administration Agreement and will be solely responsible for the compensation of its investment professionals and employees and all overhead expenses of the Adviser (including rent, office equipment and utilities). The Company will bear all other costs and expenses of its operations, administration and transactions, including (without limitation) those relating to:

- our initial organization costs and operating costs incurred prior to the commencement of our operations (up to an aggregate of $1,500,000);
- calculating individual asset values and our net asset value (including the cost and expenses of any independent valuation firms);
- expenses, including travel expense, incurred by the Adviser, or members of the Investment Team, or payable to third parties, performing due diligence on prospective portfolio companies and, if necessary, enforcing our rights;
- the costs of the offerings of common shares and other securities, if any;
- the Management Fee and any Incentive Fee;
- certain costs and expenses relating to distributions paid on our shares;
- administration fees payable under our Administration Agreement;
- debt service and other costs of borrowings or other financing arrangements;
- the allocated costs incurred by the Adviser in providing managerial assistance to those portfolio companies that request it;
- amounts payable to third parties relating to, or associated with, making or holding investments;
- transfer agent and custodial fees;
- costs of hedging;
- commissions and other compensation payable to brokers or dealers;
- taxes;
- Independent Director fees and expenses;
- costs of preparing financial statements and maintaining books and records and filing reports or other documents with the SEC (or other regulatory bodies) and other reporting and compliance costs, including registration and listing fees, and the compensation of professionals responsible for the preparation of the foregoing;
- the costs of any reports, proxy statements or other notices to our stockholders (including printing and mailing costs), the costs of any stockholders' meetings and the compensation of investor relations personnel responsible for the preparation of the foregoing and related matters;
- our fidelity bond (as described more fully under "*Item 1(c). Description of Business—Regulation as a Public Business Development Company* ," below);
- directors and officers/errors and omissions liability insurance, and any other insurance premiums;
- indemnification payments;
- direct costs and expenses of administration, including audit, accounting, consulting and legal costs; and

- all other expenses reasonably incurred by us in connection with making investments and administering our business.

From time to time, the Adviser may pay amounts owed by us to third-party providers of goods or services. We will subsequently reimburse the Adviser for such amounts paid on our behalf. Other than with respect to initial organization and operating costs, as described above, there is no contractual cap on the reasonable costs and expenses for which the Adviser will be reimbursed. Furthermore, the Company will reimburse the Adviser for the allocable portion of the compensation paid by the Adviser (or its affiliates) to the Company's chief compliance officer and chief financial officer (based on the percentage of time such individuals devote, on an estimated basis, to the business and affairs of the Company).

The Adviser, for its services to the Company, will be entitled to receive fees as described under " *Item 1(c). Description of Business—General—Advisory Agreement; Administration Agreement; License Agreement*."

Under the Advisory Agreement, the Company expects, to the extent permitted by applicable law and in the discretion of the Board, to indemnify the Adviser and certain of its affiliates, as described under "*Item 1(c). Description of Business—General—Advisory Agreement; Administration Agreement; License Agreement*."

Both the Advisory Agreement and the Administration Agreement have been approved by our Board. Unless earlier terminated as described below, both the Advisory Agreement and the Administration Agreement will remain in effect for a period from their effective date and will remain in effect from year to year thereafter if approved annually by (i) the vote of our Board, or by the vote of a majority of our outstanding voting securities, and (ii) the vote of a majority of our Independent Directors. The Advisory Agreement and the Administration Agreement will automatically terminate in the event of assignment. See " *Item 1A. Risk Factors—Risks Relating to Our Business and Structure—We will be dependent upon management personnel of the Adviser for our future success*."

Notwithstanding the foregoing, the Advisory Agreement and the Administration Agreement may be terminated at any time, without the payment of any penalty, upon sixty (60) days' written notice, provided that such termination will be directed or approved by the vote of a majority of the outstanding voting securities of the Company, by the vote of the Company's directors, or by the Adviser. The Advisory Agreement will also immediately terminate in the event of its assignment. If the Advisory Agreement is terminated according to this paragraph, the Company will pay the Adviser a pro-rated portion of the Management Fee and Incentive Fee.

The Company will engage at its own expense a firm acceptable to the Company and the Adviser to determine the maximum reasonable fair value as of the termination date of the Company's consolidated assets (assuming each asset is readily marketable among institutional investors without minority discount and with an appropriate control premium for any control positions and ascribing an appropriate net present value to unamortized organizational and offering costs and going concern value).

**Item 8. Legal Proceedings**

We are not currently subject to any material legal proceedings, nor, to our knowledge, is any material legal proceeding threatened against us. From time to time, we may be a party to certain legal proceedings in the ordinary course of business, including proceedings relating to the enforcement of our rights under loans to or other contracts with our portfolio companies. While the outcome of these legal proceedings cannot be predicted with certainty, we do not expect that these proceedings will have a material effect upon our financial condition or results of operations.

**Item 9. Market Price of and Dividends on the Registrant's Common Equity and Related Stockholder Matters**

**Market Information**

Until an IPO, our outstanding common stock will be offered and sold in transactions exempt from registration under the 1933 Act under section 4(2) and Regulation D. See "*Item 10. Recent Sales of Unregistered*

*Securities*" for more information. There is currently no public market for our common stock, nor can we give any assurance that one will develop.

Because shares of our common stock are being acquired by investors in one or more transactions "not involving a public offering," they are "restricted securities" and may be required to be held indefinitely. Our common shares may not be sold, transferred, assigned, pledged or otherwise disposed of unless (i) our consent is granted, and (ii) the common shares are registered under applicable securities laws or specifically exempted from registration (in which case the stockholder may, at our option, be required to provide us with a legal opinion, in form and substance satisfactory to us, that registration is not required). Accordingly, an investor must be willing to bear the economic risk of investment in the common shares until we are liquidated. No sale, transfer, assignment, pledge or other disposition, whether voluntary or involuntary, of the common shares may be made except by registration of the transfer on our books. Each transferee will be required to execute an instrument agreeing to be bound by these restrictions and the other restrictions imposed on the common shares and to execute such other instruments or certifications as are reasonably required by us.

**Holders**

Please see "*Item 4. Security Ownership of Certain Beneficial Owners and Management* " for disclosure regarding the holders of the Company's common stock.

**Valuation of Portfolio Securities**

We will determine the net asset value per share of our common stock quarterly. The net asset value per share is equal to the value of our total assets minus liabilities and any preferred stock outstanding divided by the total number of shares of common stock outstanding. At present, we do not have any preferred stock outstanding.

Investments are valued at the end of each fiscal quarter. Substantially all of our investments are expected to be in loans that do not have readily ascertainable market prices. Assets that are not publicly traded or whose market prices are not readily available are valued at fair value as determined in good faith by the valuation committee of our Adviser and reviewed by the audit committee of our Board. Pursuant to a letter agreement, the Board has retained Duff & Phelps, a global independent provider of financial advisory and investment banking services, to assist the Board by performing certain limited third-party valuation services. In connection with that determination, investment professionals from the Adviser will prepare portfolio company valuations using sources and/or proprietary models depending on the availability of information on our assets and the type of asset being valued, all in accordance with our valuation policy. The participation of the Adviser in our valuation process could result in a conflict of interest, since the Management Fee is based in part on our gross assets.

Because fair valuations, and particularly fair valuations of private securities and private companies, are inherently uncertain, may fluctuate over short periods of time and are often based to a large extent on estimates, comparisons and qualitative evaluations of private information, our determinations of fair value may differ materially from the values that would have been determined if a ready market for these securities existed. This could make it more difficult for investors to value accurately our portfolio investments and could lead to undervaluation or overvaluation of our common shares. In addition, the valuation of these types of securities may result in substantial write-downs and earnings volatility.

**Dividends**

We generally intend to distribute, out of assets legally available for distribution, substantially all of our available earnings, on a quarterly basis, as determined by our board of directors in its discretion.

We will reinvest dividends on behalf of those investors that do not elect to receive their dividends in cash. An investor may elect to receive its entire dividend in cash by notifying the Adviser in writing no later than 10 days prior to the record date for dividends to investors.

**Reports to Stockholders**

We plan to furnish our stockholders with an annual report for each fiscal year ending December 31 containing financial statements audited by our independent registered public accounting firm. Additionally, we intend to continue to comply with the periodic reporting requirements of the 1934 Act.

**Item 10. Recent Sales of Unregistered Securities**

On December 21, 2010, we issued and sold 1,000 shares of common stock at an aggregate purchase price of $1,000 to Tarrant Advisors, Inc., an affiliate of TPG. These shares were issued and sold in reliance upon the available exemptions from registration requirements of Section 4(2) of the Securities Act. The Company intends to redeem these shares at cost immediately prior to the initial capital drawdown date and the issuance of shares of our common stock pursuant to the Private Offering.

**Item 11. Description of Registrant's Securities to be Registered**

**Description of our Shares**

*General*.

Under the terms of our certificate of incorporation that was in effect from our formation until March 8, 2011, our authorized capital stock consisted solely of 10,000 shares of common stock, par value $0.01 per share, of which 1,000 shares were outstanding as of January 14, 2011, and 100,000,000 shares of preferred stock, par value $0.01 per share, of which no shares were outstanding as of January 14, 2011.

Under the terms of our Amended and Restated Certificate of Incorporation, which was adopted on March 8, 2011, our authorized capital stock now consists solely of 100,000,000 shares of common stock, par value $0.01 per share, of which 1,000 shares remain outstanding as of the date of this Registration Statement, and 100,000,000 shares of preferred stock, par value $0.01 per share, of which no shares are outstanding as of the date of this Registration Statement. The Company intends to redeem the shares currently outstanding at cost immediately prior to the initial capital drawdown date and expects to sell a number of its shares pursuant to the Private Offering. There is currently no market for our common stock, and we can offer no assurance that a market for our shares will develop in the future.

*Common Stock*.

Under the terms of our Amended and Restated Certificate of Incorporation, holders of common stock are entitled to one vote for each share held on all matters submitted to a vote of stockholders, and holders of common stock do not have cumulative voting rights. Accordingly, subject to the rights of any outstanding preferred stock, holders of a majority of the shares of common stock entitled to vote in any election of directors may elect all of the directors standing for election. Holders of common stock are entitled to receive proportionately any dividends declared by our Board, subject to any preferential dividend rights of outstanding preferred stock. Upon our liquidation, dissolution or winding up, the holders of common stock will be entitled to receive ratably our net assets available after the payment of all debts and other liabilities and will be subject to the prior rights of any outstanding preferred stock. Each share of common stock entitles the holder to a preemptive right, for a period of thirty days, to subscribe for any shares of preferred stock (including rights to purchase shares of preferred stock or securities convertible into, or exchangeable for, shares of preferred stock) that the Company proposes to issue. Holders of common stock have no redemption or conversion rights. The rights, preferences and privileges of holders of common stock are subject to the rights of the holders of any series of preferred stock that we may designate and issue in the future. In addition, holders of our common stock may participate in our dividend reinvestment plan.

*Preferred Stock.*

Under the terms of our Amended and Restated Certificate of Incorporation, our Board is authorized to issue shares of preferred stock in one or more series without stockholder approval. The Board has discretion to establish the number of shares to be included in each such series and to fix the voting powers (if any), designations, powers, preferences, and relative, participating, optional or other rights, if any, of the shares of each such series, and any qualifications, limitations, or restrictions thereof. The 1940 Act limits our flexibility as to certain rights and

preferences of the preferred stock that our Amended and Restated Certificate of Incorporation may provide and requires, among other things: (i) immediately after issuance and before any distribution is made with respect to common stock, we must meet a coverage ratio of total assets to total senior securities, which include all of our borrowings and our preferred stock, of at least 200%; and (ii) the holders of shares of preferred stock, if any are issued, must be entitled as a class to elect two directors at all times and to elect a majority of the directors if and for so long as dividends on the preferred stock are unpaid in an amount equal to two full years of dividends on the preferred stock. The features of the preferred stock are further limited by the requirements applicable to RICs under the Code. The purpose of authorizing our Board to issue preferred stock and determine its rights and preferences is to eliminate delays associated with a stockholder vote on specific issuances. The issuance of preferred stock, while providing desirable flexibility in connection with providing leverage for our investment program, possible acquisitions and other corporate purposes, could make it more difficult for a third party to acquire, or could discourage a third party from acquiring, a majority of our outstanding voting stock.

### Transferability of Shares

Unless and until an IPO, our common shares will not be registered under the 1933 Act. The common shares are exempt from registration requirements pursuant to Section 4(2) of and Regulation D under the 1933 Act.

Because our common shares will be acquired by investors in one or more transactions “not involving a public offering,” they will be “restricted securities” and may be required to be held indefinitely. Our common shares may not be sold, transferred, assigned, pledged or otherwise disposed of unless (i) our consent is granted, and (ii) the common shares are registered under applicable securities laws or specifically exempted from registration (in which case the stockholder may, at our option, be required to provide us with a legal opinion, in form and substance satisfactory to us, that registration is not required). Accordingly, an investor must be willing to bear the economic risk of investment in the common shares until we are liquidated. No sale, transfer, assignment, pledge or other disposition, whether voluntary or involuntary, of the common shares may be made except by registration of the transfer on our books. Each transferee will be required to execute an instrument agreeing to be bound by these restrictions and the other restrictions imposed on the common shares and to execute such other instruments or certifications as are reasonably required by us.

### Dissolution of the Company

Prior to an IPO of our common stock that may occur, if our Board determines that there has been a significant adverse change in our regulatory or tax treatment or that of our stockholders that, in our Board’s judgment makes it inadvisable for the Company to continue in its present form, then our Board will endeavor to restructure or change the form of the Company to preserve (insofar as possible) the overall benefits previously enjoyed by stockholders as a whole or, if our Board determines it appropriate (and subject to necessary stockholder approvals under our Amended and Restated Certificate of Incorporation and the 1940 Act, and any other applicable requirements of the 1940 Act), (i) cause the Company to change its form and/or jurisdiction of organization or (ii) wind down and/or liquidate and dissolve the Company.

If we have not consummated an IPO of our common stock within six years following the Closing, then our Board (subject to any necessary stockholder approvals and applicable requirements of the 1940 Act) will use its best efforts to wind down and/or liquidate and dissolve the Company.

In the event of and upon any liquidation, dissolution or winding up of our affairs, whether voluntary or involuntary, after payment or provision for payment of our debts and other liabilities and subject to the prior rights of any outstanding preferred shares, our remaining net assets will be distributed among holders of our common shares equally on a per share basis. For the purposes of this paragraph, a merger or consolidation of the Company with or into any other corporation or other entity, or a sale or conveyance of all or any part of our property or assets will not be deemed to be a dissolution, liquidation or winding up, voluntary or involuntary.

### Delaware Law and Certain Charter and Bylaw Provisions; Anti-Takeover Measures

We are subject to the provisions of Section 203 of the General Corporation Law of Delaware. In general, the statute prohibits a publicly held Delaware corporation from engaging in a “business combination” with

"interested stockholders" for a period of three years after the date of the transaction in which the person became an interested stockholder, unless the business combination is approved in a prescribed manner. A "business combination" includes certain mergers, asset sales and other transactions resulting in a financial benefit to the interested stockholder. Subject to exceptions (including an exception for our Adviser and certain of its affiliates), an "interested stockholder" is a person who, together with his affiliates and associates, owns, or within three years did own, 15% or more of the corporation's voting stock. Our Amended and Restated Certificate of Incorporation and Bylaws provide that:

- the Board be divided into three classes, as nearly equal in size as possible, with staggered three-year terms;
- directors may be removed only for cause by the affirmative vote of 75% of the holders of our capital stock then outstanding and entitled to vote in the election of directors, voting together as a single class; and
- subject to the rights of any holders of preferred stock, any vacancy on the Board, however the vacancy occurs, including a vacancy due to an enlargement of the Board, may only be filled by vote a majority of the directors then in office.

The classification of our Board and the limitations on removal of directors and filling of vacancies could have the effect of making it more difficult for a third party to acquire us, or of discouraging a third party from acquiring us.

Our Bylaws also provide that:

- any action required or permitted to be taken by the stockholders at an annual meeting or special meeting of stockholders may only be taken if it is properly brought before such meeting; and
- special meetings of the stockholders may only be called by our Board of Directors, Chairman, or Chief Executive Officer.

Our Bylaws provide that, in order for any matter to be considered "properly brought" before a meeting, a stockholder must comply with requirements regarding advance notice to us. These provisions could delay until the next stockholders' meeting stockholder actions which are favored by the holders of a majority of our outstanding voting securities. These provisions may also discourage another person or entity from making a tender offer for our common stock, because such person or entity, even if it acquired a majority of our outstanding voting securities, would be able to take action as a stockholder (such as electing new directors or approving a merger) only at a duly called stockholders meeting.

Delaware's corporation law provides generally that the affirmative vote of a majority of the shares entitled to vote on any matter is required to amend a corporation's certificate of incorporation or bylaws, unless a corporation's certificate of incorporation or bylaws requires a greater percentage. Our certificate of incorporation requires the affirmative vote of at least 75% of the holders of our capital stock then outstanding and entitled to vote in the election of directors, voting together as a single class, to amend certain specified provisions of the certificate relating to our Board, limitation of liability, indemnification procedures, and amendments to our certificate of incorporation.

Our Amended and Restated Certificate of Incorporation permits our Board to amend or repeal our Bylaws: our Bylaws generally can be amended or repealed by approval of at least 75% of the total number of authorized directors then in office. Additionally, our stockholders have the power to adopt, amend or repeal our Bylaws, upon the affirmative vote of at least 75% of the holders of our capital stock then outstanding and entitled to vote on any matter.

**Anti-Takeover Provisions**

Our Amended and Restated Certificate of Incorporation will include provisions that could have the effect of limiting the ability of other entities or persons to acquire control of us or to change the composition of our Board. This could have the effect of depriving stockholders of an opportunity to sell their shares at a premium over

prevailing market prices by discouraging a third party from seeking to obtain control over us. Such attempts could have the effect of increasing our expenses and disrupting our normal operation. One of these provisions is that our Board will be divided into three classes, with the term of one class expiring at each annual meeting of stockholders. At each annual meeting, one class of directors is elected to a three-year term. This provision could delay for up to two years the replacement of a majority of the Board. A director may be removed from office, but only for cause and at a meeting called for that purpose, by the affirmative vote of 75% of the holders of our capital stock then outstanding and entitled to vote in the election of directors, voting together as a single class.

In addition, following an IPO our Amended and Restated Certificate of Incorporation will require the favorable vote of a majority of our Board followed by the favorable vote of the holders of at least 75% of our outstanding shares of common stock, to approve, adopt or authorize certain transactions with 10% or greater holders of our outstanding common stock and their affiliates or associates, unless the transaction has been approved by at least 80% of our Board, in which case approval by "a majority of the outstanding voting securities" (as defined in the 1940 Act) will be required. For purposes of these provisions, a 10% or greater holder of our outstanding common stock, or a principal stockholder, refers to any person who, whether directly or indirectly and whether alone or together with its affiliates and associates, beneficially owns 10% or more of the outstanding shares of our common stock.

The 10% holder transactions subject to these special approval requirements are: the merger or consolidation of us or any subsidiary of ours with or into any principal stockholder; the issuance of any of our securities to any principal stockholder for cash, except pursuant to any automatic dividend reinvestment plan or the exercise of any preemptive rights granted in our Amended and Restated Certificate of Incorporation or pursuant to any subscription agreement by and among the Company, the Adviser and such principal stockholder; the sale, lease or exchange of all or any substantial part of our assets to any principal stockholder, except assets having an aggregate fair market value of less than 5% of our total assets, aggregating for the purpose of such computation all assets sold, leased or exchanged in any series of similar transactions within a twelve-month period; or the sale, lease or exchange to us or any subsidiary of ours, in exchange for our securities, of any assets of any principal stockholder, except assets having an aggregate fair market value of less than 5% of our total assets, aggregating for purposes of such computation all assets sold, leased or exchanged in any series of similar transactions within a twelve-month period.

Following an IPO, to convert us to an open-end investment company, to merge or consolidate us with any entity in a transaction as a result of which the governing documents of the surviving entity do not contain substantially the same anti-takeover provisions as are provided in our Amended and Restated Certificate of Incorporation, to liquidate and dissolve us or to amend any of the provisions discussed herein, our Amended and Restated Certificate of Incorporation requires the favorable vote of at least 80% of the holders of our common stock then outstanding, or the approval of a majority of the continuing directors and at least 75% of the holders of our capital stock then outstanding entitled to vote in the election of directors, voting together as a single class. If approved in the foregoing manner, our conversion to an open-end investment company could not occur until 90 days after the stockholders meeting at which such conversion was approved and would also require at least 30 days prior notice to all stockholders. As part of any such conversion to an open-end investment company, substantially all of our investment policies and strategies and portfolio would have to be modified to assure the degree of portfolio liquidity required for open-end investment companies. In the event of conversion, the common shares would cease to be listed on any national securities exchange or market system. Stockholders of an open-end investment company may require the company to redeem their shares at any time, except in certain circumstances as authorized by or under the 1940 Act, at their net asset value, less such redemption charge, if any, as might be in effect at the time of a redemption. You should assume that it is not likely that our Board would vote to convert us to an open-end fund.

The 1940 Act defines "a majority of the outstanding voting securities" as the lesser of a majority of the outstanding shares and 67% of a quorum of a majority of the outstanding shares. For the purposes of calculating "a majority of the outstanding voting securities" under our certificate of incorporation, each class and series of our shares will vote together as a single class, except to the extent required by the 1940 Act or our certificate of incorporation, with respect to any class or series of shares. If a separate class vote is required, the applicable proportion of shares of the class or series, voting as a separate class or series, also will be required.

Our Board has determined that provisions with respect to the Board and the stockholder voting requirements described above, which voting requirements are greater than the minimum requirements under

Delaware law or the 1940 Act, are in the best interest of stockholders generally. Reference should be made to our certificate of incorporation on file with the SEC for the full text of these provisions.

**Item 12. Indemnification of Directors and Officers**

Section 145 of the Delaware General Corporation Law allows for the indemnification of officers, directors, and any corporate agents in terms sufficiently broad to indemnify such person under certain circumstances for liabilities, including reimbursement for expenses, incurred arising under the Securities Act. Our Amended and Restated Certificate of Incorporation and Bylaws provide that the Company shall indemnify its directors and officers to the fullest extent authorized or permitted by law and such right to indemnification shall continue as to a person who has ceased to be a director or officer of the Company and shall inure to the benefit of his or her heirs, executors and personal and legal representatives; provided, however, that, except for proceedings to enforce rights to indemnification, the Company is not obligated to indemnify any director or officer (or his or her heirs, executors or personal or legal representatives) in connection with a proceeding (or part thereof) initiated by such person unless such proceeding (or part thereof) was authorized or consented to by the Board. The right to indemnification conferred includes the right to be paid by the Company the expenses incurred in defending or otherwise participating in any proceeding in advance of its final disposition.

So long as we are regulated under the 1940 Act, the above indemnification is limited by the 1940 Act or by any valid rule, regulation or order of the SEC thereunder. The 1940 Act provides, among other things, that a company may not indemnify any director or officer against liability to it or its security holders to which he or she might otherwise be subject by reason of his or her willful misfeasance, bad faith, gross negligence or reckless disregard of the duties involved in the conduct of his or her office unless a determination is made by final decision of a court, by vote of a majority of a quorum of directors who are disinterested, non-party directors or by independent legal counsel that the liability for which indemnification is sought did not arise out of the foregoing conduct.

In addition, the Company intends to enter into indemnification agreements with its directors and officers that will provide for a contractual right to indemnification to the fullest extent permitted by the Delaware General Corporation Law. A form of the indemnification agreement has been filed as an Exhibit to this Registration Statement.

The Company may, to the extent authorized from time to time by the Board, provide rights to indemnification and to the advancement of expenses to employees and agents of the Company similar to those conferred to directors and officers of the Company. The rights to indemnification and to the advance of expenses are subject to the requirements of the 1940 Act to the extent applicable. Any repeal or modification of our Amended and Restated Certificate of Incorporation by the stockholders of the Company will not adversely affect any rights to indemnification and to the advancement of expenses of a director or officer of the Company existing at the time of such repeal or modification with respect to any acts or omissions occurring prior to such repeal or modification.

Under the Advisory Agreement, the Company may, to the extent permitted by applicable law, in the discretion of the Board, indemnify the Adviser and certain of its affiliates, as described under "*Item 1(c). Description of Business—General—Advisory Agreement; Administration Agreement; License Agreement*."

**Item 13. Financial Statements and Supplementary Data**

We set forth below a list of our audited financial statements included in this Registration Statement.

**Item 14. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure**

There are not and have not been any disagreements between the Company and its accountant on any matter of accounting principles, practices, or financial statement disclosure.

**Item 15. Financial Statements and Exhibits.**

(a) List separately all financial statements filed

The financial statements included in this Registration Statement are listed in Item 13 and commence on page F-3.

(b) Exhibits

**Exhibit Index**

| | |
|---|---|
| 3.1 | Amended and Restated Certificate of Incorporation |
| 3.2 | Bylaws |
| 4.1* | Form of Subscription Agreement |
| 10.1 | Form of Advisory Agreement |
| 10.2* | Form of Administration Agreement |
| 10.3 | Form of Indemnification Agreement |

* Previously filed.

**SIGNATURES**

Pursuant to the requirements of Section 12 of the Securities Exchange Act of 1934, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized.

**TPG Specialty Lending, Inc.**

By: /s/ Ronald Cami
Name: Ronald Cami
Title: Vice President

Date: March 14, 2011

## INDEX TO FINANCIAL STATEMENTS

**Report of Independent Registered Public Accounting Firm**

The Stockholder
TPG Specialty Lending, Inc.:

We have audited the accompanying balance sheet of TPG Specialty Lending, Inc. (a development stage company) as of December 31, 2010. This financial statement is the responsibility of the Company's management. Our responsibility is to express an opinion on this financial statement based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the balance sheet is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the balance sheet. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall balance sheet presentation. We believe that our audit of the balance sheet provides a reasonable basis for our opinion.

In our opinion, the balance sheet referred to above presents fairly, in all material respects, the financial position of TPG Specialty Lending, Inc. (a development stage company) as of December 31, 2010, in conformity with U.S. generally accepted accounting principles.

KPMG LLP

Fort Worth, Texas
January 14, 2011

**TPG Specialty Lending, Inc.**

**(A Development Stage Company)**

**Balance Sheet**

| Assets | As of December 31, 2010 |
|---|---|
| Cash and cash equivalents | $ 1,000 |
| Total Assets | $ 1,000 |
| **Net Assets** | |
| Commitments and Contingencies (Note 3) | |
| Net Assets | |
| Preferred shares, $0.01 par value; 100,000,000 shares authorized; no shares issued and outstanding | $ — |
| Common shares, $0.01 par value; 10,000 shares authorized; 1,000 shares issued and outstanding | 10 |
| Additional paid-in capital | 990 |
| Total Net Assets | $ 1,000 |
| Net Asset Value Per Share | $ 1 |

The accompanying notes are an integral part of this Balance Sheet.

**TPG Specialty Lending, Inc.**
**(A Development Stage Company)**

**Notes to Balance Sheet**

## (1) Organization and Basis of Presentation

*Organization*

TPG Specialty Lending, Inc. ("TSL" or the "Company") is a Delaware corporation formed on July 21, 2010. The Company was formed primarily to lend to, and selectively invest in, middle-market companies in the United States. As of December 31, 2010, no operations other than the sale and issuance of 1,000 shares of common stock at an aggregate purchase price of $1,000 to Tarrant Advisors, Inc., an affiliate of TPG, have occurred. TSL intends to be managed by TSL Advisers, LLC (the "Adviser"). No management fees will be paid to the Adviser until commencement of commercial activities.

*Development Stage Company*

The Company is a development stage company as defined by ASC 915-10-05, "Development Stage Entity". The Company is still devoting substantially all of its efforts to establishing the business and its planned principal operations have not commenced.

*Basis of Presentation*

The balance sheet has been prepared in accordance with accounting principles generally accepted in the United States of America.

*Fiscal Year End*

The Company's fiscal year ends on December 31.

## (2) Summary of Significant Accounting Policies

*Use of Estimates*

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Such estimates could differ from those estimates and such differences could be material.

*Cash and Cash Equivalents*

Cash and cash equivalents consist of demand deposits and highly liquid investments (e.g. money market funds, U.S. treasury notes) with original maturities of three months or less. Cash and cash equivalents are carried at cost which approximates fair value. The Company places its cash and cash equivalents with financial institutions.

*Income Taxes*

The Company intends to file an election to be treated as a Business Development Company under the Investment Company Act of 1940, as amended. The Company also intends to elect to be treated as a Registered Investment Company (RIC) under Subchapter M of the Internal Revenue Code of 1986, as amended, for the taxable year ending December 31, 2011. So long as the Company maintains its status as a RIC, it generally will not pay corporate-level U.S. federal income taxes on any ordinary income or capital gains that it distributes at least annually to its stockholders as dividends. Rather, any tax liability related to income earned by TSL represents obligations of the Company's investors and will not be reflected in the financial statements of the Company.

*New Accounting Standards*

Management does not believe any recently issued, but not yet effective, accounting standards, if currently adopted, would have a material effect on the accompanying financial statement.

**(3) Commitments and Contingencies**

Initial organization and operating costs will be borne by the Company up to a maximum amount of $1.5 million upon receipt of a formal commitment of external capital. Any initial organization and operating costs in excess of $1.5 million will be borne by the Adviser. In the event receipt of a formal commitment of external capital does not occur, initial organization and operating costs incurred will be borne by the Adviser. As there has been no formal commitment of external capital as of the date of issuance of this statement of financial condition, no such costs have been recorded by the Company.

**(4) Net Assets**

In connection with its formation, the Company has the authority to issue 10,000 common shares at $0.01 per share par value. The Company has the authority to issue 100,000,000 preferred shares at $0.01 per share par value. The Company's preferred shares are non-convertible.

On December 21, 2010, the Company issued 1,000 common shares for $1,000 to Tarrant Advisors, Inc., an affiliate of TPG. The Company has not had any other equity transactions.

**(5) Subsequent Events**

There have been no subsequent events that require recognition or disclosure through January 14, 2011, the date that the financial statement was available to be issued.

**Exhibit 3.1**

**AMENDED AND RESTATED CERTIFICATE OF INCORPORATION**

**AMENDED AND RESTATED CERTIFICATE OF INCORPORATION**
**OF**
**TPG SPECIALTY LENDING, INC.**

TPG Specialty Lending, Inc., a Delaware corporation, the original Certificate of Incorporation of which was filed with the Secretary of State of the State of Delaware on July 21, 2010, hereby certifies that this Amended and Restated Certificate of Incorporation, restating, integrating and amending its Certificate of Incorporation, was duly adopted by its original Incorporator in accordance with Sections 241 and 245 of the General Corporation Law of the State of Delaware (the "DGCL"). The Certificate of Incorporation of TPG Specialty Lending, Inc. is hereby amended, integrated and restated in its entirety to read as follows:

**ARTICLE I**
**NAME**

The name of the corporation is TPG Specialty Lending, Inc. (the "Corporation").

**ARTICLE II**
**REGISTERED OFFICE AND AGENT**

The address of the registered office of the Corporation in the State of Delaware is The Corporation Trust Company, 1209 Orange Street, Wilmington, Delaware 19801, County of New Castle. The name of the registered agent of the Corporation at such address is The Corporation Trust Company.

**ARTICLE III**
**PURPOSE**

The purpose of the Corporation is to engage in any lawful act or activity for which a corporation may be organized under the DGCL.

**ARTICLE IV**
**CAPITAL STOCK**

The total number of shares of all classes of capital stock that the Corporation shall have authority to issue is 100,000,000 shares, par value $0.01 per share of common stock (the "Common Stock"). The total number of shares of preferred stock that the Corporation shall have authority to issue is 100,000,000 shares, par value $0.01 per share (the "Preferred Stock").

(A) **Common Stock**. Except as (i) otherwise required by laws of the State of Delaware or (ii) expressly provided in this Certificate of Incorporation (as amended from time to time), each share of Common Stock shall have the same powers, rights and privileges and shall rank equally, share ratably and be identical in all respects as to all matters. The shares of Common Stock shall be entitled only to the preemptive rights set forth in paragraph (A)(4) of this Article IV.

(1) **Dividends**. Subject to the provisions of the laws of the State of Delaware, and to the other provisions of this Certificate of Incorporation (as amended from time to time), holders of shares of Common Stock shall be entitled to receive equally, on a per share basis, such dividends and other distributions in cash, securities or other property of the Corporation as may be declared thereon by the Board of Directors from time to time out of assets or funds of the Corporation legally available therefor, subject to any preferential dividend rights of outstanding Preferred Stock. Holders of shares of Common Stock may participate in the Corporation's dividend reinvestment plan.

(2) **Voting Rights**. At every annual or special meeting of stockholders of the Corporation, each record holder of Common Stock shall be entitled to cast one (1) vote for each share of Common Stock standing in such holder's name on the stock transfer records of the Corporation for the election of directors and on matters submitted to a vote of stockholders of the Corporation. Except as provided with respect to any other class or series of capital stock of the Corporation hereafter classified or reclassified, the exclusive voting power for all purposes shall solely be vested with the holders of Common Stock. There shall be no cumulative voting.

(3) **Liquidation Rights**. In the event of any liquidation, dissolution or winding up of the affairs of the Corporation, whether voluntary or involuntary, after payment or provision for payment of the Corporation's debts and other liabilities and subject to the prior rights of any outstanding Preferred Stock, upon such dissolution, liquidation or winding up, the remaining net assets of the Corporation shall be distributed among holders of shares of Common Stock equally on a per share basis. A merger or consolidation of the Corporation with or into any other corporation or other entity, or a sale or conveyance of all or any part of the assets of the Corporation (which shall not in fact result in the liquidation of the Corporation and the distribution of assets to its stockholders) shall not be deemed to be a voluntary or involuntary liquidation or dissolution or winding up of the Corporation within the meaning of this Paragraph (A)(3).

(4) **Preemptive Rights**. Prior to any underwritten initial public offering of the Corporation's Common Stock registered under the U.S. Securities Act of 1933, as amended, that may occur (an "IPO"), each share of Common Stock of the Corporation shall entitle the holder thereof to a preemptive right, for a period of thirty days, to subscribe for, purchase, or otherwise acquire any shares of Preferred Stock of the Corporation which the Corporation proposes to issue or any rights or options which the Corporation proposes to grant for the purchase of shares of Preferred Stock of the

Corporation or for the purchase of any shares of stocks, bonds, securities, or obligations of the Corporation which are convertible into or exchangeable for, or which carry any rights, to subscribe for, purchase, or otherwise acquire shares of Preferred Stock of the Corporation, whether now or hereafter authorized or created, whether having unissued or treasury status, and whether the proposed issue, reissue, transfer or grant is for cash, property, or any other lawful consideration; and after the expiration of said thirty days, any and all of such shares of stock, rights, options, bonds, securities or obligations of the Corporation may be issued, reissued, transferred, or granted by the Board of Directors, as the case may be, to such persons, firms, corporations and associations, and for such lawful consideration, and on such terms, as the Board of Directors in its discretion may determine.

(B) **Preferred Stock**. The Board of Directors of the Corporation is authorized, subject to limitations prescribed by law, to provide by resolution or resolutions for the issuance of shares of Preferred Stock in one or more series without stockholder approval. The Board of Directors has discretion to establish the number of shares to be included in each such series, and to fix the voting powers (if any), designations, powers, preferences, and relative, participating, optional or other rights, if any, of the shares of each such series, and any qualifications, limitations, or restrictions thereof.

## ARTICLE V
## INCORPORATOR

The name and mailing address of the Incorporator are as follows:

| Name | Address |
|---|---|
| Ronald Cami | 301 Commerce Street, Suite 3300<br>Fort Worth, Texas 76102 |

## ARTICLE VI
## BOARD OF DIRECTORS

(A) **Management**. The business and affairs of the Corporation shall be managed by or under the direction of the Board of Directors. The Board of Directors may exercise all such authority and powers of the Corporation and do all such lawful acts and things as are not by laws of the State of Delaware or this Certificate of Incorporation directed or required to be exercised or done by the stockholders.

(B) **Number of Directors**. The number of directors of the Corporation shall be fixed from time to time by, or in the manner provided in, the Bylaws of the Corporation (the "Bylaws"). A majority of the directors shall be "independent" directors under applicable law and the rules of the relevant stock exchange on which the Common Stock is listed. Additionally, so long as the Corporation operates as a business development company, a majority of the

Corporation's directors will not be "interested persons" of either the Corporation, the Corporation's investment adviser (TSL Advisers, LLC, and hereinafter, the "Adviser"), or any of their respective affiliates (as defined in Section 2(a)(19) of the Investment Company Act of 1940 (the " 1940 Act")).

(C) **Classified Board**. The Board of Directors shall be divided into three classes, designated Class I, Class II and Class III, as nearly equal in number as possible and no class shall include less than one director. The term of office of directors of one class shall expire at each annual meeting of stockholders, and in all cases as to each director when such director's successor shall be elected and shall qualify or upon such director's earlier resignation, removal from office, death or incapacity. Additional directorships resulting from an increase in number of directors shall be apportioned among the classes as equally as possible. In the event of any decrease in the number of directors, all classes of directors shall be decreased equally as nearly as possible. The initial term of office of directors of Class I shall expire at the annual meeting of stockholders in 2012; that of Class II shall expire at the annual meeting in 2013; and that of Class III shall expire at the annual meeting in 2014; and in all cases as to each director when such director's successor shall be elected and shall qualify or upon such director's earlier resignation, removal from office, death or incapacity. At each annual meeting of stockholders, beginning with the annual meeting of stockholders in 2012, the number of directors equal to the number of directors of the class whose term expires at the time of such meeting (or, if less, the number of directors properly nominated and qualified for election) shall be elected to hold office for a term expiring at the annual meeting of stockholders held in the third year following the year of election.

(D) **Newly-Created Directorships and Vacancies**. The Board of Directors is expressly authorized to change the number of directors in any or all of the classes without the consent of the stockholders. Newly created directorships resulting from any increase in the number of directors or any vacancies on the Board of Directors resulting from death, resignation, retirement, disqualification, removal from office or any other cause may be filled by a majority of the directors then in office, although less than a quorum, or by a sole remaining director. Directors elected to fill a newly created directorship or other vacancies shall hold office for the remainder of the full term of the class of directors in which the new directorship was created or the vacancy occurred and until such director's successor has been elected and has qualified.

(E) **Removal of Directors**. Upon and following the Corporation's receipt of payment for any of its stock, any director may be removed from office at any time, but only for cause, at a meeting called for that purpose, and only by the affirmative vote of 75% of the holders of the Corporation's capital stock then outstanding and entitled to vote in the election of directors, voting together as a single class.

(F) **Written Ballot Not Required**. Elections of directors need not be by written ballot unless the Bylaws shall otherwise provide.

(G) **Bylaws**. The Board of Directors is expressly authorized to adopt, amend or repeal the Bylaws, upon the affirmative vote of at least 75% of the Corporation's directors then in office. Notwithstanding the foregoing and anything contained in this Certificate of

Incorporation to the contrary, once the Corporation has received payment for any of its stock, the Corporation's stockholders shall have the power to adopt, amend or repeal the Corporation's Bylaws, upon the affirmative vote of 75% of the Corporation's stockholders entitled to vote on any matter.

(H) **Modification/Waiver of Operating Policies and Strategies**. Notwithstanding anything contained in this Certificate of Incorporation to the contrary, the Board of Directors shall have the authority to modify or waive the Corporation's operating policies and strategies without prior notice (except as required by the 1940 Act) and without stockholder approval. However, absent stockholder approval, the Board of Directors shall not change the nature of the Corporation's business so as to cease to be, or withdraw the Corporation's election as, a business development company.

## ARTICLE VII
## LIMITATION OF LIABILITY

A director of the Corporation shall not be personally liable to the Corporation or its stockholders for breach of fiduciary duty as a director; provided, however, that the foregoing shall not eliminate or limit the liability of a director (i) for any breach of the director's duty of loyalty to the Corporation or its stockholders, (ii) for acts or omissions not in good faith or which involve willful misconduct, gross negligence, bad faith, reckless disregard or a knowing violation of law, (iii) under Section 174 of the DGCL, or (iv) for any transaction from which the director derived an improper personal benefit. If the DGCL is hereafter amended to permit further elimination or limitation of the personal liability of directors, then the liability of a director of the Corporation shall be eliminated or limited to the fullest extent permitted by the DGCL as so amended. Any repeal or modification of this Article VII by the stockholders of the Corporation or otherwise shall not adversely affect any right or protection of a director of the Corporation existing at the time of such repeal or modification. Notwithstanding the foregoing and Article VIII, for so long as the Corporation is registered or regulated under the 1940 Act, neither this Certificate of Incorporation nor the Bylaws of the Corporation shall limit the liability of, or permit the indemnification of, any Indemnitee (as defined in Article VIII below) for actions or matters for which such limitation or indemnification would be prohibited by the 1940 Act or by any valid rule, regulation or order of the Securities and Exchange Commission thereunder.

## ARTICLE VIII
## INDEMNIFICATION

Each person who was or is made a party or is threatened to be made a party to or is involved (including, without limitation, as a witness) in any actual or threatened action, suit or proceeding, whether civil, criminal, administrative or investigative (hereinafter a " Proceeding"), by reason of the fact that he/she:

(i) is or was an officer, director, or other corporate agent of the Adviser or its affiliates, including without limitation the Administrator (as defined in the Administration Agreement between TPG Specialty Lending, Inc. and TSL Advisers,

LLC, as amended from time to time), or is or was a member of the Adviser's Investment Review Committee (as defined in the Investment Advisory and Management Agreement between TPG Specialty Lending, Inc. and TSL Advisers, LLC, as amended from time to time);

(ii) is or was a director or officer of the Corporation, or is or was serving on behalf of the Corporation as a director or officer of another corporation (including but not limited to any subsidiary of the Corporation), partnership, limited liability company, joint venture, trust or other enterprise, including service with respect to an employee benefit plan (such entity, a "Portfolio Company"); or

(iii) is or was serving as an employee or agent of the Corporation to whom the Corporation has granted indemnification rights

(each such person hereinafter an "Indemnitee"), whether the basis of such Proceeding is alleged action in an official capacity as a director or officer or in any other applicable official capacity while so serving, shall be indemnified and held harmless by the Corporation to the full extent authorized by the DGCL, as the same exists or may hereafter be amended (but, in the case of any such amendment, only to the extent that such amendment permits the Corporation to provide broader indemnification rights than said law permitted the Corporation to provide prior to such amendment), or by other applicable law as then in effect, against all expense, liability and loss (including attorneys' fees and related disbursements, judgments, fines, excise taxes or penalties under the Employee Retirement Income Security Act of 1974, as amended from time to time ("ERISA"), penalties and amounts paid or to be paid in settlement) actually and reasonably incurred or suffered by such Indemnitee in connection therewith. Subject to applicable law, such indemnification shall continue as to a person who has ceased to be:

(i) an officer, director, or other corporate agent of the Adviser or its affiliates, or a member of the Adviser's Investment Review Committee;

(ii) a director or officer of the Corporation, or a person serving on behalf of the Corporation as a director or officer of a Portfolio Company; or

(iii) an employee or agent of the Corporation to whom the Corporation has granted indemnification rights

and shall inure to the benefit of his or her heirs, executors and administrators. Each person who is or was serving as a director or officer of a subsidiary of the Corporation, or an employee or agent of a subsidiary of the Corporation to whom the Corporation has granted indemnification rights, shall be deemed to be serving, or have served, on behalf of the Corporation. Notwithstanding the foregoing, indemnification under this Article VIII shall not be available (x) if the Indemnitee did not act in good faith with the reasonable belief that its conduct was in, or not opposed to, the best interest of the Corporation, or if the Indemnitee's conduct constituted gross negligence, bad faith, reckless disregard, or willful misconduct or (y) in respect of liabilities of any Indemnitee (i) in such person's capacity as an officer, director, partner, employee or agent of any Portfolio Company in which the Corporation no longer holds an investment, to the extent such liabilities solely relate to the period after which the Corporation has sold or otherwise disposed of such investment, unless such Indemnitee was acting during such period on behalf of the Corporation, or (ii) that relate solely to a dispute among the Adviser, the Administrator, their principals, members, employees and their respective Affiliates (other than the Corporation or any person in which the Corporation holds an investment).

(A) **Procedure**. Any indemnification (but not advancement of expenses) under this Article VIII (unless ordered by a court) shall be made by the Corporation only as authorized in the specific case upon a determination that indemnification of the Indemnitee is proper in the circumstances because he or she has met the applicable standard of conduct set forth herein. Such determination shall be made (i) by a majority vote of the directors who were not parties to such proceeding (the "Disinterested Directors"), even though less than a quorum, (ii) by a committee of Disinterested Directors designated by a majority vote of Disinterested Directors, even though less than a quorum, (iii) if there are no such Disinterested Directors, or if such Disinterested Directors so direct, by independent legal counsel in a written opinion, or (iv) by a majority of the stockholders.

(B) **Advances for Expenses**. Expenses (including attorneys' fees, costs and charges) incurred by an Indemnitee in defending a Proceeding shall be paid by the Corporation in advance of the final disposition of such Proceeding upon receipt of an undertaking by or on behalf of the Indemnitee to repay all amounts so advanced in the event that it shall ultimately be determined that such Indemnitee is not entitled to be indemnified by the Corporation as authorized in this Article VIII; provided, however, that the Corporation shall not advance any such expenses incurred by an Indemnitee in an action, suit or proceeding brought against such Indemnitee by holders of a majority of the shares the Corporation's Common Stock then outstanding. The majority of the Disinterested Directors may, in the manner set forth above, and upon approval of such Indemnitee, authorize the Corporation's counsel to represent such person, in any Proceeding, whether or not the Corporation is a party to such Proceeding.

(C) **Procedure for Indemnification**. Any indemnification or advance of expenses (including attorney's fees, costs and charges) under this Article VIII shall be made promptly, and in any event within 30 days upon the written request of the Indemnitee (and, in the case of advance of expenses, receipt of a written undertaking by or on behalf of Indemnitee to repay such amount if it shall ultimately be determined that Indemnitee is not entitled to be indemnified therefor pursuant to the terms of this Article VIII). The right to indemnification or advances as granted by this Article VIII shall be enforceable by the Indemnitee in any court of competent jurisdiction, if the Corporation denies such request, in whole or in part, or if no disposition thereof is made within 30 days. Such Indemnitee's costs and expenses incurred in connection with successfully establishing his/her right to indemnification, in whole or in part, in any such action shall also be indemnified by the Corporation. It shall be a defense to any such action (other than an action brought to enforce a claim for the advance of expenses (including attorney's fees, costs and charges) under this Article VIII where the required undertaking, if any, has been received by the Corporation) that the claimant has not met the standard of conduct set forth herein, but the burden of proving such defense shall be on the Corporation. Neither the failure of the Corporation (including its Board of Directors, its independent legal counsel and its stockholders) to have made a determination prior to the commencement of such action that indemnification of the claimant is proper in the circumstances because he/she has met the applicable standard of conduct set forth in the DGCL, as the same exists or hereafter may be amended (but, in the case of any such amendment, only to the extent that such amendment permits the Corporation to provide broader indemnification rights than said law permitted the Corporation to provide prior to such amendment), nor the fact that there has been an actual

determination by the Corporation (including its Board of Directors, its independent legal counsel and its stockholders) that the claimant has not met such applicable standard of conduct, shall be a defense to the action or create a presumption that the claimant has not met the applicable standard of conduct.

(D) **Other Rights; Continuation of Right to Indemnification** . The indemnification and advancement of expenses provided by this Article VIII shall not be deemed exclusive of any other rights to which a person seeking indemnification or advancement of expenses may be entitled under any law (common or statutory), Bylaws, agreement, vote of stockholders or Disinterested Directors or otherwise, both as to action in his/her official capacity and as to action in another capacity while holding office or while employed by or acting as agent for the Corporation or the Adviser.

The Corporation's obligation, if any, to indemnify or to advance expenses to any Indemnitee who was or is serving at its request as a director, officer, employee or agent of another entity or enterprise shall be secondary to any indemnification or advancement of expenses to which such Indemnitee may be entitled from such other entity or enterprise and shall be reduced by any amount such Indemnitee actually collects as indemnification or advancement of expenses from such other entity or enterprise. Notwithstanding the foregoing, to the extent that the Corporation has the obligation to indemnify or advance expenses to any Indemnitee who is serving as an officer, director, or other corporate agent of the Adviser or its affiliates, or a member of the Adviser's Investment Review Committee, such obligation shall be primary to any indemnification or advancement of expenses to which such Indemnitee may be entitled from the Adviser.

Subject to applicable law, all rights to indemnification under this Article VIII shall be deemed to be a contract between the Corporation and each Indemnitee, at any time while this Article VIII is in effect.

(E) **Insurance**. Subject to applicable law, the Corporation shall have power to purchase and maintain insurance on behalf of any Indemnitee against any liability asserted against him or her and incurred by him or her or on his/her behalf while serving, or after having agreed to serve, in any of the positions articulated in connection with the definition of "Indemnitee" above, against any liability asserted against him or her and incurred by him or her or on his/her behalf in any such position, or arising out of any such position, whether or not the Corporation would have the power to indemnify him or her against such liability under the provisions of this Article VIII.

(F) **Savings Clause**. If this Article VIII or any portion hereof shall be invalidated on any ground by any court of competent jurisdiction, then the Corporation shall nevertheless indemnify each person entitled to indemnification under the first paragraph of this Article VIII as to all expense, liability and loss (including attorneys' fees and related disbursements, judgments, fines, ERISA excise taxes and penalties, penalties and amounts paid or to be paid in settlement) actually and reasonably incurred or suffered by such person and for which indemnification is available to such person pursuant to this Article VIII to the full extent permitted by any

applicable portion of this Article VIII that shall not have been invalidated and to the full extent permitted by applicable law.

(G) **Additional Indemnification Rights**. The Corporation may, to the fullest extent permitted by law, grant rights to indemnification, exculpation and the advancement of expenses to any employee or agent of the Corporation, and to any other person, in each case to the extent permitted by applicable law, consistent with the provisions of this Article VIII and as set forth in the Bylaws or in a written contract between the Corporation and the relevant person.

(H) **Repeal and Modification**. Any repeal or modification of the foregoing provisions of this Article VIII, or any repeal or modification of relevant provisions of the DGCL or any other applicable laws, shall not adversely affect, or diminish in any way, any right or protection of any Indemnitee existing at the time of such repeal or modification (and which rights and protections shall be deemed vested hereunder), and all such persons shall be Indemnitees hereunder.

## ARTICLE IX
## CERTAIN TRANSACTIONS

(A) **General**. Notwithstanding any other provision of this Certificate of Incorporation and subject to the exceptions provided in paragraph (D) of this Article IX, following any IPO of the Corporation the types of transactions described in paragraph (C) of this Article IX shall require the affirmative vote or consent of a majority of the directors of the Corporation then in office followed by the affirmative vote of the holders of not less than 75% of the shares of Common Stock outstanding when a Principal Shareholder (as defined in paragraph (B) of this Article IX) is a party to the transaction. Such affirmative vote or consent shall be in addition to the vote or consent of the stockholders otherwise required by law or by the terms of any class of Preferred Stock, whether now or hereafter authorized, or any agreement between the Corporation and any national securities exchange.

(B) **Definitions**. The term "Principal Shareholder" shall mean any corporation, person (which for all purposes of this Article IX shall mean and include individuals, partnerships, trusts, limited liability companies, associations, joint ventures and other entities, whether or not legal entities, and governments and agencies and political subdivisions thereof) or other entity which is the beneficial owner, directly or indirectly, of 10% or more of the outstanding shares of Common Stock of the Corporation and shall include any affiliate or associate, as such terms are defined in clause (ii) below, of a Principal Shareholder. For the purposes of this Article IX, in addition to the shares which a corporation, person or other entity beneficially owns directly, (a) any corporation, person or other entity shall be deemed to be the beneficial owner of any shares (i) which it has the right to acquire pursuant to any agreement or upon exercise of conversion rights or warrants, or otherwise (but excluding share options granted by the Corporation) or (ii) which are beneficially owned, directly or indirectly (including shares deemed owned through application of clause (i) above), by any other corporation, person or entity with which its "affiliate" or "associate" (as defined below) has any agreement, arrangement or understanding for the purpose of acquiring, holding, voting or disposing of shares, or which is its "affiliate" or "associate" as those terms are defined in Rule 12b-2 of the General Rules and Regulations under the Securities Exchange Act of 1934, as amended, and (b)

the outstanding shares shall include shares deemed owned through application of clauses (i) and (ii) above but shall not include any other shares which may be issuable pursuant to any agreement, or upon exercise of conversion rights or warrants, or otherwise.

(C) **Relevant Transactions**. This Article IX shall apply to the following transactions:

(i) The merger or consolidation of the Corporation or any subsidiary of the Corporation with or into any Principal Shareholder;

(ii) The issuance of any securities of the Corporation to any Principal Shareholder for cash (other than pursuant to (x) any automatic dividend reinvestment plan, (y) the exercise of any preemptive rights granted herein or (z) any subscription agreement by and among the Corporation, the Adviser and such Principal Shareholder entered into prior to any IPO of the Corporation);

(iii) The sale, lease or exchange of all or any substantial part of the assets of the Corporation to any Principal Shareholder (except assets having an aggregate fair market value of less than 5% of the total assets of the Corporation, aggregating for the purpose of such computation all assets sold, leased or exchanged in any series of similar transactions within a twelve-month period); and

(iv) The sale, lease or exchange to the Corporation or any subsidiary thereof, in exchange for securities of the Corporation, of any assets of any Principal Shareholder (except assets having an aggregate fair market value of less than 5% of the total assets of the Corporation, aggregating for the purposes of such computation all assets sold, leased or exchanged in any series of similar transactions within a twelve-month period).

(D) **Certain Exceptions**. The provisions of this Article IX shall not be applicable to (i) any of the transactions described in paragraph (C) of this Article IX if 80% of the directors of the Corporation shall by resolution have approved a memorandum of understanding with such Principal Shareholder with respect to and substantially consistent with such transaction, in which case approval by a "majority of the outstanding voting securities," as such term is defined in the 1940 Act, of the Corporation shall be the only vote of stockholders required by this Article IX, or (ii) any such transaction with any entity of which a majority of the outstanding shares of all classes and series of a stock normally entitled to vote in elections of directors is owned of record or beneficially by the Corporation and its subsidiaries.

(E) The Board of Directors shall have the power and duty to determine for the purposes of this Article IX on the basis of information known to the Corporation whether (i) a corporation, person or entity beneficially owns any particular percentage of the outstanding Common Stock of the Corporation, (ii) a corporation, person or entity is an "affiliate" or "associate" (as defined above) of another, (iii) the assets being acquired or leased to or by the

Corporation or any subsidiary thereof constitute a substantial part of the assets of the Corporation and have an aggregate fair market value of less than 5% of the total assets of the Corporation, and (iv) the memorandum of understanding referred to in paragraph (D) of this Article IX is substantially consistent with the transaction covered thereby. Any such determination shall be conclusive and binding for all purposes of this Article IX.

**ARTICLE X**
**CERTAIN CORPORATE EVENTS**

Following any IPO of the Corporation, the conversion of the Corporation from a business development company to an open-end investment company, the liquidation and dissolution of the Corporation, the merger or consolidation of the Corporation with any entity in a transaction as a result of which the governing documents of the surviving entity do not contain substantially the same anti-takeover provisions as described in this Certificate of Incorporation or the amendment of this Article X shall require the approval of (i) the holders of at least 80% of the then outstanding Common Stock of the Corporation or (ii) at least (A) a majority of the "continuing directors" and (B) the holders of at least 75% of the then outstanding shares of the Corporation's capital stock entitled to vote generally in the election of directors, voting together as a single class. For purposes of this Article X, a "continuing director" is a director who (i) (A) has been a director of the corporation for at least twelve months and (B) is not a person or an affiliate of a person who enters into, or proposes to enter into, a business combination with the Corporation or (ii) (A) is a successor to a continuing director, (B) who was appointed to the Board of Directors by at least a majority of the continuing directors and (C) is not a person or an affiliate of a person who enters into, or proposes to enter into, a business combination with the Corporation.

**ARTICLE XI**
**AMENDMENT**

The Corporation reserves the right to amend, alter, change or repeal any provision contained in this Certificate of Incorporation, in the manner now or hereafter prescribed by the laws of the State of Delaware, and all rights conferred upon stockholders or others hereunder are granted subject to this reservation. Notwithstanding the foregoing, the affirmative vote of the holders of at least 75% of the shares of the Corporation's capital stock then outstanding and entitled to vote in the election of directors, voting together as a single class shall be required to amend or repeal any provision of Articles VI, VII, VIII, IX or XI of this Certificate of Incorporation.

**ARTICLE XII**
**TERMINATION; LIQUIDATION**

Notwithstanding anything contained in this Certificate of Incorporation to the contrary, if, prior to any IPO of the Common Stock that may occur, the Corporation's Board of Directors determines that there has been a significant adverse change in the regulatory or tax treatment of the Corporation or its stockholders that in its judgment makes it inadvisable for the Corporation to continue in its present form, then the Board of Directors shall endeavor to restructure or

change the form of the Corporation to preserve (insofar as possible) the overall benefits previously enjoyed by stockholders as a whole or, if the Board of Directors determines it appropriate (and subject to any necessary stockholder approvals and applicable requirements of the 1940 Act), (i) wind down and/or liquidate and dissolve the Corporation, or (ii) amend this Certificate of Incorporation as necessary to preserve (insofar as possible) the overall benefits previously enjoyed by stockholders as a whole.

Notwithstanding anything contained in this Certificate of Incorporation to the contrary, if the Corporation has not consummated the IPO within six (6) years following the date of the closing of the initial stockholder investment in the Corporation, then the Corporation's Board of Directors (subject to any necessary stockholder approvals and applicable requirements of the 1940 Act) shall use its best efforts to wind down and/or liquidate and dissolve the Corporation.

* * *

IN WITNESS WHEREOF, this Amended and Restated Certificate of Incorporation, which amends, restates and integrates the provisions of the Certificate of Incorporation of the Corporation and which has been duly adopted in accordance with the provisions of Sections 241 and 245 of the DGCL, has been executed by the undersigned on March 8, 2011.

TPG SPECIALTY LENDING, INC.

/s/ Ronald Cami

By: Ronald Cami
Vice President

**Exhibit 3.2**

**BYLAWS**

**TPG SPECIALTY LENDING, INC.**
(a Delaware corporation)

**BYLAWS**

Effective March 8, 2011

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BYLAWS

OF

TPG SPECIALTY LENDING, INC.

## ARTICLE I
## OFFICES

(A) **Registered Office**. The address of the registered office of TPG Specialty Lending, Inc. (the "Corporation") in the State of Delaware is The Corporation Trust Company, 1209 Orange Street, Wilmington, Delaware 19801, County of New Castle. The name of the registered agent of the Corporation at such address is The Corporation Trust Company.

(B) **Additional Offices**. The Corporation may also have offices at such other places, both within and without the State of Delaware, as the Board of Directors may from time to time determine or as the business of the Corporation may require.

## ARTICLE II
## MEETINGS OF STOCKHOLDERS

(A) **Place of Meetings**. All meetings of the stockholders for the election of directors or for any other purpose shall be held at any such place, either within or outside the State of Delaware, as shall be designated from time to time by the Board of Directors and stated in the notice of meeting or in a duly executed waiver of notice thereof.

(B) **Annual Meeting**. An annual meeting of stockholders shall be held each year and stated in a notice of meeting or in a duly executed waiver thereof. The date, time and place of such meeting shall be determined by the Chief Executive Officer of the Corporation; provided that if the Chief Executive Officer does not act, the Board of Directors shall determine the date, time, and place of such meeting. At such annual meeting, the stockholders shall elect, by a plurality vote, a Board of Directors and transact such other business as may properly be brought before the meeting.

(C) **Notice of Meetings.** Except as otherwise expressly required by statute, written notice of each annual and special meeting of stockholders stating the date, time and place of the meeting (and, in the case of a special meeting, the purpose or purposes for which the meeting is called) shall be given to each stockholder of record entitled to vote thereat not less than ten (10) nor more than sixty (60) days before the date of the meeting. Business transacted at any special meeting of stockholders shall be limited to the purposes stated in the notice. Notice shall be given personally or by mail and, if by mail, shall be sent in a postage prepaid envelope, addressed to the stockholder at his or her address as it appears on the records of the Corporation. Notice by mail shall be deemed given at the time when the same shall be deposited in the United States mail, postage prepaid. Notice of any meeting shall not be required to be given to any person (a) who attends such meeting, except when such person attends the meeting in person or by proxy for the express purpose of objecting (at the beginning of the meeting) to the transaction

of any business because the meeting is not lawfully called or convened, or (b) who (either before or after the meeting) shall submit a signed written waiver of notice thereof either in person or by proxy. Neither the business to be transacted at, nor the purpose of, an annual or special meeting of stockholders need be specified in any written waiver of notice.

(D) **Special Meetings**. Special meetings of stockholders may be called for any purpose by the Board of Directors, the Chairman of the Board of Directors or the Chief Executive Officer and may be held on such date and at such time and place, either within or outside the State of Delaware, as shall be stated in a notice of meeting or in a duly executed waiver of notice thereof.

(E) **List of Stockholders**. The officer who has charge of the stock ledger of the Corporation shall prepare and make, at least ten (10) days before each meeting of stockholders, a complete list of the stockholders entitled to vote at the meeting, arranged in alphabetical order, showing the address of and the number of shares registered in the name of each stockholder. Such list shall be open to the examination of any stockholder, for any purpose germane to the meeting, during ordinary business hours, for a period of at least ten (10) days prior to the meeting: (a) on a reasonably accessible electronic network, provided that the information required to gain access to such list is provided with the notice of the meeting, or (b) during ordinary business hours, at the principal place of business of the Corporation. If the meeting is to be held at a place, then the list shall be produced and kept at the time and place of the meeting during the whole time thereof, and may be inspected by any such stockholder who is present.

(F) **Quorum; Adjournments**. The holders of a majority of the voting power of the issued and outstanding stock of the Corporation entitled to vote thereat (present in person or represented by proxy) shall constitute a quorum for the transaction of business at all meetings of stockholders, except as otherwise provided by statute or by the Corporation's Certificate of Incorporation (as such may be amended from time to time, the " Certificate of Incorporation"). If such quorum shall not be present or represented by proxy at any meeting of stockholders, then the stockholders entitled to vote thereat (present in person or represented by proxy) shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present or represented by proxy. At such adjourned meeting at which a quorum shall be present or represented by proxy, any business may be transacted which might have been transacted at the meeting as originally called. If the adjournment is for more than thirty (30) days, or, if after adjournment a new record date is set, then a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting.

(G) **Organization**. At each meeting of stockholders, the Chairman of the Board of Directors (if one shall have been elected, or, in his absence or if one shall not have been elected, the Chief Executive Officer, or in the absence of the Chief Executive Officer, such officer as the Board of Directors may designate) shall act as chairman of the meeting. The Secretary (or, in his absence or inability to act, the person whom the chairman of the meeting shall appoint secretary of the meeting) shall act as secretary of the meeting and keep the minutes thereof.

(H) **Order of Business**. The order of business at all meetings of the stockholders shall be as determined by the chairman of the meeting.

(I) **Voting**. Except as otherwise provided by the Certificate of Incorporation or the General Corporation Law of the State of Delaware, each stockholder of the Corporation shall be entitled at each meeting of stockholders to one (1) vote for each share of capital stock of the Corporation standing in his name on the record of stockholders of the Corporation: (a) on the date fixed pursuant to the provisions of Section (G) of Article VII of these Bylaws as the record date for the determination of the stockholders who shall be entitled to notice of and to vote at such meeting; or (b) if no such record date shall have been so fixed, then at the close of business on the day next preceding the day on which notice thereof shall be given, or, if notice is waived, at the close of business on the date next preceding the day on which the meeting is held.

Each stockholder entitled to vote at any meeting of stockholders may authorize another person or persons to act for him or her by a proxy that is in writing or transmitted as permitted by law, including, without limitation, electronically, via telegram, internet, interactive voice response system, or other means of electronic transmission executed or authorized by such stockholder or his attorney-in-fact, but no proxy shall be voted after (3) three years from its date, unless the proxy provides for a longer period. Any such proxy shall be delivered to the secretary of the meeting at or prior to the time designated in the order of business for so delivering such proxies. Any proxy transmitted electronically shall set forth information from which it can be determined by the secretary of the meeting that such electronic transmission was authorized by the stockholder. When a quorum is present at any meeting, the vote of the holders of a majority of the voting power of the issued and outstanding stock of the Corporation entitled to vote thereon, present and voting, in person or represented by proxy, shall decide any question brought before such meeting, unless the question is one upon which by express provision of statute or of the Certificate of Incorporation or of these Bylaws, a different vote is required, in which case such express provision shall govern and control the decision of such question. Unless required by statute, or determined by the chairman of the meeting to be advisable, the vote on any question need not be by ballot. On a vote by ballot, each ballot shall be signed by the stockholder voting, or by his proxy, if there be such proxy, and shall state the number of shares voted and the number of votes to which each share is entitled.

(J) **Inspectors**. The Board of Directors may, in advance of any meeting of stockholders, appoint one or more inspectors to act at such meeting or any adjournment thereof. If any of the inspectors so appointed shall fail to appear or act, then the chairman of the meeting shall, or if inspectors shall not have been appointed, the chairman of the meeting may, appoint one or more inspectors. Each inspector, before entering upon the discharge of his duties, shall take and sign an oath faithfully to execute the duties of inspector at such meeting with strict impartiality and according to the best of his ability. The inspectors shall determine the number of shares of capital stock of the Corporation outstanding and the voting power of each, the number of shares represented at the meeting, the existence of a quorum, the validity and effect of proxies, and shall receive votes, ballots or consents, hear and determine all challenges and questions arising in connection with the right to vote, count and tabulate all votes, ballots or consents, determine the results, and do such acts as are proper to conduct the election or vote with fairness to all stockholders. On request of the chairman of the meeting, the inspectors shall make a report in writing of any challenge, request or matter determined by them and shall

execute a certificate of any fact found by them. No director or candidate for the office of director shall act as an inspector of an election of directors. Inspectors need not be stockholders.

(K) **Advance Notice Provisions for Election of Directors**. Only persons who are nominated in accordance with the following procedures shall be eligible for election as directors of the Corporation. Nominations of persons for election to the Board of Directors may be made at any annual meeting of stockholders, or at any special meeting of stockholders called for the purpose of electing directors as provided under Section (D) of this Article II, (a) by or at the direction of the Board of Directors (or any duly authorized committee thereof) (subject to Section A(1) of Article IV of these Bylaws) or (b) by any stockholder of the Corporation (i) who is a stockholder of record on the date of the giving of the notice provided for in this Section (K) and on the record date for the determination of stockholders entitled to vote at such meeting and (ii) who complies with the notice procedures set forth in this Section (K).

In addition to any other applicable requirements, for a nomination to be made by a stockholder, such stockholder must have given timely notice thereof in proper written form to the Secretary of the Corporation.

To be timely, a stockholder's notice to the Secretary must be delivered to or mailed and received at the principal executive offices of the Corporation (a) in the case of an annual meeting, not less than ninety (90) days prior to the date of the anniversary of the previous year's annual meeting; provided, however, that in the event the annual meeting is scheduled to be held on a date more than thirty (30) days prior to or delayed by more than sixty (60) days after such anniversary date, notice by the stockholder in order to be timely must be so received not later than the later of the close of business ninety (90) days prior to such annual meeting or the tenth (10th) day following the day on which such notice of the date of the annual meeting was mailed or such public disclosure of the date of the annual meeting was made and (b) in the case of a special meeting of stockholders called for the purpose of electing directors, not later than the close of business on the tenth (10th) day following the day on which notice of the date of the special meeting was mailed or public disclosure of the date of the special meeting was made, whichever first occurs.

To be in proper written form, a stockholder's notice to the Secretary must set forth (a) as to each person whom the stockholder proposes to nominate for election as a director (i) the name, age, business address and residence address of the person, (ii) the principal occupation or employment of the person, (iii) the class or series and number of shares of capital stock of the Corporation which are owned beneficially or of record by the person and (iv) any other information relating to the person that would be required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for election of directors pursuant to Section 14 of the Securities Exchange Act of 1934, as amended (the " Exchange Act"), and the rules and regulations promulgated thereunder; and (b) as to the stockholder giving the notice (i) the name and record address of such stockholder, (ii) the class or series and number of shares of capital stock of the Corporation which are owned beneficially or of record by such stockholder, (iii) a description of all arrangements or understandings between such stockholder and each proposed nominee and any other person or persons (including their names) pursuant to which the nomination(s) are to be made by such stockholder,

(iv) a representation that such stockholder intends to appear in person or by proxy at the meeting to nominate the persons named in its notice; and (v) any other information relating to such stockholder that would be required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for election of directors pursuant to Section 14 of the Exchange Act and the rules and regulations promulgated thereunder. Such notice must be accompanied by a written consent of each proposed nominee to being named as a nominee and to serve as a director if elected.

No person shall be eligible for election as a director of the Corporation unless nominated in accordance with the procedures set forth in this Section (K). If the chairman of the meeting determines that a nomination was not made in accordance with the foregoing procedures, the chairman shall declare to the meeting that the nomination was defective and such defective nomination shall be disregarded.

(L) **Advance Notice Provisions for Business to be Transacted at Annual Meeting** . No business may be transacted at an annual meeting of stockholders, other than business that is either (a) specified in the notice of meeting (or any supplement thereto) given by or at the direction of the Board of Directors (or any duly authorized committee thereof), (b) otherwise properly brought before the annual meeting by or at the direction of the Board of Directors (or any duly authorized committee thereof) or (c) otherwise properly brought before the annual meeting by any stockholder of the Corporation (i) who is a stockholder of record on the date of the giving of the notice provided for in this Section (L) and on the record date for the determination of stockholders entitled to vote at such annual meeting and (ii) who complies with the notice procedures set forth in this Section (L).

In addition to any other applicable requirements, for business to be properly brought before an annual meeting by a stockholder, such stockholder must have given timely notice thereof in proper written form to the Secretary of the Corporation.

To be timely, a stockholder's notice to the Secretary must be delivered to or mailed and received at the principal executive offices of the Corporation not less than ninety (90) days prior to the date of the anniversary of the previous year's annual meeting; provided, however, that in the event the annual meeting is scheduled to be held on a date more than thirty (30) days prior to or delayed by more than sixty (60) days after such anniversary date, notice by the stockholder in order to be timely must be so received not later than the later of the close of business ninety (90) days prior to such annual meeting or the tenth (10th) day following the day on which such notice of the date of the annual meeting was mailed or such public disclosure of the date of the annual meeting was made.

To be in proper written form, a stockholder's notice to the Secretary must set forth as to each matter such stockholder proposes to bring before the annual meeting (a) a brief description of the business desired to be brought before the annual meeting and the reasons for conducting such business at the annual meeting, (b) the name and record address of such stockholder, (c) the class or series and number of shares of capital stock of the Corporation which are owned beneficially or of record by such stockholder, (d) a description of all arrangements or understandings between such stockholder and any other person or persons (including their names) in connection with the proposal of such business by such stockholder and any material

interest of such stockholder in such business; and (e) a representation that such stockholder intends to appear in person or by proxy at the annual meeting to bring such business before the meeting.

No business shall be conducted at the annual meeting of stockholders except business brought before the annual meeting in accordance with the procedures set forth in this Section (L); provided, however, that, once business has been properly brought before the annual meeting in accordance with such procedures, nothing in this Section (L) shall be deemed to preclude discussion by any stockholder of any such business. If the chairman of an annual meeting determines that business was not properly brought before the annual meeting in accordance with the foregoing procedures, the chairman shall declare to the meeting that the business was not properly brought before the meeting and such business shall not be transacted.

## ARTICLE III
## DIRECTORS

(A) **General Powers**. The business and affairs of the Corporation shall be managed by or under the direction of the Board of Directors. The Board of Directors may exercise all such authority and powers of the Corporation and do all such lawful acts and things as are not by statute or the Certificate of Incorporation directed or required to be exercised or done by the stockholders.

(B) **Number and Election**. The number of directors constituting the whole board as of the date of the approval of these Bylaws shall be four (4) but may be increased or decreased from time to time by the Board of Directors; provided, however, that (a) the number of directors shall not be fewer than four (4) or greater than nine (9) and (b) no decrease in the number of directors shall shorten the term of any incumbent director. Except as otherwise provided by the Bylaws, the directors shall be elected at the annual meeting of stockholders

(C) **Resignations, Newly Created Directorships, Vacancies and Removals**. Any director of the Corporation may resign at any time by giving notice in writing or by electronic transmission of his resignation to the Corporation. Any such resignation shall take effect at the time specified therein or, if the time when it shall become effective shall not be specified therein, immediately upon its receipt. Unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. Newly created directorships resulting from any increase in the number of directors or any vacancies in the Board of Directors resulting from death, resignation, retirement, disqualification, removal or any other cause shall be filled as provided in the Certificate of Incorporation. Any director may be removed as provided in the Certificate of Incorporation.

(D) **Place of Meetings**. The Board of Directors may hold meetings, both regular and special, either within or without the State of Delaware.

(E) **Annual Meeting**. The Board of Directors shall meet for the purpose of organization, the election of officers and the transaction of other business, as soon as practicable after each annual meeting of stockholders (which, if required by law, shall be on the same day and at the same place where such annual meeting of stockholders shall be held). In the event

such annual meeting is not so held, the annual meeting of the Board of Directors may be held at such other time or place (within or outside the State of Delaware) as shall be specified in a notice thereof given as hereinafter provided in Section (H) of this Article III.

(F) **Regular Meetings**. Regular meetings of the Board of Directors shall be held at such time and place as the Board of Directors may fix. If any day fixed for a regular meeting shall be a legal holiday at the place where the meeting is to be held, then the meeting which would otherwise be held on that day shall be held at the same hour on the next succeeding business day.

(G) **Special Meetings**. Special meetings of the Board of Directors may be called by the Chairman of the Board or by two (2) or more directors or by the Chief Executive Officer.

(H) **Notice of Meetings**. Notice of regular meetings of the Board of Directors need not be given except as otherwise required by law or these Bylaws. Notice of each special meeting of the Board of Directors, and of each regular and annual meeting of the Board of Directors for which notice shall be required, shall be given by the Secretary as hereinafter provided in this Section (H), in which notice shall be stated the time and place of the meeting. Except as otherwise required by these Bylaws, such notice need not state the purposes of such meeting. Notice of any special meeting, and of any regular or annual meeting for which notice is required, shall be given to each director at least (a) twelve (12) hours before the meeting if by telephone or by being personally delivered or sent by telex, telecopy, email or similar means, or (b) three (3) days before the meeting if delivered by mail to the director's residence or usual place of business. Such notice shall be deemed to be delivered when deposited in the United States mail so addressed, with postage prepaid, or when transmitted if sent by telex, telecopy, or similar means. Neither the business to be transacted at, nor the purpose of, any special meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting. Any director may waive notice of any meeting by a writing signed by the director entitled to the notice and filed with the minutes or corporate records.

(I) **Waiver of Notice and Presumption of Assent**. Any member of the Board of Directors or any committee thereof who is present at a meeting shall be conclusively presumed to have waived notice of such meeting except when such member attends for the express purpose of objecting at the beginning of the meeting to the transaction of any business because the meeting is not lawfully called or convened. Such member shall be conclusively presumed to have assented to any action taken unless his or her dissent shall be entered in the minutes of the meeting or unless his or her written dissent to such action shall be filed with the person acting as the secretary of the meeting before the adjournment thereof or shall be forwarded by registered mail to the Secretary of the Corporation immediately after the adjournment of the meeting. Such right to dissent shall not apply to any member who voted in favor of such action.

(J) **Quorum; Manner of Action**. A majority of the entire Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors, and, except as otherwise expressly required by statute or the Certificate of Incorporation or these Bylaws, the act of a majority of the directors present at any meeting at which a quorum is present shall be the act of the Board of Directors. In the absence of a quorum at any meeting of the Board of Directors, a majority of the directors present thereat may adjourn such meeting to

another time and place. Notice of the time and place of any such adjourned meeting shall be given to all of the directors unless such time and place were announced at the meeting at which the adjournment was taken, in which case such notice shall only be given to the directors who were not present thereat. At any adjourned meeting at which a quorum is present, any business may be transacted which might have been transacted at the meeting as originally called. The directors shall act only as a Board of Directors and the individual directors shall have no power as such.

(K) **Organization**. At each meeting of the Board of Directors, the Chairman of the Board of Directors, if one shall have been elected, or, in the absence of the Chairman of the Board of Directors or if one shall not have been elected, the Chief Executive Officer (or, in his absence, another director chosen by a majority of the directors present) shall act as chairman of the meeting and preside thereat. The Secretary or, in his absence, any person appointed by the chairman of the meeting, shall act as secretary of the meeting and keep the minutes thereof.

(L) **Compensation**. The Board of Directors shall have authority to fix the compensation, including fees and reimbursement of expenses, of directors for services to the Corporation in any capacity.

(M) **Action by Consent**. Unless restricted by the Certificate of Incorporation, any action required or permitted to be taken by the Board of Directors or any committee thereof may be taken without a meeting if all members of the Board of Directors or such committee, as the case may be, consent thereto in writing or by electronic transmission, and the writing or writings are filed with the minutes of the proceedings of the Board of Directors or such committee, as the case may be. Such filing shall be in paper form if the minutes are maintained in paper form and shall be in electronic form if the minutes are maintained in electronic form.

(N) **Meetings by Telephone or Similar Communications**. Unless restricted by the Certificate of Incorporation, any one or more members of the Board of Directors or any committee thereof may participate in a meeting of the Board of Directors or such committee by means of a conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other. Participation by such means shall constitute presence in person at a meeting.

## ARTICLE IV
## COMMITTEES

(A) **Committees**. The Board of Directors, by resolutions adopted by a majority of the whole Board, may appoint such committee or committees as it shall deem advisable and with such functions and duties as the Board of Directors shall prescribe. The following Committees of the Board of Directors shall be established in addition to any additional Committee the Board of Directors may in its discretion establish as described herein:

(1) **Audit Committee**. There shall be an Audit Committee composed of at least of three directors. The members of the Audit Committee shall not be "interested persons" of the Corporation, as such term is defined in the 1940 Act, and shall be "independent directors" as defined in applicable listing standards and regulations. The

Audit Committee shall have and may exercise those rights, powers and authority of the Board of Directors as may from time to time be granted to it by the Board of Directors; provided, however, that in addition to any such rights, powers or authority, the Audit Committee shall issue instructions to and receive reports from outside accounting firms and serve as the liaison between the Corporation and the said firms; and review all potential conflict-of-interest situations arising in respect of the Corporation's affairs and involving the Corporation's affiliates or employees, and to make a report, oral or written, to the full Board of Directors with recommendations for their resolutions.

(2) **IPO Committee**. There shall be an IPO Committee composed of at least three directors. The IPO Committee shall serve in an advisory capacity to the entire Board of Directors with respect to matters relating to an initial public offering of the Corporation, including: (i) the preparation and filing with the Securities and Exchange Commission under the Securities Act of 1933, as amended, of one or more Registration Statements on Form S-1, with exhibits (the "Registration Statement"), including post-effective amendments, and any supplements to the prospectus or prospectuses contained therein as counsel for the Corporation may deem necessary or advisable or appropriate; (ii) the issuance and sale of shares of the Corporation's common stock (the " Common Stock"), par value $0.01 per share, plus the grant of an option to purchase (and the issuance and sale upon exercise of such option) additional shares of Common Stock to cover over-allotments, if any, to a group of underwriters (the "Underwriters"); (iii) the negotiation and finalization of the terms and conditions of an Underwriting Agreement (the "Underwriting Agreement") between the Corporation and the Underwriters relating to the public offering of shares of the Common Stock, including the determination of the consideration to be obtained by the Corporation upon the sale of shares of the Common Stock to the Underwriters pursuant to the Underwriting Agreement; (iv) the determination that, when issued and paid for pursuant to the Underwriting Agreement, all shares of the Common Stock, sold by the Corporation to the Underwriters, shall be validly issued, fully paid and nonassessable; and (v) the authorization of the Chairman of the Board, the President and Chief Executive Officer, the Chief Financial Officer and the General Counsel, and each of them, to take all such further action, and to execute and deliver all such further instruments and documents, and to make such filings, in the name and on behalf of the Corporation, and whether under its corporate seal attested by its Secretary or otherwise, and to cause the Corporation to pay such expenses, as in their judgment shall be necessary or desirable in order fully to carry out the intent and accomplish the purpose of the foregoing, the taking of any such further action, the execution of any such further instruments or documents, the making of any such filings or the payment of any such expenses to be conclusive evidence of such judgment. Notwithstanding anything to the contrary contained in this Article IV, any determination to (x) pursue an initial public offering of the Company or (y) take any action with respect to the matters described in Section (A)(2) of this Article IV shall, in either case, be prescribed by a resolution passed by a majority of the entire Board of Directors; provided, however, that in making such determination, the Board of Directors shall take into consideration any recommendations of the IPO Committee.

(3) **Other Committees**. The Board of Directors, by resolution passed by a majority of the entire Board of Directors, may designate one or more additional committees, each committee to consist of one or more of the directors of the Corporation. Subject to subsection (1) of this Section (A), the Board of Directors may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. Except to the extent restricted by statute or the Certificate of Incorporation, each such committee, to the extent provided in the resolution creating it, shall have and may exercise all the powers and authority of the Board of Directors and may authorize the seal of the Corporation to be affixed to all papers which require it. Each such committee shall serve at the pleasure of the Board of Directors and shall have such name as may be determined from time to time by resolution adopted by the Board of Directors. Each committee shall keep regular minutes of its meetings and report the same to the Board of Directors.

(B) **Committee Rules**. Each committee of the Board of Directors may fix its own rules of procedure and shall hold its meetings as provided by such rules, except as may otherwise be provided by a resolution of the Board of Directors designating such committee or in these Bylaws. Unless otherwise provided in such a resolution or in these Bylaws, the presence of at least a majority of the members of the committee shall be necessary to constitute a quorum. Unless otherwise provided by resolution or in these Bylaws, in the event that a member and that member's alternate, if alternates are designated by the Board of Directors as provided in Section (A)(2) of this Article IV, of such committee is or are absent or disqualified, the member or members thereof present at any meeting and not disqualified from voting, whether or not such member or members constitute a quorum, may unanimously appoint another member of the Board of Directors to act at the meeting in place of any such absent or disqualified member.

## ARTICLE V
## OFFICERS

(A) **Number and Qualifications**. The officers of the Corporation, who need not be employees of the Corporation, shall be elected by the Board of Directors and shall include the Chief Executive Officer, the Chief Financial Officer, the Chief Compliance Officer, and the Secretary. The Corporation, at the discretion of the Board of Directors, may also have such other officers as are desired, including a Chairman of the Board of Directors, a President, one or more Vice Presidents, a Chief Operating Officer, a Chief Investment Officer, a Treasurer, one or more Assistant Treasurers, one or more Assistant Secretaries, and such other officers as may be necessary or desirable for the business of the Corporation. If there are two or more Vice Presidents, then one or more may be designated as Executive Vice President, Senior Vice President, Assistant Vice President or other similar or dissimilar title. At the time of the election of officers, the directors may by resolution determine the order of their rank. Any number of offices may be held by the same person, and no officer (except the Chairman of the Board of Directors, if any) need be a director. In its discretion, the Board of Directors may choose not to fill any office for any period as it may deem advisable, except that the offices of Chief Executive Officer and the Secretary shall be filled as expeditiously as possible.

(B) **Election and Term of Office**. The officers of the Corporation shall be elected annually by the Board of Directors at its first meeting held after each annual meeting of stockholders or as soon thereafter as is convenient. The Chairman of the Board of Directors (if one is elected) and Chief Executive Officer shall be elected annually by the Board of Directors at the first meeting of the Board of Directors held after each annual meeting of stockholders or as soon thereafter as is convenient. Vacancies may be filled or new offices created and filled at any meeting of the Board of Directors. Each officer shall hold office until his successor shall have been duly elected and shall have qualified, or until his death, or until he or she shall have resigned or have been removed, as hereinafter provided in these Bylaws.

(C) **Resignations**. Any officer of the Corporation may resign at any time by giving written notice of his resignation to the Corporation. Any such resignation shall take effect at the time specified therein or, if the time when it shall become effective shall not be specified therein, immediately upon receipt. Unless otherwise specified therein, the acceptance of any such resignation shall not be necessary to make it effective.

(D) **Removal**. Any officer of the Corporation may be removed, either with or without cause, at any time, by the Board of Directors at any meeting thereof.

(E) **Vacancies**. Any vacancy occurring in any office because of death, resignation, removal, disqualification or otherwise, may be filled by the Board of Directors for the unexpired portion of the term by the Board of Directors then in office.

(F) **Chairman of the Board**. The Chairman of the Board of Directors (if one is elected) shall, if present, preside at all meetings of the Board of Directors and exercise and perform such other powers and duties as from time to time may be assigned to him or her by the Board of Directors or prescribed by these Bylaws.

(G) **Chief Executive Officer**. The Chief Executive Officer shall be the chief executive officer of the Corporation and shall have the powers and perform the duties incident to that position. He or she shall, in the absence of the Chairman of the Board of Directors, or if a Chairman of the Board of Directors shall not have been elected, preside at each meeting of the Board of Directors or the stockholders. He or she shall have the right to attend the meetings of the Board of Directors and all committees of the Board of Directors. Subject to the powers of the Board of Directors, he or she shall be in the general and active charge of the entire business and affairs of the Corporation, including authority over its officers, agents and employees, and shall have such other duties as may from time to time be assigned to him or her by the Board of Directors. The Chief Executive Officer shall be responsible for implementing all orders and resolutions of the Board of Directors, and shall execute bonds, mortgages and other contracts required to be executed under the seal of the Corporation, except when required or permitted by law to be otherwise signed and executed and except when the signing and execution thereof shall be expressly delegated by the Board of Directors or the Chief Executive Officer to some other officer or agent of the Corporation.

(H) **Chief Financial Officer; Treasurer**. The Chief Financial Officer:

(1) Shall have charge and custody of, and be responsible for, all the funds and securities of the Corporation;

(2) Shall keep full and accurate accounts of receipts and disbursements in books belonging to the Corporation;

(3) Shall deposit all moneys and other valuables to the credit of the Corporation in such depositories as may be designated by the Board of Directors or pursuant to its direction;

(4) Shall receive, and give receipts for, moneys due and payable to the Corporation from any source whatsoever;

(5) Shall disburse the funds of the Corporation and supervise the investments of its funds, taking proper vouchers therefore;

(6) Shall render to the Board of Directors, whenever the Board of Directors may require, an account of the financial condition of the Corporation; and

(7) Shall in general, perform all duties incident to the office of Chief Financial Officer and such other duties as from time to time may be assigned to him or her by the Board of Directors or the Chief Executive Officer.

The Chief Financial Officer may also be the Treasurer of the Corporation if so determined by the Board of Directors. The Treasurer shall assist the Chief Financial Officer in the performance of his duties and shall perform such other duties as may be required by law or as from time to time may be assigned to such officer by the Board of Directors or the Chief Executive Officer.

(I) **Secretary**. The Secretary:

(1) Shall keep or cause to be kept in one or more books provided for the purpose, the minutes of all meetings of the Board of Directors, the committees of the Board of Directors and the stockholders;

(2) Shall verify all notices are duly given in accordance with the provisions of these Bylaws and as required by law;

(3) Shall be custodian of the records and the seal of the Corporation and affix and attest the seal to all certificates for shares of the Corporation (unless the seal of the Corporation on such certificates shall be a facsimile, as hereinafter provided) and affix and attest the seal to all other documents to be executed on behalf of the Corporation under its seal;

(4) Shall verify that the books, reports, statements, certificates and other documents and records required by law to be kept and filed are properly kept and filed; and

(5) Shall, in general, perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him or her by the Board of Directors or the Chief Executive Officer.

(J) **Chief Compliance Officer**. The Chief Compliance Officer, subject to the direction of and reporting to the Board of Directors, shall be responsible for the oversight of the Corporation's compliance with the Federal securities laws. The designation, compensation and removal of the Chief Compliance Officer must be approved by the Board of Directors, including a majority of the directors who are not "interested persons" (as such term is defined in Section 2(a)(19) of the 1940 Act) of the Corporation. The Chief Compliance Officer shall perform such executive, supervisory and management functions and duties as may be assigned to him or her from time to time.

(K) **Other Officers, Assistant Officers and Agents** . Officers, assistant officers and agents, if any, other than those whose duties are provided for in these Bylaws, shall have such authority and perform such duties as may from time to time be prescribed by resolution of the Board of Directors.

(L) **Officers' Bonds or Other Security**. If required by the Board of Directors, any officer of the Corporation shall give a bond or other security for the faithful performance of his duties, in such amount and with such surety as the Board of Directors may require.

(M) **Absence or Disability of Officers**. In the case of the absence or disability of any officer of the Corporation and of any person hereby authorized to act in such officer's place during such officer's absence or disability, the Board of Directors may by resolution delegate the powers and duties of such officer to any other officer or to any director, or to any other person whom it may select.

## ARTICLE VI
## INDEMNIFICATION; EXCULPATION

(A) **General**. Indemnification and the right to advancement of expenses of the officers and directors of the Corporation and the Corporation's investment adviser (TSL Advisers, LLC, and hereinafter, the "Adviser") shall be governed by Articles VII and VIII of the Certificate of Incorporation. As permitted by Article VIII of the Certificate of Incorporation, the Corporation shall, to the fullest extent permitted by law, provide indemnification and the right to the advancement of expenses, to each person who was or is made a party or is threatened to be made a party to or is involved (including, without limitation, as a witness) in any actual or threatened action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he/she:

(i) is or was an officer, director, or other corporate agent of the Adviser or its affiliates, including without limitation the Administrator (as defined in the

Administration Agreement between TPG Specialty Lending, Inc. and TSL Advisers, LLC, as amended from time to time, or is or was a member of the Adviser's Investment Review Committee (as defined in the Investment Advisory and Management Agreement Between TPG Specialty Lending, Inc. and TSL Advisers, LLC, as amended from time to time);

(ii) is or was a director or officer of the Corporation, or is or was serving on behalf of the Corporation as a director or officer of another corporation (including but not limited to any subsidiary of the Corporation), partnership, limited liability company, joint venture, trust or other enterprise, including service with respect to an employee benefit plan; or

(iii) is or was serving as an employee or agent of the Corporation to whom the Corporation has granted indemnification rights

(each such person, an "Indemnitee"), on the same general terms set forth in Article VIII of the Certificate of Incorporation, the terms of which are incorporated herein *mutatis mutandi*.

Notwithstanding the foregoing, indemnification under Article VIII of the Certificate of Incorporation shall not be permitted if the Indemnitee did not act in good faith with the reasonable belief that its conduct was in, or not opposed to, the best interest of the Corporation, or if the Indemnitee's conduct constituted gross negligence, bad faith, reckless disregard, or willful misconduct.

(B) **Severability**. Any determination by any court of competent jurisdiction of the invalidity of any provision of this Article VI will not affect the validity of any other provision of this Article VI, which will remain in full force and effect.

## ARTICLE VII
## STOCK CERTIFICATES AND THEIR TRANSFER

(A) **Stock Certificates**. The Board of Directors may issue stock certificates, or may provide by resolution or resolutions that some or all of any or all classes or series of stock of the Corporation shall be uncertificated shares of stock. Notwithstanding the adoption of such a resolution by the Board of Directors, every holder of stock represented by a certificate and, upon request, every holder of uncertificated shares shall be entitled to have a certificate, signed by, or in the name of the Corporation by, the Chief Executive Officer or other officer of the Corporation and by the Treasurer or an Assistant Treasurer or the Secretary or an Assistant Secretary of the Corporation, certifying the number of shares owned by him or her in the Corporation. A certificate representing shares issued by the Corporation shall, if the Corporation is authorized to issue more than one class or series of stock, set forth upon the face or back of the certificate, or shall state that the Corporation will furnish to any stockholder upon request and without charge, a full statement of the designations, preferences and relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights. The Corporation shall furnish to any holder of uncertificated shares, upon request and without charge, a full statement of the designations, preferences and relative, participating, optional or other special rights of each class

of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights. Any request by a holder for a certificate shall be in writing and directed to the Secretary of the Corporation.

(B) **Facsimile Signatures**. Any or all of the signatures on a certificate may be a facsimile, engraved or printed. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed upon a certificate shall have ceased to be such officer, transfer agent or registrar before such certificate is issued, it may be issued by the Corporation with the same effect as if he or she were such officer, transfer agent or registrar at the date of issue.

(C) **Lost Certificates**. The Board of Directors may direct a new certificate or certificates to be issued in place of any certificate or certificates theretofore issued by the Corporation alleged to have been lost, stolen, or destroyed. When authorizing such issue of a new certificate or certificates, the Board of Directors may, in its discretion and as a condition precedent to the issuance thereof, require the owner of such lost, stolen, or destroyed certificate or certificates, or his legal representative, to give the Corporation a bond in such sum as it may direct sufficient to indemnify it against any claim that may be made against the Corporation on account of the alleged loss, theft or destruction of any such certificate or the issuance of such new certificate.

(D) **Transfers of Stock**. Upon surrender to the Corporation or the transfer agent of the Corporation of a certificate for shares duly endorsed or accompanied by proper evidence of succession, assignment or authority to transfer, it shall be the duty of the Corporation to issue a new certificate to the person entitled thereto, cancel the old certificate and record the transaction upon its records; provided, however, that the Corporation shall be entitled to recognize and enforce any lawful restriction on transfer. Whenever any transfer of stock shall be made for collateral security, and not absolutely, it shall be so expressed in the entry of transfer if, when the certificates are presented to the Corporation for transfer, both the transferor and the transferee request the Corporation to do so.

(E) **Transfer Agents and Registrars**. The Board of Directors may appoint, or authorize any officer or officers to appoint, one or more transfer agents and one or more registrars.

(F) **Regulations**. The Board of Directors may make such additional rules and regulations, not inconsistent with these Bylaws, as it may deem expedient concerning the issue, transfer and registration of certificates for shares of stock of the Corporation.

(G) **Fixing the Record Date**. In order that the Corporation may determine the stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof, or entitled to receive payment of any dividend or other distribution or allotment of any rights, or entitled to exercise any rights in respect of any change, conversion or exchange of stock or for the purpose of any other lawful action, the Board of Directors may fix, in advance, a record date, which shall not be more than sixty (60) nor less than ten (10) days before the date of such meeting, nor more than sixty (60) days prior to any other action. If no record date is fixed by the Board of Directors, the record date for determining stockholders entitled to notice of or to

vote at a meeting of stockholders shall be the close of business on the day next preceding the day on which notice is given, or if notice is waived, at the close of business on the day next preceding the day on which the meeting is held. A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; provided, however, that the Board of Directors may fix a new record date for the adjourned meeting.

(H) **Registered Stockholders**. The Corporation shall be entitled to recognize the exclusive right of a person registered on its records as the owner of shares of stock to receive dividends and to vote as such owner, shall be entitled to hold liable for calls and assessments a person registered on its records as the owner of shares of stock, and shall not be bound to recognize any equitable or other claim to or interest in such share or shares of stock on the part of any other person, whether or not it shall have express or other notice thereof, except as otherwise provided by the laws of Delaware.

## ARTICLE VIII
## GENERAL PROVISIONS

(A) **Dividends**. Subject to the provisions of statutes and the Certificate of Incorporation, dividends upon the shares of capital stock of the Corporation may be declared by the Board of Directors at any regular or special meeting. Dividends may be paid in cash, in property or in shares of stock of the Corporation, unless otherwise provided by statute or the Certificate of Incorporation.

(B) **Reserves**. Before payment of any dividend, there may be set aside out of any funds of the Corporation available for dividends such sum or sums as the Board of Directors may, from time to time, in its absolute discretion, think proper as a reserve or reserves to meet contingencies, or for equalizing dividends, or for repairing or maintaining any property of the Corporation or for such other purpose as the Board of Directors may think conducive to the interests of the Corporation. The Board of Directors may modify or abolish any such reserves in the manner in which it was created.

(C) **Seal**. The seal of the Corporation shall be in such form as shall be approved by the Board of Directors, which form may be changed by resolution of the Board of Directors.

(D) **Fiscal Year**. The fiscal year of the Corporation shall end on December 31 of each calendar year and may thereafter be changed by resolution of the Board of Directors.

(E) **Checks, Notes, Drafts; Etc**. All checks, notes, drafts or other orders for the payment of money of the Corporation shall be signed, endorsed or accepted in the name of the Corporation by such officer, officers, person or persons as from time to time may be designated by the Board of Directors or by an officer or officers authorized by the Board of Directors to make such designation.

(F) **Execution of Contracts, Deeds, Etc**. The Board of Directors may authorize any officer or officers, agent or agents, in the name and on behalf of the Corporation to enter into or

execute and deliver any and all deeds, bonds, mortgages, contracts and other obligations or instruments, and such authority may be general or confined to specific instances.

(G) **Inspection of Books and Records**. Any stockholder of record, in person or by attorney or other agent, shall, upon written demand under oath stating the purpose thereof, have the right during the usual hours for business to inspect for any proper purpose the Corporation's stock ledger, a list of its stockholders, and its other books and records, and to make copies or extracts therefrom. A proper purpose shall mean any purpose reasonably related to such person's interest as a stockholder. In every instance where an attorney or other agent shall be the person who seeks the right of inspection, the demand under oath shall be accompanied by a power of attorney or such other writing which authorizes the attorney or other agent to so act on behalf of the stockholder. The demand under oath shall be directed to the Corporation at its registered office in the State of Delaware or at its principal place of business.

(H) **References to Days**. For purposes of these Bylaws, all references herein to "days" shall mean calendar days unless otherwise expressly indicated to mean business days. Any period of time referenced herein that is scheduled to end on a day that is not a calendar day and any event that is scheduled to occur on a day that is not a calendar day, unless otherwise expressly indicated, shall instead end or occur on the next succeeding business day.

(I) **Inconsistent Provisions**. In the event that any provision of these Bylaws is or becomes inconsistent with any provision of the Certificate of Incorporation, the General Corporation Law of the State of Delaware or any other applicable law, the provision of these Bylaws shall not be given any effect to the extent of such inconsistency but shall otherwise be given full force and effect.

## ARTICLE IX
## AMENDMENTS

Except as otherwise provided in these Bylaws, these Bylaws may be amended or repealed or new Bylaws adopted only in accordance with Article VI of the Certificate of Incorporation.

**Exhibit 10.1**

FORM OF ADVISORY AGREEMENT

**INVESTMENT ADVISORY AND MANAGEMENT AGREEMENT**

**BETWEEN**

**TPG SPECIALTY LENDING, INC.**

**AND**

**TSL ADVISERS, LLC**

This Agreement (the "Agreement") is made as of **[MONTH]** __, 2011, by and between TPG SPECIALTY LENDING, INC., a Delaware corporation (the "Company"), and TSL ADVISERS, LLC, a Delaware limited liability company (the " Adviser").

WHEREAS, the Company is a closed-end management investment company that intends to elect to be treated as a business development company ( "BDC") under the Investment Company Act of 1940 (the " Investment Company Act");

WHEREAS, the Adviser is an investment adviser that is registered under the Investment Advisers Act of 1940 (the " Advisers Act"); and

WHEREAS, the Company desires to retain the Adviser to furnish investment advisory services to the Company on the terms and conditions hereinafter set forth, and the Adviser desires to be retained to provide such services.

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration, the parties hereby agree as follows:

**1. Duties of the Adviser**

(a) The Company hereby employs the Adviser to act as the investment adviser to the Company and to manage the investment and reinvestment of the assets of the Company, subject to the supervision of the Board of Directors of the Company (the " Board"), for the period and upon the terms herein set forth, (i) in accordance with the investment objective, policies and restrictions that are set forth in the Company's registration statement on Form 10 (File No. 000-54245) initially filed on January 14, 2011 (and as the same shall be amended from time to time, the " Registration Statement"), and prior to the filing of the Company's Registration Statement, in accordance with the investment objective, policies and restrictions that are set forth in the Company's private placement memorandum dated **[DATE]**; (ii) in accordance with all other applicable federal and state laws, rules and regulations, and the Company's charter and by-laws as the same shall be amended from time to time; and (iii) in accordance with the Investment Company Act. Without limiting the generality of the foregoing, the Adviser shall, during the term and subject to the provisions of this Agreement: (i) determine the composition of the

portfolio of the Company, the nature and timing of the changes therein and the manner of implementing such changes; (ii) identify/source, research, evaluate and negotiate the structure of the investments made by the Company; (iii) close and monitor the Company's investments; (iv) determine the securities and other assets that the Company will purchase, retain, or sell; (v) use reasonable endeavors to ensure that the Company's investments consist mainly of shares, securities or currencies (or derivative contracts relating thereto), which for the avoidance of doubt may include loans, notes and other evidences of indebtedness; (vi) perform due diligence on prospective portfolio companies; and (vii) provide the Company with such other investment advisory, research, and related services as the Company may, from time to time, reasonably require for the investment of its funds, including providing operating and managerial assistance to the Company and its portfolio companies as required. Subject to the supervision of the Board, the Adviser shall have the power and authority on behalf of the Company to effectuate its investment decisions for the Company, including the execution and delivery of all documents relating to the Company's investments and the placing of orders for other purchase or sale transactions on behalf of the Company. In the event that the Company determines to acquire debt financing, the Adviser will arrange for such financing on the Company's behalf, subject to the oversight and approval of the Board. If it is necessary or appropriate for the Adviser to make investments on behalf of the Company through a special purpose vehicle, the Adviser shall have authority to create or arrange for the creation of such special purpose vehicle and to make such investments through such special purpose vehicle (in accordance with the Investment Company Act).

(b) The Adviser hereby accepts such employment and agrees during the term hereof to render the services described herein for the compensation provided herein.

(c) The Adviser is hereby authorized to enter into one or more sub-advisory agreements with other investment advisers (each, a " Sub-Adviser") pursuant to which the Adviser may obtain the services of the Sub-Adviser(s) to assist the Adviser in fulfilling its responsibilities hereunder. Specifically, the Adviser may retain a Sub-Adviser to recommend specific securities or other investments based upon the Company's investment objective and policies, and work, along with the Adviser, in structuring, negotiating, arranging or effecting the acquisition or disposition of such investments and monitoring investments on behalf of the Company, subject to the oversight of the Adviser and the Company. The Company shall be responsible for any compensation payable to any Sub-Adviser. Any sub-advisory agreement entered into by the Adviser shall be in accordance with the requirements of the Investment Company Act and other applicable federal and state law.

(d) The Adviser shall for all purposes herein provided be deemed to be an independent contractor and, except as expressly provided or authorized herein, shall have no authority to act for or represent the Company in any way or otherwise be deemed an agent of the Company.

(e) The Adviser shall keep and preserve for the period required by the Investment Company Act any books and records relevant to the provision of its investment advisory services

to the Company and shall specifically maintain all books and records in accordance with Section 31(a) of the Investment Company Act with respect to the Company's portfolio transactions and shall render to the Board such periodic and special reports as the Board may reasonably request. The Adviser agrees that all records that it maintains for the Company are the property of the Company and will surrender promptly to the Company any such records upon the Company's request, provided that the Adviser may retain a copy of such records.

(f) The Adviser shall be primarily responsible for the execution of any trades in securities in the Company's portfolio and the Company's allocation of brokerage commissions.

**2. Company's Responsibilities and Expenses Payable by the Company**

(a) Except as otherwise provided herein or in the Administration Agreement, the Adviser shall be solely responsible for the compensation of its investment professionals and employees and all overhead expenses of the Adviser (including rent, office equipment and utilities). The Company will bear all other costs and expenses of its operations, administration and transactions, including (without limitation) those relating to: organizational expenses (up to an aggregate of $1,500,000, it being understood and agreed that the Adviser shall bear all organizational expenses of the Company in excess of such amount); calculating the Company's net asset value (including the cost and expenses of any independent valuation firm); expenses, including travel expense, incurred by the Adviser or payable to third parties performing due diligence on prospective portfolio companies and, if necessary, enforcing the Company's rights; sales and purchases of the Company's common stock and other securities; fees paid to the Adviser under this Agreement; distributions on the Company's shares; administration fees, if any, payable under the Administration Agreement between the Company and TSL Advisers, LLC (the "Administrator"); debt service and other costs of borrowings or other financing arrangements; the allocated costs incurred by the Adviser in providing managerial assistance to those portfolio companies that request it; amounts payable to third parties relating to, or associated with, making or holding investments; transfer agent and custodial fees; costs of hedging; commissions and other compensation payable to brokers or dealers; registration fees; listing fees; federal, state and local taxes; independent director fees and expenses; costs of preparing and filing reports or other documents required by the Securities and Exchange Commission and other reporting and compliance costs; the costs of any reports, proxy statements or other notices to the Company's stockholders, including printing and mailing costs, and the costs of any stockholders' meetings, as well as the compensation of an investor relations professional responsible for the coordination and administration of the foregoing; the Company's fidelity bond; directors and officers/errors and omissions liability insurance, and any other insurance premiums; indemnification payments; direct costs and expenses of administration, including audit and legal costs; and all other expenses reasonably incurred by the Company in connection with making investments and administering the Company's business. Notwithstanding anything to the contrary contained herein, the Company shall reimburse the Adviser (or its affiliates) for an allocable portion of the compensation paid by the Adviser (or its affiliates) to the Company's Chief Compliance Officer and Chief Financial Officer (based on a percentage of time such individuals devote, on an estimated basis, to the business affairs of the

Company). For the avoidance of doubt, the Adviser shall be solely responsible for any placement or "finder's" fees payable to placement agents engaged by the Company or its affiliates in connection with the offering of securities by the Company.

**3. Compensation of the Adviser**

The Company agrees to pay, and the Adviser agrees to accept, as compensation for the services provided by the Adviser hereunder, a base management fee (the "Management Fee") and an incentive fee (the "Incentive Fee") as hereinafter set forth. The Company shall make any payments due hereunder to the Adviser or to the Adviser's designee as the Adviser may otherwise direct. To the extent permitted by applicable law, the Adviser may elect, or the Company may adopt, a deferred compensation plan pursuant to which the Adviser may elect to defer all or a portion of its fees hereunder for a specified period of time.

(a) For services rendered under this Agreement, the Management Fee will be payable quarterly in arrears. Management Fees for any partial month or quarter will be appropriately prorated. The Management fee shall be calculated as follows:

(i) Prior to any initial public offering ("IPO") of the Company's common stock that may occur, the Management Fee shall be calculated at an annual rate of (i) 0.25% of aggregate committed but undrawn capital and (ii) 0.75% of aggregate drawn capital (including capital drawn to pay Company expenses) during any period.

(ii) Following any IPO of the Company's common stock that may occur, the Management Fee shall be calculated at an annual rate of 1.5% of the Company's gross assets. The post-IPO Management Fee will be calculated based on the average value of the Company's gross assets at the end of the two most recently completed calendar quarters, and appropriately adjusted for any share issuances or repurchases during the current calendar quarter.

(b) The Incentive Fee shall consist of two parts, as follows:

(i) One part will be calculated and payable quarterly in arrears based on the pre-Incentive Fee net investment income for the immediately preceding calendar quarter. For this purpose, pre-Incentive Fee net investment income means dividends (including reinvested dividends), interest and fee income accrued by the Company during the calendar quarter, minus the Company's operating expenses for the quarter (including the Management Fee, expenses payable under the Administration Agreement to the Administrator, and any interest expense and dividends paid on any issued and outstanding preferred stock, but excluding the Incentive Fee). Pre-Incentive Fee net investment income includes, in the case of investments with a deferred interest feature (such as original issue discount, debt instruments with pay-in-kind interest and zero coupon securities), accrued income that the Company has not yet received in cash. Pre-Incentive Fee net investment income does not include any realized capital gains, realized capital losses or unrealized capital appreciation or depreciation. Pre-

Incentive Fee net investment income, expressed as a rate of return on the value of the Company's net assets at the end of the immediately preceding calendar quarter, will be compared to a "hurdle rate" of 1.5% per quarter (6% annualized). The Company's net investment income used to calculate this part of the Incentive Fee is also included in the amount of its gross assets used to calculate the 1.5% Management Fee.

The Company will pay the Adviser an Incentive Fee with respect to the Company's pre-Incentive Fee net investment income in each calendar quarter as follows:

- With the exception of the Capital Gains Fee (as defined and discussed in greater detail below), no Incentive Fee is payable to the Adviser in any calendar quarter in which the Company's pre-Incentive Fee net investment income does not exceed the hurdle rate of 1.5% for such quarter.
- Following any IPO of the Company's common stock that may occur, 100% of the Company's pre-Incentive Fee net investment income with respect to that portion of such pre-Incentive Fee net investment income, if any, that exceeds the hurdle rate is payable to the Adviser until the Adviser has received 17.5% of the total pre-Incentive Fee net investment income for that fiscal quarter. The Company refers to this portion of the Company's Pre-Incentive Fee Net Investment Income as the "catch-up."

  Prior to any IPO of the Company's common stock that may occur, 100% of the Company's pre-Incentive Fee net investment income with respect to that portion of such pre-Incentive Fee net investment income, if any, that exceeds the hurdle rate is payable to the Adviser until the Adviser has received 15% of the total pre-Incentive Fee net investment income for that fiscal quarter.
- Following any IPO of the Company's common stock that may occur, once the hurdle is reached and the catch-up is achieved, 17.5% of all remaining pre-Incentive Fee net investment income for that fiscal quarter is payable to the Adviser.

  Prior to any IPO of the Company's common stock that may occur, once the hurdle is reached and the catch-up is achieved, 15% of all remaining pre-Incentive Fee net investment income for that fiscal quarter is payable to the Adviser.

- These calculations will be appropriately prorated for any period of less than three months and adjusted for any share issuances or repurchases during the relevant quarter.

(ii) Following any IPO of the Company's common stock that may occur, the second part of the Incentive Fee (the " Capital Gains Fee") will be determined and payable in arrears as of the end of each fiscal year of the Company (or upon termination of this Agreement as set forth below), and will equal the Weighted Percentage (as defined below) of the Company's realized capital gains, if any, on a cumulative basis from the inception of the Company to the end of such fiscal year, computed net of all realized capital losses and unrealized capital depreciation on a cumulative basis, minus the aggregate amount of any previously paid capital gain incentive fees for prior periods. The Weighted Percentage is intended to ensure that, for each fiscal year following an IPO of the Company's common stock, the portion of the Company's realized capital gains that accrued prior to an IPO will be subject to an incentive fee rate of 15% and the portion of the Company's realized capital gains that accrued following an IPO will be subject to an incentive fee rate of 17.5%, and is determined as follows:

"Weighted Percentage" means a percentage equal to the Pre-IPO Percentage plus the Post-IPO Percentage.

"Pre-IPO Percentage" means a percentage determined by multiplying 15% by a fraction, the numerator of which is the Pre-IPO Gain Amount and the denominator of which is the Total Gain Amount, rounded to the nearest one hundredth percent.

"Post-IPO Percentage" means a percentage determined by multiplying 17.5% by a fraction, the numerator of which is the Post-IPO Gain Amount and the denominator of which is the Total Gain Amount, rounded to the nearest one hundredth percent.

"Total Gain Amount" means, for any fiscal year, the aggregate dollar amount of the Company's realized capital gains on a cumulative basis from the inception of the Company to the end of such fiscal year.

"Pre-IPO Gain Amount" means the aggregate dollar amount equal to sum of the following:

(A) In respect of each capital gain of the Company realized prior to the occurrence of any IPO, a dollar amount equal to 100% of such capital gain; and

(B) In respect of each capital gain of the Company realized following the occurrence of an IPO:

(I) In the event that the investment giving rise to such capital gain was made by the Company prior to the occurrence of an IPO, a dollar amount equal to the portion of such capital gain, if any, that had accrued on the books of the Company as of the date of any IPO (the " Marked Amount"); provided, however, if the Marked Amount for such capital gain exceeds the disposition proceeds realized in respect of the such capital gain, the dollar amount to be included in this paragraph (B)(I) in respect of such capital gain shall equal (x) the disposition proceeds realized in respect of such capital gain minus (y) the cost basis of such capital gain; or

(II) In the event that the investment giving rise to such capital gain was made by the Company following the occurrence of an IPO, zero.

"Post-IPO Gain Amount" means the aggregate dollar amount equal to the sum of the following:

(A) In respect of each capital gain of the Company realized prior to the occurrence of an IPO, zero; and

(B) In respect of each capital gain of the Company realized following the occurrence of an IPO:

(I) In the event that the investment giving rise to such capital gain was made by the Company prior to the occurrence of an IPO, a dollar amount equal to (x) disposition proceeds realized in respect of such capital gain minus (y) the Marked Amount in respect of such capital gain; provided, however, if the Marked Amount for such capital gain exceeds the disposition proceeds realized in respect of such capital gain, the amount to be included in this paragraph (B)(I) in respect of such capital gain shall be zero; provided, further, if the investment giving rise to such capital gain was reflected as an unrealized capital loss on the books of the Company as of the date of an IPO, the dollar amount to be included in this paragraph (B)(I) shall equal 100% of such capital gain; or

(II) In the event that the investment giving rise to such capital gain was made by the Company following the occurrence of an IPO, a dollar amount equal to 100% of such capital gain.

Prior to any IPO of the Company's common stock that may occur, the Capital Gains Fee will equal 15% of the Company's realized capital gains, if any, on a cumulative basis from the inception of the Company to the end of such fiscal

year, computed net of all realized capital losses and unrealized capital depreciation on a cumulative basis, minus the aggregate amount of any previously paid capital gain incentive fees for prior period; provided that the Capital Gains Fee determined as of **[DATE]** will be calculated for a period of shorter than twelve calendar months to take into account any realized capital gains computed net of all realized capital losses and unrealized capital depreciation from inception. In the event that this Agreement shall terminate as of a date that is not a fiscal year end, the termination date shall be treated as though it were a fiscal year end for purposes of calculating and paying a Capital Gains Fee.

**Examples of Quarterly Incentive Fee Calculation :**

**Example 1: Income Related Portion of Incentive Fee (*) (**):**

**Alternative 1**

*Assumptions*

Investment income (including interest, dividends, fees, etc.) = 2%
Hurdle rate (1) = 1.5%
Management fee (2) = 0.375%
Other expenses (legal, accounting, custodian, transfer agent, etc.) (3) = 0.20%
Pre-Incentive Fee net investment income
(investment income - (management fee + other expenses)) = 1.425%
Pre-incentive net investment income does not exceed hurdle rate, therefore there is no Incentive Fee.

**Alternative 2**

*Assumptions*

Investment income (including interest, dividends, fees, etc.) = 2.375%
Hurdle rate (1) = 1.5%
Management fee (2) = 0.375%
Other expenses (legal, accounting, custodian, transfer agent, etc.) (3) = 0.20%
Pre-Incentive Fee net investment income
(investment income - (management fee + other expenses)) = 1.8%
Incentive Fee = 100% × pre-Incentive Fee net investment income, subject to the “catch-up” (4)
= 100% × (1.8% - 1.5%)
= 0.3%

**Alternative 3**

*Assumptions*

Investment income (including interest, dividends, fees, etc.) = 3.5%
Hurdle rate (1) = 1.5%
Management fee (2) = 0.375%
Other expenses (legal, accounting, custodian, transfer agent, etc.) (3) = 0.20%
Pre-Incentive Fee net investment income
(investment income - (management fee + other expenses)) = 2.925%
Incentive Fee = 17.5% × pre-Incentive Fee net investment income, subject to “catch-up” (4)
Incentive Fee = 100% × “catch-up” + (17.5% × (pre-Incentive Fee net investment income - 1.82%))
Catch-up = 1.82% - 1.5% =0.32%
Incentive Fee = (100% × 0.32%) + (17.5% × (2.925% - 1.82%))
= 0.32% + (17.5% × 1.105%)

= 0.32% + 0.193%
= 0.513%

(1) *Represents 6.0% annualized hurdle rate.*

(2) *Represents 1.5% annualized management fee.*

(3) *Excludes organizational and offering expenses.*

(4) *The "catch-up" provision is intended to provide the Adviser with an Incentive Fee of 17.5% on all of the Company's pre-Incentive Fee net investment income as if a hurdle rate did not apply when the Company's net investment income exceeds 17.5% in any calendar quarter and is not applied once the Adviser has received 17.5% of investment income in a quarter. The "catch-up" portion of the Company's pre-Incentive Fee Net Investment Income is the portion that exceeds the 1.5% hurdle rate but is less than or equal to 1.82% in any fiscal quarter.*

(*) *This example assumes that an IPO of the Company's common stock has occurred.*

(**) *The hypothetical amount of pre-Incentive Fee net investment income shown is based on a percentage of total net assets.*

**Example 2: Capital Gains Portion of Incentive Fee:**

*Assumptions*

- Year 1: $10 million investment made in Company A ("Investment A"), $10 million investment made in Company B ("Investment B"), $10 million investment made in Company C ("Investment C"), $10 million investment made in Company D ("Investment D") and $10 million investment made in Company E ("Investment E").
- Year 2: Investment A sold for $20 million, fair market value ("FMV") of Investment B determined to be $8 million, FMV of Investment C determined to be $12 million, and FMV of Investments D and E each determined to be $10 million.
- Year 3: IPO of the Company occurs. At IPO, FMV of Investment of B determined to be $8 million, FMV of Investment C determined to be $14 million, FMV of Investment D determined to be $14 million and FMV of Investment E determined to be $16 million.
- Year 4: $10 million investment made in Company F ("Investment F"), Investment D sold for $12 million, FMV of Investment B determined to be $10 million, FMV of Investment C determined to be $16 million and FMV of Investment E determined to be $14 million.
- Year 5: Investment C sold for $20 million, FMV of Investment B determined to be $14 million, FMV of Investment E determined to be $10 million and FMV of Investment F determined to $12 million.
- Year 6: Investment B sold for $16 million, FMV of Investment E determined to be $8 million and FMV of Investment F determined to be $15 million.
- Year 7: Investment E sold for $8 million and FMV of Investment F determined to be $17 million.
- Year 8: Investment F sold for $18 million.

These assumptions are summarized in the following chart:

| | Investment A | Investment B | Investment C | Investment D | Investment E | Investment F | Cumulative Unrealized Capital Depreciation | Cumulative Realized Capital Losses | Cumulative Realized Capital Gains |
|---|---|---|---|---|---|---|---|---|---|
| Year 1 | $10 million (cost basis) | $10 million (cost basis) | $10 million (cost basis) | $10 million (cost basis) | $10 million (cost basis) | — | — | — | — |
| Year 2 | $20 million (sale price) | $8 million FMV | $12 million FMV | $10 million FMV | $10 million FMV | — | $2 million | — | $10 million |
| Year 3 (IPO) | — | $8 million FMV at IPO | $14 million FMV at IPO | $14 million FMV at IPO | $16 million FMV at IPO | — | $2 million | — | $10 million |
| Year 4 | — | $10 million FMV | $16 million FMV | $12 million (sale price) | $14 million FMV | $10 million (cost basis) | — | — | $12 million |
| Year 5 | — | $14 million FMV | $20 million (sale price) | — | $10 million FMV | $12 million FMV | — | — | $22 million |
| Year 6 | — | $16 million (sale price) | — | — | $8 million FMV | $15 million FMV | $2 million | — | $28 million |
| Year 7 | — | — | — | — | $8 million (sale price) | $17 million FMV | — | $2 million | $28 million |
| Year 8 | — | — | — | — | — | $18 million (sale price) | — | $2 million | $36 million |

The capital gains portion of the Incentive Fee would be:

- Year 1: None
- Year 2:

  Capital gains Incentive Fee = 15% multiplied by ($10 million realized capital gains on sale of Investment A less $2 million cumulative capital depreciation) = **$1.2 million**
- Year 3:

  Capital Gains Incentive Fee = (Weighted Percentage multiplied by ($10 million cumulative realized capital gains less $2 million cumulative capital depreciation)) less $1.2 million cumulative Capital Gains Fee previously paid = $1.2 million less $1.2 million = **$0.00**

  Weighted Percentage = (15% multiplied by ($10 million Pre-IPO Gain Amount divided by $10 million Total Gain Amount)) plus (17.5% multiplied by ($0 Post-IPO Gain Amount divided by $10 million Total Gain Amount)) = **15%**
- Year 4:

  Capital Gains Fee = (Weighted Percentage multiplied by ($12 million cumulative realized capital gains)) less $1.2 million cumulative Capital Gains Fee previously paid = $1.8 million less $1.2 million = **$0.6 million**

  Weighted Percentage = (15% multiplied by ($12 million Pre-IPO Gain Amount divided by $12 million Total Gain

Amount)) plus (17.5% multiplied by ($0 Post-IPO Gain Amount divided by $10 million Total Gain Amount)) = **15%**

- Year 5:

  Capital Gains Fee = (Weighted Percentage multiplied by ($22 million cumulative realized capital gains)) less $1.8 million cumulative Capital Gains Fee previously paid = $3.45 million less $1.8 million = **$1.65 million**

  Weighted Percentage = (15% multiplied by ($16 million Pre-IPO Gain Amount divided by $22 million Total Gain Amount)) plus (17.5% multiplied by ($6 Post-IPO Gain Amount divided by $22 million Total Gain Amount)) = **15.68%**

- Year 6:

  Capital Gains Fee = (Weighted Percentage multiplied by ($28 million cumulative realized capital gains less $2 million cumulative capital depreciation)) less $3.45 million cumulative Capital Gains Fee previously paid = $4.18 million less $3.45 million = **$0.73 million**

  Weighted Percentage = (15% multiplied by ($16 million Pre-IPO Gain Amount divided by $28 million Total Gain Amount)) plus (17.5% multiplied by ($12 Post-IPO Gain Amount divided by $28 million Total Gain Amount)) = **16.07%**

- Year 7:

  Capital Gains Fee = (Weighted Percentage multiplied by ($28 million cumulative realized capital gains less $2 million cumulative realized capital losses)) less $4.18 million cumulative Capital Gains Fee previously paid = $4.18 million less $4.18 million = **$0.00**

  Weighted Percentage = (15% multiplied by ($16 million Pre-IPO Gain Amount divided by $28 million Total Gain Amount)) plus (17.5% multiplied by ($12 Post-IPO Gain Amount divided by $28 million Total Gain Amount)) = **16.07%**

- Year 8:

  Capital Gains Fee = (Weighted Percentage multiplied by ($36 million cumulative realized capital gains less $2 million cumulative realized capital losses)) less $4.18 million cumulative Capital Gains Fee previously paid = $5.57 million less $4.18 million = **$1.39 million**

  Weighted Percentage = (15% multiplied by ($16 million Pre-IPO Gain Amount divided by $36 million Total Gain Amount)) plus (17.5% multiplied by ($18 Post-IPO Gain Amount divided by $36 million Total Gain Amount)) = **16.39%**

(c) Any transaction, loan origination, advisory or similar fees ("Transaction Fees") received in connection with the Company's activities or the Adviser's activities as they relate to the Company shall be the property of the Company. The parties agree that any Transaction Fees paid to the members, managers, partners or employees of the Company, the Adviser or their respective affiliates in connection with the Company's activities or the Adviser's activities as

they relate to the Company shall be promptly remitted to the Company; provided, however, Transaction Fees received in respect of an investment opportunity in which the Company and one or more entities (including affiliates of the Adviser) participate shall be allocated to each of the Company and such entities pro rata in accordance with their respective investments or proposed investments in such investment opportunity.

**4. Covenants of the Adviser**

The Adviser agrees that its activities will at all times be in compliance in all material respects with all applicable federal and state laws governing its operations and investments.

**5. Excess Brokerage Commissions**

The Adviser is hereby authorized, to the fullest extent now or hereafter permitted by law, to cause the Company to pay a member of a national securities exchange, broker or dealer an amount of commission for effecting a securities transaction in excess of the amount of commission another member of such exchange, broker or dealer would have charged for effecting that transaction, if the Adviser determines in good faith, taking into account such factors as price (including the applicable brokerage commission or dealer spread), size of order, difficulty of execution, and operational facilities of the firm and the firm's risk and skill in positioning blocks of securities, that such amount of commission is reasonable in relation to the value of the brokerage and/or research services provided by such member, broker or dealer, viewed in terms of either that particular transaction or its overall responsibilities with respect to the Company's portfolio, and constitutes the best net results for the Company.

**6. Investment Team**

The Adviser shall manage the Company's portfolio through a team of investment professionals (the " Investment Team") dedicated primarily to the Company's business, in cooperation with the Company's Chief Executive Officer. The Investment Team shall be comprised of senior personnel of the Adviser, supported by and with access to the investment professionals, analytical capabilities and support personnel of the Company and TPG Capital, L.P.

**7. Limitations on the Employment of the Adviser**

The services of the Adviser to the Company are not exclusive, and the Adviser may engage in any other business or render similar or different services to others including, without limitation, the direct or indirect sponsorship or management of other investment-based accounts or commingled pools of capital, however structured, having investment objectives similar to those of the Company, so long as its services to the Company hereunder are not impaired thereby, and nothing in this Agreement shall limit or restrict the right of any manager, partner, officer or employee of the Adviser to engage in any other business or to devote his or her time and attention in part to any other business, whether of a similar or dissimilar nature, or to receive any fees or compensation in connection therewith (including fees for serving as a director of, or

providing consulting services to, one or more of the Company's portfolio companies, subject to applicable law). So long as this Agreement or any extension, renewal or amendment remains in effect, the Adviser shall be the only investment adviser for the Company, subject to the Adviser's right to enter into sub-advisory agreements at set forth herein. The Adviser assumes no responsibility under this Agreement other than to render the services called for hereunder. It is understood that directors, officers, employees and stockholders of the Company are or may become interested in the Adviser and its affiliates, as directors, officers, employees, partners, stockholders, members, managers or otherwise, and that the Adviser and directors, officers, employees, partners, stockholders, members and managers of the Adviser and its affiliates are or may become similarly interested in the Company as stockholders or otherwise.

**8. Responsibility of Dual Directors, Officers and/or Employees**

If any person who is a manager, partner, officer or employee of the Adviser or the Administrator is or becomes a director, officer and/or employee of the Company and acts as such in any business of the Company, then such manager, partner, officer and/or employee of the Adviser or the Administrator shall be deemed to be acting in such capacity solely for the Company, and not as a manager, partner, officer or employee of the Adviser or the Administrator or under the control or direction of the Adviser or the Administrator, even if paid by the Adviser or the Administrator.

**9. Conflicts of Interest**

The Adviser agrees that it shall submit to the Board a description of any potential or actual conflict of interest that the Adviser determines to be material in any transaction or relationship between the Company and any entity controlled by it, on the one hand, and the Adviser or any of its affiliates or their respective employees, partners, members, officers or directors, on the other hand; provided, however, that any transaction that is (i) conducted on an arm's length basis and generates Transaction Fees one hundred percent (100%) of which are paid or remitted to the Company in accordance with Section 3(d) or (ii) made pursuant to an exemptive order obtained by the Company or the Adviser under the Investment Company Act shall not, in either case, constitute a conflict of interest for the purposes of this Section 9. Any transaction or relationship required to be submitted to the Board pursuant to the previous sentence shall promptly be reviewed and approved or disapproved by the Board, and the Adviser shall supply the Board with all information and data reasonably requested by the Board to enable it to reach an informed decision with respect thereto.

**10. Limitation of Liability of the Adviser; Indemnification**

The Adviser (and its members, managers, officers, employees, agents, controlling persons and any other person or entity affiliated with it) shall not be liable to the Company for any action taken or omitted to be taken by the Adviser in connection with the performance of any of its duties or obligations under this Agreement or otherwise as an investment adviser of the Company (except to the extent specified in Section 36(b) of the Investment Company Act

concerning loss resulting from a breach of fiduciary duty (as the same is finally determined by judicial proceedings) with respect to the receipt of compensation for services). As permitted by Article VIII of the Certificate of Incorporation, the Company shall, to the fullest extent permitted by law, provide indemnification and the right to the advancement of expenses, to each person who was or is made a party or is threatened to be made a party to or is involved (including, without limitation, as a witness) in any actual or threatened action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he/she is or was a member, manager, officer, employee, agent, controlling person or any other person or entity affiliated with the Adviser, including without limitation the Administrator, or is or was a member of the Adviser's Investment Review Committee (each such person hereinafter an "Indemnitee"), on the same general terms set forth in Article VIII of the Certificate of Incorporation, the terms of which are incorporated herein *mutatis mutandi* as applied to the Indemnitees.

**11. Effectiveness, Duration and Termination of Agreement**

(a) This Agreement shall become effective as of the first date above written. This Agreement may be terminated at any time, without the payment of any penalty, upon not more than 60 days' written notice, by the vote of a majority of the outstanding voting securities of the Company or by the vote of the Company's directors or by the Adviser. The provisions of Section 10 of this Agreement shall remain in full force and effect, and the Adviser shall remain entitled to the benefits thereof, notwithstanding any termination of this Agreement. Further, notwithstanding the termination or expiration of this Agreement as aforesaid, the Adviser shall be entitled to any amounts owed under Section 3 through the date of termination or expiration, and Section 10 shall continue in force and effect and apply to the Adviser and its representatives as and to the extent applicable.

(b) This Agreement shall continue in effect for two years from the date hereof, or to the extent consistent with the requirements of the Investment Company Act, from the date of the Company's election to be regulated as a BDC under the Investment Company Act, and thereafter shall continue automatically for successive annual periods, provided that such continuance is specifically approved at least annually by (A) the vote of the Board, or by the vote of a majority of the outstanding voting securities of the Company and (B) the vote of a majority of the Company's directors who are not parties to this Agreement or "interested persons" (as such term is defined in Section 2(a)(19) of the Investment Company Act) of any such party, in accordance with the requirements of the Investment Company Act.

(c) This Agreement will automatically terminate in the event of its "assignment" (as such term is defined for purposes of Section 15(a)(4) of the Investment Company Act).

**12. Notices**

Any notice under this Agreement shall be given in writing, addressed and delivered or mailed, postage prepaid, to the other party at its principal office.

**13. Amendments**

This Agreement may be amended by mutual consent, but the consent of the Company must be obtained in conformity with the requirements of the Investment Company Act.

**14. Entire Agreement; Governing Law**

This Agreement contains the entire agreement of the parties and supersedes all prior agreements, understandings and arrangements with respect to the subject matter hereof. This Agreement shall be construed in accordance with the laws of the State of Delaware and in accordance with the applicable provisions of the Investment Company Act. In such case, to the extent the applicable laws of the State of Delaware, or any of the provisions herein, conflict with the provisions of the Investment Company Act, the latter shall control.

**[Remainder of page intentionally left blank.]**

* * *

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed on the date above written.

**TPG SPECIALTY LENDING, INC.**

By: _____
Name:
Title:

**TSL ADVISERS, LLC**

By: _____
Name:
Title:

**Exhibit 10.3**

**FORM OF INDEMNIFICATION AGREEMENT**

This Indemnification Agreement, dated as of ___, 20__, is made by and between TPG Specialty Lending, Inc., a Delaware corporation (the "Corporation") and [name] (the "Indemnitee").

RECITALS

A. The Corporation recognizes that competent and experienced persons are increasingly reluctant to serve or to continue to serve as directors or officers of corporations unless they are protected by comprehensive liability insurance or indemnification, or both, due to increased exposure to litigation costs and risks resulting from their service to such corporations, and due to the fact that the exposure frequently bears no reasonable relationship to the compensation of such directors and officers;

B. The statutes and judicial decisions regarding the duties of directors and officers are often difficult to apply, ambiguous, or conflicting, and therefore fail to provide such directors and officers with adequate, reliable knowledge of legal risks to which they are exposed or information regarding the proper course of action to take;

C. The Corporation and Indemnitee recognize that plaintiffs often seek damages in such large amounts and the costs of litigation may be so enormous (whether or not the case is meritorious), that the defense and/or settlement of such litigation is often beyond the personal resources of directors and officers;

D. The Corporation believes that it is unfair for its directors and officers to assume the risk of huge judgments and other expenses which may occur in cases in which the director or officer received no personal profit and in cases where the director or officer was not culpable;

E. The Corporation's By-laws and Certificate of Incorporation require the Corporation to indemnify its directors and officers to the fullest extent permitted by the Delaware General Corporation Law (the "DGCL"), under which the Corporation is organized. The Certificate of Incorporation expressly provides that the indemnification provisions set forth therein are not exclusive, and contemplate that contracts may be entered into between the Corporation and its directors and officers with respect to indemnification;

F. Section 145 of the DGCL ("Section 145") empowers the Corporation to indemnify its officers, directors, employees and agents by agreement and to indemnify persons who serve, at the request of the Corporation, as the directors, officers, employees or agents of other corporations or enterprises, and expressly provides that the indemnification provided by Section 145 is not exclusive;

G. Section 102(b)(7) of the DGCL allows a corporation to include in its certificate of incorporation a provision limiting or eliminating the personal liability of a director for monetary damages in respect of claims by shareholders and corporations for breach of certain fiduciary duties, and the Corporation has so provided in its Certificate of Incorporation that each Director shall be exculpated from such liability to the maximum extent permitted by law;

H. The Board of Directors has determined that contractual indemnification as set forth herein is not only reasonable and prudent but, together with the liability insurance coverage entered into by the Corporation, also promotes the best interests of the Corporation and its stockholders;

I. The Corporation desires and has requested Indemnitee to serve or continue to serve as a director or officer of the Corporation free from undue concern for unwarranted claims for damages arising out of or related to such services to the Corporation; and

J. Indemnitee is willing to serve, continue to serve or to provide additional service for or on behalf of the Corporation on the condition that he is furnished the indemnity provided for herein.

K. [Indemnitee has certain rights to indemnification and/or insurance provided by TPG Capital, L.P. ("TPG") and its affiliates (other than the Corporation), which Indemnitee and TPG intend to be secondary to the primary obligation of the Corporation to indemnify Indemnitee as provided herein, with the Corporation's acknowledgement and agreement to the foregoing being a material condition to Indemnitee's willingness to serve as a director or officer of the Corporation.]

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth below, and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto, intending to be legally bound, hereby agree as follows:

Section 1. Generally.

To the fullest extent permitted by the laws of the State of Delaware:

(a) The Corporation shall indemnify Indemnitee if Indemnitee was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that Indemnitee is or was or has agreed to serve at the request of the Corporation as a director, officer, employee or agent of the Corporation, or while serving as a director or officer of the Corporation, is or was serving or has agreed to serve at the request of the Corporation as a director, officer, employee or agent (which, for purposes hereof, shall include a trustee, partner or manager or similar capacity) of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise, or by reason of any action alleged to have been taken or omitted in such capacity. For the avoidance of doubt, the foregoing indemnification obligation includes, without limitation, claims for monetary damages against Indemnitee in respect of an alleged breach of fiduciary duties, to the fullest extent permitted under Section 102(b)(7) of the DGCL as in existence on the date hereof.

(b) The indemnification provided by this Section 1 shall be from and against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by Indemnitee or on Indemnitee's behalf in connection with such action, suit or proceeding and any appeal therefrom, but shall only be provided if Indemnitee acted in good faith and in a manner Indemnitee reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal action, suit or proceeding, had no reasonable cause to believe Indemnitee's conduct was unlawful.

(c) Notwithstanding the foregoing provisions of this Section 1, in the case of any threatened, pending or completed action or suit by or in the right of the Corporation to procure a judgment in its favor by reason of the fact that Indemnitee is or was a director, officer, employee or agent of the Corporation, or while serving as a director or officer of the Corporation, is or was serving or has agreed to serve at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise, no indemnification shall be made in respect of any claim, issue or matter as to which Indemnitee shall have been adjudged to be liable to the Corporation unless, and only to the extent that, the Delaware Court of Chancery or the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, Indemnitee is fairly and reasonably entitled to indemnity for such expenses which the Delaware Court of Chancery or such other court shall deem proper.

(d) The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that Indemnitee did not act in good faith and in a manner which Indemnitee reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal action or proceeding, had reasonable cause to believe that Indemnitee's conduct was unlawful.

Section 2. Successful Defense; Partial Indemnification. To the extent that Indemnitee has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in Section 1 hereof or in defense of any claim, issue or matter therein, Indemnitee shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred in connection therewith. For purposes of this Agreement and without limiting the foregoing, if any action, suit or proceeding is disposed of, on the merits or otherwise (including a disposition without prejudice), without (i) the disposition being adverse to Indemnitee, (ii) an adjudication that Indemnitee was liable to the Corporation, (iii) a plea of guilty or nolo contendere by Indemnitee, (iv) an adjudication that Indemnitee did not act in good faith and in a manner Indemnitee reasonably believed to be in or not opposed to the best interests of the Corporation, and (v) with respect to any criminal proceeding, an adjudication that Indemnitee had reasonable cause to believe Indemnitee's conduct was unlawful, Indemnitee shall be considered for the purposes hereof to have been wholly successful with respect thereto.

If Indemnitee is entitled under any provision of this Agreement to indemnification by the Corporation for some or a portion of the expenses (including attorneys' fees), judgments, fines or amounts paid in settlement actually and reasonably incurred by Indemnitee or on Indemnitee's behalf in connection with any action, suit, proceeding or investigation, or in defense of any claim, issue or matter therein, and any appeal therefrom but

not, however, for the total amount thereof, the Corporation shall nevertheless indemnify Indemnitee for the portion of such expenses (including attorneys' fees), judgments, fines or amounts paid in settlement to which Indemnitee is entitled.

Section 3. Determination That Indemnification Is Proper. Any indemnification hereunder shall (unless otherwise ordered by a court) be made by the Corporation unless a determination is made that indemnification of such person is not proper in the circumstances because he or she has not met the applicable standard of conduct set forth in Section 1(b) hereof. Any such determination shall be made (i) by a majority vote of the directors who are not parties to the action, suit or proceeding in question ("Non-conflicted Directors"), even if less than a quorum, (ii) by a majority vote of a committee of Non-conflicted Directors designated by majority vote of Non-conflicted Directors, even if less than a quorum, (iii) by a majority vote of a quorum of the outstanding shares of stock of all classes entitled to vote on the matter, voting as a single class, which quorum shall consist of stockholders who are not at that time parties to the action, suit or proceeding in question, (iv) by independent legal counsel, or (v) by a court of competent jurisdiction.

Section 4. Advance Payment of Expenses; Notification and Defense of Claim.

(a) Expenses (including attorneys' fees) incurred by Indemnitee in defending a threatened or pending civil, criminal, administrative or investigative action, suit or proceeding, or in connection with an enforcement action pursuant to Section 5(b), shall be paid by the Corporation in advance of the final disposition of such action, suit or proceeding within thirty (30) days after receipt by the Corporation of (i) a statement or statements from Indemnitee requesting such advance or advances from time to time, and (ii) an undertaking by or on behalf of Indemnitee to repay such amount or amounts, only if, and to the extent that, it shall ultimately be determined that Indemnitee is not entitled to be indemnified by the Corporation as authorized by this Agreement or otherwise. Such undertaking shall be accepted without reference to the financial ability of Indemnitee to make such repayment. Advances shall be unsecured and interest-free. Notwithstanding anything in this Section 4 to the contrary, the Corporation shall not advance any such expenses incurred by an Indemnitee in an action, suit or proceeding brought against such Indemnitee by holders of a majority of the shares the Corporation's common stock then outstanding. The majority of the Non-conflicted Directors may, in the manner set forth above, and upon approval of such Indemnitee, authorize the Corporation's counsel to represent such person, in any such action, suit or proceeding, whether or not the Corporation is a party to such action, suit or proceeding.

(b) Promptly after receipt by Indemnitee of notice of the commencement of any action, suit or proceeding, Indemnitee shall, if a claim thereof is to be made against the Corporation hereunder, notify the Corporation of the commencement thereof. The failure to promptly notify the Corporation of the commencement of the action, suit or proceeding, or Indemnitee's request for indemnification, will not relieve the Corporation from any liability that it may have to Indemnitee hereunder, except to the extent the Corporation is materially prejudiced in its defense of such action, suit or proceeding as a result of such failure.

(c) In the event the Corporation shall be obligated to pay the expenses of Indemnitee with respect to an action, suit or proceeding, as provided in this Agreement, the Corporation, if appropriate, shall be entitled to assume the defense of such action, suit or

proceeding, with counsel reasonably acceptable to Indemnitee, upon the delivery to Indemnitee of written notice of its election to do so. After delivery of such notice, approval of such counsel by Indemnitee and the retention of such counsel by the Corporation, the Corporation will not be liable to Indemnitee under this Agreement for any fees of counsel subsequently incurred by Indemnitee with respect to the same action, suit or proceeding, provided that Indemnitee shall have the right to employ Indemnitee's own counsel in such action, suit or proceeding at Indemnitee's expense. If (i) the employment of counsel by Indemnitee has been previously authorized in writing by the Corporation, (ii) counsel to the Corporation or Indemnitee shall have reasonably concluded that there may be a conflict of interest or position, or reasonably believes that a conflict is likely to arise, on any significant issue between the Corporation and Indemnitee in the conduct of any such defense or (iii) the Corporation shall not, in fact, have employed counsel to assume the defense of such action, suit or proceeding, then the fees and expenses of Indemnitee's counsel shall be at the expense of the Corporation, except as otherwise expressly provided by this Agreement. The Corporation shall not be entitled, without the consent of Indemnitee, to assume the defense of any claim brought by or in the right of the Corporation or as to which counsel for the Corporation or Indemnitee shall have reasonably made the conclusion provided for in clause (ii) above.

(d) Notwithstanding any other provision of this Agreement to the contrary, to the extent that Indemnitee is, by reason of Indemnitee's corporate status with respect to the Corporation or any corporation, partnership, joint venture, trust, employee benefit plan or other enterprise which Indemnitee is or was serving or has agreed to serve at the request of the Corporation, a witness or otherwise participates in any action, suit or proceeding (on behalf of the Corporation or such other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise) at a time when Indemnitee is not a party in the action, suit or proceeding, the Corporation shall indemnify Indemnitee against all expenses (including attorneys' fees) actually and reasonably incurred by Indemnitee or on Indemnitee's behalf in connection therewith.

Section 5. Procedure for Indemnification

(a) To obtain indemnification, Indemnitee shall promptly submit to the Corporation a written request, including therein or therewith such documentation and information as is reasonably available to Indemnitee and is reasonably necessary to determine whether and to what extent Indemnitee is entitled to indemnification. The Corporation shall, promptly upon receipt of such a request for indemnification, advise the Board of Directors in writing that Indemnitee has requested indemnification.

(b) The Corporation's determination whether to grant Indemnitee's indemnification request shall be made promptly, and in any event within 60 days following receipt of a request for indemnification pursuant to Section 5(a). The right to indemnification as granted by Section 1 of this Agreement shall be enforceable by Indemnitee in any court of competent jurisdiction if the Corporation denies such request, in whole or in part, or fails to respond within such 60-day period. It shall be a defense to any such action (other than an action brought to enforce a claim for the advance of costs, charges and expenses under Section 4 hereof where the required undertaking, if any, has been received by the Corporation) that Indemnitee has not met the standard of conduct set forth in Section 1 hereof, but the burden of proving such defense by clear and convincing evidence shall be on the Corporation. Neither the failure of the Corporation (including its Board of Directors or one of its committees, its independent legal

counsel, and its stockholders) to have made a determination prior to the commencement of such action that indemnification of Indemnitee is proper in the circumstances because Indemnitee has met the applicable standard of conduct set forth in Section 1 hereof, nor the fact that there has been an actual determination by the Corporation (including its Board of Directors or one of its committees, its independent legal counsel, and its stockholders) that Indemnitee has not met such applicable standard of conduct, shall be a defense to the action or create a presumption that Indemnitee has or has not met the applicable standard of conduct. The Indemnitee's expenses (including attorneys' fees) incurred in connection with successfully establishing Indemnitee's right to indemnification, in whole or in part, in any such proceeding or otherwise shall also be indemnified by the Corporation.

(c) The Indemnitee shall be presumed to be entitled to indemnification under this Agreement upon submission of a request for indemnification pursuant to this Section 5, and the Corporation shall have the burden of proof in overcoming that presumption in reaching a determination contrary to that presumption. Such presumption shall be used as a basis for a determination of entitlement to indemnification unless the Corporation overcomes such presumption by clear and convincing evidence.

Section 6. Insurance and Subrogation.

(a) The Corporation may purchase and maintain insurance on behalf of Indemnitee who is or was or has agreed to serve at the request of the Corporation as a director or officer of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise against any liability asserted against, and incurred by, Indemnitee or on Indemnitee's behalf in any such capacity, or arising out of Indemnitee's status as such, whether or not the Corporation would have the power to indemnify Indemnitee against such liability under the provisions of this Agreement. If the Corporation has such insurance in effect at the time the Corporation receives from Indemnitee any notice of the commencement of a proceeding, the Corporation shall give prompt notice of the commencement of such proceeding to the insurers in accordance with the procedures set forth in the policy. The Corporation shall thereafter take all necessary or desirable action to cause such insurers to pay, on behalf of the Indemnitee, all amounts payable as a result of such proceeding in accordance with the terms of such policy.

(b) In the event of any payment by the Corporation under this Agreement, the Corporation shall be subrogated to the extent of such payment to all of the rights of recovery of Indemnitee with respect to any insurance policy, who shall execute all papers required and take all action necessary to secure such rights, including execution of such documents as are necessary to enable the Corporation to bring suit to enforce such rights in accordance with the terms of such insurance policy. The Corporation shall pay or reimburse all expenses actually and reasonably incurred by Indemnitee in connection with such subrogation.

(c) The Corporation shall not be liable under this Agreement to make any payment of amounts otherwise indemnifiable hereunder (including, but not limited to, judgments, fines, ERISA excise taxes or penalties, and amounts paid in settlement) if and to the extent that Indemnitee has otherwise actually received such payment under this Agreement or any insurance policy, contract, agreement or otherwise.

Section 7. Certain Definitions. For purposes of this Agreement, the following definitions shall apply:

(a) The term "action, suit or proceeding" shall be broadly construed and shall include, without limitation, the investigation, preparation, prosecution, defense, settlement, arbitration and appeal of, and the giving of testimony in, any threatened, pending or completed claim, action, suit or proceeding, whether civil, criminal, administrative or investigative.

(b) The term "by reason of the fact that Indemnitee is or was a director, officer, employee or agent of the Corporation, or while serving as a director or officer of the Corporation, is or was serving or has agreed to serve at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise" shall be broadly construed and shall include, without limitation, any actual or alleged act or omission to act.

(c) The term "expenses" shall be broadly and reasonably construed and shall include, without limitation, all direct and indirect costs of any type or nature whatsoever (including, without limitation, all attorneys' fees and related disbursements, appeal bonds, other out-of-pocket costs and reasonable compensation for time spent by Indemnitee for which Indemnitee is not otherwise compensated by the Corporation or any third party, provided that the rate of compensation and estimated time involved is approved by the Board, which approval shall not be unreasonably withheld), actually and reasonably incurred by Indemnitee in connection with either the investigation, defense or appeal of a proceeding or establishing or enforcing a right to indemnification under this Agreement, Section 145 of the General Corporation Law of the State of Delaware or otherwise.

(d) The term "judgments, fines and amounts paid in settlement" shall be broadly construed and shall include, without limitation, all direct and indirect payments of any type or nature whatsoever (including, without limitation, all penalties and amounts required to be forfeited or reimbursed to the Corporation), as well as any penalties or excise taxes assessed on a person with respect to an employee benefit plan).

(e) The term "Corporation" shall include, without limitation and in addition to the resulting corporation, any constituent corporation (including any constituent of a constituent) absorbed in a consolidation or merger which, if its separate existence had continued, would have had power and authority to indemnify its directors, officers, and employees or agents, so that any person who is or was a director, officer, employee or agent of such constituent corporation, or is or was serving at the request of such constituent corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise, shall stand in the same position under the provisions of this Agreement with respect to the resulting or surviving corporation as he or she would have with respect to such constituent corporation if its separate existence had continued.

(f) The term "other enterprises" shall include, without limitation, employee benefit plans.

(g) The term "serving at the request of the Corporation" shall include, without limitation, any service as a director, officer, employee or agent of the Corporation which imposes duties on, or involves services by, such director, officer, employee or agent with respect to an employee benefit plan, its participants or beneficiaries.

(h) A person who acted in good faith and in a manner such person reasonably believed to be in the interest of the participants and beneficiaries of an employee benefit plan shall be deemed to have acted in a manner "not opposed to the best interests of the Corporation" as referred to in this Agreement.

Section 8. Limitation on Indemnification. Notwithstanding any other provision herein to the contrary, the Corporation shall not be obligated pursuant to this Agreement**:**

(a) Claims Initiated by Indemnitee. To indemnify or advance expenses to Indemnitee with respect to an action, suit or proceeding (or part thereof) initiated by Indemnitee, except with respect to an action, suit or proceeding brought to establish or enforce a right to indemnification (which shall be governed by the provisions of Section 8(b) of this Agreement), unless such action, suit or proceeding (or part thereof) was authorized or consented to by the Board of Directors of the Corporation.

(b) Action for Indemnification. To indemnify Indemnitee for any expenses incurred by Indemnitee with respect to any action, suit or proceeding instituted by Indemnitee to enforce or interpret this Agreement, unless Indemnitee is successful in establishing Indemnitee's right to indemnification in such action, suit or proceeding, in whole or in part (and only to that extent), or unless and to the extent that the court in such action, suit or proceeding shall determine that, despite Indemnitee's failure to establish their right to indemnification, Indemnitee is entitled to indemnity for such expenses; provided, however, that nothing in this Section 8(b) is intended to limit the Corporation's obligation with respect to the advancement of expenses to Indemnitee in connection with any such action, suit or proceeding instituted by Indemnitee to enforce or interpret this Agreement, as provided in Section 4 hereof.

(c) Section 16 Violations. To indemnify Indemnitee on account of any proceeding with respect to which final judgment is rendered against Indemnitee for payment or an accounting of profits arising from the purchase or sale by Indemnitee of securities in violation of Section 16(b) of the Securities Exchange Act of 1934, as amended, or any similar successor statute.

(d) Non-compete and Non-disclosure. To indemnify Indemnitee in connection with proceedings or claims involving the enforcement of non-compete and/or non-disclosure agreements or the non-compete and/or non-disclosure provisions of employment, consulting or similar agreements the Indemnitee may be a party to with the Corporation, or any affiliate or subsidiary of the Corporation or any other applicable foreign or domestic corporation, partnership, joint venture, trust or other enterprise, if any.

Section 9. Certain Settlement Provisions. The Corporation shall have no obligation to indemnify Indemnitee under this Agreement for amounts paid in settlement of any action, suit or proceeding without the Corporation's prior written consent, which shall not be unreasonably withheld. The Corporation shall not settle any action, suit or proceeding in any manner that

would impose any fine or other obligation on Indemnitee, including an admission of culpability on behalf of Indemnitee, without Indemnitee's prior written consent, which shall not be unreasonably withheld.

Section 10. Savings Clause. If any provision or provisions of this Agreement shall be invalidated on any ground by any court of competent jurisdiction, then the Corporation shall nevertheless indemnify Indemnitee as to costs, charges and expenses (including attorneys' fees), judgments, fines and amounts paid in settlement with respect to any action, suit or proceeding, whether civil, criminal, administrative or investigative, including an action by or in the right of the Corporation, to the full extent permitted by any applicable portion of this Agreement that shall not have been invalidated and to the full extent permitted by applicable law.

Section 11. Contribution. In order to provide for just and equitable contribution in circumstances in which the indemnification provided for herein is held by a court of competent jurisdiction to be unavailable to Indemnitee in whole or in part, it is agreed that, in such event, the Corporation shall, to the fullest extent permitted by law, contribute to the payment of Indemnitee's costs, charges and expenses (including attorneys' fees), judgments, fines and amounts paid in settlement with respect to any action, suit or proceeding, whether civil, criminal, administrative or investigative, in an amount that is just and equitable in the circumstances, taking into account, among other things, contributions by other directors and officers of the Corporation or others pursuant to indemnification agreements or otherwise; provided, that, without limiting the generality of the foregoing, such contribution shall not be required where such holding by the court is due to (i) the failure of Indemnitee to meet the standard of conduct set forth in Section 1 hereof, or (ii) any limitation on indemnification set forth in Section 6(c), 8 or 9 hereof.

Section 12. Form and Delivery of Communications. Any notice, request or other communication required or permitted to be given to the parties under this Agreement shall be in writing and either delivered in person or sent by telecopy, telex, telegram, overnight mail or courier service, or certified or registered mail, return receipt requested, postage prepaid, to the parties at the following addresses (or at such other addresses for a party as shall be specified by like notice):

If to the Corporation:

Ronald Cami, Esq.
TPG Capital, L.P.
301 Commerce Street
Suite 3300
Fort Worth, TX 76102

If to Indemnitee:

[name]
[address]

Section 13. Subsequent Legislation. If the General Corporation Law of Delaware is amended after adoption of this Agreement to expand further the indemnification permitted to

directors or officers, then the Corporation shall indemnify Indemnitee to the fullest extent permitted by the General Corporation Law of Delaware, as so amended.

Section 14. Nonexclusivity.

[(a)] The provisions for indemnification and advancement of expenses set forth in this Agreement shall not be deemed exclusive of any other rights which Indemnitee may have under any provision of law, the Corporation's Certificate of Incorporation or By-laws, in any court in which a proceeding is brought, the vote of the Corporation's stockholders or Non-conflicted Directors, other agreements or otherwise, and Indemnitee's rights hereunder shall continue after Indemnitee has ceased acting as an agent of the Corporation and shall inure to the benefit of the heirs, executors and administrators of Indemnitee. To the extent there is an inconsistency between any provision of this Agreement and the Corporation's Certificate of Incorporation or By-laws, it is the intent of the Corporation and the Indemnitee that the Indemnitee enjoy the protection of the provision that offers the greater benefits, regardless of whether that provision is in this Agreement or the Corporation's Certificate of Incorporation or By-laws. Furthermore, no amendment or alteration of the Corporation's Certificate of Incorporation or By-laws or any other agreement shall adversely affect the rights provided to Indemnitee under this Agreement.

[(b) The Corporation hereby acknowledges that Indemnitee has certain rights to indemnification, advancement of expenses and/or insurance provided by TPG and certain of its affiliates (other than the Corporation) (collectively, the "TPG Indemnitors"). Notwithstanding anything in this Agreement to the contrary, the Corporation hereby agrees (i) that it is the indemnitor of first resort ( *i.e.*, its obligations to Indemnitee are primary and any obligation of the TPG Indemnitors to advance expenses or to provide indemnification for the same expenses or liabilities incurred by Indemnitee are secondary), (ii) that it shall be required to advance the full amount of expenses incurred by Indemnitee and shall be liable for the full amount of all expenses, judgments, fines and amounts paid in settlement to the extent legally permitted and as required by the terms of this Agreement and the Corporation's By-laws or Articles of Incorporation (or any other agreement between the Corporation and Indemnitee), without regard to any rights Indemnitee may have against the TPG Indemnitors, and (iii) that it irrevocably waives, relinquishes and releases the TPG Indemnitors from any and all claims against the TPG Indemnitors for contribution, subrogation or any other recovery of any kind in respect thereof. The Corporation further agrees that no advancement or payment by the TPG Indemnitors on behalf of Indemnitee with respect to any claim for which Indemnitee has sought indemnification from the Corporation shall affect the foregoing and the TPG Indemnitors shall have a right of contribution and/or be subrogated to the extent of such advancement or payment to all of the rights of recovery of Indemnitee against the Corporation. The Corporation and Indemnitee agree that the TPG Indemnitors are express third-party beneficiaries of the terms of this Section 14(b).]

Section 15. Enforcement. The Corporation shall be precluded from asserting in any judicial proceeding that the procedures and presumptions of this Agreement are not valid, binding and enforceable. The Corporation agrees that its execution of this Agreement shall constitute a stipulation by which it shall be irrevocably bound in any court of competent

jurisdiction in which a proceeding by Indemnitee for enforcement of his rights hereunder shall have been commenced, continued or appealed, that its obligations set forth in this Agreement are unique and special, and that failure of the Corporation to comply with the provisions of this Agreement will cause irreparable and irremediable injury to Indemnitee, for which a remedy at law will be inadequate. As a result, in addition to any other right or remedy Indemnitee may have at law or in equity with respect to breach of this Agreement, Indemnitee shall be entitled to injunctive or mandatory relief directing specific performance by the Corporation of its obligations under this Agreement.

Section 16. Interpretation of Agreement. It is understood that the parties hereto intend this Agreement to be interpreted and enforced so as to provide indemnification to Indemnitee to the fullest extent now or hereafter permitted by law.

Section 17. Entire Agreement. This Agreement and the documents expressly referred to herein constitute the entire agreement between the parties hereto with respect to the matters covered hereby, and any other prior or contemporaneous oral or written understandings or agreements with respect to the matters covered hereby are expressly superceded by this Agreement.

Section 18. Modification and Waiver. No supplement, modification or amendment of this Agreement shall be binding unless executed in writing by both of the parties hereto. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provision hereof (whether or not similar) nor shall such waiver constitute a continuing waiver.

Section 19. Successor and Assigns. All of the terms and provisions of this Agreement shall be binding upon, shall inure to the benefit of and shall be enforceable by the parties hereto and their respective successors, assigns, heirs, executors, administrators and legal representatives. The Corporation shall require and cause any direct or indirect successor (whether by purchase, merger, consolidation or otherwise) to all or substantially all of the business or assets of the Corporation, by written agreement in form and substance reasonably satisfactory to Indemnitee, expressly to assume and agree to perform this Agreement in the same manner and to the same extent that the Corporation would be required to perform if no such succession had taken place.

Section 20. Service of Process and Venue. For purposes of any claims or proceedings to enforce this agreement, the Corporation consents to the jurisdiction and venue of any federal or state court of competent jurisdiction in the states of Delaware and Missouri, and waives and agrees not to raise any defense that any such court is an inconvenient forum or any similar claim.

Section 21. Supercedes Prior Agreement. This Agreement supercedes any prior indemnification agreement between Indemnitee and the Corporation or its predecessors.

Section 22. Governing Law. This Agreement shall be governed exclusively by and construed according to the laws of the State of Delaware, as applied to contracts between Delaware residents entered into and to be performed entirely within Delaware. If a court of competent jurisdiction shall make a final determination that the provisions of the law of any state

other than Delaware govern indemnification by the Corporation of its officers and directors, then the indemnification provided under this Agreement shall in all instances be enforceable to the fullest extent permitted under such law, notwithstanding any provision of this Agreement to the contrary.

Section 23. Effect of Investment Company Act. The Corporation shall not be liable under this Agreement to make any payment of the amounts otherwise indemnifiable or payable or reimbursable as expenses hereunder for so long as the Corporation is subject to the Investment Company Act of 1940, as amended (the "Act"), if indemnification or payment or reimbursement of expenses would not be permissible under the Act or the rules thereunder.

Section 24. Employment Rights. Nothing in this Agreement is intended to create in Indemnitee any right to employment or continued employment.

Section 25. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument, notwithstanding that both parties are not signatories to the original or same counterpart.

Section 26. Headings. The section and subsection headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

IN WITNESS WHEREOF, this Agreement has been duly executed and delivered to be effective as of the date first above written.

TPG SPECIALTY LENDING, INC.

By _____
Name:
Title:

INDEMNITEE:

By _____
Name: