

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

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**FORM 8-K**

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Current Report Pursuant to Section 13 or 15(d) of  
the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): February 12, 2018

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**Medley Capital Corporation**

(Exact Name of Registrant as Specified in its Charter)

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**Delaware**

(State or other jurisdiction of incorporation)

**1-35040**  
(Commission File Number)

**27-4576073**  
(I.R.S. Employer Identification No.)

**280 Park Avenue, 6<sup>th</sup> Floor East**  
**New York, NY 10017**  
(Address of Principal Executive Offices and Zip Code)

Registrant's telephone number, including area code: **(212) 759-0777**

**Not Applicable**

(Former Name or Former Address, if Changed Since Last Report)

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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## **Item 1.01 Results of Operations and Financial Condition.**

### **Amendments to the Credit Facility**

On February 12, 2018 (the “Closing Date”), Medley Capital Corporation (the “Company”) entered into Amendment No. 4 to its existing Amended and Restated Senior Secured Revolving Credit Agreement (the “Amendment”), with certain lenders party thereto, ING Capital LLC, as administrative agent (the “Administrative Agent”), and, solely with respect to Section 2.8 of the Amendment, MCC Investment Holdings LLC, MCC Investment Holdings Sendero LLC, MCC Investment Holdings RT1 LLC, MCC Investment Holdings Omnivere LLC, MCC Investment Holdings Amvestar, LLC, and MCC Investment Holdings AAR, LLC, as subsidiary guarantors. The Amendment amends certain provisions of the Company’s Amended and Restated Senior Secured Revolving Credit Agreement (as amended by Amendment No. 1, Amendment No. 2 and Amendment No. 3, the “Prior Facility” and, as further amended by Amendment No. 4, the “Facility”).

The Prior Facility was amended to, among other things, (i) reduce the size of the commitments and the accordion thereunder in order to decrease long-term interest expense by approximately \$0.5 million, annually, (ii) decrease the minimum stockholders’ covenant to \$275.0 million and (iii) decrease the minimum net worth covenant to \$250.0 million. The proceeds of the Facility drawn on the Closing Date were used in part to prepay in full all Loans as defined in and outstanding on the Closing Date under the Amended and Restated Senior Secured Term Loan Credit Agreement, dated as of July 28, 2015, by and among the Company, certain lenders party thereto, ING Capital LLC, as administrative agent, and certain subsidiary guarantors party thereto (as amended by Amendment No. 1, Amendment No. 2 and Amendment No. 3).

As of February 12, 2018, total commitments under the Facility are \$150.0 million.

Borrowings under the Facility are subject to, among other things, a minimum borrowing/collateral base and substantially all of the Company’s assets are pledged as collateral under the Facility. In addition, the Facility requires the Company to, among other things (i) make

representations and warranties regarding the collateral as well the Company's business and operations, (ii) agree to certain indemnification obligations and (iii) agree to comply with various affirmative and negative covenants. The documentation for the Facility also includes default provisions such as the failure to make timely payments under the Facility, the occurrence of a change in control and the failure by the Company to materially perform under the operative agreements governing the Facility, which, if not complied with, could accelerate repayment under the Facility, thereby materially and adversely affecting the Company's liquidity, financial condition and results of operations.

The foregoing description of the Amendment does not purport to be complete and is qualified in its entirety by reference to the full text of the Amendment attached hereto as Exhibit 10.1.

**Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.**

The information set forth under Item 1.01 of this current report on Form 8-K is hereby incorporated in this Item 2.03 by reference.

**Item 9.01 Financial Statements and Exhibits.**

- (a) Not applicable.
- (b) Not applicable.
- (c) Not applicable.
- (d) Exhibits.

**Exhibit No. Description**

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10.1	<a href="#"><u>Amendment No. 4 to Amended and Restated Senior Secured Revolving Credit Agreement, dated as of February 12, 2018, by and among the Company as borrower, MCC Investment Holdings LLC, MCC Investment Holdings Sendero LLC, MCC Investment Holdings RT1 LLC, MCC Investment Holdings Omnivere LLC, MCC Investment Holdings Amvestar, LLC, and MCC Investment Holdings AAR, LLC, as subsidiary guarantors, the Lenders party thereto and ING Capital LLC, as Administrative Agent.</u></a>
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## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: February 16, 2018

**MEDLEY CAPITAL CORPORATION**

By: /s/ Richard T. Allorto, Jr.

Name: Richard T. Allorto, Jr.

Title: Chief Financial Officer

**AMENDMENT NO. 4 TO AMENDED AND RESTATED SENIOR  
SECURED REVOLVING CREDIT AGREEMENT**

This AMENDMENT NO. 4 (this "Amendment") dated as of February 12, 2018, is made with respect to the Amended and Restated Senior Secured Revolving Credit Agreement, dated as of July 28, 2015 (as amended by that certain Amendment No. 1 to Amended and Restated Senior Secured Revolving Credit Agreement, dated as of September 16, 2016, that certain Amendment No. 2 to Amended and Restated Senior Secured Revolving Credit Agreement, dated as of February 8, 2017, and by that certain Amendment No. 3 to Amended and Restated Senior Secured Revolving Credit Agreement, dated as of September 1, 2017, and as further amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), among MEDLEY CAPITAL CORPORATION, a Delaware corporation (the "Borrower"), the several banks and other financial institutions or entities from time to time party to the Credit Agreement as lenders (the "Lenders"), ING CAPITAL LLC, as administrative agent for the Lenders under the Credit Agreement (in such capacity, together with its successors in such capacity, the "Administrative Agent"), and solely for purposes of Section 2.8, MCC INVESTMENT HOLDINGS LLC, a Delaware limited liability company ("MCCIH"), MCC INVESTMENT HOLDINGS SENDERO LLC, a Delaware limited liability company ("MCCIHS"), MCC INVESTMENT HOLDINGS RT1 LLC, a Delaware limited liability company ("MCC RT1"), MCC INVESTMENT HOLDINGS OMNIVERE LLC, a Delaware limited liability company ("MCC Omnivere"), MCC INVESTMENT HOLDINGS AMVESTAR, LLC, a Delaware limited liability company ("MCC Amvestar"), MCC INVESTMENT HOLDINGS AAR, LLC, a Delaware limited liability company (together with MCCIH, MCCIHS, MCC RT1, MCC Omnivere and MCC Amvestar, the "Subsidiary Guarantors"), and together with the Borrower, the "Obligors"). Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Credit Agreement (as amended hereby).

WITNESSETH:

WHEREAS, pursuant to the Credit Agreement, the Lenders have made certain loans and other extensions of credit to the Borrower; and

WHEREAS, the Borrower has requested that the Lenders and the Administrative Agent amend certain provisions of the Credit Agreement and the Lenders signatory hereto and the Administrative Agent have agreed to do so on the terms and subject to the conditions contained in this Amendment;

WHEREAS, the Borrower intends to prepay in full the obligations under the Term Loan Credit Facility and to reduce the Commitments under the Credit Agreement;

NOW THEREFORE, in consideration of the promises and the mutual agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

SECTION I AMENDMENT TO CREDIT AGREEMENT

Effective as of the Fourth Amendment Effective Date (as defined below), and subject to the terms and conditions set forth below, the Credit Agreement is hereby amended as follows:

(a) Section 1.01 of the Credit Agreement is hereby amended by adding the following new definition in alphabetical order therein:

“Fourth Amendment Effective Date” means February 12, 2018.”

(b) The definition of “Consolidated Adjusted Interest Expense” in Section 1.01 of the Credit Agreement is hereby amended by deleting the phrase “(including any default rate of interest, if applicable)” in clause (x) thereof and replacing it with the phrase “(including any commitment or unused fees and any default rate of interest, if applicable)”;

(c) The definition of “Dollar Commitment” in Section 1.01 of the Credit Agreement is hereby amended by deleting the last sentence thereof and replacing it with the following:

“The aggregate amount of the Lenders’ Dollar Commitments as of the Fourth Amendment Effective Date is \$43,886,462.88.”

(d) The definition of “Multicurrency Commitment” in Section 1.01 of the Credit Agreement is hereby amended by deleting the last sentence thereof and replacing it with the following:

“The aggregate amount of the Lenders’ Multicurrency Commitments as of the Fourth Amendment Effective Date is \$106,113,537.12”.

(e) Section 2.06(f)(i)(B) of the Credit Agreement is hereby amended by deleting the number “\$600,000,000” appearing in clause (ii)(y) thereof and replacing it with the number “\$150,000,000”;

(f) Section 6.01(b) of the Credit Agreement is hereby amended by deleting the phrase “plus, without duplication, from and after the date that is 9 months prior to the maturity of the 2019 Notes, the outstanding principal amount of the 2019 Notes and (ii) Secured Longer-Term Indebtedness (including any refinancing or replacement thereof), in each case” therefrom;

(g) Section 6.01(k) of the Credit Agreement is hereby deleted in its entirety and replaced with the phrase “[Intentionally Omitted]”;

(h) Section 6.07(a) of the Credit Agreement is hereby amended by deleting the number “\$350,000,000” appearing in clause (ii)(x) thereof and replacing it with “\$275,000,000”;

(i) Section 6.07(e) of the Credit Agreement is hereby amended by deleting the number “\$325,000,000” appearing therein and replacing it with “\$250,000,000”;

(j) Clause (g)(i)(a) of Article VII is hereby deleted in its entirety and replaced with the phrase “(a) results in any Material Indebtedness, or any series of publicly traded notes of the Borrower (on a standalone basis), becoming due prior to its scheduled maturity or”; and

(k) Schedule 1.01(b) of the Credit Agreement is hereby deleted in its entirety and replaced by Schedule 1.01(b) attached hereto.

## SECTION II MISCELLANEOUS

2.1 Conditions to Effectiveness of Amendment. This Amendment shall become effective as of the date (the “Fourth Amendment Effective Date”) on which the Borrower and each Subsidiary Guarantor party hereto have satisfied each of the following conditions precedent (unless a condition shall have been waived in accordance with Section 9.02 of the Credit Agreement):

(a) Documents. The Administrative Agent shall have received each of the following documents, each of which shall be reasonably satisfactory to the Administrative Agent in form and substance:

(1) Executed Counterparts. From each of the Lenders, the Administrative Agent and the Obligors, either (1) a counterpart of this Amendment signed on behalf of such party or (2) written evidence satisfactory to the Administrative Agent (which may include telecopy transmission or electronic mail of a signed signature page to this Amendment) that such party has signed a counterpart of this Amendment.

(2) Commitment Reduction. The Administrative Agent shall have received reasonably satisfactory evidence of the reduction of Commitments under the Credit Agreement to an amount not to exceed \$150,000,000.

(3) Term Loan Credit Facility. The Administrative Agent shall have received reasonably satisfactory evidence of the repayment in full of all obligations under Amended and Restated Senior Secured Term Loan Credit Agreement, dated as of July 28, 2015 (as amended, restated, supplemented or otherwise modified from time to time prior to the date hereof, the “Term Loan Credit Agreement”), among the Borrower, the lenders party thereto and ING Capital LLC, as administrative agent for the lenders under the Term Loan Credit Agreement, duly executed and delivered by each of the parties thereto.

(b) Amendment Fee. The Administrative Agent shall have received, for the account of each Lender party hereto, an amendment fee in an amount equal to 0.15% of the outstanding Commitments of such Lender as of the Fourth Amendment Effective Date.

(c) Fees and Expenses. The Borrower shall have paid in full all fees and expenses owing related to this Amendment and the Credit Agreement owing on Effective Date due to any Lender on the Fourth Amendment Effective Date.

(d) Other Documents. The Administrative Agent shall have received such other documents, instruments, certificates, opinions and information as the Administrative Agent may reasonably request in form and substance satisfactory to the Administrative Agent.

The contemporaneous exchange and release of executed signature pages by each of the Persons contemplated to be a party hereto shall render this Amendment effective and any such exchange and release of such executed signature pages by all such persons shall constitute satisfaction or waiver (as applicable) of any condition precedent to such effectiveness set forth above.

2.2 Representations and Warranties. To induce the other parties hereto to enter into this Amendment, the Borrower represents and warrants to the Administrative Agent and each of the Lenders that, as of the Fourth Amendment Effective Date and after giving effect to this Amendment:

(a) This Amendment has been duly authorized, executed and delivered by the Borrower and the Subsidiary Guarantors, and constitutes a legal, valid and binding obligation of the Borrower and the Subsidiary Guarantors enforceable in accordance with its terms. The Credit Agreement, as amended by the Amendment, constitutes the legal, valid and binding obligation of the Borrower enforceable in accordance with its respective terms.

(b) The representations and warranties set forth in Article 3 of the Credit Agreement as amended by this Amendment and the representations and warranties in each other Loan Document are true and correct in all material respects (other than any representation or warranty already qualified by materiality or Material Adverse Effect, which shall be true and correct in all respects) on and as of the Fourth Amendment Effective Date or as to any such representations and warranties that refer to a specific date, as of such specific date, with the same effect as though made on and as of the Fourth Amendment Effective Date.

(c) No Default or Event of Default has occurred or is continuing under the Credit Agreement.

2.3 Counterparts. This Amendment may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Amendment constitutes the entire contract between and among the parties relating to the subject matter hereof and supersedes any and all previous agreements and understandings, oral or written, relating to the subject matter hereof. Delivery of an executed counterpart of this Amendment by telecopy or electronic mail shall be effective as delivery of a manually executed counterpart of this Amendment.

2.4 Payment of Expenses. The Borrower agrees to pay and reimburse the Administrative Agent for all of its reasonable and documented out-of-pocket costs and expenses incurred in connection with this Amendment, including, without limitation, the reasonable fees, charges and disbursements of legal counsel to the Administrative Agent, (but excluding, for the avoidance of doubt, the allocated costs of internal counsel).

2.5 GOVERNING LAW. THIS AMENDMENT SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAW OF THE STATE OF NEW YORK.

2.6 Incorporation of Certain Provisions. The provisions of Sections 9.01, 9.07, 9.09, 9.10 and 9.12 of the Credit Agreement are hereby incorporated by reference with respect to Section I.

2.7 Effect of Amendment. Except as expressly set forth herein, this Amendment shall not by implication or otherwise limit, impair, constitute a waiver of, or otherwise affect the rights and remedies of the Lenders, the Administrative Agent, the Collateral Agent, the Borrower or the Subsidiary Guarantors under the Credit Agreement or any other Loan Document, and, except as expressly set forth herein, shall not alter, modify, amend or in any way affect any of the other terms, conditions, obligations, covenants or agreements contained in the Credit Agreement or any other Loan Document, all of which are ratified and affirmed in all respects and shall continue in full force and effect. Nothing herein shall be deemed to entitle any Person to a consent to, or a waiver, amendment, modification or other change of, any of the terms, conditions, obligations, covenants or agreements contained in the Credit Agreement or any other Loan Document in similar or different circumstances. This Amendment shall apply and be effective only with respect to the provisions amended herein of the Credit Agreement. Upon the effectiveness of this Amendment, each reference in the Credit Agreement to "this Agreement," "hereunder," "hereof," "herein" or words of similar import shall mean and be a reference to the Credit Agreement as amended by this Amendment and each reference in any other Loan Document shall mean the Credit Agreement as amended hereby. This Amendment shall constitute a Loan Document.



2.8 Consent and Affirmation. Without limiting the generality of the foregoing, by its execution hereof, each of the Borrower and the Subsidiary Guarantors hereby to the extent applicable as of the Fourth Amendment Effective Date (i) consents to this Amendment and the transactions contemplated, (ii) agrees that the Guarantee and Security Agreement and each of the other Security Documents is in full force and effect, (iii) confirms its guarantee (solely in the case of Subsidiary Guarantors) and affirms its obligations under the Guarantee and Security Agreement and confirms its grant of a security interest in its assets as Collateral for the Secured Obligations (as defined in the Guarantee and Security Agreement), and (iv) acknowledges and affirms that such guarantee and/or grant is in full force and effect in respect of, and to secure, the Secured Obligations (as defined in the Guarantee and Security Agreement).

[Signature pages follow]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed and delivered as of the day and year first above written.

MEDLEY CAPITAL CORPORATION, as Borrower

By: /s/ Richard T. Allorto, Jr.  
Name: Richard T. Allorto, Jr.  
Title: Chief Financial Officer

[Amendment No. 4 to Amended and Restated Revolving Credit Agreement]

MCC INVESTMENT HOLDINGS LLC, as Subsidiary Guarantor

By: Medley Capital Corporation, a Delaware corporation, its managing member

By: MCC Advisors, LLC, a Delaware limited liability company, its investment  
manger

By: /s/ Richard T. Allorto, Jr.

Name: Richard T. Allorto, Jr.

Title: Chief Financial Officer

[Amendment No. 4 to Amended and Restated Revolving Credit Agreement]

MCC INVESTMENT HOLDINGS SENDERO LLC, as Subsidiary Guarantor

By: Medley Capital Corporation, a Delaware corporation, its managing member

By: MCC Advisors, LLC, a Delaware limited liability company, its investment  
manger

By: /s/ Richard T. Allorto, Jr.

Name: Richard T. Allorto, Jr.

Title: Chief Financial Officer

[Amendment No. 4 to Amended and Restated Revolving Credit Agreement]

MCC INVESTMENT HOLDINGS RT1 LLC, as Subsidiary Guarantor

By: /s/ Richard T. Allorto, Jr.  
Name: Richard T. Allorto, Jr.  
Title: Chief Financial Officer

[Amendment No. 4 to Amended and Restated Revolving Credit Agreement]

MCC INVESTMENT HOLDINGS OMNIVERE LLC, as Subsidiary Guarantor

By: /s/ Richard T. Allorto, Jr.  
Name: Richard T. Allorto, Jr.  
Title: Chief Financial Officer

[Amendment No. 4 to Amended and Restated Revolving Credit Agreement]

MCC INVESTMENT HOLDINGS AMVESTAR, LLC, as Subsidiary Guarantor

By: Medley Capital Corporation, a Delaware corporation, its managing member

By: MCC Advisors, LLC, a Delaware limited liability company, its investment  
manger

By: /s/ Richard T. Allorto, Jr.

Name: Richard T. Allorto, Jr.

Title: Chief Financial Officer

[Amendment No. 4 to Amended and Restated Revolving Credit Agreement]

MCC INVESTMENT HOLDINGS AAR, LLC, as Subsidiary Guarantor

By: Medley Capital Corporation, a Delaware corporation, its managing member

By: MCC Advisors, LLC, a Delaware limited liability company, its investment  
manger

By: /s/ Richard T. Allorto, Jr.

Name: Richard T. Allorto, Jr.

Title: Chief Financial Officer

[Amendment No. 4 to Amended and Restated Revolving Credit Agreement]



ING CAPITAL LLC, as Administrative Agent and a Lender

By: /s/ Patrick Frisch  
Name: Patrick Frisch  
Title: Managing Director

By: /s/ Dominik Breuer  
Name: Dominik Breuer  
Title: Vice President

[Amendment No. 4 to Amended and Restated Revolving Credit Agreement]

BANKUNITED N.A., as a Lender

By: /s/ Jasmine Varghese  
Name: Jasmine Varghese  
Title: Vice President

[Amendment No. 4 to Amended and Restated Revolving Credit Agreement]

CITY NATIONAL BANK, as a Lender

By: /s/ Brandon Feitelson  
Name: Brandon Feitelson  
Title: Senior Vice President

[Amendment No. 4 to Amended and Restated Revolving Credit Agreement]

CUSTOMERS BANK, as a Lender

By: /s/ Lyle P. Cunningham  
Name: Lyle P. Cunningham  
Title: Senior Vice President

[Amendment No. 4 to Amended and Restated Revolving Credit Agreement]

EVERBANK COMMERCIAL FINANCE, INC., as a Lender

By: /s/ David D'Antonio  
Name: David D'Antonio  
Title: Managing Director

[Amendment No. 4 to Amended and Restated Revolving Credit Agreement]

GOLDMAN SACHS BANK USA, as a Lender

By: /s/ Chris Lam

Name: Chris Lam

Title: Authorized Signatory

[Amendment No. 4 to Amended and Restated Revolving Credit Agreement]

JPMORGAN CHASE BANK, N.A., as a Lender

By: /s/ Michael Kusner

Name: Michael Kusner

Title: Executive Director

[Amendment No. 4 to Amended and Restated Revolving Credit Agreement]

KEYBANK NATIONAL ASSOCIATION, as a Lender

By: /s/ Richard Andersen  
Name: Richard Andersen  
Title: Designated Signer

[Amendment No. 4 to Amended and Restated Revolving Credit Agreement]



SIGNATURE BANK, as a Lender

By: /s/ Richard Ohl

Name: Richard Ohl

Title: Vice President, Sr. Lender

[Amendment No. 4 to Amended and Restated Revolving Credit Agreement]

STATE BANK AND TRUST COMPANY, successor by merger to ALOSTAR BANK  
OF COMMERCE, as a Lender

By: /s/ Edward Carpenter  
Name: Edward Carpenter  
Title: Director

[Amendment No. 4 to Amended and Restated Revolving Credit Agreement]

STATE STREET BANK AND TRUST COMPANY, as a Lender

By: /s/ Janet B. Nolin  
Name: Janet B. Nolin  
Title: Vice President

[Amendment No. 4 to Amended and Restated Revolving Credit Agreement]

Schedule 1.01(b)  
**COMMITMENTS**

ON FILE WITH THE ADMINISTRATIVE AGENT

[Amendment No. 4 to Amended and Restated Revolving Credit Agreement]