

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

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**FORM 8-K**

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

Date of Report (Date of earliest event reported): June 15, 2020 (June 12, 2020)

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**Medley Capital Corporation**  
(Exact Name of Registrant as Specified in its Charter)

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**Delaware**  
(State or other jurisdiction of incorporation)

**1-35040** (Commission File Number)      **27-4576073** (I.R.S. Employer Identification No.)

**280 Park Avenue, 6<sup>th</sup> Floor East**  
**New York, NY 10017**  
(Address of Principal Executive Offices and Zip Code)

Registrant's telephone number, including area code: **(212) 759-0777**

**Not Applicable**  
(Former Name or Former Address, if Changed Since Last Report)

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

<b>Title of each class</b>	<b>Trading Symbol(s)</b>	<b>Name of each exchange on which registered</b>
Common Stock, par value \$0.001 per share	MCC	The New York Stock Exchange
6.500% Notes due 2021	MCX	The New York Stock Exchange
6.125% Notes due 2023	MCV	The New York Stock Exchange

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

Emerging growth company

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

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### **Item 1.01 Entry into a Material Definitive Agreement.**

On June 12, 2020, the board of directors (the “Board”) of Medley Capital Corporation (the “Company”), including its special committee (the “Special Committee”), approved an expense support agreement (the “Expense Support Agreement”) under which MCC Advisors LLC (“MCC Advisors”) and Medley LLC agreed (jointly and severally) to cap the management fee and all of the Company’s other operating expenses (except interest expenses, certain extraordinary strategic transaction expenses, and other expenses approved by the Special Committee at \$667,000 per month) (the “Cap”). Under the Expense Support Agreement, the Cap will be in effect from June 1, 2020 through September 30, 2020.

In connection with the Expense Support Agreement, the Board, including all of its independent directors, extended the term of the amended and restated investment management agreement between the Company and MCC Advisors (the “Investment Management Agreement”) and the administration agreement between the Company and MCC Advisors (the “Administration Agreement”) through the quarter ended September 30, 2020.

In connection with the foregoing, on June 12, 2020, the Board, including all of its independent director, approved an amendment to the Investment Management Agreement and an amendment to the Administration Agreement to provide, in each case, that such agreement may be terminated by the Company or MCC Advisors with 30 days’ notice, rather than 60 days’ notice.

The foregoing descriptions of or references to the Expense Support Agreement, the amendment to the Investment Management Agreement, and the amendment to the Administration Agreement are not complete and are qualified in their entirety by reference to the full text of such agreements, which are attached hereto as Exhibits 10.1, 10.2, and 10.3, respectively.

**Item 9.01 Financial Statements and Exhibits.**

- (a) Not applicable.
- (b) Not applicable.
- (c) Not applicable.
- (d) Exhibits.

<b>Exhibit No.</b>	<b>Description</b>
10.1	<a href="#"><u>Expense Support Agreement, dated as of June 12, 2020, by and between the Medley Capital Corporation, Medley LLC, and MCC Advisors LLC</u></a>
10.2	<a href="#"><u>Amendment No. 1 to Amended and Restated Investment Management Agreement, dated as of June 12, 2020, by and between Medley Capital Corporation and MCC Advisors LLC</u></a>
10.3	<a href="#"><u>Amendment No. 1 to Administration Agreement, dated as of June 12, 2020, by and between Medley Capital Corporation and MCC Advisors LLC</u></a>

## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: June 15, 2020

**MEDLEY CAPITAL CORPORATION**

By: /s/ Richard T. Allorto, Jr.

Name: Richard T. Allorto, Jr.

Title: Chief Financial Officer

## **EXPENSE SUPPORT AGREEMENT**

This AGREEMENT (this “Agreement”), is made as of June 12, 2020, by and between Medley Capital Corporation, a Delaware corporation (the “Company”), Medley LLC, a Delaware limited liability company, and MCC Advisors LLC, a Delaware limited liability company (“MCC Advisors”).

In consideration of the Company’s Board of Director’s agreement to extend the Company’s Investment Advisory and Administration Agreements through September 30, 2020, and for other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the parties hereto hereby agree as follows:

MCC Advisors and Medley LLC (jointly and severally) hereby irrevocably agree to waive/absorb the Company’s total fees and expenses to the extent necessary so as to cap all of the Company’s accrued fees and expenses at \$667,000 per month, excluding: 1) interest expense on the Company’s 6.500% Notes due 2021 and 6.125% Notes due 2023 (i.e., baby bonds); 2) investment-related fees and expenses that are capitalized as part of the cost of the investment; 3) strategic transaction out-of-pocket fees and expenses under the direction/supervision of the Special Committee or the Independent Directors; 4) the amount by which annual Director & Officer insurance cost exceeds \$1,000,000 (annualized for each month during the period the Cap is in effect); and 5) unforeseen reasonable out-of-pocket expenses for extraordinary matters for which consent of the Special Committee is obtained, such consent not to be unreasonably withheld; provided, however, unforeseen expenses shall not include fees and expenses incurred by counsel or advisers to the Independent Directors and Special Committee in connection with any existing regulatory matters to the extent directed at the Company or its past or present officers or directors in their capacity as officers or directors of the Company (the “Cap”). For purposes of the Cap exclusions included in the preceding clause 5, fees and expenses concerning currently outstanding litigation/regulatory matters (other than out-of-pocket fees/expenses associated with a court trial in matters relating to Point 360 or Security National Guaranty) or existing credit or restructuring matters that are not capitalized as part of the costs of investment shall be presumed to be foreseen expenses. The Cap shall be effective from June 1st through September 30, 2020. In addition, the application of the Cap, i.e., cash settlement thereof, shall be done in accordance with GAAP and shall be done monthly, subject to prompt review and approval by the Special Committee. Such monthly settlement (including obtaining the approval thereof by the Special Committee) shall occur no later than 15 business days following the end of each month for which the Cap is in effect. Further, within 11 business days following the end of the month, MCC Advisors shall furnish to the Special Committee information the Special Committee believes reasonably necessary to enable it to evaluate whether to approve such settlement, including, without limitation, the month’s expense accrual schedule and the expense schedule for each of the trailing 12 months. MCC Advisors further agrees that expense accrual practices (including timing of accruals) for the Company during the period the Cap is in effect shall conform to the accrual practices in effect for the fiscal periods prior to June 1, 2020. This Agreement shall terminate automatically in the event the Company’s Advisory Agreement with MCC Advisors is terminated; provided however that any amounts owed to the Company in excess of the Cap for a month in which the Cap was in effect shall be paid to the Company within 15 business days’ following termination.

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Agreement as of the date first above written.

**MEDLEY CAPITAL CORPORATION**

By: /s/ Arthur Ainsberg

Name: Arthur Ainsberg

Title: Director

**MCC ADVISORS LLC**

By: /s/ Richard T. Allorto, Jr.

Name: Richard T. Allorto, Jr.

Title: Chief Financial Officer

**MEDLEY LLC**

By: /s/ Richard T. Allorto, Jr.

Name: Richard T. Allorto, Jr.

Title: Chief Financial Officer

**AMENDMENT NO. 1 TO AMENDED AND RESTATED  
INVESTMENT MANAGEMENT AGREEMENT**

This AMENDMENT NO. 1 (this “Amendment”), dated as of June 12, 2020, is made with respect to the Amended and Restated Investment Management Agreement, dated as of January 19, 2014 (the “Agreement”), by and between Medley Capital Corporation, a Delaware corporation, and MCC Advisors LLC, a Delaware limited liability company. Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Agreement.

In consideration of the promises and the mutual agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

Section 11 of the Agreement is hereby amended and restated as follows: “This Agreement shall become effective as of the date the Corporation commences investment operations and, unless sooner terminated with respect to the Corporation as provided herein, shall continue in effect for a period of two years. Thereafter, if not terminated, this Agreement shall continue in effect with respect to the Corporation for successive annual periods, provided such continuance is specifically approved at least annually by both (a) the vote of a majority of the Corporation’s Board of Directors or the vote of a majority of the outstanding voting securities of the Corporation at the time outstanding and entitled to vote, and (b) by the vote of a majority of the Directors who are not parties to this Agreement or interested persons of any party to this Agreement, cast in person at a meeting called for the purpose of voting on such approval. Notwithstanding the foregoing, this Agreement may be terminated by the Corporation at any time, without the payment of any penalty, upon giving the Adviser not less than 30 days’ notice (which notice may be waived in whole or in part by the Adviser), provided that such termination by the Corporation shall be directed or approved by the vote of a majority of the Directors of the Corporation in office at the time or by the vote of the holders of a majority of the voting securities of the Corporation at the time outstanding and entitled to vote, or by the Adviser on not less than 30 days’ written notice (which notice may be waived in whole or in part by the Corporation). This Agreement will also immediately terminate in the event of its assignment. (As used in this Agreement, the terms “majority of the outstanding voting securities,” “interested person” and “assignment” shall have the same meanings of such terms in the 1940 Act and the regulations thereunder.)”

[Signature pages follow]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment No. 1 to be duly executed and delivered as of the day and year first above written.

MEDLEY CAPITAL CORPORATION

By: /s/ Arthur Ainsberg

Name: Arthur Ainsberg

Title: Director

MCC ADVISORS LLC

By: \_\_\_\_\_  
Name: Brook Taube  
Title: Manager

**AMENDMENT NO. 1 TO  
ADMINISTRATION AGREEMENT**

This AMENDMENT NO. 1 (this “Amendment”), dated as of June 12, 2020, is made with respect to the Administration Agreement, dated as of January 19, 2011 (the “Agreement”), by and between Medley Capital Corporation, a Delaware corporation, and MCC Advisors LLC, a Delaware limited liability company. Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Agreement.

In consideration of the promises and the mutual agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

The last sentence of Section 7 of the Agreement is hereby amended and restated as follows: “This Agreement may be terminated at any time, without the payment of any penalty, by vote of the Corporation’s Board of Directors, or by the Administrator, upon 30 days’ written notice to the other party (which notice may be waived by such other party).”

[Signature pages follow]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment No. 1 to be duly executed and delivered as of the day and year first above written.

MEDLEY CAPITAL CORPORATION

By: /s/ Arthur Ainsberg  
Name: Arthur Ainsberg  
Title: Director

MCC ADVISORS LLC

By: \_\_\_\_\_  
Name: Brook Taube  
Title: Manager