

ANNEX ONE

INTRODUCTION

A [This supplement (the "Supplement") supplements and amends the proxy statement dated September 3, 2015 (the "Proxy Statement") related to the Special Meeting of Stockholders (the "Special Meeting") of TICC Capital Corp. ("TICC" or the "Company") to vote on, among other proposals, the approval of a new investment advisory agreement between TICC Management, LLC (the "Adviser") and the Company and the election of six director nominees named in the Proxy Statement, both of which are subject to and will be effective upon the closing of the transaction (the "Transaction") between the Adviser and an affiliate of Benefit Street Partners L.L.C. ("BSP"). Except as described below, the information provided in the Proxy Statement continues to apply. Capitalized terms used in this Supplement, but not otherwise defined herein, have the meanings ascribed to those terms in the Proxy Statement. To the extent information below differs from, updates or conflicts with the information contained in the Proxy Statement, the information below is the more current information and supersedes the information in the Proxy Statement. The Company urges you to carefully read the Supplement and the Proxy Statement in their entirety.] A

BACKGROUND

On October 7, 2015, NexPoint Advisers, L.P. ("NexPoint") brought suit in the United States District Court for the District of Connecticut (the "Court") against the Company, the Company's Board of Directors (the "Board of Directors" or the "Board") and the Company's President. NexPoint's complaint alleged that the defendants violated Section 14(a) of the Securities Exchange Act of 1934, breached the fiduciary duty of candor under Maryland law, and breached the Company's Bylaws by failing to recognize NexPoint's director nominees. NexPoint sought (i) a temporary restraining order prohibiting the Company from canceling or rescheduling its October 27, 2015 Special Meeting or altering the size or composition of the Board of Directors, and (ii) a preliminary injunction requiring the Company to issue additional disclosures and recognize NexPoint's six director nominees. On October 8, 2015, the Court issued a temporary restraining order pending a hearing on NexPoint's preliminary injunction motion, which was held on October 16, 2015.

On October 23, 2015, the Court denied NexPoint's preliminary injunction motion insofar as it sought to require the Company to recognize NexPoint's director nominees, and granted it in part with respect to certain of NexPoint's disclosure claims. The Court ordered (the "Order") the Company to correct certain statements made in prior proxy materials and provide certain additional disclosures. The Order set a schedule for the defendants to file a draft of corrective proxy materials with the Court, for NexPoint to state its agreement or any objections to those proposed disclosures, and for the Court to resolve any disputes and then set (a) a date by which defendants must file and mail to the Company's stockholders the finalized corrective proxy materials, and (b) the earliest date on which the Company may hold the Special Meeting.

The full text of the Order appears in Annex A to this Supplement. On October 27, 2015, to comply with the Order, defendants filed the proposed corrective disclosures set forth below (the "Proposed Proxy Statement Supplement") with the Court and applied to the Court for the ability to set the date of the Special Meeting during the week of November 16, 2015. **Pursuant to the Order, NexPoint will have an opportunity to review the Proposed Proxy Statement Supplement, and the Court may order additional or different disclosures prior to the finalization of the Proposed Proxy Statement Supplement. After the Court has completed its review, the Company intends to file and mail to the Company's stockholders a finalized Proxy Statement Supplement.**

Additionally, as previously disclosed, the Company has postponed the October 27, 2015 meeting in accordance with the Order and will announce a date for a rescheduled meeting as soon as the Court permits.

PROPOSED PROXY STATEMENT SUPPLEMENT

This Proxy Statement Supplement is being issued to comply with an order (the "Order") of the United States District Court for the District of Connecticut, which was issued after a hearing on a motion for preliminary injunction by NexPoint Advisers, L.P. ("NexPoint"). As required by the Order, the section of the Proxy Statement entitled "Significant Conflicts of Interests of Our Directors and Officers in the Transaction" is amended and supplemented as detailed below in order to specify the monetary benefit to be received by

Messrs. Cohen, Royce and Rosenthal upon the closing of the transaction with BSP. The Court found that Item 22 of Schedule 14A requires such disclosure.

The first bullet in the section is amended and restated as follows:

Messrs. Cohen, Rosenthal and Royce, or their respective affiliates (collectively, the “Sellers”) own and/or control all of the issued and outstanding limited liability company membership interests of the Adviser and have entered into a purchase agreement with an affiliate of BSP (the “BSP Affiliate”) pursuant to which the BSP Affiliate will acquire control of the Adviser (the “Purchase Agreement”). Pursuant to the Purchase Agreement, if the New Advisory Agreement is approved by the Company’s stockholders and certain other conditions are satisfied, including the election of certain independent directors to fill vacancies on the Board of Directors to be created at the closing of the Transaction and the other conditions described in the Proxy Statement, the BSP Affiliate will acquire 100% of the membership interests in the Adviser and manage the Adviser. BSP will be the managing member of the BSP Affiliate.

Pursuant to the Purchase Agreement, at the closing of the Transaction, the Sellers will receive, in exchange for their ownership interests in the Adviser, (i) a 24.9% economic interest in the BSP Affiliate and (ii) the potential for a cash distribution of up to \$10 million. The BSP Affiliate was solely formed to acquire the membership interests of the Adviser. The Sellers will have no management role or responsibilities in the Company or the Adviser and no voting rights on any matters relating to the Company. The Sellers will have consent rights with respect to affiliate transactions, the incurrence of additional indebtedness at the BSP Affiliate and certain additional business activities of the BSP Affiliate. After the closing of the Transaction, BSP will have the right, beginning on the second anniversary of the closing, to purchase the Sellers’ interests in the BSP Affiliate at fair market value.

The closing of the Transaction is contingent upon, among other things, the approval of the New Advisory Agreement by the Company’s stockholders and the election of independent directors to fill vacancies on the board to be created as of closing of the Transaction.

As required by the Order, the section of the Proxy Statement entitled “Board Consideration of the Approval of the New Advisory Agreement” is amended and supplemented as detailed below in order to further describe the Company’s interaction with NexPoint with respect to the Company’s Board’s evaluation of NexPoint’s proposal, clarify that the Special Committee did not engage with or negotiate with NexPoint and detail when the Special Committee hired its financial and legal advisers. The Court found that certain of the Company’s prior disclosures, specified below, incorrectly stated that the Special Committee engaged with NexPoint concerning its proposed transaction and incorrectly implied that the Special Committee was being advised by Wachtell Lipton and Morgan Stanley at the time it initially reviewed NexPoint’s proposed transaction.

The third to fifth paragraphs on page 24 of the Proxy Statement are amended and restated as follows:

On August 7, 2015, subsequent to the public announcement of the terms of the New Advisory Agreement, representatives of NexPoint Advisors, L.P. (“NexPoint”) contacted counsel to the Company, Sutherland Asbill & Brennan LLP, and indicated that NexPoint would be submitting an unsolicited proposal to the Board to become the Company’s investment adviser.

On August 11, 2015, NexPoint delivered to the Board a proposal to act as the Company’s new investment adviser. The proposal stated that NexPoint intended to maintain the Company’s existing investment strategy and that NexPoint’s core competencies were within the existing investment strategy. NexPoint also proposed to reduce TICC’s existing base management fee by 50% for a period of three years and, in addition, to waive the first \$5 million of the base management fee. NexPoint also indicated that it intended to purchase \$10 million of the Company’s common stock in one or more open-market purchases following the approval of a new investment advisory agreement with NexPoint by the Board and the Company’s stockholders.

Upon receiving the proposal, the Board of Directors formed a special committee (the “Special Committee” or the “Committee”), comprised of the Company’s three non-interested directors (the “Non-Interested Directors”), as such term is defined in the Investment Company Act of 1940, as amended (the “1940 Act”). Mr. Steven P. Novak was

selected as the chairman of the Special Committee in light of his nearly 40 years of experience in the investment management industry, including founding Palladio Capital Management, founding Unterberg Harris Capital Management, serving as Director of Research at C. E. Unterberg, Towbin, and serving in senior investment officer or senior portfolio manager roles at Sanford C. Bernstein & Company, Inc., Harris Bankcorp and Forstmann Leff Associates. The Board also determined that Mr. Novak's prior experience as the chairman of the board or as a director at multiple companies, as well as chair of certain of these companies' audit committees, further qualified him to serve as the Chairman of the Special Committee, as did the fact that he is a Chartered Financial Analyst. The other members of the Special Committee, Mr. G. Peter O'Brien and Ms. Tonia Pankopf, also each have extensive experience in the investment industry. The Special Committee was initially advised by Blank Rome LLP, which serves as the independent counsel to the Non-Interested Directors of the Company's Board of Directors.

On August 17, 2015, the Special Committee met to discuss NexPoint's indication of interest with counsel. The Special Committee discussed the SEC enforcement action against Highland Capital Management, L.P. ("Highland"), an affiliate of NexPoint, which was made public in 2014, and expressed concerns regarding the involvement of Highland principals in the management of the Company. The Special Committee also expressed concerns about the performance history of Highland Distressed Opportunities, Inc., a business development company ("BDC") sponsored by Highland, which was ultimately merged into an affiliated fund. After extensive discussion, the Special Committee determined that it would be advisable to obtain additional information regarding NexPoint's investment advisory business in order to more fully evaluate the NexPoint proposal. The Special Committee subsequently directed counsel to distribute to NexPoint's representatives a request for information regarding its investment advisory business, similar to the information that the Board of Directors would consider in its evaluation of an investment advisory agreement under Section 15(c) of the 1940 Act. The questionnaire asked questions regarding, among other items, NexPoint's investment decision-making process, personnel and methods of investment analysis, NexPoint's investment performance and asset allocation, the terms of the proposed advisory agreement, the compensation of NexPoint under the proposal, the financial condition and stability of NexPoint and possible conflicts.

At a meeting on August 25, 2015, the Special Committee, assisted by Blank Rome LLP, reviewed NexPoint's responses. In its review, the Special Committee took into consideration the fact that the responses (1) did not contain details the Special Committee had requested pertaining to the historic asset allocation of funds managed by NexPoint and (2) indicated that NexPoint would continue to maintain the Company's current investment strategy and exposure to collateralized loan obligation vehicles ("CLOs"). The Special Committee discussed that NexPoint's strategic commitment to CLOs was inconsistent with the Board of Directors' desire to transition the portfolio over time into self-originated middle-market loans and to gradually reduce the Company's exposure to CLOs. The Board of Directors had previously considered a decision to gradually steer the Company away from CLO investments and return to middle-market lending based on stockholder feedback. The Special Committee also considered NexPoint's lack of loan origination capabilities comparable to BSP's origination platform and experience. After discussing the materials and these concerns, the Special Committee determined that it would be advisable to obtain additional information from NexPoint regarding its investment professionals and investment allocations and directed Blank Rome LLP, as independent counsel to the Special Committee, to request additional information from NexPoint's representatives to address these follow-up questions.

On August 27, 2015, NexPoint's representatives responded to these follow-up questions and also proposed a phone call between its representatives and the Special Committee to address any questions or concerns. In its response, NexPoint also indicated a willingness to further extend its proposed 50% reduction in the base management fee under a new investment advisory agreement for an additional year.

On August 27 and 28, 2015, the Special Committee reviewed the responses NexPoint provided, including data showing that the asset allocation in the NexPoint Credit Strategies Fund (the "Fund") (which NexPoint had indicated was most analogous to the Company), included distressed debt, asset backed securities (including CLOs) and equities, with exposure to structured products ranging from 25 to 27% and equities ranging from 25% to 50% of the Fund in any given quarter over the prior ten quarters. The Special Committee recognized that although the Fund had a good performance record, the Special Committee believed its performance record has been generated based on a strategy significantly weighted to equities, a strategy that is not typical for a BDC. As a result, the Special Committee believed that the Fund's performance record was of limited use in comparing NexPoint's track record against that of BSP. The Special Committee also noted that the data provided by NexPoint revealed that NexPoint's re-

search effort was roughly equally divided between equity analysts and credit analysts, which is also not typical of a BDC.

Based on these deliberations, the Special Committee believed that the Company and its stockholders would be better served by BSP, which the Special Committee viewed as having a superior strategy, reputation, institutional relationships, track record, investment skills and the quality of its management team relative to NexPoint. Specifically, the Special Committee noted that BSP's expertise in credit origination and investment, BSP's philosophy of management, historical performance and methods of operation and the education and experience of BSP's large team of investment and research professionals could provide significant advantages to the Company in its strategic transition away from investing in CLOs. As a result of such deliberations, the Special Committee determined that BSP would be a better investment adviser for the Company, notwithstanding the proposed NexPoint fee structure, and continued to support its recommendation to the Company's stockholders to approve the New Advisory Agreement. In light of this determination, the Special Committee determined that a meeting with NexPoint would not be productive and decided not to engage with NexPoint in negotiations regarding its proposed investment advisory agreement. Notwithstanding such determination, the Special Committee requested that the Company's management seek to obtain more favorable terms from BSP with respect to the New Advisory Agreement.

On September 1, 2015, NexPoint further extended its proposed 50% reduction in the base management fee under a new investment advisory agreement for an additional year and provided an additional \$20 million of fee concessions or share purchases.

On September 2, 2015, The Company's management engaged in further discussions with BSP consistent with the Special Committee's directive, and BSP agreed to permanently lower the base management fee payable under the New Advisory Agreement to an annual rate of 1.50% of the Company's gross assets from an annual rate of 2.00% of the Company's gross assets. Also, various members and affiliates of BSP and the Adviser agreed to purchase a minimum of \$20 million of the Company's common stock within 12 months after the closing of the Transaction. The Special Committee reviewed both revised proposal and determined that NexPoint's proposed lower management fee did not address the Special Committee's concerns regarding NexPoint's suitability as the Company's investment adviser. The Special Committee determined to continue to recommend the New Advisory Agreement to the Company's Board of Directors and stockholders. The Board of Directors subsequently determined that the New Advisory Agreement continued to be in the best interests of the Company and its stockholders.

E [THE TRUE FACTS ARE THAT ON
September 22, 2015, the Special Committee retained Wachtell, Lipton, Rosen & Katz ("Wachtell Lipton") as its legal adviser and on September 24, 2015, the Special Committee retained Morgan Stanley & Co. LLC ("Morgan Stanley") as its financial adviser, neither of whom advised the Special Committee during the prior evaluation of NexPoint's proposal. **E**

On September 28, 2015, the Special Committee met with Morgan Stanley and Wachtell Lipton to review again the New Advisory Agreement and the proposal from NexPoint. The Special Committee, with the aid of its legal and financial advisers, discussed the alternatives facing the Company and their respective advantages or disadvantages. After careful consideration and with the concurrence of its financial and legal advisers, the Special Committee resolved to continue to recommend the New Advisory Agreement to the Company's Board of Directors and stockholders.

On October 2, 2015, the Company filed a letter to stockholders recommending that they vote in favor of the BSP transaction, which responded to several assertions made by TSLX and NexPoint and disagreed with the assertion that "TICC didn't engage with TSLX or NexPoint." As noted by the Court, notwithstanding the statements in this presentation, the Special Committee did not engage with NexPoint.

On October 5, 2015, the Company filed a presentation outlining the alternatives facing the Company and its stockholders. As noted by the Court, notwithstanding the statements in this presentation, the Special Committee was not advised by Wachtell Lipton or Morgan Stanley during its initial review of the NexPoint proposal nor did the Special Committee engage with NexPoint regarding its proposal, other than the written and telephonic communications, through counsel, and requests for information noted above in this supplemental disclosure.

Subsequently, on October 7, 2015, BSP announced its intention to support a tender offer or share repurchase program of between \$50 million and \$100 million, with the tender offer to be funded by BSP, if the New Advisory Agreement is approved by the Company's stockholders.

On October 8, 2015, the Company published a letter to stockholders with the statement that "[t]he proposals from [TPG Specialty Lending, Inc.] and NexPoint were carefully reviewed by the Special Committee who is advised by Morgan Stanley." As noted by the Court, notwithstanding the statements in this press release, the Special Committee was not advised by Wachtell Lipton or Morgan Stanley during its initial review of the NexPoint proposal.

On October 8, 2015, NexPoint commenced litigation in the United States District Court for the District of Connecticut against the Company, the Board, and the President of the Company. NexPoint subsequently revised its proposal to include support for a tender offer or share repurchase program of between \$50 million and \$100 million in the event that the Board of Directors and the Company's stockholders approve a new advisory agreement with NexPoint. As the revision did not address the concerns of the Special Committee regarding NexPoint's suitability to be the Company's investment adviser, the Special Committee determined, with the aid of Wachtell Lipton and Morgan Stanley, to continue to support the New Advisory Agreement and not to engage in negotiations with NexPoint.

On October 9, 2015, the Company filed an Investor Presentation detailing the review conducted by the Special Committee and the Board of Directors on the possible alternatives. As noted by the Court, notwithstanding the statements in this presentation, the Special Committee was not advised by Wachtell Lipton or Morgan Stanley during its initial review of the NexPoint proposal nor did the Special Committee engage with NexPoint regarding its proposal, other than the written and telephonic communications, through counsel, and requests for information noted above in this supplemental disclosure.