

# **GLADSTONE INVESTMENT CORPORATION**

## **OFFERING COMMITTEE CHARTER**

(Adopted January 8, 2013)

### **I. Purpose**

The purpose of the Offering Committee (the “Committee”) of the Board of Directors (the “Board”) of Gladstone Investment Corporation, a Delaware corporation (the “Company”) and a business development company under the Investment Company Act of 1940, as amended (the “1940 Act”), is to assist the Board in discharging the Board’s responsibilities regarding the offering from time to time (an “Offering”) of securities of the Company (the “Securities”), including, without limitation, (a) shares of common stock, par value \$0.001 per share (the “Common Stock”), (b) shares of preferred stock, par value \$0.001 per share (the “Preferred Stock”), (c) debt securities (the “Debt Securities”), (d) depositary shares representing fractional interests of shares of Preferred Stock (the “Depositary Shares”) and (e) subscription rights or warrants to purchase Common Stock, Preferred Stock, Debt Securities and/or Depositary Shares, pursuant to any effective shelf registration statement of the Company (including all amendments thereto, the “Shelf Registration Statement”) then on file with the United States Securities and Exchange Commission (the “Commission”) pursuant to the Securities Act of 1933, as amended (the “1933 Act”).

### **II. Membership**

The Committee shall be comprised of at least three directors, including at least one director meeting the independence requirements under the applicable rules and regulations of NASDAQ (an “Independent Director”), as appointed by the Board. The Board may change the membership of the Committee, fill any vacancy on the Committee and designate alternate members (“Alternates”) to replace any absent or disqualified member of the Committee. In addition, in the event of the absence or disqualification of any director serving on the Committee, the remaining member or members of the Committee may choose a sufficient number of Alternates to comprise a Committee of three members in accordance with the requirements of the first sentence of this Section II.

### **III. Authority and Responsibilities**

The Committee shall have all of the powers of the Board that are necessary or appropriate and that may lawfully be delegated to the Committee in connection with an Offering, including, without limitation, the power to:

- (a) determine whether to undertake an Offering;
- (b) determine the size of an Offering, including, in the case of an offering of shares of Common Stock or Preferred Stock, the number of shares to be issued or sold; provided that in no event shall the aggregate amount of Securities issued and sold in an Offering exceed the aggregate amount of Securities then available for

issuance under the Shelf Registration Statement or cause the Company not to comply with the asset coverage and other requirements of Sections 18 and 61 of the 1940 Act; and provided further that, in the case of an offering of shares of Common Stock or Preferred Stock, the number of shares to be issued or sold shall not exceed the number of shares of Common Stock or the applicable class or series of Preferred Stock then available for issuance under the Company's certificate of incorporation (the "Charter");

- (c) determine the terms of an Offering, including, without limitation, (i) the price or value of consideration to be received by the Company for the Securities to be issued and sold in an Offering, (ii) the amount of any underwriting discount applicable to the issuance and sale of such Securities and (iii) in the case of an offering of Debt Securities, the date or dates on which the principal amount of the Debt Securities will be payable and the rate or rates at which the Debt Securities will bear interest; provided, however, that, in the case of an offering of shares of Common Stock, the price per share may not be less than the then current net asset value per share exclusive of any distributing commission or discount (which net asset value shall be determined as of a time within 48 hours, excluding Sundays and holidays, next preceding the time of such determination) unless the offering has first been approved in accordance with Sections 23 and 63 of the 1940 Act;
- (d) provide for the issuance of Preferred Stock in one or more classes or series and to determine the voting powers, designations, preferences and relative, participating, optional or other special rights, and qualifications, limitations or restrictions of such Preferred Stock;
- (e) approve the entry into, execution, delivery and performance of any and all underwriting or purchase agreements, which agreement or form of agreement was previously approved by the Board at an in-person meeting in accordance with Section 15(c) of the 1940 Act, registration rights agreements, indentures, supplemental indentures and other agreements, certificates, instruments and documents, and the taking of any and all actions, which the Committee may determine to be necessary or desirable in connection with, or in order to consummate, the issuance and sale of Securities in an Offering;
- (f) cause to be filed with the Commission one or more prospectus supplements relating to an Offering pursuant to Rule 424(b) under the 1933 Act and any required exhibits or other documents as may be deemed necessary or appropriate in connection therewith;
- (g) determine the use of proceeds from the issuance and sale of Securities in an Offering;
- (h) engage one or more investment banking firms previously approved by the Board at an in-person meeting in accordance with Section 15(c) of the 1940 Act to serve as sole, joint or co-lead managers or underwriters for an Offering and, in the case

of an offering of Debt Securities, a bank or trust company to serve as trustee under the applicable indenture;

- (i) retain other third party advisors, including, without limitation, legal counsel, in connection with an Offering; and
- (j) cause the Company to pay fees and expenses in connection with evaluating, considering or effectuating an Offering.

The Committee may not approve an offering of the Company's subscription rights, warrants, options or rights to convert Common Stock, Preferred Stock, Debt Securities and/or Depository Shares of the Company unless the offering has first been approved in accordance with Sections 18(d) or 61 of the 1940 Act.

#### **IV. Procedures and Administration**

- A. Chair. Unless the Board elects a chair of the Committee, the Committee shall elect a chair by majority vote.
- B. Meetings. The chair (or in his or her absence, a member designated by the chair or the Committee) shall preside at each meeting of the Committee and set the agenda for each Committee meeting. The Committee shall have the authority to establish its own rules and procedures for notice and conduct of its meetings so long as they are not inconsistent with any provisions of the Company's bylaws (the "Bylaws") that are applicable to the Committee.

The Committee shall meet as the Committee deems necessary or desirable.

All directors who are not members of the Committee may attend and observe meetings of the Committee, but shall not participate in any discussion or deliberation unless invited to do so by the Committee, and in any event shall not be entitled to vote. The Committee may, at its discretion, include in its meetings from time to time members of the Company's management, or any other person whose presence the Committee believes to be desirable and appropriate. Notwithstanding the foregoing, the Committee may exclude from its meetings any person it deems appropriate, including but not limited to any director who is not a member of the Committee.

- C. Subcommittees. The Committee shall be entitled to delegate any or all of its responsibilities to a subcommittee of the Committee, including, without limitation, a pricing subcommittee, to the extent consistent with the Charter, the Bylaws and applicable law.
- D. Reports to Board. The Committee shall report all actions taken by the Committee to the Board at the Board's next quarterly meeting or whenever so requested by the Board. In addition, the chair of the Committee or his or her designee shall be available to answer any questions which any member of the Board who is not a member of the Committee may have regarding the matters considered and actions

taken by the Committee. Following its approval of an Offering and prior to the Company's consummation of the Offering, the Committee shall notify the Board of the material terms of the Offering.

- E. Minutes. Minutes of each meeting of the Committee shall be kept and distributed to each member of the Committee, each member of the Board who is not a member of the Committee and the Secretary of the Company.