

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

FORM 8-K

CURRENT REPORT

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

Date of Report (Date of earliest event Reported): April 14, 2020

Gladstone Capital Corporation

(Exact Name of Registrant as Specified in Charter)

Maryland
(State or Other Jurisdiction of Incorporation)

814-00237
(Commission File Number)

54-2040781
(I.R.S. Employer Identification Number)

1521 Westbranch Drive, Suite 100
McLean, Virginia
(Address of Principal Executive Offices)

22102
(Zip Code)

(703) 287-5800
(Registrant's telephone number, including area code)

(Former name or former address, if changed since last report)

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))

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

| <u>Title of each class</u> | <u>Trading symbol</u> | <u>Name of each exchange on which registered</u> |
|---|-----------------------|--|
| Common Stock, \$0.001 par value per share | GLAD | Nasdaq Global Select Market |
| 6.125% Notes due 2023, \$25.00 par value per note | GLADD | Nasdaq Global Select Market |
| 5.375% Notes due 2024, \$25.00 par value per note | GLADL | Nasdaq Global Select Market |

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.

Item 1.01. Entry into a Material Definitive Agreement.

On April 14, 2020, Gladstone Capital Corporation (the “Company”) amended and restated its existing advisory agreement, as amended (the “Agreement”), with Gladstone Management Corporation, a registered investment adviser (the “Adviser”), by entering into the Second Amended and Restated Investment Advisory and Management Agreement between the Company and the Adviser (the “Amended Agreement”). The Company’s entrance into the Amended Agreement was approved unanimously by its board of directors (the “Board”), including, specifically, its independent directors. The Amended Agreement revised the “hurdle rate” included in the calculation of the Incentive Fee for the period beginning April 1, 2020 through March 31, 2021, increasing the hurdle rate from 1.75% per quarter (7% annualized) to 2.00% per quarter (8% annualized) and increasing the excess Incentive Fee hurdle rate from 2.1875% per quarter (8.75% annualized) to 2.4375% per quarter (9.75% annualized). The calculation of the other fees in the Advisory Agreement remain unchanged. The revised Incentive Fee calculation will begin with the fee calculations for the quarter ending June 30, 2020. All other terms of the Advisory Agreement remained the same. All capitalized terms not defined in this Current Report on Form 8-K are defined in the Amended Agreement.

The description above is only a summary of the material provisions of the Amended Agreement and is qualified in its entirety by reference to a copy of the Amended Agreement, which will be filed with the Company’s next periodic report.

Item 7.01. Regulation FD Disclosure.

On April 14, 2020, the Company issued a press release, filed herewith as Exhibit 99.1, announcing that the Board declared monthly cash distributions for the Company’s common stock for each of April, May, and June 2020.

The information disclosed under this Item 7.01, including Exhibit 99.1 hereto, is being furnished and shall not be deemed “filed” for purposes of Section 18 of the Securities and Exchange Act of 1934, and shall not be deemed incorporated by reference into any filing made under the Securities Act of 1933, except as expressly set forth by specific reference in such filing.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No. Description

99.1 [Press Release issued by Gladstone Capital Corporation on April 14, 2020.](#)

SIGNATURE

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.

Gladstone Capital Corporation

Date: April 14, 2020

By: /s/ Nicole Schaltenbrand
Nicole Schaltenbrand
Chief Financial Officer and Treasurer

Gladstone Capital Announces Monthly Cash Distributions for April, May and June 2020 and Conference Call Date

MCLEAN, Va., April 14, 2020 (GLOBE NEWSWIRE) -- Gladstone Capital Corporation (Nasdaq: GLAD) (the “Company”) announced today that its board of directors declared the following monthly cash distributions for April, May and June 2020 and also announced its plan to report earnings for the second fiscal quarter ended March 31, 2020.

Cash Distributions:

Common Stock: \$0.065 per share of common stock for each of April, May and June 2020, payable per the table below.

| Record Date | Payment Date | Cash Distribution |
|-------------------------------|--------------|-------------------|
| April 24 | April 30 | \$0.065 |
| May 19 | May 29 | \$0.065 |
| June 19 | June 30 | \$0.065 |
| Total for the Quarter: | | \$0.195 |

Comments from Gladstone Capital’s President, Bob Marcotte: “We are encouraged by GLAD’s preliminary estimates of our second fiscal quarter financial results based on the underlying performance of our diversified investment portfolio, as many of our companies have taken immediate actions to manage the unprecedented events of the past month related to Covid-19. However, we also recognize the magnitude of the Covid-19 impact are only beginning to unfold in the financial markets and our financial results. The Federal Reserve’s unprecedented reduction in the prevailing interest rates to support the economy will negatively impact our floating rate portfolio, and while interest rate floors will mitigate a portion of this impact, this interest income reduction combined with the reduced level of new deal and exit fee income, will reduce our net investment income. While Gladstone Management Corporation (“the Adviser”) has in the past chosen to provide incentive fee credits to support the maintenance of the shareholder distributions and will continue to do so, the near-term impact of these interest rate reductions are the prime reason for the adjustment of the announced distributions. In keeping with the Adviser’s long-term commitment to GLAD’s shareholders, the Adviser will, effective as of April 1, 2020, reduce the incentive fee payable to the Adviser by increasing the hurdle rate above which the incentive fee accrues from 7% to 8% through March 31, 2021. This incentive fee reduction will serve to increase the net earnings available for shareholder distributions and, as the prevailing interest rates recover, we expect to revisit the level of shareholder distributions. In closing, we want to thank our shareholders for their continuing support and want to wish good health and safety to all of you and your families.”

Earnings Announcement:

The Company also announced today that it plans to report earnings for the second fiscal quarter ended March 31, 2020, after the stock market closes on Monday, May 4, 2020. The Company will hold a conference call Tuesday, May 5, 2020 at 8:30 a.m. EDT to discuss its earnings results. Please call (855) 465-0177 to enter the conference call. An operator will monitor the call and set a queue for questions.

A conference call replay will be available after the call and will be accessible through May 12, 2020. To hear the replay, please dial (855) 859-2056 and use playback conference number 7299056.

The live audio broadcast of the Company’s conference call will be available online at www.gladstonecapital.com. The event will be archived and available for replay on the Company’s website through July 5, 2020.

If you have questions prior to or following the earnings release you may e-mail them to capital@gladstonecompanies.com.

Gladstone Capital Corporation is a publicly traded business development company that invests in debt and equity securities consisting primarily of secured first and second lien term loans to lower middle market businesses in the United States. Information on the business activities of all the Gladstone funds can be found at www.gladstonecompanies.com.

For Investor Relations inquiries related to any of the monthly dividend paying Gladstone funds, please visit www.gladstone.com.

Source: Gladstone Capital Corporation

For further information: Gladstone Capital Corporation, 703-287-5893