

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

FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

FOR THE QUARTERLY PERIOD ENDED June 30, 2017

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

COMMISSION FILE NUMBER: 814-01180

Runway Growth Credit Fund Inc.

(Exact name of registrant as specified in its charter)

Maryland

(State of incorporation)

47-5049745

(I.R.S. Employer Identification No.)

205 N. Michigan Ave., Suite 930

Chicago, IL

(Address of principal executive offices)

60601

(Zip Code)

(312) 281-6270

(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

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

Large accelerated filer

Non-accelerated filer

(do not check if a smaller reporting company)

Emerging growth company

Accelerated filer

Smaller reporting 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.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

The issuer had 3,001,667 shares of common stock, \$0.01 par value per share, outstanding as of August 10, 2017.

RUNWAY GROWTH CREDIT FUND INC.

FORM 10-Q FOR THE QUARTER ENDED JUNE 30, 2017

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

RUNWAY GROWTH CREDIT FUND INC.

Statements of Assets and Liabilities

	<u>June 30, 2017</u> <u>(Unaudited)</u>	<u>December 31, 2016</u>
Assets		
Investments at fair value:		
Non-control/non-affiliate investments at fair value (cost of \$11,387,058 and \$0, respectively)	\$ 11,387,058	\$ -
Investment in U.S. Treasury Bills at fair value (cost of \$24,990,264 and \$2,999,910, respectively)	24,992,100	2,999,849
Total investments at fair value (cost of \$36,377,322 and \$2,999,849, respectively)	36,379,158	2,999,849
Cash	4,984,163	1,039,931
Capital contributions receivable	176,437	60,783
Prepaid expenses	40,698	85,097
Accrued interest receivable	34,188	-
Total assets	<u>41,614,644</u>	<u>4,185,660</u>
Liabilities		
Due to affiliate	30,127	648,805
Accrued expenses and other liabilities	228,719	60,183
Total liabilities	<u>258,846</u>	<u>708,988</u>
Commitments and contingencies (Note 3)	-	-
Net assets		
Common stock, \$0.01 par value; 100,000,000 shares authorized; 3,001,667 and 335,000 shares issued and outstanding, respectively	30,017	3,350
Additional paid-in capital	43,777,781	3,804,448
Accumulated undistributed net investment loss	(2,453,836)	(331,065)
Accumulated net realized gain	-	-
Net unrealized gain (loss)	1,836	(61)
Total net assets	<u>\$ 41,355,798</u>	<u>\$ 3,476,672</u>
Net asset value per share	<u>\$ 13.78</u>	<u>\$ 10.38</u>

See notes to financial statements.

RUNWAY GROWTH CREDIT FUND INC.

**Statements of Operations
(Unaudited)**

	Three Months Ended June 30,		Six Months Ended June 30,	
	2017	2016	2017	2016
Investment income				
Interest income from non-control/non-affiliate investments	\$ 113,366	\$ -	\$ 113,366	\$ -
Interest income from U.S. Treasury Bills	4,695	-	4,785	-
Dividend income from non-control/non-affiliate investments	13	-	13	-
Other income from non-control/non-affiliate investments	1,823	-	1,823	-
Other income from non-investment sources	8,107	-	11,395	-
Total investment income	128,004	-	131,382	-
Operating expenses				
Management fees	968,753	-	1,483,843	-
Administration fee	31,250	-	62,500	-
Professional fees	115,481	-	270,915	-
General and administrative expenses	14,842	-	93,076	-
Directors' fees	52,000	-	102,500	-
Consulting fees	12,237	-	24,657	-
Insurance expense	22,200	-	44,400	-
State franchise tax expense	48,492	-	48,492	-
Other expenses	103,148	-	123,770	-
Total operating expenses	1,368,403	-	2,254,153	-
Net investment loss	(1,240,399)	-	(2,122,771)	-
Net change in unrealized appreciation (depreciation) on investments				
Change in unrealized appreciation on U.S. Treasury Bills	1,823	-	1,897	-
Net change in unrealized appreciation on investments	1,823	-	1,897	-
Net decrease in net assets resulting from operations	\$ (1,238,576)	\$ -	\$ (2,120,874)	\$ -
Net decrease in net assets resulting from operations per common share	\$ (1.01)	\$ -	\$ (2.70)	\$ -
Net investment loss per common share	\$ (1.01)	\$ -	\$ (2.70)	\$ -
Weighted-average shares outstanding	1,228,773	1,667	784,355	1,667

See notes to financial statements.

RUNWAY GROWTH CREDIT FUND INC.

Statements of Changes in Net Assets
(Unaudited)

	<u>Six Months Ended June 30, 2017</u>	<u>Six Months Ended June 30, 2016</u>
Net decrease in net assets from operations		
Net investment loss	\$ (2,122,771)	\$ -
Change in unrealized appreciation on investments	1,897	-
Net decrease in net assets resulting from operations	<u>(2,120,874)</u>	<u>-</u>
Capital share transactions		
Issued common stock	40,000,000	-
Total increase in net assets	37,879,126	-
Net assets at beginning of period	<u>3,476,672</u>	<u>25,000</u>
Net assets at end of period	<u>\$ 41,355,798</u>	<u>\$ 25,000</u>
Capital Share Activity		
Shares issued	2,666,667	-
Shares outstanding at beginning of period	<u>335,000</u>	<u>1,667</u>
Shares outstanding at end of period	<u>3,001,667</u>	<u>1,667</u>

See notes to financial statements.

RUNWAY GROWTH CREDIT FUND INC.

**Statements of Cash Flows
(Unaudited)**

	<u>Six Months Ended June 30, 2017</u>	<u>Six Months Ended June 30, 2016</u>
Cash flows from operating activities		
Net decrease in net assets resulting from operations	\$ (2,120,874)	\$ -
Adjustments to reconcile net decrease in net assets resulting from operations to net cash used in operating activities:		
Purchase of investments	(11,363,786)	-
Purchase of U.S. Treasury Bills	(46,485,628)	-
Sale or maturity of U.S. Treasury Bills	24,500,000	-
Change in unrealized appreciation on investments	(1,897)	-
Amortization of fixed income premiums or discounts	(27,998)	-
Changes in operating assets and liabilities:		
Accrued interest receivable	(34,188)	-
Prepaid expenses	44,399	-
Due to affiliate	(618,678)	-
Accrued expenses and other liabilities	168,536	-
Net cash used in operating activities	<u>(35,940,114)</u>	<u>-</u>
Cash flows from financing activities		
Net cash received from common stock issued, net of capital contributions receivable	39,884,346	-
Net cash provided by financing activities	<u>39,884,346</u>	<u>-</u>
Net increase in cash	3,944,232	-
Cash at beginning of period	1,039,931	25,000
Cash at end of period	<u>\$ 4,984,163</u>	<u>\$ 25,000</u>
Supplemental Disclosure of Cash Flow Information		
Taxes paid	\$ 48,492	\$ -

See notes to financial statements.

RUNWAY GROWTH CREDIT FUND INC.

**Schedule of Investments (Unaudited)
June 30, 2017**

Portfolio Companies/Headquarters	Industry/ (Sub-Industry)	Investment Description ⁽¹⁾	Principal/ Quantity	Cost	Fair Value ⁽²⁾	% of Net Assets
<u>Non-control/non-affiliate investments</u>						
Mojix, Inc.						
<i>Los Angeles, CA</i>	Software & Services (Application Software)	Senior Secured Term Loan LIBOR+10%, 11% floor, 5% ETP, due 5/15/2021 ⁽⁴⁾	\$ 6,000,000	\$ 5,711,244	\$ 5,711,244	13.81%
		Warrant for Series E Preferred Stock, exercise price \$0.1064/share, expires 5/16/2027	9,395,847	244,292	244,292	0.59
Total				5,955,536	5,955,536	14.40
Placecast, Inc.						
<i>San Francisco, CA</i>	Software & Services (Internet Software & Services)	Senior Secured Term Loan LIBOR+10.75%, 11.75% floor, 5% ETP, due 6/15/2020	\$ 2,000,000	1,948,590	1,948,590	4.71
		Warrant for Series C Preferred Stock, exercise price \$1.5669/share, expires 6/21/2027	127,643	32,932	32,932	0.08
Total				1,981,522	1,981,522	4.79
SendtoNews Video, Inc.						
<i>Victoria, BC, Canada</i>	Media (Publishing)	Senior Secured Term Loan LIBOR+11%, 11% floor, 4% ETP, due 6/30/2020 ⁽³⁾	\$ 3,500,000	3,203,539	3,203,539	7.75
		Warrant for Common Stock, exercise price \$0.67/share, expires 6/30/2027 ⁽³⁾	574,502	246,461	246,461	0.60
Total				3,450,000	3,450,000	8.35
<u>Total non-control/non-affiliate investments</u>				11,387,058	11,387,058	27.54
<u>U.S. Treasury</u>						
		U.S. Treasury Bill, 0%, due 7/06/2017	\$ 5,000,000	4,999,703	4,999,700	12.08
		U.S. Treasury Bill, 0%, due 7/13/2017	\$ 10,000,000	9,997,185	9,997,900	24.18
		U.S. Treasury Bill, 0%, due 7/27/2017	\$ 10,000,000	9,993,376	9,994,500	24.17
Total U.S. Treasury				24,990,264	24,992,100	60.43
Total Investments				\$ 36,377,322	\$ 36,379,158	87.97%

See notes to financial statements.

RUNWAY GROWTH CREDIT FUND INC.

Schedule of Investments (Unaudited) - (continued)
June 30, 2017

- (1) Disclosures of interest rates on notes include cash interest rates, payment-in-kind (“PIK”) interest rates and end-of-term-payment (“ETP”) interest rates, if applicable. Unless otherwise indicated, all of the Company’s variable rate debt investments bear interest at a rate that is determined by reference to the 3-Month London Interbank Offered Rate (“LIBOR”).
- (2) All investments are restricted as to resale and were valued at fair value as determined in good faith by the Board of Directors.
- (3) Investment is not a qualifying investment as defined under Section 55(a) of the Investment Company Act of 1940, as amended. Non-qualifying assets represent 9.48% of total investments at fair value as of June 30, 2017. Qualifying assets must represent at least 70% of total assets at the time of acquisition of any additional non-qualifying assets. If at any time qualifying assets do not represent at least 70% of the Company's total assets, the Company will be precluded from acquiring any additional non-qualifying asset until such time as it complies with the requirements of Section 55(a).
- (4) Represents a PIK security. If the interest rate goes above the cap of 12.00%, PIK interest will be accrued on that amount and paid at maturity.

RUNWAY GROWTH CREDIT FUND INC.

Schedule of Investments (Unaudited) - (continued)
June 30, 2017

The following tables show the fair value of our portfolio of investments (excluding U.S. Treasury Bills) by geography and industry as of June 30, 2017:

Geography	June 30, 2017	
	Investments at Fair Value	Percentage of Net Assets
United States	\$ 7,937,058	19.19%
Canada	3,450,000	8.35
Total	\$ 11,387,058	27.54%

Industry	June 30, 2017	
	Investments at Fair Value	Percentage of Net Assets
Software & Services	\$ 7,937,058	19.19%
Media	3,450,000	8.35
Total	\$ 11,387,058	27.54%

See notes to financial statements.

RUNWAY GROWTH CREDIT FUND INC.

Schedule of Investments
December 31, 2016

<u>Portfolio Investments</u>	<u>Principal</u>	<u>Cost</u>	<u>Fair Value</u>	<u>% of Net Assets</u>
<u>U.S. Treasury</u>				
U.S. Treasury Bill, 0%, due 01/05/2017	\$ 3,000,000	\$ 2,999,910	\$ 2,999,849	86.29%
Total Investments		<u>\$ 2,999,910</u>	<u>\$ 2,999,849</u>	<u>86.29%</u>

See notes to financial statements.

RUNWAY GROWTH CREDIT FUND INC.

Notes to Financial Statements

Note 1 - Organization

Runway Growth Credit Fund Inc. (the “Company”), formerly known as GSV Growth Credit Fund Inc., is a Maryland corporation that was formed on August 31, 2015. On June 13, 2017, the Company changed its name to “Runway Growth Credit Fund Inc.” from “GSV Growth Credit Fund Inc.” The Company is an externally managed, non-diversified, closed-end investment company that has elected to be regulated as a business development company (“BDC”) under the Investment Company Act of 1940, as amended (the “1940 Act”). In addition, the Company has elected to be treated, and intends to qualify annually thereafter, as a regulated investment company (“RIC”) under Subchapter M of the Internal Revenue Code of 1986, as amended (the “Code”). While the Company intends to qualify to be treated as a RIC going forward, the Company anticipates that it may have difficulty satisfying the asset diversification requirements as it deploys initial capital and builds its investment portfolio.

The Company was formed primarily to lend to, and selectively invest in, middle-market companies in the United States. The Company’s investment objective is to maximize its total return to its stockholders primarily through current income on its loan portfolio, and secondarily through capital appreciation on its warrants and other equity positions. The Company’s investment activities are managed by its external investment adviser, Runway Growth Capital LLC (“RGC”), formerly known as GSV Growth Credit LLC. Runway Administrator Services LLC (the “Administrator”), formerly known as GSV Credit Service Company, LLC, is a wholly owned subsidiary of RGC and provides all administrative services necessary for the Company to operate.

In October 2015, in connection with the Company’s formation, the Company issued and sold 1,667 shares of common stock to David R. Spreng, the President and Chief Executive Officer of the Company and Chairman of the Company’s Board of Directors, for an aggregate purchase price of \$25,000. The sale of shares of common stock was approved by the unanimous consent of the Company’s sole director at the time. In December 2016, the Company completed the initial closing of capital commitments (the “Initial Closing”) in its private offering of shares of common stock to investors in reliance on exemptions from the registration requirements of the Securities Act of 1933, as amended (the “Securities Act”), and other applicable securities laws (the “Private Offering”). In connection with the Initial Closing, the Company called capital and issued 333,333 shares of common stock to investors for an aggregate purchase price of \$5,000,000. As of June 30, 2017, in connection with the Private Offering, the Company had closed on capital commitments of \$226,251,500 and issued 3,000,000 shares of its common stock to the Company’s investors for a total purchase price of \$45,000,000.

Note 2 - Summary of Significant Accounting Policies

Basis of Presentation

The interim unaudited financial statements of the Company are prepared on the accrual basis of accounting in conformity with U.S. Generally Accepted Accounting Principles (“U.S. GAAP”) and pursuant to the requirements for reporting on Form 10-Q and Regulation S-X under the Securities Exchange Act of 1934, as amended (the “Exchange Act”). The Company is an investment company following the specialized accounting and reporting guidance specified in the Financial Accounting Standards Board’s (“FASB”) Accounting Standards Codification (“ASC”) Topic 946, Financial Services — Investment Companies.

In the opinion of management, all adjustments, all of which were of a normal recurring nature, considered necessary for the fair presentation of financial statements for the interim period have been included. The results of operations for the current interim period are not necessarily indicative of results that ultimately may be achieved for any other interim period or for the year ending December 31, 2017. The interim unaudited financial statements and notes hereto should be read in conjunction with the audited financial statements and notes thereto contained in the Company’s annual report on Form 10-K for the year ended December 31, 2016.

RUNWAY GROWTH CREDIT FUND INC.

Notes to Financial Statements - (continued)

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 as of the date of the financial statements and the reported amounts of income and expense during the reporting period. Actual results could differ from those estimates.

Cash

Cash represents cash deposits held at financial institutions. At June 30, 2017, cash balances totaling \$4,984,163 exceeded Federal Deposit Insurance Corporation protection levels of \$250,000 by \$4,734,163, subjecting the Company to risk related to the uninsured balance. Cash is held at large, established, high credit-quality financial institutions and management believes that risk of loss associated with any uninsured balance is remote.

Capital Contributions Receivable

Capital contributions receivable represents amounts received from investors subsequent to quarter end, for contributions with an effective date before the quarter end. The Company had \$176,437 of capital contributions as of June 30, 2017, which were received by the date the financial statements were issued. As of December 31, 2016, the Company had \$60,783 of capital contributions receivable.

Investment Transactions and Related Investment Income

Security transactions, if any, are recorded on a trade-date basis. Realized gains or losses from the repayment or sale of investments are measured using the specific identification method. The amortized cost basis of investments represents the original cost adjusted for the accretion/amortization of discounts and premiums and upfront loan origination fees. The Company reports changes from the prior period in fair value of investments that are measured at fair value as a component of net change in unrealized appreciation (depreciation) on investments in the statement of operations.

Dividends are recorded on the ex-dividend date. Interest income, if any, adjusted for amortization of market premium and accretion of market discount, is recorded on an accrual basis to the extent that the Company expects to collect such amounts. Original issue discount, principally representing the estimated fair value of detachable equity or warrants obtained in conjunction with the Company's debt investments, and market discount or premium are capitalized and accreted or amortized into interest income over the life of the respective security using the effective interest method. Loan origination fees received in connection with the closing of investments are reported as unearned income, which is included as amortized cost of the investment; the unearned income from such fees is accreted over the contractual life of the loan based on the effective interest method. Upon prepayment of a loan or debt security, any prepayment penalties, unamortized loan origination fees, and unamortized market discounts are recorded as interest income.

Valuation of Investments

The Company measures the value of its investments at fair value in accordance with *Accounting Standards Codification Topic 820, Fair Value Measurements and Disclosure* ("ASC Topic 820"), issued by the FASB. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

RUNWAY GROWTH CREDIT FUND INC.

Notes to Financial Statements - (continued)

The audit committee of the Company's Board of Directors (the "Audit Committee") is responsible for assisting its Board of Directors in valuing investments that are not publicly traded or for which current market values are not readily available. Investments for which market quotations are readily available are valued using market quotations, which are generally obtained from independent pricing services, broker-dealers or market makers. With respect to portfolio investments for which market quotations are not readily available, the Company's Board of Directors, with the assistance of the Audit Committee, RGC and its senior investment team and independent valuation agents, is responsible for determining in good faith the fair value in accordance with the valuation policy approved by the Board of Directors. If more than one valuation method is used to measure fair value, the results are evaluated and weighted, as appropriate, considering the reasonableness of the range indicated by those results. The Company considers a range of fair values based upon the valuation techniques utilized and selects the value within that range that was most representative of fair value based on current market conditions as well as other factors RGC's senior investment team considers relevant.

The Company's Board of Directors makes this fair value determination on a quarterly basis and any other time when a decision regarding the fair value of the portfolio investments is required. A determination of fair value involves subjective judgments and estimates and depends on the facts and circumstances. Due to the inherent uncertainty of determining the fair value of portfolio investments that do not have a readily available market value, the fair value of the investments may differ significantly from the values that would have been used had a readily available market value existed for such investments, and the differences could be material.

ASC Topic 820 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. ASC Topic 820 also provides guidance regarding a fair value hierarchy, which prioritizes information used to measure fair value and the effect of fair value measurements on earnings and provides for enhanced disclosures determined by the level within the hierarchy of information used in the valuation. In accordance with ASC Topic 820, these inputs are summarized in the three levels listed below:

- Level 1—Valuations are based on quoted prices in active markets for identical assets or liabilities that are accessible at the measurement date.
- Level 2—Valuations are based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly and model-based valuation techniques for which all significant inputs are observable.
- Level 3—Valuations based on inputs that are unobservable and significant to the overall fair value measurement. Level 3 assets and liabilities include financial instruments whose value is determined using pricing models incorporating significant unobservable inputs, such as discounted cash flow models and other similar valuations techniques. The valuation of Level 3 assets and liabilities generally requires significant management judgment due to the inability to observe inputs to valuation.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of observable input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment.

Under ASC Topic 820, the fair value measurement also assumes that the transaction to sell an asset occurs in the principal market for the asset or, in the absence of a principal market, the most advantageous market for the asset, which may be a hypothetical market, and excludes transaction costs. The principal market for any asset is the market with the greatest volume and level of activity for such asset in which the reporting entity would or could sell or transfer the asset. In determining the principal market for an asset or liability under ASC Topic 820, it is assumed that the reporting entity has access to such market as of the measurement date. Market participants are defined as buyers and sellers in the principal or most advantageous market that are independent, knowledgeable and willing and able to transact.

With respect to investments for which market quotations are not readily available, the Company's Board of Directors undertakes a multi-step valuation process each quarter, as described below:

- The quarterly valuation process begins with each portfolio company or investment being initially valued by RGC's investment professionals that are responsible for the portfolio investment;
- Preliminary valuation conclusions are then documented and discussed with RGC's senior investment team;

RUNWAY GROWTH CREDIT FUND INC.

Notes to Financial Statements - (continued)

- The Audit Committee then reviews these preliminary valuations;
- At least once annually, the valuation for each portfolio investment is reviewed by an independent valuation firm. Certain investments, however, may not be evaluated by an independent valuation firm unless the net asset value and other aspects of such investments in the aggregate exceed certain thresholds; and
- The Company's Board of Directors then discusses valuations and determines the fair value of each investment in the Company's portfolio in good faith, based on the input of RGC, the independent valuation firm and the Audit Committee.

The Company's investments are primarily loans made to small, fast-growing companies focused in technology, life sciences, business services, industrial companies and other high-growth industries. These investments are considered Level 3 assets under ASC Topic 820 because there is no known or accessible market or market indices for these types of debt instruments and, thus, RGC's senior investment team must estimate the fair value of these investment securities based on models utilizing unobservable inputs.

Investment Valuation Techniques

Debt Investments: To estimate the fair value of the Company's debt investments, the Company compares the cost basis of the debt investment, which includes original issue discount, to the resulting fair value determined using a discounted cash flow model, unless another model is more appropriate based on the circumstances at the measurement date. The discounted cash flow approach entails analyzing the interest rate spreads for recently completed financing transactions which are similar in nature to the Company's investments, in order to determine a comparable range of effective market interest rates for its investments. The range of interest rate spreads utilized is based on borrowers with similar credit profiles. All remaining expected cash flows of the investment are discounted using this range of interest rates to determine a range of fair values for the debt investment.

This valuation process includes, among other things, evaluating the underlying investment performance, the portfolio company's current financial condition and ability to raise additional capital, as well as macro-economic events that may impact valuations. These events include, but are not limited to, current market yields and interest rate spreads of similar securities as of the measurement date. Significant increases or decreases in these unobservable inputs could result in a significantly higher or lower fair value measurement.

Under certain circumstances, the Company may use an alternative technique to value the debt investments to be acquired by the Company that better reflects the fair value of the investment, such as the price paid or realized in a recently completed transaction or a binding offer received in an arms-length transaction, the use of multiple probability-weighted cash flow models when the expected future cash flows contain elements of variability or estimates of proceeds that would be received in a liquidation scenario.

Warrants: Fair value of warrants is primarily estimated using a Black Scholes option-pricing model. Privately held warrants and equity-related securities are valued based on an analysis of various factors including, but not limited to, the following:

- Underlying enterprise value of the issuer is estimated based on information available, including any information regarding the most recent rounds of issuer funding. Valuation techniques to determine enterprise value include market multiple approaches, income approaches or approaches that utilize recent rounds of financing and the portfolio company's capital structure to determine enterprise value. Valuation techniques are also utilized to allocate the enterprise fair value of a portfolio company to the specific class of common or preferred stock exercisable in the warrant. Such techniques take into account the rights and preferences of the portfolio company's securities, expected exit scenarios, and volatility associated with such outcomes to allocate the fair value to the specific class of stock held in the portfolio. Such techniques include Option Pricing Models, or "OPM," including back-solve techniques, Probability Weighted Expected Return Models, or "PWERM," and other techniques as determined to be appropriate.

RUNWAY GROWTH CREDIT FUND INC.

Notes to Financial Statements - (continued)

- Volatility, or the amount of uncertainty or risk about the size of the changes in the warrant price, is based on comparable publicly traded companies within indices similar in nature to the underlying company issuing the warrant. Significant increases (decreases) in this unobservable input could result in a significantly lower (higher) fair value.
- The risk-free interest rates are derived from the U.S. Treasury yield curve. The risk-free interest rates are calculated based on a weighted average of the risk-free interest rates that correspond closest to the expected remaining life of the warrant. Significant increases (decreases) in this unobservable input could result in a significantly higher (lower) fair value.
- Other adjustments, including a marketability discount on private company warrants, are estimated based on judgment about the general industry environment. Significant increases (decreases) in this unobservable input could result in a significantly lower (higher) fair value.
- Historical portfolio experience on cancellations and exercises of warrants are utilized as the basis for determining the estimated life of the warrants in each financial reporting period. Warrants may be exercised in the event of acquisitions, mergers or initial public offerings, and cancelled due to events such as bankruptcies, restructuring activities or additional financings. These events cause the expected remaining life assumption to be shorter than the contractual term of the warrants. Significant increases or decreases in this unobservable input could result in a significantly higher or lower fair value.

Under certain circumstances, the Company may use an alternative technique to value warrants that better reflects the warrants' fair values, such as an expected settlement of a warrant in the near term, a model that incorporates a put feature associated with the warrant, or the price paid or realized in a recently completed transaction or binding offer received in an arms-length transaction. The fair value may be determined based on the expected proceeds to be received from such settlement or based on the net present value of the expected proceeds from the put option.

These valuation methodologies involve a significant degree of judgment. There is no single standard for determining the estimated fair value of investments that do not have an active public market. Valuations of privately held investments are inherently uncertain, as they are based on estimates, and their values may fluctuate over time. The determination of fair value may differ materially from the values that would have been used if an active market for these investments existed. In some cases, the fair value of such investments is best expressed as a range of values derived utilizing different methodologies from which a single estimate may then be determined.

Equity Investments. The fair value of an equity investment in a privately held company is initially the face value of the amount invested. The Company adjusts the fair value of equity investments in private companies upon the completion of a new third-party round of equity financing subsequent to the Company's investment. The Company may make adjustments to fair value, absent a new equity financing event, based upon positive or negative changes in a portfolio company's financial or operational performance. The Company may also reference comparable transactions and/or secondary market transactions to estimate fair value. The fair value of an equity investment in a publicly traded company is based upon the closing public share price on the date of measurement. These assets are recorded at fair value on a recurring basis. These valuation methodologies involve a significant degree of judgment. There is no single standard for determining the estimated fair value of investments that do not have an active public market. Valuations of privately held investments are inherently uncertain, as they are based on estimates, and their values may fluctuate over time. The determination of fair value may differ materially from the values that would have been used if an active market for these investments existed. In some cases, the fair value of such investments is best expressed as a range of values derived utilizing different methodologies from which a single estimate may then be determined.

Fair Value of Financial Instruments

The carrying amounts of the Company's financial instruments, including cash and accrued liabilities, approximate fair value due to their short-term nature.

RUNWAY GROWTH CREDIT FUND INC.

Notes to Financial Statements - (continued)

Investment Classification

The Company is a non-diversified company within the meaning of the 1940 Act. Once the Company acquires investments, it will classify its investments by level of control. As defined in the 1940 Act, control investments are those where there is the ability or power to exercise a controlling influence over the management or policies of a company. Control is generally deemed to exist when a company or individual possesses or has the right to acquire within 60 days or less, a beneficial ownership of more than 25% of the voting securities of an investee company. Affiliated investments and affiliated companies are defined by a lesser degree of influence and are deemed to exist through the possession outright, or via the right to acquire within 60 days or less, beneficial ownership of 5% or more of the outstanding voting securities owned by another company or person.

Investments are recognized when the Company assumes an obligation to acquire a financial instrument and assumes the risks for gains or losses related to that instrument. Investments are derecognized when the Company assumes an obligation to sell a financial instrument and foregoes the risks for gains or losses related to that instrument. Specifically, the Company records all security transactions on a trade date basis. Investments in other, non-security financial instruments, such as limited partnerships or private companies, are recorded on the basis of subscription date or redemption date, as applicable. Amounts for investments recognized or derecognized but not yet settled will be reported as receivables for investments sold and payables for investments acquired, respectively, in the Statements of Assets and Liabilities.

Income Taxes

The Company has elected to be treated as a RIC under subchapter M of the Code for 2016 and intends to qualify annually thereafter for the tax treatment applicable to RICs. In order to qualify as a RIC, among other things, the Company is required to meet certain source-of-income and asset diversification requirements and timely distribute to its stockholders at least 90% of the sum of investment company taxable income ("ICTI") including payment-in-kind ("PIK") interest, as defined by the Code, and net tax exempt interest income (which is the excess of our gross tax exempt interest income over certain disallowed deductions) for each taxable year in order to be eligible for tax treatment under subchapter M of the Code. Depending on the level of ICTI earned in a tax year, the Company may choose to carry forward ICTI in excess of current year dividend distributions into the next tax year. Any distribution of such carryover ICTI must be declared no later than September 15th of the following taxable year and distributed by the earlier of the first regular distribution of the same type of income following the declaration or December 31st of such following year.

If we do not distribute (or are not deemed to have distributed) each calendar year sum of (1) 98% of our net ordinary income for each calendar year, (2) 98.2% of our capital gain net income for the one-year period ending October 31 in that calendar year and (3) any income recognized, but not distributed, in preceding years (the "Minimum Distribution Amount"), we will generally be required to pay a U.S. federal excise tax equal to 4% of the amount by the which Minimum Distribution Amount exceeds the distributions for the year. To the extent that we determine that our estimated current year annual taxable income will be in excess of estimated current year dividend distributions from such taxable income, we accrue excise taxes, if any, on estimated excess taxable income as taxable income is earned using an annual effective excise tax rate. The annual effective U.S. federal excise tax rate is determined by dividing the estimated annual excise tax by the estimated annual taxable income.

If the Company is not treated as a RIC for any taxable year, the Company will be taxed as a regular corporation (a "C corporation") under subchapter C of the Code for such taxable year. If the Company has previously qualified as a RIC but is subsequently unable to qualify for treatment as a RIC, and certain amelioration provisions are not applicable, the Company would be subject to U.S. federal income tax on all of its taxable income (including its net capital gains) at regular corporate rates. The Company would not be able to deduct distributions to stockholders, nor would it be required to make distributions. In order to requalify as a RIC, in addition to the other requirements discussed above, the Company would be required to distribute all of its previously undistributed earnings attributable to the period it failed to qualify as a RIC by the end of the first year that it intends to requalify as a RIC. If the Company fails to requalify as a RIC for a period greater than two taxable years, it may be subject to regular corporate-level U.S. federal income tax on any net built-in gains with respect to certain of its assets (i.e., the excess of the aggregate gains, including items of income, over aggregate losses that would have been realized with respect to such assets if the Company had been liquidated) that it elects to recognize on requalification or when recognized over the next five years.

Per Share Information

Basic and diluted earnings/(loss) per common share is calculated using the weighted-average number of common shares outstanding for the period presented. For the three and six months ended June 30, 2017, basic and diluted earnings/(loss) per share were the same because there were no potentially dilutive securities outstanding. There were no earnings for the three and six months ended June 30, 2016. Per share data is based on the weighted-average shares outstanding.

RUNWAY GROWTH CREDIT FUND INC.

Notes to Financial Statements - (continued)

Distributions

The Company generally intends to distribute, out of assets legally available for distribution, substantially all of its available earnings, on a quarterly basis, subject to the discretion of the Board of Directors. For the six months ended June 30, 2017 and the year ended December 31, 2016, the Company did not declare or pay any dividends or distributions.

Organization and Offering Costs

Organization costs include, among other things, the cost of organizing as a Maryland corporation, including the cost of legal services and other fees pertaining to our organization, all of which are expensed as incurred. Offering costs include, among other things, legal fees and other costs pertaining to the preparation of the Company's private placement memorandum and other offering documents, including travel-related expenses. Pursuant to the investment advisory agreement between the Company and RGC (the "Advisory Agreement"), the Company and RGC agreed that initial organization and offering costs would be borne by the Company up to a maximum amount of \$1,000,000, provided that the amount of such costs in excess of \$1,000,000 would be paid by RGC. As of December 31, 2016, the Company had already incurred the maximum amount of \$1,000,000 in organization and offering costs. As a result, for the three and six months ended June 30, 2017, the Company did not incur any organization or offering expenses.

Recent Accounting Pronouncements

In January 2016, the FASB issued Accounting Standards Update ("ASU") 2016-01, Financial Instruments — Overall (Subtopic 825-10): Recognition and Measurement of Financial Assets and Financial Liabilities ("ASU 2016-01"). ASU 2016-01 affects accounting for equity investments and financial liabilities where the fair value option has been elected. ASU 2016-01 requires an entity to measure equity investments at fair value through net income. ASU 2016-01 is effective for fiscal years beginning after December 15, 2017. The Company is evaluating the impact this accounting pronouncement would have on the accompanying financial statements.

In May 2014, the FASB issued a converged standard to provide a single, comprehensive revenue recognition model for all contracts with customers to improve comparability within industries, across industries, and across capital markets. The core principle of the new guidance is that an entity will recognize revenue to depict the transfer of goods or services to customers in an amount that the entity expects to be entitled to in exchange for those goods or services. In August 2015, the FASB issued ASU 2015-14, Revenue from Contracts with Customers (Topic 606) –Deferral of the Effective Date, formally amending the effective date of the new revenue recognition guidance. The amended guidance defers the effective date of the new guidance to interim reporting periods within annual reporting periods beginning after December 15, 2017. Public business entities are permitted to apply the new guidance early, but not before the original effective date (*i.e.*, interim periods within annual periods beginning after December 15, 2016). The Company is evaluating the impact this accounting pronouncement would have on the accompanying financial statements.

In March 2016, the FASB issued ASU 2016-08, Revenue from Contracts with Customers (Topic 606) –Principal versus Agent Considerations (Reporting Revenue Gross Versus Net) ("ASU 2016-08"). The amended guidance affects entities that enter into contracts with customers to transfer goods or services in exchange for consideration. Under ASU 2016-08, when another party is involved in providing goods or services to a customer, an entity must determine whether the nature of its promise is to provide the specified good or service itself (that is, the entity is a principal) or to arrange for the good or service to be provided by the other party (that is, the entity is an agent). An entity is a principal if it controls the specified good or service before that good or service is transferred to a customer. The amended guidance includes indicators to assist an entity in determining whether it controls a specified good or service before it is transferred to the customer. ASU 2016-08 affects the guidance in the new revenue standard issued in May 2014 and has the same effective date which is described above. The Company is evaluating the impact this accounting pronouncement would have on the accompanying financial statements.

RUNWAY GROWTH CREDIT FUND INC.

Notes to Financial Statements - (continued)

Note 3 – Commitments and Contingencies

In the normal course of business, the Company may enter into investment agreements under which it commits to make an investment in a portfolio company at some future date or over a specified period of time. At June 30, 2017, the Company had \$5,500,000 in unfunded loan commitments to provide debt financing to its portfolio companies. At December 31, 2016, the Company had no unfunded loan commitments. The balances of unfunded commitments to extend financing as of June 30, 2017 and December 31, 2016 were as follows:

Portfolio Company	Investment Type	June 30, 2017	December 31, 2016
Mojix, Inc.	Senior Secured Term Loan	\$ 4,000,000	\$ —
Placecast, Inc.	Senior Secured Term Loan	—	—
SendtoNews Video, Inc.	Senior Secured Term Loan	1,500,000	—
Total unused commitments to extend financing		<u>\$ 5,500,000</u>	<u>\$ —</u>

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

Note 4 – Concentration of Credit Risk

In the normal course of business, the Company maintains its cash balances in financial institutions, which at times may exceed federally insured limits. The Company is subject to credit risk to the extent that any financial institution with which it conducts business is unable to fulfill contractual obligations on its behalf. Management monitors the financial condition of those financial institutions and does not currently anticipate any losses from these counterparties.

Note 5 – Net Increase/(Decrease) in Net Assets Resulting from Operations per Common Share

The following information sets forth the computation of basic losses per common share for the three and six months ended June 30, 2017 and June 30, 2016:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2017	2016	2017	2016
Net decrease in net assets resulting from operations	\$ (1,238,576)	\$ -	\$ (2,120,874)	\$ -
Per Share Data ⁽¹⁾:				
Weighted-average shares outstanding for period (basic)	1,228,773	1,667	784,355	1,667
Loss per common share (basic)	\$ (1.01)	\$ -	\$ (2.70)	\$ -

(1) Per share data is based on weighted-average shares outstanding.

Note 6 – Net Assets

The Company has the authority to issue 100,000,000 shares of common stock at \$0.01 per share par value. The common shares issued, the price per share and the proceeds raised, since inception, are detailed in the following table:

Issuance Date	Shares Issued	Price Per Share	Gross Proceeds
October 8, 2015	1,667	\$ 15.00	\$ 25,000
December 22, 2016	333,333	15.00	5,000,000
April 19, 2017	1,000,000	15.00	15,000,000
June 26, 2017	1,666,667	15.00	25,000,000
Total	<u>3,001,667</u>		<u>\$ 45,025,000</u>

RUNWAY GROWTH CREDIT FUND INC.

Notes to Financial Statements - (continued)

At June 30, 2017 and December 31, 2016, the Company had total commitments of \$226,251,500 and \$209,901,500, respectively. The minimum capital commitment for an investor is \$1,000,000. Management, however, may waive the minimum capital commitment at its discretion.

Capital commitments may be drawn down by the Company on a pro rata basis, as needed, upon not less than ten (10) days' prior written notice for the purposes of funding the Company's investments (including follow-on investments), paying the Company's expenses, including fees under the Advisory Agreement, and/or maintaining a reserve account for the payment of future expenses or liabilities.

Note 7 – Related Party Agreements and Transactions

Advisory Agreement

On November 29, 2016, the Company's Board of Directors approved the Advisory Agreement, under which RGC, subject to the overall supervision of the Board of Directors, manages the day-to-day operations of and provides investment advisory services to the Company. Under the terms of the Advisory Agreement, RGC:

- determines the composition of the Company's portfolio, the nature and timing of the changes to the portfolio and the manner of implementing such changes;
- identifies, evaluates and negotiates the structure of the investments the Company makes;
- executes, closes, services and monitors the investments the Company makes;
- determines the securities and other assets that the Company will purchase, retain or sell;
- performs due diligence on prospective investments; and
- provides the Company with other such investment advisory, research and related services as the Company may, from time to time, reasonably require for the investment of its funds.

Pursuant to the Advisory Agreement, the Company pays RGC a fee for its investment advisory and management services consisting of two components – a base management fee and an incentive fee. The cost of both the base management fee and incentive fee are ultimately borne by the Company's stockholders.

Base Management Fee

The base management fee is payable on the first day of each calendar quarter, calculated based on the average of the amount of Capital Commitments (as defined below) and assets purchased with borrowed funds or other forms of leverage (collectively, the "Gross Assets") during the preceding calendar quarter. Until the earlier of (1) the consummation of an initial public offering ("IPO") of the Public Fund (defined below) in connection with a Spin-Off transaction (defined below) and (2) the earliest date at which (a) all Capital Commitments have been called for investments and/or expenses and (b) the Company holds no more than 10.0% of its total assets in cash, the base management fee will be the lesser of (i) an amount equal to 0.4375% (1.75% annualized) of the average amount of the Company's Gross Assets during the most recently completed calendar quarter and (ii) the actual operating expenses incurred by RGC during such calendar quarter.

For purposes of the Advisory Agreement, "Capital Commitments" is defined as the aggregate amount of capital committed to the Company by investors as of the end of the most recently completed calendar quarter.

RUNWAY GROWTH CREDIT FUND INC.

Notes to Financial Statements - (continued)

Following the earlier of (1) the consummation of an IPO of the Public Fund in connection with a Spin-Off transaction and (2) the earliest date at which (a) all Capital Commitments have been called for investments or expenses and (b) the Company holds no more than 10% of its total assets in cash, the base management fee will be an amount equal to 0.4375% (1.75% annualized) of the average amount of the Company's Gross Assets during the most recently completed calendar quarter for so long as the aggregate amount of the Company's Gross Assets as of the end of the most recently completed calendar quarter is less than \$500,000,000. If the aggregate amount of the Company's Gross Assets as of the end of the most recently completed calendar quarter is equal to or greater than \$500,000,000, but less than \$1,000,000,000, the base management fee will be an amount equal to 0.40% (1.60% annualized) of the average amount of the Company's Gross Assets for the most recently completed calendar quarter. If the aggregate amount of the Company's Gross Assets as of the end of the most recently completed calendar quarter is equal to or greater than \$1,000,000,000, the base management fee will be an amount equal to 0.375% (1.50% annualized) of the average amount of the Company's Gross Assets for the most recently completed calendar quarter.

RGC earned management fees of \$968,753 and \$1,483,843 for the three and six months ended June 30, 2017, respectively. RGC did not earn management fees for the three and six months ended June 30, 2016.

For purposes of the Advisory Agreement, a "Spin-Off transaction" includes a transaction whereby the Company offers its stockholders the option to elect to either (i) retain their ownership of shares of the Company's common stock; (ii) exchange their shares of the Company's common stock for shares of common stock in a newly formed entity (the "Public Fund") that will elect to be regulated as a BDC under the 1940 Act and treated as a RIC under Subchapter M of the Code, and will use its commercially reasonable best efforts to complete an IPO of shares of its common stock not later than three years after the Company's final closing of the Private Offering, which closing will occur no later than December 31, 2017; or (iii) exchange their shares of the Company's common stock for interests of one or more newly formed entities (each, a "Liquidating Fund") that will each be organized as a limited liability company, and which will, among other things, seek to complete an orderly wind down and/or liquidation of any such Liquidating Fund.

Incentive Fee

The incentive fee, which provides RGC with a share of the income that RGC generates for the Company, will consist of an investment-income component and a capital-gains component, which are largely independent of each other, with the result that one component may be payable even if the other is not.

Under the investment-income component, the Company will pay RGC each quarter an incentive fee with respect to the Company's pre-incentive fee net investment income. The investment-income component will be calculated and payable quarterly in arrears based on the pre-incentive fee net investment income for the immediately preceding fiscal quarter. Payments based on pre-incentive fee net investment income will be based on the pre-incentive fee net investment income earned for the quarter. For this purpose, "pre-incentive fee net investment income" means interest income, dividend income and any other income (including any other fees, such as commitment, origination, structuring, diligence, managerial and consulting fees or other fees that the Company receives from portfolio companies) the Company accrues during the fiscal quarter, minus the Company's operating expenses for the quarter (including the base management fee, expenses payable under the administration agreement (the "Administration Agreement") with the Administrator, and any dividends paid on any issued and outstanding preferred stock, but excluding the incentive fee); *provided however*, that pre-incentive fee net investment income will be reduced by multiplying the pre-incentive fee net investment income earned for the quarter by a fraction, the numerator of which is the Company's total assets minus average daily borrowings for the immediately preceding fiscal quarter, and the denominator of which is the Company's total assets for the immediately preceding fiscal quarter. 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; provided, however, that the portion of the investment-income component of the incentive fee attributable to deferred interest features will be paid, only if and to the extent received in cash, and any accrual thereof will be reversed if and to the extent such interest is reversed in connection with any write off or similar treatment of the investment giving rise to any deferred interest accrual, applied in each case in the order such interest was accrued. Such subsequent payments in respect of previously accrued income will not reduce the amounts payable for any quarter pursuant to the calculation of the investment-income component described above. Pre-incentive fee net investment income does not include any realized capital gains, realized capital losses or unrealized capital appreciation or depreciation.

RUNWAY GROWTH CREDIT FUND INC.

Notes to Financial Statements - (continued)

Pre-incentive fee net investment income, expressed as a rate of return on the value of the Company's net assets (defined as total assets less liabilities) at the end of the immediately preceding fiscal quarter, will be compared to a "hurdle rate" of 2.0% per quarter (8.0% annualized). The Company will pay RGC an investment-income incentive fee with respect to the Company's pre-incentive fee net investment income in each calendar quarter as follows: (1) no investment-income incentive fee in any calendar quarter in which the Company's pre-incentive fee net investment income does not exceed the hurdle rate of 2.0%; (2) 80% 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 but is less than 2.667% in any calendar quarter (10.668% annualized) (the portion of the Company's pre-incentive fee net investment income that exceeds the hurdle but is less than 2.667% is referred to as the "catch-up"; the "catch-up" is meant to provide RGC with 20.0% of the Company's pre-incentive fee net investment income as if a hurdle did not apply if the Company's pre-incentive fee net investment income exceeds 2.667% in any calendar quarter (10.668% annualized)); and (3) 20.0% of the amount of the Company's pre-incentive fee net investment income, if any, that exceeds 2.667% in any calendar quarter (10.668% annualized) payable to RGC (once the hurdle is reached and the catch-up is achieved, 20.0% of all pre-incentive fee net investment income thereafter is allocated to RGC).

Until the consummation of an IPO of the Public Fund in connection with a Spin-Off transaction, in the event that the sum of the Company's cumulative net realized losses since the date of the Company's election to be regulated as a BDC exceeds 2.0% of the total non-control/non-affiliate investments made by the Company since the date of the Company's election to be regulated as a BDC as of the end of the quarter, the investment-income component of the incentive fee will not be payable for such quarter until the first subsequent quarter in which the sum of the Company's cumulative net realized losses since the date of the Company's election to be regulated as a BDC is less than 2.0% of the total non-control/non-affiliate investments made by the Company since the date of the Company's election to be regulated as a BDC as of the end of such subsequent quarter; provided, however, that in no event will any investment-income component of the incentive fee be paid for any prior quarter after the three-year anniversary of the end of such quarter.

After the consummation of an IPO of the Public Fund in connection with a Spin-Off transaction, in the event that the sum of the Company's cumulative net realized losses for the previous four fiscal quarters or, if fewer than four fiscal quarters have passed since such IPO, that number of fiscal quarters since such IPO (the "Look-Back Period"), exceeds 2.0% of the total non-control/non-affiliate investments (i) made by the Company during the Look-Back Period or (ii) transferred to the Public Fund in connection with a Spin-Off transaction during the Look-Back Period, the investment-income component of the incentive fee will not be payable for such quarter until the first subsequent quarter in which the sum of the Company's cumulative net realized losses for the Look-Back Period is less than 2.0% of the total non-control/non-affiliate investments (i) made by the Company during the Look-Back Period or (ii) transferred to the Public Fund in connection with a Spin-Off transaction during the Look-Back Period; provided, however, that in no event will any investment-income component of the incentive fee be paid for any prior quarter after the three-year anniversary of the end of such quarter.

Under the capital-gains component of the incentive fee, the Company will pay RGC as of the end of each calendar year 20.0% of the Company's aggregate cumulative realized capital gains from the date of the Company's election to be regulated as a BDC through the end of that year, computed net of the Company's aggregate cumulative realized capital losses and aggregate cumulative unrealized depreciation through the end of such year, less the aggregate amount of any previously paid capital-gains incentive fee; provided, however, that the Company will not pay the capital-gains component of the incentive fee to RGC for any calendar year in which the sum of the Company's (i) pre-incentive fee net investment income and (ii) realized gains less realized losses and unrealized capital depreciation from the date of the Company's election to be regulated as a BDC through the end of such calendar year, expressed as a rate of return on the value of the Company's net assets (defined as total assets less liabilities) at the end of such calendar year is less than 8.0% until the first subsequent calendar quarter in which the sum of the Company's (i) pre-incentive fee net investment income and (ii) realized gains less realized losses and unrealized capital depreciation from the date of the Company's election to be regulated as a BDC through, and including, the end of such subsequent calendar quarter, expressed as a rate of return on the value of the Company's net assets (defined as total assets less liabilities) at the end of such calendar quarter is equal to or exceeds 8.0%; provided, further, that in no event will any capital-gains component of the incentive fee be paid for any prior year after the three-year anniversary of the end of such year. For the foregoing purpose, the Company's "aggregate cumulative realized capital gains" will not include any unrealized appreciation.

RUNWAY GROWTH CREDIT FUND INC.

Notes to Financial Statements - (continued)

No incentive fees were earned for the three and six months ended June 30, 2017, or the three and six months ended June 30, 2016.

Spin-Off Incentive Fee

In connection with a Spin-Off transaction, the investment-income component of the incentive fee will be payable in respect of the exchanged shares of the Company's common stock (the "Spin-Off Income Incentive Fee") and the capital-gains component of the incentive fee will be payable in respect of the exchanged shares of the Company's common stock (the "Spin-Off Capital Gains Incentive Fee," and together with the Spin-Off Income Incentive Fee, the "Spin-Off Incentive Fee"). The Company expects that the Spin-Off Capital Gains Incentive Fee would be calculated as of the date of the completion of a Spin-Off transaction as if such date were a calendar year-end for purposes of calculating and paying the Spin-Off Capital Gains Incentive Fee. No Spin-Off Incentive Fee will be payable unless, on the date of the completion of a Spin-Off transaction, the sum of the Company's (i) pre-incentive fee net investment income and (ii) realized capital gains less realized capital losses and unrealized capital depreciation from the date of the Company's election to be regulated as a BDC through, and including, the date of the completion of such Spin-Off transaction, is greater than 8% of the cumulative net investments made by the Company since the Company's election to be regulated as a BDC.

Administration Agreement

The Company reimburses the Administrator for the allocable portion of overhead and other expenses incurred by the Administrator in performing its obligations under the Administration Agreement, including furnishing the Company with office facilities, equipment and clerical, bookkeeping and recordkeeping services at such facilities, as well as providing other administrative services. In addition, the Company reimburses the Administrator for the fees and expenses associated with performing compliance functions, and the Company's allocable portion of the compensation of certain of its officers, including the Company's Chief Financial Officer, Chief Compliance Officer and any administrative support staff. Pursuant to the terms of the Administration Agreement, the amounts payable to the Administrator by the Company in any fiscal year will not exceed the greater of (i) 0.75% of the aggregate capital commitments as of the end of the most recently completed fiscal year and (ii) \$1 million.

The Company reimbursed the Administrator \$150,704 during the six months ended June 30, 2017, and no reimbursement was made during the six months ended June 30, 2016. As of June 30, 2017 the Company had accrued a payable to the Administrator of \$12,011. The Company reimbursed the Administrator \$527,843 and accrued a payable of \$648,805 due to the Administrator for the year ended December 31, 2016, which includes amounts reimbursable to the Administrator for organizational and offering costs, professional fees and other expenses. Administration fees were \$31,250 and \$62,500 for the three and six months ended June 30, 2017, respectively. The Company did not incur administration fees for the three and six months ended June 30, 2016.

License Agreement

The Company intends to enter into a license agreement with RGC pursuant to which RGC will agree to grant the Company a non-exclusive, royalty-free license to use the name "Runway Growth Credit Fund". Under this agreement, the Company will have the right to use the "Runway Growth Credit Fund" name for so long as RGC or one of its affiliates remains the Company's investment adviser. Other than with respect to this limited license, the Company will have no legal right to the "Runway Growth Credit Fund" name.

RUNWAY GROWTH CREDIT FUND INC.

Notes to Financial Statements - (continued)

Oaktree Strategic Relationship

In December 2016, RGC entered into a strategic relationship with Oaktree Capital Management, L.P. (“Oaktree”). In connection with the strategic relationship, OCM Growth Holdings, LLC, a Delaware limited liability company (“OCM”) managed by Oaktree, made a \$125 million capital commitment to the Company (the “OCM Commitment”). OCM has granted a proxy to the Company pursuant to which the shares held by OCM will be voted in the same proportion as the Company’s other stockholders vote their shares.

In connection with the OCM Commitment, the Company entered into a stockholder agreement, dated December 15, 2016 (the “Stockholder Agreement”), with OCM, pursuant to which OCM has a right to nominate a member of the Company’s Board of Directors for election. Brian Laibow was appointed to the Company’s Board of Directors as OCM’s representative. OCM also holds an interest in RGC and has the right to appoint a member of RGC’s board of managers and a member of RGC’s investment committee. Brian Laibow is OCM’s initial appointee to RGC’s board of managers and investment committee.

Note 8 – Fair Value Measurements

The Company’s assets recorded at fair value have been categorized based upon a fair value hierarchy in accordance with ASC Topic 820. See Note 2 for discussion of the Company’s policies.

The following tables present information about the Company’s assets measured at fair value as of June 30, 2017 and December 31, 2016, respectively:

As of June 30, 2017 (Unaudited)

	Level 1	Level 2	Level 3	Total
Portfolio Investments				
Senior Secured Term Loans	\$ -	\$ -	\$ 10,863,373	\$ 10,863,373
Warrants	-	-	523,685	523,685
Total Portfolio Investments	-	-	11,387,058	11,387,058
U.S. Treasury Bills	24,992,100	-	-	24,992,100
Total Investments	<u>\$ 24,992,100</u>	<u>\$ -</u>	<u>\$ 11,387,058</u>	<u>\$ 36,379,158</u>

As of December 31, 2016

	Level 1	Level 2	Level 3	Total
U.S. Treasury Bill	\$ 2,999,849	\$ -	\$ -	\$ 2,999,849
Total Investments	<u>\$ 2,999,849</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,999,849</u>

There were no transfers into or out of the levels during the period ended June 30, 2017 and December 31, 2016.

The following table presents additional information about Level 3 assets measured at fair value:

	Senior Secured Term Loans	Warrants	Total
Fair value at December 31, 2016	\$ -	\$ -	\$ -
Amortization of fixed income premiums or discounts	23,272	-	23,272
Purchases of investments	10,840,101	523,685	11,363,786
Sales of investments	-	-	-
Fair value at June 30, 2017	<u>\$ 10,863,373</u>	<u>\$ 523,685</u>	<u>\$ 11,387,058</u>
Change in unrealized gain (loss) on Level 3 investments still held as of June 30, 2017	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

RUNWAY GROWTH CREDIT FUND INC.

Notes to Financial Statements - (continued)

The following table provides quantitative information regarding Level 3 fair value measurements as of June 30, 2017.

Description	Fair Value	Valuation Technique	Unobservable Inputs	Range (Weighted Average)
Senior Secured Term Loans	\$ 10,863,373	Market approach	Origination yield	14.9%-19.4% (16.4%)
Warrants	523,685	Black-Scholes model	Risk-free interest rate	1.80%-2.00% (1.95%)
			Average industry volatility	20%-70% (44%)
			Estimated time to exit	5.8 years-6.2 years (6.0 years)
Total Level 3 Investments	\$ 11,387,058			

Note 9 – Derivative Financial Instruments

In the normal course of business, the Company may utilize derivative contracts in connection with its investment activities. Investments in derivative contracts are subject to additional risks that can result in a loss of all or part of an investment. The derivative activities and exposure to derivative contracts primarily involve equity price risks. In addition to the primary underlying risk, additional counterparty risk exists due to the potential inability of counterparties to meet the terms of their contracts.

Warrants

The warrants provide exposure and potential gains upon equity appreciation of the portfolio company's equity value. The value of a warrant has two components: time value and intrinsic value. A warrant has a limited life and expires on a certain date. As a warrant's expiration date approaches, the time value of the warrant will decline. In addition, if the stock underlying the warrant declines in price, the intrinsic value of an "in the money" warrant will decline. Further, if the price of the stock underlying the warrant does not exceed the strike price of the warrant on the expiration date, the warrant will expire worthless. As a result, there is the potential for the entire value of an investment in a warrant to be lost.

Counterparty risk exists from the potential failure of an issuer of warrants to settle its exercised warrants. The maximum risk of loss from counterparty risk is the fair value of the contracts and the purchase price of the warrants. The Company's Board of Directors considers the effects of counterparty risk when determining the fair value of its investments in warrants.

Note 10 – Financial Highlights

	Three Months Ended June 30, 2017 (Unaudited)	Three Months Ended June 30, 2016 (Unaudited)
Per Share Data ⁽¹⁾:		
Net asset value at beginning of period	\$ 7.74	\$ 15.00
Net investment loss	(1.01)	-
Realized gain	-	-
Change in unrealized appreciation	-	-
Accretion (dilution)	7.05	-
Net asset value at end of period	<u>\$ 13.78</u>	<u>\$ 15.00</u>
Return from investment operations	(13.05)%	-%
Return from accretion (dilution)	91.09%	-%
Total return based on net asset value ⁽²⁾	78.04%	-%
Weighted-average shares outstanding for period, basic	1,228,773	1,667
Ratio/Supplemental Data:		
Net assets at end of period	\$ 41,355,798	\$ 25,000
Average net assets	\$ 19,757,217	\$ 25,000
Annualized ratio of net operating expenses to average net assets	27.86%	-%
Annualized ratio of net investment loss to average net assets	(25.25)%	-%
Annualized ratio of net operating expenses excluding management fees, to average net assets	8.14%	-%
Annualized ratio of net decrease in net assets resulting from operations to average net assets	(25.21)%	-%

RUNWAY GROWTH CREDIT FUND INC.

Notes to Financial Statements - (continued)

	Six Months Ended June 30, 2017 (Unaudited)	Six Months Ended June 30, 2016 (Unaudited)
Per Share Data (1):		
Net asset value at beginning of period	\$ 10.38	\$ 15.00
Net investment loss	(2.70)	-
Realized gain	-	-
Change in unrealized appreciation	-	-
Accretion (dilution)	6.10	-
Net asset value at end of period	<u>\$ 13.78</u>	<u>\$ 15.00</u>
Return from investment operations	(26.01)%	-%
Return from accretion (dilution)	58.77%	-%
Total return based on net asset value (2)	<u>32.76%</u>	<u>-%</u>
Weighted-average shares outstanding for period, basic	784,355	1,667
Ratio/Supplemental Data:		
Net assets at end of period	\$ 41,355,798	\$ 25,000
Average net assets	\$ 11,398,309	\$ 25,000
Annualized ratio of net operating expenses to average net assets	40.21%	-%
Annualized ratio of net investment loss to average net assets	(37.87)%	-%
Annualized ratio of net operating expenses excluding management fees, to average net assets	13.74%	-%
Annualized ratio of net decrease in net assets resulting from operations to average net assets	(37.83)%	-%
	Year ended December 31, 2016	For the period from August 31, 2015 (date of inception) through December 31, 2015
Per Share Data (1):		
Net asset value at beginning of period	\$ 15.00	\$ -
Net investment loss	(83.81)	-
Change in unrealized depreciation	(0.01)	-
Issuance of common shares	79.20	15.00
Net asset value at end of period	<u>\$ 10.38</u>	<u>\$ 15.00</u>
Total return based on net asset value (2)	(30.80)%	-%
Weighted-average shares outstanding for period, basic	10,774	1,667
Ratio/Supplemental Data:		
Net assets at end of period	\$ 3,476,672	\$ 25,000
Average net assets	\$ 151,520	\$ -
Annualized ratio of net operating expenses to average net assets	595.90%	-%
Annualized ratio of net investment loss to average net assets	(595.90)%	-%
Annualized ratio of net operating expenses excluding management fees, to average net assets	484.00%	-%
Annualized ratio of net decrease in net assets resulting from operations to average net assets	(596.00)%	-%

(1) Financial highlights are based on weighted-average shares outstanding.

(2) Total return based on net asset value is based upon the change in net asset value per share between the opening and ending net asset values per share in the period. The total returns are not annualized.

RUNWAY GROWTH CREDIT FUND INC.

Notes to Financial Statements - (continued)

Note 11 – Subsequent Events

Subsequent to June 30, 2017, through August 10, 2017, the Company funded following transactions:

Date	Investment Name	Principal	Cost Allocated to Loan	Cost Allocated to Warrant
July 24, 2017	Aspen Group, Inc.	\$ 5,000,000	\$ 4,379,199	\$ 583,301
July 31, 2017	eSilicon Corporation	10,000,000	9,356,436	543,564
August 3, 2017	Mojix, Inc.	2,000,000	1,926,276	58,724

From July 1, 2017 through August 10, 2017, the Company closed on additional capital commitments of \$5,250,000, bringing the total committed capital to \$231,501,500 as of August 10, 2017.

Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations

Forward-Looking Statements

This quarterly report on Form 10-Q contains forward-looking statements that involve substantial risks and uncertainties. Such statements involve known and unknown risks, uncertainties and other factors, and undue reliance should not be placed thereon. These forward-looking statements are not historical facts, but rather are based on current expectations, estimates and projections about us, our current and prospective portfolio investments, our industry, our beliefs and opinions, and our assumptions. Words such as “anticipates,” “expects,” “intends,” “plans,” “will,” “may,” “continue,” “believes,” “seeks,” “estimates,” “would,” “could,” “should,” “targets,” “projects,” “outlook,” “potential,” “predicts” 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 difficult to predict and could cause actual results to differ materially from those expressed or forecasted in the forward-looking statements, including without limitation:

- an economic downturn could impair our portfolio companies’ ability 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 that we intend to target for investment, potentially causing us to experience a decrease in investment opportunities and diminished demand for capital from these companies;
- a contraction of available credit and/or an inability to access the equity markets could impair our lending and investment activities;
- interest rate volatility could adversely affect our results, particularly to the extent that we use leverage as part of our investment strategy;
- currency fluctuations could adversely affect the results of our investments in foreign companies, particularly to the extent that we receive payments denominated in foreign currency rather than U.S. dollars;
- our future operating results;
- our business prospects and the prospects of our portfolio companies;
- our contractual arrangements and relationships with third parties;
- the ability of our portfolio companies to achieve their objectives;
- competition with other entities and our affiliates for investment opportunities;
- the speculative and illiquid nature of our investments;
- the use of borrowed money to finance a portion of our investments;
- the adequacy of our financing sources and working capital;
- the loss of key personnel;
- the timing of cash flows, if any, from the operations of our portfolio companies;
- the ability of our external investment adviser, RGC, to locate suitable investments for us and to monitor and administer our investments;

- the ability of RGC to attract and retain highly talented professionals;
- our ability to qualify and maintain our qualification as a RIC under Subchapter M of the Code, and as a BDC;
- the effect of legal, tax and regulatory changes; and
- the other risks, uncertainties and other factors we identify under “Risk Factors” in in Part I, Item 1A in our annual report on Form 10-K for the fiscal year ended December 31, 2016 and in our other filings with the Securities and Exchange Commission (the “SEC”).

Although we believe the assumptions on which these forward-looking statements are based are reasonable, any of those assumptions could prove to be inaccurate, and as a result, the forward-looking statements based on those assumptions also could be inaccurate. In light of these and other uncertainties, the inclusion of a projection or forward-looking statement in this quarterly report on Form 10-Q 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 “Risk Factors” in in Part I, Item 1A of our annual report on Form 10-K for the fiscal year ended December 31, 2016.

We have based the forward-looking statements included in this Form 10-Q on information available to us on the date of this Form 10-Q, and we assume no obligation to update any such forward-looking statements. Although we undertake no obligation to revise or update any forward-looking statements, whether as a result of new information, future events or otherwise, you are advised to consult any additional disclosures that we may make directly to you or through reports that we have filed or in the future may file with the SEC, including our annual reports on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K.

The following analysis of our financial condition and results of operations should be read in conjunction with our financial statements and the related notes thereto contained elsewhere in this quarterly report on Form 10-Q.

Overview

We are an externally managed, non-diversified closed-end investment management company that was formed on August 31, 2015 as a corporation under the laws of the State of Maryland. We have elected to be regulated as a BDC under the 1940 Act. In addition, we have elected to be treated, and intend to qualify annually thereafter, as a RIC under Subchapter M of the Code. If we fail to qualify as a RIC for any taxable year, we will be subject to corporate-level U.S. federal income tax on any net taxable income for such year. As a BDC and a RIC, we are 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.

We are an “emerging growth company,” as defined in the Jumpstart Our Business Startups Act of 2012, as amended (the “JOBS Act”). We could remain an emerging growth company until the last day of our fiscal year following the fifth anniversary of an initial public offering, if any, or until the earliest of (i) the last day of the first fiscal year in which we have total annual gross revenue of \$1,070,000,000 or more, (ii) December 31 of the fiscal year in which we become a “large accelerated filer” as defined in Rule 12b-2 under the Exchange Act (which would occur if the market value of our common stock held by non-affiliates exceeds \$700 million, measured as of the last business day of our most recently completed second fiscal quarter, and we have been publicly reporting for at least 12 months), or (iii) the date on which we have issued more than \$1 billion in non-convertible debt during the preceding three-year period. For so long as we remain an emerging growth company under the JOBS Act, we will be subject to reduced public company reporting requirements.

We are externally managed by RGC, an investment adviser that has registered under the Investment Advisers Act of 1940, as amended. The Administrator, a wholly-owned subsidiary of RGC, provides all the administrative services necessary for us to operate.

We commenced investment activities in portfolio securities during the quarter ended June 30, 2017, and we commenced investment activities in U.S. Treasury Bills during the quarter ended December 31, 2016. In October 2015, in connection with our formation, we issued and sold 1,667 shares of our common stock to David Spreng, our President, Chief Executive Officer and Chairman of our Board of Directors, for an aggregate purchase price of \$25,000. In December 2016, we completed the Initial Closing, in connection with which we called capital and issued 333,333 shares of our common stock to investors for an aggregate purchase price of \$5,000,000. As of June 30, 2017, in connection with the Private Offering, we had closed on capital commitments of \$226,251,500 and issued 3,000,000 shares of our common stock to investors for a total purchase price of \$45,000,000.

Portfolio Composition and Investment Activity

Portfolio Composition

At June 30, 2017, we had investments in three portfolio companies and held three U.S. Treasury Bills. The following table shows the fair value of our investments, by asset class as of June 30, 2017.

Investments	Cost	Fair Value	Percentage of Total Portfolio
Portfolio Investments			
Senior Secured Term Loans	\$ 10,863,373	\$ 10,863,373	29.90%
Warrant	523,685	523,685	1.40
Total Portfolio Investments	<u>11,387,058</u>	<u>11,387,058</u>	<u>31.30</u>
U.S. Treasury Bills	24,990,264	24,992,100	68.70
Total Investments	<u>\$ 36,377,322</u>	<u>\$ 36,379,158</u>	<u>100.00%</u>

Investment Activity

The value of our investment portfolio will change over time due to changes in the fair value of our underlying investments, as well as changes in the composition of our portfolio resulting from purchases of new and follow-on investments as well as sales of existing investments. The primary investment activities for the six months ended June 30, 2017 were as follows:

- On May 16, 2017, we funded a \$6,000,000 senior secured term loan to Mojix, Inc. for a purchase price of \$5,655,708.
- On May 16, 2017, we purchased a warrant to purchase 9,395,847 shares of Series E Preferred Stock in Mojix, Inc. for \$244,292.
- On June 21, 2017, we funded a \$2,000,000 senior secured term loan to Placecast, Inc. for a purchase price of \$1,947,068.
- On June 21, 2017, we purchased a warrant to purchase 127,643 shares of Series C Preferred Stock in Placecast, Inc. for \$32,932.
- On June 30, 2017, we funded a \$3,500,000 senior secured term loan to SendtoNews Video, Inc. for a purchase price of \$3,203,539.
- On June 30, 2017, we purchased a warrant to purchase 574,502 shares of Common Stock in SendtoNews Video, Inc. for \$246,461.
- On May 2, 2017, May 23, 2017, and June 16, 2017, we purchased three U.S. Treasury Bills for an aggregate purchase price of \$24,990,264.

Portfolio Reconciliation

The following is a reconciliation of our investment portfolio, including US. Treasury Bills, for the six months ended June 30, 2017 and the year ended December 31, 2016:

	Six Months Ended June 30, 2017 (Unaudited)	Year Ended December 31, 2016
Beginning Investment Portfolio	\$ 2,999,849	\$ -
Purchase of Investments	11,363,786	-
Purchase of U.S. Treasury Bills	46,485,628	2,999,849
Amortization and Accretion of Fixed Income Premiums and Discounts	27,998	-
Sales and Maturities of U.S. Treasury Bills	(24,500,000)	-
Net Change in Unrealized Appreciation on Investments	1,897	-
Ending Investment Portfolio	<u>\$ 36,379,158</u>	<u>\$ 2,999,849</u>

Asset Quality

In addition to various risk management and monitoring tools, RGC uses an investment rating system to characterize and monitor the quality of our debt investment portfolio. Equity securities and Treasury Bills are not graded. This debt investment rating system uses a five-level numeric scale. The following is a description of the conditions associated with each investment rating:

Investment Rating	Rating Definition
1	Performing above plan of record and/or strong enterprise profile, value, financial performance/coverage. Maintaining full covenant and payment compliance as agreed.
2	Performing at or reasonably close to plan of record. Acceptable business prospects, enterprise value, financial coverage. Maintaining full covenant and payment compliance as agreed. All new loans are initially graded Category 2.
3	Performing below plan of record. Potential elements of concern over performance, trends and business outlook. Enterprise and financial coverage remain adequate. Some potential covenant non-compliance. Full payment compliance.
4	Performing materially below plan of record. Non-compliant with material financial covenants. Payment default/deferral could result without corrective action. Requires close monitoring. Business prospects, enterprise value and collateral coverage declining. These investments may be in workout, and there is a possibility of loss of return but no loss of principal is expected
5	Going concern nature in question. Substantial decline in enterprise value and all coverages. Covenant and payment default imminent if not currently present. Investments are nearly always in workout. May experience partial and/or full loss.

The following table shows the investment rankings of our debt investments at fair value as of June 30, 2017 and December 31, 2016:

Investment Rating	As of June 30, 2017			As of December 31, 2016		
	Fair Value	% of Total Portfolio	Number of Portfolio Companies	Fair Value	% of Total Portfolio	Number of Portfolio Companies
1	-	-	-	-	-	-
2	10,863,373	29.9%	3	-	-	-
3	-	-	-	-	-	-
4	-	-	-	-	-	-
5	-	-	-	-	-	-
	<u>\$ 10,863,373</u>	<u>29.9%</u>	<u>3</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>

Loans and Debt Securities on Non-Accrual Status

Generally, when interest and/or principal payments on a loan become past due, or if we otherwise do not expect the borrower to be able to service its debt and other obligations, we will place the loan on non-accrual status and will generally cease recognizing interest income on that loan for financial reporting purposes until all principal and interest have been brought current through payment or due to a restructuring such that the interest income is deemed to be collectible. As of June 30, 2017 and December 31, 2016, we did not have any loans on non-accrual status.

Results of Operations

An important measure of our financial performance is net increase/(decrease) in net assets resulting from operations, which includes net investment income/(loss), net realized gain/(loss) and net unrealized appreciation/(depreciation). Net investment income/(loss) is the difference between our income from interest, dividends, fees and other investment income and our operating expenses, including interest on borrowed funds. Net realized gain/(loss) on investments is the difference between the proceeds received from dispositions of portfolio investments and their amortized cost. Net unrealized appreciation/(depreciation) on investments is the net change in the fair value of our investment portfolio.

For the three and six months ended June 30, 2017, we had \$1,238,576 and \$2,120,874, respectively, in net decrease in net assets resulting from operations, due primarily to expenses associated with the commencement of investment activities and operations, including payment of a management fee under the Advisory Agreement and the incurrence of professional fees, which include legal, valuation, audit and consulting fees. For the three and six months ended June 30, 2016, we had no change in net assets resulting from operations because we had not commenced investment operations.

Revenue

Our investment objective is to maximize our total return to our stockholders primarily through current income on our loan portfolio, and secondarily through capital appreciation on our warrants and other equity positions. We intend to achieve our investment objective by investing in high growth-potential, private companies. We typically invest in senior secured and second lien secured loans that generally fall into two strategies: Sponsored Growth Lending and Non-Sponsored Growth Lending. Through our Sponsored Growth Lending and Non-Sponsored Growth Lending strategies, we invest in senior secured loans and second lien loans. Our Sponsored Growth Lending also typically includes the receipt of warrants and/or other equity from venture-backed companies. We expect our investments in loans will generally range from between \$3 million to \$15 million, and the upper end of this range may increase as we raise additional capital.

We generate revenue in the form of interest on the debt securities that we hold and distributions and capital gains on other interests that we acquire in our portfolio companies. We expect that the debt we invest in will generally have stated terms of 36 to 60 months. Interest on debt securities is generally payable quarterly or semiannually. In some cases, some of our investments may provide for deferred interest payments or PIK interest. The principal amount of the debt securities and any accrued but unpaid interest generally will become due at the maturity date. In addition, we may generate revenue in the form of commitment and other fees in connection with transactions. Original issue discounts and market discounts or premiums will be capitalized, and we will accrete or amortize such amounts as interest income. We will record prepayment premiums on loans and debt securities as interest income. Dividend income, if any, will be recognized on an accrual basis to the extent that we expect to collect such amounts.

Operating Expenses

Our primary operating expenses include the payment of fees to RGC under the Advisory Agreement, our allocable portion of overhead expenses under the Administration Agreement and other operating costs described below. We will bear all other out-of-pocket costs and expenses of our operations and transactions, including those relating to:

- organization and offering (in an amount up to \$1,000,000; the amount of initial organizational and offering expenses in excess of \$1,000,000 are paid by RGC);

- our pro-rata portion of fees and expenses related to any future spin-off transaction;
- calculating our net asset value (including the cost and expenses of any independent valuation firm);
- fees and expenses payable to third parties, including agents, consultants or other advisers, in connection with monitoring financial and legal affairs for us and in providing administrative services, monitoring our investments and performing due diligence on our prospective portfolio companies or otherwise relating to, or associated with, evaluating and making investments;
- interest payable on debt, if any, incurred to finance our investments;
- sales and purchases of our common stock and other securities;
- investment advisory and management fees;
- administration fees, if any, payable under the Administration Agreement;
- transfer agent and custodial fees;
- federal and state registration fees;
- all costs of registration and listing our securities on any securities exchange;
- U.S. federal, state and local taxes;
- Independent directors' fees and expenses;
- costs of preparing and filing reports or other documents required by the SEC, the Financial Industry Regulatory Authority or other regulators;
- costs of any reports, proxy statements or other notices to stockholders, including printing costs;
- our allocable portion of any fidelity bond, directors' and officers' errors and omissions liability insurance, and any other insurance premiums;
- direct costs and expenses of administration, including printing, mailing, long distance telephone, copying, secretarial and other staff, independent auditors and outside legal costs; and
- all other expenses incurred by us, our Administrator or RGC in connection with administering our business, including payments under the Administration Agreement based on our allocable portion of our Administrator's overhead in performing its obligations under the Administration Agreement, including rent and the allocable portion of the cost of our Chief Compliance Officer and Chief Financial Officer and their respective staffs.

Financial Condition, Liquidity and Capital Resources

We generate cash primarily from the net proceeds of the offering of our securities and cash flows from our operations. We expect that we may also generate cash from any financing arrangements we may enter into in the future and any future offerings of our equity or debt securities. We may fund a portion of our investments through borrowings from banks and issuances of senior securities. Our primary use of funds is to make investments in eligible portfolio companies, pay our operating expenses and make distributions to holders of our common stock.

During the six months ended June 30, 2017, cash increased to \$4,984,163 at the end of the period, from \$1,039,931 as of December 31, 2016. This increase was primarily the result of the maturity of the U.S. Treasury Bills for \$24,500,000 and the issuance of common stock for \$40,000,000, and was partially offset by the purchase of investments in portfolio companies and U.S. Treasury Bills.

Equity Activity

We have the authority to issue 100,000,000 shares of common stock at a \$0.01 per share par value.

On October 8, 2015, we issued 1,667 shares of our common stock to David Spreng, our President, Chief Executive Officer and Chairman of our Board of Directors, for an aggregate purchase price of \$25,000. On December 22, 2016, we issued 333,333 shares of common stock to investors for an aggregate purchase price of \$5,000,000. On April 19, 2017, we issued 1,000,000 shares of common stock to investors for an aggregate purchase price of \$15,000,000. On June 26, 2017, we issued 1,666,667 shares of common stock to investors for an aggregate purchase price of \$25,000,000.

During the six months ended June 30, 2016, we closed on capital commitments in the amount of \$16,750,000 for total commitments of \$226,251,500. We had no other equity transactions as of June 30, 2017.

Contractual Obligations

As of June 30, 2017, we did not have any contractual obligations that would trigger the tabular disclosure of the contractual obligations under Item 303(a)(5) of Regulation S-K.

Off-Balance Sheet Arrangements

We currently have no off-balance sheet arrangements, including any risk management of commodity pricing or other hedging practices.

Distributions

To the extent that we have funds available, we intend to make quarterly distributions to our stockholders. Our stockholder distributions, if any, will be determined by our Board of Directors. Any distribution to our stockholders will be declared out of assets legally available for distribution. We anticipate that distributions will be paid from income primarily generated by interest and dividend income earned on investments made subsequent to the Initial Closing. During the six months ended June 30, 2017 and the year ended December 31, 2016, we did not declare or pay any dividends or distributions.

Critical Accounting Policies

Basis of Presentation

The preparation of the financial statements and related disclosures in conformity with GAAP requires our management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and revenues and expenses during the period reports. Actual results could materially differ from those estimates. We believe that our most critical accounting policies, which are those that are most important to the portrayal of our financial condition and results of operations and require management's most difficult, subjective and complex judgments, include the valuation of investments and our election to be treated, and intent to qualify annually thereafter, as a RIC. See "Note 2 — Summary of Significant Accounting Policies" to our financial statements for the quarter ended June 30, 2017, which describes our critical accounting policies and recently adopted accounting pronouncements not yet required to be adopted by us.

Valuation of Investments

We measure the value of our investments at fair value in accordance with ASC Topic 820, issued by the FASB. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Audit Committee is responsible for assisting our Board of Directors in valuing investments that are not publicly traded or for which current market values are not readily available. Investments for which market quotations are readily available are valued using market quotations, which are generally obtained from independent pricing services, broker-dealers or market makers. With respect to portfolio investments for which market quotations are not readily available, our Board of Directors, with the assistance of the Audit Committee, RGC and its senior investment team and independent valuation agents, is responsible for determining in good faith the fair value in accordance with the valuation policy approved by our Board of Directors. If more than one valuation method is used to measure fair value, the results are evaluated and weighted, as appropriate, considering the reasonableness of the range indicated by those results. We consider a range of fair values based upon the valuation techniques utilized and select the value within that range that was most representative of fair value based on current market conditions as well as other factors RGC's senior investment team considers relevant.

Our Board of Directors makes this fair value determination on a quarterly basis and any other time when a decision regarding the fair value of the portfolio investments is required. A determination of fair value involves subjective judgments and estimates and depends on the facts and circumstances. Due to the inherent uncertainty of determining the fair value of portfolio investments that do not have a readily available market value, the fair value of the investments may differ significantly from the values that would have been used had a readily available market value existed for such investments, and the differences could be material.

ASC Topic 820 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. ASC Topic 820 also provides guidance regarding a fair value hierarchy, which prioritizes information used to measure fair value and the effect of fair value measurements on earnings and provides for enhanced disclosures determined by the level within the hierarchy of information used in the valuation. In accordance with ASC Topic 820, these inputs are summarized in the three levels listed below:

- Level 1—Valuations are based on quoted prices in active markets for identical assets or liabilities that are accessible at the measurement date.
- Level 2—Valuations are based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly and model-based valuation techniques for which all significant inputs are observable.
- Level 3—Valuations based on inputs that are unobservable and significant to the overall fair value measurement. Level 3 assets and liabilities include financial instruments whose value is determined using pricing models incorporating significant unobservable inputs, such as discounted cash flow models and other similar valuations techniques. The valuation of Level 3 assets and liabilities generally requires significant management judgment due to the inability to observe inputs to valuation.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of observable input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment.

Under ASC Topic 820, the fair value measurement also assumes that the transaction to sell an asset occurs in the principal market for the asset or, in the absence of a principal market, the most advantageous market for the asset, which may be a hypothetical market, and excludes transaction costs. The principal market for any asset is the market with the greatest volume and level of activity for such asset in which the reporting entity would or could sell or transfer the asset. In determining the principal market for an asset or liability under ASC Topic 820, it is assumed that the reporting entity has access to such market as of the measurement date. Market participants are defined as buyers and sellers in the principal or most advantageous market that are independent, knowledgeable and willing and able to transact.

With respect to investments for which market quotations are not readily available, our Board of Directors undertakes a multi-step valuation process each quarter, as described below:

- Our quarterly valuation process begins with each portfolio company or investment being initially valued by RGC's investment professionals that are responsible for the portfolio investment;

- Preliminary valuation conclusions are then documented and discussed with RGC’s senior investment team;
- The Audit Committee then reviews these preliminary valuations;
- At least once annually, the valuation for each portfolio investment is reviewed by an independent valuation firm. Certain investments, however, may not be evaluated by an independent valuation firm unless the net asset value and other aspects of such investments in the aggregate exceed certain thresholds; and
- Our Board of Directors then discusses valuations and determines the fair value of each investment in our portfolio in good faith, based on the input of RGC, the independent valuation firm and the Audit Committee.

Our investments are primarily loans made to small, fast-growing companies focused in technology, life sciences, business services, industrial companies and other high-growth industries. These investments are considered Level 3 assets under ASC Topic 820 because there is no known or accessible market or market indices for these types of debt instruments and, thus, RGC’s senior investment team must estimate the fair value of these investment securities based on models utilizing unobservable inputs.

Investment Valuation Techniques

Debt Investments. To estimate the fair value of our debt investments, we compare the cost basis of the debt investment, which includes original issue discount, to the resulting fair value determined using a discounted cash flow model, unless another model is more appropriate based on the circumstances at the measurement date. The discounted cash flow approach entails analyzing the interest rate spreads for recently completed financing transactions which are similar in nature to our investments, in order to determine a comparable range of effective market interest rates for our investments. The range of interest rate spreads utilized is based on borrowers with similar credit profiles. All remaining expected cash flows of the investment are discounted using this range of interest rates to determine a range of fair values for the debt investment.

This valuation process includes, among other things, evaluating the underlying investment performance, the portfolio company’s current financial condition and ability to raise additional capital, as well as macro-economic events that may impact valuations. These events include, but are not limited to, current market yields and interest rate spreads of similar securities as of the measurement date. Significant increases or decreases in these unobservable inputs could result in a significantly higher or lower fair value measurement.

Under certain circumstances, we may use an alternative technique to value the debt investments to be acquired by us that better reflects the fair value of the investment, such as the price paid or realized in a recently completed transaction or a binding offer received in an arms-length transaction, the use of multiple probability-weighted cash flow models when the expected future cash flows contain elements of variability or estimates of proceeds that would be received in a liquidation scenario.

Warrants. Fair value of warrants is primarily estimated using a Black Scholes option-pricing model. Privately held warrants and equity-related securities are valued based on an analysis of various factors including, but not limited to, the following:

- Underlying enterprise value of the issuer is estimated based on information available, including any information regarding the most recent rounds of issuer funding. Valuation techniques to determine enterprise value include market multiple approaches, income approaches or approaches that utilize recent rounds of financing and the portfolio company’s capital structure to determine enterprise value. Valuation techniques are also utilized to allocate the enterprise fair value of a portfolio company to the specific class of common or preferred stock exercisable in the warrant. Such techniques take into account the rights and preferences of the portfolio company’s securities, expected exit scenarios, and volatility associated with such outcomes to allocate the fair value to the specific class of stock held in the portfolio. Such techniques include Option Pricing Models, or “OPM,” including back-solve techniques, Probability Weighted Expected Return Models, or “PWERM,” and other techniques as determined to be appropriate.

- Volatility, or the amount of uncertainty or risk about the size of the changes in the warrant price, is based on comparable publicly traded companies within indices similar in nature to the underlying company issuing the warrant. Significant increases (decreases) in this unobservable input could result in a significantly lower (higher) fair value.
- The risk-free interest rates are derived from the U.S. Treasury yield curve. The risk-free interest rates are calculated based on a weighted average of the risk-free interest rates that correspond closest to the expected remaining life of the warrant. Significant increases (decreases) in this unobservable input could result in a significantly higher (lower) fair value.
- Other adjustments, including a marketability discount on private company warrants, are estimated based on our judgment about the general industry environment. Significant increases (decreases) in this unobservable input could result in a significantly lower (higher) fair value.
- Historical portfolio experience on cancellations and exercises of warrants are utilized as the basis for determining the estimated life of the warrants in each financial reporting period. Warrants may be exercised in the event of acquisitions, mergers or initial public offerings, and cancelled due to events such as bankruptcies, restructuring activities or additional financings. These events cause the expected remaining life assumption to be shorter than the contractual term of the warrants. Significant increases or decreases in this unobservable input could result in a significantly higher or lower fair value.

Under certain circumstances we may use an alternative technique to value warrants that better reflects the warrants' fair values, such as an expected settlement of a warrant in the near term, a model that incorporates a put feature associated with the warrant, or the price paid or realized in a recently completed transaction or binding offer received in an arms-length transaction. The fair value may be determined based on the expected proceeds to be received from such settlement or based on the net present value of the expected proceeds from the put option.

These valuation methodologies involve a significant degree of judgment. There is no single standard for determining the estimated fair value of investments that do not have an active public market. Valuations of privately held investments are inherently uncertain, as they are based on estimates, and their values may fluctuate over time. The determination of fair value may differ materially from the values that would have been used if an active market for these investments existed. In some cases, the fair value of such investments is best expressed as a range of values derived utilizing different methodologies from which a single estimate may then be determined.

Equity Investments. The fair value of an equity investment in a privately held company is initially the face value of the amount invested. We adjust the fair value of equity investments in private companies upon the completion of a new third-party round of equity financing subsequent to our investment. We may make adjustments to fair value, absent a new equity financing event, based upon positive or negative changes in a portfolio company's financial or operational performance. We may also reference comparable transactions and/or secondary market transactions to estimate fair value. The fair value of an equity investment in a publicly traded company is based upon the closing public share price on the date of measurement. These assets are recorded at fair value on a recurring basis. These valuation methodologies involve a significant degree of judgment. There is no single standard for determining the estimated fair value of investments that do not have an active public market. Valuations of privately held investments are inherently uncertain, as they are based on estimates, and their values may fluctuate over time. The determination of fair value may differ materially from the values that would have been used if an active market for these investments existed. In some cases, the fair value of such investments is best expressed as a range of values derived utilizing different methodologies from which a single estimate may then be determined.

Fair Value

The Company's assets measured at fair value on a recurring basis subject to the requirements of ASC Topic 820 at June 30, 2017 and December 31, 2016 were as follows:

As of June 30, 2017 (Unaudited)

	Level 1	Level 2	Level 3	Total
Portfolio Investments				
Senior Secured Term Loans	\$ -	\$ -	\$ 10,863,373	\$ 10,863,373
Warrants	-	-	523,685	523,685
Total Portfolio Investments	-	-	11,387,058	11,387,058
U.S. Treasury Bills	24,992,100	-	-	24,992,100
Total Investments	<u>\$ 24,992,100</u>	<u>\$ -</u>	<u>\$ 11,387,058</u>	<u>\$ 36,379,158</u>

As of December 31, 2016

	Level 1	Level 2	Level 3	Total
U.S. Treasury Bill	\$ 2,999,849	\$ -	\$ -	\$ 2,999,849
Total Investments	<u>\$ 2,999,849</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,999,849</u>

The Company recognized transfers into and out of the levels indicated above at the end of the reporting period. There were no transfers into or out of the levels during the periods ended June 30, 2017 and December 31, 2016.

Investment Transactions and Related Investment Income

Investment transactions, if any, are recorded on a trade-date basis. We measure realized gains or losses from the repayment or sale of investments using the specific identification method. The amortized cost basis of investments represents the original cost adjusted for the accretion/amortization of discounts and premiums and upfront loan origination fees. We report changes in fair value of investments that are measured at fair value as a component of net change in unrealized appreciation (depreciation) on investments in the statement of operations.

Dividends are recorded on the ex-dividend date. Interest income, if any, adjusted for amortization of market premium and accretion of market discount, is recorded on an accrual basis to the extent that we expect to collect such amounts. Original issue discount, principally representing the estimated fair value of detachable equity or warrants obtained in conjunction with our debt investments, and market discount or premium are capitalized and accreted or amortized into interest income over the life of the respective security using the effective interest method. Loan origination fees received in connection with the closing of investments are reported as unearned income, which is included as amortized cost of the investment; the unearned income from such fees is accreted over the contractual life of the loan based on the effective interest method. Upon prepayment of a loan or debt security, any prepayment penalties, unamortized loan origination fees, and unamortized market discounts are recorded as interest income.

Management and Incentive Fees

We accrue for base management fees and incentive fees. The accrual for incentive fees includes the recognition of incentive fees on unrealized capital gains, even though such incentive fees are neither earned nor payable to RGC until the gains are both realized and in excess of unrealized depreciation on investments.

Income Taxes

We have elected to be treated, and intend to qualify annually thereafter, as a RIC under Subchapter M of the Code. Generally, a RIC is not subject to U.S. federal income taxes on distributed income and gains if it distributes at least 90% of its net ordinary income and net short-term capital gains in excess of its net long-term capital losses, if any, to its stockholders. So long as we qualify, and maintain our status, as a RIC, we generally will not pay corporate-level U.S. federal income taxes on any ordinary income or capital gains that we distribute at least annually to our stockholders as dividends. Rather, any tax liability related to income earned by us represents obligations of our investors and will not be reflected in the financial statements of the Company. We intend to distribute sufficient dividends to maintain our RIC status each year and we do not anticipate paying any material U.S. federal income taxes in the future.

Recent Developments

Subsequent to June 30, 2017, through August 10, 2017, we funded following transactions:

Date	Investment Name	Principal	Cost Allocated to Loan	Cost Allocated to Warrant
July 24, 2017	Aspen Group, Inc.	\$ 5,000,000	\$ 4,379,199	\$ 583,301
July 31, 2017	eSilicon Corporation	10,000,000	9,356,436	543,564
August 3, 2017	Mojix, Inc.	2,000,000	1,926,276	58,724

From July 1, 2017 through August 10, 2017, we closed on additional capital commitments of \$5,250,000, bringing the total committed capital to \$231,501,500 as of August 10, 2017.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

We commenced investment activities in portfolio securities during the quarter ended June 30, 2017 and commenced investment activities in U.S. Treasury Bills during the quarter ended December 31, 2016.

We are subject to financial market risk, including changes in the valuations of our investment portfolio. Market risk includes risks that arise from changes in interest rates, commodity prices, equity prices and other market changes that affect market sensitive instruments. The prices of securities held by us may decline in response to certain events, including those directly involving the companies we invest in; conditions affecting the general economy; overall market changes; legislative reform; local, regional, national or global political, social or economic instability; and interest rate fluctuations.

Valuation Risk

Our investments may not have a readily available market price, and we value these investments at fair value as determined in good faith by our Board of Directors 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. Due to the inherent uncertainty of determining the fair value of investments that do not have a readily available market value, the fair value of our investments may fluctuate from period to period. Because of the inherent uncertainty of valuation, these estimated values may differ significantly from the values that would have been used had a ready market for the investments existed, and it is possible that the difference could be material.

Interest Rate Risk

Interest rate risk is defined as the sensitivity of our current and future earnings to interest rate volatility, variability of spread relationships, the difference in re-pricing intervals between our assets and liabilities and the effect that interest rates may have on our cash flows. Changes in the general level of interest rates can affect our net interest income, which is the difference between the interest income earned on interest earning assets and our interest expense incurred in connection with our interest bearing debt and liabilities. Changes in interest rates can also affect, among other things, our ability to acquire and originate loans and securities and the value of our investment portfolio. Our net investment income is affected by fluctuations in various interest rates, including LIBOR and prime rates.

We typically expect that interest rates on the investments held in our portfolio will be based on LIBOR, with many of these investments also having a LIBOR floor. As of June 30, 2017, 100%, or \$10,863,373 (at cost), of our debt portfolio investments bore interest at variable rates, which are LIBOR-based and subject to certain floors, and none of our debt portfolio investments bore interest at fixed rates. A hypothetical 200 basis point increase or decrease in the interest rates on our variable-rate debt investments could increase our investment income by a maximum of approximately \$230,000 and decrease our investment income by a maximum of approximately \$67,000, on an annual basis.

We may in the future finance a portion of our investments with borrowings. In the event that we borrow funds to make investments in the future, our net investment income would be dependent upon the difference between the rate at which we borrow funds and the rate at which we invest the funds borrowed. Accordingly, there can be no assurance that a significant change in market interest rates will not have a material adverse effect on our net investment income. In periods of rising interest rates, our cost of funds would increase, which could reduce our net investment income if there is not a corresponding increase in interest income generated by our investment portfolio.

We regularly measure exposure to interest rate risk. We assess interest rate risk and manage interest rate exposure on an ongoing basis by comparing our interest rate sensitive assets to our interest rate sensitive liabilities. We may hedge against interest rate and currency exchange rate fluctuations by using standard hedging instruments such as futures, options and forward contracts subject to the requirements of the 1940 Act. While hedging activities may insulate us against adverse changes in interest rates, they may also limit our ability to participate in benefits of lower interest rates with respect to our portfolio of investments with fixed interest rates.

In addition, any investments we make that are denominated in a foreign currency will be subject to risks associated with changes in currency exchange rates. These risks include the possibility of significant fluctuations in the foreign currency markets, the imposition or modification of foreign exchange controls and potential illiquidity in the secondary market. These risks will vary depending upon the currency or currencies involved.

Item 4. Controls and Procedures

As of the end of the period covered by this report, we carried out an evaluation, under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rule 13a-15 under the Exchange Act). Based on that evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that our current disclosure controls and procedures are effective in timely alerting them to material information relating to us that is required to be disclosed by us in the reports we file or submit under the Exchange Act.

There have been no changes in our internal control over financial reporting that occurred during our most recently completed fiscal quarter that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. 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 1A. Risk Factors

In addition to the other information set forth in this report, you should carefully consider the factors discussed in “Risk Factors” in Part I, Item 1A of our annual report on Form 10-K for the fiscal year ended December 31, 2016, filed with the SEC on March 29, 2017, which could materially affect our business, financial condition or operating results. There have been no material changes during the six months ended June 30, 2017 to the risk factors discussed in our annual report on Form 10-K for the fiscal year ended December 31, 2016. The risks described in our annual report on Form 10-K are not the only risks that we face. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also may materially adversely affect our business, financial condition and/or operating results.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Except as previously reported by us on our current reports on Form 8-K, we did not sell any securities during the period covered by this Form 10-Q that were not registered under the Securities Act.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosure

Not applicable.

Item 5. Other Information

Not applicable.

Item 6. Exhibits

The following exhibits are filed as part of this report or hereby incorporated by reference to exhibits previously filed with the SEC:

- 3.1 Articles of Amendment and Restatement ⁽¹⁾
- 3.2 Articles of Amendment ⁽²⁾
- 3.3 Amended and Restated Bylaws ⁽²⁾
- 4.1 Form of Subscription Agreement*
- 11.1 Statement re Computation of Per Share Earnings (Included in the notes to the financial statements contained in this report)*
- 31.1 Certification of Chief Executive Officer pursuant to Rule 13a-14 of the Securities Exchange Act of 1934, as amended*
- 31.2 Certification of Chief Financial Officer pursuant to Rule 13a-14 of the Securities Exchange Act of 1934, as amended*
- 32.1 Certification of Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002*
- 32.2 Certification of Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002*

* Filed herewith

(1) Previously filed as an exhibit to the Registrant's Current Report on Form 8-K filed with the SEC on December 19, 2016.

(2) Previously filed as an exhibit to the Registrant's Current Report on Form 8-K filed with the SEC on June 14, 2017.

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, thereunto duly authorized.

Date: August 10, 2017

RUNWAY GROWTH CREDIT FUND INC.

By: /s/ R. David Spreng
R. David Spreng
President and Chief Executive Officer
(Principal Executive Officer)

Date: August 10, 2017

By: /s/ Thomas B. Raterman
Thomas B. Raterman
Chief Financial Officer, Treasurer and Secretary
(Principal Financial and Accounting Officer)



**Form of Subscription Documents for
RUNWAY GROWTH CREDIT FUND INC.
Confidential**

**DIRECTIONS FOR THE COMPLETION
OF THE SUBSCRIPTION DOCUMENTS**

Prospective investors must complete the Subscription Agreement (the “Subscription Agreement”), the Investor Questionnaire (the “Investor Questionnaire”) and any necessary attachments (the Subscription Agreement, the Investor Questionnaire and all such attachments collectively, the “Subscription Documents”) contained in this package in the manner described below. Capitalized terms not defined herein are used as defined in the Private Placement Memorandum of Runway Growth Credit Fund Inc. (f/k/a GSV Growth Credit Fund Inc.), a Maryland Corporation (as amended, restated and/or supplemented from time to time). For purposes of these Subscription Documents, the “Investor” is the person or entity for whose account the common stock is being purchased and that can satisfy the representations and warranties set forth in the Subscription Documents. Another person or entity with investment authority may execute the Subscription Documents on behalf of the Investor, but should indicate the capacity in which it is doing so and the name of the Investor.

1. *Subscription Agreement:*

- (a) Each Investor should fill in the amount of the Capital Commitment, date, print the name of the Investor and sign (and print name, capacity and title of signatory, if applicable) on page 14.

2. *Investor Questionnaire:*

- (a) In Section A, each Investor should fill in its name, type of entity, address, tax identification or social security number, contact person(s), telephone and facsimile numbers, email address, and the other requested information.
- (b) Each Investor should check the box or boxes in Section B which are next to the category or categories under which the Investor qualifies as an “accredited investor”.
- (c) Each Investor that is an individual should respond to the question in Section C.
- (d) Each Investor that is an entity should provide the information and respond to the questions in Section D.
- (e) Each Investor should respond to the questions in Section E.
- (f) Each Investor should respond to the questions in Section F.
- (g) Print the name of the Investor and sign (and print name, capacity and title of signatory, if applicable) on page 11 of the Investor Questionnaire.

3. *Customer Identification Program — Documentation Requirements* (if the documentation may have previously been submitted, please contact the Company to confirm.)

(a) Formation:

Organized entities, including corporations, partnerships, limited liability companies, and trusts: provide a certificate of formation and formation agreement.

(b) Identification:

Investors who are natural persons: provide a current (*i.e.*, non-expired) copy of a government issued photo identification.

Corporations, partnerships, limited liability companies, and trusts: provide a current (*i.e.*, non-expired) copy of a government issued photo identification of natural persons who ultimately, directly or indirectly, benefit from 10% or more of the proceeds of the entity or hold 10% or more of the control rights.

Upon review of the above documents, the Company may require additional documentation in order to satisfy its requirements for Know Your Customer and Anti-Money Laundering.

4. Tax Forms:

Each U.S. Investor is required to fill in and sign and date the attached Form W-9 and each non-U.S. investor is required to fill in and date the relevant Form(s) W-8 (W-8BEN, W-8BEN-E, W-8IMY, W-8ECI or W-8EXP), as applicable, in accordance with the instructions to such Form, and in the event that any applicable reduction or exemption from U.S. federal withholding tax is claimed, is required to provide all applicable attachments or addendums as required to claim such exemption or reduction.

5. Evidence of Authorization:

Each Investor must provide valid evidence of authorization, such as a list of authorized agents, and a current copy of a government issued photo identification for the individual(s) authorized to sign the Subscription Documents.

(a) For Corporations:

Generally, Investors which are corporations must submit certified corporate resolutions authorizing the subscription and identifying the corporate officer empowered to sign the Subscription Documents.

(b) For Partnerships:

Partnerships must submit a certified copy of the partnership certificate (in the case of limited partnerships) or partnership agreement identifying the general partners.

(c) For Limited Liability Companies:

Limited liability companies must submit a certified copy of the limited liability operating agreement or certificate of formation identifying the manager or managing member, as applicable, empowered to sign the Subscription Documents.

(d) For Trusts:

Trusts must submit a copy of the trust agreement.

(e) For Employee Benefit Plans:

Employee benefit plans must submit a certificate of an appropriate fiduciary certifying that the subscription has been authorized and identifying the individual empowered to sign the Subscription Documents.

6. Delivery of Subscription Documents:

Two (2) original completed and executed copies of the Subscription Agreement and the Investor Questionnaire, together with the Form W-9 or W-8, (W-8BEN, W-8BEN-E, W-8IMY, W-8ECI or W-8EXP), as applicable, and any required evidence of authorization, should be delivered to the Company at the following address:

Runway Growth Credit Fund Inc.
Attn: David Spreng
205 N. Michigan Ave., Suite 930
Chicago, IL 60601

In addition, please send (i) the completed and executed Subscription Agreement, (ii) the completed and executed Investor Questionnaire, (iii) the completed Form W-9 or W-8 (W-8BEN, W-8BEN-E, W-8IMY, W-8ECI or W-8EXP), as applicable, and (iv) any required evidence of authorization to Runway Growth Credit Fund Inc., by electronic mail to the attention of "David Spreng" at ds@runwaygrowth.com as soon as possible.

Inquiries regarding subscription procedures (including if the Investor Questionnaire indicates that any Investor's response to a question requires further information) should be directed to David Spreng at ds@runwaygrowth.com. If the Investor's subscription is accepted (in whole or in part) by the Company, a fully executed set of the Subscription Documents will be returned to the Investor.

7. *Wire Instructions:*

In connection with an Investor's investment, the Investor shall be required to contribute capital pursuant to Funding Notices (as defined below). Upon receipt of a Funding Notice, payment shall be sent by wire transfer pursuant to the wire instructions set forth below. Notwithstanding the foregoing, wire instructions may change in the sole discretion of the Company. Therefore, Investors should wire funds in accordance with the wire instructions set forth in any Funding Notice issued by the Company. To the extent there is any discrepancy in the wire instructions set forth below and the wire instructions set forth in a Funding Notice, the wire instructions in such Funding Notice shall prevail.

Please wire funds to:

Bank:	The PrivateBank
ABA #:	071006486
Account Name:	Runway Growth Credit Fund Inc.
Account #:	2477424
Notation:	«Investor Name»

[Remainder of Page Intentionally Left Blank]

SUBSCRIPTION AGREEMENT

Runway Growth Credit Fund Inc.
205 N. Michigan Ave., Suite 930
Chicago, IL 60601

Ladies and Gentlemen:

1. *Subscription.*

(a) The undersigned (the “Investor”) subscribes for and agrees to purchase shares of common stock, par value \$0.01 per share (“Shares”), in Runway Growth Credit Fund Inc. (f/k/a GSV Growth Credit Fund Inc.) (“Runway Growth Credit Fund” or the “Company”) with a capital commitment (“Capital Commitment”) in the amount set forth on the signature page below. The Investor acknowledges and agrees that this subscription (i) is irrevocable on the part of the Investor, (ii) is conditioned upon acceptance by or on behalf of the Company, and (iii) may be accepted or rejected in whole or in part by the Company in its sole discretion. The Investor agrees to be bound by all the terms and provisions of the Company’s Private Placement Memorandum, as amended, restated and/or supplemented from time to time (the “Memorandum”) related to the Company’s private offering of Shares (the “Offering”), the Company’s Bylaws, substantially in the form attached hereto as Appendix A, as amended from time to time (the “Bylaws”), the Company’s Articles of Amendment and Articles of Amendment and Restatement, substantially in the form attached hereto as Appendix B, as amended from time to time (collectively, the “Charter”), the Investment Advisory Agreement with Runway Growth Capital LLC (f/k/a GSV Growth Credit LLC), our investment adviser (the “Adviser”), substantially in the form attached hereto as Appendix C, as amended from time to time (the “Advisory Agreement”), the Administration Agreement between the Company and Runway Administrator Services LLC (f/k/a GSV Credit Service Company, LLC), our administrator (the “Administrator”), substantially in the form attached hereto as Appendix D, as amended from time to time (the “Administration Agreement,” and together with the Memorandum, the Bylaws, the Charter and the Advisory Agreement, the “Operative Documents”), together with this Subscription Agreement (the “Subscription Agreement”). Capitalized terms not defined herein are used as defined in the Memorandum. The Company expects to enter into separate Subscription Agreements (the “Other Subscription Agreements,” and together with this Subscription Agreement, the “Subscription Agreements”) with other investors (the “Other Investors,” and together with the Investor, the “Investors”), providing for the sale of Shares to the Other Investors. This Subscription Agreement and the Other Subscription Agreements are separate agreements, and the sales of Shares to the undersigned and the Other Investors are separate sales.

(b) The Investor agrees to purchase Shares in this Offering for an aggregate purchase price equal to its Capital Commitment, payable at such times and in such amounts as required by the Company, under the terms and subject to the conditions set forth herein. On each Capital Drawdown Date (as defined below), the Investor agrees to purchase from the Company, and the Company agrees to issue to the Investor, a number of Shares equal to the Drawdown Share Amount (as defined below) at an aggregate price equal to the Drawdown Purchase Price (as defined below); provided, however, that in no circumstance will an Investor be required to purchase Shares for an amount in excess of its Unused Capital Commitment (as defined below).

“Drawdown Purchase Price” shall mean, for each Capital Drawdown Date, an amount in U.S. dollars determined by multiplying (i) the aggregate amount of Capital Commitments being drawn down by the Company from all Investors on that Capital Drawdown Date, by (ii) a fraction, the numerator of which is the Unused Capital Commitment of the Investor and the denominator of which is the aggregate Unused Capital Commitments of all Investors that are not Defaulting Investors or Excluded Investors (as defined below).

“Drawdown Share Amount” shall mean, for each Capital Drawdown Date, a number of Shares determined by dividing (i) the Drawdown Purchase Price for that Capital Drawdown Date by (ii) the applicable Per Share Price (as defined below), with the resulting quotient adjusted to the nearest whole number to avoid the issuance of fractional shares.

“Per Share NAV” shall mean, for any Capital Drawdown Date or Catch-Up Date (as defined below), the net asset value per Share, as determined by the Company’s Board of Directors (including any committee of the Board, the “Board”), as of the end of the most recent calendar quarter prior to the date of the Funding Notice (as defined below).

“Per Share Price” shall mean, for any Capital Drawdown Date or Catch-Up Date (as defined below), an amount in U.S. dollars equal to the greater of (i) \$15.00 or (ii) the Per Share NAV; provided, that the Per Share Price shall be subject to the limitations of Section 23 under the Investment Company Act of 1940, as amended (the “1940 Act”).

“Unused Capital Commitment” shall mean, with respect to an Investor, the amount of such Investor’s Capital Commitment as of any date reduced by the aggregate amount of contributions made by that Investor at all previous Capital Drawdown Dates and any Catch-Up Date pursuant to Section 1(b) and Section 2(c), respectively.

2. Closings.

(a) The initial closing of this Offering will take place as soon as practicable in the sole discretion of the Adviser upon the receipt of aggregate Capital Commitments totaling at least \$50 million (such date being the “Initial Closing Date,” and the date on which each subsequent closing occurs, a “Subsequent Closing Date,” and each Subsequent Closing Date with the Initial Closing Date shall be referred to herein as the “Closing Date”). The Company may accept additional Capital Commitments on one or more Subsequent Closing Dates until December 31, 2017 (the last of which Subsequent Closing Dates shall be referred to herein as the “Final Closing”).

(b) The Investor agrees to provide any information reasonably requested by the Company to verify the accuracy of the representations contained herein, including without limitation the investor questionnaire (the “Investor Questionnaire”). Promptly after the Closing Date, the Company will deliver to the Investor or its representative, if the Investor’s subscription has been accepted, a countersigned copy of this Subscription Agreement and other documents and instruments necessary to reflect the Investor’s status as an investor in the Company, including any documents and instruments to be delivered pursuant to this Subscription Agreement.

(c) The Company may enter into Other Subscription Agreements with Other Investors on a Subsequent Closing Date and any Other Investor whose subscription has been accepted at such Subsequent Closing Date referred to as a “Subsequent Investor.” Notwithstanding the provisions of Sections 1(b) and 3, on one or more dates to be determined by the Company that occur on or following the Subsequent Closing Date but no later than the next succeeding Capital Drawdown Date (each, a “Catch-Up Date”), each Subsequent Investor shall be required to purchase from the Company a number of Shares with an aggregate purchase price necessary to ensure that, upon payment of the aggregate purchase price for such Shares by the Subsequent Investor in the aggregate for all Catch-Up Dates, such Subsequent Investor’s Invested Percentage (as defined below) shall be equal to the Invested Percentage of all prior Investors (other than any Defaulting Investors or Excluded Investors) (the “Catch-Up Purchase Price”). Upon payment of the Catch-Up Purchase Price by the Investor on a Catch-Up Date and payment by Other Investors of the requisite amount, the Company shall issue to each such Subsequent Investor a number of Shares determined by dividing (x) the Catch-Up Purchase Price for such Subsequent Investor by (y) the Per Share Price for such Subsequent Investor as of a Catch-Up Date. For the avoidance of doubt, in the event that the Catch-Up Date and a Capital Drawdown Date occur on the same calendar day, such Catch-Up Date (and the application of the provisions of this Section 2(c)) shall be deemed to have occurred immediately prior to the relevant Capital Drawdown Date.

“Invested Percentage” means, with respect to an Investor, the quotient determined by dividing (i) the aggregate amount of contributions made by such Investor pursuant to Section 1(b) and this Section 2(c) by (ii) such Investor’s Capital Commitment.

(d) At each Capital Drawdown Date following any Subsequent Closing Date, all Investors, including Subsequent Investors, shall purchase Shares in accordance with the provisions of Section 1(b); provided, however, that notwithstanding the foregoing, the definitions of Drawdown Share Amount and Per Share Price and the provisions of Section 3(b), nothing in this Subscription Agreement shall prohibit the Company from issuing Shares to Subsequent Investors whose subscriptions are accepted after the Closing Date at a Per Share Price greater than the Per Share NAV at the time of issuance.

(e) In the event that any Investor is permitted by the Company to make an additional capital commitment to purchase Shares on a date after its initial subscription has been accepted, such Investor will be required to enter into a separate Subscription Agreement with the Company, it being understood and agreed that such separate Subscription Agreement will be considered to be an Other Subscription Agreement for the purposes of this Subscription Agreement.

3. Capital Drawdowns.

(a) Purchases of Shares will take place on dates selected by the Company in its sole discretion (each, a “Capital Drawdown Date”) and shall be made in accordance with the provisions of Section 1(b).

(b) The Company shall deliver to the Investor by electronic mail, at least ten (10) Business Days prior to each Capital Drawdown Date, a notice (each, a “Funding Notice”) setting forth (i) the Capital Drawdown Date, (ii) the aggregate number of Shares to be sold to all Investors on the Capital Drawdown Date and the aggregate purchase price for such Shares, (iii) the applicable Drawdown Share Amount, Drawdown Purchase Price and Per Share Price and (iv) the account to which the Drawdown Purchase Price should be wired. For the purposes of this Subscription Agreement, the term “Business Day” shall have the meaning ascribed to it in Rule 14d-1(g)(3) under the Securities Exchange Act of 1934, as amended (the “1934 Act”). Notwithstanding the 10 Business Day notice requirement set forth in the previous sentence, the Investor agrees to satisfy the Funding Notice set forth in Appendix E for the initial Capital Drawdown Date upon at least five (5) Business Days prior to the initial Capital Drawdown Date.

(c) The delivery of a Funding Notice to the Investor shall be the sole and exclusive condition to the Investor’s obligation to pay the Drawdown Share Purchase Price identified in each Funding Notice, and shall represent the Company’s acceptance of the Investor’s irrevocable and ongoing offer to purchase Shares.

(d) On each Capital Drawdown Date, the Investor shall pay the Drawdown Purchase Price to the Company by bank wire transfer in immediately available funds in U.S. dollars to the account specified in the Funding Notice.

(e) Notwithstanding anything to the contrary contained in this Subscription Agreement, the Company shall have the right (a “Limited Exclusion Right”) to exclude any Investor (such Investor, an “Excluded Investor”) from purchasing Shares from the Company on any Capital Drawdown Date or participating in a Spin-Off transaction (as defined below) if, in the reasonable discretion of the Company, there is a substantial likelihood that such Investor’s purchase or exchange of Shares at such time would (i)(A) result in a violation of, or noncompliance with, any law or regulation to which such Investor, the Company, the Adviser, any Other Investor or a portfolio company would be subject or (B) cause the assets of the Company to be considered “plan assets” under the U.S. Employee Retirement Income Security Act of 1974, as amended (“ERISA”), or Section 4975 of the U.S. Internal Revenue Code of 1986, as amended (the “Code”), because investments of “Benefit Plan Investors” (within the meaning of Section 3(42) of ERISA and certain Department of Labor regulations) are deemed to be significant or (ii) cause any new fund formed in connection with a Spin-Off transaction to (A) be in violation of, or noncompliance with, any law or regulation to which such fund would be subject or (B) be deemed to hold “plan assets” under ERISA or Section 4975 of the Code because the investments of Benefit Plan Investors are deemed to be significant.

For purposes of this Subscription Agreement, a “Spin-Off transaction” includes a transaction whereby the Company offers Investors the option to elect to either (i) retain their ownership of Shares; (ii) exchange their Shares for shares of common stock in a newly formed entity (the “Public Fund”) that will elect to be regulated as a business development company under the 1940 Act and treated as a regulated investment company under Subchapter M of the Code, and which will use its commercially reasonable best efforts to complete an initial public offering of shares of its common stock not later than three years after the Final Closing; or (iii) exchange their Shares for interests of one or more newly formed entities (each, a “Liquidating Fund”) that will each be organized as a limited liability company, and which will, among other things, seek to complete an orderly wind down and/or liquidation of any such Liquidating Fund; provided, however, that in no event will an Investor be obligated to exchange his, her or its Shares for shares of common stock in the Public Fund or interests in a Liquidating Fund.

4. *Pledging.* Without limiting the generality of the foregoing, the Investor specifically agrees and consents that the Company may, at any time, and without further notice to or consent from the Investor (except to the extent otherwise provided in this Subscription Agreement), grant security over and, in connection therewith, Transfer (as defined in Section 8(d)) its right to draw down capital from the Investor pursuant to Section 3, and the Company’s right to receive the Drawdown Share Purchase Price (and any related rights of the Company), to lenders or other creditors of the Company, in connection with any indebtedness, guarantee or surety of the Company; provided, that, for the avoidance of doubt, any such grantee’s right to draw down capital shall be subject to the limitations on the Company’s right to draw down capital pursuant to Section 3.

5. *Dividends; Dividend Reinvestment Program.*

(a) As described more fully in the Memorandum, the Company generally intends to distribute, out of assets legally available for distribution, substantially all of its available earnings, on a quarterly basis, subject to the discretion of the Board. The Company has adopted a plan in 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, crediting to each such Investor a number of Shares equal to: the quotient determined by dividing the cash value of the dividend or distribution payable to such Investor by the net asset value per Share determined as of the valuation date fixed by the Board for such dividend. The Investor may elect to receive any or all such dividends in cash by notifying the Adviser, or, in the case of Investors whose shares are held by a broker or other financial intermediary, such broker or other financial intermediary, in writing no later than ten (10) days prior to the record date for the first dividend that the Investor wishes to receive in that form. The Investor and the Company agree and acknowledge that any dividends received by the Investor or reinvested by the Company on the Investor's behalf shall have no effect on the amount of the Investor's Unused Capital Commitment.

(b) The Company represents and warrants that it shall not make any in-kind distributions consisting of securities that are not Marketable Securities or common stock of the Company except in connection with liquidation distributions conducted in connection with the dissolution of the Company in accordance with the Maryland General Corporation Law. "Marketable Securities" means securities which are traded or quoted on the New York Stock Exchange, American Stock Exchange or the Nasdaq Global Market or on a comparable securities market or exchange now or in the future.

6. *Remedies upon Investor Capital Drawdown Default.*

(a) Except as otherwise provided in this Subscription Agreement, upon any failure by an Investor to pay all or any portion of the purchase price due from such Investor on any Capital Drawdown Date (such amount, together with the full amount of such Investor's remaining Capital Commitment, a "Defaulted Commitment"), interest will accrue at the Default Rate (as defined below) on the outstanding unpaid balance of such purchase price, from and including the date such purchase price was due until the earlier of the date of payment of such purchase price by such Investor (or a transferee) or the date on which such Share is transferred. The Default Rate with respect to any period shall be the lesser of (a) a variable rate equal to the prime rate of interest in effect (as reported in the *Wall Street Journal*) during such period plus 6% or (b) the highest interest rate for such period permitted by applicable law (the "Default Rate"). The Company, in its discretion, may waive the requirement to pay interest, in whole or in part.

(b) In the event a Defaulted Commitment remains uncured for a period of ten (10) Business Days, the Company shall be permitted to declare such Investor to be in default of its obligations under this Subscription Agreement (any such Investor, a "Defaulting Investor") and shall be permitted to pursue one or any combination of the following remedies:

(i) Cause the Defaulting Investor to forfeit, at each Capital Drawdown Date, such number of its Shares as is necessary to prevent any increase in such Defaulting Investor's Shares' aggregate net asset value as a result of the contribution of capital by Other Investors with respect to their Shares, which forfeited Shares may be cancelled on the Company's books and records or may be transferred to the Other Investors (other than any defaulting Other Investor), in each case without any action by the Defaulting Investor;

(ii) Impose a Default Charge upon the Defaulting Investor pursuant to Section 6(c);

(iii) Offer all of the Defaulting Investor's Shares to the Other Investors (other than any defaulting Other Investor) or third parties for purchase at a price equal to the lesser of the then net asset value of such Shares or the highest price reasonably obtainable by the Company, subject to such other terms as the Company in its discretion shall determine, which offer(s) shall be binding upon the Defaulting Investor if the purchasing Other Investors or third parties agree to assume the related Capital Commitment with respect to such Shares of the Defaulting Investor, including any portion then due and unpaid, and the Company pursuant to its authority under Section 10 may execute on behalf of the Defaulting Investor any documents necessary to effect the Transfer (as defined in Section 8(d)) of the Defaulting Investor's Shares pursuant to this Section 6(b)(iii); provided, however, that notwithstanding anything to the contrary contained in this Subscription Agreement, no Shares shall be transferred to any Other Investor pursuant to this Section 6(b)(iii) in the event that such Transfer (as defined in Section 8(d)) would (x) violate the Securities Act of 1933, as amended (the "1933 Act"), 1940 Act or any state (or other jurisdiction) securities or "Blue Sky" laws applicable to the Company or such Transfer (as defined in Section 8(d)), (y) constitute a non-exempt "prohibited transaction" under Section 406 of ERISA or Section 4975 of the Code or (z) cause all or any portion of the assets of the Company to constitute "plan assets" under ERISA or Section 4975 of the Code (it being understood that this proviso shall operate only to extent necessary to avoid the occurrence of the consequences contemplated herein);

(iv) Assist the Defaulting Investor in selling its Shares (subject to applicable law), with the full assumption by the buyer of the Defaulting Investor's Capital Commitments thereto, including any portion then due and unpaid;

(v) Accept a late contribution from the Defaulting Investor, with interest (if any), in satisfaction of its then-outstanding obligation to contribute hereunder; or

(vi) Pursue and enforce all of the Company's other rights and remedies against the Defaulting Investor under this Subscription Agreement and applicable law and/or at equity, including but not limited to the commencement of a lawsuit to collect the unpaid Capital Commitment, interest, costs, and reimbursement (with interest at the Default Rate) for any other damages suffered by the Company.

If a Defaulting Investor's Shares are sold pursuant to Sections 6(b)(iii) or 6(b)(iv) above, or if the Company exercises its discretion to accept a late contribution pursuant to Section 6(b)(v) above, the Company shall not impose a Default Charge pursuant to Section 6(c) below. Otherwise, to the maximum extent permitted by law, the remedies set forth above shall be cumulative, and the use by the Company of one or more of them against a Defaulting Investor shall not preclude the use of any other such remedy. The Company may pursue and enforce all rights and remedies it may have against a Defaulting Investor. Notwithstanding anything to the contrary in this Subscription Agreement, the Company will hold the Defaulting Investor responsible for all fees and expenses, including without limitation, attorneys' fees or sales commissions, incurred as a result of the default. The Investor agrees that this Section 6 is solely for the benefit of the Company and shall be interpreted by the Company against a Defaulting Investor in the discretion of the Company. The Investor further agrees that the Investor cannot and will not seek to enforce this Section 6 against the Company or any other investor in the Company.

(c) The Investors agree that the damages suffered by the Company as the result of a Defaulted Commitment will be substantial and that such damages cannot be estimated with reasonable accuracy. To the maximum extent permitted by applicable law, as a penalty, and subject to Section 6(b) above, the Company may cause a Defaulting Investor to forfeit up to an additional amount of Shares equal to 50% of the Shares such Defaulting Investor subscribed for, respectively (the "Default Charge") after application of Section 6(b)(i), which forfeited Shares may be cancelled on the Company's books and records without any action by the Defaulting Member.

(d) Subject to any Default Charge imposed pursuant to Section 6(c), the Company may withhold any distributions that otherwise would be made to a Defaulting Investor until such time as the Company makes its final liquidating distribution, or until such earlier time as the Company may determine. Any distributions so withheld, or the proceeds thereof, shall be placed in a separate escrow account and may only be used by the Company to offset obligations of such Defaulting Investor. Upon the final liquidating distribution or such earlier time as the Company determines, if there are funds remaining in the escrow account after paying or reserving for all possible current and future obligations of such Defaulting Investor, such funds shall be distributed to such Defaulting Investor. If the Company has withheld in-kind distributions from an Investor pursuant to this Section 6(d) and subsequently determines to pay the withheld distributions to such Investor, it may elect to (i) pay cash to such Investor in lieu of any distributions which were made to non-defaulting Investors in kind and withheld from such Investor, but the Company shall not, in such event, be liable to such Investor for any subsequent increase in the value of any securities that would have been distributed to such Investor had such Investor not defaulted, or (ii) deliver to such Investor the securities or other assets (or substantially identical securities or assets) such Investor would have received had the distribution to such Investor not been withheld, but the Company shall not, in such event, be liable for any diminution in the value of such securities or other assets subsequent to the date such securities would have been distributed. Any losses incurred by the Company upon the disposition of the securities or other assets that would otherwise have been distributed to the Defaulting Investor in kind shall be for the account of the Defaulting Investor.

(e)(i) The Company, in its sole discretion, may determine that no additional capital contribution shall be accepted from a Defaulting Investor, in which case the Company shall so notify the Defaulting Investor and, following the date that such notice is given to the Defaulting Investor, the Company shall not call for additional capital contributions from such Defaulting Investor.

(ii) If the Company has given the notice described in Section 6(e)(i) and such Defaulting Investor's aggregate amount of contributions with respect to its Shares has been reduced to zero (by application of the Default Charge or otherwise), then the Defaulting Investor's Shares shall be forfeited without compensation and the Defaulting Investor shall no longer be a stockholder of the Company, and the Company shall have no further obligation to the Defaulting Investor.

(iii) If a portion or all of the Shares of a Defaulting Investor are forfeited, then for purposes of the Advisory Agreement, the Defaulting Investor's Capital Commitment shall be correspondingly reduced; *provided, however*, that for purposes of determining the management fee payable by the Company under the Advisory Agreement (the "Management Fee"), such adjustment to the Defaulting Investor's original Capital Commitment shall take effect only as of the end of the fiscal year in which such unpaid Capital Commitment is reduced to zero or its Shares are extinguished. For purposes of any other provision of the Operative Documents for which the Defaulting Investor's Capital Commitment with respect to each of its Shares is relevant, the Company shall determine the amount of such Capital Commitment, in its reasonable discretion, so as to carry out the purposes of such provision.

7. *Key Person Event.* If, at any time prior to the consummation of the initial Spin-Off transaction (the period ending on such date being the "Commitment Period"), David Spreng, the Company's President and CEO (the "Key Person"), fails to provide duties to the Company consistent with the standards set forth in the Advisory Agreement for any consecutive period exceeding 60 days, the Company's stockholders will be promptly notified and the Commitment Period for each stockholder shall be suspended unless and until a plan of operations is agreed upon by the Board and approved by the affirmative vote of the Company's stockholders entitled to cast a majority of all the votes entitled to be cast on the matter.

8. *Representations and Warranties of the Investor.* To induce the Company to accept this subscription, the Investor represents and warrants as follows:

(a) This Subscription Agreement has been duly authorized, executed and delivered by the Investor and, upon due authorization, execution and delivery by the Company, will constitute the valid and legally binding agreement of the Investor enforceable in accordance with its terms against the Investor, except as such enforceability may be limited by (i) bankruptcy, insolvency, reorganization, fraudulent conveyance, moratorium or other laws of general application relating to or affecting the enforcement of creditors' rights and remedies, as from time to time in effect; (ii) application of equitable principles (regardless of whether such enforceability is considered in a proceeding in equity or at law); and (iii) considerations of public policy or the effect of applicable law relating to fiduciary duties.

(b) The Shares to be acquired hereunder are being acquired by the Investor for the Investor's own account for investment purposes only and not with a view to resale or distribution.

(c) The Investor understands that the Company intends to file elections to be: (i) regulated as a business development company under the 1940 Act and (ii) treated as a regulated investment company within the meaning of Section 851 of the Code, for U.S. federal income tax purposes; pursuant to those elections, the Investor will be required to furnish certain information to the Company as required under Treasury Regulations § 1.852-6(a) and other regulations. If the Investor is unable or refuses to provide such information directly to the Company, the Investor understands that it will be required to include additional information on its income tax return as provided in Treasury Regulation § 1.852-7. The Company has filed a registration statement on Form 10 (the "Form 10 Registration Statement") related to its common stock with the U.S. Securities and Exchange Commission (the "SEC") under the 1934 Act. The Form 10 Registration Statement is not the offering document pursuant to which the Company is conducting this Offering and may not include all information regarding the Company contained in the Memorandum; accordingly, Investors should rely exclusively on information contained in the Operative Documents in making their investment decisions.

(d)(i) The Investor understands that the offering and sale of the Shares in this Offering are intended to be exempt from registration under the 1933 Act, applicable U.S. state securities laws and the laws of any non-U.S. jurisdictions by virtue of the private placement exemption from registration provided in Section 4(2) of the 1933 Act, exemptions under applicable U.S. state securities laws and exemptions under the laws of any non-U.S. jurisdictions, and it agrees that any Shares acquired by the Investor may not be sold, offered for sale, exchanged, transferred, assigned, pledged, hypothecated or otherwise disposed of (each, a “Transfer”) in any manner that would require the Company to register the Shares under the 1933 Act, under any U.S. state securities laws or under the laws of any non-U.S. jurisdictions. The Investor understands that the Company requires each investor in the Company to be an “accredited investor” as defined in Rule 501(a) of Regulation D of the 1933 Act (“Accredited Investor”) and the Investor represents and warrants that it is an Accredited Investor.

(ii) The Investor understands that the offering and sale of the Shares in this Offering in non-U.S. jurisdictions may be subject to additional restrictions and limitations, and represents and warrants that it is acquiring its Shares in compliance with all applicable laws, rules, regulations and other legal requirements applicable to the Investor including, without limitation, the legal requirements of jurisdictions in which the Investor is resident and in which such acquisition is being consummated. Furthermore, the Investor understands that all offerings and sales made outside of the United States will be made pursuant to Regulation S under the 1933 Act.

(e)(i) The Investor may not Transfer its Capital Commitment or, other than in connection with a Spin-Off transaction, any of its Shares unless (a) the Company provides its prior written consent, (b) the Transfer is made in accordance with applicable securities laws and (c) the Transfer is otherwise in compliance with the transfer restrictions set forth in Appendix F. No Transfer will be effectuated except by registration of the Transfer on the Company books. Each transferee must agree to be bound by these restrictions and all other obligations as an investor in the Company.

(ii) The Investor acknowledges that the Investor is aware and understands that there are other substantial restrictions on the transferability of Shares or Capital Commitment under this Subscription Agreement, the Operative Documents and under applicable law including, but not limited to, the fact that (a) there is no established market for the Shares and it is possible that no public market for the Shares will develop; (b) the Shares are not currently, and Investors have no rights to require that the Shares be, registered under the 1933 Act or the securities laws of the various states or any non-U.S. jurisdiction and therefore cannot be Transferred unless subsequently registered or unless an exemption from such registration is available; and (c) the Investor may have to hold the Shares herein subscribed for and bear the economic risk of this investment indefinitely, and it may not be possible for the Investor to liquidate its investment in the Company.

(f) The Investor has been furnished and has carefully read this Subscription Agreement, each Operative Document, in each case as amended, restated and/or supplemented through the closing date of the Investor’s subscription for Shares, a current copy of the Proxy Voting Policies and Procedures of the Adviser and, to the extent the Investor is a natural person, a current copy of the Runway Growth Credit Fund Inc. Privacy Notice. The Investor has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of an investment in the Shares, is able to bear the risks of an investment in the Shares and understands the risks of, and other considerations relating to, a purchase of Shares, including the matters set forth under the caption “Risk Factors” in the Memorandum.

(g) To the full satisfaction of the Investor, the Investor has been furnished any materials the Investor has requested relating to the Company, the Offering of Shares or any statement made in the Memorandum, and the Investor has been afforded the opportunity to ask questions of representatives of the Company concerning the terms and conditions of the Offering and to obtain any additional information necessary to verify the accuracy of any representations or information set forth in the Memorandum.

(h) Other than as set forth in this Subscription Agreement, the Operative Documents and any separate agreement in writing with the Company executed in conjunction with the Investor’s subscription for Shares, the Investor is not relying upon any other information (including, without limitation, any advertisement, article, notice or other communication published in any newspaper, magazine, website or similar media or broadcast over television or radio, and any seminars or meetings whose attendees have been invited by any general solicitation or advertising), representation or warranty by the Company, its Adviser or any affiliate of the foregoing or any agent of them, written or otherwise, in determining to invest in the Company and the Investor understands that the Memorandum is not intended to convey tax or legal advice. The Investor has consulted to the extent deemed appropriate by the Investor with the Investor’s own advisers as to the financial, tax, legal, accounting, regulatory and related matters concerning an investment in Shares and on that basis understands the financial, tax, legal, accounting, regulatory and related consequences of an investment in Shares, and believes that an investment in the Shares is suitable and appropriate for the Investor. The Investor has not received, nor has the Investor relied upon, any recommendation (as defined under 29 C.F.R. 2510.3-21(b)) from the Adviser, the Administrator, or the Company regarding the advisability of acquiring, holding, disposing or exchanging securities or other investment property including, but not limited to, the Shares.

(i) If the Investor is not a natural person, (i) the Investor was not formed or recapitalized for the specific purpose of acquiring any Shares in the Company, (ii) the Investor has the power and authority to enter into this Subscription Agreement and each other document required to be executed and delivered by the Investor in connection with this subscription for Shares, and to perform its obligations hereunder and thereunder and consummate the transactions contemplated hereby and thereby and (iii) the person signing this Subscription Agreement on behalf of the Investor has been duly authorized to execute and deliver this Subscription Agreement and each other document required to be executed and delivered by the Investor in connection with this subscription for Shares. If the Investor is a natural person, the Investor has all requisite legal capacity to acquire and hold the Shares and to execute, deliver and comply with the terms of each of the documents required to be executed and delivered by the Investor in connection with this subscription for Shares. The execution and delivery by the Investor of, and compliance by the Investor with, this Subscription Agreement and each other document required to be executed and delivered by the Investor in connection with this subscription for Shares does not violate, represent a breach of, or constitute a default under, any instruments governing the Investor, any law, regulation or order, or any agreement to which the Investor is a party or by which the Investor is bound.

(j) The Investor: (i) is not registered or required to be registered as an investment company under the 1940 Act; (ii) has not elected to be regulated as a business development company under the 1940 Act; and (iii) either (A) is not relying on the exception from the definition of “investment company” under the 1940 Act set forth in Section 3(c)(1) or 3(c)(7) thereunder or (B) is otherwise permitted to acquire and hold more than 3% of the outstanding voting securities of a business development company.

(k) Representations for Non-U.S. Persons.

(i) If the Investor is not a “United States Person,” as defined below (a “non-U.S. Person”), the Investor has heretofore notified the Company in writing of such status. For this purpose, “United States Person” means a citizen or resident of the United States, a corporation, partnership or other entity created or organized in or under the laws of the United States or any political subdivision thereof, an estate the income of which is subject to United States federal income taxation regardless of its source, or any trust (i) the administration of which may be subject to the primary supervision of a U.S. court and (ii) the authority to control all of the substantial decisions of which is held by one or more U.S. persons.

(ii) The Investor will notify the Company immediately if the Investor becomes a United States Person.

(iii) The Investor is acquiring the Shares for its own account for investment purposes only and is not subscribing on behalf of or funding its commitment with funds obtained from a United States Person.

(iv) Except for offers and sales to discretionary or similar accounts held for the benefit or account of a non-U.S. Person by a U.S. dealer or other professional fiduciary, all offers to sell and offers to buy the Interest were made to or by the Investor while the Investor was outside the United States and at the time the Investor’s order to buy the Shares originated (and at the time this Subscription Agreement was executed by the Investor) the Investor was outside the United States.

(l) If the Investor is, or is acting (directly or indirectly) on behalf of, a “Plan” (defined below) which is subject to Title I of ERISA or Section 4975 of the Code, or any provisions of any other federal, state, local, non-U.S. or other laws or regulations that are similar to those provisions contained in such portions of ERISA or the Code (collectively, “Other Plan Laws”): (1) the decision to invest in the Company was made by a fiduciary (within the meaning of Section 3(21) of ERISA and the regulations thereunder, or as defined under applicable Other Plan Laws) (a “Fiduciary”) of the Plan which is unrelated to the Adviser or any of its employees, representatives or affiliates and which is duly authorized to make such an investment decision on behalf of the Plan (the “Plan Fiduciary”); (2) the Plan Fiduciary has taken into consideration its fiduciary duties under ERISA or any applicable Other Plan Law, including the diversification requirements of Section 404(a)(1)(C) of ERISA (if applicable), in authorizing the Plan’s investment in the Company, and has concluded that such investment is prudent; (3) the Plan’s subscription to invest in the Company and the purchase of Shares contemplated hereby is in accordance with the terms of the Plan’s governing instruments and complies with all applicable requirements of ERISA, the Code and all applicable Other Plan Laws and does not constitute a non-exempt prohibited transaction under ERISA or Section 4975 of the Code or a similar violation under any applicable Other Plan Laws; and (4) the Plan Fiduciary acknowledges and agrees that neither the Adviser nor any of its employees, representatives or affiliates will be a fiduciary with respect to the Plan as a result of the Plan’s investment in the Company, pursuant to the provisions of ERISA or any applicable Other Plan Laws, or otherwise, and the Plan Fiduciary has not relied on, and is not relying on, the investment advice of any such person with respect to the Plan’s investment in the Company. “Plan” includes (i) an employee benefit plan (within the meaning of Section 3(3) of ERISA), whether or not such plan is subject to Title I of ERISA, (ii) a plan, individual retirement account or other arrangement that is described in Section 4975 of the Code, whether or not such plan, individual retirement account or other arrangement is subject to Section 4975 of the Code, (iii) an insurance company using general account assets, if such general account assets are deemed to include the assets of any of the foregoing types of plans, accounts or arrangements for purposes of Title I of ERISA or Section 4975 of the Code under Section 401(c)(1)(A) of ERISA or the regulations promulgated thereunder and (iv) an entity which is deemed to hold the assets of any of the foregoing types of plans, accounts or arrangements, pursuant to ERISA or otherwise.

(m) The Investor agrees to notify the Company in writing in the event (i) the Investor either becomes or ceases to be a “benefit plan investor” within the meaning of Section 3(42) of ERISA, as modified by 29 C.F.R. 2510.3-101(f)(2) or under any Other Plan Law (a “Benefit Plan Investor”), (ii) the Investor reasonably expects that the Investor will become or cease to be a Benefit Plan Investor, or (iii) if the Investor is an entity that is deemed to hold the assets of any of Plan pursuant to ERISA or any Other Plan Law, the percentage of such Investor’s assets attributable to Plans either increases or decreases. The Investor also agrees to, within 15 business days of the receipt of a written request from the Company, provide a written update to the Company with regard to any of the foregoing. If the Company, in its sole discretion, determines that so doing would be useful in ensuring that equity participation in the Company is not significant within the meaning of 29 C.F.R. 2510.3-101(f), the Company may require any Benefit Plan Investor to transfer some or all of its common stock for fair market value (as determined by the Company in its sole discretion) to an Investor other than a Benefit Plan Investor (whether an existing Investor or a new Investor). The Investor shall have no claim against the Company, the Adviser, the Administrator or any of their respective affiliates for any form of damages or liability as a result of any such transfer.

(n) If the investment in the Shares is being made on behalf of an employee benefit plan maintained outside of the United States primarily for the benefit of persons substantially all of whom are nonresident aliens (as described in Section 4(b)(4) of ERISA), (i) there is no provision in the instruments governing such plan or any federal, state or local or foreign law, rule, regulation or constitutional provision applicable to the plan that could in any respect affect the operation of the Company, including operations of the Adviser as contemplated by the Advisory Agreement, or prohibit any action contemplated by the Operative Documents and related disclosure of the Company, including, without limitation, the investments which may be made pursuant to the Company’s investment strategies, the concentration of investments for the Company and the payment by the plan of incentive or other fees, and (ii) the plan’s investment in the Company will not conflict with or violate the instruments governing such plan or any federal, state or local or foreign law, rule, regulation or constitutional provision applicable to the plan.

(o) The Investor was offered the Shares through private negotiations, not through any general solicitation or general advertising, and in the state listed in the Investor’s permanent address set forth in the Investor Questionnaire.

(p)(i) Neither the Investor, nor any of its affiliates, nor any beneficial owner(s) of the Investor or the Investor's affiliates, (A) appears on the Specially Designated Nationals and Blocked Persons List of the Office of Foreign Assets Control ("OFAC") of the U.S. Department of the Treasury, nor are they otherwise a party with which any entity is prohibited to deal under the laws of the United States, or (B) is a person identified as, or affiliated with, a terrorist organization on any other relevant lists maintained by governmental authorities. The Investor further represents and warrants that the monies used to fund the investment in the Shares are not derived from, invested for the benefit of, or related in any way to, the governments of, or persons within, any country (1) under a U.S. embargo enforced by OFAC, (2) that has been designated as a "non-cooperative country or territory" by the Financial Action Task Force on Money Laundering or (3) that has been designated by the U.S. Secretary of the Treasury as a "primary money laundering concern." The Investor further represents and warrants that the Investor: (I) has conducted thorough due diligence with respect to all of its beneficial owners, (II) has established the identities of all beneficial owners and the source of each of the beneficial owner's funds and (III) will retain evidence of any such identities and status of any such source of funds and any such due diligence and will maintain such information for at least five years from the date of complete withdrawal from the Company. Pursuant to anti-money laundering laws and regulations, including rules issued by the Financial Crimes Enforcement Network ("FinCEN") under authority granted it by the U.S. Department of the Treasury, the Company may be required to collect documentation verifying the Investor's identity and the source of funds used to acquire an Interest before, and from time to time after, acceptance by the Company of this Subscription Agreement. The Investor further represents and warrants that the Investor does not know or have any reason to suspect that (x) the monies used to fund the Investor's investment in the Shares have been or will be derived from or related to any illegal activities, including, but not limited to, money laundering activities, and (y) the proceeds from the Investor's investment in the Shares will be used to finance any illegal activities.

(ii) The Investor will provide to the Company at any time such information as the Company determines to be necessary or appropriate (A) to comply with the anti-money laundering laws, rules and regulations issued by FinCEN, any other governmental authority, self-regulatory organization, or applicable jurisdiction and (B) to respond to requests for information concerning the identity of Investors from any governmental authority, self-regulatory organization or financial institution in connection with its anti-money laundering compliance procedures, or to update such information.

(iii) To comply with applicable U.S. anti-money laundering laws and regulations, all payments and contributions by the Investor to the Company and all payments and distributions to the Investor from the Company will only be made in the Investor's name and to and from a bank account of a bank based or incorporated in or formed under the laws of the United States or that is regulated in and either based or incorporated in or formed under the laws of the United States and that is not a "foreign shell bank" within the meaning of 31 U.S.C. § 5318(j)(1) under the U.S. Bank Secrecy Act, as amended, and the regulations promulgated thereunder by the U.S. Department of the Treasury, as such regulations may be amended from time to time.

(iv) The representations and warranties set forth in this Section 8(p) shall be deemed repeated and reaffirmed by the Investor to the Company as of each date that the Investor is required to make a capital contribution to, or receives a distribution from, the Company. If at any time during the term of the Company, the representations and warranties set forth in this Section 8(p) cease to be true, the Investor shall promptly so notify the Company in writing.

(v) The Investor understands and agrees that the Company may not accept any amounts from a prospective Investor if such prospective Investor cannot make the representations set forth in this Section 8(p).

(q) The Investor acknowledges that, in order to comply with the provisions of the U.S. Foreign Account Tax Compliance Act ("FATCA") and avoid the imposition of U.S. federal withholding tax, the Company may, from time to time, require further information and/or documentation from the Investor and, if and to the extent required under FATCA, the Investor's direct and indirect beneficial owners (if any), relating to or establishing any such owner's identity, residence (or jurisdiction of formation), income tax status, and other required information and may provide or disclose such information and documentation to the U.S. Internal Revenue Service. The Investor agrees that it shall provide such information and documentation concerning itself and its beneficial owners, if any, as and when requested by the Company sufficient for the Company to comply with its obligations under FATCA. The Investor acknowledges that, if the Investor does not provide the requested information and documentation, the Company may, at its sole option and in addition to all other remedies available at law or in equity, prohibit additional investments, decline or delay any redemption requests by the Investor and/or deduct from such Investor's account and retain amounts sufficient to indemnify and hold harmless the Company from any and all withholding taxes, interest, penalties and other losses or liabilities suffered by the Company on account of the Investor's not providing all requested information and documentation in a timely manner. The Investor shall have no claim against the Company, the Administrator, the Adviser or any of their respective affiliates for any form of damages or liability as a result of any of the aforementioned actions.

(r) The Investor acknowledges that the Company intends to enter into one or more credit facilities with one or more syndicates of banks or to incur indebtedness in lieu of or in advance of capital contributions. In connection therewith, each Investor hereby agrees to cooperate with the Company and provide financial information and other documentation reasonably and customarily required to obtain such facilities.

(s) None of the information concerning the Investor nor any statement, certification, representation or warranty made by the Investor in this Subscription Agreement or in any document required to be provided under this Subscription Agreement (including, without limitation, the Investor Questionnaire and any forms W-9 or W-8 (W-8BEN, W-8BEN-E, W-8IMY, W-8ECI or W-8EXP), as applicable, contains any untrue statement of a material fact or omits to state a material fact necessary in order to make the statements contained therein or herein not misleading.

(t) The Investor agrees that the foregoing certifications, representations, warranties, covenants and agreements shall survive the acceptance of this Subscription Agreement, each Capital Drawdown Date and the dissolution of the Company, without limitation as to time. Without limiting the foregoing, the Investor agrees to give the Company prompt written notice in the event that any statement, certification, representation or warranty of the Investor contained in this Section 8 or any information provided by the Investor herein or in any document required to be provided under this Subscription Agreement (including, without limitation, the Investor Questionnaire and any forms W-9 or W-8 (W-8BEN, W-8BEN-E, W-8IMY, W-8ECI or W-8EXP), as applicable, ceases to be true at any time following the date hereof.

(u) The Investor agrees to provide such information and execute and deliver such documents as the Company may reasonably request to verify the accuracy of the Investor's representations and warranties herein or to comply with any law or regulation to which the Company, the Adviser, the Administrator or a portfolio company may be subject.

(v) The execution, delivery and performance of this Subscription Agreement by the Investor do not and will not result in a breach of any of the terms, conditions or provisions of, or constitute a default under, any indenture, mortgage, deed of trust, credit agreement, note or other evidence of indebtedness, or any lease or other agreement, or any license, permit, franchise or certificate, to which the Investor is a party or by which it is bound or to which any of its properties are subject, or require any authorization or approval under or pursuant to any of the foregoing, violate the organizational documents of the Investor, or violate any statute, regulation, law, order, writ, injunction or decree to which the Investor is subject. The Investor has obtained all authorizations, consents, approvals and clearances of all courts, governmental agencies and authorities and such other persons, if any, required to permit the Investor to enter into this Subscription Agreement and to consummate the transactions contemplated hereby and thereby.

9. *Further Advice and Assurances.* All information which the Investor has provided to the Company, including the information in the Investor Questionnaire, is true, correct and complete as of the date hereof, and the Investor agrees to notify the Company immediately if any representation, warranty or information contained in this Subscription Agreement or any of the information in the Investor Questionnaire, becomes untrue at any time. The Investor agrees to provide such information and execute and deliver such documents with respect to itself and its direct and indirect beneficial owners as the Company may from time to time reasonably request to verify the accuracy of the Investor's representations and warranties herein, establish the identity of the Investor and the direct and indirect participants in its investment in Shares, to the extent applicable, to effect any transfer and admission and/or to comply with any law, rule or regulation to which the Company may be subject, including, without limitation, compliance with anti-money laundering laws and regulations or for any other reasonable purpose.

10. *Power of Attorney.* (a) The Investor, by its execution hereof, hereby irrevocably makes, constitutes and appoints the Company as its true and lawful agent and attorney-in-fact, with full power of substitution and full power and authority in its name, place and stead, to make, execute, sign, acknowledge, swear to, record and file:

- (i) any and all filings required to be made by the Investor under the 1934 Act with respect to any of the Company's securities which may be deemed to be beneficially owned by the Investor under the 1934 Act;
- (ii) all certificates and other instruments deemed advisable by the Company in order for the Company to enter into any borrowing or pledging arrangement;
- (iii) all certificates and other instruments deemed advisable by the Company to comply with the provisions of this Subscription Agreement and applicable law or to permit the Company to become or to continue as a business development corporation; and
- (iv) all other instruments or papers not inconsistent with the terms of this Subscription Agreement which may be required by law to be filed on behalf of the Company.

(b) With respect to the Investor and the Company, the foregoing power of attorney:

- (i) is coupled with an interest and shall be irrevocable;
- (ii) may be exercised by the Company either by signing separately as attorney-in-fact for the Investor or, after listing all of the Investors executing an instrument, by a single signature of the Company acting as attorney-in-fact for all of them;
- (iii) shall survive the assignment by the Investor of the whole or any fraction of its Shares;
- (iv) shall be suspended concurrently with any suspension of the Commitment Period; and
- (v) may not be used by the Company in any manner that is inconsistent with the terms of this Subscription Agreement and any other written agreement between the Company and the Investor.

11. *Indemnity.* The Investor understands that the information provided herein (including the Investor Questionnaire) will be relied upon by the Company for the purpose of determining the eligibility of the Investor to purchase Shares in the Company. The Investor agrees to provide, if requested, any additional information that may reasonably be required to determine the eligibility of the Investor to purchase Shares in the Company. To the fullest extent permitted under applicable law, the Investor agrees to indemnify and hold harmless the Company, the Adviser, the Administrator, and their affiliates and each partner, member, officer, director, employee, and agent thereof, from and against any loss, damage or liability due to or arising out of a breach of any representation, warranty or agreement of the Investor contained in this Subscription Agreement (including the Investor Questionnaire) or in any other document provided by the Investor to the Company or in any agreement executed by the Investor in connection with the Investor's investment in Shares.

12. *Miscellaneous.* This Subscription Agreement is not transferable or assignable by the Investor. Any purported assignment of this Subscription Agreement will be null and void. The representations and warranties made by the Investor in this Subscription Agreement (including the Investor Questionnaire) shall survive the closing of the transactions contemplated hereby and any investigation made by the Company. The Investor Questionnaire, including without limitation the representations and warranties contained therein, is an integral part of this Subscription Agreement and shall be deemed incorporated by reference herein. This Subscription Agreement may be executed in one or more counterparts, all of which together shall constitute one instrument. **Notwithstanding the place where this Subscription Agreement may be executed by any of the parties hereto, the parties expressly agree that this Subscription Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, without giving effect to the choice of law principles thereof. To the fullest extent permitted by law, the sole and exclusive forum for any action, suit or proceeding with respect to this Subscription Agreement shall be a federal or state court located in the state of Delaware, provided that to the extent the appropriate court located in the state of Delaware determines that it does not have jurisdiction over such action, then the sole and exclusive forum shall be any federal or state court located in the state of Maryland, and each party hereto, to the fullest extent permitted by law, hereby irrevocably waives any objection that it may have, whether now or in the future, to the laying of venue in, or to the jurisdiction of, any and each of such courts for the purposes of any such action, suit or proceeding and further waives any claim that any such action, suit or proceeding has been brought in an inconvenient forum, and each party hereto hereby submits to such jurisdiction and consents to process being served in any such action, suit or proceeding, without limitation, by United States mail addressed to the party at the parties address specified herein or in the Investor Questionnaire. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THIS SUBSCRIPTION AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY, TO THE FULLEST EXTENT PERMITTED BY LAW.**

13. *Confidentiality.* The Investor acknowledges that the Memorandum and other information relating to the Company have been submitted to the Investor on a confidential basis for use solely in connection with the Investor's consideration of the purchase of Shares. The Investor agrees that, without the prior written consent of the Company (which consent may be withheld at the sole discretion of the Company), the Investor shall not (a) reproduce the Memorandum or any other information relating to the Company, in whole or in part, or (b) disclose the Memorandum or any other information relating to the Company to any person who is not an officer or employee of the Investor who is involved in its investments, or partner (general or limited) or affiliate of the Investor (it being understood and agreed that if the Investor is a pooled investment fund, it shall only be permitted to disclose the Memorandum or other information related to the Company if the Investor has required its investors to enter into confidentiality undertakings no less onerous than the provisions of this Section 13), except to the extent (1) such information is in the public domain (other than as a result of any action or omission of Investor or any person to whom the Investor has disclosed such information) or (2) such information is required by applicable law or regulation to be disclosed. The Investor further agrees to return the Memorandum and any other information relating to the Company if no purchase of Shares is made or upon the Company's request therefore. The Investor acknowledges and agrees that monetary damages would not be sufficient remedy for any breach of this section by it, and that in addition to any other remedies available to the Company in respect of any such breach, the Company shall be entitled to specific performance and injunctive or other equitable relief as a remedy for any such breach.

14. *Necessary Acts, Further Assurances.* The parties shall at their own cost and expense execute and deliver such further documents and instruments and shall take such other actions as may be reasonably required or appropriate to evidence or carry out the intent and purposes of this Subscription Agreement or to show the ability to carry out the intent and purposes of this Subscription Agreement.

15. *No Joint Liability Among the Company, the Adviser, and the Administrator.* The Company shall not be liable for the fulfillment of any obligation or the accuracy of any representation of the Adviser or the Administrator under or in connection with this Subscription Agreement. The Adviser shall not be liable for the fulfillment of any obligation or the accuracy of any representation of the Company or the Administrator under or in connection with this Subscription Agreement. The Administrator shall not be liable for the fulfillment of any obligation or the accuracy of any representation of the Company or the Adviser under or in connection with this Subscription Agreement. There shall be no joint and several liability of the Company, the Adviser, and the Administrator for any obligation under or in connection with this Subscription Agreement.

16. *Independent Nature of Investors' Obligations and Rights. Third-Party Beneficiaries.* The obligations of the Investor hereunder are several and not joint with the obligations of any Other Investor. Nothing contained herein or in any other agreement or document delivered at any closing, and no action taken by the Investor pursuant hereto or thereto, shall be deemed to constitute the Investors as a partnership, an association, a joint venture or any other kind of entity, or create a presumption that the Investors are in any way acting in concert with respect to such obligations or the transactions contemplated by this Agreement. This Agreement is not intended to confer upon any person, other than the parties hereto, except as provided in Sections 4 and 11, any rights or remedies hereunder.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the undersigned has executed this Subscription Agreement as a deed on the date set forth below.

Date: _____

Amount of Capital Commitment

\$ _____

INDIVIDUAL INVESTOR:

(Print Name)

(Signature)

PARTNERSHIP, CORPORATION, LIMITED LIABILITY COMPANY, TRUST,
CUSTODIAL ACCOUNT, OTHER INVESTOR:

(Print Name of Entity)

By: _____
(Signature)

(Print Name and Title)

Agreed and accepted as of the date set forth below:

RUNWAY GROWTH CREDIT FUND INC.

By: _____
Name:
Title:

Date: _____

INVESTOR QUESTIONNAIRE

Note: Questions regarding this questionnaire should be directed to David Spreng at ds@runwaygrowth.com.

A. General Information

1. Print Full Name of Investor

Individual:

First Middle Last

Entity Name

Entity: To assist the Company in preparing the its tax filings, please check the category into which you fall:

- Partnership
- C-Corporation
- S-Corporation
- Estate
- Grantor Trust
- Trust-EIN (a trust with an EIN in this format: 12-3456789)
- Trust-SSN (a trust with an EIN in this format: 123-45-6789)
- IRA-EIN
- IRA-SSN
- Exempt Organization*
- LLP
- LLC
- Nominee-EIN
- Nominee-SSN
- Other

2. U.S. Taxpayer Identification or Social Security Number:

3. Date of Birth:

4. Primary Contact Person For This Account and for General Notices:

Name: _____

Address: _____

E-mail: _____

Telephone: _____

Fax: _____

5. Contact Person(s) For This Account for Financial Information and Reporting (including quarterly and annual financial reports and capital account statements):

Name: _____

Name: _____

Address: _____

Address: _____

Telephone: _____

Telephone: _____

Fax: _____

Fax: _____

E-mail: _____

E-mail: _____

6. Contact Person(s) For This Account for Capital Call and Distribution Notices:

Name: _____

Name: _____

Address: _____

Address: _____

Telephone: _____

Telephone: _____

Fax: _____

Fax: _____

E-mail: _____

E-mail: _____

7. Contact Person For This Account for Legal Documentation (please limit to one contact):

Name: _____

Address: _____

Telephone: _____

Fax: _____

E-mail: _____

8. Contact Person For This Account for Tax Matters (including Form 1099 distribution) (please limit to one contact):

Name: _____

Address: _____

Telephone: _____

Fax: _____

E-mail: _____

9. For distributions of cash, please wire funds to the following bank account:

Bank Name: _____

Bank Location: _____

Account Number: _____

Account Name: _____

Bank's Routing No.: _____

For further credit to (if any): _____

Reference: _____

SWIFT Code: _____

10. For distributions in-kind, please:

Credit securities to my brokerage account at the following firm: _____

Firm Name: _____

Address: _____

Account Name: _____

Account Number: _____

DTC Number: _____

11. Permanent Address of Investor:

(if different from address
for Notices above) _____

B. Accredited Investor Status

The Investor represents and warrants that the Investor is an “accredited investor” within the meaning of Rule 501 of Regulation D under the Securities Act of 1933, as amended (the “1933 Act”), and has checked the box or boxes below which are next to the category or categories under which the Investor qualifies as an accredited investor:

FOR INDIVIDUALS:

- (A) A natural person with individual net worth (or joint net worth with spouse) in excess of \$1 million. For purposes of this item, “net worth” means the excess of total assets at fair market value, including automobiles and other personal property and property owned by a spouse, but excluding the value of the primary residence of such natural person, over total liabilities. For this purpose, the amount of any mortgage or other indebtedness secured by an Investor’s primary residence should not be included as a “liability”, except to the extent the fair market value of the residence is less than the amount of such mortgage or other indebtedness.
- (B) A natural person with individual income (without including any income of the Investor’s spouse) in excess of \$200,000, or joint income with spouse in excess of \$300,000, in each of the two most recent years and who reasonably expects to reach the same income level in the current year.

FOR ENTITIES:

- (A) An entity, including a grantor trust, in which all of the equity owners are accredited investors (for this purpose, a beneficiary of a trust is not an equity owner, but the grantor of a grantor trust may be an equity owner).
- (B) A bank as defined in Section 3(a)(2) of the 1933 Act, or any savings and loan association or other institution as defined in Section 3(a)(5)(A) of the 1933 Act whether acting in its individual or fiduciary capacity.
- (C) An insurance company as defined in Section 2(a)(13) of the 1933 Act.
- (D) A broker-dealer registered pursuant to Section 15 of the Securities Exchange Act of 1934, as amended (the “1934 Act”).
- (E) An investment company registered under the Investment Company Act of 1940, as amended (the “1940 Act”).
- (F) A business development company as defined in Section 2(a)(48) of the 1940 Act.
- (G) A Small Business Investment Company licensed by the Small Business Administration under Section 301(c) or (d) of the Small Business Investment Act of 1958, as amended.
- (H) A private business development company as defined in Section 202(a)(22) of the Investment Advisers Act of 1940, as amended (the “Advisers Act”).

- (I) A corporation, an organization described in Section 501(c)(3) of the United States Internal Revenue Code of 1986, as amended, Massachusetts or similar business trust, or partnership, in each case not formed for the specific purpose of acquiring Shares, with total assets in excess of \$5 million.
- (J) A trust with total assets in excess of \$5 million not formed for the specific purpose of acquiring Shares, whose purchase is directed by a person with such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of an investment in the Shares.
- (K) An employee benefit plan within the meaning of the United States Employee Retirement Income Security Act of 1974, as amended (“ERISA”) if the decision to invest in the Shares is made by a plan fiduciary, as defined in Section 3(21) of ERISA, which is either a bank, savings and loan association, insurance company, or registered investment adviser, or if the employee benefit plan has total assets in excess of \$5 million or, if a self-directed plan, with investment decisions made solely by persons that are accredited investors.
- (L) A plan established and maintained by a state, its political subdivisions, or any agency or instrumentality of a state or its political subdivisions for the benefit of its employees, if the plan has total assets in excess of \$5 million.

C. Supplemental Data for Individuals

1. Please indicate whether you are investing the assets of any retirement plan, employee benefit plan or other similar agreement (such as an IRA or “Keogh” plan).

Yes No

If the above question was answered “Yes,” please contact the Company for additional information that will be required.

2. Please indicate whether you are investing assets that have been distributed or transferred from an employee benefit plan or other similar agreement (such as an IRA or “Keogh” plan)

Yes No

If the above question was answered “Yes,” please contact the Company for additional information that will be required.

3. If the above questions were answered “No,” are you a person who has discretionary authority or control with respect to the Company’s assets or provides investment advice for a fee (direct or indirect) with respect to such assets, or a person directly or indirectly through one or more intermediaries, controlling any such person?

Yes No

D. Supplemental Data for Entities

1. If the Investor is not a natural person, the Investor must furnish the following supplemental data (Natural persons may skip this Section of the Investor Questionnaire):

Legal form of entity (trust, corporation, partnership, limited liability company, etc.):

Jurisdiction of organization and location of domicile: _____

Is the Investor (a) a trust any portion of which is treated (under subpart E of part I of subchapter J of chapter 1 of subtitle A of the Code) as owned by a natural person (*e.g.*, a grantor trust), (b) an entity disregarded for U.S. federal income tax purposes and owned (or treated as owned) by a natural person or a trust described in clause (a) of this sentence (*e.g.*, a limited liability company with a single member), (c) an organization described in Sections 401(a) or 501 of the Code or (d) a trust permanently set aside or to be used for a charitable purpose?

Yes No

Is the Investor acting on behalf of an unrelated third party (*e.g.*, nominee arrangement)?

Yes No

If "Yes," please describe the arrangement: _____

Does the Investor have one or more ultimate beneficiaries who (a) are entitled to 10% or more of the proceeds from this investment or (b) hold 10% or more of the control rights of the Investor?

Yes¹ No

Is the Investor or any of the ultimate beneficiaries publicly traded?

Yes* No

Is the Investor or any of the ultimate beneficiaries a regulated entity?

Yes* No

If the response to any of the above questions is "yes," please complete the below chart.

¹ If yes, please provide further information in the chart above or, if there is insufficient space in the chart, please include additional sheets of paper with the relevant information.

Name of Investor and Each 10% Beneficial Owner	If the Investor or Any of the 10% Beneficial Owners Is Publicly Traded, Please Identify the Exchange for the Public Trading.	If the Investor or Any of the 10% Beneficial Owners Is a Regulated Entity, Please Identify Regulator and Jurisdiction.

2. Was the Investor organized for the specific purpose of acquiring Shares?

Yes No

If the above question was answered "Yes," please contact the Company for additional information that will be required.

3.a. Is the Investor a grantor trust, a partnership or an S-Corporation for U.S. federal income tax purposes?

Yes No

3.b. If the question above was answered "Yes," please indicate whether or not:

(i) more than 50 percent of the value of the ownership interest of any beneficial owner in the Investor is (or may at any time during the term of the Entities be) attributable to the Investor's (direct or indirect) interest in the Entities; or

Yes No

(ii) it is a principal purpose of the Investor's participation in the Company to permit any Entity to satisfy the 100 partner limitation contained in U.S. Treasury Regulation Section 1.7704-1(h)(3).

Yes No

If either question above was answered "Yes," please contact the Company for additional information that will be required.

4. Are shareholders, partners or other holders of equity or beneficial interests in the Investor able to decide individually whether to participate, or the extent of their participation, in the Investor's investment in the Company (i.e., can shareholders, partners or other holders of equity or beneficial interests in the Investor determine whether their capital will form part of the capital invested by the Investor in the Company)?

Yes No

If the above question was answered "Yes," please contact the Company for additional information that will be required.

5.a. Please indicate whether or not the Investor is, or is acting (directly or indirectly) on behalf of, (i) an employee benefit plan (within the meaning of Section 3(3) of ERISA), whether or not such plan is subject to Title I of ERISA, (ii) a plan, individual retirement account or other arrangement that is described in Section 4975 of the Code, whether or not such plan, account or arrangement is subject to Section 4975 of the Code, (iii) an insurance company using general account assets, if such general account assets are deemed to include the assets of any of the foregoing types of plans, accounts or arrangements for purposes of Title I of ERISA or Section 4975 of the Code under Section 401(c)(1)(A) of ERISA or the regulations promulgated thereunder, or (iv) an entity which is deemed to hold the assets of any of the foregoing types of plans, accounts or arrangements (each of the foregoing described in clauses (i), (ii), (iii) and (iv) being referred to as a "Plan Investor").

Yes No

5.b. If the Investor is, or is acting (directly or indirectly) on behalf of, such a Plan Investor, please indicate whether or not the Plan Investor is subject to Title I of ERISA or Section 4975 of the Code.

Yes No

5.c. If the answer to question 5.b. above is "Yes", please indicate what percentage of the Plan Investor's assets invested in the Entities are the assets of "benefit plan investors" within the meaning of Section 3(42) of ERISA as modified by 29 C.F.R. 2510.3-101(f):

Percentage: _____

5.d. If the Investor is investing the assets of an insurance company general account, please indicate what percentage of the insurance company general account's assets invested in the Entities are the assets of "benefit plan investors" within the meaning of Section 401(c)(1)(A) of ERISA or the regulations promulgated thereunder:

Percentage: _____

5.e. If the Plan Investor is not subject to Title I of ERISA or Section 4975 of the Code, please indicate whether or not such Plan Investor is subject to any other federal, state, local, non-U.S. or other laws or regulations that could cause the underlying assets of the Company to be treated as assets of the Plan Investor by virtue of its investment in the Company and thereby subject the Company and the Adviser (or other persons responsible for the investment and operation of the Company's assets) to laws or regulations that are similar to the fiduciary responsibility or prohibited transaction provisions contained in Title I of ERISA or Section 4975 of the Code.

Yes No

5.f. If the answer to question 5.a. above is "No," please indicate whether the Investor is a person who has discretionary authority or control with respect to the Company's assets or provides investment advice for a fee (direct or indirect) with respect to such assets, or an affiliate of any such person. For this purpose, an "affiliate" of a person includes any person, directly or indirectly, through one or more intermediaries, controlling, controlled by, or under common control with, such person. "Control" with respect to a person other than an individual means the power to exercise a controlling influence over the management or policies of such person.

Yes No

6.a. Is the Investor a private investment company which is not registered under the 1940 Act in reliance on:

Section 3(c)(1) thereof? Yes No

Section 3(c)(7) thereof? Yes No

6.b. Does the amount of the Investor's subscription for Shares in the Company exceed 40% of the total assets (on a consolidated basis with its subsidiaries) of the Investor?

Yes No

6.c. If either part of question 6.a. was answered "Yes," please indicate whether or not the Investor was formed on or before April 30, 1996.

Yes No

6.d. If question 6.c. was answered "Yes," please indicate whether or not the Investor has obtained the consent of its direct and indirect beneficial owners to be treated as a "qualified purchaser" as provided in Section 2(a)(51)(C) of the 1940 Act and the rules and regulations thereunder.

Yes No

If question 6.d. was answered "No," please contact the Company for additional information that will be required.

7. Is the Investor an "investment company" registered or required to be registered under the 1940 Act, as amended?

Yes No

8. If the Investor's tax year ends on a date other than December 31, please indicate such date below:

9. Is the Investor subject to the U.S. Freedom of Information Act, 5 U.S.C. § 552, ("FOIA"), any state public records access laws, any state or other jurisdiction's laws similar in intent or effect to FOIA, or any other similar statutory or regulatory requirement that might result in the disclosure of confidential information relating to the Company?

Yes No

If the question above was answered "Yes," please indicate the relevant laws to which the Investor is subject and provide any additional explanatory information in the space below:

E. Related Parties/Other Beneficial Parties:

1. To the best of the Investor's knowledge, does the Investor control, or is the Investor controlled by or under common control with, any other investor or prospective investor in the Company?

Yes No

If the question above was answered "Yes," please indicate the name of such other investor in the space below:

2. Will any other person or persons have a beneficial interest in the Shares to be acquired hereunder (other than as a shareholder, partner, policy owner or other beneficial owner of equity interests in the Investor)? (By way of example, and not limitation, "nominee" Investors or Investors who have entered into swap or other synthetic or derivative instruments or arrangements with regard to the Shares to be acquired herein would check "Yes")

Yes No

If either question above was answered "Yes," please contact the Company for additional information that will be required.

F. BHC Investor Status:

Is the Investor a "BHC Investor"?²

Yes No

[Remainder of Page Intentionally Left Blank]

² A "BHC Investor" is defined as an Investor that is a bank holding company, as defined in Section 2(a) of the Bank Holding Company Act of 1956, as amended (the "BHC Act"), a non-bank subsidiary (for purposes of the BHC Act) of a bank holding company, a foreign banking organization, as defined in Regulation K of the Board of Governors of the Federal Reserve System (12 C.F.R. § 211.23) or any successor regulation, or a non-bank subsidiary (for purposes of the BHC Act) of a foreign banking organization which subsidiary is engaged, directly or indirectly in business in the United States and which in any case holds Shares for its own account.

The Investor understands that the foregoing information will be relied upon by the Company for the purpose of determining the eligibility of the Investor to purchase and own Shares in the Company. The Investor agrees to notify the Company immediately if any representation or warranty contained in this Subscription Agreement or any of the information in the Investor Questionnaire becomes untrue at any time. The Investor agrees to provide, if requested, any additional information that may reasonably be required to substantiate the Investor's status as an accredited investor or to otherwise determine the eligibility of the Investor to purchase Shares in the Company. To the fullest extent permitted by law, the Investor agrees to indemnify and hold harmless the Company, the Adviser and the Administrator and each partner or member thereof, from and against any loss, damage or liability due to or arising out of a breach of any representation, warranty or agreement of the Investor contained herein.

Signatures:

INDIVIDUAL:

(Signature)

(Print Name)

PARTNERSHIP, CORPORATION, LIMITED LIABILITY
COMPANY, TRUST, CUSTODIAL ACCOUNT, OTHER:

(Name of Entity)

By: _____
(Signature)

(Print Name and Title)

APPENDIX E

FORM OF FUNDING NOTICE

Runway Growth Credit Fund Inc.

205 N. Michigan Ave., Suite 930
Chicago, IL 60601
TEL 312-281-6270
E-MAIL ds@runwaygrowth.com

TO: «Investor Name»
FROM: []
RE: Notice of Capital Call — Due [], 201[]
DATE: [], 201[]

In accordance with Section 3(b) of the Subscription Agreement (the “Subscription Agreement”) of Runway Growth Credit Fund Inc. (the “Company”), you are hereby given notice of a call for capital contribution. The purpose of this capital contribution is to fund your share of proposed investments to be made by the Company.

The total amount due from you is \$<<Drawdown Purchase Price>>. Details of this capital call and your portion thereof are as follows:

Aggregate number of Shares to be sold to all Investors:	[•]
Aggregate purchase price for such Shares:	[•]
Drawdown Share Amount:	[•]
Drawdown Purchase Price:	[•]
Per Share Price	[•]

We request that you wire your total amount due on or before the due date in accordance with the following instructions:

Bank:	The PrivateBank
ABA #:	071006486
Account Name:	Runway Growth Credit Fund Inc.
Account #:	2477424
Notation:	«Investor Name»

If you have any questions, please contact David Spreng at ds@runwaygrowth.com or by phone at 312-281-6270.

APPENDIX F

TRANSFER RESTRICTIONS

No Transfer of the Investor's Capital Commitment or, other than in connection with a Spin-Off transaction, all or any fraction of the Investor's Shares may be made without (i) registration of the Transfer on the Company books and (ii) the prior written consent of the Company. In any event, the consent of the Company may be withheld (x) if the creditworthiness of the proposed transferee, as determined by the Company in its sole discretion, is not sufficient to satisfy all obligations under the Subscription Agreement or (y) unless, in the opinion of counsel (who may be counsel for the Company or the Investor) satisfactory in form and substance to the Company:

- such Transfer would not violate the 1933 Act, the 1940 Act or any state (or other jurisdiction) securities or "Blue Sky" laws applicable to the Company or the Shares to be Transferred; and
- such Transfer would not be a "prohibited transaction" under ERISA or the Code or the regulations promulgated thereunder or cause all or any portion of the assets of the Company to constitute "plan assets" under ERISA, certain Department of Labor regulations or Section 4975 of the Code.

The Investor agrees that it will pay all reasonable expenses, including attorneys' fees, incurred by the Company in connection with any Transfer of its Capital Commitment or all or any fraction of its Shares, prior to the consummation of such Transfer.

Any person that acquires all or any fraction of the Shares of the Investor in a Transfer permitted under this Appendix F shall be obligated to pay to the Company the appropriate portion of any amounts thereafter becoming due in respect of the Capital Commitment committed to be made by its predecessor in interest. The Investor agrees that, notwithstanding the Transfer of all or any fraction of its Shares, as between it and the Company, it will remain liable for its Capital Commitment and for all payments of any Drawdown Purchase Price required to be made by it (without taking into account the Transfer of all or a fraction of such Shares) prior to the time, if any, when the purchaser, assignee or transferee of such Shares, or fraction thereof, becomes a holder of such Shares.

The Company shall not recognize for any purpose any purported Transfer of all or any fraction of the Shares and shall be entitled to treat the transferor of Shares as the absolute owner thereof in all respects, and shall incur no liability for distributions or dividends made in good faith to it, unless the Company shall have given its prior written consent thereto and there shall have been filed with the Company a dated notice of such Transfer, in form satisfactory to the Company, executed and acknowledged by both the seller, assignor or transferor and the purchaser, assignee or transferee, and such notice (i) contains the acceptance by the purchaser, assignee or transferee of all of the terms and provisions of this Subscription Agreement and its agreement to be bound thereby, and (ii) represents that such Transfer was made in accordance with this Subscription Agreement, the provisions of the Memorandum and all applicable laws and regulations applicable to the transferee and the transferor.

**Certification of Chief Executive Officer of Runway Growth Credit Fund Inc.
pursuant to Rule 13a-14(a) under the Exchange Act,
as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002**

I, R. David Spreng, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Runway Growth Credit Fund Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:
 - (a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (c) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated this 10th day of August, 2017.

By: /s/ R. David Spreng
R. David Spreng
President and Chief Executive Officer
(Principal Executive Officer)

**Certification of Chief Financial Officer of Runway Growth Credit Fund Inc.
pursuant to Rule 13a-14(a) under the Exchange Act,
as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002**

I, Thomas B. Raterman, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Runway Growth Credit Fund Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:
 - (a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (c) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated this 10th day of August, 2017.

By: /s/ Thomas B. Raterman
Thomas B. Raterman
Chief Financial Officer
(Principal Financial Officer)

Certification of Chief Executive Officer
Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. 1350)

In connection with the quarterly report on Form 10-Q for the period ended June 30, 2017 (the "Report") of Runway Growth Credit Fund Inc. (the "Registrant"), as filed with the Securities and Exchange Commission on the date hereof, I, R. David Spreng, the Chief Executive Officer of the Registrant, hereby certify, to the best of my knowledge, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Registrant.

Dated: August 10, 2017

/s/ R. David Spreng

R. David Spreng

President and Chief Executive Officer
(Principal Executive Officer)

Certification of Chief Financial Officer
Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. 1350)

In connection with the quarterly report on Form 10-Q for the period ended June 30, 2017 (the "Report") of Runway Growth Credit Fund Inc. (the "Registrant"), as filed with the Securities and Exchange Commission on the date hereof, I, Thomas B. Raterman, the Chief Financial Officer of the Registrant, hereby certify, to the best of my knowledge, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Registrant.

Dated: August 10, 2017

/s/ Thomas B. Raterman

Thomas B. Raterman

Chief Financial Officer

(Principal Financial Officer)
