

MONROE CAPITAL Corp  
Form 8-K  
March 05, 2019

**UNITED STATES**

**SECURITIES AND EXCHANGE COMMISSION**

**WASHINGTON, DC 20549**

**FORM 8-K**

**CURRENT REPORT**

**PURSUANT TO SECTION 13 OR 15(D) OF**

**THE SECURITIES EXCHANGE ACT OF 1934**

**Date of report (Date of earliest event reported) March 5, 2019 (March 1, 2019)**

**Monroe Capital Corporation**

**(Exact name of registrant as specified in its charter)**

**Maryland**

**814-00866**

**27-4895840**

(State or other jurisdiction (Commission (IRS Employer  
of incorporation) File Number) Identification No.)

311 South Wacker Drive, Suite 6400, Chicago, IL 60606  
(Address of principal executive offices) (Zip Code)

(312) 258-8300

(Registrant's telephone number, including area code)

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

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

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.



**ITEM 1.01. Entry into a Material Definitive Agreement.**

On March 1, 2019, Monroe Capital Corporation (the “Company”) amended and restated its senior secured revolving credit facility among the Company, the lenders party thereto and ING Capital LLC, as administrative agent (as amended and restated, the “Amended Credit Agreement”). Among other things, the Amended Credit Agreement increases the size of the facility from \$200.0 million to \$255.0 million (with an “accordion” feature that permits the Company, under certain circumstances, to increase the size of the facility up to \$400 million), extends the period during which the Company may make draws on the facility from expiring on December 14, 2019 to expiring on March 1, 2023, extends the final maturity date from December 14, 2020 to March 1, 2024, lowers the interest rate margins (a) for LIBOR loans (which may be 1-, 3- or 6-month, at the Company’s option), from 2.75% to 2.375% and (b) for alternate base rate loans, from 1.75% to 1.375%, reduced the asset coverage covenant from 2.1 to 1 to 1.5 to 1, replaced the consolidated interest coverage ratio with a minimum senior debt coverage ratio of 2 to 1 (in addition to the asset coverage ratio noted above), and increased the advance rate against certain types of assets in the Company’s portfolio.

The facility continues to be secured by substantially all of the Company’s assets (excluding, among other things, investments held in and by certain subsidiaries of the Company). The Amended Credit Agreement and related agreements governing the facility required the Company to, among other things, (i) make representations and warranties regarding the collateral as well as the Company’s business and operations, (ii) agree to certain indemnification obligations, and (iii) agree to comply with various affirmative and negative covenants, reporting requirements and other customary requirements for similar revolving credit facilities, including the covenants noted above and covenants related to: (A) limitations on the incurrence of additional indebtedness and liens, (B) limitations on certain investments, (C) limitations on certain asset transfers and restricted payments, (D) maintaining a minimum liquidity and net worth and (E) limitations on the creation or existence of agreements that prohibit liens on certain properties of the Company and certain of its subsidiaries. The Amended Credit Agreement and related documents also include usual and customary default provisions such as the failure to make timely payments under the facility, the occurrence of a change in control, and the failure by the Company to materially perform under the Amended Credit Agreement and related agreements governing the facility, which, if not complied with, could accelerate repayment under the facility, thereby materially and adversely affecting the Company’s liquidity, financial condition and results of operations.

In addition to the asset coverage and senior debt coverage ratios described above, borrowings under the Amended Credit Agreement (and the incurrence of certain other permitted debt) will continue to be subject to compliance with a borrowing base that will apply different advance rates to different types of assets in the Company’s portfolio.

Borrowings under the Amended Credit Agreement will continue to be subject to the facility’s various covenants and the leverage restrictions contained in the Investment Company Act of 1940, as amended.

The description above is only a summary of the material provisions of the Amended Credit Agreement and is qualified in its entirety by reference to a copy of the Amended Credit Agreement, which is filed as Exhibit 10.1 to this current report on Form 8-K and incorporated by reference herein.

**ITEM 2.02. Results of Operations and Financial Condition.**

On March 5, 2019, Monroe Capital Corporation (the “Company”) issued a press release announcing the Company’s financial results for the fourth quarter and full year ended December 31, 2018. A copy of the press release is furnished as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated herein by reference.

The information disclosed under this Item 2.02, including Exhibit 99.1 hereto, is being furnished and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and shall not be deemed incorporated by reference into any filing made under the Securities Act of 1933, as amended, except as expressly set forth by specific reference in such filing.

**ITEM 2.03. Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.**

The information set forth under Item 1.01 of this current report on Form 8-K is hereby incorporated into this Item 2.03 by reference.

**ITEM 7.01. Regulation FD Disclosure.**

On March 5, 2019, the Company issued a press release, filed herewith as Exhibit 99.1, announcing the declaration of a first quarter distribution of \$0.35 per share, payable on March 29, 2019 to stockholders of record as of March 15, 2019.

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

**ITEM 9.01. Financial Statements and Exhibits.**

10.1 Second Amended and Restated Senior Secured Revolving Credit Agreement among the Company, as borrower, the Lenders party thereto, and ING Capital LLC, as Administrative Agent, dated March 1, 2019.

99.1 Press Release, dated March 5, 2019

**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.

**MONROE  
CAPITAL  
CORPORATION**

By: /s/ Aaron D. Peck  
Name: Aaron D. Peck  
Title: Chief Financial  
Officer

Dated: March 5, 2019