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

FORM 10-K

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

For the fiscal year ended December 31, 2020

or

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

Commission file number 814-00998

Goldman Sachs BDC, Inc.

(Exact Name of Registrant as Specified in Its Charter)

Delaware (State or Other Jurisdiction of Incorporation or Organization)	46-2176593 (I.R.S. Employer Identification No.)
200 West Street, New York, New York (Address of Principal Executive Offices)	10282 (Zip Code)

Registrant's Telephone Number, Including Area Code: (212) 902-0300

Not Applicable
Former Name, Former Address and Former Fiscal Year, If Changed Since Last Report.

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value $0.001 per share	**GSBD**	**The New York Stock Exchange**

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes X No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No X

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 every Interactive Data File required to be submitted 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 such files). YES ☐ NO ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a 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:	X	Accelerated filer:	☐	Non-accelerated filer:	☐	Smaller reporting company:	☐
Emerging growth company:	☐						

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

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). YES ☐ NO X

As of June 30, 2020, the aggregate market value of the common stock of the registrant held by non-affiliates of the registrant was approximately $548.19 million.

As of February 25, 2021, there were 101,592,171 shares of the registrant's common stock outstanding.

Documents incorporated by reference: Portions of Goldman Sachs BDC, Inc.'s Proxy Statement for its 2021 Annual Meeting of Stockholders are incorporated by reference in the Annual Report on Form 10-K in response to Part III, Items 10, 11, 12, 13 and 14.

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Year Ended December 31, 2020

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CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This report contains forward-looking statements that involve substantial risks and uncertainties. You can identify these statements by the use of forward-looking terminology such as “may,” “will,” “should,” “expect,” “anticipate,” “project,” “target,” “estimate,” “intend,” “continue” or “believe” or the negatives of, or other variations on, these terms or comparable terminology. You should read statements that contain these words carefully because they discuss our plans, strategies, prospects and expectations concerning our business, operating results, financial condition and other similar matters. We believe that it is important to communicate our future expectations to our investors. Our forward-looking statements include information in this report regarding general domestic and global economic conditions, our future financing plans, our ability to operate as a business development company (“BDC”) and the expected performance of, and the yield on, our portfolio companies. There may be events in the future, however, that we are not able to predict accurately or control. The factors listed under “Risk Factors” in this annual report on Form 10-K, as well as any cautionary language in this report, provide examples of risks, uncertainties and events that may cause our actual results to differ materially from the expectations we describe in our forward-looking statements. The occurrence of the events described in these risk factors and elsewhere in this report could have a material adverse effect on our business, results of operations and financial position. Any forward-looking statement made by us in this report speaks only as of the date of this report. Factors or events that could cause our actual results to differ from our forward-looking statements may emerge from time to time, and it is not possible for us to predict all of them. You are advised to consult any additional disclosures that we may make directly to you or through reports that we in the future may file with the U.S. Securities and Exchange Commission (the “SEC”), including annual reports on Form 10-K, registration statements on Form N-2, quarterly reports on Form 10-Q and current reports on Form 8-K. Under Section 21E(b)(2)(B) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), the “safe harbor” provisions of the Private Securities Litigation Reform Act of 1995 do not apply to statements made in periodic reports we file under the Exchange Act, such as this annual report on Form 10-K.

The following factors are among those that may cause actual results to differ materially from our forward-looking statements:

- our future operating results;
- the impact of the novel coronavirus (“COVID-19”) pandemic on our business and our portfolio companies, including our and their ability to access capital and liquidity;
- changes in political, economic or industry conditions, the interest rate environment or conditions affecting the financial and capital markets, including the effect of the current COVID-19 pandemic;
- uncertainty surrounding the financial and political stability of the United States, the United Kingdom, the European Union and China, including the effect of the current COVID-19 pandemic;
- our business prospects and the prospects of our portfolio companies;
- the impact of investments that we expect to make;
- the impact of increased competition;
- our contractual arrangements and relationships with third parties;
- the dependence of our future success on the general economy and its impact on the industries in which we invest;
- the ability of our current and prospective portfolio companies to achieve their objectives;
- the relative and absolute performance of Goldman Sachs Asset Management, L.P., the investment adviser (the “Investment Adviser”) of the Company;
- the use of borrowed money to finance a portion of our investments;
- our ability to make distributions;
- the adequacy of our cash resources and working capital;
- changes in interest rates, including the decommissioning of London InterBank Offered Rate (“LIBOR”);
- the timing of cash flows, if any, from the operations of our portfolio companies;
- the impact of future acquisitions and divestitures;
- the effect of changes in tax laws and regulations and interpretations thereof;
- our ability to maintain our status as a BDC and a regulated investment company (“RIC”) under Subchapter M of the Internal Revenue Code of 1986, as amended (the “Code”);
- actual and potential conflicts of interest with the Investment Adviser and its affiliates;
- general price and volume fluctuations in the stock market;
- the ability of the Investment Adviser to attract and retain highly talented professionals;
- the impact on our business from new or amended legislation or regulations;
- the availability of credit and/or our ability to access the equity and capital markets;
- currency fluctuations, particularly to the extent that we receive payments denominated in currency other than U.S. dollars; and
- the ability to realize the anticipated benefits of the Merger (as defined below).

PART I.

Unless indicated otherwise in this annual report on Form 10-K or the context so requires, references to “GS BDC,” “Company,” “we,” “us,” “our,” and the “Company,” mean Goldman Sachs BDC, Inc., together with its consolidated subsidiaries, or, for periods prior to our conversion from a Delaware limited liability company to a Delaware corporation (the “Conversion”), Goldman Sachs Liberty Harbor Capital, LLC. The terms “GSAM,” our “Adviser” or our “Investment Adviser” refer to Goldman Sachs Asset Management, L.P., a Delaware limited partnership. The term “Group Inc.” refers to The Goldman Sachs Group, Inc. “GS & Co.” refers to Goldman Sachs & Co. LLC and its predecessors. The term “Goldman Sachs” refers to Group Inc., together with GS &Co., GSAM and its other subsidiaries and affiliates.

ITEM 1. BUSINESS

The Company

We are a specialty finance company focused on lending to middle-market companies. We are a closed-end management investment company that has elected to be regulated as a BDC under the Investment Company Act of 1940, as amended (the “Investment Company Act”). In addition, we have elected to be treated, and expect to qualify annually, as a RIC under Subchapter M of the Code, commencing with our taxable year ended December 31, 2013. From our formation in 2012 through December 31, 2020, we originated more than $4.21 billion in aggregate principal amount of debt and equity investments prior to any subsequent exits and repayments. We seek to generate current income and, to a lesser extent, capital appreciation primarily through direct originations of secured debt, including first lien, unitranche, including last-out portions of such loans, and second lien debt, and unsecured debt, including mezzanine debt, as well as through select equity investments.

“Unitranche” loans are first lien loans that may extend deeper in a company’s capital structure than traditional first lien debt and may provide for a waterfall of cash flow priority between different lenders in the unitranche loan. In a number of instances, we may find another lender to provide the “first-out” portion of such loan and retain the “last-out” portion of such loan, in which case, the “first-out” portion of the loan would generally receive priority with respect to payment of principal, interest and any other amounts due thereunder over the “last-out” portion that we would continue to hold. In exchange for the greater risk of loss, the “last-out” portion generally earns a higher interest rate than the “first-out” portion. We use the term “mezzanine” to refer to debt that ranks senior only to a borrower’s equity securities and ranks junior in right of payment to all of such borrower’s other indebtedness. We may make multiple investments in the same portfolio company.

We invest primarily in U.S. middle-market companies, which we believe are underserved by traditional providers of capital such as banks and the public debt markets. In this report, we generally use the term “middle market companies” to refer to companies with between $5 million and $200 million of annual earnings before interest expense, income tax expense, depreciation and amortization (“EBITDA”) excluding certain one-time, and non-recurring items that are outside the operations of these companies. However, we may from time to time invest in larger or smaller companies. We generate revenues primarily through receipt of interest income from the investments we hold. In addition, we may generate income from various loan origination and other fees, dividends on direct equity investments and capital gains on the sales of investments. Fees received from portfolio companies (directors’ fees, consulting fees, administrative fees, tax advisory fees and other similar compensation) are paid to us, unless, to the extent required by applicable law or exemptive relief therefrom, we only receive our allocable portion of such fees when invested in the same portfolio company as another client account managed by our Investment Adviser (including Goldman Sachs Private Middle Market Credit LLC (“GS PMMC”) and Goldman Sachs Private Middle Market Credit II LLC (“GS PMMC II”), collectively with other accounts managed by our Investment Adviser, the “Accounts”). The companies in which we invest use our capital for a variety of purposes, including to support organic growth, fund acquisitions, make capital investments or refinance indebtedness.

The Merger with Goldman Sachs Middle Market Lending Corp.

On October 12, 2020, we completed our previously announced merger with Goldman Sachs Middle Market Lending Corp. (“GS MMLC”) pursuant to the Amended and Restated Agreement and Plan of Merger (the “Merger Agreement”), dated as of June 11, 2020. In accordance with the terms of the Merger Agreement, at the effective time of the Merger, each outstanding share of GS MMLC common stock was converted into the right to receive, for each share of GS MMLC common stock, that number of shares of the Company’s common stock, par value $0.001 per share (“Common Stock”), with a net asset value (“NAV”) equal to the NAV per share of GS MMLC common stock, in each case calculated as of October 9, 2020. As a result of the Merger, we issued an aggregate of 61,037,311 shares of Common Stock to former GS MMLC stockholders. In connection with the Merger, GSAM reimbursed each of us and GS MMLC, in each case in an amount of $4.00 million, for all fees and expenses incurred and payable by us or GS MMLC, in connection with or related to the Merger (including all documented fees and expenses of counsel, accountants, experts and consultants to us or the special committee of our board of directors (the “Board of Directors”), on the one hand, or GS MMLC or the special committee of its board of directors, on the other hand). For more information about the Merger, see Note 13 “Merger with GS MMLC” to our consolidated financial statements included in this report.

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Available Information

We file with or submit to the SEC periodic and current reports, proxy statements and other information meeting the informational requirements of the Exchange Act. We maintain a website at www.GoldmanSachsBDC.com and make all of our annual, quarterly and current reports, proxy statements and other publicly filed information available, free of charge, on or through our website. Information contained on our website is not incorporated by reference into this annual report on Form 10-K, and you should not consider information contained on our website to be part of this annual report on Form 10-K or any other report we file with the SEC. You may also obtain such information by contacting us, in writing at: 200 West Street New York, New York 10282, or by telephone (collect) at (212) 902-0300. The SEC maintains an Internet site at http://www.sec.gov that contains reports, proxy and information statements and other information filed electronically by us with the SEC. Copies of these reports, proxy and information statements and other information may be obtained by electronic request at the following e-mail address: publicinfo@sec.gov.

Investment Strategy

Our origination strategy focuses on leading the negotiation and structuring of the loans or securities in which we invest and holding the investments in our portfolio to maturity. In many cases we are the sole investor in the loan or security in our portfolio. Where there are multiple investors, we generally seek to control or obtain significant influence over the rights of investors in the loan or security. We generally seek to make investments that have maturities between three and ten years and range in size between $10 million and $75 million, although we may make larger or smaller investments on occasion.

Investment Portfolio

Our portfolio (excluding our investment in a money market fund, if any, managed by an affiliate of Group Inc.) consisted of the following:

	December 31, 2020		
	Amortized Cost	Fair Value	Percentage of Total Portfolio at Fair Value
	(in millions)		
First Lien/Senior Secured Debt	$ 2,489.28	$ 2,526.97	78.0%
First Lien/Last-Out Unitranche	138.96	143.23	4.4
Second Lien/Senior Secured Debt	458.92	457.73	14.1
Unsecured Debt	1.05	0.33	0.0
Preferred Stock	19.87	48.08	1.5
Common Stock	73.74	65.40	2.0
Warrants	0.76	1.03	0.0
Total Investments	**$ 3,182.58**	**$ 3,242.77**	**100.0%**

As of December 31, 2020, our portfolio consisted of 265 investments in 123 portfolio companies across 39 different industries. The largest industries in our portfolio, based on fair value as of December 31, 2020, were Health Care Technology, Software, Interactive Media & Services and Health Care Providers & Services, which represented 10.5%, 10.1%, 8.4% and 7.9%, respectively, of our portfolio at fair value. The geographic composition of our portfolio at fair value as of December 31, 2020 was United States 97.6%, Ireland 1.6%, Canada 0.8%, Germany 0.0% and Singapore 0.0%.

The weighted average yield by asset type of our total portfolio (excluding our investment in a money market fund, if any, managed by an affiliate of Group Inc.), at amortized cost and fair value, was as follows:

	December 31, 2020	
	Amortized Cost	Fair Value
Weighted Average Yield(1)		
First Lien/Senior Secured Debt(2)	8.3%	8.6%
First Lien/Last-Out Unitranche(2) (3)	9.3	9.4
Second Lien/Senior Secured Debt(2)	10.4	10.7
Unsecured Debt(2)	0.0	0.0
Preferred Stock(4)	—	—
Common Stock(4)	—	—
Warrants(4)	—	—
Total Portfolio	**8.4%**	**8.6%**

(1) The weighted average yield at amortized cost of our portfolio excludes the purchase discount and amortization related to the Merger and does not represent the total return to our stockholders.
(2) Computed based on (a) the annual actual interest rate or yield earned plus amortization of fees and discounts on the performing debt and other income producing investments as of the reporting date, divided by (b) the total investments (including investments on non-accrual and non-income producing investments) at amortized cost or fair value. This calculation excludes exit fees that are receivable upon repayment of certain loan investments.
(3) The calculation includes incremental yield earned on the "last-out" portion of the unitranche loan investments.
(4) Computed based on (a) the stated coupon rate, if any, for each income-producing investment, divided by (b) the total investments (including investments on non-accrual and non-income producing investments) at amortized cost or fair value.

The following table presents certain selected information regarding our investment portfolio (excluding our investment in a money market fund, if any, managed by an affiliate of Group Inc.)

		December 31, 2020
Number of portfolio companies		123
Percentage of performing debt bearing a floating rate(1)		99.1%
Percentage of performing debt bearing a fixed rate(1)(2)		0.9%
Weighted average yield on debt and income producing investments, at amortized cost(3)		8.7%
Weighted average yield on debt and income producing investments, at fair value(3)		8.9%
Weighted average leverage (net debt/EBITDA)(4)		6.0x
Weighted average interest coverage(4)		2.6x
Median EBITDA(4)	$	34.20 million

(1) Measured on a fair value basis. Excludes investments, if any, placed on non-accrual.
(2) Includes income producing preferred stock investments.
(3) Computed based on (a) the annual actual interest rate or yield earned plus amortization of fees and discounts on the performing debt and other income producing investments as of the reporting date, divided by (b) the total performing debt and other income producing investments (excluding investments on non-accrual). Excludes the purchase discount and amortization related to the Merger
(4) For a particular portfolio company, we calculate the level of contractual indebtedness net of cash ("net debt") owed by the portfolio company and compare that amount to measures of cash flow available to service the net debt. To calculate net debt, we include debt that is both senior and pari passu to the tranche of debt owned by us but exclude debt that is legally and contractually subordinated in ranking to the debt owned by us. We believe this calculation method assists in describing the risk of our portfolio investments, as it takes into consideration contractual rights of repayment of the tranche of debt owned by us relative to other senior and junior creditors of a portfolio company. We typically calculate cash flow available for debt service at a portfolio company by taking EBITDA for the trailing twelve month period. Weighted average net debt to EBITDA is weighted based on the fair value of our debt investments and excluding investments where net debt to EBITDA may not be the appropriate measure of credit risk, such as cash collateralized loans and investments that are underwritten and covenanted based on recurring revenue.

    For a particular portfolio company, we also calculate the level of contractual interest expense owed by the portfolio company, and compare that amount to EBITDA ("interest coverage ratio"). We believe this calculation method assists in describing the risk of our portfolio investments, as it takes into consideration contractual interest obligations of the portfolio company. Weighted average interest coverage is weighted based on the fair value of our performing debt investments, excluding investments where interest coverage may not be the appropriate measure of credit risk, such as cash collateralized loans and investments that are underwritten and covenanted based on recurring revenue.

    Median EBITDA is based on our debt investments, excluding investments where net debt to EBITDA may not be the appropriate measure of credit risk, such as cash collateralized loans and investments that are underwritten and covenanted based on recurring revenue.

    Portfolio company statistics are derived from the most recently available financial statements of each portfolio company as of the reported end date. Statistics of the portfolio companies have not been independently verified by us and may reflect a normalized or adjusted amount. As of December 31, 2020, investments where net debt to EBITDA may not be the appropriate measure of credit risk represented 33.1% of total debt investments. Portfolio company statistics are derived from the most recently available financial statements of each portfolio company as of the respective reported end date. Portfolio company statistics have not been independently verified by us and may reflect a normalized or adjusted amount.

Corporate Structure

We were formed as a private fund in September 2012 and commenced operations in November 2012, using seed capital contributions we received from Group Inc. In March 2013, we elected to be treated as a BDC. We have elected to be treated, and expect to qualify annually, as a RIC under Subchapter M of the Code, commencing with our taxable year ended December 31, 2013. On March 18, 2015, our common stock began trading on the New York Stock Exchange ("NYSE") under the symbol "GSBD". On March 23, 2015, we closed our initial public offering ("IPO"), issuing 6,000,000 shares of common stock at a public offering price of $20.00 per share. Net of offering and underwriting costs, we received cash proceeds of $114.57 million. On April 21, 2015, we issued an additional 900,000 shares of our common stock pursuant to the exercise of the underwriters' over-allotment option in connection with the IPO. On May 24, 2017, we sold 3,250,000 shares of our common stock at a public offering price of $22.50 per share. Net of underwriting costs and offering expenses, we received cash proceeds of $69.65 million. On May 26, 2017, we issued an additional 487,500 shares of our common stock pursuant to the underwriters' exercise of the option to purchase additional shares that we granted in connection with the May 24, 2017 sale of our common stock. Net of underwriting costs, we received additional cash proceeds of $10.64 million. On October 12, 2020, as a result of the Merger, we issued an aggregate of 61,037,311 shares of Common Stock to former GS MMLC stockholders. As of December 31, 2020, Group Inc. owned 6.39 % of our common stock.

Our Investment Adviser

GSAM serves as our Investment Adviser and has been registered as an investment adviser with the SEC since 1990. Subject to the supervision of our Board of Directors, a majority of which is made up of independent directors (including an independent Chairman), GSAM manages our day-to-day operations and provides us with investment advisory and management services and certain administrative services.
GSAM is a subsidiary of Group Inc., a public company that is a bank holding company (a "BHC"), financial holding company (a "FHC") and a world-wide, full-service financial services organization. Group Inc. is the general partner and owner of GSAM. GSAM has been providing financial solutions for investors since 1988 and had over $1.9 trillion of assets under supervision as of December 31, 2020.

The GSAM Private Credit Group

The Private Credit Group of GSAM (the "GSAM Private Credit Group") is responsible for identifying investment opportunities, conducting research and due diligence on prospective investments, negotiating and structuring our investments and monitoring and servicing our investments. The GSAM Private Credit Group was comprised of 28 investment professionals, as of December 31, 2020, all of whom are dedicated to our investment strategy and other funds that share a similar investment strategy with the Company. The GSAM Private Credit Group sits with a broader team known as the "GSAM Credit Alternatives Team" which has additional responsibilities other than those relating to the us. In addition, GSAM has risk management, legal, accounting, tax, information technology and compliance personnel, among others, who provide services to us. We benefit from the expertise provided by these personnel in our operations.

The GSAM Private Credit Group is dedicated primarily to private corporate credit investment opportunities in North America and utilizes a bottom-up, fundamental research approach to lending. The senior members of the GSAM Private Credit Group have been working together since 2006 and have an average of over 19 years of experience in leveraged finance and private transactions.

Investment Committee

All investment decisions are made by the investment committee of GSAM's Private Credit Group (the "Investment Committee"), which currently consists of five voting members: Brendan McGovern, Jon Yoder, David Yu, Jordan Walter and Michael Mastropaolo, as well as three non-voting members with operational and/or legal expertise. The Investment Committee is responsible for approving all of our investments. The Investment Committee also monitors investments in our portfolio and approves all asset dispositions. We expect to benefit from the extensive and varied relevant experience of the investment professionals serving on the Investment Committee, which includes expertise in privately originated and publicly traded leveraged credit, stressed and distressed debt, bankruptcy, mergers and acquisitions and private equity. The voting members of the Investment Committee collectively have over 50 years of experience in middle-market investment and activities related to middle-market investing. The membership of the Investment Committee may change from time to time.

The purpose of our Investment Committee is to evaluate and approve, as deemed appropriate, all investments by our Investment Adviser. Our Investment Committee process is intended to bring the diverse experience and perspectives of our Investment Committee's members to the analysis and consideration of every investment. Our Investment Committee also serves to provide investment consistency and adherence to our Investment Adviser's investment philosophies and policies. Our Investment Committee also determines appropriate investment sizing and suggests ongoing monitoring requirements.

In addition to reviewing investments, our Investment Committee meetings serve as a forum for discussing credit views and outlooks, as well as reviewing investments. Potential transactions and investment opportunities are also reviewed on a regular basis. Members of our Investment Adviser's investment team are encouraged to share information and views on credits with our Investment Committee early in their analysis. This process improves the quality of the analysis and assists the deal team members to work more efficiently.

Investments

We seek to create a portfolio that includes primarily direct originations of secured debt, including first lien, unitranche, including last-out portions of such loans, and second lien debt, and unsecured debt, including mezzanine debt, as well as through select equity investments. We expect to make investments through both primary originations and open-market secondary purchases. We currently do not limit our focus to any specific industry. If we are successful in achieving our investment objective, we believe that we will be able to provide our stockholders with consistent dividend distributions and attractive risk adjusted total returns.

As of December 31, 2020, our portfolio (which term does not include our investment in a money market fund managed by an affiliate of Group Inc.) on a fair value basis, was comprised of approximately 96.5% secured debt investments (82.4% in first lien debt (including 4.4% in first lien/last-out unitranche loans) and 14.1% in second lien debt), 0.0% in unsecured debt investments, 1.5% in preferred stock, 2.0% in common stock and 0.0% in warrants. We expect that our portfolio will continue to include secured debt, including first lien, unitranche, including last-out portions of such loans, and second lien debt, unsecured debt (including mezzanine debt) and, to a lesser extent, equities. In addition to investments in U.S. middle-market companies, we may invest a portion of our capital in opportunistic investments, such as in large U.S. companies, foreign companies, stressed or distressed debt, structured products or private equity. Such investments are intended to enhance our risk adjusted returns to stockholders, and the proportion of these types of investments will change over time given our views on, among other things, the economic and credit environment in which we are operating, although these types of investments generally will constitute less than 30% of our total assets.

In the future, we may also securitize a portion of our investments in any or all of our assets. We expect that our primary use of funds will be to make investments in portfolio companies, distribute cash to holders of our common stock and pay our operating expenses, including debt service to the extent we borrow or issue senior securities to fund our investments.

On January 4, 2017, the SEC granted GS PMMC, GS MMLC (which was merged with us on October 12, 2020), GS PMMC II and us exemptive relief to co-invest with other funds managed by the GSAM Credit Alternatives investment team in a manner consistent with our investment objectives, positions, policies, strategies and restrictions as well as regulatory requirements and other pertinent factors. Additionally, if our Investment Adviser forms other funds in the future, we may co-invest on a concurrent basis with such other affiliates, subject to compliance with the exemptive relief, applicable regulations and regulatory guidance, as well as applicable allocation procedures.

Investment Criteria

We are committed to a value-oriented philosophy implemented by our Investment Adviser, which manages our portfolio and seeks to minimize the risk of capital loss without foregoing the potential for capital appreciation. We have identified several criteria, discussed below, that GSAM believes are important in identifying and investing in prospective portfolio companies.

These criteria provide general guidelines for our investment decisions. However, not all of these criteria will be met by each prospective portfolio company in which we choose to invest. Generally, we seek to use our experience and access to market information to identify investment candidates and to structure investments quickly and effectively.

- *Value orientation and positive cash flow.* Our investment philosophy places a premium on fundamental analysis and has a distinct value orientation. We focus on companies in which we can invest at relatively low multiples of operating cash flow and that are profitable at the time of investment on an operating cash flow basis. Typically, we do not expect to invest in start-up companies or companies having speculative business plans.
- *Experienced management and established financial sponsor relationships.* We generally require that our portfolio companies have an experienced management team. We also require the portfolio companies to have proper incentives in place to induce management to succeed and to act in concert with our interests as investors. In addition, we focus our investments in companies backed by strong financial sponsors that have a history of creating value and with whom members of our Investment Adviser have an established relationship.
- *Strong and defensible competitive market position.* We seek to invest in target companies that have developed leading market positions within their respective markets and are well-positioned to capitalize on growth opportunities. We also seek companies that demonstrate significant competitive advantages versus their competitors, which should help to protect their market position and profitability while enabling us to protect our principal and avoid capital losses.
- *Viable exit strategy.* We seek to invest in companies that GSAM believes will provide a steady stream of cash flow to repay our loans and reinvest in their respective businesses. We expect that such internally generated cash flow, leading to the payment of interest on, and the repayment of the principal of, our investments in portfolio companies to be a key means by which we exit from our investments over time. In addition, we also seek to invest in companies whose business models and expected future cash flows offer attractive exit possibilities. These companies include candidates for strategic acquisition by other industry participants and companies that may repay our investments through an initial public offering of common stock or other capital markets transactions.
- *Due diligence.* Our Investment Adviser takes a bottom-up, fundamental research approach to our potential investments. It believes it is critical to conduct extensive due diligence on investment targets and in evaluating new investments. Our Investment Adviser conducts a rigorous due diligence process that is applied to prospective portfolio companies and draws from its experience, industry expertise and network of contacts. In conducting due diligence, our Investment Adviser uses information provided by companies, financial sponsors and publicly available information as well as information from relationships with former and current management teams, consultants, competitors and investment bankers.

Our due diligence typically includes, but is not limited to: (i) review of historical and prospective financial information; (ii) review of the capital structure; (iii) analysis of the business and industry in which the company operates; (iv) on-site visits; (v) interviews with management, employees, customers and vendors of the potential portfolio company; (vi) review of loan documents; (vii) background checks; and (viii) research relating to the portfolio company's management, industry, markets, products and services and competitors.

Upon the completion of due diligence and a decision to proceed with an investment in a company, the team leading the investment presents the investment opportunity to our Investment Committee. This committee determines whether to pursue the potential investment. All new investments are required to be reviewed by the Investment Committee. The members of the Investment Committee are employees of our Investment Adviser and they do not receive separate compensation from us or our Investment Adviser for serving on the Investment Committee. Additional due diligence with respect to any investment may be conducted on our behalf (and at our expense) by attorneys prior to the closing of the investment, as well as other outside advisers, as appropriate.

Investment Structure

Once we determine that a prospective portfolio company is suitable for investment, we work with the management of that company and its other capital providers, including senior, junior and equity capital providers, to structure an investment. We negotiate among these parties and use creative and flexible approaches to structure our investment relative to the other capital in the portfolio company's capital structure.

We expect our secured debt to have terms of approximately three to ten years. We generally obtain security interests in the assets of our portfolio companies that will serve as collateral in support of the repayment of this debt. This collateral may take the form of first or second priority liens on the assets of a portfolio company.

We use the term "mezzanine" to refer to debt that ranks senior only to a borrower's equity securities and ranks junior in right of payment to all of such borrower's other indebtedness. Mezzanine debt typically has interest-only payments in the early years, payable in cash or in-kind, with amortization of principal deferred to the later years of the mezzanine debt. In some cases, we may enter into mezzanine debt that, by its terms, converts into equity (or is issued along with warrants for equity) or additional debt securities or defers payments of interest for the first few years after our investment. Typically, our mezzanine debt investments have maturities of three to ten years.

We also invest in unitranche loans, which are loans that combine features of first-lien, second-lien and mezzanine debt, generally in a first-lien position. In a number of instances, we may find another lender to provide the "first-out" portion of such loan and retain the "last-out" portion of such loan, in which case, the "first-out" portion of the loan would generally receive priority with respect to payment of principal, interest and other amounts due thereunder over the "last-out" portion that we would continue to hold.

In the case of our secured debt and unsecured debt, including mezzanine debt investments, we seek to tailor the terms of the investments to the facts and circumstances of the transactions and the prospective portfolio companies, negotiating a structure that protects our rights and manages our risk while creating incentives for the portfolio companies to achieve their business plan and improve their profitability. For example, in addition to seeking a senior position in the capital structure of our portfolio companies, we seek to limit the downside potential of our investments by (i) requiring a total return on our investments (including both interest and potential equity appreciation) that compensates us for credit risk; (ii) incorporating "put" rights and call protection into the investment structure; and (iii) negotiating covenants in connection with our investments that afford our portfolio companies as much flexibility in managing their businesses as possible, consistent with preservation of our capital. Such restrictions may include affirmative and negative covenants, default penalties, lien protection, change of control provisions and board rights, including either observation or participation rights. Our investments may include equity features, such as direct investments in the equity or convertible securities of portfolio companies or warrants or options to buy a minority interest in a portfolio company. Any warrants we may receive with our debt securities generally require only a nominal cost to exercise, so as a portfolio company appreciates in value, we may achieve additional investment return from these equity investments. We may structure the warrants to provide provisions protecting our rights as a minority-interest holder, as well as puts, or rights to sell such securities back to the company, upon the occurrence of specified events. In many cases, we may also obtain registration rights in connection with these equity investments, which may include demand and "piggyback" registration rights.

We expect to hold most of our investments to maturity or repayment but may sell certain investments earlier if a liquidity event takes place, such as the sale or refinancing of a portfolio company. We also may turn over our investments to better position the portfolio as market conditions change.

Allocation of Opportunities

Our investment objectives and investment strategies are similar to those of other client accounts managed by our Investment Adviser (including GS PMMC and GS PMMC II), and an investment appropriate for us may also be appropriate for those Accounts. This creates potential conflicts in allocating investment opportunities among us and such other Accounts, particularly in circumstances where the availability of such investment opportunities is limited, where the liquidity of such investment opportunities is limited or where co-investments by us and other Accounts are not permitted under applicable law.

We are prohibited under the Investment Company Act from participating in certain transactions with our affiliates without the prior approval of our independent directors ("Independent Directors") and, in some cases, of the SEC. Any person that owns, directly or indirectly, five percent or more of our outstanding voting securities is our affiliate for purposes of the Investment Company Act, and we are generally prohibited from buying or selling any assets from or to, or entering into certain "joint" transactions (which could include investments in the same portfolio company) with such affiliates, absent the prior approval of the Independent Directors. Our Investment Adviser and its affiliates, including persons that control, or are under common control with, us or our Investment Adviser, are also considered our affiliates under the Investment Company Act, and we are generally prohibited from buying or selling any assets from or to, or entering into "joint" transactions with, such affiliates without exemptive relief from the SEC.

Subject to applicable law, we may invest alongside Goldman Sachs and its Accounts. In certain circumstances, negotiated co-investments by us and other Accounts may be made only pursuant to an order from the SEC permitting us to do so. Together with our Investment Adviser, GS PMMC, GS MMLC (which was merged with us on October 12, 2020) and GS PMMC II, we applied for and received an exemptive order from the SEC that permits us to participate in negotiated co-investment transactions with certain affiliates (including GS PMMC and GS PMMC II), each of whose investment adviser is GSAM. After the date of the exemptive order, co-investments may be made subject to certain conditions, including that co-investments are made in a manner consistent with our investment objectives, positions, policies, strategies and restrictions, as well as regulatory requirements and pursuant to the conditions required by the exemptive relief and the co-investments are allocated fairly among participants. As a result of such order, there could be significant overlap in our investment portfolio and the investment portfolios of GS PMMC, GS PMMC II and/or other funds managed by our Investment Adviser. If our Investment Adviser identifies an investment and we are unable to rely on our exemptive relief for that particular opportunity, our Investment Adviser will be required to determine which Accounts should make the investment at the potential exclusion of other Accounts. In such circumstances, the Investment Adviser will adhere to its investment allocation policy in order to determine the Account to which to allocate the opportunity. The policy provides that our Investment Adviser allocate opportunities through a rotation system or in such other manner as our Investment Adviser determines to be equitable. Accordingly, it is possible that we may not be given the opportunity to participate in investments made by other Accounts.

We may also invest alongside other Accounts advised by our Investment Adviser and its affiliates in certain circumstances where doing so is consistent with applicable law and SEC staff guidance and interpretations. For example, we may invest alongside such Accounts consistent with guidance promulgated by the staff of the SEC permitting us and such other Accounts to purchase interests in a single class of privately placed securities so long as certain conditions are met, including that our Investment Adviser, acting on our behalf and on behalf of its other clients, negotiates no term other than price. We may also invest alongside our Investment Adviser's other clients as otherwise permissible under SEC staff guidance and interpretations, applicable regulations and the allocation policy of our Investment Adviser.

To address these potential conflicts, our Investment Adviser has developed allocation policies and procedures that provide that personnel of our Investment Adviser making portfolio decisions for Accounts will make purchase and sale decisions and allocate investment opportunities among Accounts consistent with its fiduciary obligations. To the extent permitted by applicable law, these policies and procedures may result in the pro rata allocation of limited opportunities across eligible Accounts managed by a particular portfolio management team, but in many other cases the allocations reflect numerous other factors as described below. Accounts managed outside of the GSAM Private Credit Group are generally viewed separately for allocation purposes. There will be cases where certain Accounts receive an allocation of an investment opportunity when we do not and vice versa.

In some cases, due to information barriers that are in place, other Accounts may compete with us for specific investment opportunities without being aware that we are competing against each other. Goldman Sachs has a conflicts system in place above these information barriers to identify potential conflicts early in the process and determine if an allocation decision needs to be made. If the conflicts system detects a potential conflict, the legal and compliance departments of Goldman Sachs assess investment opportunities to determine whether a particular investment opportunity is required to be allocated to a particular Account (including us) or is prohibited from being allocated to a particular Account. Subject to a determination by the legal and compliance departments (if applicable), portfolio management teams are then charged with ensuring that investment opportunities are allocated to the appropriate Account.

Personnel of our Investment Adviser involved in decision-making for Accounts may make allocation related decisions for us and other Accounts by reference to one or more factors, including: the Account's portfolio and its investment horizons, objectives, guidelines and restrictions (including legal and regulatory restrictions); strategic fit and other portfolio management considerations, including different desired levels of investment for different strategies; the expected future capacity of the applicable Accounts; limits on our Investment Adviser's brokerage discretion; cash and liquidity considerations; and the availability of other appropriate investment opportunities. Suitability considerations, reputational matters and other considerations may also be considered. The application of these considerations may cause differences in the performance of different Accounts that have similar strategies. In addition, in some cases our Investment Adviser may make investment recommendations to Accounts where the Accounts make the investment independently of our Investment Adviser, which may result in a reduction in the availability of the investment opportunity for other Accounts (including us) irrespective of our Investment Adviser's policies regarding allocation of investments. Additional information about our Investment Adviser's allocation policies is set forth in Item 6 ("Performance-based Fees and Side-by-Side Management—Side-by-Side Management of Advisory Accounts; Allocation of Opportunities") of our Investment Adviser's Form ADV.

Our Investment Adviser, including the GSAM Credit Alternatives Team, may, from time to time, develop and implement new trading strategies or seek to participate in new investment opportunities and trading strategies. These opportunities and strategies may not be employed in all Accounts or may be employed pro rata among Accounts, even if the opportunity or strategy is consistent with the objectives of such Accounts.

During periods of unusual market conditions, our Investment Adviser may deviate from its normal trade allocation practices. For example, this may occur with respect to the management of unlevered and/or long-only Accounts that are typically managed on a side-by-side basis with levered and/or long-short Accounts.

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We may or may not receive opportunities referred by Goldman Sachs businesses and affiliates, but in no event do we have any rights with respect to such opportunities. Subject to applicable law, including the Investment Company Act, such opportunities or any portion thereof may be offered to other Accounts, Goldman Sachs, all or certain investors in us, or such other persons or entities as determined by Goldman Sachs in its sole discretion. We will have no rights and will not receive any compensation related to such opportunities. Certain of such opportunities may be referred to us by employees or other personnel of GS & Co., or by third-parties. If we invest in any such opportunities, GS & Co. or such third-parties may be entitled, to the extent permitted by applicable law, including the limitations set forth in Section 57(k) of the Investment Company Act, to compensation from us or from the borrowers in connection with such investments. Any compensation we pay in connection with such referrals will be an operating expense and will accordingly be borne by us (and will not serve to offset any Management Fee or Incentive Fee (each as defined below) payable to the Investment Adviser).

In connection with certain of our investments, following our Investment Adviser's determination that the appropriate portion of an applicable investment opportunity has been offered to us and other Accounts in accordance with the Investment Adviser's allocation policy and applicable legal requirements, including the Investment Company Act and, if applicable, the terms of the SEC exemptive order on co-investments disclosed herein (collectively, "Applicable Law"), we and/or our Investment Adviser may have the opportunity to offer all or a portion of the excess amounts of such investment opportunity to other persons or entities. These opportunities include, for example, where our Investment Adviser has determined that while it is in our best interests to acquire the full amount of an investment available to it if the alternative is to not make the investment at all, it is further in our best interests of, due to diversification, portfolio management, leverage management, investment profile, risk tolerance or other exposure guidelines or limitations, cash flow or other considerations, for us to hold less economic exposure to the investment than such full amount. Subject to Applicable Law, such opportunities may be structured as an investment alongside us or as a purchase of a portion of the investment from us (through a syndication, participation or otherwise).

In all cases, subject to Applicable Law, our Investment Adviser has broad discretion in determining to whom and in what relative amounts to offer such opportunities, and factors our Investment Adviser may take into account, in its sole discretion, include whether such potential recipient is able to assist or provide a benefit to us in connection with the potential transaction or otherwise, whether our Investment Adviser believes the potential recipient is able to execute a transaction quickly, whether the potential recipient is expected to provide expertise or other advantages in connection with a particular investment, whether our Investment Adviser is aware of such potential recipient's expertise or interest in these types of opportunities generally or in a subset of such opportunities or, the potential recipient's target investment sizing. Recipients of these opportunities may, in accordance with Applicable Law, include one or more investors in us, one or more investors in other funds managed by the GSAM Credit Alternatives Team, clients or potential clients of Goldman Sachs, or funds or accounts established for any such persons. These opportunities may give rise to potential conflicts of interest. These opportunities will be offered to the recipients thereof on such terms as our Investment Adviser determines in its sole discretion, subject to Applicable Law, including on a no-fee basis or at prices higher or lower than those paid by us. As a result of these and other reasons, returns with respect to an opportunity may exceed investors' returns with respect to our investment in the same opportunity.

For a further explanation of the allocation of opportunities and other conflicts and the risks related thereto, please see "Item 1A. Risk Factors—Our Business and Structure—Potential conflicts of interest with other businesses of Goldman Sachs could impact our investment returns."

Market Opportunity

The GSAM Private Credit Group believes there is an attractive investment opportunity to invest in U.S. middle-market companies. Specifically:

- *The middle-market represents a large target market opportunity*. According to the National Center for the Middle Market and the CIA World Factbook, the U.S. middle market is comprised of approximately 200,000 companies that represent approximately 33% of the private sector gross domestic product, employing approximately 48 million people.[1] The GSAM Private Credit Group believes that there is an attractive investment environment for GSBD to provide loans to U.S. middle market companies.
- *There have been secular changes in ownership structures of middle-market companies*. The GSAM Private Credit Group has observed a transformation in the ownership structures of private and public companies. The number of U.S. private-equity companies is at its highest level since 2000. Conversely, the number of listed U.S. domestic companies has dramatically declined over the same time period, yet the average market capitalization of listed U.S. companies has grown. The GSAM Private Credit Group believes that this has resulted in a shift in the ownership of middle-market companies and thus creating a larger market opportunity for us to provide debt capital to the companies that we expect to target.
- *There is a large amount of un-invested private equity capital for middle-market companies*. There is a large amount of un-invested private equity capital for North America buyout funds. The GSAM Private Credit Group believes this creates additional capacity for us as the GSAM Private Credit Group expects private equity firms will seek to leverage their investments by combining equity capital with debt capital.
- *Changes in business strategy by banks have further reduced the supply of capital to middle-market companies*. The trend of consolidation of regional banks into money center banks has reduced the focus of these businesses on middle-market lending. Money center banks traditionally focus on lending and providing other services to large corporate clients to whom they can deploy larger amounts of capital more efficiently. The GSAM Private Credit Group believes that this has resulted in fewer bank lenders to U.S. middle-market companies and reduced the availability of debt capital to the companies that we expect to target.

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1 Estimate for 2020 by the National Center for the Middle Market, which defined middle market as companies with annual revenue of $10 million—$1 billion. See http://www.middlemarketcenter.org.

- *The capital markets have been unable to fill the void in middle-market finance left by banks*. While underwritten bond and syndicated loan markets have been robust in recent years, middle-market companies are rarely able to access these markets as participants are generally highly focused on the liquidity characteristics of the bond or loan being issued. For example, mutual funds and exchange traded funds ("ETFs") are significant buyers of underwritten bonds and broadly syndicated loans. However, mutual funds and ETFs generally require the ability to liquidate their investments quickly in order to fund investor redemptions. Accordingly, the existence of an active secondary market for their investments is an important consideration in the initial investment decision. Because there is typically no active secondary market for the debt of U.S. middle-market companies, mutual funds and ETFs generally do not provide capital to U.S. middle-market companies. The GSAM Private Credit Group believes that this is likely to be a persistent problem for the capital markets and creates an advantage for investors like us who have a more stable capital base and can therefore invest in illiquid assets.
- *It is difficult for new lending platforms to enter the middle market and fill the capital void because it is very fragmented*. While the middle market is a very large component of the U.S. economy, it is a highly fragmented space with thousands of companies operating in many different geographies and industries. Typically, companies that need capital find lenders and investors based on pre-existing relationships, referrals and word of mouth. Developing the many relationships and wide-spread recognition required to become source of capital to the middle market is a time consuming, highly resource-intensive endeavor. As a result, the GSAM Private Credit Group believes that it is difficult for new lending platforms to successfully enter the middle market, thereby providing insulation from rapid shifts in the supply of capital to the middle market that might otherwise disrupt pricing of capital.

Competitive Advantages

The Goldman Sachs Platform: Group Inc. is a leading global financial institution that provides a broad range of financial services to a substantial and diversified client base, including companies and high net worth individuals, among others. The firm is headquartered in New York, and maintains offices across the United States and in all major financial centers around the world. Group Inc.'s asset management subsidiary, GSAM, is one of the world's leading investment managers with over 702 investment professionals and approximately $1.9 trillion in assets under supervision as of December 31, 2020.[2] GSAM's investment teams, including the GSAM Private Credit Group, capitalize on the relationships, market insights, risk management expertise, technology and infrastructure of Goldman Sachs. The GSAM Private Credit Group believes the Goldman Sachs platform delivers a meaningful competitive advantage in the following ways:

- *Origination of Investment Opportunities:* Goldman Sachs has a preeminent network of relationships and the ability to provide valued intellectual, as well as financial, capital to middle-market borrowers which the GSAM Private Credit Group believes significantly enhances its origination capability. The GSAM Private Credit Group believes that many borrowers prefer to do business with Goldman Sachs and its advised funds because of its ability to offer further services to middle-market companies as they grow in their life cycle, including financial advice, acquisition opportunities and capital markets expertise. The GSAM Private Credit Group is also able to leverage the Goldman Sachs platform to provide borrowers with access to Goldman Sachs' broad client network, which can be utilized to find new customers and partners as they seek to grow and execute their strategic plans.
- *Evaluation of Investment Opportunities:* The GSAM Private Credit Group is comprised of seasoned professionals with significant private credit investing experience. The team draws on a diverse array of skill sets, spanning fundamental credit and portfolio management, as well as legal and transactional structuring expertise. The GSAM Private Credit Group is trained in, and utilizes, proprietary investment practices and procedures developed over many decades by Goldman Sachs, including those related to performing due diligence on prospective portfolio investments and reviewing the backgrounds of potential partners. Further, Goldman Sachs is an active participant in a wide array of industries, both in service to clients operating in many different industries and acting as a principal or customer in such industries. Accordingly, Goldman Sachs houses a tremendous amount of industry knowledge and experience. Subject to internal information barriers and related limitations, the GSAM Private Credit Group is able to draw upon these industry insights and expertise as it evaluates investment opportunities.
- *Risk Monitoring of Investments:* The GSAM Private Credit Group has significant processes and procedures in place, including proprietary information technology systems, to monitor and evaluate the performance of its investments at the asset level. In addition, the GSAM Private Credit Group benefits from Goldman Sachs' extensive risk management capabilities, which have been developed and honed over many investment cycles. The GSAM Private Credit Group's portfolio is regularly reviewed and stressed under various scenarios by senior risk management personnel within Goldman Sachs. These scenarios are drawn from the expertise developed by Goldman Sachs for its own balance sheet. This risk monitoring is designed to minimize the risk of capital loss and maintain an investment portfolio that is expected to perform in a broad range of economic conditions.

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2 Assets Under Supervision (AUS) includes assets under management and other client assets for which Goldman Sachs does not have full discretion.

Operating and Regulatory Structure

We have elected to be treated as a BDC under the Investment Company Act. As a BDC, we are generally prohibited from acquiring assets other than qualifying assets unless, after giving effect to any acquisition, at least 70% of our total assets are qualifying assets. Qualifying assets generally include securities of eligible portfolio companies, cash, cash equivalents, U.S. government securities and high-quality debt instruments maturing in one year or less from the time of investment. Under the rules of the Investment Company Act, "eligible portfolio companies" include (i) private U.S. operating companies, (ii) public U.S. operating companies whose securities are not listed on a national securities exchange (e.g., the NYSE) or registered under the Exchange Act, and (iii) public U.S. operating companies having a market capitalization of less than $250 million. Public U.S. operating companies whose securities are quoted on the over-the-counter bulletin board and through OTC Markets Group Inc. are not listed on a national securities exchange and therefore are eligible portfolio companies.

We have elected to be treated, and expect to qualify annually, as a RIC under Subchapter M of the Code, commencing with our taxable year ended December 31, 2013. As a RIC, we generally will not be required to pay corporate-level U.S. federal income taxes on any net ordinary income or capital gains that we timely distribute to our stockholders as dividends if we meet certain source of income, distribution and asset diversification requirements. We intend to timely distribute to our stockholders substantially all of our annual taxable income for each year, except that we may retain certain net capital gains for reinvestment and we may choose to carry forward taxable income for distribution in the following year and pay any applicable tax. In addition, the distributions we pay to our stockholders in a year may exceed our net ordinary income and capital gains for that year and, accordingly, a portion of such distributions may constitute a return of capital for U.S. federal income tax purposes. See "Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities—Distributions."

Ongoing relationships with portfolio companies

Monitoring

Our Investment Adviser monitors our portfolio companies on an ongoing basis. It monitors the financial trends of each portfolio company to determine if they are meeting their respective business plans and to assess the appropriate course of action for each company. Our Investment Adviser has several methods of evaluating and monitoring the performance and fair value of our investments, which may include the following:

- assessment of success in adhering to the portfolio company's business plan and compliance with covenants;
- periodic or regular contact with portfolio company management and, if appropriate, the financial or strategic sponsor to discuss financial position, requirements and accomplishments;
- comparisons to our other portfolio companies in the industry, if any;
- attendance at and participation in board meetings or presentations by portfolio companies; and
- review of monthly and quarterly financial statements and financial projections of portfolio companies.

As part of the monitoring process, our Investment Adviser also employs an investment rating system to categorize our investments. In addition to various risk management and monitoring tools, the Investment Adviser grades the credit risk of all investments on a scale of 1 to 4 no less frequently than quarterly. This system is intended primarily to reflect the underlying risk of a portfolio investment relative to our initial cost basis in respect of such portfolio investment (i.e., at the time of origination or acquisition), although it may also take into account under certain circumstances the performance of the portfolio company's business, the collateral coverage of the investment and other relevant factors. The grading system is as follows:

- *Grade 1* investments involve the least amount of risk to our initial cost basis. The trends and risk factors for this investment since origination or acquisition are generally favorable, which may include the performance of the portfolio company or a potential exit;
- *Grade 2* investments involve a level of risk to our initial cost basis that is similar to the risk to our initial cost basis at the time of origination or acquisition. This portfolio company is generally performing as expected and the risk factors to our ability to ultimately recoup the cost of our investment are neutral to favorable. All investments or acquired investments in new portfolio companies are initially assessed a grade of 2;
- *Grade 3* investments indicate that the risk to our ability to recoup the initial cost basis of such investment has increased materially since origination or acquisition, including as a result of factors such as declining performance and non-compliance with debt covenants; however, payments are generally not more than 120 days past due; and
- *Grade 4* investments indicate that the risk to our ability to recoup the initial cost basis of such investment has substantially increased since origination or acquisition, and the portfolio company likely has materially declining performance. For debt investments with an investment grade of 4, in most cases, most or all of the debt covenants are out of compliance and payments are substantially delinquent. For investments graded 4, it is anticipated that we will not recoup our initial cost basis and may realize a substantial loss of our initial cost basis upon exit.

Our Investment Adviser grades the investments in our portfolio at least quarterly, and it is possible that the grade of a portfolio investment may be reduced or increased over time. For investments graded 3 or 4, the Investment Adviser enhances its level of scrutiny over the monitoring of such portfolio company.

Managerial Assistance

As a BDC, we must offer, and must provide upon request, significant managerial assistance to certain of our eligible portfolio companies within the meaning of Section 55 of the Investment Company Act. This assistance could involve, among other things, monitoring the operations of our portfolio companies, participating in board and management meetings, consulting with and advising officers of portfolio companies and providing other organizational and financial guidance. Our Investment Adviser or an affiliate thereof may provide such managerial assistance on our behalf to portfolio companies that request such assistance. We may receive fees for these services. See "—Managerial Assistance to Portfolio Companies."

Competition

Our primary competitors provide financing to middle-market companies and include other BDCs, commercial and investment banks, commercial financing companies, collateralized loan obligations ("CLOs"), private funds, including hedge funds, and, to the extent they provide an alternative form of financing, private equity funds. Some of our existing and potential competitors are substantially larger and have considerably greater financial, technical and marketing resources than we do. For example, some competitors may have a lower cost of funds and access to funding sources that are not available to us.

In addition, some of our competitors may have higher risk tolerances or different risk assessments, which could allow them to consider a wider variety of investments and establish more relationships than us. Furthermore, many of our competitors are not subject to the regulatory restrictions that the Investment Company Act imposes on us as a BDC.

While we expect to use the industry information of GSAM's investment professionals to which we have access to assess investment risks and determine appropriate pricing for our investments in portfolio companies, we do not seek to compete primarily based on the interest rates we offer and GSAM believes that some of our competitors may make loans with interest rates that are comparable to or lower than the rates we offer. Rather, we compete with our competitors based on our reputation in the market, our existing investment platform, the seasoned investment professionals of our Investment Adviser, our experience and focus on middle-market companies, our disciplined investment philosophy, our extensive industry focus and relationships and our flexible transaction structuring.

Staffing

We do not currently have any employees. Our day-to-day operations are managed by our Investment Adviser. Our Investment Adviser has hired and expects to continue to hire professionals with skills applicable to our business plan, including experience in middle-market investing, leveraged finance and capital markets.

Properties

We do not own any real estate or other properties materially important to our operations. Our principal executive offices are located at 200 West Street, New York, New York 10282. We believe that our office facilities are suitable and adequate for our business as it is contemplated to be conducted.

Legal Proceedings

We and our Investment Adviser are not currently subject to any material legal proceedings, although we may, from time to time, be involved in litigation arising out of operations in the normal course of business or otherwise.

Our Administrator

Pursuant to our Administration Agreement, our administrator is responsible for providing various accounting and administrative services to us. Our administrator is entitled to fees as described in "—Administration Agreement." To the extent that our administrator outsources any of its functions, the administrator will pay any compensation associated with such functions. See "—Administration Agreement."

Dividend Reinvestment Plan

We have a dividend reinvestment plan that provides for reinvestment of all cash distributions declared by our Board of Directors unless a stockholder elects to "opt out" of the plan. As a result, if our Board of Directors declares a cash distribution, then the stockholders who have not "opted out" of the dividend reinvestment plan will have their cash distributions automatically reinvested in additional shares of common stock, rather than receiving the cash distribution. Due to regulatory considerations, Group Inc. has opted out of the dividend reinvestment plan, and GS & Co. has opted out of the dividend reinvestment plan in respect of any shares of our common stock acquired through our 10b5-1 plan (the "10b5-1 Plan"). For further details, see Note 9 "Net Assets" to our consolidated financial statements included in this report.

All correspondence concerning the plan should be directed to the plan agent at Computershare Trust Company, N.A, P.O. Box 505000, Louisville, KY 40233, with overnight correspondence being directed to the plan agent at Computershare Trust Company, N.A, 462 South 4th Street, Suite 1600, Louisville, KY 40202; by calling 855-807-2742; or through the plan agent's website at www.computershare.com/investor. Participants who hold their shares through a broker or other nominee should direct correspondence or questions concerning the dividend reinvestment plan to their broker or nominee.

Management Agreements

Investment Management Agreement

We have entered into an investment management agreement (as amended and restated as of June 15, 2018, the “Investment Management Agreement”) with the Investment Adviser, pursuant to which the Investment Adviser manages our investment program and related activities.

Management Services

Pursuant to the terms of our Investment Management Agreement, GSAM, subject to the overall supervision of our Board of Directors, manages our day-to-day investment-related operations and provides investment management services to us.

Subject to compliance with applicable law and published SEC guidance, nothing contained in the Investment Management Agreement in any way precludes, restricts or limits the activities of our Investment Adviser or any of its respective subsidiaries or affiliated parties. See “Item 1A. Risk Factors—Our Business and Structure—Our Investment Adviser, its principals, investment professionals and employees and the members of its Investment Committee have certain conflicts of interest.”

Management Fee

We pay the Investment Adviser a management fee (the “Management Fee”), which accrues and is payable quarterly in arrears. The Management Fee is calculated at an annual rate of 1.00% (0.25% per quarter), in each case, of the average value of our gross assets (excluding cash or cash equivalents (such as investments in money market funds) but including assets purchased with borrowed amounts) at the end of each of the two most recently completed calendar quarters. The Management Fee for any partial quarter will be appropriately prorated based on the actual number of days elapsed relative to the total number of days in such calendar quarter.

For the year ended December 31, 2020, Management Fees amounted to $16.85 million, of which the Investment Adviser has voluntarily agreed to waive $3.81 million. As of December 31, 2020, $5.95 million remained payable. For the year ended December 31, 2019, Management Fees amounted to $14.70 million.

Incentive Fee

The incentive fee (the “Incentive Fee”) payable to our Investment Adviser consists of two components that are determined independent of each other, with the result that one component may be payable even if the other is not.

A portion of the Incentive Fee is based on our income and a portion is based on our capital gains, each as described below. Our Investment Adviser is entitled to receive the Incentive Fee based on income from us if our Ordinary Income (as defined below) exceeds a quarterly “hurdle rate” of 1.75%. For this purpose, the hurdle is computed by reference to our NAV and does not take into account changes in the market price of our common stock.

Beginning with the calendar quarter that commenced on January 1, 2015, the Incentive Fee based on income is determined and paid quarterly in arrears at the end of each calendar quarter by reference to our aggregate net investment income, as adjusted as described below, from the calendar quarter then ending and the eleven preceding calendar quarters (or if shorter, the number of quarters that have occurred since January 1, 2015) (such period, the “Trailing Twelve Quarters”). The Incentive Fee based on capital gains is determined and paid annually in arrears at the end of each calendar year by reference to an Annual Period (as defined below).

The hurdle amount for the Incentive Fee based on income is determined on a quarterly basis and is equal to 1.75% multiplied by our NAV at the beginning of each applicable calendar quarter comprising the relevant Trailing Twelve Quarters. The hurdle amount is calculated after making appropriate adjustments for subscriptions (which includes all issuances by us of shares of our common stock, including issuances pursuant to our dividend reinvestment plan) and distributions that occurred during the relevant Trailing Twelve Quarters. The Incentive Fee for any partial period will be appropriately prorated.

Quarterly Incentive Fee Based on Income. For the portion of the Incentive Fee based on income, we pay our Investment Adviser a quarterly Incentive Fee based on the amount by which (A) aggregate net investment income (“Ordinary Income”) in respect of the relevant Trailing Twelve Quarters exceeds (B) the hurdle amount for such Trailing Twelve Quarters. The amount of the excess of (A) over (B) described in this paragraph for such Trailing Twelve Quarters is referred to as the “Excess Income Amount.” Ordinary Income is net of all fees and expenses, including the Management Fee but excluding any Incentive Fee.

The Incentive Fee based on income for each quarter is determined as follows:

- No Incentive Fee based on income is payable to our Investment Adviser for any calendar quarter for which there is no Excess Income Amount;
- 100% of the Ordinary Income, if any, that exceeds the hurdle amount, but is less than or equal to an amount, which we refer to as the “Catch-up Amount,” determined as the sum of 2.1875% multiplied by our NAV at the beginning of each applicable calendar quarter comprising the relevant Trailing Twelve Quarters is included in the calculation of the Incentive Fee based on income; and
- 20% of the Ordinary Income that exceeds the Catch-up Amount is included in the calculation of the Incentive Fee based on income.

The amount of the Incentive Fee based on income that is paid to our Investment Adviser for a particular quarter is equal to the excess of the Incentive Fee so calculated minus the aggregate Incentive Fees based on income that were paid in respect of the first eleven calendar quarters (or the portion thereof) included in the relevant Trailing Twelve Quarters but not in excess of the Incentive Fee Cap (as described below).

The Incentive Fee based on income that is paid to our Investment Adviser for a particular quarter is subject to a cap (the "Incentive Fee Cap"). The Incentive Fee Cap for any quarter is an amount equal to (a) 20% of the Cumulative Net Return (as defined below) during the relevant Trailing Twelve Quarters minus (b) the aggregate Incentive Fees based on income that were paid in respect of the first eleven calendar quarters (or the portion thereof) included in the relevant Trailing Twelve Quarters.

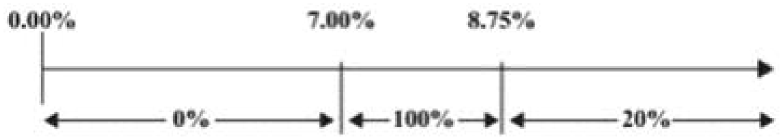
"Cumulative Net Return" means (x) the Ordinary Income in respect of the relevant Trailing Twelve Quarters minus (y) any Net Capital Loss (as defined below), if any, in respect of the relevant Trailing Twelve Quarters. If, in any quarter, the Incentive Fee Cap is zero or a negative value, we will pay no Incentive Fee based on income to our Investment Adviser for such quarter. If, in any quarter, the Incentive Fee Cap for such quarter is a positive value but is less than the Incentive Fee based on income that is payable to our Investment Adviser for such quarter (before giving effect to the Incentive Fee Cap) calculated as described above, we will pay an Incentive Fee based on income to our Investment Adviser equal to the Incentive Fee Cap for such quarter. If, in any quarter, the Incentive Fee Cap for such quarter is equal to or greater than the Incentive Fee based on income that is payable to our Investment Adviser for such quarter (before giving effect to the Incentive Fee Cap) calculated as described above, we will pay an Incentive Fee based on income to our Investment Adviser equal to the Incentive Fee calculated as described above for such quarter without regard to the Incentive Fee Cap.

"Net Capital Loss" in respect of a particular period means the difference, if positive, between (i) aggregate capital losses, whether realized or unrealized, in such period and (ii) aggregate capital gains, whether realized or unrealized, in such period.

The following is a graphical representation of the calculation of the Incentive Fee based on income:

Incentive Fee based on Income

**Percentage of Ordinary Income comprising the Incentive Fee based on Income
(expressed as an annualized rate(1) of return on the value of net assets as of the beginning
of each of the quarters included in the Trailing Twelve Quarters)**



(1) The Incentive Fee is determined on a quarterly basis but has been annualized for purposes of the above diagram. The diagram also does not reflect the Incentive Fee Cap.

Annual Incentive Fee Based on Capital Gains. The portion of the Incentive Fee based on capital gains is calculated on an annual basis. For the period beginning on January 1 of each calendar year and ending on December 31 of the calendar year or, in the case of our first and last year, the appropriate portion thereof (each, an "Annual Period"), we pay our Investment Adviser an Incentive Fee equal to (A) 20% of the difference, if positive, of the sum of our aggregate realized capital gains, if any, computed net of our aggregate realized capital losses, if any, and our aggregate unrealized capital depreciation, in each case from April 1, 2013 until the end of such Annual Period minus (B) the cumulative amount of Incentive Fees based on capital gains previously paid to our Investment Adviser from April 1, 2013. For the avoidance of doubt, unrealized capital appreciation is excluded from the calculation in clause (A), above.

We accrue, but not pay, a portion of the Incentive Fee based on capital gains with respect to net unrealized appreciation. Under generally accepted accounting principles in the United States of America ("GAAP"), we are required to accrue an Incentive Fee based on capital gains that includes net realized capital gains and losses and net unrealized capital appreciation and depreciation on investments held at the end of each period. In calculating the accrual for the Incentive Fee based on capital gains, we consider the cumulative aggregate unrealized capital appreciation in the calculation, since an Incentive Fee based on capital gains would be payable if such unrealized capital appreciation were realized, even though such unrealized capital appreciation is not permitted to be considered in calculating the fee actually payable under the Investment Management Agreement. This accrual is calculated using the aggregate cumulative realized capital gains and losses and aggregate cumulative unrealized capital appreciation or depreciation. If such amount is positive at the end of a period, then we record a capital gains incentive fee equal to 20% of such amount, minus the aggregate amount of actual Incentive Fees based on capital gains paid in all prior periods. If such amount is negative, then there is no accrual for such period. There can be no assurance that such unrealized capital appreciation will be realized in the future. For the avoidance of doubt, the Incentive Fee examples below reflect the calculation of the Incentive Fee payable under the Investment Management Agreement rather than accruals of the Incentive Fee as required by GAAP.

For the year ended December 31, 2020, Incentive Fees based on income amounted to $35.85 million. As of December 31, 2020, $2.67 million remained payable. For the year ended December 31, 2019, Incentive Fees based on income amounted to $9.22 million. For the years ended December 31, 2020 and December 31, 2019, we did not accrue any Incentive Fees based on capital gains.

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In connection with the Merger, GSAM has agreed to waive a portion of its Incentive Fee based on income to the extent incurred, for a period of nine quarters, commencing with the quarter ended December 31, 2019 and through and including the quarter ending December 31, 2021, otherwise payable by us under the Investment Management Agreement by and between us and GSAM, as applicable, for each such quarter in an amount sufficient to ensure that our net investment income per weighted share outstanding for such quarter is at least $0.48 per share. For the years ended December 31, 2020 and 2019, GSAM agreed to waive $23.07 million and $0.39 million of Incentive Fees. Additionally, GSAM voluntarily agreed to waive $10.11 million of Incentive Fees for the year ended December 31, 2020 attributable to the purchase discount resulting from the Merger.

Example of Calculation of the Incentive Fee based on Income Assumptions

Assumptions(1)

- Quarter 1
  - Net Asset Value at the start of Quarter 1 = $100.0 million
  - Quarter 1 Ordinary Income = $6.0 million
  - Quarter 1 Net Capital Gain = $1.0 million
  - Quarter 1 Hurdle Amount = $1.75 million (calculated based on an annualized 7.00% hurdle rate)
  - Quarter 1 Catch-up Amount = $2.1875 million (calculated based on an annualized 8.75% rate)
- Quarter 2
  - Net Asset Value at the start of Quarter 2 = $100.0 million
  - Quarter 2 Ordinary Income = $1.5 million
  - Quarter 2 Net Capital Gain = $1.0 million
  - Quarter 2 Hurdle Amount = $1.75 million (calculated based on an annualized 7.00% hurdle rate)
  - Quarter 2 Catch-up Amount = $2.1875 million (calculated based on an annualized 8.75% rate)
- Quarter 3
  - Net Asset Value at the start of Quarter 3 = $100.0 million
  - Quarter 3 Ordinary Income = $2.0 million
  - Quarter 3 Net Capital Loss = ($6.0) million
  - Quarter 3 Hurdle Amount = $1.75 million (calculated based on an annualized 7.00% hurdle rate)
  - Quarter 3 Catch-up Amount = $2.1875 million (calculated based on an annualized 8.75% rate)
- Quarter 4
  - Net Asset Value at the start of Quarter 4 = $100.0 million
  - Quarter 4 Ordinary Income = $3.5 million
  - Quarter 4 Net Capital Gain = $3.0 million
  - Quarter 4 Hurdle Amount = $1.75 million (calculated based on an annualized 7.00% hurdle rate)
  - Quarter 4 Catch-up Amount = $2.1875 million (calculated based on an annualized 8.75% rate)

(1) For illustrative purposes, Net Asset Value is assumed to be $100.0 million as of the beginning of all four quarters and does not give effect to gains or losses in the preceding quarters.

Determination of Incentive Fee based on income

In Quarter 1, the Ordinary Income of $6.0 million exceeds the Hurdle Amount of $1.75 million and the Catch-up Amount of $2.1875 million. There are no Net Capital Losses. As a result, an Incentive Fee based on income of $1.2 million ((100% of $437,500) + (20% of $3,812,500)) is payable to our Investment Adviser for Quarter 1.

In Quarter 2, the Ordinary Income of $1.5 million does not exceed the Hurdle Amount of $1.75 million, but the aggregate Ordinary Income for the Trailing Twelve Quarters of $7.5 million exceeds the aggregate Hurdle Amount for the Trailing Twelve Quarters of $3.5 million and the aggregate Catch-up Amount for the Trailing Twelve Quarters of $4.375 million. There are no Net Capital Losses. As a result, an Incentive Fee based on income of $300,000 ($1.5 million ((100% of $875,000) + (20% of 3,125,000)) minus $1.2 million paid in Quarter 1) is payable to our Investment Adviser for Quarter 2.

In Quarter 3, the aggregate Ordinary Income of the Trailing Twelve Quarters of $9.5 million exceeds the aggregate Hurdle Amount for the Trailing Twelve Quarters of $5.25 million and the aggregate Catch-up Amount for the Trailing Twelve Quarters of $6.5625 million. However, there is an aggregate Net Capital Loss of ($4.0) million for the Trailing Twelve Quarters. As a result, the Incentive Fee Cap would apply. The Incentive Fee Cap equals $(400,000), calculated as follows: (20% x ($9.5 million minus $4.0 million)) minus $1.5 million paid in Quarters 1 and 2. Because the Incentive Fee Cap is a negative value, there is no Incentive Fee based on income payable to our Investment Adviser for Quarter 3.

In Quarter 4, the aggregate Ordinary Income of the Trailing Twelve Quarters of $13.0 million exceeds the aggregate Hurdle Amount for the Trailing Twelve Quarters of $7.0 million and the aggregate Catch-up Amount for the Trailing Twelve Quarters of $8.75 million. The calculation of the Incentive Fee based on income would be $1.1 million ($2.6 million (100% of $1.75 million) + (20% of $4.25 million) minus $1.5 million paid in Quarters 1 and 2). However, there is an aggregate Net Capital Loss of ($1.0) million for the Trailing Twelve Quarters. As a result, the Incentive Fee Cap would apply. The Incentive Fee Cap equals $900,000 calculated as follows: (20% x ($13.0 million minus $1.0 million)) minus $1.5 million. Because the Incentive Fee Cap is positive but less than the Incentive Fee based on income of $1.1 million calculated prior to applying the Incentive Fee Cap, an Incentive Fee based on income of $900,000 is payable to our Investment Adviser for Quarter 4.

Examples of Calculation of Incentive Fee based on Capital Gains

Assumptions

- Year 1: $20 million investment made in Company A ("Investment A"), $30 million investment made in Company B ("Investment B") and $25 million investment made in Company C ("Investment C")
- Year 2: Investment A sold for $30 million, fair value of Investment B determined to be $25 million and fair value of Investment C determined to be $27 million
- Year 3: fair value of Investment B determined to be $29 million and Investment C sold for $30 million
- Year 4: fair value of Investment B determined to be $40 million

Determination of Incentive Fee based on capital gains

The Incentive Fee based on capital gains, if any, would be:

- Year 1: None
- Year 2: $1.0 million

  The portion of the Incentive Fee based on capital gains equals (A) 20% of the difference, if positive, of the sum of our aggregate realized capital gains, if any, computed net of our aggregate realized capital losses, if any, and our aggregate unrealized capital depreciation, if any, in each case from April 1, 2013 until the end of the applicable Annual Period minus (B) the cumulative amount of Incentive Fees based on capital gains previously paid to our Investment Adviser from April 1, 2013.

  Therefore, using the assumptions above, the Incentive Fee based on capital gains equals (A) 20% x ($10.0 million—$5.0 million) minus (B) $0.

  Therefore, the Incentive Fee based on capital gains equals $1.0 million.
- Year 3: $1.8 million, which is calculated as follows:

  The Incentive Fee based on capital gains equals (A) 20% x ($15.0 million—$1.0 million) minus (B) $1.0 million.

  Therefore, the Incentive Fee based on capital gains equals $1.8 million.
- Year 4: $200,000, which is calculated as follows:

  The Incentive Fee based on capital gains equals (x) (A) 20% x ($15.0 million—$0 million) minus (B) $2.8 million.

  Therefore, the Incentive Fee based on capital gains equals $200,000.

Board Approval of the Investment Advisory and Management Agreement

Our Board of Directors determined at a virtual meeting held on August 4, 2020 to approve the continuation of the Investment Management Agreement. In its consideration of the renewal of the Investment Management Agreement, the Board of Directors focused on information it had received relating to, among other things: (i) the nature, quality and extent of the advisory and other services provided to us by the Investment Adviser; (ii) the contractual terms of the Investment Management Agreement, including the structure of the Management Fee imposed on gross assets (excluding cash) and the Incentive Fee imposed on net investment income and capital gains; (iii) comparative data with respect to the advisory fees and other expenses paid by other externally managed BDCs with similar investment objectives and strategies; (iv) information about the services performed and the personnel performing such services under the Investment Management Agreement; (v) comparative data with respect to our investment performance and the performance of other BDCs with comparable investment objectives and strategies; (vi) the Investment Adviser's revenues and pre-tax profit margins with respect to its management of us; (vii) any existing and potential benefits to the Investment Adviser or its affiliates from its relationship with us; (viii) other potential benefits to us as a result of our relationship with the Investment Adviser; and (ix) such other matters as the Board of Directors determined were relevant to their consideration of the Investment Management Agreement.

In connection with their consideration of the renewal of the Investment Management Agreement, our Board of Directors gave weight to each of the factors described above, but did not identify any one particular factor as controlling their decision. After deliberation and consideration of all of the information provided, including the factors described above, the Board of Directors concluded, in the exercise of their business judgment, that the management fees paid by us were reasonable in light of the services provided to us by the Investment Adviser, the Investment Adviser's costs, and our current and reasonably foreseeable asset levels. The Board of Directors unanimously concluded that the Investment Adviser's continued management likely would benefit us and our stockholders and that the Investment Management Agreement should be approved and continued with respect to us until August 31, 2021.

For the year ended December 31, 2019, we paid our Investment Adviser a total of $21.46 million in fees pursuant to the Investment Management Agreement, which consisted of $14.48 million in Management Fees and $6.98 million in Incentive Fees. For the year ended December 31, 2020, we paid our Investment Adviser a total of $12.60 million in fees pursuant to the Investment Management Agreement, which consisted of $10.75 million in Management Fees and $1.85 million in Incentive Fees. Additionally, for the year ended December 31, 2020, we paid our Investment Adviser a total of $10.83 million in fees pursuant to GS MMLC's investment management agreement with the Investment Adviser, which consisted of $4.16 million in Management Fees and $6.67 million in Incentive Fees, and which were assumed in the Merger. The investment advisory agreement between the Investment Adviser and GS MMLC was terminated in connection with the closing of the Merger.

Duration and Termination

The Investment Management Agreement will remain in full force and effect for successive annual periods, but only so long as such continuance is specifically approved at least annually by (a) the vote of a majority of our Independent Directors and (b) by a vote of a majority of our Board of Directors or of a majority of our outstanding voting securities, as defined in the Investment Company Act. The Investment Management Agreement may, on 60 days' written notice to the other party, be terminated in its entirety at any time without the payment of any penalty, by our Board of Directors, by vote of a majority of our outstanding voting stock or by our Investment Adviser. The Investment Management Agreement shall automatically terminate in the event of its assignment. See "Item 1A. Risk Factors—Competition—We are dependent upon management personnel of our Investment Adviser for our future success."

Limitation of Liability of Our Investment Adviser and the Company

The Investment Management Agreement provides that our Investment Adviser shall not be liable for any error of judgment or mistake of law or for any loss suffered by us in connection with the matters to which the Investment Management Agreement relates, except a loss resulting from our Investment Adviser's willful misfeasance, bad faith or gross negligence in the performance of its duties or from reckless disregard by our Investment Adviser of its obligations and duties under the Investment Management Agreement. Any person, even though also employed by our Investment Adviser, who may be or become an employee of and paid by us will be deemed, when acting within the scope of such employment, to be acting in such employment solely for us and not as our Investment Adviser's employee or agent. These protections may lead our Investment Adviser to act in a riskier manner when acting on our behalf than it would when acting for its own account. See "Item 1A. Risk Factors—Our Business and Structure—Our Investment Adviser will be paid the Management Fee even if the value of your investment declines and our Investment Adviser's Incentive Fee may create incentives for it to make certain kinds of investments."

Organization of our Investment Adviser

Our Investment Adviser is registered as an investment adviser under the Investment Advisers Act of 1940, as amended (the "Advisers Act"). The principal executive offices of our Investment Adviser are located at 200 West Street, New York, New York 10282.

Expenses

Our Investment Adviser pays all costs incurred by it in connection with the performance of its duties under the Investment Management Agreement. Our Investment Adviser pays the compensation and expenses of all its personnel and makes available, without expense to us, the services of such of its partners, officers and employees as may duly be elected as our officers or directors, subject to their individual consent to serve and to any limitations imposed by law. Our Investment Adviser is not required to pay any of our expenses other than those specifically allocated to it, including as set forth below. In particular, but without limiting the generality of the foregoing, our Investment Adviser is not required to pay: (i) our operational and organizational expenses; (ii) fees and expenses, including travel expenses, incurred by our Investment Adviser or payable to third parties related to our investments, including, among others, professional fees (including the fees and expenses of consultants and experts) and fees and expenses from evaluating, monitoring, researching and performing due diligence on investments and prospective investments; (iii) interest payable on debt, if any, incurred to finance our investments; (iv) fees and expenses incurred by us in connection with membership in investment company organizations; (v) brokers' commissions; (vi) fees and expenses associated with calculating our NAV (including the costs and expenses of any independent valuation firm); (vii) legal, auditing or accounting expenses; (viii) taxes or governmental fees; (ix) the fees and expenses of our administrator, transfer agent or sub-transfer agent; (x) the cost of preparing stock certificates or any other expenses, including clerical expenses of issue, redemption or repurchase of our shares; (xi) the expenses of and fees for registering or qualifying our shares for sale and of maintaining our registration and registering us as a broker or a dealer; (xii) the fees and expenses of our directors who are not affiliated with our Investment Adviser; (xiii) the cost of preparing and distributing reports, proxy statements and notices to our stockholders, the SEC and other regulatory authorities; (xiv) costs of holding stockholder meetings; (xv) listing fees; (xvi) the fees or disbursements of custodians of our assets, including expenses incurred in the performance of any obligations enumerated by our certificate of incorporation or bylaws insofar as they govern agreements with any such custodian; (xvii) insurance premiums; or (xviii) costs incurred in connection with any claim, litigation, arbitration, mediation, government investigation or dispute in connection with our business and the amount of any judgment or settlement paid in connection therewith, or the enforcement of our rights against any person and indemnification or contribution expenses payable by us to any person and other extraordinary expenses not incurred in the ordinary course of our business. Our Investment Adviser is not required to pay expenses of activities which are primarily intended to result in sales of our shares, including, all costs and expenses associated with the preparation and distribution of any offering memorandum, subscription agreements, registration statements, prospectuses or stockholder application forms.

Our Investment Adviser may impose a voluntary cap on the amount of expenses that will be borne by us on a monthly or annual basis. Any such expense cap may be increased, decreased, waived or eliminated at any time at our Investment Adviser's sole discretion.

To the extent that expenses to be borne by us pursuant to the Investment Management Agreement are paid by our Investment Adviser, we will reimburse our Investment Adviser for such expenses, provided, however, that our Investment Adviser may elect, from time to time and in its sole discretion, to bear certain of our expenses set forth above, including organizational and other expenses.

Transfer Agent

Computershare Trust Company, N.A. serves as our transfer agent (the "Transfer Agent"), dividend agent and registrar.

Administration Agreement

Pursuant to the Administration Agreement with State Street Bank and Trust Company, our administrator, our administrator is responsible for providing various accounting and administrative services to us. The Administration Agreement provides that the administrator is not liable to us for any damages or other losses arising out of the performance of its services thereunder except under certain circumstances, and contains provisions for the indemnification of the administrator by us against liabilities to other parties arising in connection with the performance of its services to us. We pay the administrator fees for its services as we determine are commercially reasonable in our sole discretion. We also reimburse the administrator for all reasonable expenses. To the extent that our administrator outsources any of its functions, the administrator pays any compensation associated with such functions. We are not obligated to retain our administrator. The Administration Agreement may be terminated by either party without penalty upon 30 days' written notice to the other party. The terms of any administration agreement that we may enter with any subsequent administrator may differ materially from the terms of the Administration Agreement with State Street Bank and Trust Company in effect prior to such retention, including providing for a fee structure that results in us, directly or indirectly, bearing higher fees for similar services and other terms that are potentially less advantageous to us. Our stockholders will not be entitled to receive prior notice of the engagement of an alternate administrator or of the terms of any agreement that is entered into with such administrator.

License Agreement

We are party to a license agreement with an affiliate of Goldman Sachs pursuant to which we have been granted a non-exclusive, royalty-free license to use the "Goldman Sachs" name. Under this agreement, we do not have a right to use the Goldman Sachs name if GSAM or another affiliate of Goldman Sachs is not our Investment Adviser or if our continued use of such license results in a violation of applicable law, results in a regulatory burden or has adverse regulatory consequences. Other than with respect to this limited license, we have no legal right to the "Goldman Sachs" name.

Regulation

We have elected to be treated as a BDC under the Investment Company Act. As with other companies regulated by the Investment Company Act, a BDC must adhere to certain substantive regulatory requirements. The Investment Company Act contains prohibitions and restrictions relating to transactions between BDCs and their affiliates (including any investment advisers or sub-advisers), principal underwriters and affiliates of those affiliates or underwriters and requires that a majority of the directors be persons other than "interested persons," as that term is defined in the Investment Company Act. In addition, the Investment Company Act provides that we may not change the nature of our business so as to cease to be, or to withdraw our election as, a BDC unless approved by a majority of our outstanding voting securities. A majority of the outstanding voting securities of a company is defined under the Investment Company Act as the vote: (i) of 67% or more of the voting securities present at such meeting, if the holders of more than 50% of the outstanding voting securities of such company are present or represented by proxy, or (ii) of more than 50% of the outstanding voting securities of such company, whichever is less.

Any issuance of preferred stock must comply with the requirements of the Investment Company Act. The Investment Company Act requires, among other things, that (1) immediately after issuance and before any dividend or other distribution is made with respect to our common stock and before any purchase of common stock is made, such preferred stock together with all other senior securities must not exceed an amount equal to 50% of our total assets after deducting the amount of such dividend, distribution or purchase price, as the case may be, and (2) the holders of shares of preferred stock, if any are issued, must be entitled as a class to elect two directors at all times and to elect a majority of the directors if dividends on such preferred stock are in arrears by two full years or more. Certain other matters under the Investment Company Act require a separate class vote of the holders of any issued and outstanding preferred stock. For example, holders of preferred stock would be entitled to vote separately as a class from the holders of common stock on a proposal involving a plan of reorganization adversely affecting such securities.

We may invest up to 100% of our assets in securities acquired directly from issuers in privately negotiated transactions. With respect to such securities, we may, for the purpose of public resale, be deemed a "principal underwriter" as that term is defined under the Securities Act of 1933, as amended (the "Securities Act"). We may purchase or otherwise receive warrants, which offer an opportunity (not a requirement) to purchase common stock of a portfolio company in connection with an acquisition financing or other investments. Similarly, we may acquire rights that obligate an issuer of acquired securities or their affiliates to repurchase the securities at certain times, under certain circumstances. We do not intend to acquire securities issued by any investment company whereby our investment would exceed the limits imposed by the Investment Company Act. Under these limits, we generally cannot (1) acquire more than 3% of the total outstanding voting stock of any registered investment company, (2) invest more than 5% of the value of our total assets in the securities of one registered investment company or (3) invest more than 10% of the value of our total assets in the securities of registered investment companies in general. These limitations do not apply where we acquire interests in a money market fund as long as we do not pay a sales charge or service fee in connection with the purchase. With respect to the portion of our portfolio invested in securities issued by investment companies, it should be noted that such investments might subject our stockholders to additional expenses. None of our policies described above are fundamental and each such policy may be changed without stockholder approval, subject to any limitations imposed by the Investment Company Act.

Private funds that are excluded from the definition of "investment company" pursuant to either Section 3(c)(1) or 3(c)(7) of the Investment Company Act are also subject to certain of the limits under the Investment Company Act noted above. Specifically, such private funds may not acquire directly or through a controlled entity more than 3% of our total outstanding voting stock (measured at the time of the acquisition). Investment companies registered under the Investment Company Act are also subject to the restriction as well as other limitations under the Investment Company Act that would restrict the amount that they are able to invest in our securities. As a result, certain investors would be required to hold a smaller position in our shares than if they were not subject to such restrictions.

Qualifying Assets

Under the Investment Company Act, a BDC may not acquire any asset other than assets of the type listed in Section 55(a) of the Investment Company Act, which are referred to as “qualifying assets,” unless, at the time the acquisition is made, qualifying assets (not including certain assets specified in the Investment Company Act) represent at least 70% of the company’s total assets. The principal categories of qualifying assets relevant to our proposed business are the following:

(1) Securities purchased in transactions not involving any public offering from the issuer of such securities, which issuer (subject to certain exceptions) is an eligible portfolio company, or from any person who is, or has been during the preceding thirteen months, an affiliated person of an eligible portfolio company, or from any other person, subject to such rules and regulations as may be prescribed by the SEC. An eligible portfolio company is defined in the Investment Company Act as any issuer that:

(a) is organized under the laws of, and has its principal place of business in, the United States;

(b) is not an investment company (other than a small business investment company (“SBIC”) wholly owned by the BDC) or a company that would be an investment company but for certain exclusions under the Investment Company Act; and

(c) satisfies any of the following:

- does not have any class of securities listed on a national securities exchange or has a class of securities listed on a national securities exchange but has an aggregate market value of outstanding common equity of less than $250 million;
- is controlled by a BDC or a group of companies including a BDC, and the BDC has an affiliated person who is a director of the eligible portfolio company; or
- is a small and solvent company having total assets of not more than $4 million and capital and surplus of not less than $2 million.

(2) Securities of any eligible portfolio company that we control.

(3) Securities purchased in a private transaction from a U.S. issuer that is not an investment company or from an affiliated person of the issuer, or in transactions incident thereto, if the issuer is in bankruptcy and subject to reorganization or if the issuer, immediately prior to the purchase of its securities, was unable to meet its obligations as they came due without material assistance other than conventional lending or financing arrangements.

(4) Securities of an eligible portfolio company purchased from any person in a private transaction if there is no ready market for such securities and we already own at least 60% of the outstanding equity of the eligible portfolio company.

(5) Securities received in exchange for or distributed on or with respect to securities described in (1) through (4) above, or pursuant to the exercise of options, warrants or rights relating to such securities.

(6) Cash, cash equivalents, U.S. government securities or high-quality debt securities maturing in one year or less from the time of investment.

Managerial Assistance to Portfolio Companies

A BDC must be organized and have its principal place of business in the United States and must be operated for the purpose of making investments in the types of securities described in (1), (2) or (3) above under “Qualifying Assets.” However, in order to count portfolio securities as qualifying assets for the purpose of the 70% test, the BDC must also either control the issuer of the securities or offer to make available to the issuer of the securities (other than small and solvent companies described above) significant managerial assistance; except that, where the BDC purchases such securities in conjunction with one or more other persons acting together, one of the other persons in the group may make available such managerial assistance (as long as the BDC does not make available significant managerial assistance solely in this fashion). Making available significant managerial assistance means, among other things, any arrangement whereby the BDC, through its directors, officers or employees, offers to provide, and, if accepted, does so provide, significant guidance and counsel concerning the management, operations or business objectives and policies of a portfolio company.

Temporary Investments

As a BDC, pending investment in other types of “qualifying assets,” as described above, our investments may consist of cash, cash equivalents, U.S. government securities or high-quality debt securities maturing in one year or less from the time of investment, which we refer to, collectively, as temporary investments, so that 70% of our assets are qualifying assets. We may invest in U.S. Treasury bills or in repurchase agreements, provided that such agreements are fully collateralized by cash or securities issued by the U.S. government or its agencies. A repurchase agreement involves the purchase by an investor, such as us, of a specified security and the simultaneous agreement by the seller to repurchase it at an agreed-upon future date and at a price which is greater than the purchase price by an amount that reflects an agreed-upon interest rate. There is no percentage restriction on the proportion of our assets that may be invested in such repurchase agreements. However, if more than 25% of our total assets constitute repurchase agreements from a single counterparty, we would generally not meet the asset diversification requirements in order to qualify as a RIC for U.S. federal income tax purposes. Thus, we do not intend to enter into repurchase agreements with a single counterparty in excess of this limit. Our Investment Adviser will monitor the creditworthiness of the counterparties with which we enter into repurchase agreement transactions.

Indebtedness and Senior Securities

As a BDC, we are permitted, under specified conditions, to issue multiple classes of indebtedness and one class of shares of stock senior to our common stock if our asset coverage ratio, as defined under the Investment Company Act, is at least equal to 200%, or 150% if certain requirements are met, immediately after each such issuance. The Small Business Credit Availability Act modified the applicable provisions of the Investment Company Act to reduce the required asset coverage ratio applicable to BDCs to 150%, subject to certain approval and disclosure requirements. On June 15, 2018, our stockholders approved the application of the reduced asset coverage requirements in Section 61(a)(2) of the Investment Company Act to us. As a result of this approval, we are now permitted to borrow amounts such that our asset coverage ratio, as defined in the Investment Company Act, is at least 150% after such borrowing (if certain requirements are met), rather than 200%, as previously required. In addition, except in limited circumstances, while any indebtedness and senior securities remain outstanding, we must make provisions to prohibit any distribution to our stockholders or the repurchase of such securities or stock unless we meet the applicable asset coverage ratios at the time of the distribution or repurchase. We may also borrow amounts up to 5% of the value of our total assets for temporary or emergency purposes without regard to asset coverage. A loan is presumed to be made for temporary purposes if it is repaid within 60 days and is not extended or renewed; otherwise it is presumed to not be for temporary purposes. For a discussion of the risks associated with leverage, see "Item 1A. Risk Factors—Our Business and Structure—Regulations governing our operation as a BDC affect our ability to, and the way in which we, raise additional capital. These constraints may hinder our Investment Adviser's ability to take advantage of attractive investment opportunities and to achieve our investment objective."

Code of Ethics

We have adopted a Code of Ethics pursuant to Rule 17j-1 under the Investment Company Act and we have also approved our Investment Adviser's Code of Ethics that it adopted in accordance with Rule 17j-1 and Rule 204A-1 under the Advisers Act. These Codes of Ethics establish, among other things, procedures for personal investments and restrict certain personal securities transactions, including transactions in securities that are held by us. Personnel subject to each code may invest in securities for their personal investment accounts, so long as such investments are made in accordance with the code's requirements. The Codes of Ethics are available on the EDGAR Database on the SEC's Internet site at *http://www.sec.gov*. Copies may also be obtained by electronic request to publicinfo@sec.gov.

Proxy Voting Policies and Procedures

We have delegated the voting of portfolio securities to our Investment Adviser. For client accounts for which our Investment Adviser has voting discretion, our Investment Adviser has adopted policies and procedures (the "Proxy Voting Policy") for the voting of proxies. Under the Proxy Voting Policy, our Investment Adviser's guiding principles in performing proxy voting are to make decisions that favor proposals that tend to maximize a company's shareholder value and are not influenced by conflicts of interest. To implement these guiding principles for investments in publicly traded equities, our Investment Adviser has developed customized proxy voting guidelines (the "Guidelines") that it generally applies when voting on behalf of client accounts. These Guidelines address a wide variety of individual topics, including, among other matters, shareholder voting rights, anti-takeover defenses, board structures, the election of directors, executive and director compensation, reorganizations, mergers, issues of corporate social responsibility and various shareholder proposals.

The Proxy Voting Policy, including the Guidelines, is reviewed periodically to assure that it continues to be consistent with our Investment Adviser's guiding principles. The Guidelines embody the positions and factors our Investment Adviser generally considers important in casting proxy votes.

Our Investment Adviser has retained a third-party proxy voting service (the "Proxy Service"), currently Institutional Shareholder Services, to assist in the implementation and administration of certain proxy voting-related functions including operational, recordkeeping, and reporting services. The Proxy Service also prepares a written analysis and recommendation (a "Recommendation") of each proxy vote that reflects the Proxy Service's application of the Guidelines to particular proxy issues. While it is our Investment Adviser's policy generally to follow the Guidelines and Recommendations from the Proxy Service, our Investment Adviser's portfolio management teams (the "Portfolio Management Teams") may, on certain proxy votes, seek approval to diverge from the Guidelines or a Recommendation by following an "override" process. Such decisions are subject to a review and approval process, including a determination that the decision is not influenced by any conflict of interest. A Portfolio Management Team that receives approval through the override process to cast a proxy vote that diverges from the Guidelines and/or a Recommendation may vote differently than other Portfolio Management Teams that did not seek to override the vote. In forming their views on particular matters, the Portfolio Management Teams are also permitted to consider applicable regional rules and practices, including codes of conduct and other guides, regarding proxy voting, in addition to the Guidelines and Recommendations. Our Investment Adviser may hire other service providers to replace or supplement the Proxy Service with respect to any of the services our Investment Adviser currently receives from the Proxy Service.

From time to time, our Investment Adviser may face regulatory, compliance, legal or logistical limits with respect to voting securities that it may purchase or hold for client accounts, which can affect our Investment Adviser's ability to vote such proxies, as well as the desirability of voting such proxies. Among other limits, federal, state and foreign regulatory restrictions or company specific ownership limits, as well as legal matters related to consolidated groups, may restrict the total percentage of an issuer's voting securities that our Investment Adviser can hold for clients and the nature of our Investment Adviser's voting in such securities. Our Investment Adviser's ability to vote proxies may also be affected by, among other things: (i) late receipt of meeting notices; (ii) requirements to vote proxies in person; (iii) restrictions on a foreigner's ability to exercise votes; (iv) potential difficulties in translating the proxy; (v) requirements to provide local agents with unrestricted powers of attorney to facilitate voting instructions; and (vi) requirements that investors who exercise their voting rights surrender the right to dispose of their holdings for some specified period in proximity to the shareholder meeting.

Our Investment Adviser conducts periodic due diligence meetings with the Proxy Service which include a review of the Proxy Service's general organizational structure, new developments with respect to research and technology, work flow improvements and internal due diligence with respect to conflicts of interest.

Our Investment Adviser has adopted policies and procedures designed to prevent conflicts of interest from influencing its proxy voting decisions that our Investment Adviser makes on behalf of a client account and to help assure that such decisions are made in accordance with our Investment Adviser's fiduciary obligations to its clients. These policies and procedures include our Investment Adviser's use of the Guidelines and Recommendations from the Proxy Service, the override approval process previously discussed, and the establishment of information barriers between our Investment Adviser and other Goldman Sachs' businesses. Notwithstanding such proxy voting policies and procedures, actual proxy voting decision of our Investment Adviser may have the effect of benefitting the interest of other clients or businesses of other divisions or units of Goldman Sachs and/or its affiliates, provided that our Investment Adviser believes such voting decisions to be in accordance with its fiduciary obligations.

Voting decisions with respect to fixed income securities and the securities of privately held issuers generally will be made by our Investment Adviser based on its assessment of the particular transactions or other matters at issue.

Information regarding how we vote proxies relating to portfolio securities during the twelve-month period ended December 31, 2020 is available upon request by writing to Goldman Sachs BDC, Inc., Attention: Itai Baron, Investor Relations, 200 West Street, New York, New York 10282.

Privacy Principles

The following information is provided to help investors understand what personal information we collect, how we protect that information and why, in certain cases, we may share information with select other parties.

We generally will not receive any nonpublic personal information relating to stockholders who purchase our common stock. We may collect nonpublic personal information regarding our existing investors from sources such as subscription agreements, investor questionnaires and other forms; individual investors' account histories; and correspondence between us and individual investors. We may share information that we collect regarding an investor with our affiliates and the employees of such affiliates for everyday business purposes, for example, to service the investor's accounts and, unless an investor opts out, provide the investor with information about other products and services offered by us or our affiliates that may be of interest to the investor. In addition, we may disclose information that we collect regarding investors to third parties who are not affiliated with us (i) as authorized by our investors in investor subscription agreements or our organizational documents; (ii) as required by applicable law or in connection with a properly authorized legal or regulatory investigation, subpoena or summons, or to respond to judicial process or government regulatory authorities having property jurisdiction; (iii) as required to fulfill investor instructions; or (iv) as otherwise permitted by applicable law to perform support services for investor accounts or process investor transactions with us or our affiliates.

Any party not affiliated with us that receives nonpublic personal information relating to investors from us is required to adhere to confidentiality agreements and to maintain appropriate safeguards to protect your information. Additionally, for officers, employees and agents of ours and our affiliates, access to such information is restricted to those who need such access to provide services to us and investors. We maintain physical, electronic and procedural safeguards to seek to guard investor nonpublic personal information. For a discussion of the risks associated with cyber incidents, see "Item 1A—Risk Factors—Operational—Cybersecurity risks and cyber incidents may adversely affect our business or the business of our portfolio companies by causing a disruption to our operations or the operations of our portfolio companies, a compromise or corruption of our confidential information or the confidential information of our portfolio companies and/or damage to our business relationships or the business relationships of our portfolio companies, all of which could negatively impact the business, financial condition and operating results of us or our portfolio companies."

Other

We may also be prohibited under the Investment Company Act from knowingly participating in certain transactions with our affiliates without the prior approval of the members of our Board of Directors who are not interested persons and, in some cases, prior approval by the SEC. The SEC has interpreted the prohibition on transactions by BDCs with affiliates to prohibit "joint" transactions among entities that share a common investment adviser or under common control with the investment adviser. The staff of the SEC has granted no-action relief permitting purchases of a single class of privately placed securities provided that the adviser negotiates no term other than price and certain other conditions are met. Except in certain limited circumstances, we will be unable to invest in any issuer in which another client sponsored or managed by our Investment Adviser has previously invested, including GS PMMC and GS PMMC II. On January 4, 2017, the SEC granted GS PMMC, GS MMLC (which was merged with us on October 12, 2020), GS PMMC II and us, as well as certain other funds that may be managed by GSAM, including the GSAM Credit Alternatives investment team, in the future, exemptive relief to make negotiated co-investments, subject to certain terms and conditions in the exemptive relief. As a result of the exemptive relief, there could be significant overlap in our portfolio and the investment portfolios of GS PMMC, GS PMMC II and/or other funds established by the GSAM Credit Alternatives Team that are able to rely on the order.

As a BDC, the SEC will periodically examine us for compliance with the Investment Company Act.

We are required to provide and maintain a bond issued by a reputable fidelity insurance company, to protect against larceny and embezzlement, covering each of our officers and employees, who may singly, or jointly with others, have access to our securities or funds. Furthermore, as a BDC, we are prohibited from protecting any director, officer, investment adviser or underwriter against any liability to us or our stockholders arising from willful misfeasance, bad faith, gross negligence or reckless disregard of the duties involved in the conduct of such person's office.

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We and our Investment Adviser are each required to adopt and implement written policies and procedures reasonably designed to prevent violation of the federal securities laws, review these policies and procedures annually for their adequacy and the effectiveness of their implementation and designate a chief compliance officer to be responsible for administering the policies and procedures.

Compliance with the Sarbanes-Oxley Act

The Sarbanes-Oxley Act of 2002, as amended (the “Sarbanes-Oxley Act”), imposes a wide variety of regulatory requirements on publicly held companies and their insiders. Many of these requirements affect us. For example:

- our principal executive officer and principal financial officer must certify the accuracy of the financial statements contained in our periodic reports;
- our periodic reports must disclose the conclusions of our principal executive and principal financial officers about the effectiveness of our disclosure controls and procedures;
- our management must prepare an annual report regarding its assessment of our internal control over financial reporting, which must be audited by our independent registered public accounting firm; and
- our periodic reports must disclose whether there were any changes in our internal controls over financing reporting that has materially affected, or is reasonably likely to materially affect, our internal controls over financial reporting.

The Sarbanes-Oxley Act requires us to review our policies and procedures to determine whether we comply with the Sarbanes-Oxley Act and the regulations promulgated thereunder. We will continue to monitor our compliance with all future regulations that are adopted under the Sarbanes-Oxley Act and will take actions necessary to ensure that we are in compliance therewith.

Compliance with Listing Requirements

Our common stock is listed on the NYSE under the symbol “GSBD.” As a listed company on the NYSE, we are subject to various listing standards including corporate governance listing standards. We believe we are in compliance with these rules.

Compliance with the Bank Holding Company Act

As a BHC and FHC, the activities of Group Inc. and its affiliates are subject to certain restrictions imposed by the Bank Holding Company Act of 1956, as amended (the “BHCA”), and related regulations. BHCs and FHCs are subject to supervision and regulation by the Federal Reserve Board (the “Federal Reserve”). Because Group Inc. may be deemed to “control” us within the meaning of the BHCA, restrictions under the BHCA could apply to us as well. Accordingly, the BHCA and other applicable banking laws, rules, regulations and guidelines, and their interpretation and administration by the appropriate regulatory agencies, including the Federal Reserve, may restrict our investments, transactions and operations and may restrict the transactions and relationships between our Investment Adviser, Group Inc. and their affiliates, on the one hand, and us on the other hand. For example, the BHCA regulations applicable to Group Inc. and us may, among other things, restrict our ability to make certain investments or the size of certain investments, impose a maximum holding period on some or all of our investments and restrict our and our Investment Adviser’s ability to participate in the management and operations of the companies in which we invest. In addition, certain BHCA regulations may require aggregation of the positions owned, held or controlled by related entities. Thus, in certain circumstances, positions held by Group Inc. and its affiliates (including our Investment Adviser) for client and proprietary accounts may need to be aggregated with positions held by us. In this case, where BHCA regulations impose a cap on the amount of a position that may be held, Goldman Sachs may utilize available capacity to make investments for its proprietary accounts or for the accounts of other clients, which may require us to limit and/or liquidate certain investments. Additionally, Goldman Sachs may in the future, in its sole discretion and without notice to investors, engage in activities impacting us and/or our Investment Adviser in order to comply with the BHCA or other legal requirements applicable to, or reduce or eliminate the impact or applicability of any bank regulatory or other restrictions on, Goldman Sachs, us or other funds and accounts managed by our Investment Adviser and its affiliates. In addition, Goldman Sachs may cease in the future to qualify as a FHC, which may subject us to additional restrictions. Moreover, there can be no assurance that the bank regulatory requirements applicable to Goldman Sachs and us, or the interpretation thereof, will not change, or that any such change will not have a material adverse effect on us. See “Item 1A. Risk Factors—Legal and Regulatory—Our activities may be limited as a result of potentially being deemed to be controlled by a bank holding company.”

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ITEM 1A. RISK FACTORS

Investing in our securities involves certain risks relating to our structure and investment objective. You should carefully consider these risk factors, together with all of the other information included in this report, before you decide whether to make an investment in our securities. The risks set forth below are not the only risks we face, and we may face other risks that we have not yet identified, which we do not currently deem material or which are not yet predictable. If any of the following risks occur, our business, financial condition and results of operations could be materially adversely affected. In such case, our NAV and the trading price of our securities could decline, and you may lose all or part of your investment.

Summary Risk Factors

Investing in our securities involves a high degree of risk. The following is a summary of certain of the principal risks that should be carefully considered before investing in our securities:

Market Developments and General Business Environment

- Political, social and economic uncertainty, including uncertainty related to the COVID-19 pandemic, creates and exacerbates risks.
- The capital markets are currently in a period of disruption and economic uncertainty. Such market conditions have materially and adversely affected debt and equity capital markets, which have had, and may continue to have, a negative impact on our business and operations.
- The United Kingdom referendum decision to leave the European Union may create significant risks and uncertainty for global markets and our investments.

Legal and Regulatory

- Our operation as a BDC imposes numerous constraints on us and significantly reduces our operating flexibility. In addition, if we fail to maintain our status as a BDC, we might be regulated as a closed-end investment company, which would subject us to additional regulatory restrictions.
- We will be subject to corporate-level U.S. federal income tax on all of our income if we are unable to maintain our qualification for tax treatment as a RIC under Subchapter M of the Code, which would have a material adverse effect on our financial performance.
- Regulations governing our operation as a BDC affect our ability to, and the way in which we, raise additional capital. These constraints may hinder our Investment Adviser's ability to take advantage of attractive investment opportunities and to achieve our investment objective.
- We incur significant costs as a result of being a public company.
- Efforts to comply with Section 404 of the Sarbanes-Oxley Act involve significant expenditures, and noncompliance with Section 404 of the Sarbanes-Oxley Act may adversely affect us and the market price of our securities.
- Changes in laws or regulations governing our operations or the operations of our portfolio companies, changes in the interpretation thereof or newly enacted laws or regulations, or any failure by us or our portfolio companies to comply with these laws or regulations, could require changes to certain of our or our portfolio companies' business practices, negatively impact our or our portfolio companies' operations, cash flows or financial condition, impose additional costs on us or our portfolio companies or otherwise adversely affect our business or the business of our portfolio companies.
- Our ability to enter into transactions with our affiliates is restricted.
- Our activities may be limited as a result of potentially being deemed to be controlled by a bank holding company.
- Commodity Futures Trading Commission rules may have a negative impact on us and our Investment Adviser.
- Our ability to enter into transactions involving derivatives and financial commitment transactions may be limited.
- Certain investors are limited in their ability to make significant investments in us.

Competition

- We are dependent upon management personnel of our Investment Adviser for our future success.
- We operate in a highly competitive market for investment opportunities.

Operational

- We are dependent on information systems, and systems failures, as well as operating failures, could significantly disrupt our business, which may, in turn, negatively affect our liquidity, financial condition or results of operations.
- Terrorist attacks, acts of war, global health emergencies or natural disasters may impact the businesses in which we invest and harm our business, operating results and financial condition.
- Cybersecurity risks and cyber incidents may adversely affect our business or the business of our portfolio companies by causing a disruption to our operations or the operations of our portfolio companies, a compromise or corruption of our confidential information or the confidential information of our portfolio companies and/or damage to our business relationships or the business relationships of our portfolio companies, all of which could negatively impact the business, financial condition and operating results of us or our portfolio companies.

Our Business and Structure

- Global economic, political and market conditions may adversely affect our business, financial condition and results of operations, including our revenue growth and profitability.
- Our Investment Adviser, its principals, investment professionals and employees and the members of its Investment Committee have certain conflicts of interest.
- Goldman Sachs' financial and other interests may incentivize Goldman Sachs to favor other Accounts.
- Our financial condition and results of operations depend on our Investment Adviser's ability to manage our future growth effectively.

- Our ability to grow depends on our ability to raise additional capital.
- We borrow money, which may magnify the potential for gain or loss and may increase the risk of investing in us.
- Our Investment Adviser will be paid the Management Fee even if the value of your investment declines and our Investment Adviser’s Incentive Fee may create incentives for it to make certain kinds of investments.
- The Incentive Fee based on income takes into account our past performance.
- Potential conflicts of interest with other businesses of Goldman Sachs could impact our investment returns.
- Goldman Sachs has influence, and may continue to exert influence, over our management and affairs and over most votes requiring stockholder approval.
- Our Board of Directors may change our investment objective, operating policies and strategies without prior notice or stockholder approval.
- Our Investment Adviser can resign on 60 days’ notice. We may not be able to find a suitable replacement within that time, resulting in a disruption in our operations that could adversely affect our financial condition, business and results of operations.
- Our Investment Adviser’s responsibilities and its liability to us are limited under the Investment Management Agreement, which may lead our Investment Adviser to act in a riskier manner on our behalf than it would when acting for its own account.
- We may experience fluctuations in our quarterly results.
- We are exposed to risks associated with changes in interest rates.
- We may be unable to realize the benefits anticipated by the Merger, including estimated cost savings, or it may take longer than anticipated to achieve such benefits.

Portfolio Company Investments

- Our investments are very risky and highly speculative.
- Investing in middle-market companies involves a number of significant risks.
- Many of our portfolio securities do not have a readily available market price, and we value these securities at fair value as determined in good faith under procedures adopted by our Board of Directors, which valuation is inherently subjective and may not reflect what we may actually realize for the sale of the investment.
- The lack of liquidity in our investments may adversely affect our business.
- Our portfolio may be focused in a limited number of portfolio companies, which will subject us to a risk of significant loss if any of these companies default on their obligations under any of their debt instruments or if there is a downturn in a particular industry.
- We may not be in a position to exercise control over our portfolio companies or to prevent decisions by management of our portfolio companies that could decrease the value of our investments.
- We may be subject to risks associated with investments in real estate loans.
- We may be subject to risks associated with investments in energy companies.
- Our failure to make follow-on investments in our portfolio companies could impair the value of our portfolio.
- Our portfolio companies may prepay loans, which may reduce stated yields in the future if the capital returned cannot be invested in transactions with equal or greater expected yields.
- Investments in common and preferred equity securities, many of which are illiquid with no readily available market, involve a substantial degree of risk.
- By originating loans to companies that are experiencing significant financial or business difficulties, we may be exposed to distressed lending risks.
- We may be exposed to special risks associated with bankruptcy cases.
- Declines in market prices and liquidity in the corporate debt markets can result in significant net unrealized depreciation of our portfolio, which in turn would affect our results of operations.
- Economic recessions or downturns could impair our portfolio companies and harm our operating results.
- Our portfolio companies may have incurred or issued, or may in the future incur or issue, debt or equity securities that rank equally with, or senior to, our investments in such companies, which could have an adverse effect on us in any liquidation of the portfolio company.
- Our portfolio companies may be highly leveraged.
- Our investments in non-U.S. companies may involve significant risks in addition to the risks inherent in U.S. investments.
- We may expose ourselves to risks if we engage in hedging transactions.
- We may form one or more CLOs, which may subject us to certain structured financing risks.

Our Securities

- Investing in our securities involves an above average degree of risk.
- The market price of our securities may fluctuate significantly.
- Shares of closed-end investment companies, including BDCs, frequently trade at a discount to their NAV per share.
- Sales of substantial amounts of our common stock in the public market may have a material adverse effect on the market price of our common stock.
- Our stockholders may experience dilution upon the conversion of our Convertible Notes.
- Our stockholders will experience dilution in their ownership percentage if they opt out of our dividend reinvestment plan.
- Our stockholders that do not opt out of our dividend reinvestment plan should generally expect to have current tax liabilities without receiving cash to pay such liabilities.
- We may in the future determine to issue preferred stock, which could adversely affect the market value of our common stock.

- Certain provisions of our certificate of incorporation and bylaws and the Delaware General Corporation Law ("DGCL"), as well as other aspects of our structure, including the substantial ownership interest of Group Inc., could deter takeover attempts and have an adverse impact on the price of our common stock.
- We may not be able to pay you distributions on our common stock or preferred stock, our distributions to you may not grow over time and a portion of our distributions to you may be a return of capital for U.S. federal income tax purposes.
- The tax treatment of a non-U.S. stockholder in its jurisdiction of tax residence will depend entirely on the laws of such jurisdiction, and may vary considerably from jurisdiction to jurisdiction.
- We may have difficulty paying our required distributions if we recognize taxable income before or without receiving cash representing such income.
- Our stockholders may receive shares of our common stock or preferred stock as distributions, which could result in adverse tax consequences to them.
- If we are not treated as a "publicly offered regulated investment company," as defined in the Code, U.S. stockholders that are individuals, trusts or estates will be taxed as though they received a distribution of some of our expenses.
- Non-U.S. stockholders may be subject to withholding of U.S. federal income tax on dividends we pay.
- Purchases of our common stock pursuant to the 10b5-1 Plan or otherwise may result in the price of our common stock being higher than the price that otherwise might exist in the open market.
- Purchases of our common stock by us under the 10b5-1 Plan or otherwise may result in dilution to our NAV per share.
- To the extent OID and PIK interest constitute a portion of our income, we will be exposed to typical risks associated with such income being required to be included in taxable and accounting income prior to receipt of cash representing such income.
- Terms relating to redemption may materially adversely affect your return on any debt securities that we may issue.
- Our credit ratings may not reflect all risks of an investment in our debt securities.
- Holders of any preferred stock we might issue would have the right to elect members of the board of directors and class voting rights on certain matters.
- There is a risk that investors in our equity securities may not receive distributions or that our distributions may not grow over time and that investors in our debt securities may not receive all of the interest income to which they are entitled.

Market Developments and General Business Environment

Political, social and economic uncertainty, including uncertainty related to the COVID-19 pandemic, creates and exacerbates risks.

Social, political, economic and other conditions and events will occur that create uncertainty and have significant impacts on issuers, industries, governments and other systems, including the financial markets, to which the Company and its investments are exposed. In addition, global economies and financial markets are increasingly interconnected, and political, economic and other conditions and events in one country, region, or financial market may adversely impact issuers in a different country, region or financial market. Furthermore, the occurrence of, among other events, natural or man-made disasters, severe weather or geological events, fires, floods, earthquakes, outbreaks of disease (such as COVID-19, avian influenza or H1N1/09), epidemics, pandemics, malicious acts, cyber-attacks, terrorist acts or the occurrence of climate change, also adversely impact our performance from time to time. Such events may result in, and have resulted in, closing borders, securities exchange closures, health screenings, healthcare service delays, quarantines, cancellations, supply chain disruptions, lower consumer demand, market volatility and general uncertainty. Such events have adversely impacted, and may continue to adversely impact our portfolio companies and markets and economies over the short- and long-term, including in ways that cannot necessarily be foreseen. We have been, and may continue to be negatively impacted if the value of our portfolio company holdings were harmed by such political or economic conditions or events. Moreover, such negative political and economic conditions and events have disrupted, and could continue to disrupt the processes necessary for our operations. This has created, and may continue to create widespread business continuity issues for us and our portfolio companies and heightened cybersecurity, information security and operational risks as a result of, among other things, remote work arrangements.

For example, in December 2019, COVID-19 emerged in China and has since spread rapidly to other countries, including the United States. This outbreak has led, and for an unknown period of time will continue to lead, to disruptions in local, regional, national and global markets and economies affected thereby. The global impact of the outbreak is rapidly evolving, and many countries have reacted by instituting quarantines, prohibitions on travel and the closure of offices, businesses, schools, retail stores and other public venues. While several countries, as well as certain states in the United States, have liberalized public health restrictions as to further reopen their economies, recurring COVID-19 outbreaks have led to the re-introduction of such restrictions in certain states in the United States and globally and could continue to lead to the re-introduction of such restrictions elsewhere. Even after the COVID-19 pandemic subsides, the U.S. economy and most other major global economies may continue to experience a recession, and we anticipate our business and operations could be materially adversely affected by a prolonged recession in the U.S. and other major markets. With respect to the U.S. credit markets (in particular for middle market loans), this outbreak has resulted in, and until fully resolved is likely to continue to result in, the following, among other things: (i) government imposition and/or re-imposition of various forms of shelter-in-place orders and the closing of "non-essential" businesses, resulting in significant disruption to the businesses of many middle-market loan borrowers including supply chains, demand and practical aspects of their operations, as well as furloughs or lay-offs of employees (while such measures are hoped to be temporary, their impact may persist or become permanent); (ii) increased draws by borrowers on revolving lines of credit; (iii) increased requests by borrowers for amendments, forbearance agreements and waivers of provisions of their credit agreements in order to avoid default, increased defaults by such borrowers and/or increased difficulty in obtaining refinancing at the maturity dates of their loans; (iv) volatility and disruption of these markets including greater volatility in pricing and spreads and difficulty in valuing loans during periods of increased volatility, and liquidity issues; and (v) rapidly evolving proposals and/or actions by state and federal governments to address problems in functioning of the markets and by businesses and the economy in general which will not necessarily adequately address the problems facing the loan market and middle market businesses. The COVID-19 outbreak is having, and any future outbreaks could have, an adverse impact on the markets and the economy in general, which could have a material adverse impact on, among other things, the ability of lenders to originate loans, the volume and type of loans originated, and the volume and type of amendments and waivers granted to borrowers and remedial actions taken in the event of a borrower default, each of which could negatively impact the amount and quality of loans available for investment by us and returns to us, among other things. As of the date of this annual report on Form 10-K, it is impossible to determine the scope of this outbreak, or any future outbreaks, how long any such outbreak, market disruption or uncertainties may last, the effect any governmental actions will have or the full potential impact on us and our portfolio companies. Further, even after the pandemic subsides, the U.S. economy, as well as most other major global economies may continue to experience a recession, and we anticipate our business could be materially and adversely affected by a prolonged recession in the U.S. and other major markets.

Although it is impossible to predict the precise nature and consequences of these events, or of any political or policy decisions and regulatory changes occasioned by emerging events or uncertainty on applicable laws or regulations that impact us, our portfolio companies and our investments, it is clear that these types of events are impacting and will, for at least some time, continue to impact us and our portfolio companies. In many instances, the impact will be adverse and profound. For example, middle market companies in which we may invest are being significantly impacted by these emerging events and the uncertainty caused by these events. The effects of a public health emergency may materially and adversely impact (i) the value and performance of us and our portfolio companies, (ii) the ability of our borrowers to continue to meet loan covenants or repay loans provided by us on a timely basis or at all, which may require us to restructure our investments or write down the value of our investments, (iii) our ability to comply with the covenants and other terms of our debt obligations and to repay such obligations, on a timely basis or at all, (iv) our ability to comply with certain regulatory requirements, such as asset coverage requirements under the Investment Company Act, (v) our ability to maintain our distributions at their current level or to pay them at all or (vi) our ability to source, manage and divest investments and achieve our investment objectives, all of which could result in significant losses to us. We will also be negatively affected if the operations and effectiveness of any of our portfolio companies (or any of the key personnel or service providers of the foregoing) is compromised or if necessary or beneficial systems and processes are disrupted.

Disruptions in the capital markets caused by the COVID-19 pandemic have increased the spread between the yields realized on risk-free and higher risk securities, resulting in illiquidity in parts of the capital markets. These and future market disruptions and/or illiquidity can be expected to have an adverse effect on our business, financial condition, results of operations and cash flows. Unfavorable economic conditions also would be expected to increase our funding costs, limit our access to the capital markets or result in a decision by lenders not to extend credit to us. These events have limited and could continue to limit our investment originations, limit our ability to grow and have a material negative impact on our and our portfolio companies' operating results and the fair values of our debt and equity investments.

The capital markets are currently in a period of disruption and economic uncertainty. Such market conditions have materially and adversely affected debt and equity capital markets, which have had, and may continue to have, a negative impact on our business and operations.

The U.S. capital markets have experienced extreme disruption following the global outbreak of COVID-19. Such disruptions have been evidenced by volatility in global stock markets as a result of, among other things, uncertainty regarding the COVID-19 pandemic and the fluctuating price of commodities such as oil. Despite actions of the U.S. federal government and foreign governments, these events have contributed to worsening general economic conditions that are materially and adversely impacting broader financial and credit markets and reducing the availability of debt and equity capital for the market as a whole. These conditions could continue for a prolonged period of time or worsen in the future.

Significant changes or volatility in the capital markets have negatively affected, and may continue to negatively affect, the valuations of our investments. While most of our investments are not publicly traded, applicable accounting standards require us to assume as part of our valuation process that our investments are sold in a principal market to market participants (even if we plan to hold an investment to maturity). Our valuations, and particularly valuations of private investments and private companies, are inherently uncertain, fluctuate over short periods of time and are often based on estimates, comparisons and qualitative evaluations of private information that may not reflect the full impact of the COVID-19 pandemic and measures taken in response thereto. Any public health emergency, including the COVID-19 pandemic or an outbreak of other existing or new epidemic diseases, or the threat thereof, and the resulting financial and economic market uncertainty could have a significant adverse impact on us and the fair value of our investments and our portfolio companies.

Significant changes in the capital markets, such as the disruption in economic activity caused by the COVID-19 pandemic, have limited and could continue to limit our investment originations, limit our ability to grow and have a material negative impact on our and our portfolio companies' operating results and the fair values of our debt and equity investments. Additionally, the recent disruption in economic activity caused by the COVID-19 pandemic has had, and may continue to have, a negative effect on the potential for liquidity events involving our investments. The illiquidity of our investments may make it difficult for us to sell such investments to access capital, if required. As a result, we could realize significantly less than the value at which we have recorded our investments if we were required to sell them to increase our liquidity. An inability on our part to raise incremental capital, and any required sale of all or a portion of our investments as a result, could have a material adverse effect on our business, financial condition or results of operations.

Further, current market conditions may make it difficult to raise equity capital, extend the maturity of or refinance our existing indebtedness or obtain new indebtedness with similar terms and any failure to do so could have a material adverse effect on our business. The debt capital available to us in the future, if available at all, may bear a higher interest rate and may be available only on terms and conditions less favorable than those of our existing debt and such debt may need to be incurred in a rising interest rate environment. If we are unable to raise new debt or refinance our existing debt, then our equity investors will not benefit from the potential for increased returns on equity resulting from leverage, and we may be unable to make new commitments or to fund existing commitments to our portfolio companies. Any inability to extend the maturity of or refinance our existing debt, or to obtain new debt, could have a material adverse effect on our business, financial condition or results of operations.

The United Kingdom referendum decision to leave the European Union may create significant risks and uncertainty for global markets and our investments.

The decision made in the United Kingdom referendum in June 2016 to leave the European Union (commonly known as “Brexit”) has caused, and may continue to cause, increased volatility in global financial markets, and in particular in the markets of the United Kingdom and across Europe, and may also lead to weakening in political, regulatory, consumer, corporate and financial confidence in the United Kingdom and Europe. On January 31, 2020, the United Kingdom withdrew from the European Union and the United Kingdom entered a transition period that expired on December 31, 2020. During this transition phase, the United Kingdom and the European Union sought to negotiate and finalize a new, more permanent trade deal. On December 24, 2020, negotiators representing the United Kingdom and the European Union came to a preliminary trade agreement, the EU-UK Trade and Cooperation Agreement (“TCA”), which is an agreement on the terms governing certain aspects of the European Union’s and United Kingdom’s relationship following the end of the transition period. On December 30, 2020, the United Kingdom and the European Union signed the TCA, which was ratified by the British Parliament on the same day. The TCA has been provisionally applied since January 1, 2021 but cannot formally enter into force until ratified by the European Parliament. In the event that the European Parliament does not ratify the TCA before February 28, 2021, the relationship between the United Kingdom and the European Union would be based on the World Trade Organization rules. However, even under the TCA, many aspects of the United Kingdom-European Union trade relationship remain subject to further negotiation. Due to political uncertainty, it is not possible to anticipate the form or nature of the future trading relationship between the United Kingdom and the European Union. While certain measures have been proposed and/or implemented within the United Kingdom and at the European Union level or at the member state level, which are designed to minimize disruption in the financial markets, it is not currently possible to determine whether such measures would achieve their intended effects. Notwithstanding the foregoing, the extent of the impact of the withdrawal and the resulting economic arrangements in the United Kingdom and in global markets as well as any associated adverse consequences remain unclear and may lead to ongoing political and economic uncertainty and periods of exacerbated volatility in both the United Kingdom and in wider European markets for some time. The mid-to-long term uncertainty may have a negative effect on the performance of any investments in issuers that are economically tied to the United Kingdom or Europe. Additionally, the decision made in the United Kingdom referendum may lead to a call for similar referenda in other European jurisdictions which may cause increased economic volatility and uncertainty in the European and global markets. This volatility and uncertainty may have an adverse effect on the economy generally and on the ability of us and our portfolio companies to execute our respective strategies and to receive attractive returns.

Legal and Regulatory

Our operation as a BDC imposes numerous constraints on us and significantly reduces our operating flexibility. In addition, if we fail to maintain our status as a BDC, we might be regulated as a closed-end investment company, which would subject us to additional regulatory restrictions.

The Investment Company Act imposes numerous constraints on the operations of BDCs. For example, BDCs generally are required to invest at least 70% of their total assets primarily in securities of qualifying U.S. private companies or thinly traded public companies, cash, cash equivalents, U.S. government securities and other high-quality debt investments that mature in one year or less from the time of investment. These constraints may hinder our Investment Adviser’s ability to take advantage of attractive investment opportunities and to achieve our investment objective. Furthermore, any failure to comply with the requirements imposed on BDCs by the Investment Company Act could cause the SEC to bring an enforcement action against us and/or expose us to claims of private litigants.

We may be precluded from investing in what our Investment Adviser believes are attractive investments if such investments are not qualifying assets for purposes of the Investment Company Act. If we do not invest a sufficient portion of our assets in qualifying assets, we will be prohibited from making any additional investment that is not a qualifying asset and could be forced to forgo attractive investment opportunities. Similarly, these rules could prevent us from making follow-on investments in existing portfolio companies (which could result in the dilution of our position).

If we fail to maintain our status as a BDC, we might be regulated as a closed-end investment company that is required to register under the Investment Company Act, which would subject us to additional regulatory restrictions and significantly decrease our operating flexibility. In addition, any such failure could cause an event of default under any outstanding indebtedness we might have, which could have a material adverse effect on our business, financial condition or results of operations.

We will be subject to corporate-level U.S. federal income tax on all of our income if we are unable to maintain our qualification for tax treatment as a RIC under Subchapter M of the Code, which would have a material adverse effect on our financial performance.

Although we have elected to be treated, and expect to qualify annually, as a RIC under Subchapter M of the Code, we cannot assure you that we will be able to maintain RIC status. To maintain RIC status and be relieved of U.S. federal income taxes on income and gains distributed to our stockholders, we must meet the annual distribution, source-of-income and asset diversification requirements described below.

- The annual distribution requirement for a RIC will generally be satisfied if we distribute to our stockholders on an annual basis at least 90% of our investment company taxable income (generally, our net ordinary income plus the excess of our realized net short-term capital gains over realized net long-term capital losses, determined without regard to the dividends paid deduction) for each taxable year. Because we use debt financing, we are subject to an asset coverage ratio requirement under the Investment Company Act, and we are subject to certain covenants contained in our credit agreements and other debt financing agreements. This asset coverage ratio requirement and these covenants could, under certain circumstances, restrict us from making distributions to our stockholders that are necessary for us to satisfy the distribution requirement. If we are unable to obtain cash from other sources, and thus are unable to make sufficient distributions to our stockholders, we could fail to maintain our RIC tax treatment and thus become subject to corporate-level U.S. federal income tax (and any applicable U.S. state and local taxes).

- The source-of-income requirement will be satisfied if at least 90% of our gross income for each year is derived from dividends, interest, gains from the sale of stock or securities or foreign currencies, payments with respect to loans of certain securities, net income derived from an interest in a "qualified publicly traded partnership" or other income derived with respect to our business of investing in such stock or securities or foreign currencies.
- The asset diversification requirement will be satisfied if, at the end of each quarter of our taxable year, at least 50% of the value of our assets consists of cash, cash equivalents, U.S. government securities, securities of other RICs and other acceptable securities, and no more than 25% of the value of our assets is invested in the securities (other than U.S. government securities or securities of other RICs) of one issuer, of two or more issuers that are controlled, as determined under applicable Code rules, by us and that are engaged in the same or similar or related trades or businesses or of certain "qualified publicly traded partnerships." Failure to meet these requirements may result in our having to dispose of certain investments quickly in order to prevent the loss of our RIC status. Because most of our investments will be in private companies, and therefore will be relatively illiquid, any such dispositions could be made at disadvantageous prices and could result in substantial losses.

If we fail to maintain our RIC status for any reason, and we do not qualify for certain relief provisions under the Code, we would be subject to corporate-level U.S. federal income tax (and any applicable U.S. state and local taxes). In this event, the resulting taxes and any resulting penalties could substantially reduce our net assets, the amount of our income available for distribution and the amount of our distributions to our stockholders, which would have a material adverse effect on our financial performance.

Regulations governing our operation as a BDC affect our ability to, and the way in which we, raise additional capital. These constraints may hinder our Investment Adviser's ability to take advantage of attractive investment opportunities and to achieve our investment objective.

Regulations governing our operation as a BDC affect our ability to raise additional capital, and the ways in which we can do so. Raising additional capital may expose us to risks, including the typical risks associated with leverage, and may result in dilution to our current stockholders. The Investment Company Act limits our ability to borrow amounts or issue debt securities or preferred stock, which we refer to collectively as "senior securities," to amounts such that our asset coverage ratio, as defined under the Investment Company Act, equals at least 150% immediately after such borrowing or issuance if certain requirements are met (except in connection with certain trading practices or investments), rather than 200%, as previously required and as described below. Consequently, if the value of our assets declines, we may be required to sell a portion of our investments and, depending on the nature of our leverage, repay a portion of our indebtedness at a time when this may be disadvantageous to us and, as a result, our stockholders. The Small Business Credit Availability Act modified the applicable provisions of the Investment Company Act to reduce the required asset coverage ratio applicable to BDCs to 150%, subject to certain approval and disclosure requirements. Under the legislation, BDCs are able to increase their leverage capacity if stockholders approve a proposal to do so. At our 2018 annual meeting of stockholders held on June 15, 2018, our stockholders approved the proposal to apply the modified asset coverage requirements in Section 61(a)(2) of the Investment Company Act to us. As a result of this approval, (1) we are now required to maintain asset coverage for our senior securities of 150% rather than 200% and (2) we and GSAM have reduced the Management Fee from 1.50% (0.375% per quarter) to 1.00% (0.25% per quarter) on the average value of our gross assets, excluding cash and cash equivalents, but including assets purchased with borrowed amounts, at the end of the two most recently completed calendar quarters. Considerations and risks related to increased leverage include: (a) the potential for magnified gains and losses on amounts invested, (b) increased debt service costs, (c) the potential for increased Incentive Fees for GSAM and (d) fewer proceeds remaining for distributions for stockholders in the case of a liquidation event.

We are generally not able to issue and sell our common stock at a price per share below NAV per share. We may, however, sell our common stock, or warrants, options or rights to acquire our common stock, at a price below the then-current NAV per share of our common stock (i) with the consent of a majority of our common stockholders (and a majority of our common stockholders who are not affiliates of ours) and (ii) if, among other things, a majority of our Independent Directors and a majority of our directors who have no financial interest in the transaction determine that a sale is in the best interests of us and our stockholders. If our common stock trades at a discount to NAV, this restriction could adversely affect our ability to raise capital.

We incur significant costs as a result of being a public company.

We incur legal, accounting and other expenses, including costs associated with the periodic reporting requirements applicable to a company whose securities are registered under the Exchange Act, as well as additional corporate governance requirements, including requirements under the Sarbanes-Oxley Act. These requirements may place a strain on our systems and resources. The Exchange Act requires that we file annual, quarterly and current reports with respect to our business and financial condition. The Sarbanes-Oxley Act requires that we maintain effective disclosure controls and procedures and internal control over financial reporting, which requires significant resources and management oversight. See "Item 1. Business—Compliance with the Sarbanes-Oxley Act." We are implementing additional procedures, processes, policies and practices for the purpose of addressing the standards and requirements applicable to public companies. These activities may divert management's attention from other business concerns, which could have a material adverse effect on our business, financial condition, results of operations and cash flows. We have incurred, and expect to incur in the future, significant additional annual expenses related to these steps and directors' and officers' liability insurance, director fees, reporting requirements of the SEC, transfer agent fees, additional administrative expenses payable to our administrator to compensate it for hiring additional accounting, legal and administrative personnel, increased auditing and legal fees and similar expenses associated with being a public company.

Efforts to comply with Section 404 of the Sarbanes-Oxley Act involve significant expenditures, and noncompliance with Section 404 of the Sarbanes-Oxley Act may adversely affect us and the market price of our securities.

We are subject to the Sarbanes-Oxley Act, and the related rules and regulations promulgated by the SEC. Under current SEC rules, we are required to report on internal control over financial reporting pursuant to Section 404 of the Sarbanes-Oxley Act and regulations of the SEC thereunder, and our independent registered public accounting firm must audit this report. We are required to review on an annual basis our internal control over financial reporting, and on a quarterly and annual basis to evaluate and disclose changes in our internal control over financial reporting.

As a result, we incur additional expenses that may negatively impact our financial performance and our ability to make distributions. This process also may result in a diversion of management's time and attention. We cannot be certain as to the timing of completion of any evaluation, testing and remediation actions or the impact of the same on our operations, and we may not be able to ensure that the process is effective or that our internal control over financial reporting is or will be effective in a timely manner. In the event that we are unable to maintain or achieve compliance with Section 404 of the Sarbanes-Oxley Act and related rules, we and the market price of our common stock would be adversely affected.

Changes in laws or regulations governing our operations or the operations of our portfolio companies, changes in the interpretation thereof or newly enacted laws or regulations, or any failure by us or our portfolio companies to comply with these laws or regulations, could require changes to certain of our or our portfolio companies' business practices, negatively impact our or our portfolio companies' operations, cash flows or financial condition, impose additional costs on us or our portfolio companies or otherwise adversely affect our business or the business of our portfolio companies.

We and our portfolio companies are subject to regulation at the local, state, federal and, in some cases, foreign levels. These laws and regulations, as well as their interpretation, are likely to change from time to time, and new laws and regulations may be enacted. Accordingly, any change in these laws or regulations, changes in their interpretation, or newly enacted laws or regulations, or any failure by us or our portfolio companies to comply with these laws or regulations, could require changes to certain of our or our portfolio companies' business practices, negatively impact our or our portfolio companies' operations, cash flows or financial condition, impose additional costs on us or our portfolio companies or otherwise adversely affect our business or the business of our portfolio companies. In addition to the legal, tax and regulatory changes that are expected to occur, there may be unanticipated changes and uncertainty regarding any such changes. The legal, tax and regulatory environment for BDCs, investment advisers and the instruments that they utilize (including derivative instruments) is continuously evolving. In addition, there is significant uncertainty regarding certain legislation and the regulations that have been adopted (and future regulations that will need to be adopted pursuant to such legislation) and, consequently, the full impact that such legislation will ultimately have on us and the markets in which we trade and invest is not fully known. Such uncertainty and any resulting confusion may itself be detrimental to the efficient functioning of the markets and the success of certain investment strategies.

Legislative and regulatory proposals directed at the financial services industry that are proposed or pending in the U.S. Congress, may negatively impact the operations, cash flows or financial condition of us and our portfolio companies, impose additional costs on us and our portfolio companies, intensify the regulatory supervision of us and our portfolio companies or otherwise adversely affect our business or the business of our portfolio companies.

Over the last several years, there also has been an increase in regulatory attention to the extension of credit outside of the traditional banking sector, raising the possibility that some portion of the non-bank financial sector will be subject to new regulation. While it cannot be known at this time whether any regulation will be implemented or what form it will take, increased regulation of non-bank credit extension could negatively impact our operations, cash flows or financial condition, impose additional costs on us, intensify the regulatory supervision of us or otherwise adversely affect our business.

Our ability to enter into transactions with our affiliates is restricted.

As a BDC, we are prohibited under the Investment Company Act from knowingly participating in certain transactions with our affiliates without the prior approval of a majority of our Independent Directors who have no financial interest in the transaction, or in some cases, the prior approval of the SEC. For example, any person that owns, directly or indirectly, 5% or more of our outstanding voting securities is deemed our affiliate for purposes of the Investment Company Act and, if this is the only reason such person is our affiliate, we are generally prohibited from buying any asset from or selling any asset (other than our capital stock) to such affiliate, absent the prior approval of such directors. The Investment Company Act also prohibits "joint" transactions with an affiliate, which could include joint investments in the same portfolio company, without approval of our Independent Directors or in some cases the prior approval of the SEC. Moreover, except in certain limited circumstances, we are prohibited from buying any asset from or selling any asset to a holder of more than 25% of our voting securities, absent prior approval of the SEC. The analysis of whether a particular transaction constitutes a joint transaction requires a review of the relevant facts and circumstances then existing.

In certain circumstances, negotiated co-investments may be made only pursuant to an order from the SEC permitting us to do so. On January 4, 2017, we received an exemptive order from the SEC that permits us to participate in negotiated co-investment transactions with certain affiliates (including GS PMMC, GS MMLC (which was merged with us on October 12, 2020) and GS PMMC II), each of whose investment adviser is GSAM, in a manner consistent with our investment objectives, positions, policies, strategies and restrictions, as well as regulatory requirements and pursuant to the conditions required by the exemptive relief. As a result of our exemptive order, there could be significant overlap in our investment portfolio and the investment portfolios of GS PMMC II and/or other funds managed by our Investment Adviser. Additionally, if our Investment Adviser forms other funds in the future, we may co-invest on a concurrent basis with such other affiliates, subject to compliance with the exemptive relief, applicable regulations and regulatory guidance, as well as applicable allocation procedures.

Our activities may be limited as a result of potentially being deemed to be controlled by a bank holding company.

Goldman Sachs is a BHC under the BHCA and therefore subject to supervision and regulation by the Federal Reserve. In addition, Goldman Sachs is a FHC under the BHCA, which is a status available to BHCs that meet certain criteria. FHCs may engage in a broader range of activities than BHCs that are not FHCs. However, the activities of FHCs and their affiliates remain subject to certain restrictions imposed by the BHCA and related regulations. Because Goldman Sachs may be deemed to "control" us within the meaning of the BHCA, these restrictions could apply to us as well. Accordingly, the BHCA and other applicable banking laws, rules, regulations and guidelines, and their interpretation and administration by the appropriate regulatory agencies, including the Federal Reserve, may restrict our investments, transactions and operations and may restrict the transactions and relationships between our Investment Adviser, Goldman Sachs and their affiliates, on the one hand, and us on the other hand. For example, the BHCA regulations applicable to Goldman Sachs and us may, among other things, restrict our ability to make certain investments or the size of certain investments, impose a maximum holding period on some or all of our investments and restrict our and our Investment Adviser's ability to participate in the management and operations of the companies in which we invest. In addition, certain BHCA regulations may require aggregation of the positions owned, held or controlled by related entities. Thus, in certain circumstances, positions held by Goldman Sachs and its affiliates (including our Investment Adviser) for client and proprietary accounts may need to be aggregated with positions held by us. In this case, where BHCA regulations impose a cap on the amount of a position that may be held, Goldman Sachs may utilize available capacity to make investments for its proprietary accounts or for the accounts of other clients, which may require us to limit and/or liquidate certain investments.

These restrictions may materially adversely affect us by, among other things, affecting our Investment Adviser's ability to pursue certain strategies within our investment program or trade in certain securities. In addition, Goldman Sachs may cease in the future to qualify as an FHC, which may subject us to additional restrictions. Moreover, there can be no assurance that the bank regulatory requirements applicable to Goldman Sachs and us, or the interpretation thereof, will not change, or that any such change will not have a material adverse effect on us.

Goldman Sachs may in the future, in its sole discretion and without notice to investors, engage in activities impacting us and/or our Investment Adviser in order to comply with the BHCA or other legal requirements applicable to, or reduce or eliminate the impact or applicability of any bank regulations or other restrictions on, Goldman Sachs, us or other funds and accounts managed by our Investment Adviser and its affiliates. Goldman Sachs may seek to accomplish this result by causing GSAM to resign as our Investment Adviser, voting for changes to our Board of Directors, causing Goldman Sachs personnel to resign from our Board of Directors, reducing the amount of Goldman Sachs' investment in us (if any), revoking our right to use the Goldman Sachs name or any combination of the foregoing, or by such other means as it determines in its sole discretion. Any replacement investment adviser appointed by us may be unaffiliated with Goldman Sachs.

Commodity Futures Trading Commission rules may have a negative impact on us and our Investment Adviser.

The Commodity Futures Trading Commission (the "CFTC") and the SEC have issued final rules establishing that certain swap transactions are subject to CFTC regulation. Engaging in such swap or other commodity interest transactions such as futures contracts or options on futures contracts may cause us to fall within the definition of "commodity pool" under the Commodity Exchange Act and related CFTC regulations. Our Investment Adviser has claimed relief from CFTC registration and regulation as a commodity pool operator pursuant to CFTC Rule 4.5 with respect to our operations, with the result that we will be limited in our ability to use futures contracts or options on futures contracts or engage in swap transactions. Specifically, CFTC Rule 4.5 imposes strict limitations on using such derivatives other than for hedging purposes, whereby the use of derivatives not used solely for hedging purposes is generally limited to situations where (i) the aggregate initial margin and premiums required to establish such positions does not exceed five percent of the liquidation value of our portfolio, after taking into account unrealized profits and unrealized losses on any such contracts it has entered into; or (ii) the aggregate net notional value of such derivatives does not exceed 100% of the liquidation value of our portfolio. Moreover, we anticipate entering into transactions involving such derivatives to a very limited extent solely for hedging purposes or otherwise within the limitations of CFTC Rule 4.5.

Our ability to enter into transactions involving derivatives and financial commitment transactions may be limited.

In November 2020, the SEC adopted a rulemaking regarding the ability of a BDC (or a registered investment company) to use derivatives and other transactions that create future payment or delivery obligations (except reverse repurchase agreements and similar financing transactions). Under the newly adopted rules, BDCs that use derivatives will be subject to a value-at-risk ("VaR") leverage limit, a derivatives risk management program and testing requirements and requirements related to board reporting. These new requirements will apply unless the BDC qualifies as a "limited derivatives user," as defined under the adopted rules. Under the new rule, a BDC may enter into an unfunded commitment agreement that is not a derivatives transaction, such as an agreement to provide financing to a portfolio company, if the BDC has, among other things, a reasonable belief, at the time it enters into such an agreement, that it will have sufficient cash and cash equivalents to meet its obligations with respect to all of its unfunded commitment agreements, in each case as it becomes due. Collectively, these requirements may limit our ability to use derivatives and/or enter into certain other financial contracts.

Certain investors are limited in their ability to make significant investments in us.

Private funds that are excluded from the definition of "investment company" either pursuant to Section 3(c)(1) or 3(c)(7) of the Investment Company Act are restricted from acquiring directly or through a controlled entity more than 3% of our total outstanding voting stock (measured at the time of the acquisition, including through conversion of convertible securities). Investment companies registered under the Investment Company Act and BDCs are also subject to this restriction as well as other limitations under the Investment Company Act that would restrict the amount that they are able to invest in our securities. As a result, certain investors may be precluded from acquiring additional shares, at a time that they might desire to do so.

Competition

We are dependent upon management personnel of our Investment Adviser for our future success.

We do not have any employees. We depend on the experience, diligence, skill and network of business contacts of the GSAM Credit Alternatives investment team. The GSAM Credit Alternatives investment team, together with other investment professionals that our Investment Adviser currently retains or may subsequently retain, identifies, evaluates, negotiates, structures, closes, monitors and manages our investments. Our future success will depend to a significant extent on the continued service and coordination of our Investment Adviser's senior investment professionals. The departure of any of our Investment Adviser's key personnel, including members of the Investment Committee, or of a significant number of the investment professionals of our Investment Adviser, could have a material adverse effect on our business, financial condition or results of operations. In addition, we cannot assure you that our Investment Adviser will remain our investment adviser or that we will continue to have access to our Investment Adviser or its investment professionals. See "—Our Investment Adviser can resign on 60 days' notice. We may not be able to find a suitable replacement within that time, resulting in a disruption in our operations that could adversely affect our financial condition, business and results of operations."

We operate in a highly competitive market for investment opportunities.

A number of entities, including GS PMMC and GS PMMC II, compete with us to make the types of investments that we make in middle-market companies. We compete with other BDCs, commercial and investment banks, commercial financing companies, CLOs, private funds, including hedge funds, and, to the extent they provide an alternative form of financing, private equity funds. Many of our competitors are more experienced, substantially larger and have considerably greater financial, technical and marketing resources than we do. Some competitors may have a lower cost of funds and access to funding sources that are not available to us. In addition, some of our competitors may have higher risk tolerances or different risk assessments, which could allow them to consider a wider variety of investments and establish more relationships than us. Furthermore, certain of our competitors are not subject to the regulatory restrictions that the Investment Company Act imposes on us as a BDC and that the Code imposes on us as a RIC. Additionally, an investment opportunity may be appropriate for one or more of us and GS PMMC and GS PMMC II or any other investment fund managed by our affiliates and co-investment may not be possible. In these instances GSAM will adhere to its investment allocation policy in order to determine to which entity to allocate the opportunity. Also, as a result of this competition, we may not be able to secure attractive investment opportunities from time to time.

We do not seek to compete primarily based on the interest rates we offer and GSAM believes that some of our competitors may make loans with interest rates that are comparable to or lower than the rates we offer. Rather, we compete with our competitors based on our reputation in the market, our existing investment platform, the seasoned investment professionals of our Investment Adviser, our experience and focus on middle-market companies, our disciplined investment philosophy, our extensive industry focus and relationships and our flexible transaction structuring. For a more detailed discussion of these competitive advantages, see "Item 1. Business—Competitive Advantages."

We may lose investment opportunities if we do not match our competitors' pricing, terms and structure. If we match our competitors' pricing, terms and structure, we may experience decreased net interest income and increased risk of credit loss. As a result of operating in such a competitive environment, we may make investments that are on less favorable terms than what we may have originally anticipated, which may impact our return on these investments. We cannot assure investors that the competitive pressures we face will not have a material adverse effect on our business, financial condition and results of operations.

Operational

We are dependent on information systems, and systems failures, as well as operating failures, could significantly disrupt our business, which may, in turn, negatively affect our liquidity, financial condition or results of operations.

Our business is dependent on our Investment Adviser's and third parties' communications and information systems. Any failure or interruption of those systems, including as a result of the termination of the Investment Management Agreement or an agreement with any third-party service providers, could cause delays or other problems in our activities. Our financial, accounting, data processing, backup or other operating systems and facilities may fail to operate properly or become disabled or damaged as a result of a number of factors including events that are wholly or partially beyond our control and adversely affect our business. There could be:

- sudden electrical or telecommunications outages;
- natural disasters such as earthquakes, tornadoes and hurricanes;
- disease pandemics;
- events arising from local or larger scale political or social matters, including terrorist acts; and
- cyber-attacks.

In addition to our dependence on information systems, poor operating performance by our service providers could adversely impact us.

These events, in turn, could have a material adverse effect on our operating results and negatively affect the market price of our securities and our ability to pay distributions to our stockholders.

Terrorist attacks, acts of war, global health emergencies or natural disasters may impact the businesses in which we invest and harm our business, operating results and financial condition.

Terrorist acts, acts of war, global health emergencies or natural disasters may disrupt our operations, as well as the operations of the businesses in which we invest. Such acts have created, and continue to create, economic and political uncertainties and have contributed to global economic instability. Future terrorist activities, military or security operations, global health emergencies or natural disasters could further weaken the domestic/global economies and create additional uncertainties, which may negatively impact the businesses in which we invest directly or indirectly and, in turn, could have a material adverse impact on our business, operating results and financial condition. Losses from terrorist attacks, global health emergencies and natural disasters are generally uninsurable.

Cybersecurity risks and cyber incidents may adversely affect our business or the business of our portfolio companies by causing a disruption to our operations or the operations of our portfolio companies, a compromise or corruption of our confidential information or the confidential information of our portfolio companies and/or damage to our business relationships or the business relationships of our portfolio companies, all of which could negatively impact the business, financial condition and operating results of us or our portfolio companies.

A cyber incident is considered to be any adverse event that threatens the confidentiality, integrity or availability of the information resources of us or our portfolio companies. These incidents may be an intentional attack or an unintentional event and could involve a third party or our own personnel gaining unauthorized access to our information systems or those of our portfolio companies for purposes of obtaining ransom payments, misappropriating assets, stealing confidential information, corrupting data or causing operational disruption. The result of these incidents may include disrupted operations, misstated or unreliable financial data, liability for loss or misappropriation of data, stolen assets or information, increased cybersecurity protection and insurance costs, litigation and damage to our reputation or business relationships. As our and our portfolio companies' reliance on technology has increased, so have the risks posed to our information systems, both internal and those provided by Goldman Sachs and third-party service providers, and the information systems of our portfolio companies. Goldman Sachs and these third-party service providers have implemented processes, procedures and internal controls to help mitigate cybersecurity risks and cyber intrusions, but these measures, as well as our increased awareness of the nature and extent of a risk of a cyber incident, do not guarantee that a cyber incident will not occur and/or that our financial results, operations or confidential information will not be negatively impacted by such an incident.

Our Business and Structure

Global economic, political and market conditions may adversely affect our business, financial condition and results of operations, including our revenue growth and profitability.

The current worldwide financial market situation, as well as various social and political tensions in the United States and around the world, have contributed and may continue to contribute to increased market volatility, may have long-term effects on the United States and worldwide financial markets, and may cause economic uncertainties or deterioration in the United States and worldwide. We monitor developments and seek to manage our investments in a manner consistent with achieving our investment objective, but there can be no assurance that we will be successful in doing so.

Our business is directly influenced by the economic cycle, and could be negatively impacted by a downturn in economic activity in the U.S. as well as globally. Fiscal and monetary actions taken by U.S. and non-U.S. government and regulatory authorities could have a material adverse impact on our business. To the extent uncertainty regarding the U.S. or global economy negatively impacts consumer confidence and consumer credit factors, our business, financial condition and results of operations could be adversely affected. Moreover, Federal Reserve policy, including with respect to certain interest rates, along with the general policies of the current Presidential administration, may also adversely affect the value, volatility and liquidity of dividend- and interest-paying securities. These conditions, government actions and future developments may cause interest rates and borrowing costs to rise, which may adversely affect our ability to access debt financing on favorable terms and may increase the interest costs of our borrowers, hampering their ability to repay us. Continued or future adverse economic conditions could have a material adverse effect on our business, financial condition and results of operations.

While the Federal Reserve recently decreased its federal funds target rate in response to the COVID-19 pandemic, if key economic indicators, such as the unemployment rate or inflation, do not progress at a rate consistent with the Federal Reserve's objectives, the target range for the federal funds rate may increase and cause interest rates and borrowing costs to rise, which may negatively impact our ability to access the debt markets on favorable terms and may also increase the costs of our borrowers, hampering their ability to repay us.

Legislation may be adopted that could significantly affect the regulation of U.S. financial markets. Areas subject to potential change, amendment or repeal include the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act") and the authority of the Federal Reserve and the Financial Stability Oversight Council. These or other regulatory changes could result in greater competition from banks and other lenders with which we compete for lending and other investment opportunities. The United States may also potentially withdraw from or renegotiate various trade agreements and take other actions that would change current trade policies of the United States. We cannot predict which, if any, of these actions will be taken or, if taken, their effect on the financial stability of the United States. Such actions could have a material adverse effect on our business, financial condition and results of operations.

Our Investment Adviser, its principals, investment professionals and employees and the members of its Investment Committee have certain conflicts of interest.

Our Investment Adviser, its principals, affiliates, investment professionals and employees, the members of its Investment Committee and our officers and directors serve or may serve now or in the future as investment advisers, officers, directors, principals of, or in other capacities with respect to, public or private entities (including other BDCs and other investment funds) that operate in the same or a related line of business as us. For example, we have the same management and Investment Committee team as GS PMMC and GS PMMC II. Therefore, we expect these individuals may have obligations to investors in such other BDCs, the fulfillment of which might not be in our best interests or the best interests of our stockholders and we expect that investment opportunities will satisfy the investment criteria for both us and such other BDCs. In addition, GSAM and its affiliates also manage other Accounts, and expect to manage other vehicles in the future, that have investment mandates that are similar, in whole or in part, to ours and, accordingly, may invest in asset classes similar to those targeted by us. As a result, the Investment Adviser and/or its affiliates may face conflicts in allocating investment opportunities between us and such other entities. The fact that our investment advisory fees may be lower than those of certain other funds advised by GSAM could result in this conflict of interest affecting us adversely relative to such other funds.

Subject to applicable law, we may invest alongside Goldman Sachs and its Accounts. In certain circumstances, negotiated co-investments by us and other Accounts may be made only pursuant to an order from the SEC permitting us to do so. Together with our Investment Adviser, GS PMMC, GS MMLC (which was merged with us on October 12, 2020) and GS PMMC II, we applied for and received an exemptive order from the SEC that permits us to participate in negotiated co-investment transactions with certain affiliates (including GS PMMC and GS PMMC II), each of whose investment adviser is GSAM, after the date of the exemptive order, subject to certain conditions, such as that co-investments be made in a manner consistent with our investment objectives, positions, policies, strategies and restrictions, as well as regulatory requirements and pursuant to the conditions required by the exemptive relief, and are allocated fairly among participants. As a result of such order, there could be significant overlap in our investment portfolio and the investment portfolios of GS PMMC, GS PMMC II and/or other funds managed by our Investment Adviser. If we are unable to rely on our exemptive relief for a particular opportunity, when our Investment Adviser identifies certain investments, it will be required to determine which Accounts should make the investment at the potential exclusion of other Accounts. In such circumstances, the Investment Adviser will adhere to its investment allocation policy in order to determine the Account to which to allocate the opportunity. The policy currently provides that our Investment Adviser allocate opportunities through a rotation system or in such other manner as our Investment Adviser determines to be equitable. Accordingly, it is possible that we may not be given the opportunity to participate in investments made by other Accounts. See "—Legal and Regulatory—Our ability to enter into transactions with our affiliates is restricted."

Goldman Sachs' financial and other interests may incentivize Goldman Sachs to favor other Accounts.

Our Investment Adviser receives performance-based compensation in respect of its investment management activities on our behalf, which rewards our Investment Adviser for positive performance of our investment portfolio. As a result, our Investment Adviser may make investments for us that present a greater potential for return but also a greater risk of loss or that are more speculative than would be the case in the absence of performance-based compensation. In addition, our Investment Adviser may simultaneously manage other Accounts (including other BDCs (including GS PMMC and GS PMMC II)) for which our Investment Adviser may be entitled to receive greater fees or other compensation (as a percentage of performance or otherwise) than it receives in respect of us. In addition, subject to applicable law, Goldman Sachs may invest in other Accounts (including other business development companies (including GS PMMC and GS PMMC II)), and such investments may constitute substantial percentages of such other Accounts' outstanding equity interests. Therefore, our Investment Adviser may have an incentive to favor such other Accounts over us. To address these types of conflicts, our Investment Adviser has adopted policies and procedures under which investment opportunities will be allocated in a manner that it believes is consistent with its obligations as an Investment Adviser. However, the amount, timing, structuring or terms of an investment by us may differ from, and performance may be different than, the investments and performance of other Accounts.

Our financial condition and results of operations depend on our Investment Adviser's ability to manage our future growth effectively.

Our ability to achieve our investment objective depends on our Investment Adviser's ability to identify, invest in and monitor companies that meet our investment criteria. Accomplishing this result on a cost-effective basis is largely a function of the structuring of our investment process and the ability of our Investment Adviser to provide competent, attentive and efficient services to us. Our executive officers and the members of the Investment Committee have substantial responsibilities in connection with their roles at our Investment Adviser, with respect to GS PMMC and GS PMMC II, and other clients of our Investment Adviser, as well as responsibilities under the Investment Management Agreement. We may also be called upon to provide significant managerial assistance to certain of our portfolio companies. These demands on their time, which will increase as the number of investments grow, may distract them or slow the rate of investment. In order to grow, our Investment Adviser may need to hire, train, supervise, manage and retain new employees. However, we cannot assure you that they will be able to do so effectively. Any failure to manage our future growth effectively could have a material adverse effect on our business, financial condition and results of operations.

Our ability to grow depends on our ability to raise additional capital.

We will need to periodically access the capital markets to raise cash to fund new investments. If we do not have adequate capital available for investment, our performance could be adversely affected. In addition, we have elected to be treated, and expect to qualify annually, as a RIC under Subchapter M of the Code, commencing with our taxable year ended December 31, 2013. To maintain our status as a RIC, among other requirements, we are required to timely distribute to our stockholders at least 90% of our investment company taxable income (determined without regard to the dividends paid deduction), which is generally our net ordinary income plus the excess of realized net short-term capital gains over realized net long-term capital losses, if any, for each taxable year. Consequently, such distributions will not be available to fund new investments. We expect to use debt financing and issue additional securities to fund our growth, if any. Unfavorable economic or capital market conditions may increase our funding costs, limit our access to the capital markets or result in a decision by lenders not to extend credit to us. An inability to successfully access the capital markets could limit our ability to grow our business and fully execute our business strategy and could decrease our earnings, if any. We may pursue growth through acquisitions or strategic investments in new businesses. Completion and timing of any such acquisitions or strategic investments may be subject to a number of contingencies and risks. There can be no assurance that the integration of an acquired business will be successful or that an acquired business will prove to be profitable or sustainable.

We borrow money, which may magnify the potential for gain or loss and may increase the risk of investing in us.

As part of our business strategy, we may borrow from and issue senior debt securities to banks, insurance companies and other lenders or investors. Holders of these senior securities will have fixed-dollar claims on our assets that are superior to the claims of our common stockholders. If the value of our assets decreases, leveraging would cause NAV to decline more sharply than it otherwise would have if we did not employ leverage. Similarly, any decrease in our income would cause net income to decline more sharply than it would have had we not borrowed. Such a decline could negatively affect our ability to make distributions to our common stockholders. In addition, we would have to service any additional debt that we incur, including interest expense on debt and dividends on preferred stock that we may issue, as well as the fees and costs related to the entry into or amendments to debt facilities. These expenses (which may be higher than the expenses on our current borrowings due to the rising interest rate environment) would decrease net investment income, and our ability to pay such expenses will depend largely on our financial performance and will be subject to prevailing economic conditions and competitive pressures. Moreover, leverage will increase the Management Fee payable to our Investment Adviser, which is based on our gross assets, including those assets acquired through the use of leverage but excluding cash and cash equivalents. Additionally, we will be able to incur additional leverage if we are able to obtain exemptive relief from the SEC to exclude the debt of any SBIC subsidiary we may form in the future from the leverage requirements otherwise applicable to BDCs. We have not yet applied to the Small Business Administration (the “SBA”) for approval to form a SBIC and have not yet applied for exemptive relief from the SEC. We can offer no assurances as to whether or when we will be able to form a SBIC subsidiary or obtain such exemptive relief.

In addition to having fixed-dollar claims on our assets that are superior to the claims of our common stockholders, any obligations to the lenders will be secured by a first priority security interest in our portfolio of investments and cash. In the case of a liquidation event, those lenders would receive proceeds to the extent of their security interest before any distributions are made to our stockholders. Furthermore, our senior secured revolving credit agreement with Truist Bank (formerly known as SunTrust Bank), as administrative agent, and Bank of America, N.A., as syndication agent (as amended, the “Revolving Credit Facility”) imposes, and any credit agreement or other debt financing agreement into which we may enter may impose, financial and operating covenants that restrict our investment activities (including restrictions on industry concentrations), remedies on default and similar matters. In connection with borrowings, our lenders may also require us to pledge assets.

Lastly, we may be unable to obtain our desired leverage, which would, in turn, affect your return on investment.

The following table illustrates the effect of leverage on returns from an investment in our common stock assuming various annual returns on our portfolio, net of expenses. The calculations in the table below are hypothetical, and actual returns may be higher or lower than those appearing in the table below.

Assumed Return on Our Portfolio (Net of Expenses)	(10.00)%	(5.00)%	0.00%	5.00%	10.00%
Corresponding Return to Common Stockholder (1)	(23.84)%	(13.54)%	(3.23)%	7.08%	17.39%

(1) Based on (i) $3,329.68 million in total assets including debt issuance costs as of December 31, 2020, (ii) $1,644.38 million in outstanding indebtedness as of December 31, 2020, (iii) $1,615.14 million in net assets as of December 31, 2020 and (iv) an annualized average interest rate on our indebtedness, as of December 31, 2020, excluding fees (such as fees on undrawn amounts and amortization of financing costs), of 3.17%.

Our Investment Adviser will be paid the Management Fee even if the value of your investment declines and our Investment Adviser’s Incentive Fee may create incentives for it to make certain kinds of investments.

The Management Fee is payable even in the event the value of your investment declines. The Management Fee is calculated as a percentage of the average value of our gross assets including borrowed funds (excluding cash or cash equivalents) at the end of the prior two completed calendar quarters. Accordingly, the Management Fee is payable regardless of whether the value of our gross assets and/or your investment has decreased during the then-current quarter and creates an incentive for the Investment Adviser to incur leverage.

In addition, the Incentive Fee payable by us to our Investment Adviser may create an incentive for our Investment Adviser to make investments on our behalf that are risky or more speculative than would be the case in the absence of such a compensation arrangement and also to incur leverage, which will tend to enhance returns where our portfolio has positive returns. Our Investment Adviser receives the Incentive Fee based, in part, upon capital gains realized on our investments. As a result, our Investment Adviser may have an incentive to invest more in companies whose securities are likely to yield capital gains, as compared to income-producing securities. Such a practice could result in our investing in more speculative securities than would otherwise be the case, which could result in higher investment losses, particularly during cyclical economic downturns.

The Incentive Fee payable by us to our Investment Adviser also may create an incentive for our Investment Adviser to invest on our behalf in instruments that have a deferred interest feature. Under these investments, we accrue the interest over the life of the investment but do not receive the cash income from the investment until the end of the term. Our net investment income used to calculate the income portion of our Incentive Fee, however, includes accrued interest. Thus, a portion of this Incentive Fee is based on income that we have not yet received in cash. This risk could be increased because our Investment Adviser is not obligated to reimburse us for any Incentive Fees received even if we subsequently incur losses or never receive in cash the accrued income (including accrued income with respect to original issue discount (“OID”), payment-in-kind (“PIK”) interest and zero coupon securities).

If we increase leverage, the management fees payable to our Investment Adviser will be higher than if we did not use leverage, irrespective of the return on the incremental assets. In addition, as leverage generally would magnify positive returns, if any, on our portfolio, as noted above, the use of leverage may cause our net investment income to exceed the quarterly hurdle rate for the Incentive Fee on income payable to our Investment Adviser at a lower average return on our portfolio.

The Incentive Fee based on income takes into account our past performance.

The Incentive Fee based on income will be determined and paid quarterly in arrears at the end of each calendar quarter by reference to our aggregate net investment income, as adjusted, from the calendar quarter then ending and the eleven preceding calendar quarters (or if shorter, the number of quarters that have occurred since January 1, 2015) (such period the "Trailing Twelve Quarters"). The effect of calculating the Incentive Fee using reference to the Trailing Twelve Quarters is that, in certain limited circumstances, an Incentive Fee based on income will be payable to our Investment Adviser although our net income for such quarter did not exceed the hurdle rate or the Incentive Fee will be higher than it would have been if calculated based on our performance for the applicable quarter without taking into account the Trailing Twelve Quarters. For example, if we experience a net loss for any particular quarter, an Incentive Fee may still be paid to our Investment Adviser if such net loss is less than the net loss for the most recent quarter that preceded the Trailing Twelve Quarters. In such circumstances, our Investment Adviser would be entitled to an Incentive Fee whereas it would not have been entitled to an Incentive Fee if calculated solely on the basis of our performance for the applicable quarter.

Potential conflicts of interest with other businesses of Goldman Sachs could impact our investment returns.

There are significant potential conflicts of interest that could negatively impact our investment returns. A number of these potential conflicts of interest with affiliates of our Investment Adviser and Group Inc. are discussed in more detail elsewhere in this report.

Group Inc., including its affiliates and personnel, is a BHC and a worldwide, full-service investment banking, broker-dealer, asset management and financial services organization, and a major participant in global financial markets that provides a wide range of financial services to a substantial and diversified client base that includes corporations, financial institutions, governments and high-net-worth individuals. As such, it acts as an investor, investment banker, research provider, investment manager, financier, adviser, market maker, trader, prime broker, derivatives dealer, lender, counterparty, agent and principal. In those and other capacities, Goldman Sachs and its affiliates advise clients in all markets and transactions and purchase, sell, hold and recommend a broad array of investments, including securities, derivatives, loans, commodities, currencies, credit default swaps, indices, baskets and other financial instruments and products for its own accounts or for the accounts of their customers, and have other direct and indirect interests, in the global fixed income, currency, commodity, equity, bank loans and other markets in which we invest or may invest. Such additional businesses and interests will likely give rise to potential conflicts of interest and may restrict the way we operate our business. For example, (1) we may not be able to conduct transactions relating to investments in portfolio companies because our Investment Adviser is not permitted to obtain or use material nonpublic information in effecting purchases and sales in public securities transactions for us or (2) Goldman Sachs, the clients it advises, and its personnel may engage (or consider engaging) in commercial arrangements or transactions with us (subject to any limitations under the law), and/or may compete for commercial arrangements or transactions in the same types of companies, assets, securities or other assets or instruments as us. Transactions by, advice to and activities of such accounts (including potentially Goldman Sachs acting on a proprietary basis), may involve the same or related companies, securities or other assets or instruments as those in which we invest and may negatively affect us (including our ability to engage in a transaction or other activities) or the prices or terms at which our transactions or other activities may be effected. For example, Goldman Sachs may be engaged to provide advice to an account that is considering entering into a transaction with us, and Goldman Sachs may advise the account not to pursue the transaction with us, or otherwise in connection with a potential transaction provide advice to the account that would be adverse to us. See "—Our Investment Adviser, its principals, investment professionals and employees and the members of its Investment Committee have certain conflicts of interest" and "—Legal and Regulatory—Our ability to enter into transactions with our affiliates is restricted." In addition, GS & Co. may, to the extent permitted by applicable law, including the limitations set forth in Section 57(k) of the Investment Company Act, receive compensation from us or from the borrowers if we make any investments based on opportunities that such employees or personnel of GS & Co. have referred to us. Such compensation might incentivize GS & Co. or its employees or personnel to refer opportunities or to recommend investments that might otherwise be unsuitable for us. Further, any such compensation paid by us, or paid by the borrower (to which we would otherwise have been entitled) in connection with such investments, may negatively impact our returns. Furthermore, Goldman Sachs is currently, and in the future expects to be, raising capital for new public and private investment vehicles that have, or when formed will have, the primary purpose of middle-market direct lending. These investment vehicles, as well as existing investment vehicles (including GS PMMC and GS PMMC II), will compete with us for investments. Although our Investment Adviser and its affiliates will endeavor to allocate investment opportunities among their clients, including us, in a fair and equitable manner and consistent with applicable allocation procedures, it is expected that, in the future, we may not be given the opportunity to participate in investments made by other Accounts or that we may participate in such investments to a lesser extent due to participation by such other Accounts.

In addition, Goldman Sachs or another investment account or vehicle managed or controlled by Goldman Sachs may hold securities, loans or other instruments of a portfolio company in a different class or a different part of the capital structure than securities, loans or other instruments of such portfolio company held by us. As a result, Goldman Sachs or such other investment account or vehicle may pursue or enforce rights or activities, or refrain from pursuing or enforcing rights or activities, on behalf of its own account, that could have an adverse effect on us. In addition, to the extent Goldman Sachs has invested in a portfolio company for its own account, Goldman Sachs may limit the transactions engaged in by us with respect to such portfolio company or issuer for reputational, legal, regulatory or other reasons.

Goldman Sachs has influence, and may continue to exert influence, over our management and affairs and over most votes requiring stockholder approval.

Group Inc. has owned a significant portion of our common stock since the inception of our operations. As of December 31, 2020, Group Inc. owned 6.39% of our outstanding common stock. GS & Co., a wholly owned subsidiary of Group Inc., has acquired shares of our common stock pursuant to a 10b5-1 plan, and may in the future acquire additional shares of our common stock in the open market, but GS & Co. will limit its collective ownership with Group Inc. to below 25.0% of our outstanding common stock. Therefore, Group Inc. is able to exert, and may be able to continue to exert, influence over our management and policies and have significant voting influence on most votes requiring stockholder approval. This concentration of ownership may also have the effect of delaying, preventing or deterring a change of control of us, could deprive our stockholders of an opportunity to receive a premium for their common stock as part of a sale of us and might ultimately affect the market price of our common stock. Our Investment Adviser has the authority to vote securities held by Group Inc., including on matters that may present a conflict of interest between our Investment Adviser and other stockholders.

Our Board of Directors may change our investment objective, operating policies and strategies without prior notice or stockholder approval.

Our Board of Directors has the authority to modify or waive certain of our operating policies and strategies without prior notice (except as required by the Investment Company Act or other applicable laws) and without stockholder approval. However, absent stockholder approval, we may not change the nature of our business so as to cease to be, or withdraw our election as, a BDC. We cannot predict the effect any changes to our current operating policies and strategies would have on our business, operating results and market price of our securities. Nevertheless, the effects may adversely affect our business and impact our ability to make distributions or make payments with respect to our indebtedness.

Our Investment Adviser can resign on 60 days' notice. We may not be able to find a suitable replacement within that time, resulting in a disruption in our operations that could adversely affect our financial condition, business and results of operations.

Our Investment Adviser has the right, under the Investment Management Agreement, to resign at any time upon 60 days' written notice, regardless of whether we have found a replacement. If our Investment Adviser resigns, we may not be able to find a new external investment adviser or hire internal management with similar expertise and ability to provide the same or equivalent services on acceptable terms within 60 days, or at all. If we are unable to do so quickly, our operations are likely to experience a disruption, our financial condition, business and results of operations as well as our ability to pay distributions are likely to be adversely affected, and the market price of our securities may decline.

Our Investment Adviser's responsibilities and its liability to us are limited under the Investment Management Agreement, which may lead our Investment Adviser to act in a riskier manner on our behalf than it would when acting for its own account.

Our Investment Adviser has not assumed any responsibility to us other than to render the services described in the Investment Management Agreement, and it will not be responsible for any action of our Board of Directors in declining to follow our Investment Adviser's advice or recommendations. Pursuant to the Investment Management Agreement, our Investment Adviser and its directors, members, stockholders, partners, officers, employees or controlling persons will not be liable to us for its acts under the Investment Management Agreement, absent willful misfeasance, bad faith or gross negligence in the performance of its duties, or by reason of its reckless disregard of its obligations and duties under the Investment Management Agreement. These protections may lead our Investment Adviser to act in a riskier manner when acting on our behalf than it would when acting for its own account. See "—Our Investment Adviser will be paid the Management Fee even if the value of your investment declines and our Investment Adviser's Incentive Fee may create incentives for it to make certain kinds of investments."

We may experience fluctuations in our quarterly results.

We could experience fluctuations in our quarterly operating results due to a number of factors, including interest rates payable on debt investments we make, default rates on such investments, the level of our expenses, variations in and the timing of the recognition of realized and unrealized gains or losses, the degree to which we encounter competition in certain markets and general economic conditions. As a result of these factors, results for any period should not be relied upon as being indicative of performance in future periods or the full fiscal year.

We are exposed to risks associated with changes in interest rates.

Our debt investments may be based on floating rates, such as LIBOR, the Euro Interbank Offered Rate, the Federal Funds Rate or the Prime Rate. General interest rate fluctuations may have a substantial negative impact on our investments, the value of our securities and our rate of return on invested capital. Currently, most of our floating rate investments are linked to LIBOR and it is unclear how increased regulatory oversight and the future of LIBOR may affect market liquidity and the value of the financial obligations to be held by or issued to us that are linked to LIBOR, or how such changes could affect our investments and transactions and financial condition or results of operations. Central banks and regulators in a number of major jurisdictions (for example, the United States, United Kingdom, European Union, Switzerland and Japan) have convened working groups to find, and implement the transition to, suitable replacements for interbank offered rates ("IBORs"). The U.K. Financial Conduct Authority (the "FCA"), which regulates LIBOR, has announced that it intends not to compel panel banks to contribute to LIBOR after 2021. The E.U. Benchmarks Regulation imposed conditions under which only compliant benchmarks may be used in new contracts after 2021. To identify a successor rate for U.S. dollar LIBOR, the Alternative Reference Rates Committee ("ARRC"), a U.S.-based group convened by the Federal Reserve and the Federal Reserve Bank of New York, was formed. The ARRC has identified the Secured Overnight Financing Rate ("SOFR") as its preferred alternative rate for LIBOR. SOFR is a measure of the cost of borrowing cash overnight, collateralized by the U.S. Treasury securities, and is based on directly observable U.S. Treasury-backed repurchase transactions. In addition, on March 25, 2020, the FCA reaffirmed the central assumption that firms cannot rely on LIBOR being published after the end of 2021. However, the outbreak of COVID-19 may adversely impact the timing of many firms' transition planning, and we continue to assess the potential impact of the COVID-19 outbreak on our transition plans. Although SOFR appears to be the preferred replacement rate for U.S. dollar LIBOR, at this time, it is not possible to predict the effect of any such changes, any establishment of alternative reference rates, whether the COVID-19 outbreak will have further effect on LIBOR transition timelines or plans, or other reforms to

LIBOR that may be enacted in the United States, United Kingdom or elsewhere. Furthermore, on November 30, 2020, Intercontinental Exchange, Inc. ("ICE") announced that the ICE Benchmark Administration Limited ("IBA"), a wholly-owned subsidiary of ICE and the administrator of LIBOR, will consider extending the LIBOR transition deadline to June 30, 2023. The announcement was supported by the FCA and the Federal Reserve. Despite the announcement, regulators continue to emphasize the importance of LIBOR transition planning. The elimination of LIBOR or any other changes or reforms to the determination or supervision of LIBOR or alternative reference rates could have an adverse impact on the market for or value of any LIBOR-linked securities, loans, and other financial obligations or extensions of credit held by or due to us. In addition, if LIBOR ceases to exist, we may need to renegotiate the credit agreements extending beyond 2021 with our portfolio companies that utilize LIBOR as a factor in determining the interest rate, in order to replace LIBOR with the new standard that is established, which may have an adverse effect on our overall financial condition or results of operations. As such, some or all of these credit agreements may bear a lower interest rate, which would adversely impact our financial condition or results of operations. Moreover, if LIBOR ceases to exist, we may need to renegotiate certain terms of our Revolving Credit Facility. If we are unable to do so, amounts drawn under the Revolving Credit Facility may bear interest at a higher rate, which would increase the cost of our borrowings and, in turn, affect our results of operations.

Because we have borrowed money, and may issue preferred stock to finance investments, our net investment income depends, in part, upon the difference between the rate at which we borrow funds or pay distributions on preferred stock and the rate that our investments yield. As a result, we can offer no assurance that a significant change in market interest rates will not have a material adverse effect on our net investment income.

A reduction in the interest rates on new investments relative to interest rates on current investments could also have an adverse impact on our net interest income. However, an increase in interest rates could decrease the value of any investments we hold which earn fixed interest rates, including subordinated loans, senior and junior secured and unsecured debt securities and loans and high yield bonds, and also could increase our interest expense, thereby decreasing our net income. Also, an increase in interest rates available to investors could make an investment in our common stock less attractive if we are not able to increase our dividend rate, which could reduce the value of our common stock. Further, rising interest rates could also adversely affect our performance if such increases cause our borrowing costs to rise at a rate in excess of the rate that our investments yield.

In periods of rising interest rates, to the extent we borrow money subject to a floating interest rate, our cost of funds would increase, which could reduce our net investment income. Further, rising interest rates could also adversely affect our performance if such increases cause our borrowing costs to rise at a rate in excess of the rate that our investments yield. Further, rising interest rates could also adversely affect our performance if we hold investments with floating interest rates, subject to specified minimum interest rates (such as a LIBOR floor), while at the same time engaging in borrowings subject to floating interest rates not subject to such minimums. In such a scenario, rising interest rates may increase our interest expense, even though our interest income from investments is not increasing in a corresponding manner as a result of such minimum interest rates.

If general interest rates rise, there is a risk that the portfolio companies in which we hold floating rate securities will be unable to pay escalating interest amounts, which could result in a default under their loan documents with us. Rising interest rates could also cause portfolio companies to shift cash from other productive uses to the payment of interest, which may have a material adverse effect on their business and operations and could, over time, lead to increased defaults. In addition, rising interest rates may increase pressure on us to provide fixed rate loans to our portfolio companies, which could adversely affect our net investment income, as increases in our cost of borrowed funds would not be accompanied by increased interest income from such fixed-rate investments.

A change in the general level of interest rates can be expected to lead to a change in the interest rate we receive on many of our debt investments. Accordingly, a change in the interest rate could make it easier for us to meet or exceed the performance threshold in the Investment Management Agreement and may result in a substantial increase in the amount of incentive fees payable to our Investment Adviser with respect to the portion of the Incentive Fee based on income.

Interest rates in the United States are currently at historically low levels. Certain countries have experienced negative interest rates on certain fixed-income instruments. Very low or negative interest rates may magnify interest rate risk. Changing interest rates, including rates that fall below zero, may have unpredictable effects on markets, may result in heightened market volatility and may detract from our performance to the extent we are exposed to such interest rates and/or volatility.

We may be unable to realize the benefits anticipated by the Merger, including estimated cost savings, or it may take longer than anticipated to achieve such benefits.

The realization of certain benefits anticipated as a result of the Merger will depend in part on the integration of GS MMLC's investment portfolio with ours and the integration of GS MMLC's business with ours. There can be no assurance that GS MMLC's investment portfolio or business can be operated profitably or integrated successfully into our operations in a timely fashion or at all. The dedication of management resources to such integration may detract attention from the day-to-day business of the combined company and there can be no assurance that there will not be substantial costs associated with the transition process or there will not be other material adverse effects as a result of these integration efforts. Such effects, including, but not limited to, incurring unexpected costs or delays in connection with such integration and failure of GS MMLC's investment portfolio to perform as expected, could have a material adverse effect on the financial results of the combined company.

We also expect to achieve certain cost savings from the Merger when the two companies have fully integrated their portfolios. It is possible that the estimates of the potential cost savings could ultimately be incorrect. The cost savings estimates also assume we will be able to combine the operations of us and GS MMLC in a manner that permits those cost savings to be fully realized. If the estimates turn out to be incorrect or if we are not able to successfully combine GS MMLC's investment portfolio or business with our operations, the anticipated cost savings may not be fully realized or realized at all or may take longer to realize than expected.

Portfolio Company Investments

Our investments are very risky and highly speculative.

We invest primarily through direct originations of secured debt, including first lien, unitranche, and last-out portions of such loans; second lien debt; unsecured debt, including mezzanine debt; and select equity investments. The securities in which we invest typically are not rated by any rating agency, and if they were rated, they would be below investment grade (rated lower than “Baa3” by Moody’s Investors Service and lower than “BBB-” by Fitch Ratings or S&P), which is an indication of having predominantly speculative characteristics with respect to the issuer’s capacity to pay interest and repay principal. Investments that are rated below investment grade are sometimes referred to as “junk bonds,” “high yield bonds” or “leveraged loans.” Therefore, our investments may result in an above average amount of risk and volatility or loss of principal. We also may invest in other assets, including U.S. government securities and structured securities. These investments entail additional risks that could adversely affect our investment returns.

Secured Debt. When we make a secured debt investment, we generally take a security interest in the available assets of the portfolio company, including the equity interests of any subsidiaries, which we expect to help mitigate the risk that we will not be repaid. However, there is a risk that the collateral securing our debt investment may decrease in value over time, may be difficult to sell in a timely manner, may be difficult to appraise and may fluctuate in value based upon the success of the business and market conditions, including as a result of the inability of the portfolio company to raise additional capital. In some circumstances, our lien could be subordinated to claims of other creditors, such as trade creditors. In addition, deterioration in a portfolio company’s financial condition and prospects, including its inability to raise additional capital, may be accompanied by deterioration in the value of the collateral for the debt investment. Consequently, the fact that our debt is secured does not guarantee that we will receive principal and interest payments according to the debt investment’s terms, or at all, or that we will be able to collect on the loan, in full or at all, should we enforce our remedies.

Unsecured Debt, including Mezzanine Debt. Our unsecured debt investments, including mezzanine debt investments, generally will be subordinated to senior debt in the event of an insolvency. This may result in an above average amount of risk and loss of principal.

Equity Investments. When we invest in secured debt or unsecured debt, including mezzanine debt, we may acquire equity securities from the company in which we make the investment. In addition, we may invest in the equity securities of portfolio companies independent of any debt investment. Our goal is ultimately to dispose of such equity interests and realize gains upon our disposition of such interests. However, the equity interests we hold may not appreciate in value and, in fact, may decline in value. Accordingly, we may not be able to realize gains from our equity interests, and any gains that we do realize on the disposition of any equity interests may not be sufficient to offset any other losses we experience.

Investing in middle-market companies involves a number of significant risks.

Investing in middle-market companies involves a number of significant risks, including:

- such companies may have limited financial resources and may be unable to meet their obligations under their debt securities that we hold, which may be accompanied by a deterioration in the value of any collateral and a reduction in the likelihood of us realizing any guarantees we may have obtained in connection with our investment;
- such companies typically have shorter operating histories, narrower product lines and smaller market shares than larger businesses, which tend to render them more vulnerable to competitors’ actions and market conditions, as well as general economic downturns;
- such companies are more likely to depend on the management talents and efforts of a small group of persons; therefore, the death, disability, resignation or termination of one or more of these persons could have a material adverse impact on our portfolio company and, in turn, on us;
- such companies generally have less predictable operating results, may from time to time be parties to litigation, may be engaged in rapidly changing businesses with products subject to a substantial risk of obsolescence and may require substantial additional capital to support their operations, finance expansion or maintain their competitive position;
- there is generally little public information about these companies, they and their financial information are not subject to the reporting requirements of the Exchange Act and other regulations that govern public companies and we may be unable to uncover all material information about these companies, which may prevent us from making a fully informed investment decision and cause us to lose money on our investments;
- our executive officers, directors and Investment Adviser may, in the ordinary course of business, be named as defendants in litigation arising from our investments in the portfolio companies; and
- such companies may have difficulty accessing the capital markets to meet future capital needs, which may limit their ability to grow or to repay their outstanding indebtedness, including any debt securities held by us, upon maturity.

Many of our portfolio securities do not have a readily available market price, and we value these securities at fair value as determined in good faith under procedures adopted by our Board of Directors, which valuation is inherently subjective and may not reflect what we may actually realize for the sale of the investment.

The majority of our investments are, and are expected to continue to be, in debt instruments that do not have readily ascertainable market prices. The fair value of assets that are not publicly traded or whose market prices are not readily available are determined in good faith under procedures adopted by our Board of Directors. Our Board of Directors utilizes the services of independent third-party valuation firms (“Independent Valuation Advisors”) in determining the fair value of a portion of the securities in our portfolio as of each quarter end. Investment professionals from our

Investment Adviser also prepare portfolio company valuations using sources and/or proprietary models depending on the availability of information on our assets and the type of asset being valued, all in accordance with our valuation policy. The participation of our Investment Adviser in our valuation process could result in a conflict of interest, since the Management Fee is based in part on our gross assets and also because our Investment Adviser is receiving a performance-based Incentive Fee.

Because fair valuations, and particularly fair valuations of private securities and private companies, are inherently uncertain, may fluctuate over short periods of time and are often based to a large extent on estimates, comparisons and qualitative evaluations of private information, it may be more difficult for investors to value accurately our investments and could lead to undervaluation or overvaluation of our common stock. In addition, the valuation of these types of securities may result in substantial write-downs and earnings volatility.

Our NAV as of a particular date may be materially greater than or less than the value that would be realized if our assets were to be liquidated as of such date. For example, if we were required to sell a certain asset or all or a substantial portion of our assets on a particular date, the actual price that we would realize upon the disposition of such asset or assets could be materially less than the value of such asset or assets as reflected in our NAV. Volatile market conditions could also cause reduced liquidity in the market for certain assets, which could result in liquidation values that are materially less than the values of such assets as reflected in our NAV.

The lack of liquidity in our investments may adversely affect our business.

Various restrictions render our investments relatively illiquid, which may adversely affect our business. As we generally make investments in private companies, substantially all of these investments are subject to legal and other restrictions on resale or are otherwise less liquid than publicly traded securities. Our Investment Adviser is not permitted to obtain or use material non-public information in effecting purchases and sales in public securities transactions for us, which could create an additional limitation on the liquidity of our investments. The illiquidity of our investments may make it difficult for us to sell such investments if the need arises. Therefore, if we are required to or desire to liquidate all or a portion of our portfolio quickly, we could realize significantly less than the value at which we have recorded our investments or could be unable to dispose of our investments in a timely manner or at such times as we deem advisable.

Our portfolio may be focused in a limited number of portfolio companies, which will subject us to a risk of significant loss if any of these companies default on their obligations under any of their debt instruments or if there is a downturn in a particular industry.

We are classified as a non-diversified investment company within the meaning of the Investment Company Act, which means that we are not limited by the Investment Company Act with respect to the proportion of our assets that we may invest in securities of a single issuer, excluding limitations on investments in certain other financial and investment companies. To the extent that we assume large positions in the securities of a small number of issuers or industries, our NAV may fluctuate to a greater extent than that of a diversified investment company as a result of changes in the financial condition or the market's assessment of the issuer. We may also be more susceptible to any single economic or regulatory occurrence than a diversified investment company. In addition, the aggregate returns we realize may be significantly adversely affected if a small number of investments perform poorly or if we need to write down the value of any one investment. Additionally, a downturn in any particular industry in which we are invested could significantly affect our aggregate returns. Further, any industry in which we are meaningfully concentrated at any given time could be subject to significant risks that could adversely impact our aggregate returns. For example, as of December 31, 2020, Health Care Technology, together with Health Care Providers & Services and Health Care Equipment & Supplies, represented 23.1% of our portfolio at fair value. Our investments in Health Care Technology, Health Care Providers & Services and Health Care Equipment & Supplies are subject to substantial risks, including, but not limited to, the risk that the laws and regulations governing the business of health care companies, and interpretations thereof, may change frequently. Current or future laws and regulations could force our portfolio companies engaged in health care, to change their policies related to how they operate, restrict revenue, change costs, change reserve levels and change business practices. In addition, as of December 31, 2020, Software represented 10.1% of our portfolio at fair value. Our investments in Software is subject to substantial risks, including, but not limited to, intense competition, changing technology, shifting user needs, frequent introductions of new products and services, competitors in different industries and ranging from large established companies to emerging startups, decreasing average selling prices of products and services resulting from rapid technological changes, cybersecurity risks and cyber incidents and various legal and regulatory risks.

We may not be in a position to exercise control over our portfolio companies or to prevent decisions by management of our portfolio companies that could decrease the value of our investments.

We do not generally hold controlling equity positions in our portfolio companies. While we are obligated as a BDC to offer to make managerial assistance available to our portfolio companies, there can be no assurance that management personnel of our portfolio companies will accept or rely on such assistance. To the extent that we do not hold a controlling equity interest in a portfolio company, we are subject to the risk that such portfolio company may make business decisions with which we disagree, and the stockholders and management of such portfolio company may take risks or otherwise act in ways that are adverse to our interests. Due to the lack of liquidity for the debt and equity investments that we typically hold in our portfolio companies, we may not be able to dispose of our investments in the event we disagree with the actions of a portfolio company and may therefore suffer a decrease in the value of our investments.

In addition, we may not be in a position to control any portfolio company by investing in its debt securities. As a result, we are subject to the risk that a portfolio company in which we invest may make business decisions with which we disagree and the management of such company, as representatives of the holders of their common equity, may take risks or otherwise act in ways that do not serve our interests as debt investors.

We may be subject to risks associated with investments in real estate loans.

Our Investment Adviser, on our behalf, may periodically invest in loans related to real estate and real estate-related assets, and such investments will be subject to the risks inherent to investment in real estate-related assets generally. These risks include, but are not limited to, regional, national and international economic conditions, the supply and demand for properties, the financial resources of tenants, buyers and sellers of properties, changes in building, environmental, zoning and other laws and regulations, changes in real property tax rates, changes in interest rates and the availability of financing, which may render the sale or refinancing of properties difficult or impracticable, environmental liabilities, uninsured losses, acts of God, natural disasters, terrorist attacks, acts of war (declared and undeclared), strikes and other factors which are beyond the control of our Investment Adviser and us.

We may be subject to risks associated with investments in energy companies.

The energy industry has been in a period of disruption and volatility that has been characterized by fluctuations in oil and gas prices and production levels. This disruption and volatility has led to, and future disruptions and volatility may lead to, decreases in the credit quality and performance of our potential debt and equity investments in energy companies, which could, in turn, negatively impact the fair value of our investments in energy companies. Any prolonged decline in oil and gas prices or production levels could adversely impact the ability of our potential portfolio companies in the energy industry to satisfy financial or operating covenants that may be imposed by us and other lenders or to make payments to us as and when due, which could have a material adverse effect on our business, financial condition and results of operations. In addition, energy companies are subject to supply and demand fluctuations in the markets in which they operate, which are impacted by numerous factors, including weather, use of renewable fuel sources, natural disasters, governmental regulation and general economic conditions, in addition to the effects of increasing regulation and general operational risks, any of which could have a material adverse effect on the performance and value of our energy-related investments as well as our cash flows from such investments.

Our failure to make follow-on investments in our portfolio companies could impair the value of our portfolio.

Following an initial investment in a portfolio company, we may make additional investments in that portfolio company as "follow-on" investments, in order to:

- increase or maintain in whole or in part our equity ownership percentage or debt participation;
- exercise warrants, options or convertible securities that were acquired in the original or subsequent financing; or
- attempt to preserve or enhance the value of our investment.

We may elect not to make follow-on investments or may lack sufficient funds to make those investments.

We will have the discretion to make any follow-on investments, subject to the availability of capital resources. The failure to make follow-on investments may, in some circumstances, jeopardize the continued viability of a portfolio company and our initial investment, or may result in a missed opportunity for us to increase our participation in a successful operation. Even if we have sufficient capital to make a desired follow-on investment, we may elect not to make a follow-on investment because we may not want to increase our concentration of risk, because we prefer other opportunities or because we are inhibited by compliance with BDC requirements, compliance with covenants contained in the agreements governing our indebtedness or compliance with the requirements for maintenance of our RIC status.

Our portfolio companies may prepay loans, which may reduce stated yields in the future if the capital returned cannot be invested in transactions with equal or greater expected yields.

Certain of the loans we make are prepayable at any time, with some prepayable at no premium to par. We cannot predict when such loans may be prepaid. Whether a loan is prepaid will depend both on the continued positive performance of the portfolio company and the existence of favorable financing market conditions that permit such company to replace existing financing with less expensive capital. In periods of rising interest rates, the risk of prepayment of floating rate loans may increase if other financing sources are available. As market conditions change frequently, it is unknown when, and if, this may be possible for each portfolio company. In the case of some of these loans, having the loan prepaid early may reduce the achievable yield for us in the future below the current yield disclosed for our portfolio if the capital returned cannot be invested in transactions with equal or greater expected yields.

Investments in common and preferred equity securities, many of which are illiquid with no readily available market, involve a substantial degree of risk.

Although common stock has historically generated higher average total returns than fixed income securities over the long term, common stock also has experienced significantly more volatility in those returns. Our equity investments may fail to appreciate and may decline in value or become worthless, and our ability to recover our investment will depend on our portfolio company's success. Investments in equity securities involve a number of significant risks, including:

- any equity investment we make in a portfolio company could be subject to further dilution as a result of the issuance of additional equity interests and to serious risks as a junior security that will be subordinate to all indebtedness (including trade creditors) or senior securities in the event that the issuer is unable to meet its obligations or becomes subject to a bankruptcy process;
- to the extent that the portfolio company requires additional capital and is unable to obtain it, we may not recover our investment; and
- in some cases, equity securities in which we invest will not pay current dividends, and our ability to realize a return on our investment, as well as to recover our investment, will be dependent on the success of the portfolio company.

Even if the portfolio company is successful, our ability to realize the value of our investment may be dependent on the occurrence of a liquidity event, such as a public offering or the sale of the portfolio company. It is likely to take a significant amount of time before a liquidity event occurs or we can otherwise sell our investment. In addition, the equity securities we receive or invest in may be subject to restrictions on resale during periods in which it could be advantageous to sell them.

There are special risks associated with investing in preferred securities, including:

- preferred securities may include provisions that permit the issuer, at its discretion, to defer distributions for a stated period without any adverse consequences to the issuer. If we own a preferred security that is deferring its distributions, we may be required to report income for tax purposes before we receive such distributions;
- preferred securities are subordinated to debt in terms of priority to income and liquidation payments, and therefore will be subject to greater credit risk than debt;
- preferred securities may be substantially less liquid than many other securities, such as common stock or U.S. government securities; and
- generally, preferred security holders have no voting rights with respect to the issuing company, subject to limited exceptions.

Additionally, when we invest in debt securities, we may acquire warrants or other equity securities as well. Our goal is ultimately to dispose of such equity interests and realize gains upon our disposition of such interests. However, the equity interests we receive may not appreciate in value and, in fact, may decline in value. Accordingly, we may not be able to realize gains from our equity interests and any gains that we do realize on the disposition of any equity interests may not be sufficient to offset any other losses we experience.

We may invest, to the extent permitted by law, in the equity securities of investment funds that are operating pursuant to certain exceptions to the Investment Company Act and, to the extent we so invest, will bear our ratable share of any such company's expenses, including management and performance fees. We will also remain obligated to pay the Management Fee and Incentive Fee to our Investment Adviser with respect to the assets invested in the securities and instruments of such companies. With respect to each of these investments, each of our common stockholders will bear his or her share of the Management Fee and Incentive Fee due to our Investment Adviser as well as indirectly bearing the management and performance fees and other expenses of any such investment funds or advisers.

By originating loans to companies that are experiencing significant financial or business difficulties, we may be exposed to distressed lending risks.

As part of our lending activities, we may originate loans to companies that are experiencing significant financial or business difficulties, including companies involved in bankruptcy or other reorganization and liquidation proceedings. Although the terms of such financing may result in significant financial returns to us, they involve a substantial degree of risk. The level of analytical sophistication, both financial and legal, necessary for successful financing to companies experiencing significant business and financial difficulties is unusually high. There is no assurance that we will correctly evaluate the value of the assets collateralizing our loans or the prospects for a successful reorganization or similar action. In any reorganization or liquidation proceeding relating to a company that we fund, we may lose all or part of the amounts advanced to the borrower or may be required to accept collateral with a value less than the amount of the loan advanced by us to the borrower.

We may be exposed to special risks associated with bankruptcy cases.

Many of the events within a bankruptcy case are adversarial and often beyond the control of the creditors. While creditors generally are afforded an opportunity to object to significant actions, there can be no assurance that a bankruptcy court would not approve actions that may be contrary to our interests. Furthermore, there are instances where creditors can lose their ranking and priority if they are considered to have taken over management of a borrower.

The reorganization of a company can involve substantial legal, professional and administrative costs to a lender and the borrower; it is subject to unpredictable and lengthy delays; and during the process a company's competitive position may erode, key management may depart and a company may not be able to invest its capital adequately. In some cases, the debtor company may not be able to reorganize and may be required to liquidate assets. The debt of companies in financial reorganization will, in most cases, not pay current interest, may not accrue interest during reorganization and may be adversely affected by an erosion of the issuer's fundamental value.

In addition, lenders can be subject to lender liability claims for actions taken by them where they become too involved in the borrower's business or exercise control over the borrower. For example, we could become subject to a lender's liability claim, if, among other things, the borrower requests significant managerial assistance from us and we provide such assistance as contemplated by the Investment Company Act.

Declines in market prices and liquidity in the corporate debt markets can result in significant net unrealized depreciation of our portfolio, which in turn would affect our results of operations.

As a BDC, we are required to carry our investments at market value or, if no market value is ascertainable, at fair value as determined in good faith under procedures adopted by our Board of Directors. We may take into account the following types of factors, if relevant, in determining the fair value of our investments: the enterprise value of a portfolio company (the entire value of the portfolio company to a market participant, including the sum of the values of debt and equity securities used to capitalize the enterprise at a point in time), the nature and realizable value of any collateral, the portfolio company's ability to make payments and its earnings and discounted cash flow (taking into consideration current market interest rates and credit spreads), the markets in which the portfolio company does business, a comparison of the portfolio company's securities to similar publicly traded securities and other relevant factors. When an external event such as a purchase transaction, public offering or subsequent equity sale occurs, we use the pricing indicated by the external event to corroborate our valuation. While most of our investments are not publicly traded, applicable accounting standards require us to assume as part of our valuation process that our investments are sold in a principal market to market participants (even if we plan on holding an investment through its maturity). As a result, volatility in the capital markets can also adversely affect our investment valuations. Decreases in the market values or fair values of our investments are recorded as unrealized depreciation. The effect of all of these factors on our portfolio can reduce our NAV by increasing net unrealized depreciation in our portfolio. Depending on market conditions, we could incur substantial realized losses and may suffer unrealized losses, which could have a material adverse impact on our business, financial condition and results of operations.

Economic recessions or downturns could impair our portfolio companies and harm our operating results.

Our portfolio companies may be susceptible to economic downturns or recessions and may be unable to repay our loans during these periods. Therefore, during these periods our non-performing assets may increase and the value of our portfolio may decrease if we are required to write down the values of our investments. Adverse economic conditions may also decrease the value of collateral securing some of our loans and the value of our equity investments. Economic slowdowns or recessions could lead to financial losses in our portfolio and a decrease in revenues, net income and assets. Unfavorable economic conditions also could increase our funding costs, limit our access to the capital markets or result in a decision by lenders not to extend credit to us. These events could prevent us from increasing investments and harm our operating results.

A portfolio company's failure to satisfy financial or operating covenants imposed by us or other lenders could lead to defaults and, potentially, acceleration of the time when the loans are due and foreclosure on the portfolio company's assets representing collateral for its obligations. This could trigger cross defaults under other agreements and jeopardize our portfolio company's ability to meet its obligations under the debt that we hold and the value of any equity securities we own. We may incur expenses to the extent necessary to seek recovery upon default or to negotiate new terms with a defaulting portfolio company.

Our portfolio companies may have incurred or issued, or may in the future incur or issue, debt or equity securities that rank equally with, or senior to, our investments in such companies, which could have an adverse effect on us in any liquidation of the portfolio company.

Our portfolio companies may have, or may be permitted to incur, other debt, or issue other equity securities that rank equally with, or senior to, our investments. By their terms, such instruments may provide that the holders are entitled to receive payment of dividends, interest or principal on or before the dates on which we are entitled to receive payments in respect of our investments. These debt instruments would usually prohibit the portfolio companies from paying interest on or repaying our investments in the event and during the continuance of a default under such debt. Also, in the event of insolvency, liquidation, dissolution, reorganization or bankruptcy of a portfolio company, holders of securities ranking senior to our investment in that portfolio company typically are entitled to receive payment in full before we receive any distribution in respect of our investment. After repaying such holders, the portfolio company may not have any remaining assets to use for repaying its obligation to us. In the case of securities ranking equally with our investments, we would have to share on an equal basis any distributions with other security holders in the event of an insolvency, liquidation, dissolution, reorganization or bankruptcy of the relevant portfolio company.

Additionally, certain loans that we make to portfolio companies may be secured on a second priority basis by the same collateral securing senior secured debt, which will be secured on a first priority basis. The first priority liens on the collateral will secure the portfolio company's obligations under any outstanding senior debt and may secure certain other future debt that may be permitted to be incurred by the portfolio company under the agreements governing the loans. The holders of obligations secured by the first priority liens on the collateral will generally control the liquidation of and be entitled to receive proceeds from any realization of the collateral to repay their obligations in full before us. In addition, the value of the collateral in the event of liquidation will depend on market and economic conditions, the availability of buyers and other factors. There can be no assurance that the proceeds, if any, from the sale or sales of all of the collateral would be sufficient to satisfy the loan obligations secured by the second priority liens after payment in full of all obligations secured by the first priority liens. If such proceeds are not sufficient to repay amounts outstanding under the loan obligations secured by the second priority liens, then we, to the extent not repaid from the proceeds of the sale of the collateral, will only have an unsecured claim against the portfolio company's remaining assets, if any.

The rights we may have with respect to the collateral securing any junior priority loans we make to our portfolio companies may also be limited pursuant to the terms of one or more intercreditor agreements that we enter into with the holders of senior debt. Under such an intercreditor agreement, at any time that senior obligations are outstanding, we may forfeit certain rights with respect to the collateral to the holders of the senior obligations. These rights may include the right to commence enforcement proceedings against the collateral, the right to control the conduct of such enforcement proceedings, the right to approve amendments to collateral documents, the right to release liens on the collateral and the right to waive past defaults under collateral documents. We may not have the ability to control or direct such actions, even if our rights as junior lenders are adversely affected. In addition, a bankruptcy court may choose not to enforce an intercreditor agreement or other arrangement with creditors. Similar risks to the foregoing may apply where we hold the last-out piece of a unitranche loan.

We may also make unsecured loans to portfolio companies, meaning that such loans will not benefit from any interest in collateral of such companies. Liens on such portfolio companies' collateral, if any, will secure the portfolio company's obligations under its outstanding secured debt and may secure certain future debt that is permitted to be incurred by the portfolio company under its secured loan agreements. The holders of obligations secured by such liens will generally control the liquidation of, and be entitled to receive proceeds from, any realization of such collateral to repay their obligations in full before us. In addition, the value of such collateral in the event of liquidation will depend on market and economic conditions, the availability of buyers and other factors. There can be no assurance that the proceeds, if any, from sales of such collateral would be sufficient to satisfy our unsecured loan obligations after payment in full of all secured loan obligations. If such proceeds were not sufficient to repay the outstanding secured loan obligations, then our unsecured claims would rank equally with the unpaid portion of such secured creditors' claims against the portfolio company's remaining assets, if any.

Our portfolio companies may be highly leveraged.

Some of our portfolio companies may be highly leveraged, which may have adverse consequences to these companies and to us as an investor. These companies may be subject to restrictive financial and operating covenants and the leverage may impair these companies' ability to finance their future operations and capital needs. As a result, these companies' flexibility to respond to changing business and economic conditions and to take advantage of business opportunities may be limited. Further, a leveraged company's income and net assets will tend to increase or decrease at a greater rate than if borrowed money were not used.

Our investments in non-U.S. companies may involve significant risks in addition to the risks inherent in U.S. investments.

Our investment strategy contemplates potential investments in securities of non-U.S. companies to the extent permissible under the Investment Company Act. Investing in non-U.S. companies may expose us to additional risks not typically associated with investing in U.S. companies. These risks include changes in exchange control regulations, political and social instability, expropriation, imposition of non-U.S. taxes (potentially at confiscatory levels), less liquid markets, less available information than is generally the case in the United States, higher transaction costs, less government supervision of exchanges, brokers and issuers, less developed bankruptcy laws, difficulty in enforcing contractual obligations, lack of uniform accounting and auditing standards and greater price volatility. These risks are likely to be more pronounced for investments in companies located in emerging markets and particularly for middle-market companies in these economies.

Although most of our investments are denominated in U.S. dollars, our investments that are denominated in a non-U.S. currency will be subject to the risk that the value of a particular currency will change in relation to the U.S. dollar. Among the factors that may affect currency values are trade balances, the level of short-term interest rates, differences in relative values of similar assets in different currencies, long-term opportunities for investment and capital appreciation and political developments. We may employ hedging techniques to minimize these risks, but we cannot assure you that such strategies will be effective or without risk to us.

We may expose ourselves to risks if we engage in hedging transactions.

Subject to applicable provisions of the Investment Company Act and applicable CFTC regulations, we may enter into hedging transactions in a manner consistent with SEC guidance, which may expose us to risks associated with such transactions. Such hedging may utilize instruments such as forward contracts, currency options and interest rate swaps, caps, collars and floors to seek to hedge against fluctuations in the relative values of our portfolio positions from changes in currency exchange rates and market interest rates. Use of these hedging instruments may include counter-party credit risk.

Hedging against a decline in the values of our portfolio positions does not eliminate the possibility of fluctuations in the values of such positions or prevent losses if the values of such positions decline. However, such hedging can establish other positions designed to gain from those same developments, thereby offsetting the decline in the value of such portfolio positions. Such hedging transactions may also limit the opportunity for gain if the values of the underlying portfolio positions should increase. Moreover, it may not be possible to hedge against an exchange rate or interest rate fluctuation that is so generally anticipated that we are not able to enter into a hedging transaction at an acceptable price.

The success of any hedging transactions we may enter into will depend on our ability to correctly predict movements in currencies and interest rates. Therefore, while we may enter into such transactions to seek to reduce currency exchange rate and interest rate risks, unanticipated changes in currency exchange rates or interest rates may result in poorer overall investment performance than if we had not engaged in any such hedging transactions. In addition, the degree of correlation between price movements of the instruments used in a hedging strategy and price movements in the portfolio positions being hedged may vary. Moreover, for a variety of reasons, we may not seek to (or be able to) establish a perfect correlation between such hedging instruments and the portfolio holdings being hedged. Any such imperfect correlation may prevent us from achieving the intended hedge and expose us to risk of loss. In addition, it may not be possible to hedge fully or perfectly against currency fluctuations affecting the value of securities denominated in non-U.S. currencies because the value of those securities is likely to fluctuate as a result of factors not related to currency fluctuations. See also "—Our Business and Structure—We are exposed to risks associated with changes in interest rates."

We may form one or more CLOs, which may subject us to certain structured financing risks.

To the extent permissible under risk retention rules adopted pursuant to Section 941 of the Dodd-Frank Act and applicable provisions of the Investment Company Act, to finance investments, we may securitize certain of our investments, including through the formation of one or more CLOs, while retaining all or most of the exposure to the performance of these investments. This would involve contributing a pool of assets to a special purpose entity, and selling debt interests in such entity on a non-recourse or limited-recourse basis to purchasers. Any interest in any such CLO held by us may be considered a "non-qualifying asset" for purposes of Section 55 of the Investment Company Act.

If we create a CLO, we will depend on distributions from the CLO's assets out of its earnings and cash flows to enable us to make distributions to our stockholders. The ability of a CLO to make distributions will be subject to various limitations, including the terms and covenants of the debt it issues. For example, tests (based on interest coverage or other financial ratios or other criteria) may restrict our ability, as holder of a CLO's equity interests, to receive cash flow from these investments. There is no assurance any such performance tests will be satisfied. Also, a CLO may take actions that delay distributions in order to preserve ratings and to keep the cost of present and future financings lower or the CLO may be obligated to retain cash or other assets to satisfy over-collateralization requirements commonly provided for holders of the CLO's debt. As a result, there may be a lag, which could be significant, between the repayment or other realization on a loan or other assets in, and the distribution of cash out of, a CLO, or cash flow may be completely restricted for the life of the CLO. If we do not receive cash flow from any such CLO that is necessary to satisfy the annual distribution requirement for maintaining our RIC status, and we are unable to obtain cash from other sources necessary to satisfy this requirement, we could fail to maintain our status as a RIC, which would have a material adverse effect on our financial performance.

In addition, a decline in the credit quality of loans in a CLO due to poor operating results of the relevant borrower, declines in the value of loan collateral or increases in defaults, among other things, may force a CLO to sell certain assets at a loss, reducing their earnings and, in turn, cash potentially available for distribution to us for distribution to our stockholders.

To the extent that any losses are incurred by the CLO in respect of any collateral, such losses will be borne first by us as owner of equity interests. Finally, any equity interests that we retain in a CLO will not be secured by the assets of the CLO and we will rank behind all creditors of the CLO.

Our Securities

Investing in our securities involves an above average degree of risk.

The investments we make in accordance with our investment objective may result in a higher amount of risk than alternative investment options and volatility or loss of principal. Our investments in portfolio companies may be highly speculative and aggressive, and therefore an investment in our securities may not be suitable for someone with lower risk tolerance.

The market price of our securities may fluctuate significantly.

The market price and liquidity of the market for our securities may be significantly affected by numerous factors, some of which are beyond our control and may not be directly related to our operating performance. These factors include:

- significant volatility in the market price and trading volume of securities of BDCs or other companies in our sector, which are not necessarily related to the operating performance of these companies;
- price and volume fluctuations in the overall stock market from time to time;
- the inclusion or exclusion of our securities from certain indices;
- changes in regulatory policies or tax guidelines, particularly with respect to RICs or BDCs;
- any loss of RIC or BDC status;
- changes in earnings or perceived changes or variations in operating results;
- changes or perceived changes in the value of our portfolio of investments;
- changes in accounting guidelines governing valuation of our investments;
- any shortfall in revenue or net income or any increase in losses from levels expected by investors or securities analysts;
- the inability of our Investment Adviser to employ additional experienced investment professionals or the departure of any of our Investment Adviser's key personnel;
- short-selling pressure with respect to shares of our common stock or BDCs generally;
- future sales of our securities convertible into or exchangeable or exercisable for our common stock or the conversion of such securities;
- uncertainty surrounding the strength of the U.S. economic recovery;
- concerns regarding European sovereign debt;
- operating performance of companies comparable to us;
- general economic trends and other external factors; and
- loss of a major funding source.

In the past, following periods of volatility in the market price of a company's securities, securities class action litigation has often been brought against that company. If our stock price fluctuates significantly, we may be the target of securities litigation in the future. Securities litigation could result in substantial costs and divert management's attention and resources from our business.

Shares of closed-end investment companies, including BDCs, frequently trade at a discount to their NAV per share.

We cannot predict the prices at which our common stock will trade. Shares of closed-end investment companies, including BDCs, frequently trade at a discount from their NAV and our common stock may also be discounted in the market. This characteristic of closed-end investment companies is separate and distinct from the risk that our NAV per share of common stock may decline. We cannot predict whether our common stock will trade at, above or below NAV. In addition, if our common stock trades below its NAV, we will generally not be able to sell additional shares of our common stock to the public at its market price without first obtaining the approval of a majority of our stockholders (including a majority of our unaffiliated stockholders) and our Independent Directors for such issuance.

Sales of substantial amounts of our common stock in the public market may have a material adverse effect on the market price of our common stock.

Sales of substantial amounts of our common stock, the availability of such common stock for sale (including as a result of the conversion of our 4.50% Convertible Notes due 2022 (the "Convertible Notes") into common stock) or the perception that such sales could occur could materially adversely affect the prevailing market price for our common stock. Both the sale of a substantial amount of our securities and the perception that such sales could occur could impair our ability to raise additional capital through the sale of equity securities should we desire to do so. Additionally, as an owner of approximately 6.39% of our common stock as of December 31, 2020, Group Inc. is a significant stockholder that may decide to sell a substantial amount of its common stock, subject to applicable securities laws, and such a sale would exacerbate the effects described above.

Our stockholders may experience dilution upon the conversion of our Convertible Notes.

Our Convertible Notes are convertible into shares of our common stock beginning on October 1, 2021 or, under certain circumstances, earlier. Upon conversion of the Convertible Notes, we have the choice to pay or deliver, as the case may be, at our election, cash, shares of our common stock or a combination of cash and shares of our common stock. The initial conversion price of the Convertible Notes is $24.49, subject to adjustment in certain circumstances. If we elect to deliver shares of common stock upon a conversion at the time our NAV per share exceeds the conversion price in effect at such time, our stockholders may incur dilution. In addition, our stockholders will experience dilution in their ownership percentage of common stock upon our issuance of common stock in connection with the conversion of the Convertible Notes and any dividends paid on our common stock will also be paid on shares issued in connection with such conversion after such issuance.

Our stockholders will experience dilution in their ownership percentage if they opt out of our dividend reinvestment plan.

We have adopted a dividend reinvestment plan pursuant to which we reinvest all cash distributions declared by the Board of Directors on behalf of investors who do not elect to receive their distributions in cash. As a result, if the Board of Directors declares a cash distribution, then our stockholders who have not opted out of our dividend reinvestment plan will have their cash distributions automatically reinvested in additional shares of our common stock, rather than receiving the cash distribution. See "Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities—Distributions" and "Item 1. Business—Dividend Reinvestment Plan" for a description of our distribution policy and obligations.

If, on the payment date for any distribution, the most recently computed NAV per share is equal to or less than the closing market price plus estimated per share fees (which include any applicable brokerage commissions the plan agent is required to pay), the plan agent will invest the distribution amount in newly issued shares on behalf of the participants. The number of newly issued shares to be credited to a participant's account will be determined by dividing the dollar amount of the distribution by the most recently computed NAV per share provided that, if the NAV is less than or equal to 95% of the then current market price per share, the dollar amount of the distribution will be divided by 95% of the market price on the payment date. Accordingly, participants in the dividend reinvestment plan may receive a greater number shares of our common stock than the number of shares associated with the market price of our common stock, resulting in dilution for other stockholders. Stockholders that opt out of our dividend reinvestment plan will experience dilution in their ownership percentage of our common stock over time. See "Item 1. Business—Dividend Reinvestment Plan."

Our stockholders that do not opt out of our dividend reinvestment plan should generally expect to have current tax liabilities without receiving cash to pay such liabilities.

Under our dividend reinvestment plan, if we declare a cash distribution, our stockholders who have not elected to "opt out" will have their cash distributions automatically reinvested in additional shares of our common stock, rather than receiving the cash distributions. Stockholders who receive distributions in the form of shares of our common stock generally are subject to the same U.S. federal, state and local tax consequences as stockholders who elect to receive their distributions in cash; however, since their distributions will be reinvested, those stockholders will not receive cash with which to pay any applicable taxes on such reinvested distributions. As a result, stockholders that have not opted out of our dividend reinvestment plan may have to use funds from other sources to pay any tax liabilities imposed upon them based on the value of the common stock received. See "Item 1. Business—Dividend Reinvestment Plan."

We may in the future determine to issue preferred stock, which could adversely affect the market value of our common stock.

The issuance of shares of preferred stock with dividend or conversion rights, liquidation preferences or other economic terms favorable to the holders of preferred stock could adversely affect the market price for our common stock by making an investment in the common stock less attractive. In addition, the dividends on any preferred stock we issue must be cumulative. Payment of dividends and repayment of the liquidation preference of preferred stock must take preference over any distributions or other payments to our common stockholders, and holders of preferred stock are not subject to any of our expenses or losses and are not entitled to participate in any income or appreciation in excess of their stated preference (other than convertible preferred stock that converts into common stock). In addition, under the Investment Company Act, participating preferred stock and preferred stock constitutes a "senior security" for purposes of the 150% asset coverage test. See "—Regulations governing our operation as a BDC affect our ability to, and the way in which we, raise additional capital. These constraints may hinder our Investment Adviser's ability to take advantage of attractive investment opportunities and to achieve our investment objective."

Certain provisions of our certificate of incorporation and bylaws and the Delaware General Corporation Law ("DGCL"), as well as other aspects of our structure, including the substantial ownership interest of Group Inc., could deter takeover attempts and have an adverse impact on the price of our common stock.

Our certificate of incorporation and bylaws, as well as the DGCL, contain provisions that may have the effect of discouraging a third party from making an acquisition proposal for us. Among other things, our certificate of incorporation and bylaws:

- provide that our Board of Directors is classified, which may delay the ability of our stockholders to change the membership of a majority of our Board of Directors;
- do not provide for cumulative voting;
- provide that vacancies on our Board of Directors, including newly created directorships, may be filled only by a majority vote of directors then in office;
- provide that our directors may be removed only for cause, and only by a supermajority vote of the stockholders entitled to elect such directors;
- provide that stockholders may only take action at an annual or special meeting of stockholders, and may not act by written consent;
- restrict stockholders' ability to call special meetings;
- require a supermajority vote of stockholders to effect certain amendments to our certificate of incorporation and bylaws; and
- require stockholders to provide advance notice of new business proposals and director nominations under specific procedures.

We have provisions comparable to those of Section 203 of the DGCL (other than with respect to Group Inc. and its affiliates and certain of its or their direct or indirect transferees and any group as to which such persons are a party). These provisions generally prohibit us from engaging in mergers, business combinations and certain other types of transactions with "interested stockholders" (generally defined as persons or entities that beneficially own 15% or more of our voting stock), other than the exempt parties as described above, for a period of three years following the date the person became an interested stockholder unless, prior to such stockholder becoming an interested stockholder, our Board of Directors has approved the "business combination" that would otherwise be restricted or the transaction that resulted in the interested stockholder becoming an interested stockholder or the subsequent transaction with the interested stockholder has been approved by our Board of Directors and 662/3% of our outstanding voting stock (other than voting stock owned by the interested stockholder). Such provisions may discourage third parties from trying to acquire control of us and increase the difficulty of consummating such an offer.

These anti-takeover provisions may inhibit a change of control in circumstances that could give the holders of our common stock the opportunity to realize a premium over the market price for the common stock. In addition, certain aspects of our structure, including the substantial ownership interest of Group Inc., may have the effect of discouraging a third party from making an acquisition proposal for us.

We may not be able to pay you distributions on our common stock or preferred stock, our distributions to you may not grow over time and a portion of our distributions to you may be a return of capital for U.S. federal income tax purposes.

We intend to pay quarterly distributions to our stockholders out of assets legally available for distribution. We cannot assure you that we will achieve investment results that will allow us to make a specified level of cash distributions or year-to-year increases in cash distributions. If we are unable to satisfy the asset coverage test applicable to us as a BDC, or if we violate certain covenants under our Revolving Credit Facility and other debt financing agreements, our ability to pay distributions to our stockholders could be limited. All distributions will be paid at the discretion of our Board of Directors and will depend on our earnings, financial condition, maintenance of our RIC status, compliance with applicable BDC regulations, compliance with covenants under our Revolving Credit Facility and other debt financing agreements and such other factors as our Board of Directors may deem relevant from time to time.

The distributions we pay to our stockholders in a year may exceed our net ordinary income and capital gains for that year and, accordingly, a portion of such distributions may constitute a return of capital for U.S. federal income tax purposes that would reduce a stockholder's adjusted tax basis in its shares of our common stock or preferred stock and correspondingly increase such stockholder's gain, or reduce such stockholder's loss, on disposition of such shares. Distributions in excess of a stockholder's adjusted tax basis in its shares of our common stock or preferred stock will generally constitute capital gains to such stockholder.

Stockholders who periodically receive the payment of a distribution from a RIC consisting of a return of capital for U.S. federal income tax purposes may be under the impression that they are receiving a distribution of the RIC's net ordinary income or capital gains when they are not. Accordingly, stockholders should read carefully any written disclosure accompanying a distribution from us and the information about the specific tax characteristics of our distributions provided to stockholders after the end of each calendar year, and should not assume that the source of any distribution is our net ordinary income or capital gains.

The tax treatment of a non-U.S. stockholder in its jurisdiction of tax residence will depend entirely on the laws of such jurisdiction, and may vary considerably from jurisdiction to jurisdiction.

Depending on (i) the laws of such non-U.S. stockholder's jurisdiction of tax residence, (ii) how we, the Investments and/or any other investment vehicles through which we directly or indirectly invest are treated in such jurisdiction, and (iii) the activities of any such entities, an investment in us could result in such non-U.S. stockholder recognizing adverse tax consequences in its jurisdiction of tax residence, including (a) with respect to any generally required or additional tax filings and/or additional disclosure required in such filings in relation to the treatment for tax purposes in the relevant jurisdiction of an interest in us, the Investments and/or any other investment vehicles through which we directly or indirectly invest and/or of distributions from such entities and any uncertainties arising in that respect (our not being established under the laws of the relevant jurisdiction), (b) the possibility of taxable income significantly in excess of cash distributed to a non-U.S. stockholder, and possibly in excess of our actual economic income, (c) the possibilities of losing deductions or the ability to utilize tax basis and of sums invested being returned in the form of taxable income or gains, and (d) the possibility of being subject to tax at unfavorable tax rates. A non-U.S. stockholder may also be subject to restrictions on the use of its share of our deductions and losses in its jurisdiction of tax residence. Each prospective investor is urged to consult its own tax advisors with respect to the tax and tax filing consequences, if any, in its jurisdiction of tax residence of an investment in us, as well as any other jurisdiction in which such prospective investor is subject to taxation.

We may have difficulty paying our required distributions if we recognize taxable income before or without receiving cash representing such income.

For U.S. federal income tax purposes, we will include in our taxable income certain amounts that we have not yet received in cash, such as original issue discount ("OID"), which may occur if we receive warrants in connection with the origination of a loan or possibly in other circumstances or contracted payment-in-kind ("PIK") interest, which generally represents contractual interest added to the loan balance and due at the end of the loan term. Such OID, which could be significant relative to our overall investment assets, and increases in loan balances as a result of PIK interest will be included in our taxable income before we receive any corresponding cash payments. We also may be required to include in our taxable income other amounts that we have not yet received or will not receive in cash, such as accruals on a contingent payment debt instrument, accruals of interest income and/or original issue discount on defaulted debt, or deferred loan origination fees that are paid after origination of the loan or are paid in non-cash compensation such as warrants or stock. Moreover, we generally will be required to take certain amounts in income no later than the time such amounts are reflected on our financial statements. The credit risk associated with the collectability of deferred payments may be increased as and when a portfolio company increases the amount of interest on which it is deferring cash payment through deferred interest features. Our investments with a deferred interest feature may represent a higher credit risk than loans for which interest must be paid in full in cash on a regular basis. For example, even if the accounting conditions for income accrual are met, the borrower could still default when our actual collection is scheduled to occur upon maturity of the obligation.

Because in certain cases we may recognize taxable income before or without receiving cash representing such income, we may have difficulty making distributions to our stockholders that will be sufficient to enable us to meet the annual distribution requirement necessary for us to maintain our status as a RIC. Accordingly, we may need to sell some of our assets at times and/or at prices that we would not consider advantageous, we may need to raise additional equity or debt capital, or we may need to forego new investment opportunities or otherwise take actions that are disadvantageous to our business (or be unable to take actions that are advantageous to our business) to enable us to make distributions to our stockholders that will be sufficient to enable us to meet the annual distribution requirement. If we are unable to obtain cash in the amount required for us to make, or if we are restricted from making, sufficient distributions to our stockholders to meet the annual distribution requirement, we may fail to qualify for the U.S. federal income tax benefits allowable to RICs and, thus, become subject to a corporate-level U.S. federal income tax (and any applicable U.S. state and local taxes).

Our stockholders may receive shares of our common stock or preferred stock as distributions, which could result in adverse tax consequences to them.

In order to satisfy the annual distribution requirement applicable to RICs, we will have the ability to declare a large portion of a distribution in shares of our common stock or preferred stock instead of in cash. We are not subject to restrictions on the circumstances in which we may declare a portion of a distribution in shares of our stock but would generally anticipate doing so only in unusual situations, such as, for example, if we do not have sufficient cash to meet our RIC distribution requirements under the Code. Generally, were we to declare such a distribution, we would allow stockholders to elect payment in cash and/or shares of our stock of equivalent value. Under published IRS guidance, the entire distribution will generally be treated as a taxable distribution for U.S. federal income tax purposes, and count towards our RIC distribution requirements under the Code, if certain conditions are satisfied. Among other things, the aggregate amount of cash available to be distributed to all stockholders is required to be at least 20% of the aggregate declared distribution. If too many stockholders elect to receive cash, the cash available for distribution is required to be allocated among the stockholders electing to receive cash (with the balance of the distribution paid in stock) under a formula provided in the applicable IRS guidance. The number of shares of our stock distributed would thus depend on the applicable percentage limitation on cash available for distribution, the stockholders' individual elections to receive cash or stock, and the value of the shares of our stock. Each stockholder generally would be treated as having received a taxable distribution (including for purposes of the withholding tax rules applicable to a Non-U.S. stockholder) on the date the distribution is received in an amount equal to the cash that such stockholder would have received if the entire distribution had been paid in cash, even if the stockholder received all or most of the distribution in shares of our common stock or preferred stock. We currently do not intend to pay distributions in shares of our common stock or preferred stock, but there can be no assurance that we will not do so in the future.

If we are not treated as a "publicly offered regulated investment company," as defined in the Code, U.S. stockholders that are individuals, trusts or estates will be taxed as though they received a distribution of some of our expenses.

During the period when we have elected to be treated as a RIC, we expect to be treated as a "publicly offered regulated investment company" as a result of either (i) shares of our common stock being held by at least 500 persons at all times during a taxable year or (ii) shares of our common stock being treated as regularly traded on an established securities market. However, we cannot assure you that we will be treated as a publicly offered regulated investment company for all years. If we are not treated as a publicly offered regulated investment company for any calendar year, each U.S. stockholder that is an individual, trust or estate will be treated as having received a dividend from us in the amount of such U.S. stockholder's allocable share of the management and incentive fees paid to our Investment Adviser and certain of our other expenses for the calendar year, and these fees and expenses will be treated as miscellaneous itemized deductions of such U.S. stockholder. Miscellaneous itemized deductions of a U.S. stockholder that is an individual, trust or estate are disallowed for tax years beginning before January 1, 2026 and thereafter generally are (i) deductible by such U.S. stockholders only to the extent that the aggregate of such U.S. stockholder's miscellaneous itemized deductions exceeds

2% of such U.S. stockholder's adjusted gross income for U.S. federal income tax purposes, (ii) not deductible for purposes of the alternative minimum tax and (iii) are subject to the overall limitation on itemized deductions under the Code.

Non-U.S. stockholders may be subject to withholding of U.S. federal income tax on dividends we pay.

Distributions of our "investment company taxable income" to a non-U.S. stockholder that are not effectively connected with the non-U.S. stockholder's conduct of a trade or business within the United States will generally be subject to withholding of U.S. federal income tax at a 30% rate (or lower rate provided by an applicable income tax treaty) to the extent paid out of our current or accumulated earnings and profits.

Certain properly reported distributions are generally exempt from withholding of U.S. federal income tax where they are paid in respect of our (i) "qualified net interest income" (generally, our U.S.-source interest income, other than certain contingent interest and interest from obligations of a corporation or partnership in which we or the non-U.S. stockholder are at least a 10% shareholder, reduced by expenses that are allocable to such income) or (ii) "qualified short-term capital gains" (generally, the excess of our net short-term capital gain over our net long-term capital loss for such taxable year), and certain other requirements are satisfied.

NO ASSURANCE CAN BE GIVEN AS TO WHETHER ANY OF OUR DISTRIBUTIONS WILL BE ELIGIBLE FOR THIS EXEMPTION FROM WITHHOLDING OF U.S. FEDERAL INCOME TAX. IN PARTICULAR, THIS EXEMPTION WILL NOT APPLY TO OUR DISTRIBUTIONS PAID IN RESPECT OF OUR NON-U.S. SOURCE INTEREST INCOME OR OUR DIVIDEND INCOME (OR ANY OTHER TYPE OF INCOME OTHER THAN GENERALLY OUR NON-CONTINGENT U.S. SOURCE INTEREST INCOME RECEIVED FROM UNRELATED OBLIGORS AND OUR QUALIFIED SHORT-TERM CAPITAL GAINS). IN THE CASE OF OUR COMMON STOCK OR PREFERRED STOCK HELD THROUGH AN INTERMEDIARY, THE INTERMEDIARY MAY WITHHOLD U.S. FEDERAL INCOME TAX EVEN IF WE REPORT THE PAYMENT AS QUALIFIED NET INTEREST INCOME OR QUALIFIED SHORT-TERM CAPITAL GAIN.

Purchases of our common stock pursuant to the 10b5-1 Plan or otherwise may result in the price of our common stock being higher than the price that otherwise might exist in the open market.

We are authorized to purchase up to $75.00 million of shares of our common stock if the stock trades below the most recently announced NAV per share (including any updates, corrections or adjustments publicly announced by us to any previously announced NAV per share), subject to certain limitations, until November 9, 2021. Any such purchases will be conducted in accordance with applicable securities laws. Whether purchases will be made under the 10b5-1 Plan or otherwise and how much will be purchased at any time is uncertain, dependent on prevailing market prices and trading volumes, all of which we cannot predict. These activities may have the effect of maintaining the market price of our common stock or retarding a decline in the market price of the common stock, and, as a result, the price of our common stock may be higher than the price that otherwise might exist in the open market.

Purchases of our common stock by us under the 10b5-1 Plan or otherwise may result in dilution to our NAV per share.

We are authorized to repurchase shares of common stock when the market price per share is below the most recently reported NAV per share (including any updates, corrections or adjustments publicly announced by us to any previously announced NAV per share), including under the 10b5-1 Plan. Because purchases may be made beginning at any price below our most recently reported NAV per share, if our NAV per share decreases after the date as of which NAV per share was last reported, such purchases may result in dilution to our NAV per share. This dilution would occur because we would repurchase shares at a price above the then-current NAV per share, which would cause a proportionately smaller increase in our stockholders' interest in our earnings and assets and their voting interest in us than the decrease in our assets resulting from such repurchase. As a result of any such dilution, our market price per share may decline. The actual dilutive effect will depend on the number of shares of common stock that could be so repurchased, the price and the timing of any repurchases.

To the extent OID and PIK interest constitute a portion of our income, we will be exposed to typical risks associated with such income being required to be included in taxable and accounting income prior to receipt of cash representing such income.

Our investments may include OID instruments and PIK, interest arrangements, which represents contractual interest added to a loan balance and due at the end of such loan's term. To the extent OID or PIK interest constitute a portion of our income, we are exposed to typical risks associated with such income being required to be included in taxable and accounting income prior to receipt of cash, including the following:

- The higher interest rates of OID and PIK instruments reflect the payment deferral and increased credit risk associated with these instruments, and OID and PIK instruments generally represent a significantly higher credit risk than coupon loans.
- Even if the accounting conditions for income accrual are met, the borrower could still default when our actual collection is supposed to occur at the maturity of the obligation.
- OID and PIK instruments may have unreliable valuations because their continuing accruals require continuing judgments about the collectability of the deferred payments and the value of any associated collateral. OID and PIK income may also create uncertainty about the source of our cash distributions.
- For accounting purposes, any cash distributions to shareholders representing OID and PIK income are not treated as coming from paid-in capital, even if the cash to pay them comes from offering proceeds. As a result, despite the fact that a distribution representing OID and PIK income could be paid out of amounts invested by our stockholders, the Investment Company Act does not require that stockholders be given notice of this fact by reporting it as a return of capital.

Terms relating to redemption may materially adversely affect your return on any debt securities that we may issue.

If our noteholders' debt securities are redeemable at our option, we may choose to redeem your debt securities at times when prevailing interest rates are lower than the interest rate paid on your debt securities. In addition, if our noteholders' debt securities are subject to mandatory redemption, we may be required to redeem such debt securities also at times when prevailing interest rates are lower than the interest rate paid on such debt securities. In this circumstance, a noteholder may not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as the debt securities being redeemed.

Our credit ratings may not reflect all risks of an investment in our debt securities.

Our credit ratings are an assessment by third parties of our ability to pay our obligations. Consequently, real or anticipated changes in our credit ratings will generally affect the market value of our debt securities. Our credit ratings, however, may not reflect the potential impact of risks related to market conditions generally or other factors discussed above on the market value of or trading market for the publicly issued debt securities.

Holders of any preferred stock we might issue would have the right to elect members of the board of directors and class voting rights on certain matters.

Holders of any preferred stock we might issue, voting separately as a single class, would have the right to elect two members of the board of directors at all times and in the event dividends become two full years in arrears would have the right to elect a majority of the directors until such arrearage is completely eliminated. In addition, preferred stockholders have class voting rights on certain matters, including changes in fundamental investment restrictions and conversion to open-end status, and accordingly can veto any such changes. Restrictions imposed on the declarations and payment of dividends or other distributions to the holders of our common stock and preferred stock, both by the Investment Company Act and by requirements imposed by rating agencies or the terms of our credit facilities, might impair our ability to maintain our qualification as a RIC for federal income tax purposes. While we would intend to redeem our preferred stock to the extent necessary to enable us to distribute our income as required to maintain our qualification as a RIC, there can be no assurance that such actions could be effected in time to meet the tax requirements.

There is a risk that investors in our equity securities may not receive distributions or that our distributions may not grow over time and that investors in our debt securities may not receive all of the interest income to which they are entitled.

We intend to make distributions on a quarterly basis to our stockholders out of assets legally available for distribution. We cannot assure you that we will achieve investment results that will allow us to make a specified level of cash distributions or year-to-year increases in cash distributions. In addition, due to the asset coverage test applicable to us as a BDC, we may in the future be limited in our ability to make distributions. Also, our Revolving Credit Facility may limit our ability to declare dividends if we default under certain provisions or fail to satisfy certain other conditions. If we do not distribute a certain percentage of our income annually, we will suffer adverse tax consequences, including possible loss of the tax benefits available to us as a RIC. In addition, in accordance with U.S. generally accepted accounting principles and tax rules, we include in income certain amounts that we have not yet received in cash, such as contractual PIK interest, which represents contractual interest added to the loan balance that becomes due at the end of the loan term, or the accrual of original issue or market discount. Since we may recognize income before or without receiving cash representing such income, we may have difficulty meeting the requirement to distribute at least 90% of our investment company taxable income to obtain tax benefits as a RIC.

We will be subject to a 4% nondeductible federal excise tax on certain undistributed income for a calendar year unless we distribute in a timely manner an amount at least equal to the sum of (1) 98% of our ordinary income (taking into account certain deferrals and elections) for the 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. We will not be subject to excise taxes on amounts on which we are required to pay corporate income taxes (such as retained net capital gains).

Finally, if more stockholders opt to receive cash distributions rather than participate in our dividend reinvestment plan, we may be forced to liquidate some of our investments and raise cash in order to make cash distribution payments.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 2. PROPERTIES

We maintain our principal executive office at 200 West Street, New York, New York 10282. We do not own any real estate.

ITEM 3. LEGAL PROCEEDINGS

From time to time, we may be a party to certain legal proceedings, including proceedings relating to the enforcement of our rights under loans to or other contracts with our portfolio companies. We are not currently subject to any material legal proceedings, nor, to our knowledge, is any material legal proceeding threatened against us.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

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PART II.

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Price Range of Common Stock and Distributions

Our common stock is traded on the NYSE under the symbol "GSBD". Our common stock has historically traded at prices both above and below our NAV per share. It is not possible to predict whether our common stock will trade at, above or below NAV in the future. See "Item 1A. Risk Factors—Our Securities."

The following table sets forth, for each fiscal quarter for the fiscal years ended December 31, 2020, 2019 and 2018, the NAV per share of our common stock, the range of high and low closing sales prices of our common stock, the closing sales price as a premium (discount) to NAV and the dividends or distributions declared by us. On February 24, 2021, the last reported closing sales price of our common stock on the NYSE was $18.12 per share, which represented a premium of approximately 13.9% to the NAV per share reported by us as of December 31, 2020.

		Closing Sales Price		Premium or (Discount) of High Sales Price to NAV(2)	Premium or (Discount) of Low Sales Price to NAV(2)	
	NAV(1)	High	Low			Declared Distribution(3)
For the Year Ended December 31, 2020						
Fourth Fiscal Quarter	$ 15.91	$ 19.57	$ 14.95	23.0%	(6.0)%	$ 0.60(4)
Third Fiscal Quarter	$ 15.49	$ 16.35	$ 14.99	5.6%	(3.2)%	$ 0.45
Second Fiscal Quarter	$ 15.14	$ 18.09	$ 11.40	19.5%	(24.7)%	$ 0.45
First Fiscal Quarter	$ 14.72	$ 22.45	$ 8.38	52.5%	(43.1)%	$ 0.45
For the Year Ended December 31, 2019						
Fourth Fiscal Quarter	$ 16.75	$ 22.30	$ 19.25	33.1%	14.9%	$ 0.45
Third Fiscal Quarter	$ 16.98	$ 20.70	$ 19.31	21.9%	13.7%	$ 0.45
Second Fiscal Quarter	$ 17.21	$ 20.97	$ 18.71	21.8%	8.7%	$ 0.45
First Fiscal Quarter	$ 17.25	$ 21.23	$ 18.75	23.1%	8.7%	$ 0.45
For the Year Ended December 31, 2018						
Fourth Fiscal Quarter	$ 17.65	$ 22.23	$ 18.10	25.9%	2.5%	$ 0.45
Third Fiscal Quarter	$ 18.13	$ 22.64	$ 20.70	24.9%	14.2%	$ 0.45
Second Fiscal Quarter	$ 18.08	$ 21.00	$ 18.95	16.2%	4.8%	$ 0.45
First Fiscal Quarter	$ 18.10	$ 22.61	$ 19.02	24.9%	5.1%	$ 0.45

(1) NAV per share is determined as of the last day in the relevant quarter and therefore may not reflect the NAV per share on the date of the high and low closing sales prices. The NAVs shown are based on outstanding shares at the end of the relevant quarter.
(2) Calculated as the respective high or low closing sales price, less NAV, divided by NAV as of the last day in the relevant quarter.
(3) Represents the dividend or distribution declared in the relevant quarter.
(4) Consists of a quarterly dividend of $0.45 per share and additional special dividends in aggregate of $0.15 per share, all of which were declared in the fourth quarter of 2020.

We have elected to be treated, and expect to qualify annually, as a RIC under Subchapter M of the Code, commencing with our taxable year ended December 31, 2013. We intend to continue to pay quarterly distributions to our stockholders out of assets legally available for distribution. Future quarterly distributions, if any, will be determined by our Board of Directors. All future distributions will be subject to lawfully available funds therefor, and no assurance can be given that we will be able to declare such distributions in future periods.

Please refer to "Item 8. Consolidated Financial Statements and Supplementary Data—Note 2 Significant Accounting Policies—Distributions" for further information regarding the tax treatment of our distributions and the tax consequences of our retention of net capital gains. See also "Item 1A. Risk Factors—Our Securities—We may not be able to pay you distributions on our common stock or preferred stock, our distributions to you may not grow over time and a portion of our distributions to you may be a return of capital for U.S. federal income tax purposes."

Unless our stockholders elect to receive their distributions in cash, we intend to make such distributions in additional shares of our common stock under our dividend reinvestment plan. See "Item 1. Business—Dividend Reinvestment Plan."

The following table summarizes the distributions declared on shares of our common stock and shares distributed pursuant to the dividend reinvestment plan to stockholders who had not opted out of the dividend reinvestment plan:

Date Declared	Record Date	Payment Date	Amount Per Share	Shares
For the Year Ended December 31, 2020				
February 19, 2020	March 31, 2020	April 15, 2020	$ 0.45	37,741*
May 5, 2020	June 30, 2020	July 15, 2020	$ 0.45	46,407
August 4, 2020	September 30, 2020	October 15, 2020	$ 0.45	49,015
November 4, 2020	December 31, 2020	January 15, 2021	$ 0.45	—**
November 4, 2020 (special)	February 15, 2021	March 15, 2021	$ 0.05	—**
November 4, 2020 (special)	May 14, 2021	June 15, 2021	$ 0.05	—**
November 4, 2020 (special)	August 16, 2021	September 15, 2021	$ 0.05	—**
For the Year Ended December 31, 2019				
February 20, 2019	March 29, 2019	April 15, 2019	$ 0.45	35,306
May 7, 2019	June 28, 2019	July 15, 2019	$ 0.45	35,408
July 30, 2019	September 30, 2019	October 15, 2019	$ 0.45	29,141
October 30, 2019	December 31, 2019	January 15, 2020	$ 0.45	34,566

* In accordance with the Company's dividend reinvestment plan, shares were purchased in the open market.

** Shares issued pursuant to the dividend reinvestment plan are determined and issued on the applicable payment date.

Holders

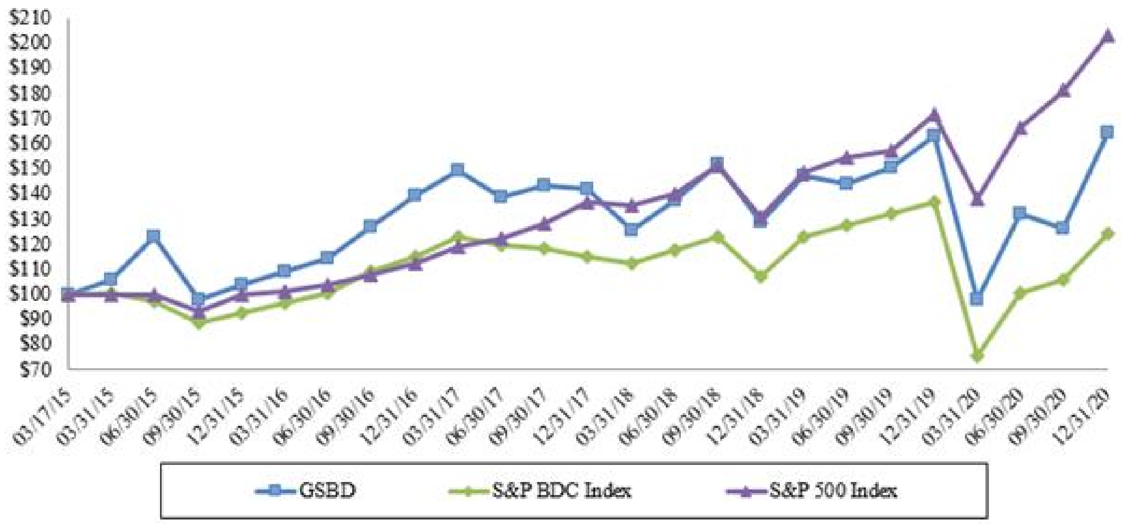
As of February 25, 2021, there were approximately 23 holders of record of our common stock (including Cede & Co.).

Issuer and Affiliate Purchases of Equity Securities

None.

Stock Performance Graph

This graph compares the stockholder return on our common stock from March 18, 2015 (the date our common stock commenced trading on the NYSE) to December 31, 2020 with that of the Standard & Poor's BDC Index and the Standard & Poor's 500 Stock Index. This graph assumes that on March 18, 2015, $100 was invested in our common stock, the Standard & Poor's BDC Index and the Standard & Poor's 500 Stock Index. The graph also assumes the reinvestment of all cash dividends prior to any tax effect. The graph and other information furnished under this Part II Item 5 of this annual report on Form 10-K shall not be deemed to be "soliciting material" or to be "filed" with the SEC or subject to Regulation 14A or 14C under, or to the liabilities of Section 18 of, the Exchange Act. The stock price performance included in the below graph is not necessarily indicative of future stock performance.



Fees and Expenses

The following table is intended to assist you in understanding the fees and expenses that an investor in our common stock will bear, directly or indirectly, based on the assumptions set forth below. We caution you that some of the percentages indicated in the table below are estimates and may vary. Except where the context suggests otherwise, whenever this Form 10-K contains a reference to our fees or expenses, we will pay such fees and expenses out of our net assets and, consequently, stockholders will indirectly bear such fees or expenses as investors in us.

Stockholder transaction expenses (as a percentage of offering price):	
Sales load (as a percentage of offering price)	None(1)
Offering expenses (as a percentage of offering price)	None(1)
Dividend reinvestment plan expenses(3)	None(2)
Total stockholder transaction expenses (as a percentage of offering price)	None
Annual expenses (as a percentage of net assets attributable to common stock):(4)	
Base management fees(5)	1.64%
Incentive fees(6)	0.74%
Interest payments on borrowed funds(7)	3.51%
Other expenses(8)	1.21%
Total annual expenses	7.10%

(1) In the event that the securities are sold to or through underwriters or agents, a corresponding prospectus supplement will disclose the applicable sales load (underwriting discount or commission).
(2) The applicable prospectus or prospectus supplement will disclose the estimated amount of offering expenses, the offering price and the offering expenses borne by us as a percentage of the offering price.
(3) The expenses of the dividend reinvestment plan are included in “Other expenses.” The plan administrator’s fees will be paid by us. There will be no brokerage charges or other charges to stockholders who participate in the plan except that, if a participant elects by written notice to the plan administrator to have the plan administrator sell part or all of the shares held by the plan administrator in the participant’s account and remit the proceeds to the participant, the plan administrator is authorized to deduct a $15.00 transaction fee plus a $0.12 per share brokerage commission from the proceeds. See “Item 1. Business—Dividend Reinvestment Plan.”
(4) “Net assets attributable to common stock” equals average net assets as of December 31, 2020.
(5) Our management fee is calculated at (i) an annual rate of 1.00% (0.25% per quarter) thereafter, in each case, of the average value of our gross assets (excluding cash or cash equivalents but including assets purchased with borrowed amounts) at the end of each of the two most recently completed calendar quarters. See “Item 1. Business —Investment Management Agreement.” The management fee referenced in the table above is annualized based on actual amounts incurred during the three months ended December 31, 2020.
(6) The Incentive Fee payable to our Investment Adviser is based on our performance and is not paid unless we achieve certain goals. It consists of two components, one based on income and the other based on capital gains, that are determined independent of each other, with the result that one component may be payable even if the other is not. For more detailed information about the Incentive Fee, see “Item 1. Business —Investment Management Agreement.” The Incentive Fee referenced in the table above is annualized based on actual net amounts incurred during the three months ended December 31, 2020.
(7) Interest payments on borrowed funds represents annualized borrowings under the $155.0 million of our 4.50% Convertible Notes due 2022 (the “Convertible Notes”), the $360.0 million aggregate principal amount of our 3.75% Notes due 2025 (the “2025 Notes”), and the $500.0 million of our 2.875% Notes due 2026 (the “2026 Notes”). In addition, interest payments on borrowed funds includes our annualized interest expense based on borrowings under the Revolving Credit Facility for the three months ended December 31, 2020, which bore a weighted average interest rate of 2.02%. We may borrow additional funds from time to time to make investments to the extent we determine that the economic situation is conducive to doing so. We may also issue additional debt securities or preferred stock, subject to our compliance with applicable requirements under the Investment Company Act.
(8) “Other expenses” includes overhead expenses, including payments under the administration agreement with our administrator (the “Administration Agreement”), and is annualized based on actual amounts incurred during the three months ended December 31, 2020. See “Item1. Business—Administration Agreement.”

Although not reflected above, the Investment Adviser expects to continue to waive a portion of its management fee payable by us in an amount equal to any management fees it earns as an investment adviser for any affiliated money market funds in which we invest.

Example

The following example demonstrates the projected dollar amount of total cumulative expenses that would be incurred over various periods with respect to a hypothetical investment in our common stock. In calculating the following expense amounts, we have assumed that our annual operating expenses remain at the levels set forth in the table above, except for the Incentive Fee based on income. Transaction expenses are not included in the following example.

	1 year	3 years	5 years	10 years
You would pay the following expenses on a $1,000 common stock investment, assuming a 5% annual return (none of which is subject to the Incentive Fee based on capital gains)	63	187	307	595
You would pay the following expenses on a $1,000 common stock investment, assuming a 5% annual return resulting entirely from net realized capital gains (all of which is subject to the Incentive Fee based on capital gains)	73	216	355	684

The foregoing table is to assist you in understanding the various costs and expenses that an investor in our common stock will bear directly or indirectly. While the example assumes, as required by the SEC, a 5% annual return, our performance will vary and may result in a return greater or less than 5%. The Incentive Fee under our Investment Management Agreement, which, assuming a 5% annual return, would either not be payable or would have an insignificant impact on the expense amounts shown above, is not included in the example. The example assumes reinvestment of all distributions at NAV. In addition, while the example assumes reinvestment of all dividends and distributions at NAV, under certain circumstances, reinvestment of dividends and other distributions under our dividend reinvestment plan may occur at a price per share that differs from NAV. See "Item 1. Business—Dividend Reinvestment Plan."

This example and the expenses in the table above should not be considered a representation of our future expenses, and actual expenses (including the cost of debt, if any, and other expenses) may be greater or less than those shown.

Senior Securities

Information about our senior securities is shown in the following tables as of the end of the last nine fiscal years. The report of our independent registered public accounting firm, PricewaterhouseCoopers LLP, as of December 31, 2020, is included within "Item 8. Consolidated Financial Statements and Supplementary Data."

Class and Year	Total Amount Outstanding Exclusive of Treasury Securities(1)	Asset Coverage per Unit(2)	Involuntary Liquidating Preference per Unit(3)	Average Market Value per Unit(4)
Revolving Credit Facility	*(in thousands)*			
December 31, 2020	$ 629.38	$ 1,979.61	—	N/A
December 31, 2019	$ 618.41	$ 1,869.46	—	N/A
December 31, 2018	$ 509.42	$ 2,062.21	—	N/A
December 31, 2017	$ 431.25	$ 2,328.75	—	N/A
December 31, 2016	$ 387.75	$ 2,323.00	—	N/A
December 31, 2015	$ 419.00	$ 2,643.56	—	N/A
December 31, 2014	$ 350.00	$ 2,641.66	—	N/A
December 31, 2013	$ —	N/A	—	N/A
December 31, 2012	$ —	N/A	—	N/A
Convertible Notes due 2022				
December 31, 2020	$ 155.00	$ 1,979.61	—	N/A
December 31, 2019	$ 155.00	$ 1,869.46	—	N/A
December 31, 2018	$ 155.00	$ 2,062.21	—	N/A
December 31, 2017	$ 115.00	$ 2,328.75	—	N/A
December 31, 2016	$ 115.00	$ 2,323.00	—	N/A
Unsecured Notes due 2025				
December 31, 2020	$ 360.00	$ 1,979.61	—	N/A
Unsecured Notes due 2026				
December 31, 2020	$ 500.00	$ 1,979.61	—	N/A
Foreign Currency Forward Contracts(5)				
December 31, 2020	$ 4.38	$ 1,979.61	—	N/A
December 31, 2019	$ 4.23	$ 1,869.46	—	N/A
December 31, 2018	$ 3.90	$ 2,062.21	—	N/A

(1) Total amount of each class of senior securities outstanding at the end of the period presented.
(2) Asset coverage per unit is the ratio of the carrying value of our total consolidated assets, less all liabilities and indebtedness not represented by senior securities, to the aggregate amount of senior securities representing indebtedness. Asset coverage per unit is expressed in terms of dollar amounts per $1,000 of indebtedness. As of December 31, 2020, our asset coverage per unit as calculated with respect to its aggregate secured senior securities was $5,185.89.
(3) The amount to which such class of senior security would be entitled upon the voluntary liquidation of the issuer in preference to any security junior to it. The "-" in this column indicates that the SEC expressly does not require this information to be disclosed for certain types of senior securities.
(4) Not applicable because such senior securities are not registered for public trading.
(5) We enter into foreign currency forward contracts from time to time to help mitigate the impact that an adverse change in foreign exchange rates would have on the value of our investments denominated in foreign currencies. The above table sets forth our net exposure to foreign currency forward contracts.

ITEM 6. SELECTED FINANCIAL DATA.

Not applicable.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and other parts of this report contain forward-looking information that involves risks and uncertainties. References to "we," "us," "our," and the "Company," mean Goldman Sachs BDC, Inc. or Goldman Sachs BDC, Inc. together with its consolidated subsidiaries, as the context may require. The terms "GSAM," our "Adviser" or our "Investment Adviser" refer to Goldman Sachs Asset Management, L.P., a Delaware limited partnership. The term "Group Inc." refers to The Goldman Sachs Group, Inc. "GS & Co." refers to Goldman Sachs & Co. LLC and its predecessors. The term "Goldman Sachs" refers to Group Inc., together with GS & Co., GSAM and its other subsidiaries and affiliates. The discussion and analysis contained in this section refers to our financial condition, results of operations and cash flows. The information contained in this section should be read in conjunction with the consolidated financial statements and notes thereto appearing elsewhere in this report. Please see "Cautionary Statement Regarding Forward-Looking Statements" for a discussion of the uncertainties, risks and assumptions associated with this discussion and analysis. Our actual results could differ materially from those anticipated by such forward-looking information due to factors discussed under "Cautionary Statement Regarding Forward-Looking Statements" appearing elsewhere in this report.

OVERVIEW

We are a specialty finance company focused on lending to middle-market companies. We are a closed-end management investment company that has elected to be regulated as a business development company ("BDC") under the Investment Company Act of 1940, as amended (the "Investment Company Act"). In addition, we have elected to be treated, and expect to qualify annually, as a regulated investment company ("RIC") under Subchapter M of the Internal Revenue Code of 1986, as amended (the "Code"), commencing with our taxable year ended December 31, 2013. From our formation in 2012 through December 31, 2020, we originated more than $4.21 billion in aggregate principal amount of debt and equity investments prior to any subsequent exits and repayments. We seek to generate current income and, to a lesser extent, capital appreciation primarily through direct originations of secured debt, including first lien, unitranche, including last-out portions of such loans, and second lien debt, and unsecured debt, including mezzanine debt, as well as through select equity investments.

"Unitranche" loans are first lien loans that may extend deeper in a company's capital structure than traditional first lien debt and may provide for a waterfall of cash flow priority between different lenders in the unitranche loan. In a number of instances, we may find another lender to provide the "first-out" portion of such loan and retain the "last-out" portion of such loan, in which case, the "first-out" portion of the loan would generally receive priority with respect to payment of principal, interest and any other amounts due thereunder over the "last-out" portion that we would continue to hold. In exchange for the greater risk of loss, the "last-out" portion generally earns a higher interest rate than the "first-out" portion. We use the term "mezzanine" to refer to debt that ranks senior only to a borrower's equity securities and ranks junior in right of payment to all of such borrower's other indebtedness. We may make multiple investments in the same portfolio company.

We invest primarily in U.S. middle-market companies, which we believe are underserved by traditional providers of capital such as banks and the public debt markets. In this report, we generally use the term "middle market companies" to refer to companies with between $5 million and $200 million of annual earnings before interest expense, income tax expense, depreciation and amortization ("EBITDA") excluding certain one-time, and non-recurring items that are outside the operations of these companies. However, we may from time to time invest in larger or smaller companies. We generate revenues primarily through receipt of interest income from the investments we hold. In addition, we may generate income from various loan origination and other fees, dividends on direct equity investments and capital gains on the sales of investments. Fees received from portfolio companies (directors' fees, consulting fees, administrative fees, tax advisory fees and other similar compensation) are paid to us, unless, to the extent required by applicable law or exemptive relief therefrom, we only receive our allocable portion of such fees when invested in the same portfolio company as another client account managed by our Investment Adviser (including GS PMMC and GS PMMC II, collectively with other client accounts managed by our Investment Adviser, the "Accounts"). The companies in which we invest use our capital for a variety of purposes, including to support organic growth, fund acquisitions, make capital investments or refinance indebtedness.

Our origination strategy focuses on leading the negotiation and structuring of the loans or securities in which we invest and holding the investments in our portfolio to maturity. In many cases, we are the sole investor in the loan or security in our portfolio. Where there are multiple investors, we generally seek to control or obtain significant influence over the rights of investors in the loan or security. We generally seek to make investments that have maturities between three and ten years and range in size between $10 million and $75 million, although we may make larger or smaller investments on occasion.

For a discussion of the competitive landscape we face, please see "Item 1A. Risk Factors–Competition–We operate in a highly competitive market for investment opportunities" and "Item 1. Business–Competitive Advantages."

Merger with GS MMLC

On October 12, 2020, we completed our merger with GS MMLC pursuant to the Amended and Restated Agreement and Plan of Merger (the "Merger Agreement"), dated as of June 11, 2020. In accordance with the terms of the Merger Agreement, at the effective time of the Merger, each outstanding share of GS MMLC common stock was converted into the right to receive, for each share of GS MMLC common stock, that number of shares of our common stock, par value $0.001 per share ("Common Stock"), with a net asset value ("NAV") equal to the NAV per share of GS MMLC common stock, in each case calculated as of October 9, 2020. As a result of the Merger, we issued an aggregate of 61,037,311 shares of Common Stock to former GS MMLC stockholders. In connection with the Merger, GSAM reimbursed each of us and GS MMLC, in each case in an amount of $4.00 million, for all fees and expenses incurred and payable by us or GS MMLC, in connection with or related to the Merger (including all documented fees and expenses of counsel, accountants, experts and consultants to us or the special committee of our board of directors (the "Board of Directors"), on the one hand, or GS MMLC or the special committee of its board of directors, on the other hand). For more information, see Note 13 "Merger with GS MMLC" to our consolidated financial statements included in this report.

Impact of COVID-19 Pandemic

The resurgence in the spread of COVID-19 toward the end of 2020 and into 2021 has created greater uncertainty regarding the economic outlook for the near term, even as early efforts to distribute vaccines are underway. While governments and central banks continued to be aggressive in providing fiscal and monetary stimulus, the global economic recovery remains fragile. The extent to which the COVID-19 pandemic will continue to affect our business, financial condition, liquidity, our portfolio companies' results of operations and by extension our operating results will depend on future developments, which are highly uncertain and cannot be predicted.

Our investment portfolio continues to be focused on industries and sectors that are generally expected to be more durable than industries and sectors that are more prone to economic cycles. Given the unprecedented nature of COVID-19 and the difficulty in predicting future government responses and restrictions, the operating environment of our portfolio companies is evolving rapidly. Business disruption experienced by our portfolio companies may reduce, over time, the amount of interest and dividend income that we receive from our investments companies and may require us to contribute additional capital to such portfolio companies. We may need to restructure our investments in some portfolio companies, which could result in reduced interest payments from or permanent impairments of our investments, and could result in the restructuring of certain of our investments from income paying investments into non-income paying equity investments. Any such decrease in our net investment income would increase the percentage of our cash flows dedicated to our debt obligations and distribution payments to our stockholders. As a result, we may be required to reduce the future amount of distributions to our stockholders. We continue to closely monitor our investment portfolio in order to be positioned to respond appropriately.

In response to the COVID-19 pandemic, Goldman Sachs has continued to successfully execute on its Business Continuity Planning (the "BCP") strategy since initially activating it in the first quarter of 2020. Goldman Sachs' priority has been to safeguard its employees and to ensure continuity of business operations. Goldman Sachs has a central team that continues to manage its COVID-19 response, which is led by its chief administrative officer and chief medical officer. As a result of the execution of Goldman Sachs' BCP, the majority of its employees continue to work remotely during most of 2020 and continue to do so in January 2021. In order to re-open offices to Goldman Sachs employees after initial restrictions began to ease in the second quarter of 2020, Goldman Sachs established policies and protocols to address safety considerations, taking into account the readiness of people, communities and facilities. Over the course of the pandemic, the extent to which Goldman Sachs employees have worked from its offices has varied based on how circumstances in each location have evolved. Goldman Sachs is in constant dialogue with key stakeholders to assess health and safety conditions across all of its office locations and to have robust procedures in place to protect the well-being of its employees, such as controls around building access, strict physical distancing measures, enhanced cleaning regimes and on-site COVID-19 testing. Our systems and infrastructure have continued to support our business operations. We have maintained regular and active communication across senior management, the rest of our private credit group and our Board of Directors. Furthermore, we have ongoing dialogues with our vendors to ensure they continue to meet our criteria for business continuity.

For further information about the risks associated with COVID-19, see "Item 1A. Risk Factors" in Part I.

KEY COMPONENTS OF OPERATIONS

Investments

Our level of investment activity can and does vary substantially from period to period depending on many factors, including the amount of debt and equity capital available to middle-market companies, the level of merger and acquisition activity for such companies, the general economic environment, the amount of capital we have available to us and the competitive environment for the type of investments we make.

As a BDC, we may not acquire any assets other than "qualifying assets" specified in the Investment Company Act, unless, at the time the acquisition is made, at least 70% of our total assets are qualifying assets (with certain limited exceptions). Qualifying assets include investments in "eligible portfolio companies." Pursuant to rules adopted by the Securities and Exchange Commission (the "SEC"), "eligible portfolio companies" include certain companies that do not have any securities listed on a national securities exchange and public companies whose securities are listed on a national securities exchange but whose market capitalization is less than $250 million.

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Revenues

We generate revenues in the form of interest income on debt investments and, to a lesser extent, capital gains and distributions, if any, on equity securities that we may acquire in portfolio companies. Some of our investments may provide for deferred interest payments or payment-in-kind ("PIK") income. The principal amount of the debt investments and any accrued but unpaid interest generally becomes due at the maturity date.

We generate revenues primarily through receipt of interest income from the investments we hold. In addition, we may generate revenue in the form of commitment, origination, structuring, syndication, exit fees or diligence fees, fees for providing managerial assistance and consulting fees. Portfolio company fees (directors' fees, consulting fees, administrative fees, tax advisory fees and other similar compensation) will be paid to us, unless, to the extent required by applicable law or exemptive relief, if any, therefrom, we receive our allocable portion of such fees when invested in the same portfolio company as other Accounts, which other Accounts could receive their allocable portion of such fee. We do not expect to receive material fee income as it is not our principal investment strategy. We record contractual prepayment premiums on loans and debt securities as interest income.

Dividend income on preferred equity investments is recorded on an accrual basis to the extent that such amounts are payable by the portfolio company and are expected to be collected. Dividend income on common equity investments is recorded on the record date for private portfolio companies and on the ex-dividend date for publicly traded portfolio companies. Interest and dividend income are presented net of withholding tax, if any.

Expenses

Our primary operating expenses include the payment of the Management Fee and the Incentive Fee to our Investment Adviser, legal and professional fees, interest and other debt expenses and other operating and overhead related expenses. The Management Fee and Incentive Fee compensate our Investment Adviser for its work in identifying, evaluating, negotiating, closing and monitoring our investments. We bear all other expenses of our operations and transactions in accordance with the investment management agreement (the "Investment Management Agreement") and administration agreement ("Administration Agreement"), including:

- our operational expenses;
- fees and expenses, including travel expenses, incurred by our Investment Adviser or payable to third parties related to our investments, including, among others, professional fees (including the fees of consultants and experts) and fees and expenses from evaluating, monitoring, researching and performing due diligence on investments and prospective investments;
- interest payable on debt, if any, incurred to finance our investments;
- fees and expenses incurred by us in connection with membership in investment company organizations;
- brokers' commissions;
- the expenses of and fees for registering or qualifying our shares for sale and of maintaining our registration and registering us as a broker or a dealer;
- fees and expenses associated with calculating our NAV (including expenses of any independent valuation firm);
- legal, auditing or accounting expenses;
- taxes or governmental fees;
- the fees and expenses of our administrator, transfer agent or sub-transfer agent;
- the cost of preparing stock certificates, including clerical expenses of issue, redemption or repurchase of our shares;
- the fees and expenses of our directors who are not affiliated with our Investment Adviser;
- the cost of preparing and distributing reports, proxy statements and notices to our stockholders, the SEC and other regulatory authorities;
- costs of holding stockholder meetings;
- listing fees;
- the fees or disbursements of custodians of our assets, including expenses incurred in the performance of any obligations enumerated by our certificate of incorporation or bylaws insofar as they govern agreements with any such custodian;
- insurance premiums; and
- costs incurred in connection with any claim, litigation, arbitration, mediation, government investigation or dispute in connection with our business and the amount of any judgment or settlement paid in connection therewith, or the enforcement of our rights against any person and indemnification or contribution expenses payable by us to any person and other extraordinary expenses not incurred in the ordinary course of our business.

We expect our general and administrative expenses to be relatively stable or decline as a percentage of total assets during periods of asset growth and to increase during periods of asset declines. Costs relating to future offerings of securities would be incremental.

Leverage

Our senior secured revolving credit agreement (as amended, the “Revolving Credit Facility”) with Truist Bank (formerly known as SunTrust Bank), as administrative agent, and Bank of America, N.A., as syndication agent, our 4.50% Convertible Notes due 2022 (the “Convertible Notes”), our 3.75% Notes due 2025 (the “2025 Notes”), and our 2.875% Notes due 2026 (the “2026 Notes”) allow us to borrow money and lever our investment portfolio, subject to the limitations of the Investment Company Act, with the objective of increasing our yield. This is known as “leverage” and could increase or decrease returns to our stockholders. The use of leverage involves significant risks. We are permitted to borrow amounts such that our asset coverage ratio, as defined in the Investment Company Act, is at least 150% after such borrowing (if certain requirements are met).

Certain trading practices and investments, such as reverse repurchase agreements, may be considered borrowings or involve leverage and thus may be subject to Investment Company Act restrictions. In accordance with applicable SEC staff guidance and interpretations, when we engage in such transactions, instead of maintaining an asset coverage ratio of at least 150% (if certain requirements are met), we may segregate or earmark liquid assets, or enter into an offsetting position, in an amount at least equal to our exposure, on a mark-to-market basis, to such transactions (as calculated pursuant to requirements of the SEC). Short-term credits necessary for the settlement of securities transactions and arrangements with respect to securities lending will not be considered borrowings for these purposes. Practices and investments that may involve leverage but are not considered borrowings are not subject to the Investment Company Act’s asset coverage requirement, and we will not otherwise segregate or earmark liquid assets or enter into offsetting positions for such transactions. The amount of leverage that we employ will depend on our Investment Adviser’s and our Board of Directors’ assessment of market conditions and other factors at the time of any proposed borrowing.

PORTFOLIO AND INVESTMENT ACTIVITY

Our portfolio (excluding our investment in a money market fund, if any, managed by an affiliate of Group Inc.) consisted of the following:

	As of					
	December 31, 2020			December 31, 2019		
	Amortized Cost	Fair Value	Percentage of Total Portfolio at Fair Value	Amortized Cost	Fair Value	Percentage of Total Portfolio at Fair Value
	(in millions)			(in millions)		
First Lien/Senior Secured Debt	$ 2,489.28	$ 2,526.97	78.0%	$ 1,094.89	$ 1,080.67	74.3%
First Lien/Last-Out Unitranche	138.96	143.23	4.4	35.31	35.28	2.4
Second Lien/Senior Secured Debt	458.92	457.73	14.1	263.44	234.02	16.1
Unsecured Debt	1.05	0.33	0.0	7.41	7.41	0.5
Preferred Stock	19.87	48.08	1.5	41.66	48.76	3.4
Common Stock	73.74	65.40	2.0	67.14	48.11	3.3
Warrants	0.76	1.03	0.0	—	—	—
Total Investments	**$ 3,182.58**	**$ 3,242.77**	**100.0%**	**$ 1,509.85**	**$ 1,454.25**	**100.0%**

The weighted average yield by asset type of our total portfolio (excluding our investment in a money market fund, if any, managed by an affiliate of Group Inc.), at amortized cost and fair value, was as follows:

	As of			
	December 31, 2020		December 31, 2019	
	Amortized Cost	Fair Value	Amortized Cost	Fair Value
Weighted Average Yield(1)				
First Lien/Senior Secured Debt(2)	8.3%	8.6%	8.6%	9.1%
First Lien/Last-Out Unitranche(2) (3)	9.3	9.4	10.0	10.0
Second Lien/Senior Secured Debt(2)	10.4	10.7	9.2	11.2
Unsecured Debt(2)	0.0	0.0	11.7	11.7
Preferred Stock(4)	—	—	—	—
Common Stock(4)	—	—	—	—
Warrants(4)	—	—	—	—
Total Portfolio	**8.4%**	**8.6%**	**8.2%**	**8.9%**

(1) The weighted average yield at amortized cost of our portfolio excludes the purchase discount and amortization related to the Merger and does not represent the total return to our stockholders.
(2) Computed based on (a) the annual actual interest rate or yield earned plus amortization of fees and discounts on the performing debt and other income producing investments as of the reporting date, divided by (b) the total investments (including investments on non-accrual and non-income producing investments) at amortized cost or fair value. This calculation excludes exit fees that are receivable upon repayment of certain loan investments.
(3) The calculation includes incremental yield earned on the “last-out” portion of the unitranche loan investments.
(4) Computed based on (a) the stated coupon rate, if any, for each income-producing investment, divided by (b) the total investments (including investments on non-accrual and non-income producing investments) at amortized cost or fair value.

As of December 31, 2020, the total portfolio weighted average yield measured at amortized cost and fair value was 8.4% and 8.6%, as compared to 8.2% and 8.9%, as of December 31, 2019. Within Second Lien/Senior Secured Debt, the increase in weighted average yield at amortized cost was primarily driven by the receipt of senior secured loans from the Merger. Within Unsecured Debt, the decrease in weighted average yield at amortized cost and fair value was primarily driven by the amendment of Conergy Asia & ME Pte. LTD and repayment of CB-HDT Holdings, Inc. (dba Hunter Defense Technologies).

The following table presents certain selected information regarding our investment portfolio (excluding our investment in a money market fund, if any, managed by an affiliate of Group Inc.)

	As of	
	December 31, 2020	**December 31, 2019**
Number of portfolio companies	123	106
Percentage of performing debt bearing a floating rate(1)	99.1%	99.4%
Percentage of performing debt bearing a fixed rate(1)(2)	0.9%	0.6%
Weighted average yield on debt and income producing investments, at amortized cost(3)	8.7%	9.0%
Weighted average yield on debt and income producing investments, at fair value(3)	8.9%	9.6%
Weighted average leverage (net debt/EBITDA)(4)	6.0x	5.7x
Weighted average interest coverage(4)	2.6x	2.4x
Median EBITDA(4)	$ 34.20 million	$ 37.64 million

(1) Measured on a fair value basis. Excludes investments, if any, placed on non-accrual.
(2) Includes income producing preferred stock investments.
(3) Computed based on (a) the annual actual interest rate or yield earned plus amortization of fees and discounts on the performing debt and other income producing investments as of the reporting date, divided by (b) the total performing debt and other income producing investments (excluding investments on non-accrual). Excludes the purchase discount and amortization related to the Merger.
(4) For a particular portfolio company, we calculate the level of contractual indebtedness net of cash ("net debt") owed by the portfolio company and compare that amount to measures of cash flow available to service the net debt. To calculate net debt, we include debt that is both senior and pari passu to the tranche of debt owned by us but exclude debt that is legally and contractually subordinated in ranking to the debt owned by us. We believe this calculation method assists in describing the risk of our portfolio investments, as it takes into consideration contractual rights of repayment of the tranche of debt owned by us relative to other senior and junior creditors of a portfolio company. We typically calculate cash flow available for debt service at a portfolio company by taking EBITDA for the trailing twelve-month period. Weighted average net debt to EBITDA is weighted based on the fair value of our debt investments and excluding investments where net debt to EBITDA may not be the appropriate measure of credit risk, such as cash collateralized loans and investments that are underwritten and covenanted based on recurring revenue.

    For a particular portfolio company, we also calculate the level of contractual interest expense owed by the portfolio company, and compare that amount to EBITDA ("interest coverage ratio"). We believe this calculation method assists in describing the risk of our portfolio investments, as it takes into consideration contractual interest obligations of the portfolio company. Weighted average interest coverage is weighted based on the fair value of our performing debt investments, excluding investments where interest coverage may not be the appropriate measure of credit risk, such as cash collateralized loans and investments that are underwritten and covenanted based on recurring revenue.

    Median EBITDA is based on our debt investments, excluding investments where net debt to EBITDA may not be the appropriate measure of credit risk, such as cash collateralized loans and investments that are underwritten and covenanted based on recurring revenue.

    Portfolio company statistics are derived from the most recently available financial statements of each portfolio company as of the reported end date. Statistics of the portfolio companies have not been independently verified by us and may reflect a normalized or adjusted amount. As of December 31, 2020 and December 31, 2019, investments where net debt to EBITDA may not be the appropriate measure of credit risk represented 33.1% and 25.1%, of total debt investments. Portfolio company statistics are derived from the most recently available financial statements of each portfolio company as of the respective reported end date. Portfolio company statistics have not been independently verified by us and may reflect a normalized or adjusted amount.

Our Investment Adviser monitors the financial trends of each portfolio company on an ongoing basis to determine if it is meeting its respective business plan and to assess the appropriate course of action for each company. Our Investment Adviser has several methods of evaluating and monitoring the performance and fair value of our investments, which may include (i) assessment of success in adhering to the portfolio company's business plan and compliance with covenants; (ii) periodic or regular contact with portfolio company management and, if appropriate, the financial or strategic sponsor to discuss financial position, requirements and accomplishments; (iii) comparisons to our other portfolio companies in the industry, if any; (iv) attendance at and participation in board meetings or presentations by portfolio companies; and (v) review of monthly and quarterly financial statements and financial projections of portfolio companies.

As part of the monitoring process, our Investment Adviser also employs an investment rating system to categorize our investments. In addition to various risk management and monitoring tools, our Investment Adviser grades the credit risk of all investments on a scale of 1 to 4 no less frequently than quarterly. This system is intended primarily to reflect the underlying risk of a portfolio investment relative to our initial cost basis in respect of such portfolio investment (e.g., at the time of origination or acquisition), although it may also take into account under certain circumstances the performance of the portfolio company's business, the collateral coverage of the investment and other relevant factors. The grading system for our investments is as follows:

- *Grade 1* investments involve the least amount of risk to our initial cost basis. The trends and risk factors for this investment since origination or acquisition are generally favorable, which may include the performance of the portfolio company or a potential exit;

- *Grade 2* investments involve a level of risk to our initial cost basis that is similar to the risk to our initial cost basis at the time of origination or acquisition. This portfolio company is generally performing as expected and the risk factors to our ability to ultimately recoup the cost of our investment are neutral to favorable. All investments or acquired investments in new portfolio companies are initially assessed a grade of 2;
- *Grade 3* investments indicate that the risk to our ability to recoup the initial cost basis of such investment has increased materially since origination or acquisition, including as a result of factors such as declining performance and non-compliance with debt covenants; however, payments are generally not more than 120 days past due; and
- *Grade 4* investments indicate that the risk to our ability to recoup the initial cost basis of such investment has substantially increased since origination or acquisition, and the portfolio company likely has materially declining performance. For debt investments with an investment grade of 4, in most cases, most or all of the debt covenants are out of compliance and payments are substantially delinquent. For investments graded 4, it is anticipated that we will not recoup our initial cost basis and may realize a substantial loss of our initial cost basis upon exit.

Our Investment Adviser grades the investments in our portfolio at least quarterly and it is possible that the grade of a portfolio investment may be reduced or increased over time. For investments graded 3 or 4, our Investment Adviser enhances its level of scrutiny over the monitoring of such portfolio company. The following table shows the composition of our portfolio on the 1 to 4 grading scale:

	As of			
	December 31, 2020		December 31, 2019	
Investment Performance Rating	**Fair Value**	**Percentage of Total Portfolio at Fair Value**	**Fair Value**	**Percentage of Total Portfolio at Fair Value**
	(in millions)		*(in millions)*	
Grade 1	$ 64.15	2.0%	$ 12.17	0.8%
Grade 2	2,822.45	87.0	1,366.84	94.1
Grade 3	353.16	10.9	60.04	4.1
Grade 4	3.01	0.1	15.20	1.0
Total Investments	**$ 3,242.77**	**100.0%**	**$ 1,454.25**	**100.0%**

The increase in investments with a grade 1 investment performance rating as of December 31, 2020 compared to December 31, 2019 was primarily driven by investments with an aggregate fair value of $64.15 million being upgraded due to potential exits, partially offset by the repayment of investments with an aggregate fair value of $12.17 million. The increases in investments with a grade 2 and grade 3 investment performance rating was primarily a result of the acquired investments from the Merger. The decrease in investments with a grade 4 investment performance rating as of December 31, 2020 compared to December 31, 2019 was primarily driven by the sale of one investment with a fair value of $12.70 million.

The following table shows the amortized cost of our performing and non-accrual investments:

	As of			
	December 31, 2020		December 31, 2019	
	Amortized Cost	**Percentage of Total Portfolio at Amortized Cost**	**Amortized Cost**	**Percentage of Total Portfolio at Amortized Cost**
	(in millions)		*(in millions)*	
Performing	$ 3,160.47	99.3%	$ 1,480.08	98.0%
Non-accrual	22.11	0.7	29.77	2.0
Total Investments	**$ 3,182.58**	**100.0%**	**$ 1,509.85**	**100.0%**

Investments are placed on non-accrual status when it is probable that principal, interest or dividends will not be collected according to the contractual terms. Accrued interest or dividends generally are reversed when an investment is placed on non-accrual status. Interest or dividend payments received on non-accrual investments may be recognized as income or applied to principal depending upon management’s judgment. Non-accrual investments are restored to accrual status when past due principal and interest or dividends are paid and, in management’s judgment, principal and interest or dividend payments are likely to remain current. We may make exceptions to this treatment if the loan has sufficient collateral value and is in the process of collection.

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The following table shows our investment activity by investment type(1)(2)(3):

	For the Years Ended December 31,	
	2020	2019
	($ in millions)	
Amount of investments committed at cost:		
First Lien/Senior Secured Debt	$ 507.09	$ 574.02
First Lien/Last-Out Unitranche	9.01	0.61
Second Lien/Senior Secured Debt	1.45	11.45
Preferred Stock	0.04	19.00
Total	**$ 517.59**	**$ 605.08**
Proceeds from investments sold or repaid:		
First Lien/Senior Secured Debt	$ 260.04	$ 437.90
First Lien/Last-Out Unitranche	0.47	56.25
Second Lien/Senior Secured Debt	59.30	102.56
Unsecured Debt	7.04	—
Preferred Stock	15.40	—
Common Stock	—	2.50
Total	**$ 342.25**	**$ 599.21**
Net increase (decrease) in portfolio	**$ 175.34**	**$ 5.87**
Number of new portfolio companies with new investment commitments	23	30
Total new investment commitment amount in new portfolio companies	$ 406.48	$ 444.36
Average new investment commitment amount in new portfolio companies	$ 17.67	$ 14.81
Number of existing portfolio companies with new investment commitments	10	22
Total new investment commitment amount in existing portfolio companies	$ 111.11	$ 160.72
Weighted average remaining term for new investment commitments (in years)(4)	5.3	5.0
Percentage of new debt investment commitments at cost for floating interest rates	100.0%	100.0%
Percentage of new debt investment commitments at cost for fixed interest rates(5)	0.0%	0.0%
Weighted average yield on new debt and income producing investment commitments(6)	8.0%	8.9%
Weighted average yield on new investment commitments(7)	8.0%	8.7%
Weighted average yield on debt and income producing investments sold or repaid(8)	7.9%	10.3%
Weighted average yield on investments sold or repaid(9)	7.5%	9.4%

(1) Figures for new investment commitments are shown net of capitalized fees, expenses and original issue discount ("OID") that occurred at the initial close. Figures for new investment commitments may also include positions originated during the period but not held at the reporting date. Figures for investments sold or repaid, excludes unfunded commitments that may have expired or otherwise been terminated without receipt of cash proceeds or other consideration.

(2) In May 2019, in connection with the effective liquidation and dissolution of the Senior Credit Fund, we received our pro rata portion of senior secured loans of $215.10 million and $210.09 million at amortized cost and at fair value, respectively and assumed our pro rata portion of unfunded loan commitments totaling $5.66 million. The senior secured loans received consisted of 48 investments in 30 portfolio companies. As of September 30, 2019 the senior secured loans received had a weighted average yield at amortized cost and fair value of 7.9% and 9.8%. The impact of this transaction is excluded from the information presented in the table. For additional information see "Senior Credit Fund, LLC" below and Note 4 "Investments" in our consolidated financial statements included in this report.

(3) In October 2020, in connection with the Merger, we acquired investments of $1,691.26 million at fair value, inclusive of the $83.96 purchase discount (as defined below) allocated to the cost of the investments acquired from GS MMLC, and assumed unfunded loan commitments totaling $84.89 million. The investments received consisted of 186 investments in 88 portfolio companies. As of December 31, 2020 the senior secured loans received had a weighted average yield at amortized cost (excluding the purchase discount and amortization related to the Merger) and fair value of 9.1% and 8.8%. The impact of this transaction is excluded from the information presented in the table. For additional information see Note 13 "Merger with GS MMLC" in our consolidated financial statements included in this report.

(4) Calculated as of the end of the relevant period and the maturity date of the individual investments.

(5) May include preferred stock investments.

(6) Computed based on (a) the annual actual interest rate on new debt and income producing investment commitments divided by (b) the total new debt and income producing investment commitments. The calculation includes incremental yield earned on the "last-out" portion of the unitranche loan investments and excludes investments that are non-accrual. The annual actual interest rate used is as of the respective quarter end date when the investment activity occurred.

(7) Computed based on (a) the annual actual interest rate on new investment commitments divided by (b) the total new investment commitments (including investments on non-accrual and non-income producing investments). The calculation includes incremental yield earned on the "last-out" portion of the unitranche loan investments. The annual actual interest rate used is as of the respective quarter end date when the investment activity occurred.

(8) Computed based on (a) the annual actual interest rate on debt and income producing investments sold or paid down, divided by (b) the total debt and income producing investments sold or paid down. The calculation includes incremental yield earned on the "last-out" portion of the unitranche loan investments and excludes prepayment premiums earned on exited investments and investments that are on non-accrual.

(9) Computed based on (a) the annual actual interest rate on investments sold or paid down, divided by (b) the total investments sold or paid down (including investments on non-accrual and non-income producing investments). The calculation includes incremental yield earned on the "last-out" portion of the unitranche loan investments and excludes prepayment premiums earned on exited investments.

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RESULTS OF OPERATIONS

The comparison for the years ended December 31, 2019 and 2018 can be found in Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations in our Form 10-K for the fiscal year ended December 31, 2019.

Our operating results were as follows:

	For the Years Ended December 31,	
	2020	2019
	(in millions)	
Total investment income	$ 172.96	$ 147.26
Net expenses	61.63	65.72
Net investment income before taxes	111.33	81.54
Income tax expense, including excise tax	1.43	1.82
Net investment income after taxes	109.90	79.72
Net realized gain (loss) on investments	(43.75)	(39.13)
Net unrealized appreciation (depreciation) on investments	115.78	(5.48)
Net realized and unrealized gain (losses) on forward contracts, translations and transactions	(5.81)	0.87
Net realized and unrealized gains (losses)	66.22	(43.74)
Income tax (provision) benefit for realized and unrealized gains	(0.01)	0.17
Net increase in net assets from operations	**$ 176.11**	**$ 36.15**

Net increase in net assets from operations can vary from period to period as a result of various factors, including acquisitions, the level of new investment commitments, the recognition of realized gains and losses and changes in unrealized appreciation and depreciation on the investment portfolio.

On October 12, 2020, we completed our Merger with GS MMLC. The Merger was accounted for as an asset acquisition in accordance with ASC 805-50, Business Combinations — Related Issues. The consideration paid to GS MMLC's stockholders was less than the aggregate fair values of the assets acquired and liabilities assumed, which resulted in a purchase discount (the "purchase discount"). The purchase discount was allocated to the cost of GS MMLC investments acquired by us on a pro-rata basis based on their relative fair values as of the closing date. Immediately following the Merger with GS MMLC, we marked the investments to their respective fair values and, as a result, the purchase discount allocated to the cost basis of the investments acquired was immediately recognized as unrealized appreciation on our Consolidated Statement of Operations. The purchase discount allocated to the loan investments acquired will amortize over the life of each respective loan through interest income with a corresponding adjustment recorded as unrealized depreciation on such loans acquired through their ultimate disposition. The purchase discount allocated to equity investments acquired will not amortize over the life of such investments through interest income and, assuming no subsequent change to the fair value of the equity investments acquired and disposition of such equity investments at fair value, we will recognize a realized gain with a corresponding reversal of the unrealized appreciation on disposition of such equity investments acquired.

As a supplement to our financial results reported in accordance with GAAP, we have provided, as detailed below, certain non-GAAP financial measures to our operating results that exclude the initial recognition of the aforementioned purchase discount and the ongoing amortization thereof, as determined in accordance with GAAP. The non-GAAP financial measures include i) Adjusted net investment income after taxes, ii) Adjusted net realized and unrealized gains (losses); and iii) Adjusted net increase in net assets from operations. We believe that the adjustment to exclude the full effect of the purchase discount is meaningful because it is a measure that we and investors use to assess our financial condition and results of operations. Although these non-GAAP financial measures are intended to enhance investors' understanding of our business and performance, these non-GAAP financial measures should not be considered an alternative to GAAP. The aforementioned non-GAAP financial measures may not be comparable to similar non-GAAP financial measures used by other companies.

	For the Years Ended December 31,	
	2020	2019
	(in millions)	
Net investment income after taxes	$ 109.90	$ 79.72
Less: Purchase discount amortization	10.11	—
Adjusted net investment income after taxes	**$ 99.79**	**$ 79.72**
Net realized and unrealized gains (losses)	$ 66.22	$ (43.74)
Less: Net change in unrealized appreciation due to the purchase discount	73.41	—
Less: Realized gain due to the purchase discount	0.44	—
Adjusted net realized and unrealized gains (losses)	**$ (7.63)**	**$ (43.74)**
Net increase in net assets from operations	$ 176.11	$ 36.15
Less: Purchase discount amortization	10.11	—
Less: Net change in unrealized appreciation due to the discount	73.41	—
Less: Realized gain due to the purchase discount	0.44	—
Adjusted net increase in net assets from operations	**$ 92.15**	**$ 36.15**

Investment Income

	For the Years Ended December 31,	
	2020	2019
	(in millions)	
Interest	$ 162.77	$ 136.58
Dividend income	0.20	3.63
Payment-in-kind	7.60	4.47
Other income	2.39	2.58
Total investment income	**$ 172.96**	**$ 147.26**

Interest

Interest income from investments, which includes prepayment premiums and accelerated accretion of upfront loan origination fees and unamortized discounts, increased from $136.58 million for the year ended December 31, 2019 to $162.77 million for the year ended December 31, 2020. The increase is primarily driven from the interest-bearing investments acquired in October 2020 from the Merger and the amortization of the purchase discount from the Merger. The increase was partially offset by the decrease in LIBOR. Included in interest for the years ended December 31, 2020 and 2019 is $1.82 million and $1.93 million in prepayment premiums and $3.88 million and $4.57 million in accelerated accretion of upfront loan origination fees and unamortized discounts, and $0.04 million and $5.89 million for exit fees on investments.

Dividend income

Dividend income decreased from $3.63 million for the year ended December 31, 2019 to $0.20 million for the year ended December 31, 2020. The decrease was due to the effective liquidation and dissolution of the Senior Credit Fund in May 2019. For additional information see "Senior Credit Fund, LLC" below and Note 4 "Investments" in our consolidated financial statements included in this report.

Payment-in-kind

PIK income from investments increased from $4.47 million for the year ended December 31, 2019 to $7.60 million for the year ended December 31, 2020. The increase was due to the increase in the number of investments earning PIK income.

Other income

Other income remained relatively consistent for the year ended December 31, 2020 as compared to the year ended December 31, 2019.

Expenses

	For the Years Ended December 31,	
	2020	2019
	(in millions)	
Interest and other debt expenses	$ 39.90	$ 36.31
Management fees	16.85	14.70
Incentive fees	35.85	9.22
Professional fees	2.51	2.95
Directors' fees	0.64	0.46
Other general and administrative expenses	2.87	2.47
Total Expenses	**$ 98.62**	**$ 66.11**
Fee waivers	(36.99)	(0.39)
Net Expenses	**$ 61.63**	**$ 65.72**

Interest and other debt expenses

Interest and other debt expenses increased from $36.31 million for the year ended December 31, 2019 to $39.90 million for the year ended December 31, 2020. The increase is primarily driven by the incremental amortization of debt issuance costs from the issuance of the 2025 Notes and 2026 Notes, as well as the amendment to the Revolving Credit Facility in connection with the Merger. In addition, unused commitments fees on our Revolving Credit Facility increased. Interest expense remained relatively consistent, which was primarily driven by a decrease in the weighted average interest rate from 4.25% to 3.17%, partially offset by an increase in average daily borrowings from $766.50 million to $1,037.50 million.

Management Fees and Incentive Fees

Net Management fees decreased from $14.70 million for the year ended December 31, 2019 to $13.04 million for the year ended December 31, 2020. The decrease was primarily as a result of our Investment Adviser voluntarily waiving Management fees by $3.81 million for the year ended December 31, 2020.

Net Incentive fees decreased from $8.83 million for the year ended December 31, 2019 to $2.67 million for the year ended December 31, 2020. The decrease was primarily as a result of our Investment Adviser contractually and voluntarily waiving Incentive fees by $33.18 million for the year ended December 31, 2020 in connection with the Merger, and net realized losses on certain portfolio companies. For additional information see Note 3 "Significant Agreements and Related Party Transactions" in our consolidated financial statements included in this report.

Professional fees and other general and administrative expenses

Professional fees and other general and administrative expenses remained relatively consistent for the year ended December 31, 2020 as compared to the year ended December 31, 2019.

Net Realized Gains (Losses) and Net Change in Unrealized Appreciation (Depreciation) on Investments

The realized gains and losses on fully exited and partially exited portfolio companies consisted of the following:

	For the Years Ended December 31,	
	2020	2019
	(in millions)	
Animal Supply Holdings, LLC	$ (35.98)	$ —
ASC Acquisition Holdings, LLC	—	(24.72)
Country Fresh Holdings, LLC	—	(8.41)
NTS Communications, Inc.	—	(7.22)
MPI Products LLC	(5.58)	—
Bolttech Mannings, Inc.	(4.70)	—
Accuity Delivery Systems, LLC	3.76	—
Other, net	(1.25)	1.22
Net realized gain (loss)	**$ (43.75)**	**$ (39.13)**

For the year ended December 31, 2020, net realized losses were primarily driven by our investments in four portfolio companies. In August 2020, our first lien debt investment, preferred and common equity in Animal Supply Holdings, LLC was exchanged for second lien debt, common equity and a right to purchase additional first lien debt, second lien debt and common equity, which resulted in a realized loss of $35.98 million. In March 2020, there was a restructure of our second lien debt investment in MPI Products LLC ("MPI"), which resulted in a realized loss of $5.58 million. The private equity sponsor that purchased MPI provided it with new capital and we received newly issued second lien debt and non-interest bearing second lien debt. Also in March 2020, our second lien debt investment in Bolttech Mannings, Inc. was exchanged for common equity, which resulted in a realized loss of $4.70 million. In October 2020, we sold our preferred stock in Accuity Delivery Systems, LLC, which resulted in a realized gain of $3.76 million.

For the year ended December 31, 2019, net realized losses were primarily driven by our investments in three portfolio companies. In February 2019, our first lien/last-out unitranche debt and second lien debt investment in ASC Acquisition Holdings, LLC was exchanged for preferred and common equity, which resulted in a realized loss of $24.72 million. In addition, in April 2019, our second lien debt investment in Country Fresh Holdings, LLC was exchanged for common equity, which resulted in a realized loss of $8.41 million. Lastly, in August 2019, we fully exited our investments in NTS Communications, Inc., which resulted in a realized loss of $7.22 million.

Any changes in fair value are recorded as a change in unrealized appreciation (depreciation) on investments. For further details on the valuation process, refer to Note 2 "Significant Accounting Policies—Investments" in our consolidated financial statements. Net change in unrealized appreciation (depreciation) on investments were as follows:

	For the Years Ended December 31,	
	2020	2019
	($ in millions)	
Unrealized appreciation	$ 140.10	$ 47.35
Unrealized depreciation	(24.32)	(52.83)
Net change in unrealized appreciation (depreciation) on investments	**$ 115.78**	**$ (5.48)**

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The change in unrealized appreciation (depreciation) on investments consisted of the following:

Portfolio Company:	For the Year Ended December 31, 2020 ($ in millions)
CB-HDT Holdings, Inc. (dba Hunter Defense Technologies)	$ 22.84
Zep Inc.	16.81
Wrike, Inc.	8.11
MPI Products LLC	6.39
Wine.com, LLC	5.57
Other, net(1)	68.98
MPI Engineered Technologies, LLC	(1.33)
Bolttech Mannings, Inc.	(1.40)
Accuity Delivery Systems, LLC	(2.07)
IHS Intermediate Inc. (dba Interactive Health Solutions)	(2.50)
Convene 237 Park Avenue, LLC (dba Convene)	(5.62)
Total	**$ 115.78**

(1) For the year ended December 31, 2020, other, net includes gross unrealized appreciation of $80.39 million and gross unrealized depreciation of $(11.41) million.

Net change in unrealized appreciation (depreciation) in our investments for the year ended December 31, 2020 included $73.41 net unrealized appreciation due to the purchase discount from the Merger across 88 portfolio companies that were acquired. Generally, our investments continued to improve from the impact by the COVID-19 pandemic. Businesses continued to navigate governmental mandates and the government continued to maintain liquidity in the capital markets and provide fiscal stimulus to support the economy. Given the unprecedented nature of COVID-19, the operating environment of our portfolio companies is evolving rapidly. For further discussion of the impact of the COVID-19 pandemic on our portfolio, please see "—Impact of COVID-19 Pandemic." In addition, the net change in unrealized appreciation (depreciation) was driven by the financial improvement of CB-HDT Holdings, Inc. and Zep Inc.

Portfolio Company:	For the Year Ended December 31, 2019 ($ in millions)
ASC Acquisition Holdings, LLC	$ 14.57
NTS Communications, Inc.	6.91
CB-HDT Holdings, Inc. (dba Hunter Defense Technologies)	4.70
Iracore International Holdings, Inc.	3.55
Senior Credit Fund, LLC	3.54
Infinity Sales Group	3.26
Artesyn Embedded Technologies, Inc.	1.60
US Med Acquisition, Inc.	1.47
Accuity Delivery Systems, LLC	1.43
Country Fresh Holding Company Inc.	1.19
Spectrum Plastics Group, Inc.	(1.14)
Jill Acquisition LLC (dba J. Jill)	(1.24)
SMS Systems Maintenance Services, Inc.	(1.65)
Empirix, Inc.	(1.99)
GK Holdings, Inc. (dba Global Knowledge)	(3.00)
Other, net(1)	(3.59)
Bolttech Mannings, Inc.	(4.84)
MPI Products LLC	(6.17)
IHS Intermediate Inc. (dba Interactive Health Solutions)	(6.87)
Animal Supply Holdings, LLC	(7.39)
Zep Inc.	(9.82)
Total	**$ (5.48)**

(1) For the year ended December 31, 2019, other, net includes gross unrealized appreciation of $5.13 million and gross unrealized depreciation of $(8.72) million.

Net change in unrealized appreciation (depreciation) in our investments for the year ended December 31, 2019 was primarily driven by the unrealized depreciation in Zep, Inc., Bolttech Mannings, Inc. and Animal Supply Holdings, LLC due to financial underperformance and the unrealized depreciation in IHS Intermediate Inc. (dba Interactive Health Solutions) and MPI Products LLC which were placed on non-accrual status due to their capital condition. The net change was offset by the reversal of unrealized depreciation in connection with the aforementioned exchange with ASC Acquisition Holdings, LLC. and the full exit from our investments in NTS Communications, Inc. and the unrealized appreciation in CB-HDT Holdings, Inc. due to improved financial performance.

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SENIOR CREDIT FUND, LLC

The Senior Credit Fund, an unconsolidated Delaware limited liability company, was formed on May 7, 2014 and commenced operations on October 1, 2014. We invested together with Cal Regents through the Senior Credit Fund. The Senior Credit Fund's principal purpose was to make investments, either directly or indirectly through its wholly owned subsidiary, Senior Credit Fund SPV I, LLC ("SPV I"), primarily in senior secured loans to middle-market companies. Each of us and Cal Regents were responsible for sourcing the Senior Credit Fund's investments. On February 27, 2019, the board of managers of the Senior Credit Fund authorized the liquidation and subsequent dissolution of the Senior Credit Fund and the pro-rata distribution of its assets and liabilities to the members of the Senior Credit Fund, which took place on May 8, 2019. After the satisfaction of all remaining liabilities and the distribution of remaining assets, the Senior Credit Fund was terminated. For further details, see Note 4 "Investments– Senior Credit Fund, LLC" to our consolidated financial statements included in this report.

FINANCIAL CONDITION, LIQUIDITY AND CAPITAL RESOURCES

The primary use of existing funds and any funds raised in the future is expected to be for our investments in portfolio companies, cash distributions to our stockholders or for other general corporate purposes, including paying for operating expenses or debt service to the extent we borrow or issue senior securities.

We expect to generate cash primarily from the net proceeds of any future offerings of securities, future borrowings and cash flows from operations. To the extent we determine that additional capital would allow us to take advantage of additional investment opportunities, if the market for debt financing presents attractively priced debt financing opportunities, or if our Board of Directors otherwise determines that leveraging our portfolio would be in our best interest and the best interests of our stockholders, we may enter into credit facilities in addition to our existing credit facilities as discussed below, or issue other senior securities. We would expect any such credit facilities may be secured by certain of our assets and may contain advance rates based upon pledged collateral. The pricing and other terms of any such facilities would depend upon market conditions when we enter into any such facilities as well as the performance of our business, among other factors. As a BDC, with certain limited exceptions, we are only permitted to borrow amounts such that our asset coverage ratio, as defined in the Investment Company Act, is at least 150% after such borrowing (if certain requirements are met). See "—Key Components of Operations—Leverage." As of December 31, 2020 and December 31, 2019, our asset coverage ratio based on the aggregate amount outstanding of our senior securities was 198% and 187%. We may also refinance or repay any of our indebtedness at any time based on our financial condition and market conditions.

We may enter into investment commitments through signed commitment letters which may ultimately become investment transactions in the future. We regularly evaluate and carefully consider our unfunded commitments using GSAM's proprietary risk management framework for the purpose of planning our capital resources and ongoing liquidity, including our financial leverage.

As of December 31, 2020, we had cash of approximately $32.14 million, an increase of $22.73 million from December 31, 2019. Cash provided by operating activities for the year ended December 31, 2020 was approximately $165.78 million, primarily driven by an increase in net assets from operations of $176.11 million, proceeds from sales and principal repayments of $362.74 million and cash acquired from the Merger of $177.58 million, offset by purchases of investments of $443.16 million and cash used by other operating activities of $107.49 million. Cash used by financing activities for the year ended December 31, 2020 was approximately $143.11 million, primarily driven by repayments on debt of $1,262.18 million, distributions paid of $145.60 million and other financing activities of $24.78 million, partially offset by borrowings on debt of $1,289.45 million.

As of December 31, 2019, we had cash of approximately $9.41 million, an increase of $3.30 million from December 31, 2018. Cash provided by operating activities for the year ended December 31, 2019 was approximately $35.27 million, primarily driven by a decrease in net assets resulting from operations of $36.15 million, proceeds from sales and principal repayments of $579.01 million and cash used by other operating activities of $49.95 million, offset by purchases of investments of $700.38 million. Cash used by financing activities for the year ended December 31, 2019 was approximately $38.56 million, primarily driven by repayments on debt of $451.6 million, distributions paid of $69.85 million and other financing activities of $0.58 million, offset by borrowings on debt of $560.59 million.

To the extent permissible under the risk retention rules and applicable provisions of the Investment Company Act, we may raise capital by securitizing certain of our investments, including through the formation of one or more CLOs or asset based facilities, while retaining all or most of the exposure to the performance of these investments. This would involve contributing a pool of assets to a special purpose entity, and selling debt interests in such entity on a non-recourse or limited-recourse basis to purchasers. We may also pursue other forms of debt financing, including potentially from the Small Business Administration through a future small business investment company subsidiary (subject to regulatory approvals).

Equity Issuances

On October 12, 2020, in connection with the Merger, we issued an aggregate of 61,037,311 shares of Common Stock to former GS MMLC stockholders. There were no equity issuances of our common stock during the year ended December 31, 2019.

Common Stock Repurchase Plans

In February 2019, our Board of Directors approved a 10b5-1 plan (the "former 10b5-1 plan"), which provided for us to repurchase of up to $25.00 million of shares of our common stock if the stock traded below the most recently announced NAV per share, subject to limitations. The former 10b5-1 plan took effect on March 18, 2019, was temporarily suspended on December 9, 2019 and expired on March 18, 2020. We did not repurchase any of our common stock pursuant to the former 10b5-1 plan or otherwise.

In November 2020, our Board of Directors authorized the adoption of a new common stock repurchase plan (the "10b5-1 Plan"), which provides for us to repurchase up to $75.00 million of shares of our common stock if the stock trades below the most recently announced quarter-end NAV per share, subject to limitations. Under the 10b5-1 Plan, no purchases will be made if such purchases would cause our Debt/Equity Ratio to exceed the lower of (a) 1.30 or (b) the Maximum Debt/Equity Ratio. In the 10b5-1 Plan, "Debt/Equity Ratio" means the sum of debt on the Consolidated Statements of Assets and Liabilities and the total notional value of our unfunded commitments divided by net assets, as of the most recent reported financial statement end date, and "Maximum Debt/Equity Ratio" means the sum of debt on the Consolidated Statements of Assets and Liabilities and committed uncalled debt divided by net assets, as of the most recent reported financial statement end date.

The 10b5-1 Plan was adopted and took effect on November 9, 2020. The 10b5-1 Plan will expire on November 9, 2021. Purchases under the 10b5-1 Plan will be conducted on a programmatic basis in accordance with Rules 10b5-1 and 10b-18 under the Exchange Act and other applicable securities laws.

Repurchases of our common stock under the 10b5-1 Plan or otherwise may result in the price of our common stock being higher than the price that otherwise might exist in the open market. We did not repurchase any of our common stock pursuant to the plan or otherwise.

Dividend Reinvestment Plan

We have a dividend reinvestment plan that provides for reinvestment of all cash distributions declared by our Board of Directors unless a stockholder elects to "opt out" of the plan. As a result, if our Board of Directors declares a cash distribution, then the stockholders who have not "opted out" of the dividend reinvestment plan will have their cash distributions automatically reinvested in additional shares of common stock, rather than receiving the cash distribution. Due to regulatory considerations, Group Inc. has opted out of the dividend reinvestment plan, and GS & Co. has opted out of the dividend reinvestment plan in respect of any shares of our common stock acquired through the GS 10b5-1 Plan. For further details, see Note 9 "Net Assets" to our consolidated financial statements included in this report.

Contractual Obligations

We have entered into certain contracts under which we have future commitments. Payments under the Investment Management Agreement, pursuant to which GSAM has agreed to serve as our Investment Adviser, are equal to (1) a percentage of value of our average gross assets and (2) a two-part Incentive Fee. Under the Administration Agreement, pursuant to which State Street Bank and Trust Company has agreed to furnish us with the administrative services necessary to conduct our day-to-day operations, we pay our administrator such fees as may be agreed between us and our administrator that we determine are commercially reasonable in our sole discretion. Either party or the stockholders, by a vote of a majority of our outstanding voting securities, may terminate the Investment Management Agreement without penalty on at least 60 days' written notice to the other party. Either party may terminate the Administration Agreement without penalty upon at least 30 days' written notice to the other party. The following table shows our contractual obligations as of December 31, 2020:

	Payments Due by Period (in millions)				
	Total	Less Than 1 Year	1 – 3 Years	3 – 5 Years	More Than 5 Years
Convertible Notes	$ 155.00	$ —	$ 155.00	$ —	$ —
2025 Notes	$ 360.00	$ —	$ —	$ 360.00	$ —
Revolving Credit Facility	$ 529.57	$ —	$ —	$ 529.57	$ —
Revolving Credit Facility (Euro: "€")	€ 81.70	€ —	€ —	€ 81.70	€ —
2026 Notes	$ 500.00	$ —	$ —	$ —	$ 500.00

Revolving Credit Facility

On September 19, 2013, we entered into a Revolving Credit Facility with various lenders. Truist Bank (formerly known as SunTrust Bank) serves as administrative agent and Bank of America N.A. serves as syndication agent under the Revolving Credit Facility. We amended and restated the Revolving Credit Facility on October 3, 2014, November 3, 2015, December 16, 2016, February 21, 2018, September 17, 2018, February 25, 2020 and November 20, 2020.

The aggregate committed borrowing amount under the Revolving Credit Facility is $1,695.00 million. The Revolving Credit Facility includes an uncommitted accordion feature that allows us, under certain circumstances, to increase the borrowing capacity of the Revolving Credit Facility up to $2,250.00 million.

Borrowings denominated in USD, including amounts drawn in respect of letters of credit, bear interest (at our election) of either (i) LIBOR plus a margin of either 2.00% or (x) 1.875% (subject to maintenance of certain long-term corporate debt ratings) or (y) 1.75% (subject to certain borrowing base conditions) or (ii) an alternative base rate, which is the highest of 0, the Prime Rate, the Federal Funds Effective Rate plus 0.50% and overnight LIBOR plus 1.00%, plus either 1.00% or (x) 0.875% (subject to maintenance of certain long-term corporate debt ratings) or (y) 0.75% (subject to certain borrowing base conditions). Borrowings denominated in non-USD bear interest of LIBOR plus a margin of either 2.00%, 1.875% or 1.75% (subject to the conditions applicable to borrowings denominated in USD that bear interest based on LIBOR). With respect to borrowings denominated in USD, we may elect either LIBOR, or an alternative base rate at the time of borrowing, and such borrowings may be converted from one rate to another at any time, subject to certain conditions. Interest is payable quarterly in arrears. We pay a fee of 0.375% per annum on committed but undrawn amounts under the Revolving Credit Facility, payable quarterly in arrears. Any amounts borrowed under the Revolving Credit Facility will mature, and all accrued and unpaid interest will be due and payable, on February 25, 2025.

For further details, see Note 6 “Debt – Revolving Credit Facility” to our consolidated financial statements included in this report.

Convertible Notes

On October 3, 2016, we closed an offering of $115.00 million aggregate principal amount of unsecured Convertible Notes, which included $15.00 million aggregate principal amount issued pursuant to the initial purchasers’ exercise in full of an over-allotment option (the “Initial Convertible Notes”).

On July 2, 2018, we closed an offering of $40.00 million aggregate additional principal amount (the “Additional Convertible Notes” and, together with the Initial Convertible Notes, the “Convertible Notes”). The Additional Convertible Notes have identical terms, are fungible and are part of the Initial Convertible Notes.

The Convertible Notes were issued pursuant to an indenture between us and Wells Fargo Bank (“Wells Fargo”), as Trustee. Wells Fargo Bank and/or its affiliates provide bank lending and distribution services to certain Goldman Sachs funds. The Convertible Notes bear interest at a rate of 4.50% per year, payable semi-annually in arrears on April 1 and October 1 of each year, commencing on April 1, 2017. The Convertible Notes will mature on April 1, 2022, unless repurchased or converted in accordance with their terms prior to such date. In certain circumstances, the Convertible Notes are convertible into cash, shares of our common stock or a combination of cash and shares of our common stock. At the time of issuance, the Convertible Notes were convertible based on an initial conversion rate of 40.8397 shares of our common stock per $1,000 principal amount of Convertible Notes, which was equivalent to an initial conversion price of approximately $24.49 per share of common stock, subject to customary anti-dilution adjustments and the other terms of the indenture governing the Convertible Notes. This conversion price was approximately 10.0% above the $22.26 per share closing price of our common stock on September 27, 2016 and 16.7% above the $20.99 per share closing price of our common stock on June 26, 2018. We will not have the right to redeem the Convertible Notes prior to maturity.

For further details, see Note 6 “Debt – Convertible Notes” to our consolidated financial statements included in this report.

2025 Notes

On February 10, 2020, we closed an offering of $360.00 million aggregate principal amount of unsecured notes. The 2025 Notes were issued pursuant to an indenture between us and Wells Fargo Bank, as Trustee. Wells Fargo Bank and/or its affiliates provide bank lending and distribution services to certain Goldman Sachs funds. The 2025 Notes bear interest at a rate of 3.75% per year, payable semi-annually in arrears on February 10 and August 10 of each year, commencing on August 10, 2020. The 2025 Notes will mature on February 10, 2025 and may be redeemed in whole or in part at the Company’s option at any time or from time to time at the redemption prices set forth in the indenture. For further details, see Note 6 “Debt – 2025 Notes” to our consolidated financial statements included in this report.

2026 Notes

On November 24, 2020, we closed an offering of $500.00 million aggregate principal amount of unsecured notes. The 2026 Notes were issued pursuant to an indenture between us and Wells Fargo Bank, as Trustee. Wells Fargo Bank and/or its affiliates provide bank lending and distribution services to certain Goldman Sachs funds. The 2026 Notes bear interest at a rate of 2.875% per year, payable semi-annually in arrears on January 15 and July 15 of each year, commencing on July 15, 2021. The 2026 Notes will mature on January 15, 2026 and may be redeemed in whole or in part at the Company’s option at any time or from time to time at the redemption prices set forth in the indenture. For further details, see Note 6 “Debt – 2026 Notes” to our consolidated financial statements included in this report.

Off-Balance Sheet Arrangements

We may become a party to investment commitments and to financial instruments with off-balance sheet risk in the normal course of our business to fund investments and to meet the financial needs of our portfolio companies. These instruments may include commitments to extend credit and involve, to varying degrees, elements of liquidity and credit risk in excess of the amount recognized in the balance sheet.

As of December 31, 2020, we believed that we had adequate financial resources to satisfy our unfunded commitments. Our unfunded commitments to provide funds to portfolio companies were as follows:

	As of	
	December 31, 2020	December 31, 2019
	(in millions)	
Unfunded Commitments		
First Lien/Senior Secured Debt	$ 242.91	$ 84.84
Second Lien/Senior Secured Debt	—	2.38
Total	**$ 242.91**	**$ 87.22**

HEDGING

Subject to applicable provisions of the Investment Company Act and applicable Commodity Futures Trading Commission ("CFTC") regulations, we may enter into hedging transactions in a manner consistent with SEC guidance. To the extent that any of our loans are denominated in a currency other than U.S. dollars, we may enter into currency hedging contracts to reduce our exposure to fluctuations in currency exchange rates. We may also enter into interest rate hedging agreements. Such hedging activities, which will be subject to compliance with applicable legal requirements, may include the use of futures, options, swaps and forward contracts. Costs incurred in entering into such contracts or in settling them, if any, will be borne by us. Our Investment Adviser has claimed no-action relief from CFTC registration and regulation as a commodity pool operator pursuant to a CFTC Rule 4.5 with respect to our operations, with the result that we will be limited in our ability to use futures contracts or options on futures contracts or engage in swap transactions. Specifically, CFTC Rule 4.5 imposes strict limitations on using such derivatives other than for hedging purposes, whereby the use of derivatives not used solely for hedging purposes is generally limited to situations where (i) the aggregate initial margin and premiums required to establish such positions does not exceed five percent of the liquidation value of our portfolio, after taking into account unrealized profits and unrealized losses on any such contracts it has entered into; or (ii) the aggregate net notional value of such derivatives does not exceed 100% of the liquidation value of our portfolio. Moreover, we anticipate entering into transactions involving such derivatives to a very limited extent solely for hedging purposes or otherwise within the limitations of CFTC Rule 4.5.

RECENT DEVELOPMENTS

On January 26, 2021, Jonathan Lamm notified us of his intention to resign as Chief Financial Officer and Treasurer effective March 1, 2021. Mr. Lamm's decision to resign is not the result of any disagreement with us. On February 24, 2021, our Board of Directors approved Joseph DiMaria as our Interim Chief Financial officer and Interim Treasurer effective March 1, 2021.

In connection with the consummation of the Merger, our Board of Directors previously declared special distributions of $0.15 per share in total, and payable in three equal quarterly installments. The first quarterly installment of $5.08 million is payable on March 15, 2021 to holders of record as of February 15, 2021. As a result of the payment of the first installment, the conversion rate relating to our Convertible Notes will be adjusted pursuant to the terms of the indenture governing the Convertible Notes. The new conversion will be 40.9553 shares of common stock per $1,000 principal amount of the Convertible Notes and became effective as of February 12, 2021, the ex-dividend date for the first installment of the special distribution.

On February 24, 2021, our Board of Directors declared a quarterly distribution of $0.45 per share payable on April 27, 2021 to holders of record as of March 31, 2021.

CRITICAL ACCOUNTING POLICIES

Our discussion and analysis of our financial condition and results of operations are based upon our consolidated financial statements, which have been prepared in accordance with GAAP. The preparation of these consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses. Changes in the economic environment, financial markets and any other parameters used in determining such estimates could cause actual results to differ materially.

For a description of our critical accounting policies, see Note 2 "Significant Accounting Policies" to our consolidated financial statements included in this report. We consider the most significant accounting policies to be those related to our Valuation of Portfolio Investments, Revenue Recognition, Non-Accrual Investments, Distribution Policy, and Income Taxes.

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ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are subject to financial market risks, most significantly changes in interest rates. Interest rate sensitivity refers to the change in our earnings that may result from changes in the level of interest rates. Because we expect to fund a portion of our investments with borrowings, our net investment income is expected to be affected by the difference between the rate at which we invest and the rate at which we borrow. As a result, we can offer no assurance that a significant change in market interest rates will not have a material adverse effect on our net investment income.

Uncertainty with respect to the economic effects of the COVID-19 pandemic has introduced significant volatility in the financial markets, and the effect of the volatility could materially impact our market risks, including those listed below.

As of December 31, 2020 and December 31, 2019, on a fair value basis, approximately 0.9% and 0.6% of our performing debt investments bore interest at a fixed rate (including income producing preferred stock investments), and approximately 99.1% and 99.4% of our performing debt investments bore interest at a floating rate. Our borrowings under our Revolving Credit Facility bear interest at a floating rate and our Convertible Notes, 2025 Notes and 2026 Notes bear interest at a fixed rate.

We regularly measure our exposure to interest rate risk. We assess interest rate risk and manage our interest rate exposure on an ongoing basis by comparing our interest rate sensitive assets to our interest rate sensitive liabilities.

Based on our December 31, 2020 balance sheet, the following table shows the annual impact on net income of base rate changes in interest rates (considering interest rate floors for variable rate instruments) assuming no changes in our investment and borrowing structure:

As of December 31, 2020 **Basis Point Change**	**Interest Income**	**Interest Expense**	**Net Income**
(in millions)			
Up 300 basis points	$ 56.31	$ (17.62)	$ 38.69
Up 200 basis points	31.19	(11.75)	19.44
Up 100 basis points	6.35	(5.87)	0.48
Up 75 basis points	0.94	(4.41)	(3.47)
Up 50 basis points	0.63	(2.94)	(2.31)
Up 25 basis points	0.31	(1.47)	(1.16)
Down 25 basis points	(0.24)	0.85	0.61
Down 50 basis points	(0.26)	0.85	0.59
Down 75 basis points	(0.28)	0.85	0.57
Down 100 basis points	(0.31)	0.85	0.54
Down 200 basis points	(0.39)	0.85	0.46
Down 300 basis points	(0.44)	0.85	0.41

We may, in the future, hedge against interest rate fluctuations by using standard hedging instruments such as futures, options and forward contracts subject to the requirements of the Investment Company Act, applicable CFTC regulations and in a manner consistent with SEC guidance. 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.

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ITEM 8. CONSOLIDATED FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

GOLDMAN SACHS BDC, INC.

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Stockholders of Goldman Sachs BDC, Inc.

Opinions on the Financial Statements and Internal Control over Financial Reporting

We have audited the accompanying consolidated statements of assets and liabilities, including the consolidated schedules of investments of Goldman Sachs BDC, Inc. and its subsidiaries (the "Company") as of December 31, 2020 and 2019, and the related consolidated statements of operations, of changes in net assets and of cash flows for each of the three years in the period ended December 31, 2020, including the related notes (collectively referred to as the "consolidated financial statements"). We also have audited the Company's internal control over financial reporting as of December 31, 2020, based on criteria established in *Internal Control - Integrated Framework* (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2020 and 2019, and the results of its operations, changes in its net assets and its cash flows for each of the three years in the period ended December 31, 2020 in conformity with accounting principles generally accepted in the United States of America. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2020, based on criteria established in *Internal Control - Integrated Framework* (2013) issued by the COSO.

We have also previously audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated statements of assets and liabilities, including the consolidated schedules of investments, of the Company as of December 31, 2018, 2017, 2016, 2015 and 2014, and the related consolidated statements of operations, of changes in net assets and of cash flows for the years ended December 31, 2017, 2016, 2015 and 2014 (none of which are presented herein), and we expressed unqualified opinions on those consolidated financial statements. In our opinion, the information set forth in the Senior Securities table of the Company as of December 31, 2020, 2019, 2018, 2017, 2016, 2015 and 2014, appearing on page 55, is fairly stated, in all material respects, in relation to the consolidated financial statements from which it has been derived.

Basis for Opinions

The Company's management is responsible for these consolidated financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in Management's Report on Internal Control over Financial Reporting appearing under Item 9A. Our responsibility is to express opinions on the Company's consolidated financial statements and on the Company's internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the consolidated financial statements included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. Our procedures included confirmation of securities owned as of December 31, 2020 and 2019 by correspondence with the custodian, agent banks, portfolio company investees and brokers; when replies were not received, we performed other auditing procedures. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Critical Audit Matters

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that (i) relates to accounts or disclosures that are material to the consolidated financial statements and (ii) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Valuation of Certain Level 3 Debt Investments Developed Using Significant Unobservable Inputs Utilized in the Income Approach

As described in Note 5 to the consolidated financial statements, the Company held $3,051 million of total level 3 investments at fair value as of December 31, 2020, with debt investments representing approximately 96% of this total. For $2,359 million or 80% of those level 3 debt investments, the fair values were determined by management using the income approach. The significant unobservable inputs used in the income approach are the discount rate or market yield used to discount the estimated future cash flows expected to be received from the underlying investment. Included in the consideration and selection of discount rates or market yields is risk of default, rating of the investment, call provisions and comparable company investments.

The principal considerations for our determination that performing procedures relating to the valuation of certain level 3 debt investments developed using significant unobservable inputs utilized in the income approach is a critical audit matter are the significant judgment and estimation by management to determine the fair value of these investments due to the development of the discount rate or market yield. This in turn led to a high degree of auditor judgment, subjectivity and effort to perform procedures and to evaluate the audit evidence obtained related to the valuation of certain level 3 debt investments. In addition, the audit effort involved the use of professionals with specialized skill and knowledge to assist in performing these procedures and evaluating the audit evidence obtained.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included testing the effectiveness of controls relating to the valuation of certain level 3 debt investments, including controls over the development of significant unobservable inputs used in the income approach, related to the discount rate or market yield. These procedures also included, among others, either (i) testing management’s process for determining the fair value estimate, which included evaluating the appropriateness of the discounted cash flow technique; testing the completeness, accuracy, and relevance of the underlying data used in the technique; and evaluating the significant unobservable inputs used by management, related to the discount rate or market yield, by considering the consistency of the unobservable inputs with external market and industry data and evidence obtained in other areas of the audit; or (ii) the involvement of professionals with specialized skill and knowledge to assist in developing an independent fair value estimate range for certain level 3 debt investments and comparison of management’s estimate to the independently developed range of fair value estimates. Developing the independent range involved developing independent significant unobservable inputs for the discount rate or market yield in order to evaluate the reasonableness of management’s fair value estimate of these certain level 3 debt investments using a range of available market information.

/s/ PricewaterhouseCoopers LLP

Boston, Massachusetts
February 25, 2021

We have served as the auditor of one or more investment companies
in the following group of business development companies
since 2012 - Goldman Sachs BDC, Inc.,
Goldman Sachs Private Middle Market Credit LLC, and
Goldman Sachs Private Middle Market Credit II LLC

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PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

Goldman Sachs BDC, Inc.
Consolidated Statements of Assets and Liabilities
(in thousands, except share and per share amounts)

	December 31, 2020	December 31, 2019
Assets		
Investments, at fair value		
Non-controlled/non-affiliated investments (cost of $3,089,481 and $1,338,268)	$ 3,135,745	$ 1,298,133
Non-controlled affiliated investments (cost of $64,699 and $83,460)	87,211	82,580
Controlled affiliated investments (cost of $28,400 and $88,119)	19,810	73,539
Total investments, at fair value (cost of $3,182,580 and $1,509,847)	$ 3,242,766	$ 1,454,252
Cash	32,137	9,409
Receivable for investments sold	2,600	93
Unrealized appreciation on foreign currency forward contracts	—	32
Interest and dividends receivable	21,593	5,702
Deferred financing costs	11,350	4,427
Other assets	1,916	1,360
Total assets	$ 3,312,362	$ 1,475,275
Liabilities		
Debt (net of debt issuance costs of $17,323 and $3,680)	$ 1,627,060	$ 769,727
Interest and other debt expenses payable	10,163	2,304
Management fees payable	5,945	3,653
Incentive fees payable	2,665	1,850
Distribution payable	45,690	18,165
Unrealized depreciation on foreign currency forward contracts	355	—
Accrued expenses and other liabilities	5,343	3,451
Total liabilities	$ 1,697,221	$ 799,150
Commitments and Contingencies (Note 8)		
Net Assets		
Preferred stock, par value $0.001 per share (1,000,000 shares authorized, no shares issued and outstanding)	$ —	$ —
Common stock, par value $0.001 per share (200,000,000 shares authorized, 101,534,370 and 40,367,071 shares issued and outstanding as of December 31, 2020 and December 31, 2019)	102	40
Paid-in capital in excess of par	1,621,813	778,132
Distributable earnings	(5,353)	(100,626)
Allocated income tax expense	(1,421)	(1,421)
TOTAL NET ASSETS	$ 1,615,141	$ 676,125
TOTAL LIABILITIES AND NET ASSETS	$ 3,312,362	$ 1,475,275
Net asset value per share	$ 15.91	$ 16.75

The accompanying notes are part of these consolidated financial statements.

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Goldman Sachs BDC, Inc.
Consolidated Statements of Operations
(in thousands, except share and per share amounts)

	For the Years Ended December 31, 2020	2019	2018
Investment Income:			
From non-controlled/non-affiliated investments:			
Interest income	$ 157,610	$ 133,550	$ 122,600
Payment-in-kind	4,864	1,052	761
Other income	1,081	2,527	2,064
From non-controlled affiliated investments:			
Interest income	4,931	2,766	2,545
Payment-in-kind	1,127	1,107	6,235
Dividend income	198	178	148
Other income	1,311	49	37
From controlled affiliated investments:			
Payment-in-kind	1,605	2,311	1,791
Interest income	232	271	—
Dividend income	—	3,450	10,550
Total investment income	$ 172,959	$ 147,261	$ 146,731
Expenses:			
Interest and other debt expenses	$ 39,900	$ 36,313	$ 26,232
Management fees	16,846	14,696	15,971
Incentive fees	35,845	9,220	13,988
Professional fees	2,512	2,954	3,083
Directors' fees	640	465	461
Other general and administrative expenses	2,877	2,469	2,578
Total expenses	$ 98,620	$ 66,117	$ 62,313
Fee waivers	(36,986)	(394)	—
Net expenses	$ 61,634	$ 65,723	$ 62,313
NET INVESTMENT INCOME BEFORE TAXES	$ 111,325	$ 81,538	$ 84,418
Income tax expense, including excise tax	$ 1,429	$ 1,819	$ 1,582
NET INVESTMENT INCOME AFTER TAXES	$ 109,896	$ 79,719	$ 82,836
Net realized and unrealized gains (losses) on investment transactions:			
Net realized gain (loss) from:			
Non-controlled/non-affiliated investments	$ (6,611)	$ (31,278)	$ 1,722
Non-controlled affiliated investments	3,545	(7,226)	9
Controlled affiliated investments	(40,688)	(629)	—
Foreign currency forward contracts	82	151	7
Foreign currency transactions	63	(47)	(189)
Net change in unrealized appreciation (depreciation) from:			
Non-controlled/non-affiliated investments	86,400	(13,530)	(23,558)
Non-controlled affiliated investments	23,391	16,731	(3,551)
Controlled affiliated investments	5,990	(8,682)	(3,653)
Foreign currency forward contracts	(388)	(57)	89
Foreign currency translations	(5,563)	823	688
Net realized and unrealized gains (losses)	$ 66,221	$ (43,744)	$ (28,436)
(Provision) benefit for taxes on realized gain/loss on investments	(96)	121	(446)
(Provision) benefit for taxes on unrealized appreciation/depreciation on investments	92	52	(276)
NET INCREASE IN NET ASSETS FROM OPERATIONS	$ 176,113	$ 36,148	$ 53,678
Weighted average shares outstanding	53,940,573	40,313,662	40,184,715
Net investment income per share (basic and diluted)	$ 2.04	$ 1.98	$ 2.06
Earnings per share (basic and diluted)	$ 3.26	$ 0.90	$ 1.34

The accompanying notes are part of these consolidated financial statements.

Goldman Sachs BDC, Inc.
Consolidated Statements of Changes in Net Assets
(in thousands, except share and per share amounts)

	For the Years Ended December 31,		
	2020	**2019**	**2018**
Net assets at beginning of period	$ 676,125	$ 709,892	$ 725,830
Increase (decrease) in net assets from operations:			
Net investment income	$ 109,896	$ 79,719	$ 82,836
Net realized gain (loss)	(43,609)	(39,029)	1,549
Net change in unrealized appreciation (depreciation)	109,830	(4,715)	(29,985)
(Provision) benefit for taxes on realized gain/loss on investments	(96)	121	(446)
(Provision) benefit for taxes on unrealized appreciation/depreciation on investments	92	52	(276)
Net increase in net assets from operations	$ 176,113	$ 36,148	$ 53,678
Distributions to stockholders from:			
Distributable earnings	$ (100,254)	$ (72,574)	$ (72,339)
Total distributions to stockholders	$ (100,254)	$ (72,574)	$ (72,339)
Capital transactions:			
Issuance of common stock	$ 861,031	$ —	$ —
Equity component of convertible notes	—	—	799
Reinvestment of stockholder distributions	2,126	2,659	1,924
Net increase in net assets from capital transactions	$ 863,157	$ 2,659	$ 2,723
TOTAL INCREASE (DECREASE) IN NET ASSETS	$ 939,016	$ (33,767)	$ (15,938)
Net assets at end of period	$ 1,615,141	$ 676,125	$ 709,892
Distributions declared per share	$ 1.80	$ 1.80	$ 1.80

The accompanying notes are part of these consolidated financial statements.

Goldman Sachs BDC, Inc.
Consolidated Statements of Cash Flows
(in thousands, except share and per share amounts)

	For the Years Ended December 31,		
	2020	2019	2018
Cash flows from operating activities:			
Net increase in net assets from operations:	$ 176,113	$ 36,148	$ 53,678
Adjustments to reconcile net increase (decrease) in net assets from operations to net cash provided by (used for) operating activities:			
Purchases of investments	(443,161)	(700,375)	(450,078)
Payment-in-kind interest capitalized	(6,619)	(4,321)	(8,672)
Investments in affiliated money market fund, net	—	—	11,539
Proceeds from sales of investments and principal repayments	362,738	579,005	321,717
Dissolution of Senior Credit Fund, LLC	—	9,822	—
Net realized (gain) loss on investments	43,754	39,140	(1,731)
Net change in unrealized (appreciation) depreciation on investments	(115,781)	5,481	30,762
Net change in unrealized (appreciation) depreciation on foreign currency forward contracts and transactions	333	47	(90)
Amortization of premium and accretion of discount, net	(22,154)	(7,560)	(9,129)
Amortization of deferred financing and debt issuance costs	4,690	2,638	2,301
Amortization of original issue discount on convertible notes	446	424	267
Cash acquired in merger	177,576	—	—
Change in operating assets and liabilities:			
(Increase) decrease in receivable for investments sold	(2,164)	(46)	(47)
(Increase) decrease in interest and dividends receivable	(1,950)	3,817	1,183
(Increase) decrease in other income receivable	—	—	1,308
(Increase) decrease in other assets	(1,300)	(921)	(161)
Increase (decrease) in interest and other debt expenses payable	6,426	(45)	661
Increase (decrease) in management fees payable	(1,867)	219	(1,213)
Increase (decrease) in incentive fees payable	(5,857)	1,850	(3,180)
Increase (decrease) in directors' fees payable	(12)	—	—
Increase (decrease) in accrued expenses and other liabilities	(5,428)	(594)	1,644
Net cash provided by (used for) operating activities	$ 165,783	$ (35,271)	$ (49,241)
Cash flows from financing activities:			
Offering costs paid	$ —	$ (85)	$ (177)
Distributions paid(1)	(145,603)	(69,852)	(70,372)
Deferred financing and debt issuance costs paid	(24,781)	(494)	(3,873)
Borrowings on debt	1,289,450	560,588	483,919
Repayments of debt	(1,262,176)	(451,600)	(365,750)
Net cash provided by (used for) financing activities	$ (143,110)	$ 38,557	$ 43,747
Net increase (decrease) in cash	22,673	3,286	(5,494)
Effect of foreign exchange rate changes on cash and cash equivalents	55	10	1
Cash, beginning of period	9,409	6,113	11,606
Cash, end of period	$ 32,137	$ 9,409	$ 6,113
Supplemental and non-cash activities			
Interest expense paid	$ 27,207	$ 32,415	$ 22,120
Accrued but unpaid excise tax expense	$ 1,638	$ 1,979	$ 1,787
Accrued but unpaid distributions	$ 45,690	$ 18,165	$ 18,102
Reinvestment of stockholder distributions	$ 2,126	$ 2,659	$ 1,924
Non-cash purchases of investments	$ (1,670,802)	$ (287,664)	$ (19,915)
Non-cash sales of investments	$ 63,499	$ 297,442	$ 19,915
Issuance of shares in connection with the Merger(1)	$ 861,031	$ —	$ —

(1) On October 12, 2020, in connection with the Merger (as defined in Note 1 "Organization"), the Company acquired net assets of $950,161 for the total stock consideration of $861,031, inclusive of $5,170 of transaction costs. Inclusive of the net assets acquired, the Company assumed $75,000 of distributions payable. For further details, refer to Note 13 "Merger with GS MMLC".

The accompanying notes are part of these consolidated financial statements.

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Goldman Sachs BDC, Inc.
Consolidated Schedule of Investments as of December 31, 2020
(in thousands, except share and per share amounts)

Investment *	Industry	Interest Rate (+)	Reference Rate and Spread (+)	Floor (+)	Maturity	Par Amount/Shares (++)	Cost	Fair Value
1st Lien/Senior Secured Debt * # - 156.46%								
1272775 B.C. LTD. (dba Everest Clinical Research)(1) (2)	Professional Services	6.50%	L + 5.50%	1.00%	11/06/26	$ 9,430	$ 9,292	$ 9,289
1272775 B.C. LTD. (dba Everest Clinical Research)(1) (2) (3)	Professional Services		L + 5.50%	1.00%	11/06/26	1,260	(18)	(19)
3SI Security Systems, Inc.(4)	Commercial Services & Supplies	6.75%	L + 5.75%	1.00%	06/16/23	14,556	14,465	14,483
3SI Security Systems, Inc.(4)	Commercial Services & Supplies	6.75%	L + 5.75%	1.00%	06/16/23	2,216	2,075	2,205
A Place For Mom, Inc.	Diversified Consumer Services	4.75%	L + 3.75%	1.00%	08/10/24	8,752	8,746	8,052
Acquia, Inc.(2) (4)	Software	8.00%	L + 7.00%	1.00%	10/31/25	30,561	28,977	30,026
Acquia, Inc.(2) (3) (4)	Software		L + 7.00%	1.00%	10/31/25	3,268	(77)	(57)
Ansira Partners, Inc.	Professional Services	7.50%	L + 6.50% PIK	1.00%	12/20/24	4,748	4,726	3,988
Ansira Partners, Inc.	Professional Services	7.50%	L + 6.50% PIK	1.00%	12/20/24	292	291	245
Apptio, Inc.(2) (4)	IT Services	8.25%	L + 7.25%	1.00%	01/10/25	79,154	75,824	77,967
Apptio, Inc.(2) (3) (4)	IT Services		L + 7.25%	1.00%	01/10/25	5,385	(75)	(81)
Associations, Inc.(2) (4)	Real Estate Management & Development	8.00%	L + 7.00% (incl. 3.00% PIK)	1.00%	07/30/24	33,860	32,095	33,013
Associations, Inc.(2) (3) (4)	Real Estate Management & Development	8.00%	L + 7.00% (incl. 3.00% PIK)	1.00%	07/30/24	7,396	7,102	7,104
Associations, Inc.(2) (4)	Real Estate Management & Development	7.00%	L + 6.00%	1.00%	07/30/24	1,422	1,348	1,387
ATX Networks Corp.	Communications Equipment	8.75%	L + 7.75% (incl. 1.50% PIK)	1.00%	12/31/23	7,183	7,162	6,321
ATX Networks Corp.	Communications Equipment	8.75%	L + 7.75% (incl. 1.50% PIK)	1.00%	12/31/23	457	452	402
Badger Sportswear, Inc.	Textiles, Apparel & Luxury Goods	6.25%	L + 5.00%	1.00%	09/11/23	7,150	7,106	6,292
Barbri, Inc.	Diversified Consumer Services	5.00%	L + 4.00%	1.00%	12/01/23	6,243	6,227	5,931
BJH Holdings III Corp. (dba Jack's Family Restaurants)(2)	Hotels, Restaurants & Leisure	6.25%	L + 5.25%	1.00%	08/19/25	14,904	14,065	14,270
Blacksmith Applications, Inc.(2)	Software	7.50%	L + 6.50%	1.00%	12/02/26	25,100	24,542	24,535
Blacksmith Applications, Inc.(2) (3)	Software		L + 6.50%	1.00%	12/02/26	2,000	(44)	(45)
Brillio, LLC(2) (4)	IT Services	5.75%	L + 4.75%	1.00%	02/06/25	10,953	10,478	10,871
Brillio, LLC(2) (3) (4)	IT Services	5.75%	L + 4.75%	1.00%	02/06/25	3,710	1,808	1,827
Bullhorn, Inc.(2) (4)	Professional Services	6.75%	L + 5.75%	1.00%	09/30/26	26,833	25,653	26,430
Bullhorn, Inc.(2) (4)	Professional Services	6.75%	L + 5.75%	1.00%	09/30/26	556	532	548
Bullhorn, Inc.(2) (4)	Professional Services	6.75%	L + 5.75%	1.00%	09/30/26	444	424	437
Bullhorn, Inc.(2) (3) (4)	Professional Services		L + 5.75%	1.00%	09/30/26	1,232	(19)	(18)
Bullhorn, Inc.(2) (3) (4)	Professional Services		L + 5.75%	1.00%	09/30/26	1,344	(21)	(20)
Businessolver.com, Inc.(2) (4)	Health Care Technology	8.50%	L + 7.50%	1.00%	05/15/23	42,625	40,448	42,092
Businessolver.com, Inc.(2) (4)	Health Care Technology	8.50%	L + 7.50%	1.00%	05/15/23	11,175	11,003	11,035
Businessolver.com, Inc.(2) (4)	Health Care Technology	8.50%	L + 7.50%	1.00%	05/15/23	6,394	6,066	6,314
Businessolver.com, Inc.(2) (3) (4)	Health Care Technology		L + 7.50%	1.00%	05/15/23	5,328	(101)	(67)
Capitol Imaging Acquisition Corp. (2)	Health Care Providers & Services	7.50%	L + 6.50%	1.00%	10/01/26	814	779	798
Capitol Imaging Acquisition Corp. (2) (3)	Health Care Providers & Services	8.75%	P + 5.50%		10/01/25	180	19	19
CFS Management, LLC (dba Center for Sight Management)(2) (4)	Health Care Providers & Services	6.50%	L + 5.50%	1.00%	07/01/24	11,671	11,090	11,409
CFS Management, LLC (dba Center for Sight Management)(2) (4)	Health Care Providers & Services	6.50%	L + 5.50%	1.00%	07/01/24	3,476	3,303	3,398
Chronicle Bidco Inc. (dba Lexitas) (2)	Professional Services	7.00%	L + 6.00%	1.00%	11/14/25	17,127	16,194	16,699
Chronicle Bidco Inc. (dba Lexitas) (2)	Professional Services	7.00%	L + 6.00%	1.00%	11/14/25	11,372	11,095	11,087
Chronicle Bidco Inc. (dba Lexitas) (2)	Professional Services	7.00%	L + 6.00%	1.00%	11/14/25	7,214	6,820	7,034
Chronicle Bidco Inc. (dba Lexitas) (2) (3)	Professional Services	7.00%	L + 6.00%	1.00%	11/14/25	6,318	89	(7)
Chronicle Bidco Inc. (dba Lexitas) (2) (3)	Professional Services		L + 6.00%	1.00%	11/14/25	2,180	(52)	(55)

ConnectWise, LLC(2) (4)	IT Services	6.25%	L + 5.25%	1.00%	02/28/25	33,186	31,844	32,854
ConnectWise, LLC(2) (3) (4)	IT Services	6.25%	L + 5.25%	1.00%	02/28/25	2,561	609	615
Convene 237 Park Avenue, LLC (dba Convene)(2) (4)	Real Estate Management & Development	9.00%	L + 7.50%	1.50%	08/30/24	52,200	46,177	41,760
Convene 237 Park Avenue, LLC (dba Convene)(2) (4)	Real Estate Management & Development	9.00%	L + 7.50%	1.50%	08/30/24	15,340	13,563	12,272

The accompanying notes are part of these consolidated financial statements.

Goldman Sachs BDC, Inc.
Consolidated Schedule of Investments as of December 31, 2020 (continued)
(in thousands, except share and per share amounts)

Investment *	Industry	Interest Rate (+)	Reference Rate and Spread (+)	Floor (+)	Maturity	Par Amount/Shares (++)	Cost	Fair Value
CorePower Yoga LLC(2)	Diversified Consumer Services	7.00%	L + 6.00% (incl. 1.25% PIK)	1.00%	05/14/25	$ 24,108	$ 21,328	$ 20,250
CorePower Yoga LLC(2)	Diversified Consumer Services	7.00%	L + 6.00% (incl. 1.25% PIK)	1.00%	05/14/25	1,687	1,534	1,417
CST Buyer Company (dba Intoxalock)(2) (4)	Diversified Consumer Services	7.00%	L + 6.00%	1.00%	10/03/25	28,301	27,301	27,664
CST Buyer Company (dba Intoxalock)(2) (4)	Diversified Consumer Services	7.00%	L + 6.00%	1.00%	11/03/25	15,080	14,747	14,741
CST Buyer Company (dba Intoxalock)(2) (3) (4)	Diversified Consumer Services		L + 6.00%	1.00%	10/03/25	2,170	(14)	(49)
DDS USA Holding, Inc.(2) (4)	Health Care Equipment & Supplies	6.75%	L + 5.75%	1.00%	06/30/22	9,116	8,829	9,048
DDS USA Holding, Inc.(2) (4)	Health Care Equipment & Supplies	7.06%	L + 5.75%	1.00%	06/30/22	7,807	7,561	7,749
DDS USA Holding, Inc.(2) (3) (4)	Health Care Equipment & Supplies		L + 5.75%	1.00%	06/30/22	2,612	(16)	(20)
Diligent Corporation(2) (4)	Professional Services	7.25%	L + 6.25%	1.00%	08/04/25 €	38,448	42,915	45,913
Diligent Corporation(2) (4)	Professional Services	7.25%	L + 6.25%	1.00%	08/04/25	24,851	23,683	24,292
Diligent Corporation(2) (3) (4)	Professional Services		L + 6.25%	1.00%	08/04/25	3,100	(66)	(70)
DocuTAP, Inc.(2) (4)	Health Care Technology	6.50%	L + 5.50%	1.00%	05/12/25	58,566	55,580	57,395
E2open, LLC(2)	Software	6.75%	L + 5.75%	1.00%	11/26/24	40,093	37,959	39,917
Elemica Parent, Inc.(2) (4)	Chemicals	7.00%	L + 6.00%	1.00%	09/18/25	7,091	6,561	6,879
Elemica Parent, Inc.(2) (4)	Chemicals	7.00%	L + 6.00%	1.00%	09/18/25	1,390	1,311	1,348
Elemica Parent, Inc.(2) (3) (4)	Chemicals	7.00%	L + 6.00%	1.00%	09/18/25	930	720	737
Elemica Parent, Inc.(2) (4)	Chemicals	7.00%	L + 6.00%	1.00%	09/18/25	566	549	549
Elemica Parent, Inc.(2) (3) (4)	Chemicals		L + 6.00%	1.00%	09/18/25	380	(6)	(11)
Elemica Parent, Inc.(2) (3) (4)	Chemicals		L + 6.00%	1.00%	09/18/25	1,508	(22)	(45)
Empirix, Inc.(2) (4)	Diversified Telecommunication Services	7.25%	L + 6.25%	1.00%	09/25/24	53,053	50,468	51,594
Empirix, Inc.(2) (3) (4)	Diversified Telecommunication Services		L + 6.25%	1.00%	09/25/23	3,100	(63)	(85)
Eptam Plastics, Ltd.(2) (4)	Health Care Equipment & Supplies	6.50%	L + 5.50%	1.00%	12/06/25	10,582	10,065	10,371
Eptam Plastics, Ltd.(2) (3) (4)	Health Care Equipment & Supplies	6.50%	L + 5.50%	1.00%	12/06/25	2,269	1,931	1,996
Eptam Plastics, Ltd.(2) (3) (4)	Health Care Equipment & Supplies		L + 5.50%	1.00%	12/06/25	4,537	(83)	(91)
Fenergo Finance 3 Limited(1) (2) (4)	Diversified Financial Services	7.00%	L + 6.00%	1.00%	09/05/24 €	43,100	48,582	51,995
Fenergo Finance 3 Limited(1) (2) (3) (4)	Diversified Financial Services		L + 6.00%	1.00%	09/05/24	2,865	(33)	(36)
Fenergo Finance 3 Limited(1) (2) (3) (4)	Diversified Financial Services		L + 6.00%	1.00%	09/05/24 €	3,700	(8)	(57)
FWR Holding Corporation (dba First Watch Restaurants)(4)	Hotels, Restaurants & Leisure	8.00%	L + 7.00% (incl. 1.50% PIK)	1.00%	08/21/23	15,721	14,793	15,249
FWR Holding Corporation (dba First Watch Restaurants)(4)	Hotels, Restaurants & Leisure	8.00%	L + 7.00% (incl. 1.50% PIK)	1.00%	08/21/23	4,009	3,700	3,889
FWR Holding Corporation (dba First Watch Restaurants)(4)	Hotels, Restaurants & Leisure	8.00%	L + 7.00% (incl. 1.50% PIK)	1.00%	08/21/23	3,141	2,956	3,047
FWR Holding Corporation (dba First Watch Restaurants)(4)	Hotels, Restaurants & Leisure	8.00%	L + 7.00% (incl. 1.50% PIK)	1.00%	08/21/23	3,014	2,781	2,924
FWR Holding Corporation (dba First Watch Restaurants)(4)	Hotels, Restaurants & Leisure	8.00%	L + 7.00% (incl. 1.50% PIK)	1.00%	08/21/23	2,999	2,767	2,909
FWR Holding Corporation (dba First Watch Restaurants)(4)	Hotels, Restaurants & Leisure	8.00%	L + 7.00% (incl. 1.50% PIK)	1.00%	08/21/23	1,986	1,869	1,926
FWR Holding Corporation (dba First Watch Restaurants)(3) (4)	Hotels, Restaurants & Leisure		L + 7.00% (incl. 1.50% PIK)	1.00%	08/21/23	118	(3)	(4)
FWR Holding Corporation (dba First Watch Restaurants)(3) (4)	Hotels, Restaurants & Leisure		L + 7.00% (incl. 1.50% PIK)	1.00%	08/21/23	2,093	(56)	(63)

The accompanying notes are part of these consolidated financial statements.

Goldman Sachs BDC, Inc.
Consolidated Schedule of Investments as of December 31, 2020 (continued)
(in thousands, except share and per share amounts)

Investment *	Industry	Interest Rate (+)	Reference Rate and Spread (+)	Floor (+)	Maturity	Par Amount/Shares (++)	Cost	Fair Value
Gastro Health Holdco, LLC(2) (4)	Health Care Providers & Services	8.00%	L + 7.00%	1.00%	09/04/24	$ 23,415	$ 22,104	$ 22,888
Gastro Health Holdco, LLC(2) (4)	Health Care Providers & Services	8.00%	L + 7.00%	1.00%	09/04/24	12,138	11,459	11,865
Gastro Health Holdco, LLC(2) (4)	Health Care Providers & Services	8.00%	L + 7.00%	1.00%	09/04/24	11,699	11,053	11,436
Gastro Health Holdco, LLC(2) (3) (4)	Health Care Providers & Services	9.25%	L + 7.00%	1.00%	09/04/23	4,900	1,702	1,727
GH Holding Company (dba Grace Hill)(4)	Real Estate Management & Development	4.65%	L + 4.50%		02/28/23	7,294	7,277	7,166
GHA Buyer Inc. (dba Cedar Gate)(2)	Health Care Technology	8.00%	L + 6.00%	2.00%	06/24/25	15,000	14,703	14,700
GHA Buyer Inc. (dba Cedar Gate)(2) (3)	Health Care Technology	8.00%	L + 6.00%	2.00%	06/24/25	2,820	2,604	2,604
GHA Buyer Inc. (dba Cedar Gate)(2) (3)	Health Care Technology		L + 6.00%	2.00%	06/24/25	1,880	(37)	(38)
GI Revelation Acquisition LLC (dba Consilio)	IT Services	5.15%	L + 5.00%		04/16/25	4,634	4,619	4,542
GK Holdings, Inc. (dba Global Knowledge)(4) (5)	IT Services		L + 8.00%	1.00%	01/20/21	8,460	8,457	8,206
GlobalTranz Enterprises, Inc.(2)	Road & Rail	5.15%	L + 5.00%		05/15/26	18,933	16,423	17,419
Governmentjobs.com, Inc. (dba NeoGov)(2) (4)	Software	7.50%	L + 6.50%	1.00%	02/05/26	47,457	45,262	46,508
Governmentjobs.com, Inc. (dba NeoGov)(2) (4)	Software	8.00%	L + 7.00%	1.00%	02/05/26	23,975	23,497	24,035
Governmentjobs.com, Inc. (dba NeoGov)(2) (3) (4)	Software	7.50%	L + 6.50%	1.00%	02/05/26	6,328	368	348
Granicus, Inc.(2)	Software	8.00%	L + 7.00%	1.00%	08/21/26	22,763	21,576	22,308
Granicus, Inc.(2)	Software	8.00%	L + 7.00%	1.00%	08/21/26	1,996	1,947	1,956
Granicus, Inc.(2) (3)	Software		L + 7.00%	1.00%	08/21/26	1,563	(37)	(31)
GS AcquisitionCo, Inc. (dba Insightsoftware)(2)	Diversified Financial Services	6.75%	L + 5.75%	1.00%	05/24/24	9,680	9,537	9,607
GS AcquisitionCo, Inc. (dba Insightsoftware)(2) (3)	Diversified Financial Services	6.75%	L + 5.75%	1.00%	05/24/24	8,066	3,944	3,973
GS AcquisitionCo, Inc. (dba Insightsoftware)(2) (3)	Diversified Financial Services		L + 5.75%	1.00%	05/24/24	807	(12)	(6)
Halo Branded Solutions, Inc.	Commercial Services & Supplies	5.50%	L + 4.50%	1.00%	06/30/25	6,424	6,378	5,910
Helios Buyer, Inc. (dba Heartland) (2)	Diversified Consumer Services	7.00%	L + 6.00%	1.00%	12/15/26	14,645	14,354	14,352
Helios Buyer, Inc. (dba Heartland) (2) (3)	Diversified Consumer Services	7.00%	L + 6.00%	1.00%	12/15/26	2,482	179	179
Helios Buyer, Inc. (dba Heartland) (2) (3)	Diversified Consumer Services		L + 6.00%	1.00%	12/15/26	7,943	(39)	(40)
HowlCO LLC (dba Lone Wolf)(1) (2)	Real Estate Management & Development	7.00%	L + 6.00%	1.00%	10/23/26	28,047	27,499	27,486
HowlCO LLC (dba Lone Wolf)(1) (2)	Real Estate Management & Development	7.00%	L + 6.00%	1.00%	10/23/26	4,808	4,713	4,808
HS4 AcquisitionCo, Inc. (dba HotSchedules & Fourth)(2) (4)	Hotels, Restaurants & Leisure	7.75%	L + 6.75%	1.00%	07/09/25	57,658	53,441	53,910
HS4 AcquisitionCo, Inc. (dba HotSchedules & Fourth)(2) (3) (4)	Hotels, Restaurants & Leisure		L + 6.75%	1.00%	07/09/25	4,688	(216)	(305)
Hygiena Borrower LLC	Life Sciences Tools & Services	5.00%	L + 4.00%	1.00%	08/26/22	17,191	16,822	17,105
Hygiena Borrower LLC(3)	Life Sciences Tools & Services		L + 4.00%	1.00%	08/26/22	1,863	(16)	(9)
iCIMS, Inc.(2) (4)	Software	7.50%	L + 6.50%	1.00%	09/12/24	72,489	69,394	71,402
iCIMS, Inc.(2) (4)	Software	7.50%	L + 6.50%	1.00%	09/12/24	13,350	12,772	13,150
iCIMS, Inc.(2) (4)	Software	7.50%	L + 6.50%	1.00%	09/12/24	4,531	4,463	4,463
Infinity Sales Group(4)	Media	11.50%	L + 10.50%	1.00%	11/23/22	25,579	25,579	26,474
Instructure Holdings(2) (4)	Diversified Consumer Services	8.00%	L + 7.00%	1.00%	03/24/26	64,164	61,665	63,522
Instructure Holdings(2) (3) (4)	Diversified Consumer Services		L + 7.00%	1.00%	03/24/26	5,000	(51)	(50)
Integral Ad Science, Inc.(2) (4)	Interactive Media &	8.25%	L + 7.25% (incl.	1.00%	07/19/24	62,851	59,525	61,594

	Services		1.25% PIK)					
Integral Ad Science, Inc.(2) (3) (4)	Interactive Media & Services		L + 6.00%	1.00%	07/19/23	4,402	(108)	(88)
Internet Truckstop Group, LLC (dba Truckstop)(2) (4)	Transportation Infrastructure	6.50%	L + 5.50%	1.00%	04/02/25	54,037	51,511	52,956
Internet Truckstop Group, LLC (dba Truckstop)(2) (3) (4)	Transportation Infrastructure		L + 5.50%	1.00%	04/02/25	4,400	(82)	(88)

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Investment *	Industry	Interest Rate (+)	Reference Rate and Spread (+)	Floor (+)	Maturity	Par Amount/ Shares (++)	Cost	Fair Value
Iracore International Holdings, Inc.^ (4)	Energy Equipment & Services	10.00%	L + 9.00%	1.00%	04/12/21	$ 2,361	$ 2,361	$ 2,361
Jill Acquisition LLC (dba J. Jill)	Specialty Retail	6.00%	L + 5.00%	1.00%	05/08/24	6,622	6,554	4,503
Kawa Solar Holdings Limited^ (1) (4) (6)	Construction & Engineering				12/31/21	3,917	3,603	1,359
Kawa Solar Holdings Limited^ (1) (4) (6)	Construction & Engineering				12/31/21	3,318	800	—
Lithium Technologies, Inc.(2) (4)	Interactive Media & Services	9.00%	L + 8.00%	1.00%	10/03/22	89,013	84,252	85,230
Lithium Technologies, Inc.(2) (3) (4)	Interactive Media & Services	9.00%	L + 8.00%	1.00%	10/03/22	5,110	1,896	1,827
Mailgun Technologies, Inc.(2) (4)	Interactive Media & Services	6.00%	L + 5.00%	1.00%	03/26/25	38,673	37,340	38,673
Mailgun Technologies, Inc.(2) (3) (4)	Interactive Media & Services		L + 5.00%	1.00%	03/26/25	2,441	—	—
MedeAnalytics, Inc.(2) (4)	Health Care Technology	7.50%	L + 6.50%	1.00%	10/09/26	957	907	929
Mervin Manufacturing, Inc.(4)	Leisure Products	8.50%	L + 7.50%	1.00%	09/30/22	10,777	10,776	10,346
MMIT Holdings, LLC (dba Managed Markets Insight & Technology)(2) (4)	Health Care Technology	6.50%	L + 5.50%	1.00%	11/15/24	49,936	47,843	49,187
MMIT Holdings, LLC (dba Managed Markets Insight & Technology)(2) (3) (4)	Health Care Technology	6.50%	L + 5.50%	1.00%	11/15/24	7,713	4,520	4,512
MRI Software LLC	Real Estate Management & Development	6.50%	L + 5.50%	1.00%	02/10/26	23,030	21,825	22,358
MRI Software LLC(3)	Real Estate Management & Development		L + 5.50%	1.00%	02/10/26	661	(17)	(19)
MRI Software LLC(3)	Real Estate Management & Development		L + 5.50%	1.00%	02/10/26	1,612	(39)	(47)
Netvoyage Corporation (dba NetDocuments)(2) (4)	Software	8.00%	L + 7.00%	1.00%	03/22/24	16,284	15,596	15,958
Netvoyage Corporation (dba NetDocuments)(2) (4)	Software	8.00%	L + 7.00%	1.00%	03/22/24	9,875	9,362	9,677
Netvoyage Corporation (dba NetDocuments)(2) (4)	Software	8.00%	L + 7.00%	1.00%	03/22/24	1,672	1,602	1,639
Netvoyage Corporation (dba NetDocuments)(2) (3) (4)	Software		L + 7.00%	1.00%	03/24/22	1,264	(20)	(25)
One GI LLC(2)	Health Care Providers & Services	8.00%	L + 7.00%	1.00%	12/22/25	9,500	9,311	9,310
One GI LLC(2) (3)	Health Care Providers & Services	8.00%	L + 7.00%	1.00%	12/22/25	23,100	1,262	1,276
One GI LLC(2) (3)	Health Care Providers & Services		L + 7.00%	1.00%	12/22/25	2,500	(50)	(50)
Output Services Group, Inc.	Diversified Consumer Services	5.50%	L + 4.50%	1.00%	03/27/24	3,902	3,891	2,848
Pharmalogic Holdings Corp.(4)	Health Care Equipment & Supplies	6.25%	P + 3.00%		06/11/23	3,205	3,201	3,093
Pharmalogic Holdings Corp.(4)	Health Care Equipment & Supplies	6.25%	P + 3.00%		06/11/23	1,742	1,740	1,681
Pharmalogic Holdings Corp.(4)	Health Care Equipment & Supplies	6.25%	P + 3.00%		06/11/23	1,712	1,706	1,652
Pharmalogic Holdings Corp.(4)	Health Care Equipment & Supplies	6.25%	P + 3.00%		06/11/23	920	919	888
Picture Head Midco LLC(2) (4)	Entertainment	8.25%	L + 7.25% (incl. 0.50% PIK)	1.00%	08/31/23	45,848	42,105	41,722
PlanSource Holdings, Inc.(2) (4)	Health Care Technology	7.25%	L + 6.25%	1.00%	04/22/25	56,720	53,667	55,727
PlanSource Holdings, Inc.(2) (3) (4)	Health Care Technology		L + 6.25%	1.00%	04/22/25	7,824	(201)	(137)
Power Stop, LLC(2)	Auto Components	4.65%	L + 4.50%		10/19/25	18,130	17,116	17,699
Premier Imaging, LLC (dba Lucid Health)(2) (4)	Health Care Providers & Services	6.50%	L + 5.50%	1.00%	01/02/25	28,736	27,082	27,659
Professional Physical Therapy(4)	Health Care Providers & Services	9.50%	L + 8.50% (incl. 2.50% PIK)	1.00%	12/16/22	5,871	5,402	5,167
Project Eagle Holdings, LLC (dba Exostar)(2) (4)	Aerospace & Defense	9.25%	L + 8.25%	1.00%	07/06/26	902	859	882
Project Eagle Holdings, LLC (dba Exostar)(2) (3) (4)	Aerospace & Defense		L + 8.25%	1.00%	07/06/26	75	(2)	(2)
PT Intermediate Holdings III, LLC (dba Parts Town)(2)	Trading Companies & Distributors	6.50%	L + 5.50%	1.00%	10/15/25	28,789	26,740	26,774
Purfoods, LLC(2) (4)	Health Care Providers & Services	7.25%	L + 6.25%	1.00%	08/12/26	599	571	590

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Purfoods, LLC(2) (3) (4)	Health Care Providers & Services		L + 6.25%	1.00%	08/12/26	$ 400	$ (5)	$ (6)
Riverpoint Medical, LLC(2) (4)	Health Care Equipment & Supplies	5.50%	L + 4.50%	1.00%	06/21/25	22,178	21,055	21,624
Riverpoint Medical, LLC(2) (3) (4)	Health Care Equipment & Supplies		L + 4.50%	1.00%	06/21/25	4,094	(94)	(102)
Selectquote, Inc.(2)	Insurance	7.00%	L + 6.00%	1.00%	11/05/24	20,265	19,560	20,265
SF Home Décor, LLC (dba SureFit Home Décor)(2) (4)	Household Products	10.75%	L + 9.75%	1.00%	07/13/22	42,160	38,927	40,790
SPay, Inc. (dba Stack Sports)(2) (4)	Interactive Media & Services	8.75%	L + 7.75% (incl. 2.00% PIK)	1.00%	06/17/24	26,157	23,672	23,149
SPay, Inc. (dba Stack Sports)(2) (4)	Interactive Media & Services	8.75%	L + 7.75% (incl. 2.00% PIK)	1.00%	06/17/24	1,899	1,719	1,681
SPay, Inc. (dba Stack Sports)(2) (4)	Interactive Media & Services	8.75%	L + 7.75% (incl. 2.00% PIK)	1.00%	06/17/24	951	861	841
Sunstar Insurance Group, LLC(2)	Insurance	6.50%	L + 5.50%	1.00%	10/09/26	543	520	532
Sunstar Insurance Group, LLC(2) (3)	Insurance		L + 5.50%	1.00%	10/09/26	111	(2)	(2)
Sunstar Insurance Group, LLC(2) (3)	Insurance		L + 5.50%	1.00%	10/09/26	344	(7)	(7)
Superman Holdings, LLC (dba Foundation Software)(2) (4)	Construction & Engineering	10.25%	P + 7.00%		08/31/27	855	814	833
Superman Holdings, LLC (dba Foundation Software)(2) (3) (4)	Construction & Engineering		P + 7.00%		08/31/26	122	(3)	(3)
Sweep Purchaser LLC(2)	Commercial Services & Supplies	6.75%	L + 5.75%	1.00%	11/30/26	28,608	28,042	28,036
Sweep Purchaser LLC(2) (3)	Commercial Services & Supplies		L + 5.75%	1.00%	11/30/26	9,082	(90)	(91)
Sweep Purchaser LLC(2) (3)	Commercial Services & Supplies		L + 5.75%	1.00%	11/30/26	4,541	(90)	(91)
Syntellis Performance Solutions, LLC (dba Axiom)(2) (4)	Health Care Technology	9.00%	L + 8.00%	1.00%	08/02/27	837	793	812
The Center for Orthopedic and Research Excellence, Inc. (dba HOPCo)(2) (4)	Health Care Providers & Services	6.25%	L + 5.25%	1.00%	08/15/25	26,596	25,205	25,732
The Center for Orthopedic and Research Excellence, Inc. (dba HOPCo)(2) (3) (4)	Health Care Providers & Services		L + 5.25%	1.00%	08/15/25	4,565	(112)	(148)
Thrasio, LLC(2)	Internet & Direct Marketing Retail	8.00%	L + 7.00%	1.00%	12/18/26	15,130	14,753	14,752
Thrasio, LLC(2) (3)	Internet & Direct Marketing Retail		L + 7.00%	1.00%	12/18/26	9,990	(124)	(125)
Tronair Parent Inc.	Air Freight & Logistics	5.75%	L + 4.75%	1.00%	09/08/23	6,703	6,674	5,463
U.S. Acute Care Solutions, LLC	Health Care Providers & Services	7.00%	L + 6.00%	1.00%	05/17/21	6,271	6,265	5,832
US Med Acquisition, Inc.(4)	Health Care Equipment & Supplies	9.00%	L + 8.00%	1.00%	02/14/23	29,334	29,145	28,894
USN Opco LLC (dba Global Nephrology Solutions)(2)	Health Care Providers & Services	6.50%	L + 5.50%	1.00%	12/21/26	22,038	21,599	21,597
USN Opco LLC (dba Global Nephrology Solutions)(2) (3)	Health Care Providers & Services		L + 5.50%	1.00%	12/21/26	3,023	(60)	(60)
USN Opco LLC (dba Global Nephrology Solutions)(2) (3)	Health Care Providers & Services		L + 5.50%	1.00%	12/21/26	7,600	(76)	(76)
Viant Medical Holdings, Inc.(2)	Health Care Equipment & Supplies	7.25%	L + 6.25%	1.00%	07/02/25	31,785	29,831	30,990
Villa Bidco Inc (dba Authority Brands)(2) (4)	Diversified Consumer Services	6.75%	L + 5.75%	1.00%	03/21/25	26,754	25,488	26,219
Villa Bidco Inc (dba Authority Brands)(2) (3) (4)	Diversified Consumer Services	8.00%	P + 4.75%		03/21/25	2,162	257	255
VRC Companies, LLC (dba Vital Records Control)(4)	Commercial Services & Supplies	7.50%	L + 6.50%	1.00%	03/31/23	28,403	27,744	28,190
VRC Companies, LLC (dba Vital Records Control)(3) (4)	Commercial Services & Supplies		P + 5.50%		03/31/22	1,131	(7)	(8)
WebPT, Inc.(2) (4)	Health Care Technology	7.75%	L + 6.75%	1.00%	08/28/24	25,126	23,720	24,372

WebPT, Inc.(2) (3) (4)	Health Care Technology	7.75%	L + 6.75%	1.00%	08/28/24	2,617	710	707
WebPT, Inc.(2) (3) (4)	Health Care Technology		L + 6.75%	1.00%	08/28/24	3,141	(80)	(94)
Wellness AcquisitionCo, Inc. (dba SPINS)(2) (3)	IT Services		L + 5.75%	1.00%	01/20/27	20,100	—	—
Wellness AcquisitionCo, Inc. (dba SPINS)(2) (3)	IT Services		L + 5.75%	1.00%	01/20/27	2,600	—	—
Wine.com, LLC(2) (4)	Beverages	8.00%	L + 7.00%	1.00%	11/14/24	15,400	14,861	15,400
WorkForce Software, LLC(2) (4)	Software	7.50%	L + 6.50%	1.00%	07/31/25	21,616	20,569	21,292
WorkForce Software, LLC(2) (3) (4)	Software		L + 6.50%	1.00%	07/31/25	1,894	(39)	(28)
Wrike, Inc.(2) (4)	Professional Services	7.75%	L + 6.75%	1.00%	12/31/24	54,964	53,081	54,964
Wrike, Inc.(2) (3) (4)	Professional Services		L + 6.75%	1.00%	12/31/24	3,900	(21)	—
Xactly Corporation(2) (4)	IT Services	8.25%	L + 7.25%	1.00%	07/29/22	62,025	59,755	61,560
Xactly Corporation(2) (3) (4)	IT Services		L + 7.25%	1.00%	07/29/22	3,874	(44)	(29)
Yasso, Inc.(2) (4)	Food Products	8.75%	L + 7.75%	1.00%	03/23/22	15,264	14,906	15,264
Zodiac Intermediate, LLC (dba Zipari)(2)	Health Care Technology	8.50%	L + 7.50%	1.00%	12/21/26	50,230	48,900	48,894
Zodiac Intermediate, LLC (dba Zipari)(2) (3)	Health Care Technology		L + 7.50%	1.00%	12/22/25	7,500	(198)	(200)
Total 1st Lien/Senior Secured Debt							2,489,285	2,526,969

The accompanying notes are part of these consolidated financial statements.

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Goldman Sachs BDC, Inc.
Consolidated Schedule of Investments as of December 31, 2020 (continued)
(in thousands, except share and per share amounts)

Investment *	Industry	Interest Rate (+)	Reference Rate and Spread (+)	Floor (+)	Maturity	Par Amount/Shares (++)	Cost	Fair Value
1st Lien/Last-Out Unitranche (7) - 8.87%								
Doxim, Inc.(2) (4)	Diversified Financial Services	7.00%	L + 6.00%	1.00%	02/28/24	$ 39,200	$ 37,078	$ 38,220
Doxim, Inc.(2) (4)	Diversified Financial Services	7.00%	L + 6.00%	1.00%	02/28/24	23,000	21,435	22,425
Doxim, Inc.(2) (4)	Diversified Financial Services	9.00%	L + 8.00%	1.00%	02/28/24	5,300	5,150	5,167
Doxim, Inc.(2) (4)	Diversified Financial Services	9.00%	L + 8.00%	1.00%	02/28/24	3,971	3,873	3,872
RugsUSA, LLC(2) (4)	Household Products	7.00%	L + 6.00%	1.00%	04/30/23	13,949	13,507	13,879
Smarsh, Inc.(2)	Interactive Media & Services	9.25%	L + 8.25%	1.00%	11/20/25	60,886	57,917	59,668
Total 1st Lien/Last-Out Unitranche							138,960	143,231
2nd Lien/Senior Secured Debt - 28.34%								
American Dental Partners, Inc.(2) (4)	Health Care Providers & Services	9.50%	L + 8.50%	1.00%	09/25/23	11,070	10,370	10,406
Animal Supply Intermediate, LLC^ (4)	Distributors	7.00%	7.00% PIK		11/14/25	8,471	7,926	7,352
Bolttech Mannings, Inc.^^ (4)	Commercial Services & Supplies	8.23%	L + 8.00% PIK		11/20/22	13,697	13,515	13,423
Chase Industries, Inc. (dba Senneca Holdings)(2) (4)	Building Products	10.00%	10.00% PIK		11/11/25	12,150	9,521	9,234
Chase Industries, Inc. (dba Senneca Holdings)(2) (4) (5)	Building Products		11.00% PIK		05/11/26	12,150	—	—
ERC Finance, LLC (dba Eating Recovery Center)(2) (4)	Health Care Providers & Services	9.22%	L + 8.22%	1.00%	09/22/25	45,200	42,860	44,522
Genesis Acquisition Co. (dba ProCare Software)(2) (4)	Diversified Financial Services	7.73%	L + 7.50%		07/31/25	17,000	15,523	15,470
Genesis Acquisition Co. (dba ProCare Software)(2) (4)	Diversified Financial Services	7.73%	L + 7.50%		07/31/25	4,300	3,927	3,913
GK Holdings, Inc. (dba Global Knowledge)(4) (5)	IT Services		L + 12.25%	1.00%	01/20/22	3,000	2,977	1,650
Hygiena Borrower LLC(4)	Life Sciences Tools & Services	8.75%	L + 7.75%	1.00%	08/26/23	4,510	4,283	4,454
Hygiena Borrower LLC(4)	Life Sciences Tools & Services	8.75%	L + 7.75%	1.00%	08/26/23	236	224	233
IHS Intermediate Inc. (dba Interactive Health Solutions)(4) (5)	Health Care Providers & Services		L + 8.25%	1.00%	07/20/22	10,000	9,902	—
Intelligent Medical Objects, Inc.(2) (4)	Health Care Technology	9.50%	L + 8.50%	1.00%	12/22/24	21,900	20,307	21,353
Market Track, LLC(2) (4)	Media	8.75%	L + 7.75%	1.00%	06/05/25	42,200	39,989	40,512
MPI Engineered Technologies, LLC(4)	Auto Components	12.00%	12.00% PIK		07/15/25	13,996	13,996	12,666
MPI Products LLC(4) (6)	Auto Components				07/15/25	7,412	—	—
National Spine and Pain Centers, LLC(2) (4)	Health Care Providers & Services	9.25%	L + 8.25%	1.00%	12/02/24	36,500	34,647	35,222
Odyssey Logistics & Technology Corporation(2)	Road & Rail	9.00%	L + 8.00%	1.00%	10/12/25	45,348	39,486	38,886
SMB Shipping Logistics, LLC (dba Worldwide Express)(2) (4)	Air Freight & Logistics	9.00%	L + 8.00%	1.00%	02/03/25	66,667	63,579	63,333
Spectrum Plastics Group, Inc.(2)	Containers & Packaging	8.00%	L + 7.00%	1.00%	01/31/26	12,525	11,176	10,975
USRP Holdings, Inc. (dba U.S. Retirement Partners)(2) (4)	Insurance	9.75%	L + 8.75%	1.00%	09/29/25	9,700	8,744	9,239
USRP Holdings, Inc. (dba U.S. Retirement Partners)(2) (4)	Insurance	9.75%	L + 8.75%	1.00%	09/29/25	1,584	1,428	1,509
Xcellence, Inc. (dba Xact Data Discovery)(2) (4)	IT Services	9.75%	L + 8.75%	1.00%	06/22/24	26,100	23,744	25,708
YI, LLC (dba Young Innovations)(2) (4)	Health Care Equipment & Supplies	8.75%	L + 7.75%	1.00%	11/07/25	36,844	33,502	35,002
Zep Inc.(2)	Chemicals	9.25%	L + 8.25%	1.00%	08/11/25	54,300	47,292	52,671
Total 2nd Lien/Senior Secured Debt							458,918	457,733
Unsecured Debt - 0.02%								
Conergy Asia & ME Pte. LTD.^ (1) (4) (6)	Construction & Engineering				06/30/21	1,266	1,055	334
Total Unsecured Debt							1,055	334

The accompanying notes are part of these consolidated financial statements.

Goldman Sachs BDC, Inc.
Consolidated Schedule of Investments as of December 31, 2020 (continued)
(in thousands, except share and per share amounts)

Investment *	Industry	Interest Rate	Par Amount/Shares (++)	Cost	Fair Value
Preferred Stock - 2.98%					
CB-HDT Holdings, Inc. (dba Hunter Defense Technologies)^ (4) (6) (8)	Aerospace & Defense		1,108,333	10,185	34,591
Conergy Asia Holdings, Ltd.^ (1) (4) (6) (8)	Construction & Engineering		600,000	600	—
Exostar LLC - Class A(2) (4) (6) (8)	Aerospace & Defense		20	20	21
Foundation Software(2) (4) (6) (8)	Construction & Engineering		22	21	23
Kawa Solar Holdings Limited^ (1) (4) (5) (8)	Construction & Engineering	8.00% PIK	68,505	778	—
MedeAnalytics, Inc.(2) (8)	Health Care Technology		42,600	42	43
Wine.com, LLC(2) (4) (6) (8)	Beverages		535,226	8,225	13,402
Total Preferred Stock				19,871	48,080
Common Stock - 4.05%					
Animal Supply Holdings, LLC^ (4) (8)	Distributors		83,333	13,745	8,462
Animal Supply Holdings, LLC^ (4) (8)	Distributors		37,500	126	—
Bolttech Mannings, Inc.^^ (4) (6) (8)	Commercial Services & Supplies		309,142	14,885	6,387
CB-HDT Holdings, Inc. (dba Hunter Defense Technologies)^ (4) (6) (8)	Aerospace & Defense		453,383	2,393	14,150
Collaborative Imaging Holdco, LLC (dba Texas Radiology Associates) - Class B^^^ (2) (4) (8)	Health Care Providers & Services		20,183	2,916	3,498
Collaborative Imaging Holdco, LLC (dba Texas Radiology Associates) - Performance Units^^^ (1) (2) (4) (6) (8)	Health Care Providers & Services		19,048	514	867
Conergy Asia Holdings, Ltd.^ (1) (4) (6) (8)	Construction & Engineering		2,000	4,700	—
Country Fresh Holding Company Inc.(2) (4) (6) (8)	Food Products		1,514	888	10
Elah Holdings, Inc.^ (2) (4) (6) (8)	Capital Markets		111,650	5,238	5,396
Exostar LLC - Class B(2) (4) (6) (8)	Aerospace & Defense		31,407	—	8
Foundation Software - Class B(2) (4) (6) (8)	Construction & Engineering		11,826	—	—
Iracore International Holdings, Inc.^ (4) (6) (8)	Energy Equipment & Services		28,898	7,003	7,817
Jill Acquisition LLC (dba J. Jill)(8)	Specialty Retail		18,869	56	70
Kawa Solar Holdings Limited^ (1) (4) (6) (8)	Construction & Engineering		1,399,556	—	—
National Spine and Pain Centers, LLC(2) (4) (6) (8)	Health Care Providers & Services		1,100	883	669
Prairie Provident Resources, Inc. (1) (6)	Oil, Gas & Consumable Fuels		3,579,988	9,237	41
Wrike, Inc.(2) (4) (6) (8)	Professional Services		8,434,304	9,783	16,784
Yasso, Inc.(2) (4) (6) (8)	Food Products		1,640	1,368	1,236
Total Common Stock				73,735	65,395
Warrants - 0.06%					
Animal Supply Holdings, LLC^ (4) (8) (9)	Distributors		1	756	1,024
KDOR Holdings Inc. (dba Senneca Holdings)(2) (4) (8)	Building Products		147	—	—
KDOR Holdings Inc. (dba Senneca Holdings)(2) (4) (8)	Building Products		1,406	—	—
KDOR Holdings Inc. (dba Senneca Holdings)(2) (4) (8)	Building Products		30	—	—
Total Warrants				756	1,024
TOTAL INVESTMENTS - 200.78%				**$ 3,182,580**	**$ 3,242,766**
LIABILITIES IN EXCESS OF OTHER ASSETS - (100.78%)					**$(1,627,625)**
NET ASSETS - 100.00%					**$ 1,615,141**

The accompanying notes are part of these consolidated financial statements.

Goldman Sachs BDC, Inc.
Consolidated Schedule of Investments as of December 31, 2020 (continued)
(in thousands, except share and per share amounts)

* Assets are pledged as collateral for the Revolving Credit Facility. See Note 6 “Debt”.

(+) Represents the actual interest rate for partially or fully funded debt in effect as of the reporting date. Variable rate loans bear interest at a rate that may be determined by the larger of the floor or the reference to either LIBOR ("L") or alternate base rate (commonly based on the Prime Rate ("P")), at the borrower’s option, which reset periodically based on the terms of the credit agreement. L loans are typically indexed to 12 month, 6 month, 3 month, 2 month, 1 month or 1 week L rates. As of December 31, 2020, rates for the 12 month, 6 month, 3 month, 2 month, 1 month and 1 week L are 0.34%, 0.26%, 0.24%, 0.19%, 0.14% and 0.10%, respectively. As of December 31, 2020, P was 3.25%. For investments with multiple reference rates or alternate base rates, the interest rate shown is the weighted average interest rate in effect at December 31, 2020.

(++) The total par amount is presented for debt investments, while the number of shares or units owned is presented for equity investments. Par amount is denominated in U.S. Dollars ("$") unless otherwise noted, Euro ("€").

Percentages are based on net assets.

^ As defined in the Investment Company Act of 1940 (the “Investment Company Act”), the investment is deemed to be an “affiliated person” of the Company because the Company owns, either directly or indirectly, 5% or more of the portfolio company’s outstanding voting securities. See Note 3 “Significant Agreements and Related Party Transactions”.

^^ As defined in the Investment Company Act, the investment is deemed to be a “controlled affiliated person” of the Company because the Company owns, either directly or indirectly, 25% or more of the portfolio company’s outstanding voting securities or has the power to exercise control over management or policies of such portfolio company. See Note 3 “Significant Agreements and Related Party Transactions”.

^^^ The investment is otherwise deemed to be an “affiliated person” of the Company. See Note 3 “Significant Agreements and Related Party Transactions”.

(1) The investment is not a qualifying asset under Section 55(a) of the Investment Company Act. The Company may not acquire any non-qualifying asset unless, at the time of acquisition, qualifying assets represent at least 70% of the Company’s total assets. As of December 31, 2020 the aggregate fair value of these securities is $96,067 or 2.90% of the Company’s total assets.

(2) Represent co-investments made with the Company’s affiliates in accordance with the terms of the exemptive relief received from the U.S. Securities and Exchange Commission. See Note 3 “Significant Agreements and Related Party Transactions”.

(3) Position or portion thereof is an unfunded loan commitment, and no interest is being earned on the unfunded portion. The unfunded loan commitment may be subject to a commitment termination date that may expire prior to the maturity date stated. The negative cost, if applicable, is the result of the capitalized discount being greater than the principal amount outstanding on the loan. The negative fair value, if applicable, is the result of the capitalized discount on the loan. See Note 8 "Commitments and Contingencies".

(4) The fair value of the investment was determined using significant unobservable inputs. See Note 5 “Fair Value Measurement”.

(5) The investment is on non-accrual status as of December 31, 2020.

(6) Non-income producing security.

(7) In exchange for the greater risk of loss, the “last-out” portion of the Company's unitranche loan investment generally earns a higher interest rate than the “first-out” portions. The “first-out” portion would generally receive priority with respect to payment of principal, interest and any other amounts due thereunder over the “last-out” portion.

(8) Securities exempt from registration under the Securities Act of 1933, and may be deemed to be “restricted securities”. As of December 31, 2020, the aggregate fair value of these securities is $114,458 or 7.09% of the Company's net assets. The initial acquisition dates of the restricted securities were as follows:

Investment	Acquisition Date
Animal Supply Holdings, LLC - Warrants	08/14/20
Animal Supply Holdings, LLC - Common Stock	08/14/20
Animal Supply Holdings, LLC - Common Stock	08/14/20
Bolttech Mannings, Inc. - Common Stock	12/22/17
CB-HDT Holdings, Inc. (dba Hunter Defense Technologies) - Preferred Stock	07/01/16
CB-HDT Holdings, Inc. (dba Hunter Defense Technologies) - Common Stock	07/01/16
Collaborative Imaging Holdco, LLC (dba Texas Radiology Associates) - Class B - Common Stock	03/30/18
Collaborative Imaging Holdco, LLC (dba Texas Radiology Associates) - Performance Units - Common Stock	03/30/18
Conergy Asia Holdings, Ltd. - Common Stock	07/31/17
Conergy Asia Holdings, Ltd. - Preferred Stock	08/23/17
Country Fresh Holding Company Inc. - Common Stock	04/29/19
Elah Holdings, Inc. - Common Stock	05/09/18
Exostar LLC - Class A - Preferred Stock	07/06/20
Exostar LLC - Class B - Common Stock	07/06/20
Foundation Software - Preferred Stock	08/31/20
Foundation Software - Class B - Common Stock	08/31/20
Iracore International Holdings, Inc. - Common Stock	04/13/17
Jill Acquisition LLC (dba J. Jill) - Common Stock	09/30/20
Kawa Solar Holdings Limited - Common Stock	08/17/16
Kawa Solar Holdings Limited - Preferred Stock	10/25/16
KDOR Holdings Inc. (dba Senneca Holdings) - Warrants	05/29/20
KDOR Holdings Inc. (dba Senneca Holdings) - Warrants	05/29/20
KDOR Holdings Inc. (dba Senneca Holdings) - Warrants	06/22/20
MedeAnalytics, Inc. - Preferred Stock	10/09/20
National Spine and Pain Centers, LLC - Common Stock	06/02/17
Wine.com, LLC - Preferred Stock	11/14/18
Wrike, Inc. - Common Stock	12/31/18
Yasso, Inc. - Common Stock	03/23/17

(9) Right to purchase up to $8,851 of 1st Lien Senior Secured Debt, $7,483 of 2nd Lien Senior Secured Debt and 68,796 shares of Class A Units, which expires November 2021.

PIK – Payment-In-Kind

ADDITIONAL INFORMATION

Foreign currency forward contracts

Counterparty	Currency Purchased	Currency Sold	Settlement		Unrealized Appreciation (Depreciation)
Bank of America, N.A.	U.S. Dollar 528	Euro 468	01/05/21	$	(45)
Bank of America, N.A.	U.S. Dollar 716	Euro 635	01/05/21		(60)
Bank of America, N.A.	U.S. Dollar 702	Euro 620	04/06/21		(57)
Bank of America, N.A.	U.S. Dollar 517	Euro 457	04/06/21		(42)
Bank of America, N.A.	U.S. Dollar 701	Euro 617	07/06/21		(56)
Bank of America, N.A.	U.S. Dollar 517	Euro 455	07/06/21		(41)
Bank of America, N.A.	U.S. Dollar 400	Euro 350	10/05/21		(31)
Bank of America, N.A.	U.S. Dollar 294	Euro 258	10/05/21		(23)
				$	**(355)**

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(in thousands, except share and per share amounts)

Investment *	Industry	Interest Rate (+)	Reference Rate and Spread (+)	Maturity	Par Amount/ Shares (++)	Cost	Fair Value
1st Lien/Senior Secured Debt – 159.83%# *							
3SI Security Systems, Inc.(1)	Commercial Services & Supplies	7.65%	L + 5.75%; 1.00% Floor	06/16/2023	$ 14,773	$ 14,647	$ 14,626
A Place For Mom, Inc.	Diversified Consumer Services	5.55%	L + 3.75%; 1.00% Floor	08/10/2024	8,842	8,835	8,621
Accuity Delivery Systems, LLC^ (1) (2)	Health Care Providers & Services	8.75%	L + 7.00%; 1.00% Floor	06/13/2023	10,170	9,945	10,094
Acquia, Inc.(2)	Software	8.91%	L + 7.00%; 1.00% Floor	10/31/2025	12,364	12,122	12,117
Acquia, Inc.(2) (3)	Software		L + 7.00%; 1.00% Floor	10/31/2025	1,322	(26)	(26)
Animal Supply Holdings, LLC^^ (1) (4)	Distributors	11.93%	L + 10.00% (incl. 2.50% PIK); 1.50% Floor	02/22/2022	3,879	3,845	3,821
Ansira Partners, Inc.	Professional Services	7.55%	L + 5.75%; 1.00% Floor	12/20/2022	4,578	4,552	4,441
Ansira Partners, Inc.(3)	Professional Services	7.51%	L + 5.75%; 1.00% Floor	12/20/2022	281	184	177
Apptio, Inc.(1) (2)	IT Services	8.96%	L + 7.25%; 1.00% Floor	01/10/2025	32,702	32,126	32,130
Apptio, Inc.(1) (2) (3)	IT Services		L + 7.25%; 1.00% Floor	01/10/2025	2,225	(37)	(39)
Associations, Inc.(1) (2)	Real Estate Management & Development	9.09%	L + 7.00% (incl. 3.00% PIK); 1.00% Floor	07/30/2024	13,546	13,413	13,411
Associations, Inc.(1) (2) (3)	Real Estate Management & Development	9.09%	L + 7.00% (incl. 3.00% PIK); 1.00% Floor	07/30/2024	2,981	2,040	2,039
Associations, Inc.(1) (2) (3)	Real Estate Management & Development		L + 4.00%; 1.00% Floor	07/30/2024	587	(6)	(6)
ATX Networks Corp.	Communications Equipment	8.94%	L + 7.00% (incl. 1.00% PIK); 1.00% Floor	06/11/2021	7,285	7,263	6,702
ATX Networks Corp.	Communications Equipment	8.94%	L + 7.00% (incl. 1.00% PIK); 1.00% Floor	06/11/2021	463	458	426
Badger Sportswear, Inc.	Textiles, Apparel & Luxury Goods	6.80%	L + 5.00%; 1.00% Floor	09/11/2023	7,150	7,091	6,793
Barbri, Inc.	Diversified Consumer Services	6.46%	L + 4.25%; 1.00% Floor	12/01/2023	6,243	6,222	6,118
BJH Holdings III Corp. (dba Jack's Family Restaurants)(1) (2)	Hotels, Restaurants & Leisure	7.55%	L + 5.75%; 1.00% Floor	08/19/2025	6,209	6,150	6,147
Brillio, LLC(1) (2)	IT Services	6.55%	L + 4.75%; 1.00% Floor	02/06/2025	4,497	4,458	4,452
Brillio, LLC(1) (2) (3)	IT Services		L + 4.75%; 1.00% Floor	02/06/2025	1,510	—	(15)
Bullhorn, Inc. (1) (2)	Professional Services	7.44%	L + 5.50%; 1.00% Floor	10/01/2025	10,995	10,835	10,830
Bullhorn, Inc.(1) (2) (3)	Professional Services	7.46%	L + 5.50%; 1.00% Floor	10/01/2025	909	169	168
Bullhorn, Inc.(1) (2) (3)	Professional Services		L + 5.50%; 1.00% Floor	10/01/2025	545	(8)	(8)
Businessolver.com, Inc.(1) (2)	Health Care Technology	9.41%	L + 7.50%; 1.00% Floor	05/15/2023	12,549	12,367	12,329
Businessolver.com, Inc.(1) (2)	Health Care Technology	9.41%	L + 7.50%; 1.00% Floor	05/15/2023	1,882	1,853	1,849
Businessolver.com, Inc.(1) (2) (3)	Health Care Technology	9.98%	L + 7.50%; 1.00% Floor	05/15/2023	1,569	606	600
CFS Management, LLC (dba Center for Sight Management)(1) (2)	Health Care Providers & Services	7.95%	L + 5.75%; 1.00% Floor	07/01/2024	4,797	4,752	4,749
CFS Management, LLC (dba Center for Sight Management)(1) (2) (3)	Health Care Providers & Services		L + 5.75%; 1.00% Floor	07/01/2024	1,418	(13)	(14)
Chronicle Bidco Inc. (dba Lexitas) (2)	Professional Services	7.66%	L + 5.75%; 1.00% Floor	11/14/2025	7,000	6,862	6,860
Chronicle Bidco Inc. (dba Lexitas)	Professional Services		L + 5.75%; 1.00%	11/14/2025	880	(17)	(18)

(2) (3)			Floor				
Chronicle Bidco Inc. (dba Lexitas) (2) (3)	Professional Services		L + 5.75%; 1.00% Floor	11/14/2025	2,940	(29)	(29)
Clarkson Eyecare, LLC (dba EyeCare Partners)(2)	Health Care Providers & Services	8.05%	L + 6.25%; 1.00% Floor	04/02/2021	7,471	7,351	7,322
Clarkson Eyecare, LLC (dba EyeCare Partners)(2)	Health Care Providers & Services	8.05%	L + 6.25%; 1.00% Floor	04/02/2021	4,943	4,862	4,844
Collaborative Imaging, LLC (dba Texas Radiology Associates)^^^ (1) (2)	Health Care Providers & Services	8.30%	L + 6.50%; 1.00% Floor	03/28/2025	8,900	8,793	8,744
Collaborative Imaging, LLC (dba Texas Radiology Associates)^^^ (1) (2)	Health Care Providers & Services	8.30%	L + 6.50%	03/28/2025	6,602	6,507	6,486
ConnectWise, LLC(2)	IT Services	7.94%	L + 6.00%; 1.00% Floor	02/28/2025	13,566	13,299	13,397
ConnectWise, LLC(2) (3)	IT Services		L + 6.00%; 1.00% Floor	02/28/2025	1,036	(20)	(13)
Convene 237 Park Avenue, LLC (dba Convene)(1) (2)	Real Estate Management & Development	9.54%	L + 7.50%; 1.50% Floor	08/30/2024	21,200	20,799	20,776
Convene 237 Park Avenue, LLC (dba Convene)(1) (2) (3)	Real Estate Management & Development		L + 7.50%; 1.50% Floor	08/30/2024	6,220	(58)	(124)
CorePower Yoga LLC(2)	Diversified Consumer Services	6.44%	L + 4.50%	05/14/2025	8,315	8,201	8,191
CorePower Yoga LLC(2) (3)	Diversified Consumer Services		L + 4.75%	05/14/2025	678	(9)	(10)
CorePower Yoga LLC(2) (3)	Diversified Consumer Services		L + 4.50%	05/14/2025	1,807	(24)	(27)

The accompanying notes are part of these consolidated financial statements.

Goldman Sachs BDC, Inc.
Consolidated Schedule of Investments as of December 31, 2019 (continued)
(in thousands, except share and per share amounts)

Investment *	Industry	Interest Rate (+)	Reference Rate and Spread (+)	Maturity	Par Amount/ Shares (++)	Cost	Fair Value
CST Buyer Company (dba Intoxalock)(2)	Diversified Consumer Services	7.55%	L + 5.75%; 1.00% Floor	10/03/2025	$ 12,342	$ 12,188	$ 12,342
CST Buyer Company (dba Intoxalock)(2) (3)	Diversified Consumer Services		L + 5.75%; 1.00% Floor	10/03/2025	876	(11)	—
DDS USA Holding, Inc.(1) (2)	Health Care Equipment & Supplies	7.22%	L + 5.25%; 1.00% Floor	06/30/2022	3,805	3,791	3,786
DDS USA Holding, Inc.(1) (2)	Health Care Equipment & Supplies	7.22%	L + 5.25%; 1.00% Floor	06/30/2022	3,599	3,586	3,581
DDS USA Holding, Inc.(1) (2) (3)	Health Care Equipment & Supplies	9.00%	P + 4.25%; 1.00% Floor	06/30/2022	1,079	104	102
Diligent Corporation(1) (2)	Professional Services	7.42%	L + 5.50%; 1.00% Floor	04/14/2022	€ 16,016	18,378	17,786
Diligent Corporation(1) (2)	Professional Services	7.58%	L + 5.50%; 1.00% Floor	04/14/2022	3,831	3,797	3,792
Diligent Corporation(1) (2)	Professional Services	7.42%	L + 5.50%; 1.00% Floor	04/14/2022	1,475	1,462	1,461
Diligent Corporation(1) (2) (3)	Professional Services	7.48%	L + 5.50%; 1.00% Floor	04/14/2022	1,300	1,123	1,131
Diligent Corporation(1) (2)	Professional Services	7.56%	L + 5.50%; 1.00% Floor	04/14/2022	507	502	501
Diligent Corporation(1) (2)	Professional Services	7.42%	L + 5.50%; 1.00% Floor	04/14/2022	245	243	243
Diligent Corporation(1) (2) (3)	Professional Services		L + 5.50%; 1.00% Floor	04/14/2022	4,268	(37)	(43)
DiscoverOrg, LLC(2)	Software	6.30%	L + 4.50%	02/02/2026	16,079	15,934	16,119
DocuTAP, Inc.(1) (2)	Health Care Technology	7.30%	L + 5.50% 1.00% Floor	05/12/2025	24,093	23,543	24,093
E2open, LLC(1) (2)	Software	7.66%	L + 5.75%; 1.00% Floor	11/26/2024	16,259	16,109	16,097
Elemica Parent, Inc.(1) (2)	Chemicals	7.40%	L + 5.50%	09/18/2025	2,906	2,836	2,833
Elemica Parent, Inc.(1) (2) (3)	Chemicals	7.40%	L + 5.50%	09/18/2025	380	118	118
Elemica Parent, Inc.(1) (2) (3)	Chemicals		L + 5.50%	09/18/2025	560	(7)	(14)
Empirix, Inc.(1) (2)	Diversified Telecommunication Services	8.20%	L + 6.25%; 1.00% Floor	09/25/2024	22,084	21,764	19,876
Empirix, Inc.(1) (2) (3)	Diversified Telecommunication Services		L + 6.25%; 1.00% Floor	09/25/2023	1,300	(17)	(130)
Eptam Plastics, Ltd.(2)	Health Care Equipment & Supplies	7.30%	L + 5.50%; 1.00% Floor	12/06/2025	4,300	4,236	4,235
Eptam Plastics, Ltd.(2) (3)	Health Care Equipment & Supplies	7.30%	L + 5.50%; 1.00% Floor	12/06/2025	915	215	215
Eptam Plastics, Ltd.(2) (3)	Health Care Equipment & Supplies		L + 5.50%; 1.00% Floor	12/06/2025	1,830	(14)	(14)
Fenergo Finance 3 Limited(1) (2) (5)	Diversified Financial Services	8.31%	L + 6.25%; 1.00% Floor	09/05/2024	€ 17,800	20,391	19,816
Fenergo Finance 3 Limited(1) (2) (3) (5)	Diversified Financial Services		L + 6.25%; 1.00% Floor	09/05/2024	1,182	(16)	(9)
Fenergo Finance 3 Limited(1) (2) (3) (5)	Diversified Financial Services		L + 6.25%; 1.00% Floor	09/05/2024	€ 1,500	(24)	(13)
FWR Holding Corporation (dba First Watch Restaurants)(1)	Hotels, Restaurants & Leisure	7.29%	L + 5.50%; 1.00% Floor	08/21/2023	4,449	4,375	4,405
FWR Holding Corporation (dba First Watch Restaurants)(1)	Hotels, Restaurants & Leisure	7.29%	L + 5.50%; 1.00% Floor	08/21/2023	889	875	880
FWR Holding Corporation (dba First Watch Restaurants)(1)	Hotels, Restaurants & Leisure	7.29%	L + 5.50%; 1.00% Floor	08/21/2023	562	553	556
FWR Holding Corporation (dba First Watch Restaurants)(1) (3)	Hotels, Restaurants & Leisure	7.29%	L + 5.50%; 1.00% Floor	08/21/2023	587	490	493
Gastro Health Holdco, LLC(1) (2)	Health Care Providers & Services	7.45%	L + 5.50%; 1.00% Floor	09/04/2024	12,630	12,422	12,440
Gastro Health Holdco, LLC(1) (2)	Health Care Providers & Services	7.43%	L + 5.50%; 1.00% Floor	09/04/2024	5,079	4,994	5,003
Gastro Health Holdco, LLC(1) (2) (3)	Health Care Providers & Services	7.40%	L + 5.50%; 1.00% Floor	09/04/2024	4,876	4,057	4,048
Gastro Health Holdco, LLC(1) (2) (3)	Health Care Providers & Services		L + 5.50%; 1.00% Floor	09/04/2023	2,000	(30)	(30)

Gastro Health Holdco, LLC(1) (2) (3)	Health Care Providers & Services		L + 5.50%; 1.00% Floor	09/04/2024	5,100	(42)	(77)
GH Holding Company (dba Grace Hill)(1)	Real Estate Management & Development	6.30%	L + 4.50%	02/28/2023	7,388	7,363	7,351
GI Revelation Acquisition LLC (dba Consilio)	IT Services	6.80%	L + 5.00%	04/16/2025	4,682	4,663	4,398
GK Holdings, Inc. (dba Global Knowledge)	IT Services	7.94%	L + 6.00%; 1.00% Floor	01/20/2021	8,550	8,537	6,412
GlobalTranz Enterprises, Inc.(2)	Road & Rail	6.79%	L + 5.00%	05/15/2026	7,681	7,538	6,990
GlobalTranz Enterprises, Inc.(2) (3)	Road & Rail		L + 5.00%	05/15/2026	1,992	—	(179)
Granicus, Inc.(2)	Software	6.69%	L + 4.75%; 1.00% Floor	09/07/2022	9,947	9,866	9,847

The accompanying notes are part of these consolidated financial statements.

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Goldman Sachs BDC, Inc.
Consolidated Schedule of Investments as of December 31, 2019 (continued)
(in thousands, except share and per share amounts)

Investment *	Industry	Interest Rate (+)	Reference Rate and Spread (+)	Maturity	Par Amount/ Shares (++)	Cost	Fair Value
Halo Branded Solutions, Inc.	Commercial Services & Supplies	6.30%	L + 4.50%; 1.00% Floor	06/30/2025	$ 8,491	$ 8,419	$ 8,278
HS4 AcquisitionCo, Inc. (dba HotSchedules & Fourth)(1) (2)	Hotels, Restaurants & Leisure	8.71%	L + 6.75%; 1.00% Floor	07/09/2025	23,157	22,723	22,694
HS4 AcquisitionCo, Inc. (dba HotSchedules & Fourth)(1) (2) (3)	Hotels, Restaurants & Leisure	8.54%	L + 6.75%; 1.00% Floor	07/09/2025	1,883	248	245
Hygiena Borrower LLC	Life Sciences Tools & Services	5.94%	L + 4.00%; 1.00% Floor	08/26/2022	12,521	12,432	12,271
Hygiena Borrower LLC(3)	Life Sciences Tools & Services		L + 4.00%; 1.00% Floor	08/26/2022	715	(3)	(14)
Hygiena Borrower LLC(3)	Life Sciences Tools & Services		L + 4.00%; 1.00% Floor	08/26/2022	1,313	(11)	(26)
iCIMS, Inc.(1) (2)	Software	8.29%	L + 6.50%; 1.00% Floor	09/12/2024	29,895	29,403	29,372
iCIMS, Inc.(1) (2)	Software	8.29%	L + 6.50%; 1.00% Floor	09/12/2024	5,506	5,405	5,409
iCIMS, Inc.(1) (2) (3)	Software		L + 6.50%; 1.00% Floor	09/12/2024	1,868	(29)	(33)
Infinity Sales Group(1)	Media	12.45%	L + 10.50%; 1.00% Floor	11/23/2022	25,579	25,579	27,625
Integral Ad Science, Inc.(1) (2)	Interactive Media & Services	9.05%	L + 7.25% (incl. 1.25% PIK); 1.00% Floor	07/19/2024	25,653	25,244	25,269
Integral Ad Science, Inc.(1) (2) (3)	Interactive Media & Services		L + 6.00%; 1.00% Floor	07/19/2023	1,815	(26)	(27)
Internet Truckstop Group, LLC (dba Truckstop)(1) (2)	Transportation Infrastructure	6.95%	L + 5.00%; 1.00% Floor	04/02/2025	22,208	21,710	21,875
Internet Truckstop Group, LLC (dba Truckstop)(1) (2) (3)	Transportation Infrastructure		L + 5.00%; 1.00% Floor	04/02/2025	1,800	(39)	(27)
Iracore International Holdings, Inc.^ (1)	Energy Equipment & Services	10.88%	L + 9.00%; 1.00% Floor	04/12/2021	2,917	2,917	2,917
Jill Acquisition LLC (dba J. Jill)	Specialty Retail	6.93%	L + 5.00%; 1.00% Floor	05/08/2022	6,841	6,817	5,575
Kawa Solar Holdings Limited^ (1) (5) (6)	Construction & Engineering			05/26/2020	3,917	3,575	3,502
Kawa Solar Holdings Limited^ (1) (5) (6)	Construction & Engineering			05/26/2020	5,201	2,683	–
Lithium Technologies, Inc.(1) (2)	Interactive Media & Services	10.04%	L + 8.00%; 1.00% Floor	10/03/2022	38,966	38,373	38,381
Lithium Technologies, Inc.(1) (2) (3)	Interactive Media & Services		L + 8.00%; 1.00% Floor	10/03/2022	2,684	(37)	(40)
Mailgun Technologies, Inc.(1) (2)	Interactive Media & Services	6.95%	L + 5.00%; 1.00% Floor	03/26/2025	15,896	15,607	15,618
Mailgun Technologies, Inc.(1) (2) (3)	Interactive Media & Services		L + 5.00%; 1.00% Floor	03/26/2025	993	—	(17)
Mervin Manufacturing, Inc.(1)	Leisure Products	9.30%	L + 7.50%; 1.00% Floor	09/30/2022	10,886	10,885	10,668
Midwest Transport, Inc.(1) (2)	Road & Rail	9.06%	L + 7.00%; 1.00% Floor	10/02/2023	11,906	11,812	11,787
MMIT Holdings, LLC (dba Managed Markets Insight & Technology)(1) (2)	Health Care Technology	7.43%	L + 5.50%; 1.00% Floor	11/15/2024	20,713	20,350	20,351
MMIT Holdings, LLC (dba Managed Markets Insight & Technology)(1) (2) (3)	Health Care Technology	7.44%	L + 5.50%; 1.00% Floor	11/15/2024	3,188	840	837
Netvoyage Corporation (dba NetDocuments)(1) (2)	Software	9.55%	L + 7.75%; 1.00% Floor	03/22/2024	3,990	3,913	3,940
Netvoyage Corporation (dba NetDocuments)(1) (2)	Software	9.55%	L + 7.75%; 1.00% Floor	03/22/2024	8,514	8,401	8,408
Netvoyage Corporation (dba NetDocuments)(1) (2) (3)	Software		L + 7.75%; 1.00% Floor	03/24/2022	654	(6)	(8)
Output Services Group, Inc.	Diversified Consumer Services	6.30%	L + 4.50%; 1.00% Floor	03/27/2024	3,942	3,928	3,262
Output Services Group, Inc.(3)	Diversified Consumer		L + 4.25%; 1.00%	03/27/2024	24	–	(4)

	Services		Floor				
Pathway Vet Alliance LLC(1) (2)	Health Care Providers & Services	6.30%	L + 4.50%	12/20/2024	4,771	4,730	4,723
Pathway Vet Alliance LLC(1) (2)	Health Care Providers & Services	6.30%	L + 4.50%	12/20/2024	1,686	1,671	1,669
Pharmalogic Holdings Corp.(1)	Health Care Equipment & Supplies	5.80%	L + 4.00%	06/11/2023	3,238	3,233	3,222
Pharmalogic Holdings Corp.(1)	Health Care Equipment & Supplies	5.80%	L + 4.00%	06/11/2023	1,760	1,756	1,751
Pharmalogic Holdings Corp.(1)	Health Care Equipment & Supplies	5.80%	L + 4.00%	06/11/2023	1,729	1,721	1,720

The accompanying notes are part of these consolidated financial statements.

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Goldman Sachs BDC, Inc.
Consolidated Schedule of Investments as of December 31, 2019 (continued)
(in thousands, except share and per share amounts)

Investment *	Industry	Interest Rate (+)	Reference Rate and Spread (+)	Maturity	Par Amount/ Shares (++)	Cost	Fair Value
Pharmalogic Holdings Corp.(1)	Health Care Equipment & Supplies	5.80%	L + 4.00%	06/11/2023	$ 930	$ 928	$ 925
Picture Head Midco LLC(1) (2)	Entertainment	8.55%	L + 6.75%; 1.00% Floor	08/31/2023	18,437	18,140	18,160
PlanSource Holdings, Inc.(1) (2)	Health Care Technology	8.15%	L + 6.25%; 1.00% Floor	04/22/2025	22,780	22,366	22,324
PlanSource Holdings, Inc.(1) (2) (3)	Health Care Technology		L + 6.25%; 1.00% Floor	04/22/2025	3,142	(56)	(63)
Power Stop, LLC(2)	Auto Components	6.44%	L + 4.50%	10/19/2025	7,524	7,508	7,449
Premier Imaging, LLC (dba Lucid Health)(2)	Health Care Providers & Services	7.49%	L + 5.75%; 1.00% Floor	01/02/2025	11,771	11,596	11,594
Professional Physical Therapy(1)	Health Care Providers & Services	8.44%	L + 6.75% (incl. 0.75% PIK); 1.00% Floor	12/16/2022	5,826	5,121	4,952
PT Intermediate Holdings III, LLC (dba Parts Town)(2)	Trading Companies & Distributors	7.44%	L + 5.50%; 1.00% Floor	10/15/2025	11,760	11,702	11,701
Regulatory DataCorp, Inc.	Diversified Financial Services	6.44%	L + 4.50%; 1.00% Floor	09/21/2022	2,456	2,456	2,407
Riverpoint Medical, LLC(1) (2)	Health Care Equipment & Supplies	6.97%	L + 5.00%; 1.00% Floor	06/21/2025	8,998	8,956	8,908
Riverpoint Medical, LLC(1) (2) (3)	Health Care Equipment & Supplies		L + 5.00%; 1.00% Floor	06/21/2025	1,644	(7)	(16)
Selectquote, Inc.(2)	Insurance	7.70%	L + 6.00%; 1.00% Floor	11/05/2024	10,700	10,492	10,486
SF Home Décor, LLC (dba SureFit Home Décor)(1) (2)	Household Products	11.70%	L + 9.75%; 1.00% Floor	07/13/2022	18,993	18,576	18,280
Shopatron, LLC (dba Kibo)(1) (2)	Internet & Direct Marketing Retail	9.95%	L + 8.00%; 1.00% Floor	12/18/2020	6,011	5,909	5,921
Shopatron, LLC (dba Kibo)(1) (2) (4)	Internet & Direct Marketing Retail	9.95%	L + 8.00%; 1.00% Floor	12/18/2020	1,853	1,834	1,825
SMS Systems Maintenance Services, Inc.	IT Services	6.80%	L + 5.00%; 1.00% Floor	10/30/2023	7,275	7,252	5,602
SPay, Inc. (dba Stack Sports)(1) (2)	Interactive Media & Services	7.55%	L + 5.75%; 1.00% Floor	06/17/2024	10,332	10,170	9,996
SPay, Inc. (dba Stack Sports)(1) (2) (3)	Interactive Media & Services	7.52%	L + 5.75%; 1.00% Floor	06/17/2024	1,140	743	723
SPay, Inc. (dba Stack Sports)(1) (2)	Interactive Media & Services	7.76%	L + 5.75%; 1.00% Floor	06/17/2024	381	378	369
The Center for Orthopedic and Research Excellence, Inc. (dba HOPCo)(1) (2)	Health Care Providers & Services	7.31%	L + 5.25%; 1.00% Floor	08/15/2025	13,432	13,241	13,197
The Center for Orthopedic and Research Excellence, Inc. (dba HOPCo)(1) (2) (3)	Health Care Providers & Services	7.31%	L + 5.25%; 1.00% Floor	08/15/2025	1,857	67	60
The Center for Orthopedic and Research Excellence, Inc. (dba HOPCo)(1) (2) (3)	Health Care Providers & Services		L + 5.25%; 1.00% Floor	08/15/2025	4,643	(37)	(81)
Tronair Parent Inc.	Air Freight & Logistics	6.66%	L + 4.75%; 1.00% Floor	09/08/2023	6,790	6,751	6,111
U.S. Acute Care Solutions, LLC	Health Care Providers & Services	6.80%	L + 5.00%; 1.00% Floor	05/17/2021	6,305	6,283	5,801
US Med Acquisition, Inc.(1)	Health Care Equipment & Supplies	10.44%	L + 8.50%; 1.00% Floor	08/13/2021	29,644	29,445	29,051
Viant Medical Holdings, Inc.(2)	Health Care Equipment & Supplies	8.16%	L + 6.25%; 1.00% Floor	07/02/2025	12,989	12,773	12,860
VRC Companies, LLC (dba Vital Records Control)(1)	Commercial Services & Supplies	8.30%	L + 6.50%; 1.00% Floor	03/31/2023	18,690	18,493	18,549
VRC Companies, LLC (dba Vital Records Control)(1) (3)	Commercial Services & Supplies	8.60%	L + 6.50%; 1.00% Floor	03/31/2022	882	479	481
WebPT, Inc.(1) (2)	Health Care Technology	8.66%	L + 6.75%; 1.00% Floor	08/28/2024	10,192	10,000	9,988
WebPT, Inc.(1) (2) (3)	Health Care Technology		L + 6.75%; 1.00% Floor	08/28/2024	1,062	(20)	(21)

WebPT, Inc.(1) (2) (3)	Health Care Technology		L + 6.75%; 1.00% Floor	08/28/2024	1,274	(12)	(26)
Wine.com, LLC(1) (2)	Beverages	8.93%	L + 7.00%; 1.00% Floor	11/14/2024	6,400	6,291	6,272
Wolfpack IP Co. (dba Lone Wolf Technologies)(1) (2) (5)	Real Estate Management & Development	8.29%	L + 6.50%; 1.00% Floor	06/13/2025	31,694	31,106	31,060
Wolfpack IP Co. (dba Lone Wolf Technologies)(1) (2) (3) (5)	Real Estate Management & Development		L + 6.50%; 1.00% Floor	06/13/2025	3,169	(58)	(63)
WorkForce Software, LLC(1) (2)	Software	8.41%	L + 6.50%; 1.00% Floor	07/31/2025	8,735	8,570	8,560
WorkForce Software, LLC(1) (2) (3)	Software		L + 6.50%; 1.00% Floor	07/31/2025	771	(14)	(15)
Wrike, Inc.(1) (2)	Professional Services	8.55%	L + 6.75%; 1.00% Floor	12/31/2024	22,704	22,289	22,250
Wrike, Inc.(1) (2) (3)	Professional Services		L + 6.75%; 1.00% Floor	12/31/2024	1,600	(27)	(32)
Xactly Corporation(1) (2)	IT Services	9.05%	L + 7.25%; 1.00% Floor	07/29/2022	27,173	26,832	26,834
Xactly Corporation(1) (2) (3)	IT Services		L + 7.25%; 1.00% Floor	07/29/2022	1,697	(18)	(21)
Yasso, Inc.(1) (2)	Food Products	9.55%	L + 7.75%; 1.00% Floor	03/23/2022	8,028	7,948	7,767
Total 1st Lien/Senior Secured Debt						1,094,885	1,080,670
1st Lien/Last-Out Unitranche (7) – 5.22%							
Doxim, Inc.(1) (2)	Diversified Financial Services	7.94%	L + 6.00%; 1.00% Floor	02/28/2024	$ 11,900	$ 11,611	$ 11,602
Doxim, Inc.(1) (2)	Diversified Financial Services	7.90%	L + 6.00%; 1.00% Floor	02/28/2024	624	609	609
RugsUSA, LLC(1) (2)	Household Products	8.45%	L + 6.50%; 1.00% Floor	04/30/2023	5,840	5,798	5,796
Smarsh, Inc.(1) (2)	Interactive Media & Services	9.68%	L + 7.88%; 1.00% Floor	03/31/2021	17,401	17,289	17,271
Total 1st Lien/Last-Out Unitranche						35,307	35,278

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Goldman Sachs BDC, Inc.
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(in thousands, except share and per share amounts)

Investment *	Industry	Interest Rate (+)	Reference Rate and Spread (+)	Maturity	Par Amount/ Shares (++)	Cost	Fair Value
2nd Lien/Senior Secured Debt – 34.61%							
American Dental Partners, Inc.(1) (2)	Health Care Providers & Services	10.44%	L + 8.50%; 1.00% Floor	09/25/2023	$ 5,738	$ 5,644	$ 5,637
Bolttech Mannings, Inc.^^ (1)	Commercial Services & Supplies	9.91%	L + 8.00% PIK	11/19/2021	23,453	23,453	22,515
DiscoverOrg, LLC(2)	Software	10.19%	L + 8.50%	02/01/2027	10,000	9,861	10,000
ERC Finance, LLC (dba Eating Recovery Center)(1) (2)	Health Care Providers & Services	10.02%	L + 8.22%; 1.00% Floor	09/22/2025	19,800	19,448	19,454
Genesis Acquisition Co. (dba ProCare Software)(1) (2)	Diversified Financial Services	9.60%	L + 7.50%	07/31/2025	7,000	6,851	6,825
Genesis Acquisition Co. (dba ProCare Software)(1) (2) (3)	Diversified Financial Services		L + 7.50%	07/31/2025	1,800	(18)	(45)
GK Holdings, Inc. (dba Global Knowledge)	IT Services	12.19%	L + 10.25%; 1.00% Floor	01/20/2022	3,000	2,977	2,100
Hygiena Borrower LLC(1)	Life Sciences Tools & Services	9.69%	L + 7.75%; 1.00% Floor	08/26/2023	1,860	1,832	1,827
Hygiena Borrower LLC(1) (3)	Life Sciences Tools & Services	9.69%	L + 7.75%; 1.00% Floor	08/26/2023	680	91	85
ICP Industrial, Inc.(1) (2)	Chemicals	10.04%	L + 8.25%; 1.00% Floor	05/03/2024	20,400	20,026	19,992
IHS Intermediate Inc. (dba Interactive Health Solutions)(1) (8)	Health Care Providers & Services		L + 8.25%; 1.00% Floor	07/20/2022	10,000	9,902	2,500
Market Track, LLC(1) (2)	Media	9.68%	L + 7.75%; 1.00% Floor	06/05/2025	22,200	21,695	21,368
MPI Products LLC(1) (4) (8)	Auto Components		L + 9.00%; 1.00% Floor	01/30/2020	20,000	19,090	12,700
National Spine and Pain Centers, LLC(1) (2)	Health Care Providers & Services	10.05%	L + 8.25%; 1.00% Floor	12/02/2024	19,100	18,678	18,384
Odyssey Logistics & Technology Corporation(2)	Road & Rail	9.80%	L + 8.00%; 1.00% Floor	10/12/2025	18,722	18,381	18,067
SMB Shipping Logistics, LLC (dba Worldwide Express)(1) (2)	Air Freight & Logistics	9.90%	L + 8.00%; 1.00% Floor	02/03/2025	41,667	41,107	40,937
Spectrum Plastics Group, Inc.(2)	Containers & Packaging	8.80%	L + 7.00%; 1.00% Floor	01/31/2026	6,248	6,222	4,925
YI, LLC (dba Young Innovations) (1) (2)	Health Care Equipment & Supplies	9.69%	L + 7.75%; 1.00% Floor	11/07/2025	15,235	14,868	14,854
Zep Inc.(2)	Chemicals	10.19%	L + 8.25%; 1.00% Floor	08/11/2025	23,800	23,332	11,900
Total 2nd Lien/Senior Secured Debt						263,440	234,025
Unsecured Debt – 1.10%							
CB-HDT Holdings, Inc. (dba Hunter Defense Technologies)^ (1)	Aerospace & Defense	12.00% PIK		03/06/2021	$ 4,417	$ 4,417	$ 4,417
CB-HDT Holdings, Inc. (dba Hunter Defense Technologies)^ (1)	Aerospace & Defense	12.00% PIK		03/06/2021	1,928	1,928	1,928
Conergy Asia & ME Pte. LTD.^ (1) (5)	Construction & Engineering	10.00%		05/26/2020	1,064	1,064	1,064
Total Unsecured Debt						7,409	7,409

The accompanying notes are part of these consolidated financial statements

Table of Contents

Goldman Sachs BDC, Inc.
Consolidated Schedule of Investments as of December 31, 2019 (continued)
(in thousands, except share and per share amounts)

Investment *	Industry	Interest Rate	Par Amount/ Shares (++)	Cost	Fair Value
Preferred Stock – 7.21%					
Accuity Delivery Systems, LLC^ (1) (2) (6) (9)	Health Care Providers & Services		$ 97,130	$ 3,200	$ 5,119
Animal Supply Holdings, LLC^^ (1) (6) (9)	Distributors		250,000	25,000	23,100
CB-HDT Holdings, Inc. (dba Hunter Defense Technologies)^ (1) (6) (9)	Aerospace & Defense		1,108,333	10,186	18,476
Conergy Asia Holdings, Ltd.^ (1) (5) (6) (9)	Construction & Engineering		600,000	600	—
Kawa Solar Holdings Limited^ (1) (5) (8) (9)	Construction & Engineering	8.00%	63,260	778	—
Wine.com, LLC(1) (2) (6) (9)	Beverages		221,072	1,900	2,067
Total Preferred Stock				41,664	48,762
Common Stock – 7.12%					
Animal Supply Holdings, LLC^^ (1) (6) (9)	Distributors		406,226	29,230	23,764
Bolttech Mannings, Inc.^^ (1) (6) (9)	Commercial Services & Supplies		8,000	6,591	339
CB-HDT Holdings, Inc. (dba Hunter Defense Technologies)^ (1) (6) (9)	Aerospace & Defense		453,383	2,393	7,427
Collaborative Imaging Holdco, LLC (dba Texas Radiology Associates) – Class B^^^ (1) (2) (9)	Health Care Providers & Services		8,464	1,141	1,617
Collaborative Imaging Holdco, LLC (dba Texas Radiology Associates) – Performance Units^^^ (1) (2) (5) (6) (9)	Health Care Providers & Services		7,988	159	464
Conergy Asia Holdings, Ltd.^ (1) (5) (6) (9)	Construction & Engineering		2,000	4,700	—
Country Fresh Holding Company Inc.(1) (2) (6) (9)	Food Products		671	839	582
Elah Holdings, Inc.^ (1) (2) (6) (9)	Capital Markets		46,214	2,234	2,234
Iracore International Holdings, Inc.^ (1) (6) (9)	Energy Equipment & Services		28,898	7,003	7,967
Kawa Solar Holdings Limited^ (1) (5) (6) (9)	Construction & Engineering		1,399,556	—	—
National Spine and Pain Centers, LLC(1) (2) (6) (9)	Health Care Providers & Services		600	600	120
Prairie Provident Resources, Inc.^^^ (5) (6)	Oil, Gas & Consumable Fuels		3,579,988	9,237	124
Wrike, Inc.(1) (2) (6) (9)	Professional Services		3,484,784	2,165	3,004
Yasso, Inc.(1) (2) (6) (9)	Food Products		850	850	466
Total Common Stock				67,142	48,108
TOTAL INVESTMENTS – 215.09%				**$ 1,509,847**	**$ 1,454,252**
LIABILITIES IN EXCESS OF OTHER ASSETS – (115.09%)					**$ (778,127)**
NET ASSETS – 100.00%					**$ 676,125**

The accompanying notes are part of these consolidated financial statements.

Goldman Sachs BDC, Inc.
Consolidated Schedule of Investments as of December 31, 2019 (continued)
(in thousands, except share and per share amounts)

* Assets are pledged as collateral for the Revolving Credit Facility. See Note 6 "Debt".

(+) Represents the actual interest rate for partially or fully funded debt in effect as of the reporting date. Variable rate loans bear interest at a rate that may be determined by reference to either LIBOR ("L") or alternate base rate (commonly based on the Prime Rate ("P")), at the borrower's option, which reset periodically based on the terms of the credit agreement. L loans are typically indexed to 12 month, 6 month, 3 month, 2 month, 1 month or 1 week L rates. As of December 31, 2019, rates for the 12 month, 6 month, 3 month, 2 month, 1 month and 1 week L are 2.00%, 1.91%, 1.91%, 1.83%, 1.76% and 1.63%, respectively. As of December 31, 2019, P was 4.75%. For investments with multiple reference rates or alternate base rates, the interest rate shown is the weighted average interest rate in effect at December 31, 2019.

(++) The total par amount is presented for debt investments, while the number of shares or units owned is presented for equity investments. Par amount is denominated in U.S. Dollars ("$") unless otherwise noted, Euro ("€").

Percentages are based on net assets.

^ As defined in the Investment Company Act of 1940, the investment is deemed to be an "affiliated person" of the Company because the Company owns, either directly or indirectly, 5% or more of the portfolio company's outstanding voting securities. See Note 3 "Significant Agreements and Related Party Transactions".

^^ As defined in the Investment Company Act of 1940, the investment is deemed to be a "controlled affiliated person" of the Company because the Company owns, either directly or indirectly, 25% or more of the portfolio company's outstanding voting securities or has the power to exercise control over management or policies of such portfolio company. See Note 3 "Significant Agreements and Related Party Transactions".

^^^ The portfolio company is otherwise deemed to be an "affiliated person" of the Company under the Investment Company Act of 1940. See Note 3 "Significant Agreements and Related Party Transactions".

(1) The fair value of the investment was determined using significant unobservable inputs. See Note 5 "Fair Value Measurement".

(2) Represent co-investments made with the Company's affiliates in accordance with the terms of the exemptive relief that the Company received from the U.S. Securities and Exchange Commission. See Note 3 "Significant Agreements and Related Party Transactions".

(3) Position or portion thereof is an unfunded loan commitment, and no interest is being earned on the unfunded portion. The unfunded loan commitment may be subject to a commitment termination date that may expire prior to the maturity date stated. The negative cost, if applicable, is the result of the capitalized discount being greater than the principal amount outstanding on the loan. The negative fair value, if applicable, is the result of the capitalized discount on the loan. See Note 8 "Commitments and Contingencies".

(4) The investment includes an exit fee that is receivable upon repayment of the loan. See Note 2 "Significant Accounting Policies".

(5) The investment is not a qualifying asset under Section 55(a) of the Investment Company Act of 1940. The Company may not acquire any non-qualifying asset unless, at the time of acquisition, qualifying assets represent at least 70% of the Company's total assets. As of December 31, 2019 the aggregate fair value of these securities is $55,945 or 3.79% of the Company's total assets.

(6) Non-income producing security.

(7) In exchange for the greater risk of loss, the "last-out" portion of the Company's unitranche loan investment generally earns a higher interest rate than the "first-out" portions. The "first-out" portion would generally receive priority with respect to payment of principal, interest and any other amounts due thereunder over the "last-out" portion.

(8) The investment is on non-accrual status as of December 31, 2019.

(9) Securities exempt from registration under the Securities Act of 1933 (the "Securities Act"), and may be deemed to be "restricted securities" under the Securities Act. As of December 31, 2019, the aggregate fair value of these securities is $96,746 or 14.31% of the Company's net assets. The acquisition dates of the restricted securities are as follows:

Investment	Acquisition Date
Accuity Delivery Systems, LLC – Preferred Stock	06/13/2018
Animal Supply Holdings, LLC – Common Stock	02/22/2019
Animal Supply Holdings, LLC – Preferred Stock	02/22/2019
Bolttech Mannings, Inc. – Common Stock	12/22/2017
CB-HDT Holdings, Inc. (dba Hunter Defense Technologies) – Preferred Stock	07/01/2016
CB-HDT Holdings, Inc. (dba Hunter Defense Technologies) – Common Stock	07/01/2016
Collaborative Imaging Holdco, LLC (dba Texas Radiology Associates) – Class B – Common Stock	03/30/2018
Collaborative Imaging Holdco, LLC (dba Texas Radiology Associates) – Performance Units – Common Stock	03/30/2018
Conergy Asia Holdings, Ltd. – Common Stock	07/31/2017
Conergy Asia Holdings, Ltd. – Preferred Stock	08/23/2017
Country Fresh Holding Company Inc. – Common Stock	04/29/2019
Elah Holdings, Inc. – Common Stock	05/09/2018
Iracore International Holdings, Inc. – Common Stock	04/13/2017
Kawa Solar Holdings Limited – Common Stock	08/17/2016
Kawa Solar Holdings Limited – Preferred Stock	10/25/2016
National Spine and Pain Centers, LLC – Common Stock	06/02/2017
Wine.com, LLC – Preferred Stock	11/14/2018
Wrike, Inc. – Common Stock	12/31/2018
Yasso, Inc. – Common Stock	03/23/2017

PIK – Payment-In-Kind

ADDITIONAL INFORMATION

Foreign currency forward contracts

Counterparty	Currency Purchased	Currency Sold	Settlement	Unrealized Appreciation (Depreciation)
Bank of America, N.A.	USD 162	EUR 147	01/06/2020	$ (3)
Bank of America, N.A.	USD 393	EUR 325	01/06/2020	29

Bank of America, N.A.	USD 248	EUR 223	04/06/2020		(4)
Bank of America, N.A.	USD 399	EUR 327	04/06/2020		30
Bank of America, N.A.	USD 237	EUR 212	07/06/2020		(4)
Bank of America, N.A.	USD 400	EUR 325	07/06/2020		31
Bank of America, N.A.	USD 536	EUR 479	10/05/2020		(10)
Bank of America, N.A.	USD 528	EUR 468	01/05/2021		(10)
Bank of America, N.A.	USD 517	EUR 457	04/06/2021		(10)
Bank of America, N.A.	USD 517	EUR 455	07/06/2021		(11)
Bank of America, N.A.	USD 294	EUR 258	10/05/2021		(6)
				$	**32**

Currency Abbreviations:
EUR – Euro
USD – U.S. Dollar

The accompanying notes are part of these consolidated financial statements.

Goldman Sachs BDC, Inc.
Notes to the Consolidated Financial Statements
(in thousands, except share and per share amounts)

1. ORGANIZATION

Goldman Sachs BDC, Inc. (the "Company," which term refers to either Goldman Sachs BDC, Inc. or Goldman Sachs BDC, Inc. together with its consolidated subsidiaries, as the context may require) was initially established as Goldman Sachs Liberty Harbor Capital, LLC, a single member Delaware limited liability company ("SMLLC"), on September 26, 2012 and commenced operations on November 15, 2012 with The Goldman Sachs Group, Inc. ("Group Inc.") as its sole member. On March 29, 2013, the Company elected to be regulated as a business development company ("BDC") under the Investment Company Act of 1940, as amended (the "Investment Company Act"). Effective April 1, 2013, the Company converted from a SMLLC to a Delaware corporation. In addition, the Company has elected to be treated as a regulated investment company ("RIC") under Subchapter M of the Internal Revenue Code of 1986, as amended (the "Code"), commencing with its taxable year ended December 31, 2013.

The Company's investment objective is to generate current income and, to a lesser extent, capital appreciation primarily through direct originations of secured debt, including first lien debt, unitranche loans, including last-out portions of such loans, and second lien debt, and unsecured debt, including mezzanine debt, as well as through select equity investments.

Goldman Sachs Asset Management, L.P. ("GSAM"), a Delaware limited partnership and an affiliate of Goldman Sachs & Co. LLC (including its predecessors, "GS & Co."), is the investment adviser (the "Investment Adviser") of the Company. The term "Goldman Sachs" refers to Group Inc., together with GS & Co., GSAM and its other subsidiaries.

On March 23, 2015, the Company completed its initial public offering and the Company's common stock began trading on the New York Stock Exchange under the symbol "GSBD."

The Company has formed wholly owned subsidiaries, which are structured as Delaware limited liability companies, to hold certain equity or equity-like investments in portfolio companies. The Company also has formed a wholly owned subsidiary, which is structured as a Delaware corporation, to effect the Merger (as defined below).

The Merger with Goldman Sachs Middle Market Lending Corp.

On October 12, 2020, the Company completed its previously announced merger with Goldman Sachs Middle Market Lending Corp. ("GS MMLC") pursuant to the Amended and Restated Agreement and Plan of Merger (the "Merger Agreement"), dated as of June 11, 2020. In accordance with the terms of the Merger Agreement, at the effective time of the Merger, each outstanding share of GS MMLC common stock was converted into the right to receive, for each share of GS MMLC common stock, that number of shares of the Company's common stock, par value $0.001 per share ("Common Stock"), with a net asset value ("NAV") equal to the NAV per share of GS MMLC common stock, in each case calculated as of October 9, 2020. As a result of the Merger, the Company issued an aggregate of 61,037,311 shares of Common Stock to former GS MMLC stockholders. For further information, see Note 13 "Merger with GS MMLC."

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The Company's functional currency is U.S. dollars ("USD") and these consolidated financial statements have been prepared in that currency. The accompanying consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") and pursuant to Regulation S-X. This requires the Company to make certain estimates and assumptions that may affect the amounts reported in the consolidated financial statements and accompanying notes. These consolidated financial statements reflect normal and recurring adjustments that in the opinion of the Company are necessary for the fair statement of the results for the periods presented. Actual results may differ from the estimates and assumptions included in the consolidated financial statements.

Certain prior period information has been reclassified to conform to the current period presentation. The reclassification has no effect on the Company's consolidated financial position or the consolidated results of operations as previously reported.

As an investment company, the Company applies the accounting and reporting guidance in Accounting Standards Codification ("ASC") Topic 946, *Financial Services – Investment Companies* ("ASC 946") issued by the Financial Accounting Standards Board ("FASB").

Basis of Consolidation

As provided under ASC 946, the Company will not consolidate its investment in a company other than an investment company subsidiary or a controlled operating company whose business consists of providing services to the Company. Accordingly, the Company consolidated the financial position and results of operations of its wholly owned subsidiaries, BDC Blocker I, LLC (formerly known as My-On BDC Blocker, LLC), GSBD Blocker II, LLC, GSBD Wine I, LLC, GSBD Blocker III LLC, MMLC Blocker I, LLC, MMLC Blocker II, LLC, MMLC Wine I, LLC, and MMLC Blocker III LLC. All significant intercompany transactions and balances have been eliminated in consolidation.

The Company did not consolidate its previous equity interest in Senior Credit Fund, LLC (the "Senior Credit Fund"). For further description of the Company's previous investment in the Senior Credit Fund, see Note 4 "Investments".

Revenue Recognition

The Company records its investment transactions on a trade date basis, which is the date when the Company assumes the risks for gains and losses related to that instrument. Realized gains and losses are based on the specific identification method.

Interest income, adjusted for amortization of premium and accretion of discount, is recorded on an accrual basis. Discounts and premiums to par value on investments purchased are accreted and amortized into interest income over the life of the respective investment using the effective interest method. Loan origination fees, original issue discount ("OID") and market discounts or premiums are capitalized and amortized into interest income using the effective interest method or straight-line method, as applicable. Exit fees that are receivable upon repayment of a loan or debt security are amortized into interest income over the life of the respective investment. Upon prepayment of a loan or debt security, any prepayment premiums, unamortized upfront loan origination fees and unamortized discounts are recorded as interest income, for which the Company has earned the following:

	For the Years Ended December 31,		
	2020	2019	2018
Prepayment premiums	$ 1,822	$ 1,925	$ 2,643
Accelerated amortization of upfront loan origination fees and unamortized discounts	$ 3,883	$ 4,573	$ 3,265

Fees received from portfolio companies (directors' fees, consulting fees, administrative fees, tax advisory fees and other similar compensation) are paid to the Company, unless, to the extent required by applicable law or exemptive relief, if any, therefrom, the Company only receives its allocable portion of such fees when invested in the same portfolio company as another account managed by the Investment Adviser.

Dividend income on preferred equity investments is recorded on an accrual basis to the extent that such amounts are payable by the portfolio company and are expected to be collected. Dividend income on common equity investments is recorded on the record date for private portfolio companies and on the ex-dividend date for publicly traded portfolio companies. Interest and dividend income are presented net of withholding tax, if any.

Certain investments may have contractual payment-in-kind ("PIK") interest or dividends. PIK represents accrued interest or accumulated dividends that are added to the principal amount or shares (if equity) of the investment on the respective interest or dividend payment dates rather than being paid in cash and generally becomes due at maturity or upon the investment being called by the issuer. PIK is recorded as interest or dividend income, as applicable. If at any point the Company believes PIK is not expected to be realized, the investment generating PIK will be placed on non-accrual status. When a PIK investment is placed on non-accrual status, the accrued, uncapitalized interest or dividends are generally reversed through interest or dividend income.

Certain structuring fees, amendment fees, syndication fees and commitment fees are recorded as other income when earned. Administrative agent fees received by the Company are recorded as other income when the services are rendered over time.

Non-Accrual Investments

Investments are placed on non-accrual status when it is probable that principal, interest or dividends will not be collected according to the contractual terms. Accrued interest or dividends generally are reversed when an investment is placed on non-accrual status. Interest or dividend payments received on non-accrual investments may be recognized as income or applied to principal depending upon management's judgment. Non-accrual investments are restored to accrual status when past due principal and interest or dividends are paid and, in management's judgment, principal and interest or dividend payments are likely to remain current. The Company may make exceptions to this treatment if an investment has sufficient collateral value and is in the process of collection. As of December 31, 2020, the Company had certain investments held in four portfolio companies on non-accrual status, which represented 0.7% and 0.3% of the total investments (excluding an investment in a money market fund, if any, managed by an affiliate of Group Inc.) at amortized cost and at fair value. As of December 31, 2019, the Company had certain investments held in three portfolio companies on non-accrual status, which represented 2.0% and 1.0% of the total investments (excluding an investment in a money market fund, if any, managed by an affiliate of Group Inc.) at amortized cost and at fair value.

Investments

The Company carries its investments in accordance with ASC Topic 820, *Fair Value Measurements and Disclosures* ("ASC 820"), issued by the FASB, which defines fair value, establishes a framework for measuring fair value and requires disclosures about fair value measurements. Fair value is generally based on quoted market prices provided by independent pricing services, broker or dealer quotations or alternative price sources. In the absence of quoted market prices, broker or dealer quotations or alternative price sources, investments are measured at fair value as determined by the board of directors (the "Board of Directors") within the meaning of the Investment Company Act.

Due to the inherent uncertainties of valuation, certain estimated fair values may differ significantly from the values that would have been realized had a ready market for these investments existed, and these differences could be material. See Note 5 "Fair Value Measurement".

The Company generally invests in illiquid securities, including debt and equity investments, of middle-market companies. The Board of Directors has delegated to the Investment Adviser day-to-day responsibility for implementing and maintaining internal controls and procedures related to the valuation of the Company's portfolio investments. Under valuation procedures adopted by the Board of Directors, market quotations are generally used to assess the value of the investments for which market quotations are readily available. The Investment Adviser obtains these market quotations from independent pricing services or at the bid prices obtained from at least two brokers or dealers, if available; otherwise from a principal market maker or a primary market dealer. To assess the continuing appropriateness of pricing sources and methodologies, the Investment Adviser regularly performs price verification procedures and issues challenges as necessary to independent pricing services or brokers, and any differences are reviewed in accordance with the valuation procedures. If the Board of Directors or Investment Adviser has a bona fide reason to believe any such market quotation does not reflect the fair value of an investment, it may independently value such investment in accordance with valuation procedures for investments for which market quotations are not readily available.

With respect to investments for which market quotations are not readily available, or for which market quotations are deemed not reflective of the fair value, the valuation procedures adopted by the Board of Directors contemplate a multi-step valuation process each quarter, as described below:

(1) The quarterly valuation process begins with each portfolio company or investment being initially valued by the investment professionals of the Investment Adviser responsible for the portfolio investment;

(2) The Board of Directors also engages independent valuation firms (the "Independent Valuation Advisors") to provide independent valuations of the investments for which market quotations are not readily available, or are readily available but deemed not reflective of the fair value of an investment. The Independent Valuation Advisors independently value such investments using quantitative and qualitative information provided by the investment professionals of the Investment Adviser and the portfolio companies as well as any market quotations obtained from independent pricing services, brokers, dealers or market dealers. The Independent Valuation Advisors also provide analyses to support their valuation methodology and calculations. The Independent Valuation Advisors provide an opinion on a final range of values on such investments to the Board of Directors or the Audit Committee. The Independent Valuation Advisors define fair value in accordance with ASC 820 and utilize valuation approaches including the market approach, the income approach or both. A portion of the portfolio is reviewed on a quarterly basis, and all investments in the portfolio for which market quotations are not readily available, or are readily available, but deemed not reflective of the fair value of an investment, are reviewed at least annually by an Independent Valuation Advisor;

(3) The Independent Valuation Advisors' preliminary valuations are reviewed by the Investment Adviser and the Valuation Oversight Group ("VOG"), a team that is part of the Controllers Department within the Finance Division of Goldman Sachs. The Independent Valuation Advisors' valuation ranges are compared to the Investment Adviser's valuations to ensure the Investment Adviser's valuations are reasonable. VOG presents the valuations to the Private Investment Valuation and Side Pocket Working Group of the Investment Management Division Valuation Committee, which is comprised of representatives from GSAM who are independent of the investment decision making process;

(4) The Investment Management Division Valuation Committee ratifies fair valuations and makes recommendations to the Audit Committee of the Board of Directors;

(5) The Audit Committee of the Board of Directors reviews valuation information provided by the Investment Management Division Valuation Committee, the Investment Adviser and the Independent Valuation Advisors. The Audit Committee then assesses such valuation recommendations; and

(6) The Board of Directors discusses the valuations and, within the meaning of the Investment Company Act, determines the fair value of the investments in good faith, based on the inputs of the Investment Adviser, the Independent Valuation Advisors and the Audit Committee.

Money Market Funds

Investments in money market funds are valued at NAV per share. See Note 3 "Significant Agreements and Related Party Transactions."

Cash

Cash consists of deposits held at a custodian bank. As of December 31, 2020 and December 31, 2019, the Company held an aggregate cash balance of $32,137 and $9,409. Foreign currency of $1,831 and $1,003 (acquisition cost of $1,765 and $991) is included in cash as of December 31, 2020 and December 31, 2019.

Foreign Currency Translation

Amounts denominated in foreign currencies are translated into USD on the following basis: (i) investments and other assets and liabilities denominated in foreign currencies are translated into USD based upon currency exchange rates effective on the last business day of the period; and (ii) purchases and sales of investments, borrowings and repayments of such borrowings, income, and expenses denominated in foreign currencies are translated into USD based upon currency exchange rates prevailing on the transaction dates.

The Company does not isolate the portion of the results of operations resulting from changes in foreign exchange rates on investments from fluctuations arising from changes in market prices of securities held. Such fluctuations are included within the net realized and unrealized gains or losses on investments. Fluctuations arising from the translation of non-investment assets and liabilities are included with the net change in unrealized gains (losses) on foreign currency translations on the Consolidated Statements of Operations.

Foreign security and currency translations may involve certain considerations and risks not typically associated with investing in U.S. companies and U.S. government securities. These risks include, but are not limited to, currency fluctuations and revaluations and future adverse political, social and economic developments, which could cause investments in foreign markets to be less liquid and prices more volatile than those of comparable U.S. companies or U.S. government securities.

Derivatives

The Company may enter into foreign currency forward contracts to reduce the Company’s exposure to foreign currency exchange rate fluctuations in the value of foreign currencies. In a foreign currency forward contract, the Company agrees to receive or deliver a fixed quantity of one currency for another, at a pre-determined price at a future date. Forward foreign currency contracts are marked-to-market at the applicable forward rate. Unrealized appreciation (depreciation) on foreign currency forward contracts are recorded on the Consolidated Statements of Assets and Liabilities by counterparty on a net basis, not taking into account collateral posted which is recorded separately, if applicable. Notional amounts of foreign currency forward contract assets and liabilities are presented separately on the Consolidated Schedules of Investments. Purchases and settlements of foreign currency forward contracts having the same settlement date and counterparty are generally settled net and any realized gains or losses are recognized on the settlement date.

The Company does not utilize hedge accounting and as such, the Company recognizes its derivatives at fair value with changes in the net unrealized appreciation (depreciation) on foreign currency forward contracts recorded on the Consolidated Statements of Operations.

Income Taxes

The Company recognizes tax positions in its consolidated financial statements only when it is more likely than not that the position will be sustained upon examination by the relevant taxing authority based on the technical merits of the position. A position that meets this standard is measured at the largest amount of benefit that will more likely than not be realized upon settlement. The Company reports any interest expense related to income tax matters in income tax expense, and any income tax penalties under expenses in the Consolidated Statements of Operations.

The Company’s tax positions have been reviewed based on applicable statutes of limitation for tax assessments, which may vary by jurisdiction, and based on such review, the Company has concluded that no additional provision for income tax is required in the consolidated financial statements. The Company is subject to potential examination by certain taxing authorities in various jurisdictions. The Company’s tax positions are subject to ongoing interpretation of laws and regulations by taxing authorities.

The Company has elected to be treated as a RIC commencing with its taxable year ended December 31, 2013. So long as the Company maintains its status as a RIC, it will generally not be required to pay corporate-level U.S. federal income tax on any ordinary income or capital gains that it distributes at least annually to its stockholders as dividends. As a result, any U.S. federal income tax liability related to income earned and distributed by the Company represents obligations of the Company’s stockholders and will not be reflected in the consolidated financial statements of the Company.

To maintain its tax treatment as a RIC, the Company must meet specified source-of-income and asset diversification requirements and timely distribute to its stockholders for each taxable year at least 90% of its investment company taxable income (generally, its net ordinary income plus the excess of its realized net short-term capital gains over realized net long-term capital losses, determined without regard to the dividends paid deduction). In order for the Company not to be subject to U.S. federal excise taxes, it must distribute annually an amount at least equal to the sum of (i) 98% of its net ordinary income (taking into account certain deferrals and elections) for the calendar year, (ii) 98.2% of its capital gains in excess of capital losses for the one-year period ending on October 31 of the calendar year and (iii) any net ordinary income and capital gains in excess of capital losses for preceding years that were not distributed during such years. The Company, at its discretion, may carry forward taxable income in excess of calendar year dividends and pay a 4% nondeductible U.S. federal excise tax on this income. If the Company chooses to do so, this generally would increase expenses and reduce the amount available to be distributed to stockholders. The Company will accrue excise tax on estimated undistributed taxable income as required. For the years ended December 31, 2020, 2019 and 2018 the Company accrued excise taxes of $1,443, $1,815 and $1,589. As of December 31, 2020, $1,638 of accrued excise taxes remained payable.

Certain of the Company's consolidated subsidiaries are subject to U.S. federal and state corporate-level income taxes. Income tax expense, if any, is included under the income category for which it applies in the Consolidated Statements of Operations.

Distributions

Distributions from net investment income and net realized capital gains are determined in accordance with U.S. federal income tax regulations, which may differ from those amounts determined in accordance with GAAP. The Company may pay distributions in excess of its taxable net investment income. This excess would be a tax-free return of capital in the period and reduce the stockholder's tax basis in its shares. These book/tax differences are either temporary or permanent in nature. To the extent these differences are permanent they are charged or credited to paid-in capital in excess of par or distributable earnings, as appropriate, in the period that the differences arise. Temporary and permanent differences are primarily attributable to differences in the tax treatment of certain loans and the tax characterization of income and non-deductible expenses. These differences are generally determined in conjunction with the preparation of the Company's annual RIC tax return. Distributions to common stockholders are recorded on the ex-dividend date. The amount to be paid out as a distribution is determined by the Board of Directors each quarter and is generally based upon the earnings estimated by the Investment Adviser. The Company may pay distributions to its stockholders in a year in excess of its net ordinary income and capital gains for that year and, accordingly, a portion of such distributions may constitute a return of capital for U.S. federal income tax purposes. The Company intends to timely distribute to its stockholders substantially all of its annual taxable income for each year, except that the Company may retain certain net capital gains for reinvestment and may carry forward taxable income for distribution in the following year and pay any applicable tax. The specific tax characteristics of the Company's distributions will be reported to stockholders after the end of the calendar year. All distributions will be subject to available funds, and no assurance can be given that the Company will be able to declare such distributions in future periods.

The Company has a dividend reinvestment plan that provides for reinvestment of all cash distributions declared by the Board of Directors unless a stockholder elects to "opt out" of the plan. As a result, if the Board of Directors declares a cash distribution, then the stockholders who have not "opted out" of the dividend reinvestment plan will have their cash distributions automatically reinvested in additional shares of common stock, rather than receiving the cash distribution. Stockholders who receive distributions in the form of shares of common stock will generally be subject to the same U.S. federal, state and local tax consequences as if they received cash distributions and, for this purpose, stockholders receiving distributions in the form of stock will generally be treated as receiving distributions equal to the fair market value of the stock received through the plan; however, since their cash distributions will be reinvested, those stockholders will not receive cash with which to pay any applicable taxes. Due to regulatory considerations, Group Inc. has opted out of the dividend reinvestment plan, and GS & Co. has opted out of the dividend reinvestment plan in respect of shares of the Company's common stock acquired through its 10b5-1 plan.

Deferred Financing and Debt Issuance Costs

Deferred financing and debt issuance costs consist of fees and expenses paid in connection with the closing of and amendments to the Company's senior secured revolving credit agreement (as amended, the "Revolving Credit Facility") with Truist Bank (formerly known as SunTrust Bank), as administrative agent, and Bank of America, N.A., as syndication agent, the offering of the Company's 4.50% Convertible Notes due 2022 (the "Convertible Notes"), the offering of the Company's 3.75% Notes due 2025 (the "2025 Notes"), and the offering of the Company's 2.875% Notes due 2026 (the "2026 Notes"). The aforementioned costs are amortized using the straight-line method over each instrument's term. Deferred financing costs related to the Revolving Credit Facility are presented separately as an asset on the Company's Consolidated Statements of Assets and Liabilities. Deferred debt issuance costs related to the Convertible Notes, the 2025 Notes, and the 2026 Notes are presented net against the outstanding debt balance on the Consolidated Statements of Assets and Liabilities.

Deferred Offering Costs

The Company records expenses related to registration statement filings and applicable offering costs as deferred offering costs. To the extent such expenses relate to equity offerings, these expenses are charged as a reduction of paid-in-capital upon each such offering. Deferred offering costs are included within Other assets on the Company's Consolidated Statements of Assets and Liabilities.

New Accounting Pronouncements

In March 2020, the FASB issued Accounting Standard Update ("ASU") No. 2020-04, "Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting." This ASU provides optional exceptions for applying GAAP to contract modifications, hedging relationships and other transactions affected by reference rate reform if certain criteria are met. The Company adopted this ASU in June 2020 and this adoption did not have a material impact on the Company's consolidated financial statements.

In May 2020, the SEC adopted the final rule under SEC release No. 33-10786, Amendments to Financial Disclosures about Acquired and Disposed Businesses, amending certain disclosure requirements applicable to acquisitions and dispositions of businesses, including real estate operations and investment companies. The final rule is effective on January 1, 2021. Voluntary early adoption is permitted, provided that the new rules are applied in their entirety from the date of early adoption. The Company adopted this final rule in December 2020 and this adoption did not have a material impact on the Company's consolidated financial statements.

3. SIGNIFICANT AGREEMENTS AND RELATED PARTY TRANSACTIONS

Investment Management Agreement

The Company has entered into an investment management agreement (as amended and restated as of June 15, 2018, the "Investment Management Agreement") with the Investment Adviser, pursuant to which the Investment Adviser manages the Company's investment program and related activities.

Management Fee

The Company pays the Investment Adviser a management fee (the "Management Fee"), accrued and payable quarterly in arrears. The Management Fee (i) was calculated at an annual rate of 1.50% (0.375% per quarter) (the "Original Rate") through June 14, 2018 and (ii) is calculated at an annual rate of 1.00% (0.25% per quarter) (the "New Rate") thereafter, in each case, of the average value of the Company's gross assets (excluding cash or cash equivalents but including assets purchased with borrowed amounts) at the end of each of the two most recently completed calendar quarters. The Management Fee for any partial quarter (including any quarter during which both the Original Rate and the New Rate were in effect) will be appropriately prorated based on the actual number of days elapsed relative to the total number of days in such calendar quarter.

For the years ended December 31, 2020, 2019 and 2018, Management Fees amounted to $16,846, $14,696 and $15,971. The Investment Adviser has voluntarily agreed to waive $3,806 of Management Fees for the year ended December 31, 2020. As of December 31, 2020, $5,945 remained payable.

Incentive Fee

The incentive fee (the "Incentive Fee") consists of two components that are determined independent of each other, with the result that one component may be payable even if the other is not. The Incentive Fee is calculated as follows:

A portion of the Incentive Fee is based on income and a portion is based on capital gains, each as described below. The Investment Adviser is entitled to receive the Incentive Fee based on income if Ordinary Income (as defined below) exceeds a quarterly "hurdle rate" of 1.75%. For this purpose, the hurdle is computed by reference to the Company's NAV and does not take into account changes in the market price of the Company's common stock.

The Incentive Fee based on income is determined and paid quarterly in arrears at the end of each calendar quarter by reference to the Company's aggregate net investment income, as adjusted as described below, from the calendar quarter then ending and the eleven preceding calendar quarters (or if shorter, the number of quarters that have occurred since January 1, 2015) (such period the "Trailing Twelve Quarters"). The Incentive Fee based on capital gains is determined and paid annually in arrears at the end of each calendar year by reference to an "Annual Period," which means the period beginning on January 1 of each calendar year and ending on December 31 of such calendar year or, in the case of the first and last year, the appropriate portion thereof.

The hurdle amount for the Incentive Fee based on income is determined on a quarterly basis and is equal to 1.75% multiplied by the Company's NAV at the beginning of each applicable calendar quarter comprising the relevant Trailing Twelve Quarters. The hurdle amount is calculated after making appropriate adjustments for subscriptions (which includes all of the Company's issuances of shares of its common stock, including issuances pursuant to its dividend reinvestment plan) and distributions that occurred during the relevant Trailing Twelve Quarters. The Incentive Fee for any partial period will be appropriately prorated.

i. Quarterly Incentive Fee Based on Income

For the portion of the Incentive Fee based on income, the Company pays the Investment Adviser a quarterly Incentive Fee based on the amount by which (A) aggregate net investment income ("Ordinary Income") in respect of the relevant Trailing Twelve Quarters exceeds (B) the hurdle amount for such Trailing Twelve Quarters. The amount of the excess of (A) over (B) described in this paragraph for such Trailing Twelve Quarters is referred to as the "Excess Income Amount". Ordinary Income is net of all fees and expenses, including the Management Fee but excluding any Incentive Fee.

The Incentive Fee based on income for each quarter is determined as follows:

- No Incentive Fee based on income is payable to the Investment Adviser for any calendar quarter for which there is no Excess Income Amount;
- 100% of the Ordinary Income, if any, that exceeds the hurdle amount, but is less than or equal to an amount, referred to as the "Catch-up Amount," determined as the sum of 2.1875% multiplied by the Company's NAV at the beginning of each applicable calendar quarter comprising the relevant Trailing Twelve Quarters is included in the calculation of the Incentive Fee based on income; and
- 20% of the Ordinary Income that exceeds the Catch-up Amount is included in the calculation of the Incentive Fee based on income.

The amount of the Incentive Fee based on income that is paid to the Investment Adviser for a particular quarter equals the excess of the Incentive Fee so calculated minus the aggregate Incentive Fees based on income that were paid in respect of the first eleven calendar quarters (or the portion thereof) included in the relevant Trailing Twelve Quarters but not in excess of the Incentive Fee Cap (as described below).

The Incentive Fee based on income that is paid to the Investment Adviser for a particular quarter is subject to a cap (the "Incentive Fee Cap"). The Incentive Fee Cap for any quarter is an amount equal to (a) 20% of the Cumulative Net Return (as defined below) during the relevant Trailing Twelve Quarters minus (b) the aggregate Incentive Fees based on income that were paid in respect of the first eleven calendar quarters (or the portion thereof) included in the relevant Trailing Twelve Quarters.

"Cumulative Net Return" means (x) the Ordinary Income in respect of the relevant Trailing Twelve Quarters minus (y) any Net Capital Loss, if any, in respect of the relevant Trailing Twelve Quarters. If, in any quarter, the Incentive Fee Cap is zero or a negative value, the Company pays no Incentive Fee based on income to the Investment Adviser for such quarter. If, in any quarter, the Incentive Fee Cap for such quarter is a positive value but is less than the Incentive Fee based on income that is payable to the Investment Adviser for such quarter (before giving effect to the Incentive Fee Cap) calculated as described above, the Company pays an Incentive Fee based on income to the Investment Adviser equal to the Incentive Fee Cap for such quarter. If, in any quarter, the Incentive Fee Cap for such quarter is equal to or greater than the Incentive Fee based on income that is payable to the Investment Adviser for such quarter (before giving effect to the Incentive Fee Cap) calculated as described above, the Company pays an Incentive Fee based on income to the Investment Adviser equal to the Incentive Fee calculated as described above for such quarter without regard to the Incentive Fee Cap.

"Net Capital Loss" in respect of a particular period means the difference, if positive, between (i) aggregate capital losses, whether realized or unrealized, in such period and (ii) aggregate capital gains, whether realized or unrealized, in such period.

ii. Annual Incentive Fee Based on Capital Gains

The portion of the Incentive Fee based on capital gains is calculated on an annual basis. For each Annual Period, the Company pays the Investment Adviser an amount equal to (A) 20% of the difference, if positive, of the sum of the Company's aggregate realized capital gains, if any, computed net of the Company's aggregate realized capital losses, if any, and the Company's aggregate unrealized capital depreciation, in each case from April 1, 2013 until the end of such Annual Period minus (B) the cumulative amount of Incentive Fees based on capital gains previously paid to the Investment Adviser from April 1, 2013. For the avoidance of doubt, unrealized capital appreciation is excluded from the calculation in clause (A) above.

The Company accrues, but does not pay, a portion of the Incentive Fee based on capital gains with respect to net unrealized appreciation. Under GAAP, the Company is required to accrue an Incentive Fee based on capital gains that includes net realized capital gains and losses and net unrealized capital appreciation and depreciation on investments held at the end of each period. In calculating the accrual for the Incentive Fee based on capital gains, the Company considers the cumulative aggregate unrealized capital appreciation in the calculation, since an Incentive Fee based on capital gains would be payable if such unrealized capital appreciation were realized, even though such unrealized capital appreciation is not permitted to be considered in calculating the fee payable under the Investment Management Agreement. This accrual is calculated using the aggregate cumulative realized capital gains and losses and aggregate cumulative unrealized capital appreciation or depreciation. If such amount is positive at the end of a period, then the Company records a capital gains incentive fee equal to 20% of such amount, minus the aggregate amount of actual Incentive Fees based on capital gains paid in all prior periods. If such amount is negative, then there is no accrual for such period. There can be no assurance that such unrealized capital appreciation will be realized in the future.

For the years ended December 31, 2020, 2019 and 2018 Incentive Fees based on income amounted to $35,845, $9,220 and $13,988. As of December 31, 2020, $2,665 remained payable. For the years ended December 31, 2020, 2019 and 2018 the Company did not accrue or pay any Incentive Fees based on capital gains.

In connection with the Merger, GSAM has agreed to waive a portion of its Incentive Fee based on income to the extent incurred, for a period of nine quarters, commencing with the quarter ended December 31, 2019 and through and including the quarter ending December 31, 2021, otherwise payable by the Company under the Investment Management Agreement by and between the Company and GSAM, as applicable, for each such quarter in an amount sufficient to ensure that the Company's net investment income per weighted share outstanding for such quarter is at least $0.48 per share. For the years ended December 31, 2020 and 2019, GSAM agreed to waive $23,070 and $394 of Incentive Fees. Additionally, GSAM voluntarily agreed to waive $10,110 of Incentive Fees for the year ended December 31, 2020 attributable to the purchase discount resulting from the Merger.

Administration and Custodian Fees

The Company has entered into an administration agreement with State Street Bank and Trust Company (the "Administrator") under which the Administrator provides various accounting and administrative services to the Company. The Company pays the Administrator fees for its services as it determines to be commercially reasonable in its sole discretion. The Company also reimburses the Administrator for all reasonable expenses. To the extent that the Administrator outsources any of its functions, the Administrator pays any compensation associated with such functions. The Administrator also serves as the Company's custodian (the "Custodian").

For the years ended December 31, 2020, 2019 and 2018, the Company incurred expenses for services provided by the Administrator and the Custodian of $1,151, $957 and $920. As of December 31, 2020, $468 remained payable.

Transfer Agent Fees

The Company has entered into a transfer agency and services agreement pursuant to which Computershare Trust Company, N.A. serves as the Company's transfer agent (the "Transfer Agent"), dividend agent and registrar. For the years ended December 31, 2020, 2019 and 2018, the Company incurred expenses for services provided by the Transfer Agent of $25, $14 and $16. As of December 31, 2020, $1 remained payable.

Common Stock Repurchase Plans

In February 2019, the Board of Directors approved a 10b5-1 stock repurchase plan, which provided for the Company to repurchase up to $25,000 of shares of its common stock if the stock traded below the most recently announced NAV per share, subject to limitations. The plan took effect on March 18, 2019, was temporarily suspended on December 9, 2019 and expired on March 18, 2020. The Company did not repurchase any of its common stock pursuant to the plan or otherwise.

In November 2020, the Board of Directors authorized the adoption of a new common stock repurchase plan (the "10b5-1 Plan"), which provides for the Company to repurchase up to $75,000 of shares of the Company's common stock if the stock trades below the most recently announced quarter-end NAV per share, subject to limitations. Under the 10b5-1 Plan, no purchases will be made if such purchases would cause the Company's Debt/Equity Ratio to exceed the lower of (a) 1.30 or (b) the Maximum Debt/Equity Ratio. In the 10b5-1 Plan, "Debt/Equity Ratio" means the sum of debt on the Consolidated Statements of Assets and Liabilities and the total notional value of the Company's unfunded commitments divided by net assets, as of the most recent reported financial statement end date, and "Maximum Debt/Equity Ratio" means the sum of debt on the Consolidated Statements of Assets and Liabilities and committed uncalled debt divided by net assets, as of the most recent reported financial statement end date.

The 10b5-1 Plan was adopted and took effect on November 9, 2020. The 10b5-1 Plan will expire on November 9, 2021. Purchases under the 10b5-1 Plan will be conducted on a programmatic basis in accordance with Rules 10b5-1 and 10b-18 under the Exchange Act and other applicable securities laws.

The Company's repurchase of its common stock under the 10b5-1 Plan or otherwise may result in the price of the Company's common stock being higher than the price that otherwise might exist in the open market. The Company did not repurchase any of its common stock pursuant to the plan or otherwise.

Affiliates

As of December 31, 2020 and December 31, 2019, Group Inc. owned 6.39% and 16.06%, of the outstanding shares of the Company's common stock. The table below presents the Company's affiliated investments:

	Beginning Fair Value Balance	Gross Additions(3)	Gross Reductions(4)	Net Realized Gain(Loss)	Net Change in Unrealized Appreciation (Depreciation)	Ending Fair Value Balance	Dividend, Interest, PIK and Other Income
For the Year Ended December 31, 2020							
Controlled Affiliates							
Animal Supply Holdings, LLC	$ 50,685	$ 212	$ (22,303)	$ (35,984)	$ 7,390	$ —	$ 333
Bolttech Mannings, Inc.	22,854	23,461	(20,401)	(4,704)	(1,400)	19,810	1,504
Total Controlled Affiliates	$ 73,539	$ 23,673	$ (42,704)	$ (40,688)	$ 5,990	$ 19,810	$ 1,837
Non-Controlled Affiliates							
Goldman Sachs Financial Square Government Fund(1)	$ —	$ 538,011	$ (538,011)	$ —	$ —	$ —	$ 62
Accuity Delivery Systems, LLC	15,213	23,140	(40,050)	3,765	(2,068)	—	2,131
Animal Supply Holdings, LLC	—	22,553	—	—	(5,715)	16,838	261
CB-HDT Holdings, Inc. (dba Hunter Defense Technologies)	32,248	691	(7,037)	—	22,839	48,741	698
Collaborative Imaging, LLC (dba Texas Radiology Associates)	17,311	24,710	(37,875)	(5)	224	4,365	4,086
Conergy Asia Holdings, Ltd.	1,064	1,258	(1,055)	(211)	(722)	334	27
Elah Holdings, Inc.	2,234	3,004	—	—	158	5,396	—
Iracore International Holdings, Inc.	10,884	—	(556)	—	(150)	10,178	302
Kawa Solar Holdings Limited	3,502	28	(1,879)	(4)	(288)	1,359	—
Prairie Provident Resources, Inc.	124	—	(9,237)	—	9,113	—	—
Total Non-Controlled Affiliates	$ 82,580	$ 613,395	$ (635,700)	$ 3,545	$ 23,391	$ 87,211	$ 7,567
Total Affiliates	$ 156,119	$ 637,068	$ (678,404)	$ (37,143)	$ 29,381	$ 107,021	$ 9,404
For the Year Ended December 31, 2019							
Controlled Affiliates							
Animal Supply Holdings, LLC	$ —	$ 58,075	$ —	$ —	$ (7,390)	$ 50,685	$ 337
Bolttech Mannings, Inc.	23,863	3,827	—	—	(4,836)	22,854	2,245
Senior Credit Fund, LLC(2)	96,456	125,555	(224,926)	(629)	3,544	—	3,450
Total Controlled Affiliates	$ 120,319	$ 187,457	$ (224,926)	$ (629)	$ (8,682)	$ 73,539	$ 6,032
Non-Controlled Affiliates							
Goldman Sachs Financial Square Government Fund(1)	$ —	$ 332,086	$ (332,086)	$ —	$ —	$ —	$ 70
Accuity Delivery Systems, LLC	13,730	53	—	—	1,430	15,213	1,039
CB-HDT Holdings, Inc. (dba Hunter Defense Technologies)	26,854	698	—	—	4,696	32,248	698
Collaborative Imaging, LLC (dba Texas Radiology Associates)	10,273	6,523	—	—	515	17,311	1,060
Conergy Asia Holdings, Ltd.	1,064	—	—	—	—	1,064	106
Elah Holdings, Inc.	2,234	—	—	—	—	2,234	—
Iracore International Holdings, Inc.	7,807	—	(472)	—	3,549	10,884	393
Kawa Solar Holdings Limited	8,066	—	(4,575)	—	11	3,502	—
NTS Communications, Inc.	55,557	576	(55,817)	(7,226)	6,910	—	734
Prairie Provident Resources, Inc.	504	—	—	—	(380)	124	—
Total Non-Controlled Affiliates	$ 126,089	$ 339,936	$ (392,950)	$ (7,226)	$ 16,731	$ 82,580	$ 4,100
Total Affiliates	$ 246,408	$ 527,393	$ (617,876)	$ (7,855)	$ 8,049	$ 156,119	$ 10,132

(1) Fund advised by an affiliate of Goldman Sachs.
(2) Together with Cal Regents, the Company previously invested through the Senior Credit Fund. Although the Company owns more than 25% of the voting securities of the Senior Credit Fund, the Company does not believe that it had control over the Senior Credit Fund (other than for purposes of the Investment Company Act). See Note 4 "Investments".
(3) Gross additions may include increases in the cost basis of investments resulting from new portfolio investments, PIK interest or dividends, the accretion of discounts, the exchange of one or more existing securities for one or more new securities and the movement of an existing portfolio company into this category from a different category.
(4) Gross reductions may include decreases in the cost basis of investments resulting from principal collections related to investment repayments or sales, the exchange of one or more existing securities for one or more new securities and the movement of an existing portfolio company out of this category into a different category.

Due to Affiliates

The Investment Adviser pays certain general and administrative expenses, including legal expenses, on behalf of the Company in the ordinary course of business. As of December 31, 2020 and December 31, 2019, there were $12 and $234 included within Accrued expenses and other liabilities paid by the Investment Adviser and its affiliates on behalf of the Company.

Co-investment Activity

In certain circumstances, negotiated co-investments by the Company and other funds managed by the Investment Adviser may be made only pursuant to an order from the SEC permitting the Company to do so. On January 4, 2017, the SEC granted exemptive relief ("Exemptive Relief") that permits the Company to co-invest with Goldman Sachs Private Middle Market Credit LLC ("GS PMMC"), GS MMLC (which was merged with the Company on October 12, 2020), Goldman Sachs Private Middle Market Credit II LLC ("GS PMMC II") and certain other funds that may be managed by GSAM, including the GSAM Credit Alternatives Team, after the date of the exemptive order, subject to certain conditions including that co-investments are made in a manner consistent with the Company's investment objectives, positions, policies, strategies and restrictions, as well as regulatory requirements and pursuant to the conditions required by the Exemptive Relief, and are allocated fairly among participants. The GSAM Credit Alternatives Team is comprised of investment professionals dedicated to the Company's investment strategy and other funds that share a similar investment strategy with the Company, who are responsible for identifying investment opportunities, conducting research and due diligence on prospective investments, negotiating and structuring the Company's investments and monitoring and servicing the Company's investments, together with investment professionals who are primarily focused on investment strategies in syndicated, liquid credit. Under the terms of the Exemptive Relief, a "required majority" (as defined in Section 57(o) of the Investment Company Act) of the Company's independent directors must make certain conclusions in connection with a co-investment transaction, including that (1) the terms of the proposed transaction are reasonable and fair to the Company and the Company's stockholders and do not involve overreaching in respect of the Company or its stockholders on the part of any person concerned, and (2) the transaction is consistent with the interests of the Company's stockholders and is consistent with the then-current investment objectives and strategies of the Company. As a result of the Exemptive Relief, there could be significant overlap in the Company's investment portfolio and the investment portfolios of GS PMMC, GS PMMC II and/or other funds established by the GSAM Credit Alternatives Team that could avail themselves of the Exemptive Relief.

4. INVESTMENTS

The Company's investments (excluding an investment in a money market fund, if any, managed by an affiliate of Group Inc.) consisted of the following:

	December 31, 2020		December 31, 2019	
Investment Type	**Cost**	**Fair Value**	**Cost**	**Fair Value**
1st Lien/Senior Secured Debt	$ 2,489,285	$ 2,526,969	$ 1,094,885	$ 1,080,670
1st Lien/Last-Out Unitranche	138,960	143,231	35,307	35,278
2nd Lien/Senior Secured Debt	458,918	457,733	263,440	234,025
Unsecured Debt	1,055	334	7,409	7,409
Preferred Stock	19,871	48,080	41,664	48,762
Common Stock	73,735	65,395	67,142	48,108
Warrants	756	1,024	—	—
Total Investments	**$ 3,182,580**	**$ 3,242,766**	**$ 1,509,847**	**$ 1,454,252**

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The industry composition of the Company's investments at fair value and net assets was as follows:

	December 31, 2020		December 31, 2019	
Industry	**Fair Value**	**Net Assets**	**Fair Value**	**Net Assets**
Health Care Technology	10.5%	21.1%	6.3%	13.6%
Software	10.1	20.2	8.2	17.7
Interactive Media & Services	8.4	16.9	7.4	15.9
Health Care Providers & Services	7.9	15.8	10.9	23.5
IT Services	7.0	14.0	6.5	14.1
Professional Services	6.7	13.5	5.0	10.7
Diversified Consumer Services	5.7	11.5	2.6	5.7
Real Estate Management & Development	4.9	9.7	5.1	11.0
Diversified Financial Services	4.8	9.6	2.8	6.1
Health Care Equipment & Supplies	4.7	9.5	5.9	12.6
Commercial Services & Supplies	3.0	6.1	4.5	9.6
Hotels, Restaurants & Leisure	3.0	6.0	2.4	5.2
Air Freight & Logistics	2.1	4.3	3.2	7.0
Media	2.1	4.1	3.4	7.3
Chemicals	1.9	3.8	2.4	5.2
Road & Rail	1.7	3.5	2.5	5.4
Household Products	1.7	3.4	1.7	3.6
Transportation Infrastructure	1.6	3.3	1.5	3.2
Diversified Telecommunication Services	1.6	3.2	1.4	2.9
Aerospace & Defense	1.5	3.1	2.2	4.8
Entertainment	1.3	2.6	1.3	2.7
Insurance	1.0	1.9	0.7	1.6
Auto Components	0.9	1.9	1.4	3.0
Beverages	0.9	1.8	0.6	1.2
Trading Companies & Distributors	0.8	1.7	0.8	1.7
Life Sciences Tools & Services	0.7	1.3	1.0	2.1
Distributors	0.5	1.0	3.5	7.5
Food Products	0.5	1.0	0.6	1.3
Internet & Direct Marketing Retail	0.5	0.9	0.5	1.1
Containers & Packaging	0.3	0.7	0.3	0.7
Leisure Products	0.3	0.6	0.7	1.6
Energy Equipment & Services	0.3	0.6	0.8	1.6
Building Products	0.3	0.6	—	—
Communications Equipment	0.2	0.4	0.5	1.1
Textiles, Apparel & Luxury Goods	0.2	0.4	0.5	1.0
Capital Markets	0.2	0.3	0.2	0.3
Specialty Retail	0.1	0.3	0.4	0.8
Construction & Engineering	0.1	0.2	0.3	0.7
Oil, Gas & Consumable Fuels(1)	—	—	—	—
Total	**100.0%**	**200.8%**	**100.0%**	**215.1%**

(1) Amount rounds to 0.0%.

The geographic composition of the Company's investments at fair value was as follows:

Geographic	**December 31, 2020**	**December 31, 2019**
United States	97.6%	95.7%
Ireland	1.6	1.4
Canada	0.8	2.6
Germany	—(1)	0.2
Singapore	—(1)	0.1
Total	**100.0%**	**100.0%**

(1) Amount rounds to 0.0%.

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Senior Credit Fund, LLC

The Senior Credit Fund, an unconsolidated Delaware limited liability company, was formed on May 7, 2014 and commenced operations on October 1, 2014. The Company invested together with Cal Regents through the Senior Credit Fund. The Senior Credit Fund's principal purpose was to make investments, either directly or indirectly through its wholly owned subsidiary, Senior Credit Fund SPV I, LLC ("SPV I"), primarily in senior secured loans to middle-market companies. Each of the Company and Cal Regents were responsible for sourcing the Senior Credit Fund's investments. Each of the Company and Cal Regents had a 50% economic ownership in the Senior Credit Fund and each had subscribed to and has fully contributed $100,000. On December 19, 2016, SPV I entered into an amended and restated credit facility (as amended, the "Asset Based Facility"), which consisted of a revolving credit facility (the "SPV I Revolving Credit Facility"), a term loan facility (the "SPV I Term Loan Facility") and a Class B loan facility (the "SPV I Class B Facility"), with various lenders. For the Asset Based Facility, Natixis, New York Branch served as the facility agent, and State Street Bank and Trust Company served as the collateral agent. On February 27, 2019, the board of managers of the Senior Credit Fund authorized the liquidation and subsequent dissolution of the Senior Credit Fund and the pro-rata distribution of its assets and liabilities to the members of the Senior Credit Fund. On May 8, 2019, the Company and Cal Regents each contributed $125,555 to the Senior Credit Fund, which was used by the Senior Credit Fund to repay in full all outstanding indebtedness, including all accrued and unpaid interest and fees, under the Asset Based Facility and to fund certain other related expenses that the Senior Credit Fund expects to incur in connection with its dissolution. The Asset Based Facility was then terminated and all liens securing the collateral under the Asset Based Facility were released and terminated.

Following the repayment and termination of the aforementioned Asset Based Facility, the Senior Credit Fund distributed to its members their pro rata share of the assets of the Senior Credit Fund. The pro rata portion of the assets received by the Company included senior secured loans of $215,103 and $210,088 at amortized cost and at fair value, and cash of $9,822. In addition, the Company assumed the obligation to fund outstanding unfunded commitments of the Senior Credit Fund that totaled $5,664, representing its pro rata portion of all unfunded commitments of the Senior Credit Fund at such time. The pro rata portion of the assets received by the Company have been included in the Company's consolidated financial statements and notes thereto. After the satisfaction of all remaining liabilities and the distribution of remaining assets, the Senior Credit Fund was terminated.

The table below presents the selected statement of operations information for the Senior Credit Fund, which dissolved on May 8, 2019:

	For the Year Ended December 31, 2019	For the Year Ended December 31, 2018
Selected Statements of Operations Information		
Total investment income	$12,819	$39,129
Expenses:		
Interest and other debt expense	$10,566	$15,599
Professional fees	378	694
Administration and custodian fees	156	396
Other expenses	8	67
Total expenses	$11,108	$16,756
Total net income	$1,711	$22,373

5. FAIR VALUE MEASUREMENT

The fair value of a financial instrument is the amount that would be received to sell an asset or would be paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., the exit price).

The fair value hierarchy under ASC 820 prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The levels used for classifying investments are not necessarily an indication of the risk associated with investing in these securities. The three levels of the fair value hierarchy are as follows:

Basis of Fair Value Measurement

Level 1 – Inputs to the valuation methodology are quoted prices available in active markets for identical instruments as of the reporting date. The types of financial instruments included in Level 1 include unrestricted securities, including equities and derivatives, listed in active markets.

Level 2 – Inputs to the valuation methodology are other than quoted prices in active markets, which are either directly or indirectly observable as of the reporting date. The types of financial instruments in this category include less liquid and restricted securities listed in active markets, securities traded in other than active markets, government and agency securities and certain over-the-counter derivatives where the fair value is based on observable inputs.

Level 3 – Inputs to the valuation methodology are unobservable and significant to overall fair value measurement. The inputs into the determination of fair value require significant management judgment or estimation. Financial instruments that are included in this category include investments in privately held entities and certain over-the-counter derivatives where the fair value is based on unobservable inputs.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Note 2 "Significant Accounting Policies" should be read in conjunction with the information outlined below.

The table below presents the valuation techniques and the nature of significant inputs generally used in determining the fair value of Level 2 and Level 3 Instruments.

Level 2 Instruments	Valuation Techniques and Significant Inputs
Equity and Fixed Income	The types of instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, broker or dealer quotations or alternative pricing sources with reasonable levels of price transparency include commercial paper, most government agency obligations, most corporate debt securities, certain mortgage-backed securities, certain bank loans, less liquid publicly listed equities, certain state and municipal obligations, certain money market instruments and certain loan commitments. Valuations of Level 2 Equity and Fixed Income instruments can be verified to quoted prices, broker or dealer quotations or alternative pricing sources with reasonable levels of price transparency. Consideration is given to the nature of the quotations (e.g. indicative or firm) and the relationship of recent market activity to the prices provided from alternative pricing sources.
Derivative Contracts	OTC derivatives (both centrally cleared and bilateral) are valued using market transactions and other market evidence whenever possible, including market-based inputs to models, calibration to market-clearing transactions, broker or dealer quotations, or other alternative pricing sources with reasonable levels of price transparency. Where models are used, the selection of a particular model to value an OTC derivative depends upon the contractual terms of, and specific risks inherent in, the instrument, as well as the availability of pricing information in the market. The Company generally uses similar models to value similar instruments. Valuation models require a variety of inputs, including contractual terms, market prices, yield curves, credit curves, measures of volatility, voluntary and involuntary prepayment rates, loss severity rates and correlations of such inputs. For OTC derivatives that trade in liquid markets, model inputs can generally be verified and model selection does not involve significant management judgment. OTC derivatives are classified within Level 2 of the fair value hierarchy when significant inputs are corroborated by market evidence.

Level 3 Instruments	Valuation Techniques and Significant Inputs
Bank Loans, Corporate Debt, and Other Debt Obligations	Valuations are generally based on discounted cash flow techniques, for which the significant inputs are the amount and timing of expected future cash flows, market yields and recovery assumptions. The significant inputs are generally determined based on relative value analyses, which incorporate comparisons both to credit default swaps that reference the same underlying credit risk and to other debt instruments for the same issuer for which observable prices or broker quotes are available. Other valuation methodologies are used as appropriate including market comparables, transactions in similar instruments and recovery/liquidation analysis.
Equity	Recent third-party investments or pending transactions are considered to be the best evidence for any change in fair value. When these are not available, the following valuation methodologies are used, as appropriate and available (i) Transactions in similar instruments; (ii) Discounted cash flow techniques; (iii) Third party appraisals; and (iv) Industry multiples and public comparables. Evidence includes recent or pending reorganizations (for example, merger proposals, tender offers and debt restructurings) and significant changes in financial metrics, including (i) Current financial performance as compared to projected performance; (ii) Capitalization rates and multiples; and (iii) Market yields implied by transactions of similar or related assets.

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The tables below present the ranges of significant unobservable inputs used to value the Company's Level 3 assets and liabilities as of December 31, 2020 and December 31, 2019. These ranges represent the significant unobservable inputs that were used in the valuation of each type of instrument, but they do not represent a range of values for any one instrument. For example, the lowest yield in 1st Lien/Senior Secured Debt is appropriate for valuing that specific debt investment, but may not be appropriate for valuing any other debt investments in this asset class. Accordingly, the ranges of inputs presented below do not represent uncertainty in, or possible ranges of, fair value measurements of the Company's Level 3 assets and liabilities.

Level 3 Instruments		Fair Value(1)(2)	Valuation Techniques(3)	Significant Unobservable Inputs	Range(4) of Significant Unobservable Inputs	Weighted Average(5)
As of December 31, 2020						
Bank Loans, Corporate Debt, and Other Debt Obligations						
1st Lien/Senior Secured Debt	$	1,933,798	Discounted cash flows	Discount Rate	5.7% - 16.6%	8.6%
		9,565	Collateral analysis	Recovery Rate	34.7% - 97.0%	88.1%
1st Lien/Last-Out Unitranche		83,563	Discounted cash flows	Discount Rate	7.3% - 10.0%	8.9%
2nd Lien/Senior Secured Debt		341,376	Discounted cash flows	Discount Rate	9.2% - 14.3%	10.4%
		1,650	Collateral analysis	Recovery Rate	55.0%	
		12,175	Comparable multiples	EV/EBITDA(6)	8.0x - 10.5x	9.9x
Unsecured Debt		334	Collateral analysis	Recovery Rate	26.3%	
Equity						
Preferred Stock	$	34,635	Comparable multiples	EV/EBITDA(6)	7.3x - 16.0x	7.3x
		13,402	Comparable multiples	EV/Revenue	—(7)	1.6x(7)
Common Stock		9,761	Discounted cash flows	Discount Rate	14.0% - 31.5%	24.5%
		35,226	Comparable multiples	EV/EBITDA(6)	5.1x - 16.0x	7.1x
		20,297	Comparable multiples	EV/Revenue	0.3x - 15.1x	12.6x
Warrants		1,024	Comparable multiples	EV/EBITDA(6)	—(7)	8.0x(7)
As of December 31, 2019						
Bank Loans, Corporate Debt, and Other Debt Obligations						
1st Lien/Senior Secured	$	827,564	Discounted cash flows	Discount Rate	5.8% - 14.6%	8.9%
		3,502	Collateral analysis	Recovery Rate	89.4%	
1st Lien/Last-Out Unitranche		35,278	Discounted cash flows	Discount Rate	8.5% - 10.1%	9.7%
2nd Lien/Senior Secured		171,833	Discounted cash flows	Discount Rate	9.9% - 11.7%	10.6%
		1,250	Comparable multiples	EV/EBITDA(6)	11.0x - 18.9x	7.8x
		13,950	Collateral analysis	Recovery Rate	16.1% - 63.5%	59.3%
Unsecured Debt		6,345	Discounted cash flows	Discount Rate	11.9% - 12.0%	11.9%
		1,064	Collateral analysis	Recovery Rate	100.0%	
Equity						
Preferred Stock	$	2,067	Comparable multiples	EV/Revenue	1.0x - 3.2x	1.3x
		46,695	Comparable multiples	EV/EBITDA(6)	7.0x - 19.0x	8.8x
Common Stock		4,315	Discounted cash flows	Discount Rate	13.9% - 31.0%	23.8%
		3,290	Comparable multiples	EV/Revenue	0.6x - 9.7x	9.0x
		40,379	Comparable multiples	EV/EBITDA(6)	4.3x - 12.7x	7.4x

(1) As of December 31, 2020, included within the fair value of Level 3 assets of $3,050,769 is an amount of $553,963 for which the Investment Adviser did not develop the unobservable inputs (examples include single source broker quotations, third party pricing, and prior transactions). The income approach was used in the determination of fair value for $2,358,737 or 80.3% of Level 3 bank loans, corporate debt, and other debt obligations.
(2) As of December 31, 2019, included within the fair value of Level 3 assets of $1,340,553 is an amount of $183,021 for which the Investment Adviser did not develop the unobservable inputs (examples include single source broker quotations, third party pricing, and prior transactions). The income approach was used in the determination of fair value for $1,041,020 or 83.7% of Level 3 bank loans, corporate debt, and other debt obligations.
(3) The fair value of any one instrument may be determined using multiple valuation techniques. For example, market comparable and discounted cash flows may be used together to determine fair value. Therefore, the Level 3 balance encompasses both of these techniques.
(4) As of December 31, 2019, the range for an asset category consisting of a single investment represents the relevant market data considered in determining the fair value of the investment.
(5) Weighted average for an asset category consisting of multiple investments is calculated by weighting the significant unobservable input by the relative fair value of the investment. Weighted average for an asset category consisting of a single investment represents the significant unobservable input used in the fair value of the investment.
(6) Enterprise value of portfolio company as a multiple of earnings before interest, taxes, depreciation and amortization ("EBITDA").
(7) As of December 31, 2020, the range for an asset category consisting of a single investment is not meaningful and therefore has been excluded.

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As noted above, the income and market approaches were used in the determination of fair value of certain Level 3 assets as of December 31, 2020 and December 31, 2019. The significant unobservable inputs used in the income approach are the discount rate or market yield used to discount the estimated future cash flows expected to be received from the underlying investment, which include both future principal and interest payments. An increase in the discount rate or market yield would result in a decrease in the fair value. Included in the consideration and selection of discount rates or market yields is risk of default, rating of the investment, call provisions and comparable company investments. The significant unobservable inputs used in the market approach are based on market comparable transactions and market multiples of publicly traded comparable companies. Increases or decreases in market comparable transactions or market multiples would result in an increase or decrease, in the fair value.

The following is a summary of the Company's assets categorized within the fair value hierarchy.

	December 31, 2020				December 31, 2019			
Assets	**Level 1**	**Level 2**	**Level 3**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
1st Lien/Senior Secured Debt	$ —	$ 142,025	$2,384,944	$2,526,969	$ —	$ 80,583	$1,000,087	$1,080,670
1st Lien/Last-Out Unitranche	—	—	143,231	143,231	—	—	35,278	35,278
2nd Lien/Senior Secured Debt	—	49,861	407,872	457,733	—	32,992	201,033	234,025
Unsecured Debt	—	—	334	334	—	—	7,409	7,409
Preferred Stock	—	—	48,080	48,080	—	—	48,762	48,762
Common Stock	111	—	65,284	65,395	124	—	47,984	48,108
Warrants	—	—	1,024	1,024	—	—	—	—
Total assets	$ 111	$ 191,886	$3,050,769	$3,242,766	$ 124	$ 113,575	$1,340,553	$1,454,252
Unrealized appreciation (depreciation) on the foreign currency forward contracts	$ —	$ (355)	$ —	$ (355)	$ —	$ 32	$ —	$ 32

The below table presents a summary of changes in fair value of Level 3 assets by investment type.

	Beginning Balance	Purchases(1)	Net Realized Gain (Loss)	Net Change in Unrealized Appreciation (Depreciation)	Sales and Settlements(2)	Net Amortization of Premium/ Discount	Transfers In(3)	Transfers Out(4)	Ending Balance	Net Change in Unrealized Appreciation (Depreciation) for assets still held
For the Year Ended December 31, 2020										
1st Lien/Senior Secured Debt	$1,000,087	$ 1,591,550	$ 9	$ 47,397	$ (247,858)	$ 16,094	$ 6,702	$ (29,037)	$2,384,944	$ 47,185
1st Lien/Last-Out Unitranche	35,278	103,602	—	4,301	(471)	521	—	—	143,231	4,301
2nd Lien/Senior Secured Debt	201,033	268,615	(10,571)	27,558	(83,207)	4,444	—	—	407,872	21,134
Unsecured Debt	7,409	1,949	(211)	(721)	(8,092)	—	—	—	334	(721)
Preferred Stock	48,762	14,843	(2,860)	21,111	(33,776)	—	—	—	48,080	21,130
Common Stock	47,984	35,767	(29,230)	10,763	—	—	—	—	65,284	5,297
Warrants	—	756	—	268	—	—	—	—	1,024	268
Total assets	$1,340,553	$ 2,017,082	$(42,863)	$ 110,677	$ (373,404)	$ 21,059	$ 6,702	$ (29,037)	$3,050,769	$ 98,594
For the Year Ended December 31, 2019										
1st Lien/Senior Secured Debt	$ 711,204	$ 638,487	$ 168	$ (3,071)	$ (343,954)	$ 4,815	$ —	$ (7,562)	$1,000,087	$ (2,859)
1st Lien/Last-Out Unitranche	106,879	1,015	(6,923)	7,095	(73,157)	369	—	—	35,278	(31)
2nd Lien/Senior Secured Debt	348,741	5,852	(33,167)	(8,717)	(129,214)	1,940	21,658	(6,060)	201,033	(24,762)
Unsecured Debt	6,697	698	—	14	—	—	—	—	7,409	14
Preferred Stock	21,534	25,000	(187)	2,415	—	—	—	—	48,762	2,228
Common	21,839	30,070	1,760	(3,182)	(2,503)	—	—	—	47,984	(2,815)

Stock										
Total assets	$1,216,894	$ 701,122	$(38,349)	$ (5,446)	$ (548,828)	$ 7,124	$ 21,658	$ (13,622)	$1,340,553	$ (28,225)

(1) Purchases may include PIK and securities received in corporate actions and restructurings. For the year ended December 31, 2020 includes $1,691,263 of investments acquired in connection with the Merger.
(2) Sales and Settlements may include securities delivered in corporate actions and restructuring of investments.
(2) Transfers in were primarily due to decreased price transparency.
(3) Transfers out were primarily due to increased price transparency.

Debt Not Carried at Fair Value

The fair value of the Revolving Credit Facility, which would be categorized as Level 3 within the fair value hierarchy as of December 31, 2020 and December 31, 2019, approximates its carrying value because the Revolving Credit Facility has variable interest based on selected short term rates. The fair value of the Company's Convertible Notes, which would be categorized as Level 2 within the fair value hierarchy, as of December 31, 2020 and December 31, 2019 was $160,255 and $160,689, based on broker quotes received by the Company. The fair value of the Company's 2025 Notes, which would be categorized as Level 2 within the fair value hierarchy, as of December 31, 2020 was $381,807, based on vendor pricing received by the Company. The fair value of the Company's 2026 Notes, which would be categorized as Level 2 within the fair value hierarchy, as of December 31, 2020 was $512,174, based on vendor pricing received by the Company.

6. DEBT

The Company is permitted to borrow amounts such that its asset coverage ratio, as defined in the Investment Company Act, is at least 150% after such borrowing (if certain requirements are met). As of December 31, 2020 and December 31, 2019, the Company's asset coverage ratio based on the aggregate amount outstanding of senior securities was 198% and 187%.

The Company's outstanding debt was as follows:

	As of					
	December 31, 2020			December 31, 2019		
	Aggregate Borrowing Amount Committed	Amount Available	Carrying Value(3)	Aggregate Borrowing Amount Committed	Amount Available	Carrying Value(3)
Revolving Credit Facility(1)(2)	$ 1,695,000	$ 1,066,319	$ 629,383	$ 795,000	$ 177,039	$ 618,407
Convertible Notes	155,000	—	152,983	155,000	—	151,320
2025 Notes	360,000	—	354,331	—	—	—
2026 Notes	500,000	—	490,363	—	—	—
Total Debt	$ 2,710,000	$ 1,066,319	$ 1,627,060	$ 950,000	$ 177,039	$ 769,727

(1) Provides, under certain circumstances, a total borrowing capacity of $2,250,000.
(2) The Company may borrow amounts in USD or certain other permitted currencies. Debt outstanding denominated in currencies other than USD has been converted to USD using the applicable foreign currency exchange rate as of the applicable reporting date. As of December 31, 2020, the Company had outstanding borrowings denominated in USD of $529,574 and in Euros (EUR) of 81,700. As of December 31, 2019, the Company had outstanding borrowings denominated in USD of $580,550 and in EUR of 33,750.
(3) The carrying value is presented net of unamortized debt issuance costs and OID net of accretion as applicable.

The combined weighted average interest rate of the aggregate borrowings outstanding for the year ended December 31, 2020 and the year ended December 31, 2019 was 3.17% and 4.25%. The combined weighted average debt of the aggregate borrowings outstanding for the year ended December 31, 2020 and 2019 was $1,037,496 and $766,498.

Revolving Credit Facility

On September 19, 2013, the Company entered into a Revolving Credit Facility with various lenders. Truist Bank (formerly known as SunTrust Bank) serves as administrative agent and Bank of America, N.A. serves as syndication agent under the Revolving Credit Facility. The Company has amended and restated the Revolving Credit Facility on October 3, 2014, November 4, 2015, December 16, 2016, February 21, 2018, September 17, 2018, February 25, 2020, and November 20, 2020.

The aggregate committed borrowing amount under the Revolving Credit Facility is $1,695,000. The Revolving Credit Facility includes an uncommitted accordion feature that allows the Company, under certain circumstances, to increase the borrowing capacity of the Revolving Credit Facility up to $2,250,000.

Borrowings denominated in USD, including amounts drawn in respect of letters of credit, bear interest (at the Company's election) of either (i) LIBOR plus a margin of either 2.00% or (x) 1.875% (subject to maintenance of certain long-term corporate debt ratings) or (y) 1.75% (subject to certain borrowing base conditions) or (ii) an alternative base rate, which is the highest of 0, the Prime Rate, the Federal Funds Effective Rate plus 0.50% and overnight LIBOR plus 1.00%, plus either 1.00% or (x) 0.875% (subject to maintenance of certain long-term corporate debt ratings) or (y) 0.75% (subject to certain borrowing base conditions). Borrowings denominated in non-USD bear interest of LIBOR plus a margin of either 2.00%, 1.875% or 1.75% (subject to the conditions applicable to borrowings denominated in USD that bear interested based on LIBOR). With respect to borrowings denominated in USD, the Company may elect either the LIBOR, or an alternative base rate at the time of borrowing, and such borrowings may be converted from one rate to another at any time, subject to certain conditions. Interest is payable quarterly in arrears. The Company pays a fee of 0.375% per annum on committed but undrawn amounts under the Revolving Credit Facility, payable quarterly in arrears. Any amounts borrowed under the Revolving Credit Facility will mature, and all accrued and unpaid interest will be due and payable, on February 25, 2025.

The Revolving Credit Facility may be guaranteed by certain of the Company's domestic subsidiaries, including any that are formed or acquired by the Company in the future. Proceeds from borrowings may be used for general corporate purposes, including the funding of portfolio investments.

The Company's obligations to the lenders under the Revolving Credit Facility are secured by a first priority security interest in substantially all of the Company's portfolio of investments and cash, with certain exceptions. The Revolving Credit Facility contains certain covenants, including: (i) maintaining a minimum stockholder's equity of $800,000 plus 25% of net proceeds of the sale of equity interests after February 25, 2020, (ii) maintaining a minimum asset coverage ratio of at least 200%, (iii) maintaining a minimum asset coverage ratio of 150% with respect to the consolidated assets (with certain limitations on the contribution of equity in financing subsidiaries as specified therein) of the Company and its subsidiary guarantors to the secured debt of the Company and its subsidiary guarantors, (iv) maintaining a minimum Company net worth of at least $700,000, (v) maintaining a minimum liquidity test of at least 10% of the covered debt amount during any period when the adjusted covered debt balance is greater than 90% of the adjusted borrowing base, each as defined in the Revolving Credit Facility, and (vi) complying with restrictions on industry concentrations in the Company's investment portfolio. The Company is in compliance with these covenants.

Costs of $21,034 were incurred in connection with obtaining and amending the Revolving Credit Facility, which have been recorded as deferred financing costs in the Consolidated Statements of Assets and Liabilities and are being amortized over the life of the Revolving Credit Facility using the straight-line method. As of December 31, 2020 and December 31, 2019, deferred financing costs were $11,350 and $4,427.

The below table presents the summary information of the Revolving Credit Facility:

	For the Years Ended December 31,		
	2020	2019	2018
Borrowing interest expense	$ 12,377	$ 25,586	$ 16,523
Facility fees	1,898	690	1,071
Amortization of financing costs	2,016	1,424	1,318
Total	$ 16,291	$ 27,700	$ 18,912
Weighted average interest rate	2.43%	4.18%	3.97%
Average outstanding balance	$ 509,927	$ 611,498	$ 416,119

Convertible Notes

On October 3, 2016, the Company closed an offering of $115,000 aggregate principal amount of unsecured Convertible Notes, which includes $15,000 aggregate principal amount issued pursuant to the initial purchasers' exercise in full of an over-allotment option (the "Initial Convertible Notes").

On July 2, 2018, the Company closed an additional offering of $40,000 aggregate principal amount of Convertible Notes (the "Additional Convertible Notes" and together with Initial Convertible Notes, the "Convertible Notes"). The Additional Convertible Notes have identical terms, are fungible with and are part of the Initial Convertible Notes.

The Convertible Notes were issued pursuant to an indenture between the Company and Wells Fargo Bank, National Association ("Wells Fargo"), as Trustee. Wells Fargo and/or its affiliates provide bank lending and distribution services to certain Goldman Sachs funds. The Convertible Notes bear interest at a rate of 4.50% per year, payable semi-annually in arrears on April 1 and October 1 of each year, commencing on April 1, 2017. The Convertible Notes will mature on April 1, 2022, unless repurchased or converted in accordance with their terms prior to such date. In certain circumstances, the Convertible Notes will be convertible into cash, shares of the Company's common stock or a combination of cash and shares of the Company's common stock, based on an initial conversion rate of 40.8397 shares of the Company's common stock per one thousand dollars principal amount of Convertible Notes, which is equivalent to an initial conversion price of approximately $24.49 per share of common stock, subject to customary anti-dilution adjustments and the other terms of the indenture governing the Convertible Notes. The conversion price is approximately 10.0% above the $22.26 per share closing price of the Company's common stock on September 27, 2016 and 16.7% above the $20.99 per share closing price of our common stock on June 26, 2018. The Company will not have the right to redeem the Convertible Notes prior to maturity.

Holders may convert their notes at their option at any time prior to the close of business on the business day immediately preceding October 1, 2021 only under the following: (1) during any calendar quarter, if the last reported sale price of the Company's common stock for at least 20 trading days (whether or not consecutive) during a period of 30 consecutive trading days ending on the last trading day of the immediately preceding calendar quarter is greater than or equal to 130% of the conversion price on each applicable trading day; (2) during the five business day period after any five consecutive trading day period (the "measurement period") in which the trading price per one thousand dollars principal amount of notes for each trading day of the measurement period was less than 98% of the product of the last reported sale price of the Company's common stock and the conversion rate on each such trading day; or (3) upon the occurrence of specified corporate events. On or after October 1, 2021, until the close of business on the scheduled trading day immediately preceding the maturity date, holders may convert their notes at any time, regardless of the occurrence or nonoccurrence of any of the foregoing circumstances.

The Convertible Notes are accounted for in accordance with ASC Topic 470-20, *Debt with Conversion and Other Options*. Upon conversion of any of the Convertible Notes, the Company intends to pay the outstanding principal amount in cash and, to the extent that the conversion value exceeds the principal amount, has the option to pay the excess amount in cash or shares of the Company's common stock (or a combination of cash and shares), subject to the requirements of the indenture governing the Convertible Notes. The Company has determined that the embedded conversion options in the Convertible Notes are not required to be separately accounted for as derivatives under ASC Topic 815, *Derivatives and Hedging.* At the time of issuance, the values of the debt and equity components of the Initial Convertible Notes and Additional Convertible Notes were approximately 99.4% and 0.6%, and 97.9% and 2.1%.

The OID equal to the equity component of the Convertible Notes was recorded in “paid-in capital in excess of par” in the accompanying Consolidated Statements of Assets and Liabilities. The Company records interest expense comprised of both stated interest and amortization of the OID. At the time of issuance, the equity components of the Initial Convertible Notes and the Additional Convertible Notes were $743 and $836. Additionally, the issuance costs associated with the Convertible Notes were allocated to the debt and equity components in proportion to the allocation of the values at the time of issuance and accounted for as debt issuance costs and equity issuance costs.

The below table presents the components of the carrying value of the Convertible Notes:

	December 31, 2020	December 31, 2019
Principal amount of debt	$ 155,000	$ 155,000
OID, net of accretion	587	1,032
Unamortized debt issuance costs	1,430	2,648
Carrying value	$ 152,983	$ 151,320
Stated interest rate	4.50%	4.50%
Effective interest rate (stated interest rate plus accretion of OID)	4.79%	4.77%

The below table presents the components of interest and other debt expenses related to the Convertible Notes:

	For the Years Ended December 31,		
	2020	2019	2018
Borrowing interest expense	$ 6,975	$ 6,975	$ 6,070
Accretion of OID	446	424	267
Amortization of debt issuance costs	1,217	1,214	983
Total	$ 8,638	$ 8,613	$ 7,320

2025 Notes

On February 10, 2020, the Company closed an offering of $360,000 aggregate principal amount of unsecured notes. The 2025 Notes were issued pursuant to an indenture between the Company and Wells Fargo Bank, as Trustee. Wells Fargo Bank and/or its affiliates provide bank lending and distribution services to certain Goldman Sachs funds. The 2025 Notes bear interest at a rate of 3.75% per year, payable semi-annually, commencing on August 10, 2020. The 2025 Notes will mature on February 10, 2025 and may be redeemed in whole or in part at the Company’s option at any time or from time to time at the redemption prices set forth in the indenture.

The below table presents the components of the carrying value of the 2025 Notes:

	December 31, 2020	December 31, 2019
Principal amount of debt	$ 360,000	N/A
Unamortized debt issuance costs	5,669	N/A
Carrying value	354,331	N/A
Stated interest rate	3.75%	N/A

The below table presents the components of interest and other debt expenses related to the 2025 Notes:

	For the Years Ended December 31,		
	2020	2019	2018
Borrowing interest expense	$ 12,038	N/A	N/A
Amortization of debt issuance costs	1,254	N/A	N/A
Total	$ 13,292	N/A	N/A

2026 Notes

On November 24, 2020, the Company closed an offering of $500,000 aggregate principal amount of unsecured notes. The 2026 Notes were issued pursuant to an indenture between the Company and Wells Fargo Bank, as Trustee. Wells Fargo Bank and/or its affiliates provide bank lending and distribution services to certain Goldman Sachs funds. The 2026 Notes bear interest at a rate of 2.875% per year, payable semi-annually, commencing on July 15, 2021. The 2026 Notes will mature on January 15, 2026 and may be redeemed in whole or in part at the Company’s option at any time or from time to time at the redemption prices set forth in the indenture.

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The below table presents the components of the carrying value of the 2026 Notes:

	December 31, 2020	December 31, 2019
Principal amount of debt	$ 500,000	N/A
Unamortized debt issuance costs	9,637	N/A
Carrying value	490,363	N/A
Stated interest rate	2.875%	N/A

The below table presents the components of interest and other debt expenses related to the 2026 Notes:

	For the Years Ended December 31,		
	2020	2019	2018
Borrowing interest expense	$ 1,476	N/A	N/A
Amortization of debt issuance costs	203	N/A	N/A
Total	$ 1,679	N/A	N/A

7. DERIVATIVES

The Company enters into foreign currency forward contracts from time to time to help mitigate the impact that an adverse change in foreign exchange rates would have on the value of the Company's investments denominated in foreign currencies.

In order to better define its contractual rights and to secure rights that will help the Company mitigate its counterparty risk, the Company may enter into an International Swaps and Derivatives Association, Inc. Master Agreement ("ISDA Master Agreement") or a similar agreement with its derivative counterparties. An ISDA Master Agreement is a bilateral agreement between the Company and a counterparty that governs OTC derivatives, including foreign currency forward contracts, and typically contains, among other things, collateral posting terms and netting provisions in the event of a default and/or termination event. The provisions of the ISDA Master Agreement typically permit a single net payment in the event of a default (close-out netting) or similar event, including the bankruptcy or insolvency of the counterparty.

For financial reporting purposes, cash collateral that has been pledged to cover obligations of the Company and cash collateral received from the counterparty, if any, is included in the Consolidated Statements of Assets and Liabilities as due to/due from broker. The Company minimizes counterparty credit risk by only entering into agreements with counterparties that they believe to be of good standing and by monitoring the financial stability of those counterparties.

For the year ended December 31, 2020, the Company's average USD notional exposure to foreign currency forward contracts was $3,435. For the year ended December 31, 2019, the Company's average USD notional exposure to foreign currency forward contracts was $2,930. For the period from August 8, 2018 to December 31, 2018, the Company's average USD notional exposure to foreign currency forward contracts was $3,215.

The Company's net exposure to foreign currency forward contracts by counterparty that are subject to ISDA Master Agreements or similar agreements presented on the Consolidated Statements of Assets and Liabilities was as follows:

	Gross Amount of Assets	Gross Amount of (Liabilities)	Net Amount of Assets or (Liabilities)	Collateral (Received) Pledged (1)	Net Amounts (2)
December 31, 2020					
Bank of America, N.A.	$ —	$ (355)	$ (355)	$ —	$ (355)
December 31, 2019					
Bank of America, N.A.	$ 32	$ —	$ 32	$ —	$ 32

(1) Amount excludes excess cash collateral paid.
(2) Net amount represents the net amount due (to) from counterparty in the event of a default based on the contractual setoff rights under the agreement. Net amount excludes any over-collateralized amounts.

The effect of transactions in derivative instruments on the Consolidated Statements of Operations was as follows:

	For the Years Ended December 31,		
	2020	2019	2018
Net realized gain (loss) on foreign currency forward contracts	$ 82	$ 151	$ 7
Net change in unrealized appreciation (depreciation) on foreign currency forward contracts	(388)	(57)	89
Total net realized and unrealized gains (losses) on foreign currency forward contracts	$ (306)	$ 94	$ 96

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8. COMMITMENTS AND CONTINGENCIES

Commitments

The Company may enter into investment commitments through signed commitment letters which in certain circumstances may be disclosed by the Company. In many circumstances, borrower acceptance and final terms are subject to transaction-related contingencies. These are disclosed as commitments upon execution of a final agreement. As of December 31, 2020, the Company believed that it had adequate financial resources to satisfy its unfunded commitments. The Company had the following unfunded commitments by investment types:

		Unfunded Commitment(2)		Fair Value(3)	
	Commitment Expiration Date(1)	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
1st Lien/Senior Secured Debt					
Brillio, LLC	02/06/21	$ 1,855	$ 1,510	$ (14)	$ (15)
One GI LLC	06/22/21	21,593	—	(216)	—
Associations, Inc.	07/30/21	107	912	(3)	(9)
WebPT, Inc.	08/28/21	3,141	1,274	(94)	(26)
Bullhorn, Inc.	10/01/21	1,232	727	(18)	(11)
GS AcquisitionCo, Inc. (dba Insightsoftware)	12/02/21	4,033	—	(30)	—
Eptam Plastics, Ltd.	12/06/21	4,537	1,830	(91)	(14)
GHA Buyer Inc. (dba Cedar Gate)	12/14/21	188	—	(2)	—
Elemica Parent, Inc.	12/15/21	1,508	—	(45)	—
FWR Holding Corporation (dba First Watch Restaurants)	12/20/21	118	—	(4)	—
Elemica Parent, Inc.	12/31/21	380	—	(11)	—
MRI Software LLC	02/10/22	661	—	(19)	—
Netvoyage Corporation (dba NetDocuments)	03/24/22	1,264	654	(25)	(8)
VRC Companies, LLC (dba Vital Records Control)	03/31/22	1,131	394	(8)	(3)
Chronicle Bidco Inc. (dba Lexitas)	04/23/22	6,166	—	(154)	—
Helios Buyer, Inc. (dba Heartland)	06/15/22	7,943	—	(40)	—
Thrasio, LLC	06/18/22	9,990	—	(125)	—
DDS USA Holding, Inc.	06/30/22	2,612	971	(20)	(5)
Xactly Corporation	07/29/22	3,874	1,697	(29)	(21)
Purfoods, LLC	08/12/22	400	—	(6)	—
Hygiena Borrower LLC	08/26/22	1,863	1,313	(9)	(26)
Lithium Technologies, Inc.	10/03/22	3,066	2,684	(130)	(40)
Sunstar Insurance Group, LLC	10/09/22	344	—	(7)	—
Sweep Purchaser LLC	11/30/22	9,082	—	(91)	—
USN Opco LLC (dba Global Nephrology Solutions)	12/21/22	7,600	—	(76)	—
Businessolver.com, Inc.	05/15/23	5,328	941	(67)	(16)
Integral Ad Science, Inc.	07/19/23	4,402	1,815	(88)	(27)
FWR Holding Corporation (dba First Watch Restaurants)	08/21/23	2,093	88	(63)	(1)
Gastro Health Holdco, LLC	09/04/23	3,063	2,000	(69)	(30)
Empirix, Inc.	09/25/23	3,100	1,300	(85)	(130)
GS AcquisitionCo, Inc. (dba Insightsoftware)	05/24/24	807	—	(6)	—
WebPT, Inc.	08/28/24	1,832	1,062	(55)	(21)
Fenergo Finance 3 Limited	09/05/24	4,520	1,683	(57)	(13)
Fenergo Finance 3 Limited	09/05/24	2,865	1,182	(36)	(9)
MMIT Holdings, LLC (dba Managed Markets Insight & Technology)	11/15/24	3,085	2,295	(46)	(40)
Wrike, Inc.	12/31/24	3,900	1,600	—	(32)
Apptio, Inc.	01/10/25	5,385	2,225	(81)	(39)
ConnectWise, LLC	02/28/25	1,920	1,036	(19)	(13)
Villa Bidco Inc (dba Authority Brands)	03/21/25	1,864	—	(37)	—
Mailgun Technologies, Inc.	03/26/25	2,441	993	—	(17)
Internet Truckstop Group, LLC (dba Truckstop)	04/02/25	4,400	1,800	(88)	(27)
PlanSource Holdings, Inc.	04/22/25	7,824	3,142	(137)	(63)
Riverpoint Medical, LLC	06/21/25	4,094	1,644	(102)	(16)
GHA Buyer Inc. (dba Cedar Gate)	06/24/25	1,880	—	(38)	—
HS4 AcquisitionCo, Inc. (dba HotSchedules & Fourth)	07/09/25	4,688	1,600	(305)	(32)
WorkForce Software, LLC	07/31/25	1,894	771	(28)	(15)
Diligent Corporation	08/04/25	3,100	156	(70)	(2)
The Center for Orthopedic and Research Excellence, Inc. (dba HOPCo)	08/15/25	4,565	1,764	(148)	(31)
Elemica Parent, Inc.	09/18/25	165	253	(5)	(6)
Capitol Imaging Acquisition Corp.	10/01/25	158	—	(3)	—
CST Buyer Company (dba Intoxalock)	10/03/25	2,170	876	(49)	—
Acquia, Inc.	10/31/25	3,268	1,322	(57)	(26)
Chronicle Bidco Inc. (dba Lexitas)	11/14/25	2,180	880	(55)	(18)

	Commitment Expiration Date(1)	Unfunded Commitment(2) December 31, 2020	Unfunded Commitment(2) December 31, 2019	Fair Value(3) December 31, 2020	Fair Value(3) December 31, 2019
Eptam Plastics, Ltd.	12/06/25	$ 227	$ 686	$ (5)	$ (10)
One GI LLC	12/22/25	2,500	—	(50)	—
Zodiac Intermediate, LLC (dba Zipari)	12/22/25	7,500	—	(200)	—
Governmentjobs.com, Inc. (dba NeoGov)	02/05/26	5,853	—	(117)	—
MRI Software LLC	02/10/26	1,612	—	(47)	—
Instructure Holdings	03/24/26	5,000	—	(50)	—
Project Eagle Holdings, LLC (dba Exostar)	07/06/26	75	—	(2)	—
Granicus, Inc.	08/21/26	1,563	—	(31)	—
Superman Holdings, LLC (dba Foundation Software)	08/31/26	122	—	(3)	—
Bullhorn, Inc.	09/30/26	1,344	545	(20)	(8)
Sunstar Insurance Group, LLC	10/09/26	111	—	(2)	—
1272775 B.C. LTD. (dba Everest Clinical Research)	11/06/26	1,260	—	(19)	—
Sweep Purchaser LLC	11/30/26	4,541	—	(91)	—
Blacksmith Applications, Inc.	12/02/26	2,000	—	(45)	—
Helios Buyer, Inc. (dba Heartland)	12/15/26	2,254	—	(45)	—
USN Opco LLC (dba Global Nephrology Solutions)	12/21/26	3,023	—	(60)	—
Wellness AcquisitionCo, Inc. (dba SPINS)	01/20/27	19,698	—	—	—
Wellness AcquisitionCo, Inc. (dba SPINS)	01/20/27	2,548	—	—	—
Output Services Group, Inc.	03/27/20	—	24	—	(4)
Gastro Health Holdco, LLC	04/13/20	—	754	—	(11)
Ansira Partners, Inc.	04/16/20	—	96	—	(3)
GlobalTranz Enterprises, Inc.	05/15/20	—	1,992	—	(179)
Hygiena Borrower LLC	06/29/20	—	715	—	(14)
Convene 237 Park Avenue, LLC (dba Convene)	08/30/20	—	6,220	—	(124)
Diligent Corporation	12/19/20	—	4,268	—	(43)
CorePower Yoga LLC	05/14/21	—	1,807	—	(27)
CFS Management, LLC (dba Center for Sight Management)	07/01/21	—	1,418	—	(14)
The Center for Orthopedic and Research Excellence, Inc. (dba HOPCo)	08/15/21	—	4,643	—	(81)
Gastro Health Holdco, LLC	09/13/21	—	5,100	—	(77)
Elemica Parent, Inc.	09/18/21	—	560	—	(14)
Chronicle Bidco Inc. (dba Lexitas)	11/14/21	—	2,940	—	(29)
SPay, Inc. (dba Stack Sports)	06/17/24	—	380	—	(12)
Associations, Inc.	07/30/24	—	587	—	(6)
iCIMS, Inc.	09/12/24	—	1,868	—	(33)
CorePower Yoga LLC	05/14/25	—	678	—	(10)
Wolfpack IP Co. (dba Lone Wolf Technologies)	06/13/25	—	3,169	—	(63)
Total 1st Lien/Senior Secured Debt		$ 242,910	$ 84,844	$ (3,848)	$ (1,564)
2nd Lien/Senior Secured Debt					
Hygiena Borrower LLC	06/29/20	$ —	$ 583	$ —	$ (10)
Genesis Acquisition Co. (dba ProCare Software)	07/31/20	—	1,800	—	(45)
Total 2nd Lien/Senior Secured Debt		$ —	$ 2,383	$ —	$ (55)
Total		$ 242,910	$ 87,227	$ (3,848)	$ (1,619)

(1) Commitments are generally subject to borrowers meeting certain criteria such as compliance with covenants and certain operational metrics. These amounts may remain outstanding until the commitment period of an applicable loan expires, which may be shorter than its maturity.
(2) Unfunded commitments denominated in currencies other than USD have been converted to USD using the exchange rate as of the applicable reporting date.
(3) The fair value is reflected as investments, at fair value in the Consolidated Statements of Assets and Liabilities.

Contingencies

In the normal course of business, the Company enters into contracts that provide a variety of general indemnifications. Any exposure to the Company under these arrangements could involve future claims that may be made against the Company. Currently, no such claims exist or are expected to arise and, accordingly, the Company has not accrued any liability in connection with such indemnifications.

9. NET ASSETS

Equity Issuances

On October 12, 2020, in connection with the Merger, the Company issued an aggregate of 61,037,311 shares of Common Stock to former GS MMLC stockholders. There were no equity issuances of the Company's common stock during the years ended December 31, 2019 and 2018.

Distributions

The Company has adopted a dividend reinvestment plan that provides for reinvestment of all cash distributions declared by the Board of Directors, unless a stockholder elects to "opt out" of the plan. As a result, if the Board of Directors declares a cash distribution, then the stockholders who have not "opted out" of the dividend reinvestment plan will have their cash distributions automatically reinvested in additional shares of common stock, rather than receiving the cash distribution. The shares distributed by the Transfer Agent in the Company's dividend reinvestment plan are either through (i) newly issued shares or (ii) acquired by the Transfer Agent through the purchase of outstanding shares on the open market. If, on the payment date for any distribution, the most recently computed NAV per share as of the dividend payment date is equal to or less than the closing market price plus estimated per share fees, the Transfer Agent will invest the distribution amount in newly issued shares. Otherwise, the Transfer Agent will invest the dividend amount in shares acquired by purchasing shares on the open market. The following table summarizes the distributions declared on shares of the Company's common stock and shares distributed pursuant to the dividend reinvestment plan to stockholders who had not opted out of the dividend reinvestment plan:

Date Declared	Record Date	Payment Date	Amount Per Share		Shares
For the Year Ended December 31, 2020					
February 19, 2020	March 31, 2020	April 15, 2020	$	0.45	37,741*
May 5, 2020	June 30, 2020	July 15, 2020	$	0.45	46,407
August 4, 2020	September 30, 2020	October 15, 2020	$	0.45	49,015
November 4, 2020	December 31, 2020	January 15, 2021	$	0.45	—**
November 4, 2020 (special)	February 15, 2021	March 15, 2021	$	0.05	—**
November 4, 2020 (special)	May 14, 2021	June 15, 2021	$	0.05	—**
November 4, 2020 (special)	August 16, 2021	September 15, 2021	$	0.05	—**
For the Year Ended December 31, 2019					
February 20, 2019	March 29, 2019	April 15, 2019	$	0.45	35,306
May 7, 2019	June 28, 2019	July 15, 2019	$	0.45	35,408
July 30, 2019	September 30, 2019	October 15, 2019	$	0.45	29,141
October 30, 2019	December 31, 2019	January 15, 2020	$	0.45	34,566
For the Year Ended December 31, 2018					
February 21, 2018	March 30, 2018	April 16, 2018	$	0.45	20,916
May 1, 2018	June 29, 2018	July 16, 2018	$	0.45	20,644
July 31, 2018	September 28, 2018	October 15, 2018	$	0.45	31,576
October 30, 2018	December 31, 2018	January 15, 2019	$	0.45	39,591

* In accordance with the Company's dividend reinvestment plan, shares were purchased in the open market.

** Shares issued pursuant to the dividend reinvestment plan are determined and issued on the applicable payment date.

10. EARNINGS PER SHARE

The following information sets forth the computation of basic and diluted earnings per share:

	For the Years Ended December 31,					
	2020		2019		2018	
Net increase in net assets from operations	$	176,113	$	36,148	$	53,678
Weighted average shares outstanding		53,940,573		40,313,662		40,184,715
Basic and diluted earnings per share	$	3.26	$	0.90	$	1.34

For the purpose of calculating diluted earnings per common share, the average closing price of the Company's common stock for the years ended December 31, 2020, 2019 and 2018 was less than the conversion price for the Convertible Notes outstanding as of December 31, 2020, 2019 and 2018. Therefore, for the years ended December 31, 2020, 2019 and 2018, diluted earnings per share equal basic earnings per share because the underlying shares for the intrinsic value of the embedded options in the Convertible Notes were not dilutive.

11. TAX INFORMATION

The tax character of distributions was as follows:

	For the Years Ended December 31,					
	2020		2019		2018	
Distributions paid from:						
Ordinary Income	$	100,254	$	72,574	$	72,339
Net Long-Term Capital Gains		—		—		—
Total Taxable Distributions	$	100,254	$	72,574	$	72,339

The components of Accumulated Earnings (Losses) on a tax basis were as follows:

	December 31, 2020	December 31, 2019	December 31, 2018
Undistributed Ordinary Income—net	$ 40,868	$ 46,658	$ 42,231
Undistributed Long-Term Capital Gains	—	—	—
Total Undistributed Earnings	$ 40,868	$ 46,658	$ 42,231
Capital Loss Carryforward:			
Perpetual Long-Term	$ (117,733)	$ (89,051)	$ (78,249)
Perpetual Short-Term	(494)	—	$ (1,503)
Total capital loss carryforwards	$ (118,227)	$ (89,051)	$ (79,752)
Timing Differences (Qualified Late Year Loss Deferral/ Post-October Loss Deferral/ Organizational Cost)	$ (539)	$ (62)	$ (227)
Unrealized Earnings (Losses)—net	$ 72,545	$ (58,171)	$ (53,195)
Total Accumulated Earnings (Losses)—net	$ (5,353)	$ (100,626)	$ (90,943)

The Company's aggregate unrealized appreciation and depreciation on investments based on cost for U.S. federal income tax purposes were as follows:

	December 31, 2020	December 31, 2019	December 31, 2018
Tax cost	$ 3,165,681	$ 1,426,453	$ 1,429,140
Gross unrealized appreciation	$ 146,963	$ 24,149	$ 12,268
Gross unrealized depreciation	$ (74,418)	$ (82,320)	$ (65,463)
Net unrealized investment appreciation (depreciation) on investments	$ 72,545	$ (58,171)	$ (53,195)

The difference between GAAP-basis and tax basis unrealized gains (losses) is attributable primarily to merger adjustments, net mark to market gains (losses) on foreign currency contracts, differences in the tax treatment of underlying fund investments, and modification of debt securities.

In order to present certain components of the Company's capital accounts on a tax-basis, certain reclassifications have been recorded to the Company's accounts. These reclassifications have no impact on the net asset value of the Company and result primarily from certain non-deductible expenses, and differences in the tax treatment of underlying fund investments. For the years ended December 31, 2020, 2019 and 2018, the Company reclassified $(19,414), $(26,743) and $(443) from total distributable earnings to paid-in capital in excess of par.

The following reconciles net increase in net assets resulting from operations to taxable income:

	For the Years Ended December 31,		
	2020	2019	2018
Net increase in net assets resulting from operations	$ 176,113	$ 36,148	$ 53,678
Adjustments:			
Net unrealized loss (gain) on investments and foreign currency forward contracts and translations	(109,922)	4,663	30,260
Income not currently taxable	21,842	24,380	(2,986)
Income for tax but not book	(129)	(18)	—
Expenses not currently deductible	1,539	1,694	2,058
Expenses for tax but not for book	(5)	—	—
Realized gain(loss) differences	(110,478)	(79,361)	(83,109)
Taxable income net of capital loss carryforward	$ (21,040)	$ (12,494)	$ (99)
Capital loss carryforward	118,227	89,051	79,752
Taxable income (1)	$ 97,187	$ 76,557	$ 79,653

(1)Taxable income is an estimate and is not fully determined until the Company's tax return is filed.

ASC Topic 740, *"Accounting for Uncertainty in Income Taxes"* ("ASC 740") provides guidance on the accounting for and disclosure of uncertainty in tax position. ASC 740 requires the evaluation of tax positions taken or expected to be taken in the course of preparing the Company's tax returns to determine whether the tax positions are "more-likely-than-not" of being sustained by the applicable tax authority. Tax positions deemed to meet the more-likely-than-not threshold are recorded as a tax benefit or expense in the current year. Based on its analysis of its tax position for all open tax years (the current and prior years, as applicable), the Company has concluded that it does not have any uncertain tax positions that met the recognition or measurement criteria of ASC 740. Such open tax years remain subject to examination and adjustment by tax authorities.

12. FINANCIAL HIGHLIGHTS

Below presents the schedule of financial highlights of the Company:

	For the Years Ended December 31,				
	2020	2019	2018	2017	2016
Per Share Data:(1)					
NAV, beginning of period	$ 16.75	$ 17.65	$ 18.09	$ 18.31	$ 18.97
Net investment income	2.04	1.98	2.06	2.07	2.10
Net realized and unrealized gains (losses)(2)	(0.20)	(1.08)	(0.70)	(0.80)	(0.98)
Income tax provision, realized and unrealized gains	—	—	(0.02)	—	—
Net increase (decrease) in net assets from operations	1.84	0.90	1.34	1.27	1.12
Issuance of common stock in connection with the Merger	(0.88)	—	—	—	—
Issuance of common stock, net underwriting and offering costs	—	—	—	0.31	—
Equity component of convertible notes	—	—	0.02	—	0.02
Distributions declared from net investment income	(1.80)	(1.80)	(1.80)	(1.80)	(1.80)
Total increase (decrease) in net assets	(0.84)	(0.90)	(0.44)	(0.22)	(0.66)
NAV, end of period	$ 15.91	$ 16.75	$ 17.65	$ 18.09	$ 18.31
Market price, end of period	$ 19.12	$ 21.28	$ 18.38	$ 22.18	$ 23.52
Shares outstanding, end of period	101,534,370	40,367,071	40,227,625	40,130,665	36,331,662
Weighted average shares outstanding	53,940,573	40,313,662	40,184,715	38,633,652	36,317,131
Total return based on NAV(3)	6.78%	4.08%	6.96%	7.17%	5.42%
Total return based on market value(4)	1.00%	26.98%	(9.16)%	2.30%	35.20%
Supplemental Data/Ratio (all amounts in thousands except ratios):					
Net assets, end of period	$ 1,615,141	$ 676,125	$ 709,892	$ 725,830	$ 665,137
Ratio of net expenses to average net assets	7.62%	9.77%	8.81%	8.07%	7.25%
Ratio of net expenses before voluntary waivers to average net assets	9.30%	—%	—%	—%	—%
Ratio of net expenses (without incentive fees and interest and other debt expenses) to average net assets	2.48%	3.24%	3.26%	3.47%	3.58%
Ratio of interest and other debt expenses to average net assets	4.82%	5.25%	3.62%	2.79%	2.12%
Ratio of net incentive fees to average net assets	0.32%	1.28%	1.93%	1.81%	1.55%
Ratio of total expenses to average net assets	12.09%	9.82%	8.81%	8.07%	7.25%
Ratio of net investment income to average net assets	13.28%	11.53%	11.42%	11.36%	11.30%
Portfolio turnover	24%	45%	26%	45%	17%

(1) The per share data was derived by using the weighted average shares outstanding during the applicable period, except for issuance of common stock in connection with the Merger and distributions declared, which reflects the actual amounts per share for the applicable period.
(2) The amount shown may not correspond with the aggregate amount paid for the period as it includes the effect of the timing of the distribution and the Merger.
(3) Calculated as the change in NAV per share during the respective periods, assuming dividends and distributions, if any, are reinvested in accordance with the Company's dividend reinvestment plan.
(4) Calculated as the change in market value per share during the respective periods, assuming dividends and distributions, if any, are reinvested in accordance with the Company's dividend reinvestment plan.

13. MERGER WITH GS MMLC

On October 12, 2020, the Company completed its merger with GS MMLC pursuant to the Merger Agreement, dated as of June 11, 2020. The Company was the accounting survivor of the Merger. At the effective time of the Merger, each outstanding share of GS MMLC common stock was converted into the right to receive, for each share of GS MMLC common stock, that number of shares of the Company's common stock, par value $0.001 per share, with a NAV equal to the NAV per share of GS MMLC common stock, in each case calculated as of October 9, 2020. As a result, the Company issued an aggregate of 61,037,311 shares of Common Stock to the former GS MMLC stockholders.

The Merger was accounted for as an asset acquisition in accordance with ASC 805-50, Business Combinations—Related Issues. The consideration paid to GS MMLC's stockholders was less than the aggregate fair values of the assets acquired and liabilities assumed, which resulted in a purchase discount (the "purchase discount"). The purchase discount was allocated to the cost of GS MMLC investments acquired by the Company on a pro-rata basis based on their relative fair values as of the closing date. Immediately following the Merger with GS MMLC, the investments were marked to their respective fair values and, as a result, the purchase discount allocated to the cost basis of the investments acquired was immediately recognized as unrealized appreciation in the Consolidated Statement of Operations. The purchase discount allocated to the loan investments acquired will amortize over the life of each respective loan through interest income with a corresponding adjustment recorded as unrealized depreciation on such loans acquired through their ultimate disposition. The purchase discount allocated to equity investments acquired will not amortize over the life of such investments through interest income and, assuming no subsequent change to the fair value of the equity investments acquired and disposition of such equity investments at fair value, the Company will recognize a realized gain with a corresponding reversal of the unrealized appreciation on disposition of such equity investments acquired. The Merger was considered a tax-free reorganization and the Company has elected to carry forward the historical cost basis of the GS MMLC investments for tax purposes.

The following table summarizes the allocation of the purchase price to the assets acquired and liabilities assumed as a result of the Merger:

Common stock issued by the Company(1)	$	866,201
Total purchase price	**$**	**866,201**
Assets acquired:		
Investments, at fair value (amortized cost of $1,741,300)	$	1,691,263
Cash and cash equivalents		177,576
Other assets		18,986
Total assets acquired	**$**	**1,887,825**
Liabilities assumed:		
Debt	$	843,701
Distribution payable		75,000
Other liabilities(2)		18,963
Total liabilities assumed	**$**	**937,664**
Net assets acquired	**$**	**950,161**
Total purchase discount	**$**	**(83,960)**

(1) Based on the market price at closing of $15.26, adjusted for a discount to reflect the impact of transfer restrictions applicable to the shares of the Company's Common Stock issued to GS MMLC stockholders pursuant to the terms of the Merger, and the 61,037,311 shares of common stock issued by the Company.

(2) Includes $4,159 of management fees and $6,672 of incentive fees accrued by GS MMLC pursuant to an investment management agreement between GS MMLC and Investment Adviser, which was terminated upon the closing of the Merger. The payable for these fees was assumed by the Company and paid by the Company to the Investment Adviser in November 2020.

14. SUBSEQUENT EVENTS

Subsequent events after the date of the Consolidated Statements of Assets and Liabilities have been evaluated through the date the consolidated financial statements were issued. Other than the items discussed below, the Company has concluded that there is no impact requiring adjustment or disclosure in the consolidated financial statements.

In connection with the consummation of the Merger, the Board of Directors previously declared special distributions of $0.15 per share in total, and payable in three equal quarterly installments. The first quarterly installment of $5,080 is payable on March 15, 2021 to holders of record as of February 15, 2021. As a result of the special distributions, the conversion rate relating to the Convertible Notes will be adjusted pursuant to the terms of the indenture. The new conversion rate for the Convertible Notes will be 40.9553 shares of common stock per $1,000 principal amount of the Convertible Notes and shall be in effect as of February 12, 2021, the ex-dividend date for the first installment of the special distribution.

On February 24, 2021, the Board of Directors declared a quarterly distribution of $0.45 per share payable on April 27, 2021 to holders of record as of March 31, 2021.

Goldman Sachs BDC, Inc. — Tax Information (unaudited)

During the year ended December 31, 2020, the Company designated 91.16% of its distributions from net investment income as interest-related dividends pursuant to Section 871(k) of the Internal Revenue Code. During the year ended December 31, 2020, the Company designated 93.95% of the dividends paid from net investment company taxable income as section 163(j) Interest Dividends.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 9A. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures. As of the end of the period covered by this report, our management carried out an evaluation, under the supervision and with the participation of 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 Rules 13a-15(e) and 15d-15(e) under the Exchange Act). Based on that evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that our disclosure controls and procedures were effective as of December 31, 2020. In designing and evaluating our disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving their objectives, and management necessarily applies its judgment in evaluating the benefits of possible controls and procedures relative to their costs.

Changes in Internal Control over Financial Reporting. There have been no changes in our internal control over financial reporting that occurred during our most recently completed fiscal quarter ended December 31, 2020 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Management's Report on Internal Control over Financial Reporting. Our management is responsible for establishing and maintaining adequate internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) of the Exchange Act). Under the supervision and with the participation of management, including the Chief Executive Officer and Chief Financial Officer, we conducted an evaluation of the effectiveness of our internal control over financial reporting based on the criteria established in *Internal Control—Integrated Framework* (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on our evaluation, management concluded that our internal control over financial reporting was effective as of December 31, 2020.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

The effectiveness of our internal control over financial reporting as of December 31, 2020 has been audited by PricewaterhouseCoopers LLP, an independent registered public accounting firm, as stated in their report which appears herein.

ITEM 9B. OTHER INFORMATION

On January 26, 2021, Jonathan Lamm notified us of his intention to resign as Chief Financial Officer and Treasurer effective March 1, 2021. Mr. Lamm's decision to resign is not the result of any disagreement with us. On February 24, 2021, our Board of Directors approved Joseph DiMaria as our Interim Chief Financial officer and Interim Treasurer effective March 1, 2021.

PART III.

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

The information required by Item 10 is hereby incorporated by reference from our definitive Proxy Statement relating to our 2021 Annual Meeting of Stockholders, to be filed with the SEC within 120 days following the end of our fiscal year.

ITEM 11. EXECUTIVE COMPENSATION.

The information required by Item 11 is hereby incorporated by reference from our definitive Proxy Statement relating to our 2021 Annual Meeting of Stockholders, to be filed with the SEC within 120 days following the end of our fiscal year.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The information required by Item 12 is hereby incorporated by reference from our definitive Proxy Statement relating to our 2021 Annual Meeting of Stockholders, to be filed with the SEC within 120 days following the end of our fiscal year.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

The information required by Item 13 is hereby incorporated by reference from our definitive Proxy Statement relating to our 2021 Annual Meeting of Stockholders, to be filed with the SEC within 120 days following the end of our fiscal year.

ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES

The information required by Item 14 is hereby incorporated by reference from our definitive Proxy Statement relating to our 2021 Annual Meeting of Stockholders, to be filed with the SEC within 120 days following the end of our fiscal year.

PART IV.

ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES

The following documents are filed as part of this Annual Report on Form 10-K:

(1) Financial Statements—Financial statements are included in Item 8. See the Index to the Consolidated Financial Statements on page 72 of this annual report on Form 10-K.

(2) Financial Statement Schedules—None. We have omitted financial statements schedules because they are not required or are not applicable, or the required information is shown in the consolidated financial statements or notes to the consolidated financial statements included in this annual report on Form 10-K.

(3) Exhibits—The following is a list of all exhibits filed as a part of this annual report on Form 10-K, including those incorporated by reference.

Exhibit No	Description of Exhibits
2.1	Amended and Restated Agreement and Plan of Merger, by and among Goldman Sachs BDC, Inc., Goldman Sachs Middle Market Lending Corp., Evergreen Merger Sub Inc., and Goldman Sachs Asset Management, L.P., dated as of June 11, 2020 (incorporated by reference to Exhibit 2.1 to the Company's Current Report on Form 8-K (file no. 814-00998), filed on June 11, 2020).
3.1	Amended and Restated Certificate of Incorporation (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K (file no. 814-00998), filed on October 13, 2020).
3.2	Bylaws (incorporated by reference to Exhibit (b) to pre-effective Amendment No. 7 to the Company's Registration Statement on Form N-2 (file no. 333-187642), filed on March 3, 2015).
4.1	Indenture, dated October 3, 2016, between Goldman Sachs BDC, Inc. and Wells Fargo Bank, National Association, as Trustee (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K (file no. 814-00998), filed on October 3, 2016).
4.2	Form of 4.50% Convertible Note Due 2022 (incorporated by reference to Exhibit 4.2 to the Company's Current Report on Form 8-K (file no. 814-00998), filed on October 3, 2016).
4.3	Description of Securities (incorporated by reference to Exhibit 4.3 to the Company's Annual Report on Form 10-K (file no. 814-00998), filed on February 20, 2020).
4.4	Indenture, dated February 10, 2020, by and between Goldman Sachs BDC, Inc. and Wells Fargo Bank, National Association, as trustee (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K (file no. 814-00998), filed on February 11, 2020).
4.5	First Supplemental Indenture, dated as of February 10, 2020, relating to the 3.750% Notes due 2025, by and between Goldman Sachs BDC, Inc. and Wells Fargo Bank, National Association, as trustee (incorporated by reference to Exhibit 4.2 to the Company's Current Report on Form 8-K (file no. 814-00998), filed on February 11, 2020).
4.6	Form of 3.750% Notes due 2025 (incorporated by reference to Exhibit 4.3 to the Company's Current Report on Form 8-K (file no. 814-00998), filed on February 11, 2020).
4.7	Second Supplemental Indenture, dated as of November 24, 2020, relating to the 2.875% Notes due 2026, by and between Goldman Sachs BDC, Inc. and Wells Fargo Bank, National Association, as trustee (incorporated by reference to Exhibit 4.2 to the Company's Current Report on Form 8-K (file no. 814-00998), filed on November 24, 2020).
4.8	Form of 2.875% Notes due 2026 (incorporated by reference to Exhibit 4.3 to the Company's Current Report on Form 8-K (file no. 814-00998), filed on November 24, 2020).

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Exhibit No	Description of Exhibits
10.1	Administration Agreement, dated as of April 1, 2013, between the Company and the Adviser (incorporated by reference to Exhibit (k)(3) to pre-effective Amendment No. 7 to the Company's Registration Statement on Form N-2 (file no. 333-187642), filed on March 3, 2015).
10.2	Senior Secured Revolving Credit Agreement, dated as of September 19, 2013 among the Company, as Borrower, the Lenders party thereto, and SunTrust Bank, as Administrative Agent (incorporated by reference to Exhibit (k)(5) to pre-effective Amendment No. 8 to the Company's Registration Statement on Form N-2 (file no. 333-187642), filed on March 10, 2015).
10.3	First Omnibus Amendment to Senior Secured Revolving Credit Agreement and Guarantee and Security Agreement, dated as of October 3, 2014 among the Company, as Borrower, the Lenders party thereto, and SunTrust Bank, as Administrative Agent and as Collateral Agent (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q (file no. 001-35851), filed on May 14, 2015).
10.4	Joinder Agreement, dated as of January 16, 2015, by HSBC Bank USA, National Association, as Assuming Lender, in favor of the Company as Borrower, and SunTrust Bank, as administrative agent under the Revolving Credit Facility (incorporated by reference to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q (file no. 001-35851), filed on May 14, 2015).
10.5	Joinder Agreement, dated as of March 27, 2015, by CIT Finance LLC, as Assuming Lender, in favor of the Company as Borrower, and Sun Trust Bank, as administrative agent under the Revolving Credit Facility (incorporated by reference to Exhibit 10.3 to the Company's Quarterly Report on Form 10-Q (file no. 001-35851), filed on May 14, 2015).
10.6	Second Amendment to Senior Secured Revolving Credit Agreement, dated as of November 4, 2015, among Goldman Sachs BDC, Inc., as Borrower, the Lenders party thereto, SunTrust Bank, as Administrative Agent and as Collateral Agent, and, solely with respect to Section 5.9, DDDS BL, LLC (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K (File No. 814-00998), filed on November 5, 2015).
10.7	Third Amendment to Senior Secured Revolving Credit Agreement, dated as of December 16, 2016, among Goldman Sachs BDC, Inc., as Borrower, the Lenders party thereto, and SunTrust Bank, as Administrative Agent and as Collateral Agent (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K (file no. 814-00998), filed on December 21, 2016).
10.8	Fourth Amendment to Senior Secured Revolving Credit Agreement, dated as of February 21, 2018, among Goldman Sachs BDC. Inc., as Borrower, the Lenders party thereto, and SunTrust Bank as Administrative Agent and as Collateral Agent (incorporated by reference to Exhibit 10.8 to the Company's Annual Report on Form 10-K (file no. 814-00998), filed on February 22, 2018).
10.9	Fifth Amendment to Senior Secured Revolving Credit Agreement, dated as of September 17, 2018, among Goldman Sachs BDC, Inc., as Borrower, the Lenders party thereto and SunTrust Bank, as Administrative Agent and as Collateral Agent (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K (file no. 814-00998), filed on September 17, 2018).
10.10	Sixth Amendment to Senior Secured Revolving Credit Agreement, dated as of February 25, 2020, among the Company, as Borrower, the lenders party thereto, Truist Bank (as successor by merger to SunTrust Bank), as Administrative Agent and as Collateral Agent and other parties party thereto (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K (file no. 814-00998), filed on February 28, 2020).
10.11*	Seventh Amendment to Senior Secured Revolving Credit Agreement, dated as of November 20, 2020, among the Company, as Borrower, the lenders party thereto, Truist Bank (as successor by merger to SunTrust Bank), as Administrative Agent and as Collateral Agent and other parties party thereto.
10.12	Amended and Restated Investment Management Agreement, dated as of January 1, 2015, between the Company and Goldman Sachs Asset Management, L.P. (incorporated by reference to Exhibit (g) to pre-effective Amendment No. 7 to the Company's Registration Statement on Form N-2 (file no. 333-187642), filed on March 3, 2015).
10.13	Second Amended and Restated Investment Management Agreement, dated as of June 15, 2018, between Goldman Sachs BDC, Inc. and Goldman Sachs Asset Management, L.P. (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K (file no. 814-00998), filed on June 15, 2018).
10.14	Dividend Reinvestment Plan, amended as of May 2, 2016 (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q (file no. 814-00998), filed on May 9, 2016).
10.15	Dividend Reinvestment Plan, amended as of August 2, 2016 (incorporated by reference to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q (file no. 814-00998), filed on August 4, 2016).

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Exhibit No	Description of Exhibits
10.16	Dividend Reinvestment Plan, amended as of August 1, 2017 (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q (file no. 814-00998), filed on August 3, 2017).
10.17	Custody Agreement, dated as of April 1, 2013, between Registrant and State Street Bank and Trust Company (incorporated by reference to Exhibit (j) to pre-effective Amendment No. 8 to the Company's Registration Statement on Form N-2 (file no. 333-187642), filed on March 10, 2015).
10.18	Transfer Agency and Services Agreement, effective as of May 2, 2016, by and between the Company, Computershare Inc. and Computershare Trust Company, N.A. (incorporated by reference to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q (file no. 814-00998), filed on May 9, 2016).
10.19	License Agreement, dated as of April 1, 2013, between the Registrant and the Goldman, Sachs & Co. (incorporated by reference to Exhibit (k)(4) to pre-effective Amendment No. 7 to the Company's Registration Statement on Form N-2 (file no. 333-187642), filed on March 3, 2015).
10.20	Joinder Agreement, dated as of February 27, 2019, by MUFG Union Bank, N.A., as Assuming Lender, in favor of the Company as Borrower, and SunTrust Bank, as administrative agent under the Revolving Credit Facility (incorporated by reference to Exhibit 10.25 to the Company's Annual Report on Form 10-K (file no. 814-00998), filed on February 28, 2019).
14.1*	Code of Ethics of the Registrant
14.2*	Code of Business Conduct and Ethics
23.1*	Consent of Independent Registered Public Accounting Firm
24*	Power of attorney (included on the signature page hereto).
31.1*	Certification of Chief Executive Officer pursuant to Securities Exchange Act Rule 13a-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of Chief Financial Officer pursuant to Securities Exchange Act Rule 13a-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1*	Certification of Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

* Filed herewith.

ITEM 16. FORM 10-K SUMMARY

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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: February 25, 2021

GOLDMAN SACHS BDC, INC.

/s/ Brendan McGovern
Name: Brendan McGovern
Title: Chief Executive Officer and President

Each person whose signature appears below constitutes and appoints Brendan McGovern, Jonathan Lamm and Caroline Kraus, and each of them, such person's true and lawful attorney-in-fact and agent, with full power of substitution and revocation, for such person and in such person's name, place and stead, in any and all capacities, to sign one or more Annual Reports on Form 10-K for the fiscal year ended December 31, 2020, and any and all amendments thereto, and to file same with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in connection therewith, as fully to all intents and purposes as such person might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents and each of them, or their or his substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities indicated on February 25, 2021.

Signature	Title
/s/ Brendan McGovern Brendan McGovern	Chief Executive Officer and President (Principal Executive Officer)
/s/ Jonathan Lamm Jonathan Lamm	Chief Financial Officer and Treasurer (Principal Financial Officer)
/s/ David Pessah David Pessah	Principal Accounting Officer
/s/ Jaime Ardila Jaime Ardila	Chairman of the Board of Directors
/s/ Carlos E. Evans Carlos E. Evans	Director
/s/ Ross J. Kari Ross J. Kari	Director
/s/ Ann B. Lane Ann B. Lane	Director
/s/ Timothy J. Leach Timothy J. Leach	Director
/s/ Richard A. Mark Richard A. Mark	Director
/s/ Susan B. McGee Susan B. McGee	Director
/s/ Katherine Uniacke Katherine Uniacke	Director