

GLADSTONE CAPITAL CORP
Form POS EX
May 16, 2014
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As filed with the Securities and Exchange Commission on May 15, 2014

Securities Act File No. 333-185191

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM N-2

REGISTRATION STATEMENT

UNDER

THE SECURITIES ACT OF 1933

Pre-Effective Amendment No.

x Post-Effective Amendment No. 3

GLADSTONE CAPITAL CORPORATION
(Exact Name of Registrant as Specified in Charter)

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1521 Westbranch Drive, Suite 100

McLean, Virginia 22102

(Address of Principal Executive Offices)

Registrant's Telephone Number, Including Area Code: (703) 287-5800

David Gladstone

Chairman and Chief Executive Officer

Gladstone Capital Corporation

1521 Westbranch Drive, Suite 100

McLean, Virginia 22102

(Name and Address of Agent For Service)

Copies to:

Lori B. Morgan

Bass, Berry & Sims PLC

150 Third Avenue

Suite 2800

Nashville, Tennessee 37201

Tel: (615) 742-6200

Fax: (615) 742-6293

Approximate Date of Proposed Public Offering: From time to time after the effective date of the Registration Statement.

If any securities being registered on this form will be offered on a delayed or continuous basis in reliance on Rule 415 under the Securities Act of 1933, other than securities offered in connection with a dividend reinvestment plan, check the following box.

This filing will become effective immediately upon filing pursuant to Rule 462(d) under the Securities Act of 1933, as amended.

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EXPLANATORY NOTE

This Post-Effective Amendment No. 3 to the Registration Statement on Form N-2 (File No. 333-185191) of Gladstone Capital Corporation (the Registration Statement) is being filed pursuant to Rule 462(d) under the Securities Act of 1933, as amended (the Securities Act), solely for the purpose of adding additional exhibits to such Registration Statement. Accordingly, this Post-Effective Amendment No. 3 consists only of a facing page, this explanatory note and Part C of the Registration Statement on Form N-2 setting forth the exhibits to the Registration Statement. This Post-Effective Amendment No. 3 does not modify any other part of the Registration Statement. Pursuant to Rule 462(d) under the Securities Act, this Post-Effective Amendment No. 3 shall become effective immediately upon filing with the Securities and Exchange Commission. The contents of the Registration Statement are hereby incorporated by reference.

Table of Contents**PART C****Other Information****Item 25. Financial Statements and Exhibits.****1. Financial Statements**

The following financial statements of Gladstone Capital Corporation (the Company or the Registrant) are included in the Registration Statement in Part A: Information Required in a Prospectus:

GLADSTONE CAPITAL CORPORATION**INDEX TO CONSOLIDATED FINANCIAL STATEMENTS****Audited Consolidated Financial Statements**

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| Notes to Condensed Consolidated Financial Statements | F-58 |

2. Exhibits**Exhibit****Number****Description**

| | |
|-------|---|
| 2.a.1 | Articles of Amendment and Restatement to the Articles of Incorporation, incorporated by reference to Exhibit 99.a.2 to Pre-Effective Amendment No. 1 to the Registration Statement on Form N-2 (File No. 333-63700), filed July 27, 2001. |
|-------|---|

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- 2.a.2 Articles Supplementary Establishing and Fixing the Rights and Preferences of Term Preferred Shares, including Appendix A thereto relating to the Term Preferred Shares, 7.125% Series 2016, incorporated by reference to Exhibit 2.a.2 to Post-Effective Amendment No. 5 to the Registration Statement on Form N-2 (File No. 333-162592), filed October 31, 2011.
- 2.a.3 Articles Supplementary Establishing and Fixing the Rights and Preferences of Term Preferred Shares, including Appendix A thereto relating to the Term Preferred Shares, 6.75% Series 2021, incorporated by reference to Exhibit 3.3 to the Registration Statement on Form 8-A (File No. 001-35332), filed May 15, 2014.
- 2.b.1 By-laws, incorporated by reference to Exhibit 99.b to Pre-Effective Amendment No. 1 to the Registration Statement on Form N-2 (File No. 333-63700), filed July 27, 2001.
- 2.b.2 Amendment to By-laws, incorporated by reference to Exhibit 3.3 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended December 31, 2003 (File No. 814-00237), filed February 17, 2004.

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- 2.b.3 Second Amendment to Bylaws, incorporated by reference to Exhibit 99.1 to the Registrant's Current Report on Form 8-K (File No. 814-00237), filed July 10, 2007.
- 2.b.4 Third Amendment to By-laws, incorporated by reference to Exhibit 99.1 to the Registrant's Current Report on Form 8-K (File No. 814-00237), filed June 10, 2011.
- 2.c Not applicable.
- 2.d.1 Specimen Stock Certificate, incorporated by reference to Exhibit 99.d.2 to Pre-Effective Amendment No. 3 to the Registration Statement on Form N-2 (File No. 333-63700), filed August 23, 2001.
- 2.d.3 Form of Senior Indenture incorporated by reference to Exhibit 2.d.3 to the Registration Statement on Form N-2 (File No. 333-162592), filed October 20, 2009.
- 2.d.4 Form of Subordinated Indenture incorporated by reference to Exhibit 2.d.4 to the Registration Statement on Form N-2 (File No. 333-162592), filed October 20, 2009.
- 2.d.5 Specimen 7.125% Series 2016 Term Preferred stock certificate incorporated by reference to Exhibit 2.d.5 to Post-Effective Amendment No. 5 to the Registration Statement on Form N-2 (File No. 333-162592), filed October 31, 2011.
- 2.d.6 Specimen 6.75% Series 2021 Term Preferred stock certificate, incorporated by reference to Exhibit 4.3 to the Registration Statement on Form 8-A (File No. 001-35332), filed May 15, 2014.
- 2.f Not applicable.
- 2.g. Amended and Restated Investment Advisory and Management Agreement between the Registrant and Gladstone Management Corporation, dated as of October 1, 2006 incorporated by reference to Exhibit 99.1 to the Registrant's Current Report on Form 8-K (File No. 814-00237), filed October 5, 2006.
- 2.h** Underwriting Agreement, dated as of May 13, 2014.
- 2.i Not applicable.
- 2.j.1 Custody Agreement between the Registrant and The Bank of New York, dated as of May 5, 2006, incorporated by reference to Exhibit 10.3 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2006 (File No. 814-00237), filed August 1, 2006.
- 2.j.2 Custodial Agreement by and among Gladstone Business Loan, LLC, the Registrant, Gladstone Advisers, Inc., BNY Midwest Trust Company and Canadian Imperial Bank of Commerce, dated May 19, 2003, incorporated by reference to Exhibit 2.j.2 to Post-Effective Amendment No. 1 to the Registration Statement on Form N-2 (File No. 333-185191), filed December 23, 2013.
- 2.j.3 Amendment No. 1 to Custodial Agreement by and among Gladstone Business Loan, LLC, Gladstone Advisers, Inc., BNY Midwest Trust Company and Deutsche Bank AG, New York Branch, as successor to Canadian Imperial Bank of Commerce, dated September 28, 2004, incorporated by reference to Exhibit 2.j.3 to Post-Effective Amendment No. 1 to the Registration Statement on Form N-2 (File No. 333-185191), filed December 23, 2013.
- 2.j.4 Amendment No. 2 to Custodial Agreement by and among Gladstone Business Loan, LLC, Gladstone Management Corporation, as successor in interest to Gladstone Advisers, Inc., The Bank of New York Mellon Trust Company, N.A. and Deutsche Bank AG, New York Branch, dated May 15, 2009, incorporated by reference to Exhibit 2.j.4 to Post-Effective Amendment No. 1 to the Registration Statement on Form N-2 (File No. 333-185191), filed December 23, 2013.
- 2.k.1

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Administration Agreement between the Registrant and Gladstone Administration, LLC, dated as of October 1, 2006 incorporated by reference to Exhibit 99.2 to the Registrant's Current Report on Form 8-K (File No. 814-00237), filed October 5, 2006.

- 2.k.2 Stock Transfer Agency Agreement between the Registrant and The Bank of New York, incorporated by reference to Exhibit 99.k.1 to Pre-Effective Amendment No. 1 to the Registration Statement on Form N-2 (File No. 333-63700), filed July 27, 2001.

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- 2.k.3 Fourth Amended and Restated Credit Agreement dated as of March 15, 2010 by and among Gladstone Business Loan, LLC as Borrower, Gladstone Management Corporation as Servicer, the Lenders named therein, the Managing Agents named therein, and Key Equipment Finance Inc. as Administrative Agent, incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K (File No. 814-00237), filed March 16, 2010.
- 2.k.4 Amendment No. 1 to Fourth Amended and Restated Credit Agreement dated as of November 22, 2010 by and among Gladstone Business Loan, LLC as Borrower, Gladstone Management Corporation as Servicer, the Committed Lenders named therein, the Managing Agents named therein, and Key Equipment Finance Inc. as Administrative Agent, incorporated by reference to Exhibit 10.8 to the Registrant's Annual Report on Form 10-K (File No. 814-00237), filed November 22, 2010.
- 2.k.5 Consent and Acknowledgement to Increase No. 1 under Fourth Amended and Restated Credit Agreement, dated as of August 9, 2011 by and among Gladstone Business Loan, LLC as Borrower, Gladstone Management Corporation as Servicer, the Committed Lenders named therein, the Managing Agents named therein, and Key Equipment Finance Inc. as Administrative Agent, incorporated by reference to Exhibit 10.1 to the Registrant's current Report on Form 8-K (File No. 814-00237), filed August 10, 2011.
- 2.k.6 Amendment No. 2 to Fourth Amended and Restated Credit Agreement, dated as of May 10, 2011 by and among Gladstone Business Loan, LLC, as Borrower, Gladstone Management Corporation, as Servicer, the Lenders and Managing Agents named therein, and Key Equipment Finance Inc., as Administrative Agent, incorporated by reference to Exhibit 10.7 to the Registrant's Annual Report on Form 10-K (file No. 814-00237), filed November 20, 2013.
- 2.k.7 Amendment No. 3 to Fourth Amended and Restated Credit Agreement, dated as of January 19, 2012 by and among Gladstone Business Loan, LLC as Borrower, Gladstone Management Corporation as Servicer, the Committed Lenders named therein, the Managing Agents named therein, and Key Equipment Finance Inc. as Administrative Agent, incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K (file No. 814-00237), filed January 24, 2012.
- 2.k.8 Amendment No. 4 to Fourth Amended and Restated Credit Agreement, dated as of January, 29, 2013, by and among Gladstone Business Loan, LLC, as Borrower, Gladstone Management Corporation, as Servicer, the Lenders and Managing Agents named therein, and Key Equipment Finance Inc., as Administrative Agent, incorporated by reference to Exhibit 10.1 to the Quarterly Report on Form 10-Q (File No. 814-00237), filed January, 29, 2013.
- 2.k.9 Amendment No. 5 to Fourth Amended and Restated Credit Agreement, dated as of February 21, 2013, by and among Gladstone Business Loan, LLC, as Borrower, Gladstone Management Corporation, as Servicer, the Lenders and Managing Agents named therein, and Key Equipment Finance Inc., as Administrative Agent, incorporated by reference to Exhibit 10.1 to the Registrant's Quarterly Report on Form 10-Q (File No. 814-00237), filed April 30, 2013.
- 2.k.10 Amendment No. 6 to Fourth Amended and Restated Credit Agreement, dated as of April 26, 2013, by and among Gladstone Business Loan, LLC, as Borrower, Gladstone Management Corporation, as Servicer, the Lenders and Managing Agents named therein, and Key Equipment Finance Inc., as Administrative Agent, incorporated by reference to Exhibit 10.2 to the Registrant's Quarterly Report on Form 10-Q (File No. 814-00237), filed April 30, 2013.
- 2.k.13 Amendment No. 7 to Fourth Amended and Restated Credit Agreement, dated as of September 12, 2013, by and among Gladstone Business Loan, LLC, as Borrower, Gladstone Management Corporation, as Servicer, the Lenders and Managing Agents named therein, and Key Equipment Finance Inc., as Administrative Agent incorporated by reference to Exhibit 10.13 to the Registrant's Annual Report on Form 10-K (File No.

814-00237), filed November 20, 2013.

- 2.1.1* Opinion of Counsel (Bass, Berry & Sims PLC)
- 2.1.2* Opinion of Counsel (Venable LLP)

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- 2.1.3** Opinion of Venable LLP
- 2.m Not applicable.
- 2.n.1* Consent of PricewaterhouseCoopers LLP
- 2.n.2 Consent of Counsel (Bass, Berry & Sims PLC) (included in Exhibit 2.1.1).
- 2.n.3 Consent of Counsel (Venable LLP) (included in Exhibit 2.1.2).
- 2.n.4 Consent of Venable LLP (included in Exhibit 2.1.3).
- 2.n.4* Report of Independent Registered Public Accounting Firm on Financial Statement Schedule.
- 2.o Not applicable.
- 2.p Subscription Agreement dated May 30, 2001, incorporated by reference to incorporated by reference to Exhibit p to the Registration Statement on Form N-2 (File No. 333-63700), filed June 22, 2001.
- 2.q Not applicable.
- 2.r Code of Ethics and Business Conduct, incorporated by reference to Exhibit 14 to the Registrant's Annual Report on Form 10-K (File No. 814-00237), filed November 20, 2013.
- 2.s.1 Power of Attorney (included in the signature page to the Registration Statement, filed November 29, 2012).
- 2.s.2 Statement of Eligibility of trustee on Form T-1 (to be filed pursuant to Section 305(b)(2) of the Trust Indenture Act of 1939).
- 2.s.3** Computation of Ratio of Earnings to Fixed Charges and Preferred Dividends.

* Previously filed.

** Filed herewith.

Item 26. Marketing Arrangements

The information contained under the heading *Plan of Distribution* on page 121 of the prospectus is incorporated herein by reference, and any information concerning any underwriters will be contained in the accompanying prospectus supplement, if any.

Item 27. Other Expenses of Issuance and Distribution

| | |
|---------------------------------|--------------------|
| Commission registration fee | \$ 40,920 |
| FINRA fee | 45,500 |
| Accounting fees and expenses | 75,000* |
| Printing and engraving | 100,000* |
| Legal fees and expenses | 250,000* |
| Miscellaneous fees and expenses | 15,000* |
| Total | \$ 511,420* |

* These amounts are estimates.

All of the expenses set forth above shall be borne by the Registrant.

Item 28. *Persons Controlled by or Under Common Control*

The following list sets forth each of the companies considered to be controlled by the Registrant as defined by the Investment Company Act of 1940, as of December 31, 2013:

Gladstone Capital Advisers, Inc., a Delaware corporation, controlled by the Registrant, through 100% of the voting securities. (1)

Gladstone Business Loan, LLC, a Delaware limited liability company, controlled by the Registrant, through 100% of the voting securities. (1)

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Gladstone Financial Corporation, a Delaware corporation, controlled by the Registrant, through 100% of the voting securities. (1)

Consumer Brands Holdings, Inc., a Delaware corporation, controlled by the Registrant through 95.5% of the voting securities.

Defiance Integrated Technologies, Inc., a Delaware corporation controlled by the Registrant through 64% of the voting securities.(2)

1090 Perry Acquisition Corp., a Delaware corporation, controlled by Defiance Integrated Technologies, Inc., through 100% of the voting securities.

JBM Tool & Die, Inc., a Delaware corporation, controlled by Defiance Integrated Technologies, Inc., through 100% of the voting securities.

Pro Shear Corporation, a Delaware corporation, controlled by Defiance Integrated Technologies, Inc., through 100% of the voting securities.

GLAD AGT Holding Corp., a Delaware corporation, controlled by the Registrant through 100% of the voting securities.

GLAD FedCap Holding Corp., a Delaware corporation, controlled by the Registrant through 100% of the voting securities.

GLAD Funko Investments Inc., a Delaware corporation, controlled by the Registrant through 100% voting securities.

GLAD Pop Holding Corp., a Delaware corporation, controlled by the Registrant through 100% voting securities.

Gladstone Metal, LLC, a Delaware limited liability company, controlled by the Registrant through 100% of the voting securities.

Midwest Metal Distribution, Inc., a Delaware corporation, controlled by Gladstone Metal, LLC through 59% of the voting securities.

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GLNC Holdings Corp., a Delaware corporation, controlled by the Registrant through 100% of the voting securities.

Kansas Cable Holdings, Inc., a Delaware corporation, controlled by the Registrant through 100% of the voting securities.

Lindmark Holdings Corp., a Delaware corporation, controlled by the Registrant through 100% of the voting securities.

Lindmark Acquisition, LLC a Delaware limited liability company, controlled by Lindmark Holdings Corp., through 100% of the voting securities.

LYP Holdings Corp., a Delaware corporation, controlled by the Registrant through membership on its board of directors.

LocalTel, LLC, a Delaware limited liability company controlled by LYP Holdings Corp., through 100% of the voting securities.

LYP, LLC, a Delaware limited liability company controlled by LYP Holdings Corp., through 100% of the voting securities.

Publication Holdings, Inc., a Delaware corporation, controlled by the Registrant through 100% of the voting securities.

Sunshine Media Group, Inc., a Delaware corporation, controller by Publication Holdings, Inc. through 100% of the voting securities.

Georgia Film Holdings, LLC, a Delaware limited liability company controlled by Publication Holdings, Inc. through 100% of the voting securities.

RBC Acquisition Corp., a Delaware corporation controlled by the Registrant through 100% voting securities.

- (1) Subsidiary is included in the Registrant's consolidated financial statements.
- (2) The Registrant filed separate unaudited financial statements for Defiance Integrated Technologies, Inc. on a Current Report on Form 8-K, dated December 18, 2013.

We may also be deemed to be under common control with the following entities: Gladstone Commercial Corporation; Gladstone Land Corporation; and Gladstone Investment Corporation by virtue of the fact that they are advised by our Adviser, Gladstone Management Corporation, as well as Gladstone Lending Corporation and Gladstone Participation Fund, LLC because 100% of the voting securities of each are owned by Gladstone Management Corporation.

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The following table sets forth the approximate number of record holders of each class of our securities at May 13, 2014. This number does not include stockholders for whom shares are held in street name.

| Title of Class | Number of Record Holders |
|---|--------------------------------|
| Common Stock, par value \$0.001 per share | 45 |
| 7.125% Series 2016 Term Preferred Stock | 1 |

Item 30. Indemnification**Indemnification and Limitation of Liability of Directors and Officers**

Maryland law permits a Maryland corporation to include in its charter a provision limiting the liability of its directors and officers to the corporation and its stockholders for money damages, except for liability resulting from (a) actual receipt of an improper benefit or profit in money, property or services or (b) active and deliberate dishonesty that is established by a final judgment and is material to the cause of action. Our charter contains a provision that eliminates the liability of our directors and officers to the maximum extent permitted by Maryland law.

The Maryland General Corporation Law requires us (unless our charter provides otherwise, which our charter does not) to indemnify a director or officer who has been successful, on the merits or otherwise, in the defense of any proceeding to which he or she is made a party by reason of his or her service in that capacity. The MGCL permits us to indemnify our present and former directors and officers, among others, against judgments, penalties, fines, settlements and reasonable expenses actually incurred by them in connection with any proceeding to which they may be made or threatened to be made a party by reason of their service in those or other capacities unless it is established that:

the act or omission of the director or officer was material to the matter giving rise to the proceeding and (1) was committed in bad faith or (2) was the result of active and deliberate dishonesty;

the director or officer actually received an improper personal benefit in money, property or services; or

in the case of any criminal proceeding, the director or officer had reasonable cause to believe that the act or omission was unlawful.

Under the MGCL, we may not indemnify a director or officer in a suit by us or on our behalf in which the director or officer was adjudged liable to us or in a suit in which the director or officer was adjudged liable on the basis that personal benefit was improperly received. A court may order indemnification if it determines that the director or officer is fairly and reasonably entitled to indemnification, even though the director or officer did not meet the prescribed standard of conduct or was adjudged liable on the basis that personal benefit was improperly received. However, indemnification for an adverse judgment in a suit by us or on our behalf, or for a judgment of liability on the basis that personal benefit was improperly received, is limited to expenses.

In addition, the MGCL permits us to advance reasonable expenses to a director or officer upon our receipt of:

a written affirmation by the director or officer of his or her good faith belief that he or she has met the standard of conduct necessary for indemnification by us; and

a written undertaking by or on behalf of the director or officer to repay the amount paid or reimbursed by us if it is ultimately determined that the director or officer did not meet the standard of conduct.

Our bylaws permit us to advance expenses so long as, in addition to the requirements above, we obtain security for the advance from the director or officer, we obtain insurance against losses arising by reason of lawful advances or we determine that there is reason to believe that the director or officer will be found entitled to indemnification.

Subject to the Investment Company Act of 1940, as amended (the 1940 Act), or any valid rule, regulation or order of the Securities and Exchange Commission (SEC) thereunder, our charter obligates us, to the maximum extent permitted by Maryland law in effect from time to time, to indemnify and pay or reimburse reasonable expenses in advance of final disposition of a proceeding to any director or officer, whether serving our company or at our request any other entity. Our charter also permits us to indemnify and advance expenses to any employee or agent of our company to the extent authorized by our board of directors or the bylaws and permitted by law.

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Our bylaws obligate us, to the maximum extent required by Maryland law or the charter, to indemnify any person who was or is a party or is threatened to be made a party to any threatened action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he is or was our director, officer, employee or agent, or is or was serving at our request as a director, officer, manager, partner, trustee, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise. Our bylaws also obligate us, to the maximum extent permitted by Maryland law, to indemnify the foregoing persons if our board of directors determines that such person acted in good faith and in a manner reasonably believed to be in or not opposed to the best interests of our company, and, in the case of any criminal action or proceeding, that such person had no reasonable cause to believe that such person's conduct was unlawful.

These provisions on indemnification and limitation of liability are subject to the limitations of the 1940 Act that prohibit us 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.

In addition, the investment advisory and management agreement between us and our investment adviser, Gladstone Management Corporation (the "Adviser"), as well as the administration agreement between us and our administrator Gladstone Administration, LLC (the "Administrator"), each provide that, absent willful misfeasance, bad faith, or gross negligence in the performance of their respective duties or by reason of the reckless disregard of their respective duties and obligations, the Adviser or the Administrator, as applicable, and their respective officers, managers, partners, agents, employees, controlling persons, members, and any other person or entity affiliated with it are entitled to indemnification from us for any damages, liabilities, costs, and expenses (including reasonable attorneys' fees and amounts reasonably paid in settlement) arising from the rendering of the Adviser's services under the investment advisory and management agreement or otherwise as our investment adviser, or the rendering of the Administrator's services under the administration agreement, as applicable.

Item 31. Business and Other Connections of Investment Adviser

A description of any other business, profession, vocation or employment of a substantial nature in which the Adviser, and each director or executive officer of the Adviser, is or has been during the past two fiscal years, engaged in for his or her own account or in the capacity of director, officer, employee, partner or trustee, is set forth in Part A of this Registration Statement in the section entitled "Management." Additional information regarding the Adviser and its officers and directors is set forth in its Form ADV, as filed with the SEC, and is incorporated herein by reference.

Item 32. Location of Accounts and Records

All accounts, books or other documents required to be maintained by Section 31(a) of the 1940 Act and the rules thereunder are maintained at the offices of:

- (1) the Registrant, Gladstone Capital Corporation, 1521 Westbranch Drive, Suite 100, McLean, VA 22102;
- (2) the Transfer Agent, Computershare, Inc., 250 Royall Street, Canton, MA 02021;
- (3) the Adviser, Gladstone Management Corporation, 1521 Westbranch Drive, Suite 100, McLean, VA 22102;

- (4) the Custodian, The Bank of New York Mellon Corp., 500 Ross Street, Suite 625, Pittsburgh, PA 15262; and
- (5) the Collateral Custodian, The Bank of New York Mellon Corp., 500 Ross Street, Suite 625, Pittsburgh, PA 15262.

Item 33. *Management Services*

Not applicable.

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Item 34. Undertakings

1. We hereby undertake to suspend the offering of shares until the prospectus is amended if: (1) subsequent to the effective date of this registration statement, our net asset value declines more than ten percent from our net asset value as of the effective date of this registration statement; or (2) the net asset value increases to an amount greater than our net proceeds as stated in the prospectus.

2. We hereby undertake:
 - (a) to file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:
 - (i) to include any prospectus required by Section 10(a)(3) of the Securities Act of 1933, as amended, or the Securities Act;
 - (ii) to reflect in the prospectus any facts or events arising after the effective date of this registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement; and
 - (iii) to include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement;
 - (b) that, for the purpose of determining any liability under the Securities Act, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of those securities at that time shall be deemed to be the initial *bona fide* offering thereof;
 - (c) to remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering;
 - (d) that, for the purpose of determining liability under the Securities Act to any purchaser, if the Registrant is subject to Rule 430C: Each prospectus filed pursuant to Rule 497(b), (c), (d) or (e) under the Securities Act as part of a registration statement relating to an offering, other than prospectuses filed in reliance on Rule 430A under the Securities Act, shall be deemed to be part of and included in the registration statement as of the date it is first used after effectiveness. *Provided, however*, that no statement made in a registration statement or prospectus that is part of the registration statement or

made in a document incorporated or deemed incorporated by reference into the registration statement or prospectus that is part of the registration statement will, as to a purchaser with a time of contract of sale prior to such first use, supersede or modify any statement that was made in the registration statement or prospectus that was part of the registration statement or made in any such document immediately prior to such date of first use;

- (e) that for the purpose of determining liability of the Registrant under the Securities Act to any purchaser in the initial distribution of securities: The undersigned Registrant undertakes that in a primary offering of securities of the undersigned Registrant pursuant to this registration statement, regardless of the underwriting method used to sell the securities to the purchaser, if the securities are offered or sold to such purchaser by means of any of the following communications, the undersigned Registrant will be a seller to the purchaser and will be considered to offer or sell such securities to the purchaser:
 - (i) any preliminary prospectus or prospectus of the undersigned Registrant relating to the offering required to be filed pursuant to Rule 497 under the Securities Act;
 - (ii) the portion of any advertisement pursuant to Rule 482 under the Securities Act relating to the offering containing material information about the undersigned Registrant or its securities provided by or on behalf of the undersigned Registrant; and
 - (iii) any other communication that is an offer in the offering made by the undersigned Registrant to the purchaser;
- (f) to file a post-effective amendment to the registration statement, and to suspend any offers or sales pursuant the registration statement until such post-effective amendment has been declared effective under the Securities Act, in the event the shares of the Registrant are trading below its net asset value and either (i) the Registrant receives, or has been advised by its independent registered accounting firm that it will receive, an audit report reflecting substantial doubt regarding the Registrant's ability to continue as a going concern or (ii) the Registrant has concluded that a material adverse change has occurred in its financial position or results of operations that has caused the financial statements and other disclosures on the basis of which the offering would be made to be materially misleading;

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- (g) to file a post-effective amendment to the registration statement in respect of any one or more offerings of the Registrant's shares (including warrants and/or rights to purchase the shares) below net asset value that will result in greater than 15% dilution, in the aggregate, to existing net asset value per share;
- (h) to file a post-effective amendment to the registration statement in connection with any rights offering; and
- (i) to file a post-effective amendment to the registration statement in connection with any combined offering of securities.

3. We hereby undertake that:

- (a) for the purpose of determining any liability under the Securities Act, the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by us under Rule 497(h) under the Securities Act shall be deemed to be part of this registration statement as of the time it was declared effective; and
- (b) for the purpose of determining any liability under the Securities Act, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of the securities at that time shall be deemed to be the initial *bona fide* offering thereof.

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SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, and the Investment Company Act of 1940, as amended, the Registrant has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of McLean and Commonwealth of Virginia, on the 15th day of May, 2014.

GLADSTONE CAPITAL CORPORATION

By: /s/ DAVID GLADSTONE
David Gladstone
*Chairman of the Board and
Chief Executive Officer*

POWER OF ATTORNEY

Pursuant to the requirements of the Securities Act of 1933, as amended, this Registration Statement has been signed below by the following persons in the capacities indicated on May 15, 2014:

By: /s/ DAVID GLADSTONE
David Gladstone
*Chief Executive Officer and Chairman of
the
Board of Directors
(principal executive officer)*

By: /s/ MELISSA MORRISON
Melissa Morrison
*Chief Financial Officer
(principal financial officer)*

By: *
Terry L. Brubaker
*Vice Chairman, Chief Operating Officer,
Director*

By: *
David A.R. Dullum
Executive Vice President and Director

By: *
Anthony W. Parker
Director

By: *
Michela A. English

Director

By:

*

Paul W. Adलगren
Director

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By: *
John H. Outland
Director

By: *
John D. Reilly
Director

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- 2.a.1 Articles of Amendment and Restatement to the Articles of Incorporation, incorporated by reference to Exhibit 99.a.2 to Pre-Effective Amendment No. 1 to the Registration Statement on Form N-2 (File No. 333-63700), filed July 27, 2001.
- 2.a.2 Articles Supplementary Establishing and Fixing the Rights and Preferences of Term Preferred Shares, including Appendix A thereto relating to the Term Preferred Shares, 7.125% Series 2016, incorporated by reference to Exhibit 2.a.2 to Post-Effective Amendment No. 5 to the Registration Statement on Form N-2 (File No. 333-162592), filed October 31, 2011.
- 2.a.3 Articles Supplementary Establishing and Fixing the Rights and Preferences of Term Preferred Shares, including Appendix A thereto relating to the Term Preferred Shares, 6.75% Series 2021, incorporated by reference to Exhibit 3.3 to the Registration Statement on Form 8-A (File No. 001-35332), filed May 15, 2014.
- 2.b.1 By-laws, incorporated by reference to Exhibit 99.b to Pre-Effective Amendment No. 1 to the Registration Statement on Form N-2 (File No. 333-63700), filed July 27, 2001.
- 2.b.2 Amendment to By-laws, incorporated by reference to Exhibit 3.3 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended December 31, 2003 (File No. 814-00237), filed February 17, 2004.
- 2.b.3 Second Amendment to Bylaws, incorporated by reference to Exhibit 99.1 to the Registrant's Current Report on Form 8-K (File No. 814-00237), filed July 10, 2007.
- 2.b.4 Third Amendment to By-laws, incorporated by reference to Exhibit 99.1 to the Registrant's Current Report on Form 8-K (File No. 814-00237), filed June 10, 2011.
- 2.c Not applicable.
- 2.d.1 Specimen Stock Certificate, incorporated by reference to Exhibit 99.d.2 to Pre-Effective Amendment No. 3 to the Registration Statement on Form N-2 (File No. 333-63700), filed August 23, 2001.
- 2.d.3 Form of Senior Indenture incorporated by reference to Exhibit 2.d.3 to the Registration Statement on Form N-2 (File No. 333-162592), filed October 20, 2009.
- 2.d.4 Form of Subordinated Indenture incorporated by reference to Exhibit 2.d.4 to the Registration Statement on Form N-2 (File No. 333-162592), filed October 20, 2009.
- 2.d.5 Specimen 7.125% Series 2016 Term Preferred stock certificate incorporated by reference to Exhibit 2.d.5 to Post-Effective Amendment No. 5 to the Registration Statement on Form N-2 (File No. 333-162592), filed October 31, 2011.
- 2.d.6 Specimen 6.75% Series 2021 Term Preferred stock certificate, incorporated by reference to Exhibit 4.3 to the Registration Statement on Form 8-A (File No. 001-35332), filed May 15, 2014.
- 2.f Not applicable.
- 2.g.

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Amended and Restated Investment Advisory and Management Agreement between the Registrant and Gladstone Management Corporation, dated as of October 1, 2006 incorporated by reference to Exhibit 99.1 to the Registrant's Current Report on Form 8-K (File No. 814-00237), filed October 5, 2006.

2.h** Underwriting Agreement, dated as of May 13, 2014.

2.i Not applicable.

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- 2.j.1 Custody Agreement between the Registrant and The Bank of New York, dated as of May 5, 2006, incorporated by reference to Exhibit 10.3 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2006 (File No. 814-00237), filed August 1, 2006.
- 2.j.2 Custodial Agreement by and among Gladstone Business Loan, LLC, the Registrant, Gladstone Advisers, Inc., BNY Midwest Trust Company and Canadian Imperial Bank of Commerce, dated May 19, 2003, incorporated by reference to Exhibit 2.j.2 to Post-Effective Amendment No. 1 to the Registration Statement on Form N-2 (File No. 333-185191), filed December 23, 2013.
- 2.j.3 Amendment No. 1 to Custodial Agreement by and among Gladstone Business Loan, LLC, Gladstone Advisers, Inc., BNY Midwest Trust Company and Deutsche Bank AG, New York Branch, as successor to Canadian Imperial Bank of Commerce, dated September 28, 2004, incorporated by reference to Exhibit 2.j.3 to Post-Effective Amendment No. 1 to the Registration Statement on Form N-2 (File No. 333-185191), filed December 23, 2013.
- 2.j.4 Amendment No. 2 to Custodial Agreement by and among Gladstone Business Loan, LLC, Gladstone Management Corporation, as successor in interest to Gladstone Advisers, Inc., The Bank of New York Mellon Trust Company, N.A. and Deutsche Bank AG, New York Branch, dated May 15, 2009, incorporated by reference to Exhibit 2.j.4 to Post-Effective Amendment No. 1 to the Registration Statement on Form N-2 (File No. 333-185191), filed December 23, 2013.
- 2.k.1 Administration Agreement between the Registrant and Gladstone Administration, LLC, dated as of October 1, 2006 incorporated by reference to Exhibit 99.2 to the Registrant's Current Report on Form 8-K (File No. 814-00237), filed October 5, 2006.
- 2.k.2 Stock Transfer Agency Agreement between the Registrant and The Bank of New York, incorporated by reference to Exhibit 99.k.1 to Pre-Effective Amendment No. 1 to the Registration Statement on Form N-2 (File No. 333-63700), filed July 27, 2001.
- 2.k.3 Fourth Amended and Restated Credit Agreement dated as of March 15, 2010 by and among Gladstone Business Loan, LLC as Borrower, Gladstone Management Corporation as Servicer, the Lenders named therein, the Managing Agents named therein, and Key Equipment Finance Inc. as Administrative Agent, incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K (File No. 814-00237), filed March 16, 2010.
- 2.k.4 Amendment No. 1 to Fourth Amended and Restated Credit Agreement dated as of November 22, 2010 by and among Gladstone Business Loan, LLC as Borrower, Gladstone Management Corporation as Servicer, the Committed Lenders named therein, the Managing Agents named therein, and Key Equipment Finance Inc. as Administrative Agent, incorporated by reference to Exhibit 10.8 to the Registrant's Annual Report on Form 10-K (File No. 814-00237), filed November 22, 2010.
- 2.k.5 Consent and Acknowledgement to Increase No. 1 under Fourth Amended and Restated Credit Agreement, dated as of August 9, 2011 by and among Gladstone Business Loan, LLC as Borrower, Gladstone Management Corporation as Servicer, the Committed Lenders named therein, the Managing Agents named therein, and Key Equipment Finance Inc. as Administrative Agent, incorporated by reference to Exhibit 10.1 to the Registrant's current Report on Form 8-K (File No. 814-00237), filed August 10, 2011.
- 2.k.6 Amendment No. 2 to Fourth Amended and Restated Credit Agreement, dated as of May 10, 2011 by and among Gladstone Business Loan, LLC, as Borrower, Gladstone Management Corporation, as Servicer, the Lenders and Managing Agents named therein, and Key Equipment Finance Inc., as Administrative Agent, incorporated by reference to Exhibit 10.7 to the Registrant's Annual Report on Form 10-K (file No. 814-00237), filed November 20, 2013.

- 2.k.7 Amendment No. 3 to Fourth Amended and Restated Credit Agreement, dated as of January 19, 2012 by and among Gladstone Business Loan, LLC as Borrower, Gladstone Management Corporation as Servicer, the Committed Lenders named therein, the Managing Agents named therein, and Key Equipment Finance Inc. as Administrative Agent, incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K (file No. 814-00237), filed January 24, 2012.

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- 2.k.8 Amendment No. 4 to Fourth Amended and Restated Credit Agreement, dated as of January, 29, 2013, by and among Gladstone Business Loan, LLC, as Borrower, Gladstone Management Corporation, as Servicer, the Lenders and Managing Agents named therein, and Key Equipment Finance Inc., as Administrative Agent, incorporated by reference to Exhibit 10.1 to the Quarterly Report on Form 10-Q (File No. 814-00237), filed January, 29, 2013.
- 2.k.9 Amendment No. 5 to Fourth Amended and Restated Credit Agreement, dated as of February 21, 2013, by and among Gladstone Business Loan, LLC, as Borrower, Gladstone Management Corporation, as Servicer, the Lenders and Managing Agents named therein, and Key Equipment Finance Inc., as Administrative Agent, incorporated by reference to Exhibit 10.1 to the Registrant's Quarterly Report on Form 10-Q (File No. 814-00237), filed April 30, 2013.
- 2.k.10 Amendment No. 6 to Fourth Amended and Restated Credit Agreement, dated as of April 26, 2013, by and among Gladstone Business Loan, LLC, as Borrower, Gladstone Management Corporation, as Servicer, the Lenders and Managing Agents named therein, and Key Equipment Finance Inc., as Administrative Agent, incorporated by reference to Exhibit 10.2 to the Registrant's Quarterly Report on Form 10-Q (File No. 814-00237), filed April 30, 2013.
- 2.k.13 Amendment No. 7 to Fourth Amended and Restated Credit Agreement, dated as of September 12, 2013, by and among Gladstone Business Loan, LLC, as Borrower, Gladstone Management Corporation, as Servicer, the Lenders and Managing Agents named therein, and Key Equipment Finance Inc., as Administrative Agent incorporated by reference to Exhibit 10.13 to the Registrant's Annual Report on Form 10-K (File No. 814-00237), filed November 20, 2013.
- 2.l.1* Opinion of Counsel (Bass, Berry & Sims PLC)
- 2.l.2* Opinion of Counsel (Venable LLP)
- 2.l.3** Opinion of Venable LLP
- 2.m Not applicable.
- 2.n.1* Consent of PricewaterhouseCoopers LLP
- 2.n.2 Consent of Counsel (Bass, Berry & Sims PLC) (included in Exhibit 2.l.1).
- 2.n.3 Consent of Counsel (Venable LLP) (included in Exhibit 2.l.2).
- 2.n.4 Consent of Venable LLP (included in Exhibit 2.l.3).
- 2.n.4* Report of Independent Registered Public Accounting Firm on Financial Statement Schedule.
- 2.o Not applicable.
- 2.p Subscription Agreement dated May 30, 2001, incorporated by reference to incorporated by reference to Exhibit p to the Registration Statement on Form N-2 (File No. 333-63700), filed June 22, 2001.
- 2.q Not applicable.
- 2.r Code of Ethics and Business Conduct, incorporated by reference to Exhibit 14 to the Registrant's Annual Report on Form 10-K (File No. 814-00237), filed November 20, 2013.
- 2.s.1 Power of Attorney (included in the signature page to the Registration Statement, filed November 29, 2012).
- 2.s.2 Statement of Eligibility of trustee on Form T-1 (to be filed pursuant to Section 305(b)(2) of the Trust Indenture Act of 1939).

2.s.3** Computation of Ratio of Earnings to Fixed Charges and Preferred Dividends.

* Previously filed.

** Filed herewith.