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MICHAEL.HOFFMAN@SKADDEN.COM
KENNETH.BURDON@SKADDEN.COM

June 23, 2020

VIA ELECTRONIC MAIL (IMshareholderproposals@sec.gov)

U.S. Securities and Exchange Commission
Office of the Chief Counsel
Division of Investment Management
100 F Street, N.E.
Washington, D.C. 20549

RE: Prospect Capital Corporation
Securities and Exchange Act of 1934 – Rule 14a-8
Omission of Stockholder Proposal Purported to be Submitted by
Michelle H. Bronsted

Ladies and Gentlemen:

We are writing on behalf of Prospect Capital Corporation (the "Company"), pursuant to Rule 14a-8(j) promulgated under the Securities Exchange Act of 1934 (the "Exchange Act"), to request that the staff (the "Staff") of the Securities and Exchange Commission (the "Commission") concur with the Company's view that, for the reasons stated below, the stockholder proposal and supporting statement (collectively, the "Proposal") purported to be from Michelle H. Bronsted (the "Nominal Proponent"), but actually from Nominal Proponent's father, may be properly omitted from the proxy materials (the "Proxy Materials") to be distributed by the Company in connection with its 2020 annual meeting of stockholders (the "Annual Meeting").

In accordance with Staff Legal Bulletin No. 14D (Nov. 7, 2008), this letter and its attachments are being emailed to imshareholderproposals@sec.gov. In accordance with Rule 14a-8(j)(1), a copy of this letter and its attachments are being sent simultaneously to the Nominal Proponent. We take this opportunity to inform the Nominal Proponent that if the Nominal Proponent elects to submit correspondence to the Commission or the Staff with respect to the Proposal or this letter, a copy of that correspondence should be furnished concurrently to the undersigned on behalf of the Company pursuant to Rule 14a-8(k) and Staff Legal Bulletin No. 14D. We request that such copy be emailed to us at michael.hoffman@skadden.com and kenneth.burdon@skadden.com.

The Company advises that it intends to begin distribution of its definitive Proxy Materials on or after September 11, 2020. Accordingly, pursuant to Rule 14a-8(j), this letter is being submitted not less than 80 days before the Company currently intends to file its definitive Proxy Materials with the Commission.

BACKGROUND

On May 13, 2020, the Company received a proposal purported to be from the Nominal Proponent, which was accompanied by a cover letter purported to be from the Nominal Proponent and a letter from [REDACTED] (collectively, the "Submission"). A copy of the Submission is attached hereto as Exhibit A. In accordance with Rule 14a-8(f)(1), on May 26, 2020, the Company sent a letter to the Nominal Proponent, pointing out certain deficiencies with the Submission (the "Deficiency Letter"). As suggested in Section G.3 of Staff Legal Bulletin No. 14 (July 13, 2001) ("SLB No. 14"), the Deficiency Letter included a copy of Rule 14a-8. The Deficiency Letter notified the Nominal Proponent that pursuant to Rule 14a-8(c), the Nominal Proponent may submit no more than one proposal for a particular annual meeting. The Company also noted (a) its receipt of a letter and a Rule 14a-8 shareholder proposal, dated May 8, 2020, from an individual who has represented to the Company to be the Nominal Proponent's father, Mark S. Cane, and (b) that based on the manner in which the proposals were submitted and other information available to the Company, the Company believes that Mr. Cane has (i) authored his proposals and the proposal of the Nominal Proponent and (ii) arranged for these proposals to be submitted to the Company, and is intending and authorized to direct the manner in which the Nominal Proponent's family members will vote at the Annual Meeting, in violation of Rule 14a-8(c). A copy of the proposal and related correspondence submitted by Mr. Cane is attached hereto as Exhibit B. The Company requested that the Nominal Proponent correct these deficiencies and provide appropriate documentation by mail or electronic transmission to the Company no later than 14 calendar days after the date the Nominal Proponent received the Deficiency Letter. A copy of the Deficiency Letter is attached hereto as Exhibit C.

In response to the Deficiency Letter, the Company received a letter dated June 2, 2020 from the Nominal Proponent on June 5, 2020, in which the Nominal Proponent declined to reduce the number of proposals in order to satisfy Rule 14a-8(c)'s one proposal limitation. A copy of the June 5, 2020 letter is attached hereto as Exhibit D. The Company also received a response from Mr. Cane on June 4, 2020, a copy of which is attached hereto as Exhibit E.

PROPOSAL

The text of the resolution contained in the Proposal is set forth below:

Resolution - In order to improve director accountability to shareholders and help make Prospect Capital comparable with general industry standards regarding board terms, shareholders request our Board of Directors to adopt as a policy, and take the steps necessary, to amend our governing documents, to repeal / eliminate the "qualified" or "staggered" board, and establish annual elections for all directors following the board election of 2020.

BASES FOR EXCLUSION

The Company believes that the Proposal should be properly excluded from the Proxy Materials pursuant to:

- Rule 14a-8(i)(8) because the Proposal would improperly remove a director from office before his term expired and could otherwise affect the outcome of the election of directors at the Annual Meeting; and
- Rule 14a-8(c) because the Nominal Proponent has submitted more than one shareholder proposal.

ANALYSIS

1. The Company may exclude the Proposal pursuant to Rule 14a-8(i)(8) because the Proposal would improperly remove a director from office before his term expires and could otherwise affect the outcome of the election of directors at the Annual Meeting.

Rule 14a-8(i)(8) permits the exclusion of a proposal that "would remove a director from office before his or her term expired" or that "[o]therwise could affect the outcome of the upcoming election of directors." The Commission has stated that the "principal purpose of [Rule 14a-8(i)(8)] is to make clear, with respect to corporate elections, that Rule 14a-8 is not the proper means for conducting campaigns or effecting reforms in elections of that nature, since other proxy rules, including Rule 14a-11, are applicable thereto." Exchange Act Release No. 34-12598 (July 7, 1976). [Emphasis added.] Pursuant to Article IV, Section 4.1 of the Company's Articles of Amendment and Restatement, the board is divided into three classes, with approximately one third of the board being elected annually for three-year terms. Of the Company's five continuing directorships, one director will stand for election at the Annual Meeting, two in 2021, and two in 2022. The Proposal contemplates that the full board should be elected at each annual meeting and makes no attempt to indicate whether the implementation of the Proposal would be effective with respect to the director election at the Annual Meeting or with respect to director elections at the 2021 and subsequent annual meetings. If the Proposal

were put into effect, four of the current directors would be disqualified from completing terms for which they have already been elected. The Proposal would also create uncertainty regarding the term of the director elected to the board at the Annual Meeting and may similarly disqualify this director from completing his full term.

The Staff has previously concurred that a proposal to declassify a board of directors is excludable if it might disqualify directors previously elected from completing their terms on the board or might disqualify nominees for directors at the upcoming annual meeting. See, e.g., Tekla Life Sciences Investors (Feb. 27, 2019); Illumina, Inc. (Feb. 1, 2018); Simpson Manufacturing Co., Inc. (Jan. 25, 2017); NeuStar, Inc. (Mar. 19, 2014).

The Nominal Proponent has made no attempt to provide for the protection of the terms of directors already elected and the Nominal Proponent has also made no attempt to provide for the protection of, or to clarify the impact of the Proposal on, the term of the director to be elected at the Annual Meeting. Accordingly, the Proposal, if adopted, would disqualify certain current directors and the director nominee elected at the Annual Meeting from completing their terms on the board in contravention of Rule 14a-8(i)(8). Accordingly, we respectfully request the Staff's concurrence with the Company's view that the Proposal is properly excludable from the Proxy Materials pursuant to Rule 14a-8(i)(8).

2. The Company may exclude the Proposal pursuant to Rule 14a-8(c) because the Nominal Proponent has submitted more than one shareholder proposal.

Rule 14a-8(c) provides that "[e]ach shareholder may submit no more than one proposal to a company for a particular shareholders' meeting." When first adopting a limit on the number of proposals a shareholder may submit under Rule 14a-8, the Commission noted that proponents "have exceeded the bounds of reasonableness [] by submitting excessive numbers of proposals" and explained that "[s]uch practices are inappropriate under Rule 14a-8 not only because they constitute an unreasonable exercise of the right to submit proposals at the expense of other shareholders but also because they tend to obscure other material matters in the proxy statements of issuers, thereby reducing the effectiveness of such documents." Adoption of Amendments Relating to Proposals by Security Holders, Exchange Act Release No. 34-12999 (Nov. 22, 1976). The Commission recently expressed a similar concern regarding continued abuse of Rule 14a-8(c) by shareholders. On November 5, 2019, the Commission proposed amendments to Rule 14a-8, which, among other things, would provide that each "person," rather than "each shareholder," may submit no more than one proposal, directly or indirectly, for the same shareholder meeting. In proposing that Rule 14a-8(c) applies to "each person" rather than "each shareholder," the Commission stated:

In our view, a shareholder submitting one proposal personally and additional proposals as a representative for consideration at the same meeting, or submitting multiple proposals as a representative at the same meeting, **would constitute an unreasonable exercise of the right to submit proposals at the expense of other shareholders** and also may tend to obscure other material matters in the proxy

statement. We believe this amendment to the rule text would more consistently apply the one-proposal limit to shareholders and representatives of shareholders. [Emphasis added.]

Procedural Requirements and Resubmission Thresholds under Exchange Act Rule 14a-8, Exchange Act Release No. 34-87458 (Nov. 5, 2019) (the "2019 Release").

The Staff has interpreted Rule 14a-8(c) and its predecessor to permit the exclusion of multiple proposals when the facts and circumstances show that nominal proponents "are acting on behalf of, under the control of, or as the alter ego of the proponent." See BankAmerica Corp. (Feb. 8, 1996); Weyerhaeuser Co. (Dec. 20, 1995); First Union Real Estate (Winthrop) (Dec. 20, 1995); Stone & Webster Inc. (Mar. 3, 1995); Banc One Corp. (Feb. 2, 1993). Moreover, the Staff has noted on several occasions that "the one proposal limitation applies in those instances where a person (or entity) attempts to avoid the one proposal limitation through maneuvers, such as having persons they control submit a proposal." See American Power Conversion Corp. (Mar. 27, 1996); Consolidated Freightways, Inc. (Feb. 23, 1994). In First Union Real Estate (Winthrop), the Staff concurred with the exclusion of three proposals, stating that "the nominal proponents are acting on behalf of, under the control of, or alter ego of a collective group headed by [a representative of the group]." The Staff has permitted companies to use circumstantial evidence to satisfy their burden of demonstrating that nominal proponents are the alter ego of a single proponent. In General Motors Corp. (May 3, 1985), the Staff stated:

[P]lease note that Rule 14a-8 does not prohibit members of the same family who separately own securities in the same company from independently submitting shareholder proposals to that company. However, in instances where it appears that one family member may have been the author of another's proposal and may exercise some influence over the voting of that other family member's shares, this Division, consistent with the language and intent of Rule 14a-8(a)(4) and the Division's interpretive function in administering the rule, has consistently found the first family member to be the proponent of both proposals for purposes of Rule 14a-8(a)(4).

The Staff in numerous instances has concurred that the one proposal limitation under Rule 14a-8(c) applies when multiple proposals were submitted under the name of nominal proponents serving as the alter egos or under the control of a single proponent and the actual proponent explicitly conceded that it controlled the nominal proponents' proposals. See Banc One Corp. (Feb. 2, 1993) (proposals submitted by proponent and two nominal proponents but the proponent stated in a letter to the company that he had recruited and "arranged for other qualified shareholders to serve as proponents of three shareholder proposals which we intend to lay before the 1993 Annual Meeting"); Occidental Petroleum (Mar. 22, 1983) (permitting exclusion under the predecessor to Rule 14a-8(c) where the proponent admitted to the company's counsel that he had written all of the proposals and solicited nominal proponents).

The Staff has also permitted the exclusion of shareholder proposals in cases where a shareholder who is unfamiliar with Rule 14a-8(c)'s one proposal limitation has submitted multiple proposals and, upon being informed of the one proposal limitation, has had family members, friends or other associates submit the same or similar proposals. See, e.g., General Electric Co. (Jan. 9, 2008) (concurring with the omission of two proposals initially submitted by one proponent and, following notice of the one proposal rule, resubmitted by the proponent's two daughters, where (on behalf of the two stockholders) the initial proponent handled all of the correspondence with the company and the Staff regarding the proposals and the initial and resubmitted proposals and supporting statements were identical in substance and format); Staten Island Bancorp, Inc. (Feb. 27, 2002) (concurring in the exclusion under Rule 14a-8(c) of five stockholder proposals, all of which were initially submitted by one proponent, and when notified of the one proposal limitation, the proponent, a daughter, close friends and neighbors resubmitted similar and in some cases identical proposals).

The facts and circumstances surrounding the proposals clearly demonstrate that the Nominal Proponent is a nominal proponent for Mr. Cane, who performed and continues to perform all or substantially all of the work creating, submitting and supporting the proposals and accordingly is the obvious driving force behind the proposals. As an initial matter, long before the Nominal Proponent's purported submission of a proposal to the Company, the Company had only been in communication with Mr. Cane, who had been sending numerous emails to, and demanding individualized attention from, the Company, advocating various initiatives similar to the group proposals now being advanced by the Nominal Proponent and Mr. Cane. (By contrast, the Company had zero communications with the Nominal Proponent prior to the Submission.) For example, based on the Company's prior communications with Mr. Cane, he sent a brainstorming email and white paper to an independent director of the Company on May 9, 2020 prior to his submission of the proposals. Mr. Cane's email stated that the forthcoming proposals, including the very proposal at issue here to de-stagger the Company's board, "are all consistent with possible actions **I articulated** in the white paper." [Emphasis added.] Accordingly, it is clear that the genesis of the proposals submitted by the Nominal Proponent and Mr. Cane all came from Mr. Cane based on views that he (but not the Nominal Proponent) has held and espoused to the Company before. Mr. Cane's email even notes that the Nominal Proponent "would probably defer to me." There are numerous other factors that suggest that the Nominal Proponent and Mr. Cane are acting as a group under the direction of Mr. Cane and should therefore be treated as one proponent, including the following:

- The initial submissions appear to be submitted by the same individual and the cover letters by the Nominal Proponent and Mr. Cane are substantially identical in format, style and substance:
 - Envelope: The Submission of the Nominal Proponent appears to have been placed in an envelope that is identical to the type used by Mr. Cane. The handwriting on the Nominal Proponent's envelope is identical to that on Mr. Cane's envelope, and the submissions of Mr. Cane and the Nominal Proponent were sent from the same address.

- Cover Letter: The typeset on the submissions appears identical and to have been prepared using the same word processor. The cover letters are also written using substantially similar language and style, including:
 - The placement of the letterhead, date and address is identical in both letters, and both letters begin with "Dear Ms. Secretary:".
 - Other than disclosure regarding share ownership information and the inclusion of the specific shareholder resolution, the syntax used in the letters is substantially identical. For example, the first paragraphs of the letters are substantially identical, with the exception of three words ("with the intent" appears in Mr. Cane's letter, which does not appear in the Nominal Proponent's letter, and "I wish" appears in the Nominal Proponent's letter and not Mr. Cane's letter). Paragraphs 2, 3, 14-17 and 19 in Mr. Cane's letter are substantially similar to corresponding paragraphs in the Nominal Proponent's letter (i.e., paragraphs 2, 3, 11-15), other than changes in syntax to reflect the respective familial relationships.
- The letters indicate that Mr. Cane will be presenting both proposals at the meeting. His letter states: "I have also been asked by [my wife] Camilla C. Cane and [my daughter, the Nominal Proponent] Michelle H. Bronsted to act as their proxies and represent them at the next Prospect Capital Corporation annual meeting. They have asked me [to] present shareholder resolutions I would support at that meeting." The Nominal Proponent's letter states: "I have asked Mark S. Cane to act as my proxy and represent me at the next Prospect Capital Corporation annual meeting. I have also asked him to present the attached shareholder resolution for me at that meeting." The joint efforts of Mr. Cane and the Nominal Proponent are precisely the types of shareholder abuse of Rule 14a-8(c) that the Commission identified in the 2019 Release. The Commission specifically stated in the 2019 Release that it believes "permitting representatives to submit multiple proposals for the same shareholders' meeting would undermine the purpose of the one-proposal limit."
- Not coincidentally, after the Company informed the Nominal Proponent and Mr. Cane that their submissions violated Rule 14a-8(c), subsequent correspondence from the Nominal Proponent and Mr. Cane were stylized differently, and the narrative of events has been conveniently reimagined to suggest that Mr. Cane is merely assisting the Nominal Proponent in navigating the Rule 14a-8 shareholder proposal process. Despite this attempt at revisionist history, the Nominal Proponent's own admissions in the Nominal Proponent's response letter dated June 2, 2020 continue to bear out the fact that the Nominal Proponent's purported

proposal has been submitted under the direction and influence of Mr. Cane, as reflected in the following statements:

- "I did receive assistance from Mr. Cane."
- "I asked him what sort of things he thought Prospect Capital should consider doing . . ."
- "[H]e shared research he had done on the company which helped me decide on a shareholder cause to advocate . . ."
- "I asked him to propose a format for me . . ."
- "I asked him to review my resolution and cover letter for me . . ."
- "I asked him to help me explain what I wanted to communicate and accomplish where I struggled getting my ideas on paper . . ."
- "I asked him to help me with [REDACTED] so that could get the information related to stock ownership I needed, and in the form I needed it."
- "I even asked him to address my package and mail it for me."

Given the much longer history of discussion and correspondence with Mr. Cane regarding the subject matter of his proposal and the Nominal Proponent's proposal, together with the manner in which the proposals were submitted and the Nominal Proponent's own statements, the Company cannot accept this reimagined narrative of events at face value and does not believe the Staff should accept it either.

In accordance with Rule 14a-8(f)(1), the Company duly notified the Nominal Proponent in the Deficiency Letter that Rule 14a-8(c) only permits a proponent to submit one proposal for a particular annual meeting. However, the Nominal Proponent and Mr. Cane declined to reduce the number of proposals to satisfy Rule 14a-8(c). Accordingly, we respectfully request the Staff's concurrence with the Company's view that the Proposal is excludable from the Proxy Materials because it, together with Mr. Cane's proposal, exceeds the one proposal limitation contained in Rule 14a-8(c).

* * *

CONCLUSION

Based upon the foregoing analysis, and without addressing or waiving any other possible grounds for exclusion, we respectfully request that the Staff concur that it will take no action if the Company excludes the Proposal from its Proxy Materials. Should the Staff disagree with the conclusions set forth in this letter, or should any additional information be desired in support of the Company's position, we would appreciate the opportunity to confer with the Staff concerning these matters prior to the issuance of the Staff's response.

Please do not hesitate to contact the undersigned at (212) 735-3406 (Mr. Hoffman) or (617) 573-4836 (Mr. Burdon).

Very truly yours,



Michael K. Hoffman



Kenneth E. Burdon

cc: Kristin Van Dask,
Prospect Capital Corporation

EXHIBIT A

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
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1. Article Addressed to:

CORPORATE SECRETARY
 C/O PROSPECT CAPITAL CORPORATION
 10 E. 40TH ST., 42ND FLOOR
 NEW YORK, NY 10016



9590 9402 4146 8092 1716 12

2. Article Number (Transfer from service label)

7019 1640 0000 3414 7432

PS Form 3811, July 2015 PSN 7530-02-000-9053

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A. Signature

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Agent

Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? Yes
If YES, enter delivery address below: No

3. Service Type

- Adult Signature
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- Certified Mail®
- Certified Mail Restricted Delivery
- Collect on Delivery
- Collect on Delivery Restricted Delivery
- Priority Mail Express®
- Registered Mail™
- Registered Mail Restricted Delivery
- Return Receipt for Merchandise
- Signature Confirmation™
- Signature Confirmation Restricted Delivery

Mail Restricted Delivery (30)

Domestic Return Receipt

MICHELLE KRASZTA

7019 1640 0000 3414 7432



CERTIFIED MAIL

CORPORATE SECRETARY
 C/O PROSPECT CAPITAL CORP.
 10 EAST 40TH ST., 42ND FLOOR
 NEW YORK, NY

10016



1000

10016

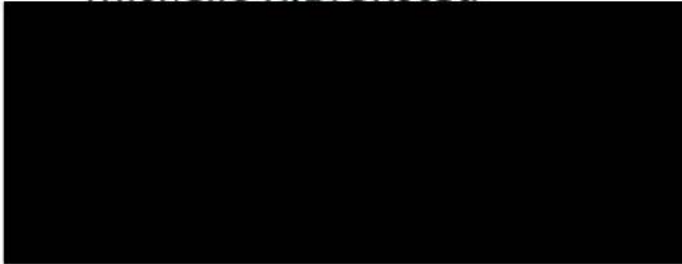
\$7.50

R2305K135689-05



PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT
OF THE RETURN ADDRESS. FOLD AT DOTTED LINE

Michelle H. Bronsted



May 8, 2020

Corporate Secretary
c/o Prospect Capital Corporation
10 East 40th Street, 42nd Floor
New York, NY 10016

Dear Ms. Secretary:

As a qualified shareholder, and in compliance with the conditions set forth in the Prospect Capital Corporation proxy statement and Prospect Capital Corporation's Corporate Bylaws, I am submitting the attached shareholder resolution with the intent for it to be included in Prospect Capital Corporation's proxy announcing the next Annual Shareholder's meeting which is expected to be held in December, 2020.

I have asked Mark S. Cane to act as my proxy and represent me at the next Prospect Capital Corporation annual meeting. I have also asked him to present the attached shareholder resolution for me at that meeting.


In addition, if Mark S. Cane were to nominate himself for election to the board of directors at this meeting, I would support his candidacy.

I am not an "interested person" of the Corporation, as defined by the Investment Act of 1940.

The attached shareholder resolution calls for the following action:

"In order to improve director accountability to shareholders and help make Prospect Capital comparable with general industry standards regarding board terms, shareholders request our Board of Directors to adopt as a policy, and take the steps necessary, to amend our governing documents, to repeal / eliminate the "qualified" or "staggered" board, and establish annual elections for all directors following the board election of 2020."

The reason this resolution is being proposed is because I believe if it were approved by fellow shareholders, and approved and implemented by the Prospect Capital Board, it will help attract new institutional and individual shareholders which can help improve the total financial returns Prospect Capital delivers to all shareholders.



See the attached page which details my purchase history as of March 31, 2020 for shares acquired between July 29, 2011 and February 25, 2020. The cost per share column has been adjusted to reflect the payment of dividends characterized as returns of capital when appropriate. I intend to hold these shares at least through the date of the 2020 Prospect Capital Annual Meeting of Shareholders.

I have also attached a proof of ownership and duration letter from [REDACTED] for my PSEC stock. I have not engaged in any of the activities outlined in Section 11 (3)(iii)(C) of Prospect Capital's Bylaws. My understanding is that Mark S. Cane and Camilla C. Cane, which whom I am associated, have not engaged in such activity either.

Bylaws Section 11(3)(iii)(D) does not apply to me either and to the best of my knowledge it does not apply to Mark S. Cane and Camilla C. Cane, with whom I am associated.

The address of Mark S. Cane and Camilla C. Cane, who are associated with me, is [REDACTED]
[REDACTED] They have told me that they will support my resolution. My understanding is that their investment strategy or objective with regard to Prospect Capital is to maximize total shareholder return through increased stock price and growing dividend income.

At this time I am unaware of any other Prospect Capital stock holders who are in support of my shareholder resolution.

Please let me know if you need additional information.

Sincerely,



Attachments

Shareholder resolution from Michelle Bronsted

"Article IV of Prospect Capital Corporation's Charter calls for three classes of directors who are elected for staggered three year terms. This is also referred to as a "classified" or "staggered" board.

Dr. Yaron Nili of the University of Wisconsin Law School has conducted extensive corporate governance research. In his paper, *The 'New Insiders': Rethinking Independent Directors' Tenure* (can be downloaded through either:

[Yaron Nili, *The 'New Insiders': Rethinking Independent Directors' Tenure*, 68 *Hastings Law Journal* 97 \(2016\)](#) or:

[Univ. of Wisconsin Legal Studies Research Paper No. 1390](#), he points out that, "*The board, in the context of agency concerns, has been expected to represent shareholders' interests' vis-à-vis management, curtailing management's ability to extract private benefits or act in a suboptimal way with respect to shareholder interests.*" (p. 104)

He adds, "*The board of directors is one of the core organs of the modern corporation. As such, it has been entrusted with several important roles in the governance of the corporation. First, the board is required to be an active participant in some of the more important managerial decisions such as mergers, stock issuance and change of company governance documents. Second the board is a resource for management to utilize for insight and networking. Third, the board is charged with a monitoring role, making sure that shareholder interests are fully served, in an effort to constrain the agency costs associated with a managerial centric corporation model.*" (p. 105)

In addition, "*Some shareholders try to challenge the ultimate discretion held by the board of directors and management by actively using their rights to create some form of checks and balances.* (P. 106) He specifies that among the barriers limiting shareholder intervention are "***the staggered board and poison pill and other legal barriers limiting shareholder involvement.***" (p. 107, emphasis added)

Dr. Nili pointed out that through the year 2015, "*The percentage of (S&P 500) boards serving one year terms has risen every year and currently stands at ninety-three percent, more than double what it was a decade ago (forty percent).*" (P. 113)

Support for the trend away from classified or staggered boards is further illustrated by the fact that, in its 2019 voting guidelines (p. 17), the influential institutional investor proxy advisory firm Institutional Shareholder Services (ISS) recommended that shareholders vote IN FAVOR of proposals to repeal classified boards. (<https://www.issgovernance.com/file/policy/latest/americas/US-Voting-Guidelines.pdf>.)

Resolution - In order to improve director accountability to shareholders and help make Prospect Capital comparable with general industry standards regarding board terms, shareholders request our Board of Directors to adopt as a policy, and take the steps necessary, to amend our governing documents, to repeal / eliminate the "qualified" or "staggered" board, and establish annual elections for all directors following the board election of 2020.

Please vote YES":

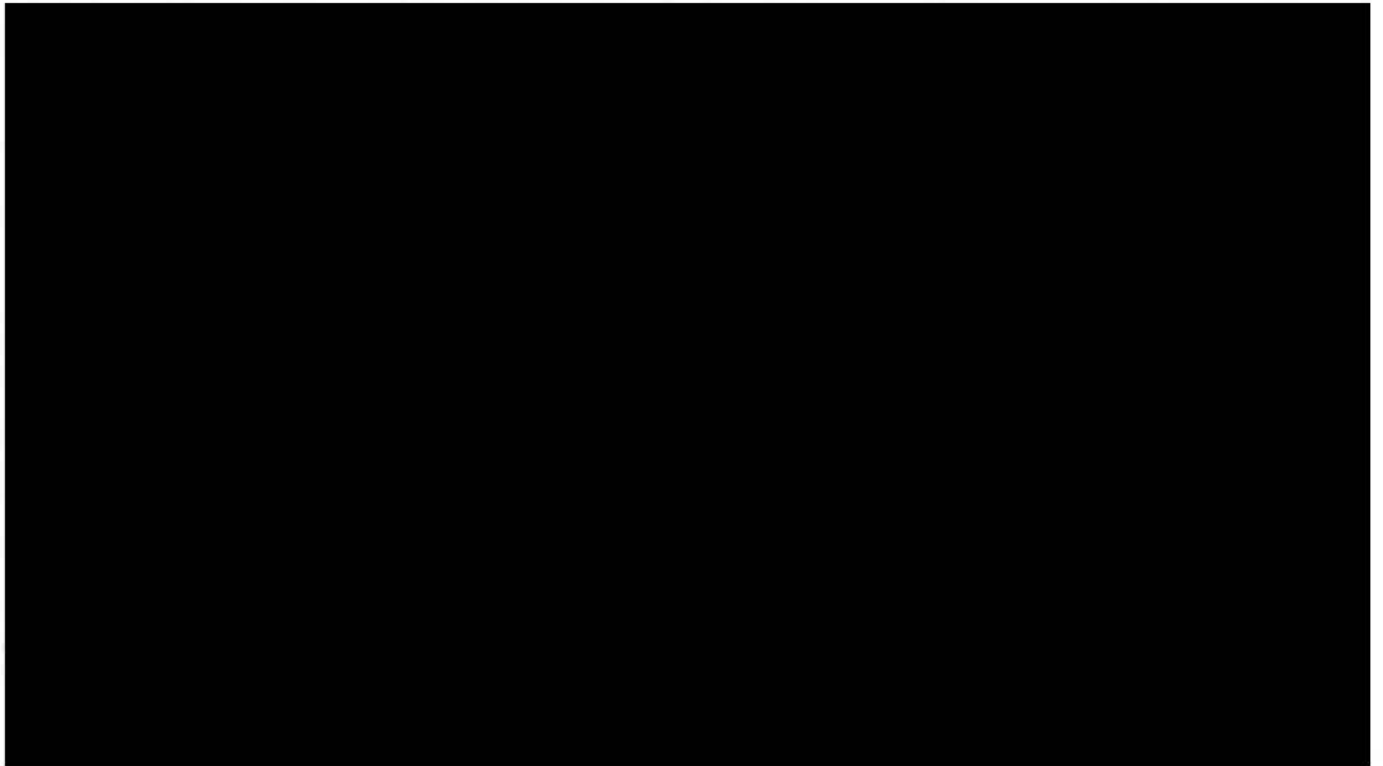


May 8, 2020

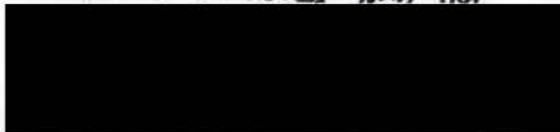
Corporate Secretary
c/o Prospect Capital Corporation
10 East 40th Street, 42nd Floor
New York, NY 10016

Re: Confirmation of Share Ownership

Dear Ms. Secretary:



MICHAELS BRONSTEIN ROTH IRA



PSEC	PROSPECT CAPITAL CORP	1,470	---	8.3615	12,291.40	4.0050	5,887.35	-6,404.05	-52.10	Multiple		
				400	07/29/11	9.2650	3,705.99	4.0050	1,602.00	-2,103.99	-56.77	Long
				200	05/13/14	9.8499	1,969.99	4.0050	801.00	-1,168.99	-59.34	Long
				270	06/10/15	7.2460	1,956.42	4.0050	1,081.35	-875.07	-44.73	Long
				300	05/04/17	9.10	2,730.00	4.0050	1,201.50	-1,528.50	-55.99	Long
				300	02/25/20	6.43	1,929.00	4.0050	1,201.50	-727.50	-37.71	Shor

EXHIBIT B

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

CORPORATE SECRETARY
 c/o PROSPECT CAPITAL CORP.
 10 EAST 40TH ST., 42ND FLOOR
 NEW YORK, NY 10016



9590 9402 4146 8092 1706 15

2. Article Number (Transfer from service label)

7019 0160 0000 1744 0132

PS Form 3811, July 2015 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

- Agent
- Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? Yes
If YES, enter delivery address below: No

3. Service Type

- Adult Signature
- Adult Signature Restricted Delivery
- Certified Mail®
- Certified Mail Restricted Delivery
- Collect on Delivery
- Collect on Delivery Restricted Delivery
- Registered Mail™
- Registered Mail Restricted Delivery
- Return Receipt for Merchandise
- Signature Confirmation™
- Signature Confirmation Restricted Delivery
- Priority Mail Express®

Domestic Return Receipt

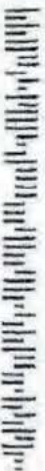
MARK CAMP

7019 0160 0000 1744 0132



CERTIFIED MAIL

CORPORATE SECRETARY
 c/o PROSPECT CAPITAL CORP.
 10 EAST 40TH ST., 42ND FLOOR
 NEW YORK, NY
 10016



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10016

\$8.20

R2305K1 35899-05

PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT
OF THE RETURN ADDRESS. FOLD AT DOTTED LINE.

Mark S. Cane



May 8, 2020

Corporate Secretary
c/o Prospect Capital Corporation
10 East 40th Street, 42nd Floor
New York, NY 10016

Dear Ms. Secretary:

As a qualified shareholder, and in compliance with the conditions set forth in the Prospect Capital Corporation proxy statement and Prospect Capital Corporation's Corporate Bylaws, I am submitting the attached shareholder resolution. I wish for it to be included in Prospect Capital Corporation's proxy announcing the next Annual Shareholder's meeting which is expected to be held in December, 2020.


I have also been asked by Camilla C. Cane and Michelle H. Bronsted to act as their proxies and represent them at the next Prospect Capital Corporation annual meeting. They have asked me present shareholder resolutions I would support at that meeting. They have told me they are submitting them to the Corporate Secretary for inclusion in the 2020 annual meeting proxy statement.

In addition, I may nominate myself for election to the board of directors at this meeting and I am not an "interested person" of the Corporation, as defined by the Investment Act of 1940.

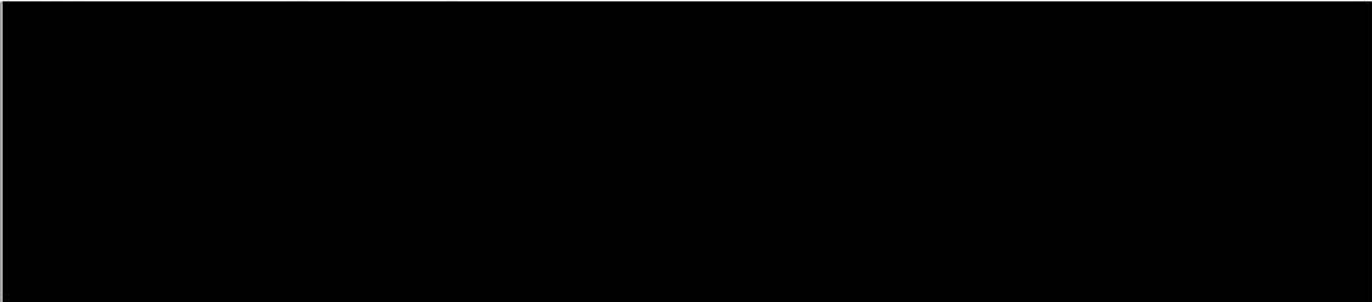
The attached shareholder resolution requests the following: "With an objective of improving PSEC's total after tax shareholder return, shareholders request that the board evaluate the merits of, and consider, temporary RIC status suspension, accompanied by a temporary dividend suspension, and the temporary direction of dividend equivalent cash flow to accretive open market share repurchases until the stock price achieves a targeted percentage of NAV." I am proposing this because I believe if it were approved by fellow shareholders, and approved and implemented by the Prospect Capital board, it will help to improve the total financial returns Prospect Capital delivers to all shareholders.

As of today, I individually own 95,000 shares of Prospect Capital common stock (which I intend to hold at least through the date of the 2020 Annual Shareholders Meeting). It was purchased for stock price appreciation and dividend income in the following accounts. (The cost per share column data from brokerage accounts has been adjusted to reflect the payment of dividends characterized as returns of capital when appropriate):



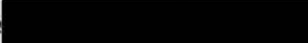



In addition, I jointly own with my wife, Camilla C. Cane, 70,000 shares of Prospect Capital common stock, purchased for stock price appreciation and dividend income, in the following accounts. The intent is to hold these shares through year 2020. As above, the cost per share column has been adjusted to reflect the payment of dividends characterized as returns of capital when appropriate:



I have not engaged in any of the activities outlined in Section 11 (3)(iii)(C) of Prospect Capital's Bylaws. My understanding is that Camilla C. Cane and Michelle H. Bronsted, which whom I am associated, have not engaged in such activity either.

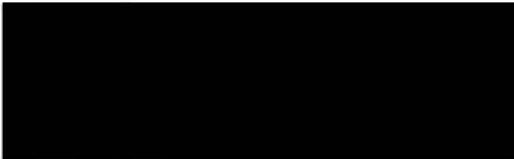
Bylaws Section 11(3)(iii)(D) does not apply to me either and to the best of my knowledge it does not apply to Camilla C. Cane and Michelle H. Bronsted, with whom I am associated.

The address of Camilla C. Cane and Michelle H. Bronsted, who are associated with me, is 
 My understanding is that their investment strategy or objective with regard to Prospect Capital is to maximize total shareholder return through increased stock price and growing dividend income. They have told me that they support my proposed shareholder resolution and possible board candidacy but I am unaware of any other Prospect Capital stock holders who support them.

If I were elected as a Prospect Capital director I would fully comply with the conditions articulated in Bylaws Section 11 (5).

Please let me know if you need additional information.

Sincerely,



Shareholder resolution from Mark Cane

"PSEC has chosen to be a Subchapter M Registered Investment Company (RIC), as explained in the 10K.

The conceptual attraction of a RIC BDC is a high, stable, and growing dividend plus equity appreciation from a structure that eliminates the double taxation of dividends. As long as minimum distribution requirements are met, income taxes are not paid by the BDC due to adoption of statutory RIC status. Taxes on income / distributions are borne by shareholders, for the most part, at ordinary (not capital gains or qualified dividend) income tax rates. As long as the BDC performs such that its stock price remains at least stable, and dividend payouts do not fall, the shareholders' after-tax return should be attractive.

PSEC shares purchased on 1/1/14, and held through 12/31/19, would have experienced a per share accumulated dividend of \$4.425 but a per share price reduction of \$4.36 per share – an accumulated pre-tax gain of 6.5 cents per share. (Source: PSEC 10Ks and 10Qs) Because dividends are taxed, over this time period, a PSEC shareholder experienced a negative after-tax return during this period.

As of 12/31/19, PSEC had \$859.3 mm of distributable loss (source: 10K). This reflects sustained net investment losses but it can be utilized as an asset. The Board could choose to retain BDC status but suspend PSEC's qualification as a RIC under Subchapter M of the Code, discontinue paying dividends, and incur the statutory 4% excise tax liability on undistributed income. This would make PSEC subject to Federal income tax on income and capital gains. This would also allow PSEC to utilize its distributable loss to shield a proportion of income and capital gains from taxation. The board could choose to suspend dividend payments and direct "distributable" income to aggressive, accretive open market share repurchases. If shareholders would be willing to temporarily attempt achievement of improved returns from their PSEC investment through more after-tax efficient share price appreciation than dividends, it could give shareholders an improved and more tax efficient return on investment. Such a strategy could be employed until the open market price of PSEC stock sustainably exceeds a reasonable board chosen percentage of NAV target. After that time the board could again seek restoration of RIC status and normal RIC cash dividend payments could be resumed from a higher share price base.

While novel and aggressive, precedent exists for such a strategy. American Capital Strategies (ACAS) employed it. It was instrumental in helping them grow a \$100 ACAS investment on 12/31/09 to \$641 on 12/31/13 (source ACAS 2014 10k, p. 34 -

<https://www.sec.gov/Archives/edgar/data/817473/000081747315000010/acas10k123114.htm>).

Resolution - With an objective of improving PSEC's total after tax shareholder return, shareholders request that the board evaluate the merits of, and consider, temporary RIC status suspension, accompanied by a temporary dividend suspension, and the temporary direction of dividend equivalent cash flow to accretive open market share repurchases until the stock price achieves a targeted percentage of NAV.

Please vote YES:"

Investment Detail - Equities (continued)

Equities (continued)	Quantity Units Purchased	Market Price Cost Per Share	Market Value Cost Basis	% of Account Assets Acquired	Unrealized Gain or (Loss)	Estimated Yield	Estimated Annual Income
PROSPECT CAPITAL CO	41,000.0000	4.25000	174,250.00	36%	(141,518.94)	16.94%	29,520.00
SYMBOL: PSEC	500.0000	11.3774	5,688.70 ¹	04/27/10	(3,563.70)		
	500.0000	9.4874	4,743.71 ¹	05/21/10	(2,618.71)		
	22.0000	9.4500	207.90 ¹	07/01/10	(114.40)		
	500.0000	10.9060	5,453.00 ¹	06/15/11	(3,328.00)		
	500.0000	9.7960	4,898.00 ¹	07/18/11	(2,773.00)		
	200.0000	9.4399	1,887.98 ¹	07/28/11	(1,037.98)		
	300.0000	9.3995	2,819.85 ¹	07/28/11	(1,544.85)		
	500.0000	8.8360	4,418.00 ¹	08/04/11	(2,293.00)		
	500.0000	8.1560	4,078.00 ¹	08/05/11	(1,953.00)		
	500.0000	9.9460	4,973.00 ¹	11/14/12	(2,848.00)		
	500.0000	10.2660	5,133.00 ¹	05/07/14	(3,008.00)		
	500.0000	10.4960	5,248.00 ¹	05/07/14	(3,123.00)		
	500.0000	10.5760	5,288.00 ¹	05/07/14	(3,163.00)		
	500.0000	10.2260	5,113.00 ¹	05/08/14	(2,988.00)		
	500.0000	10.2660	5,133.00 ¹	05/08/14	(3,008.00)		
	500.0000	9.2960	4,648.00 ¹	05/13/14	(2,523.00)		
	500.0000	9.3250	4,662.50 ¹	05/13/14	(2,537.50)		
	500.0000	9.4559	4,727.95 ¹	05/13/14	(2,602.95)		
	500.0000	9.7260	4,863.00 ¹	05/13/14	(2,738.00)		
	500.0000	9.8659	4,932.95 ¹	05/13/14	(2,807.95)		
	500.0000	9.9500	4,975.00 ¹	09/26/14	(2,850.00)		
	500.0000	9.9100	4,955.00 ¹	09/30/14	(2,830.00)		

Equities (continued)	Quantity	Market Price	Market Value	% of Account Assets	Unrealized Gain or (Loss)	Estimated Yield	Estimated Annual Income
PROSPECT CAPITAL CO	500.0000	9.9347	4,967.35 [†]	09/30/14	(2,842.35)		
	500.0000	9.3959	4,697.95 [†]	10/10/14	(2,572.95)		
	500.0000	9.4099	4,704.95 [†]	10/10/14	(2,579.95)		
	1,000.0000	9.4180	9,418.00 [†]	10/10/14	(5,168.00)		
	500.0000	8.9059	4,452.95 [†]	12/04/14	(2,327.95)		
	500.0000	8.9060	4,453.00 [†]	12/04/14	(2,328.00)		
	500.0000	8.9359	4,467.95 [†]	12/04/14	(2,342.95)		
	500.0000	9.0360	4,518.00 [†]	12/04/14	(2,393.00)		
	500.0000	9.0960	4,548.00 [†]	12/04/14	(2,423.00)		
	500.0000	8.0950	4,047.50 [†]	12/08/14	(1,922.50)		
	100.0000	8.2799	827.99 [†]	12/30/14	(402.99)		
	400.0000	8.1950	3,278.00 [†]	12/30/14	(1,578.00)		
	500.0000	7.8360	3,918.00 [†]	06/01/15	(1,793.00)		
	500.0000	7.8360	3,918.00 [†]	06/01/15	(1,793.00)		
	500.0000	7.5660	3,783.00 [†]	06/05/15	(1,658.00)		
	500.0000	7.6155	3,807.75 [†]	06/05/15	(1,682.75)		
	500.0000	7.5460	3,773.00 [†]	06/08/15	(1,648.00)		
	500.0000	7.2460	3,623.00 [†]	06/09/15	(1,498.00)		
	500.0000	7.4360	3,718.00 [†]	06/09/15	(1,593.00)		
	1,000.0000	6.7578	6,757.80 [†]	08/24/15	(2,507.80)		
	1,000.0000	6.7980	6,798.00 [†]	12/09/15	(2,548.00)		
	1,000.0000	6.6779	6,677.90 [†]	12/11/15	(2,427.90)		
	1,000.0000	6.6780	6,678.00 [†]	12/11/15	(2,428.00)		
	1,000.0000	6.2257	6,225.70 [†]	12/14/15	(1,975.70)		
	1,000.0000	6.4279	6,427.90 [†]	12/14/15	(2,177.90)		
	234.0000	6.7126	1,570.77 [†]	01/11/16	(576.27)		
	766.0000	6.6780	5,115.35 [†]	01/11/16	(1,859.85)		
	1,000.0000	6.3579	6,357.90 [†]	01/12/16	(2,107.90)		
	1,000.0000	5.7637	5,763.70 [†]	01/14/16	(1,513.70)		
	1,000.0000	5.6337	5,633.70 [†]	01/20/16	(1,383.70)		



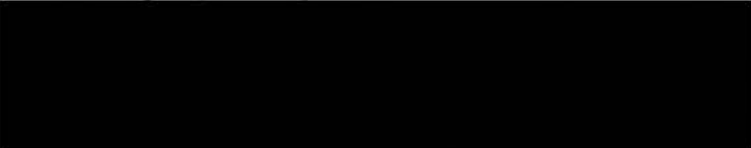
	Quantity	Market Price	Market Value	% of Account Assets	Unrealized Gain or (Loss)	Estimated Yield	Estimated Annual Income
Equities (continued)	Units Purchased	Cost Per Share	Cost Basis	Acquired			
PROSPECT CAPITAL CO	1,000.0000	5.6930	5,693.00 ¹	01/20/16	(1,443.00)		
	300.0000	9.1231	2,736.95 ¹	05/04/17	(1,461.95)		
	1,178.0000	5.9358	6,992.49 ¹	11/01/17	(1,985.99)		
	1,000.0000	6.6369	6,636.95 ¹	01/30/18	(2,386.95)		
	1,000.0000	6.4469	6,446.95 ¹	01/31/18	(2,196.95)		
	500.0000	6.2339	3,116.95 ¹	02/05/18	(991.95)		
	500.0000	6.7000	3,350.00 ¹	10/24/18	(1,225.00)		
	500.0000	6.7700	3,385.00 ¹	10/24/18	(1,260.00)		
	500.0000	6.6700	3,335.00 ¹	10/29/18	(1,210.00)		
	1,000.0000	6.2890	6,289.00 ¹	05/31/19	(2,039.00)		
	5.0000	6.1500	30.75	02/25/20	(9.50)		
	995.0000	6.1500	6,119.25	02/25/20	(1,890.50)		
	1,000.0000	6.1500	6,150.00	02/25/20	(1,900.00)		
	1,000.0000	5.8200	5,820.00	02/27/20	(1,570.00)		
	1,000.0000	5.8900	5,890.00	02/27/20	(1,640.00)		
			315,768.94				

Cost Basis

... prior rate.

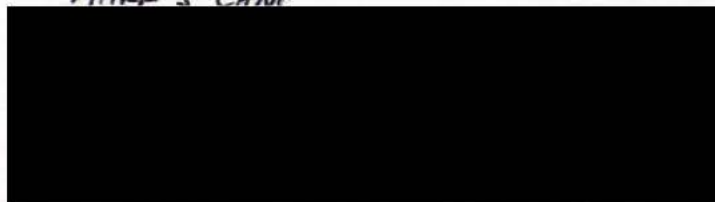


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PROSPECT CAPITAL CORP	17,500	--	6.1130	106,978.30	3.9950	69,912.50	-37,065.80	-34.65	Multiple			
	500				01/11/16	6.7245	3,362.25	3.9950	1,997.50	-1,364.75	-40.59	Long
	1,000				01/11/16	6.6879	6,687.90	3.9950	3,995.00	-2,692.90	-40.27	Long
	1,000				01/14/16	5.8072	5,807.20	3.9950	3,995.00	-1,812.20	-31.21	Long
	1,000				01/20/16	5.6958	5,695.80	3.9950	3,995.00	-1,700.80	-29.86	Long
	500				12/13/18	6.5239	3,261.95	3.9950	1,997.50	-1,264.45	-38.76	Long
	500				12/14/18	6.4139	3,206.95	3.9950	1,997.50	-1,209.45	-37.71	Long
	1,000				12/17/18	6.1669	6,166.95	3.9950	3,995.00	-2,171.95	-35.22	Long
	1,000				12/17/18	6.0970	6,096.95	3.9950	3,995.00	-2,101.95	-34.48	Long
	1,000				12/18/18	6.0469	6,046.95	3.9950	3,995.00	-2,051.95	-33.93	Long
	1,000				12/20/18	5.8670	5,866.95	3.9950	3,995.00	-1,871.95	-31.91	Long
	1,000				12/20/18	5.8170	5,816.95	3.9950	3,995.00	-1,821.95	-31.32	Long
	1,000				12/20/18	5.7669	5,766.95	3.9950	3,995.00	-1,771.95	-30.73	Long
	1,000				06/05/19	6.3270	6,326.95	3.9950	3,995.00	-2,331.95	-36.86	Short
	1,000				02/25/20	6.43	6,430.00	3.9950	3,995.00	-2,435.00	-37.87	Short
	1,000				02/25/20	6.30	6,300.00	3.9950	3,995.00	-2,305.00	-36.59	Short
	1,000				02/25/20	6.22	6,220.00	3.9950	3,995.00	-2,225.00	-35.77	Short
	1,000				02/25/20	6.1376	6,137.60	3.9950	3,995.00	-2,142.60	-34.91	Short

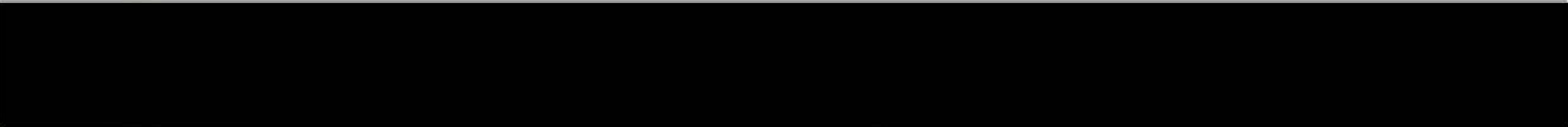
MARK S CANE



PROSPECT CAPITAL CORP	5,000	--	7.8845	39,422.53	--	3.9850	19,925.00	-19,497.53	-49.46	Long		
	500				07/18/11	9.7160	4,858.00	--	3.9850	1,992.50	-2,865.50	-58.99 Lor
	500				07/29/11	9.1898	4,594.88	--	3.9850	1,992.50	-2,602.38	-56.64 Lor
	500				07/29/11	9.0597	4,529.87	--	3.9850	1,992.50	-2,537.37	-56.01 Lor
	500				08/05/11	8.0998	4,049.88	--	3.9850	1,992.50	-2,057.38	-50.80 Lor
	500				11/14/12	9.8559	4,927.95	--	3.9850	1,992.50	-2,935.45	-59.57 Lor
	1,000				12/11/15	6.6761	6,676.10	--	3.9850	3,985.00	-2,691.10	-40.31 Lor
	500				01/31/18	6.4439	3,221.95	--	3.9850	1,992.50	-1,229.45	-38.16 Lor
	500				03/08/18	6.6139	3,306.95	--	3.9850	1,992.50	-1,314.45	-39.75 Lor
	500				03/21/18	6.5139	3,256.95	--	3.9850	1,992.50	-1,264.45	-38.82 Lor

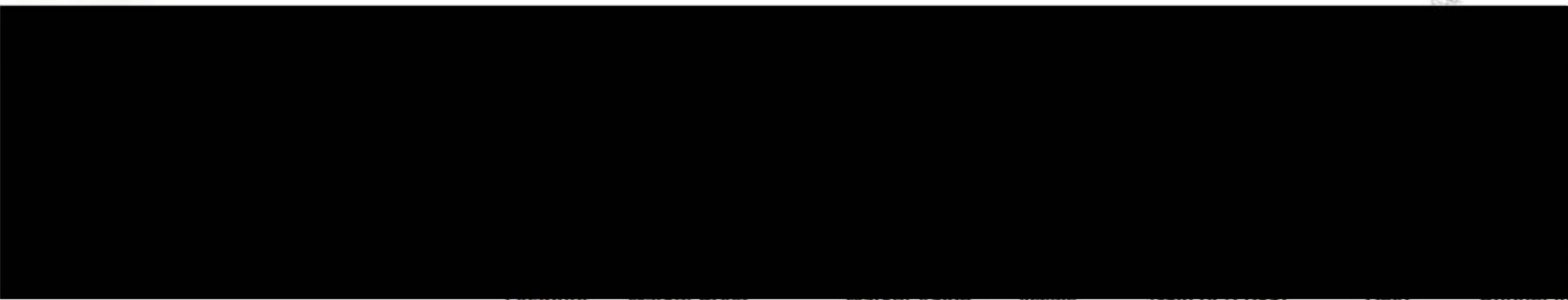


	Quantity	Market Price	Market Value	Assets	Gain or (Loss)	Yield	Estimated Annual Income
Equities (continued)	Units Purchased	Cost Per Share	Cost Basis	Acquired		Holding Days	Holding Period
PROSPECT CAPITAL CO (M)	29,000.0000	4.25000	123,250.00	20%	(58,274.02)	16.94%	20,880.00
SYMBOL: PSEC	1,000.0000	6.2588	6,258.85	01/12/16	(2,008.85)	1540	Long-Term
	500.0000	5.8288	2,914.42	01/14/16	(789.42)	1538	Long-Term
	1,000.0000	6.7000	6,700.00	10/03/17	(2,450.00)	910	Long-Term
	1,500.0000	6.7000	10,050.00	10/06/17	(3,675.00)	907	Long-Term
	1,000.0000	6.6100	6,610.00	10/10/17	(2,360.00)	903	Long-Term
	1,000.0000	6.5600	6,560.00	10/11/17	(2,310.00)	902	Long-Term
	1,000.0000	6.2500	6,250.00	10/12/17	(2,000.00)	901	Long-Term
	1,000.0000	6.3400	6,340.00	10/12/17	(2,090.00)	901	Long-Term
	1,500.0000	6.0767	9,115.05	10/25/17	(2,740.05)	888	Long-Term
	1,500.0000	5.9700	8,955.00	10/26/17	(2,580.00)	887	Long-Term
	1,000.0000	6.6350	6,635.00	01/30/18	(2,385.00)	791	Long-Term
	1,000.0000	6.3334	6,333.45	01/31/18	(2,083.45)	790	Long-Term
	1,000.0000	6.4414	6,441.45	01/31/18	(2,191.45)	790	Long-Term
	1,000.0000	6.5600	6,560.00	01/31/18	(2,310.00)	790	Long-Term
	1,500.0000	6.5233	9,784.95	01/31/18	(3,409.95)	790	Long-Term
	1,000.0000	6.1649	6,164.95	02/05/18	(1,914.95)	785	Long-Term
	1,000.0000	6.2249	6,224.95	02/05/18	(1,974.95)	785	Long-Term
	1,000.0000	6.5250	6,525.05	03/12/18	(2,275.05)	750	Long-Term
	500.0000	6.3899	3,194.95	12/14/18	(1,069.95)	473	Long-Term
	1,000.0000	6.1449	6,144.95	12/17/18	(1,894.95)	470	Long-Term
	1,000.0000	6.2949	6,294.95	05/31/19	(2,044.95)	305	Short-Term
	1,000.0000	6.3849	6,384.95	05/31/19	(2,134.95)	305	Short-Term
	1,000.0000	6.1500	6,150.00	02/25/20	(1,900.00)	35	Short-Term
	215.0000	5.8000	1,247.00	02/27/20	(333.25)	33	Short-Term
	785.0000	5.8000	4,553.00	02/27/20	(1,216.75)	33	Short-Term





Equities (continued)	Quantity	Market Price	Market Value	Account Assets	Unrealized Gain or (Loss)	Estimated Yield	Estimated Annual Income
	Units Purchased	Cost Per Share	Cost Basis	Acquired		Holding Days	Holding Period
PROSPECT CAPITAL CO (M)	1,000.0000	5.8900	5,890.00	02/27/20	(1,640.00)	33	Short-Term
	1,000.0000	5.9050	5,905.00	02/27/20	(1,655.00)	33	Short-Term
	1,000.0000	5.9200	5,920.00	02/27/20	(1,670.00)	33	Short-Term
	1,000.0000	5.4161	5,416.10	03/06/20	(1,166.10)	25	Short-Term
<i>Cost Basis</i>			<i>181,524.02</i>				
Total Equities	49,500.0000		228,885.00	38%	(155,595.30)		42,360.00



	Quantity	Market Price	Market Value	Assets	Gain or (Loss)	Held	Estimated
Equities	Units Purchased	Cost Per Share	Cost Basis	Acquired		Holding Days	Annual Income
PROSPECT CAPITAL CO (M)	2,500.0000	4.25000	10,625.00	23%	(5,432.50)	16.94%	1,800.00
SYMBOL: PSEC	500.0000	7.1050	3,552.50	08/21/17	(1,427.50)	953	Long-Term
	500.0000	6.5350	3,267.50	03/12/18	(1,142.50)	750	Long-Term
	500.0000	6.3850	3,192.50	12/14/18	(1,067.50)	473	Long-Term
	1,000.0000	6.0450	6,045.00	12/18/18	(1,795.00)	469	Long-Term
<i>Cost Basis</i>			16,057.50				
Total Equities	2,500.0000		10,625.00	23%	(5,432.50)		1,800.00



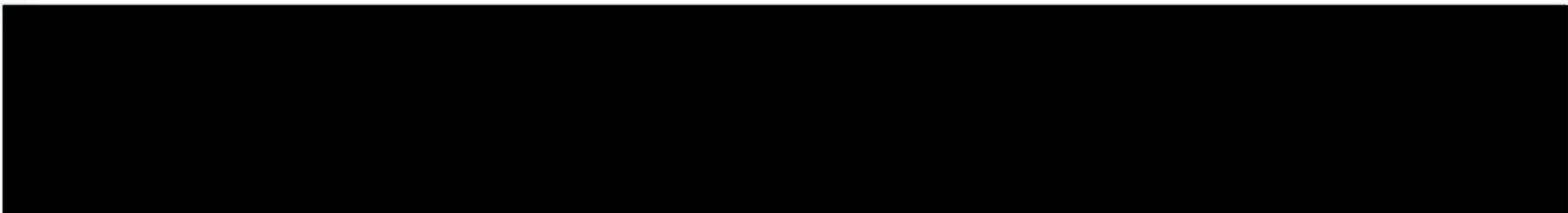
PROSPECT CAPITAL CORP	33,500	---	7.8390	262,604.91	--	--	4.04	135,340.00	-127,264.91	-48.46	Multiple			
	500	07/26/07	15.8672	7,933.59	--	--	4.04	2,020.00	-5,913.59	-74.54	Lo			
	500	04/27/10	11.2346	5,617.28	--	--	4.04	2,020.00	-3,597.28	-64.04	Lo			
	500	05/21/10	9.3445	4,672.27	--	--	4.04	2,020.00	-2,652.27	-56.77	Lo			
	500	07/01/10	8.9431	4,471.57	--	--	4.04	2,020.00	-2,451.57	-54.83	Lo			
	500	06/15/11	10.8133	5,406.63	--	--	4.04	2,020.00	-3,386.63	-62.64	Lo			
	500	06/21/11	10.0033	5,001.64	--	--	4.04	2,020.00	-2,981.64	-59.61	Lo			
	500	07/05/11	9.8965	4,948.25	--	--	4.04	2,020.00	-2,928.25	-59.18	Lo			
	500	07/18/11	9.7165	4,858.26	--	--	4.04	2,020.00	-2,838.26	-58.42	Lo			
	500	07/28/11	9.3492	4,674.62	--	--	4.04	2,020.00	-2,654.62	-56.79	Lo			
	500	07/29/11	9.0598	4,529.88	--	--	4.04	2,020.00	-2,509.88	-55.41	Lo			
	500	07/29/11	9.0297	4,514.87	--	--	4.04	2,020.00	-2,494.87	-55.26	Lo			
	500	08/04/11	8.7698	4,384.88	--	--	4.04	2,020.00	-2,364.88	-53.93	Lo			
	500	08/05/11	8.0897	4,044.87	--	--	4.04	2,020.00	-2,024.87	-50.06	Lo			
	500	05/07/14	10.4960	5,248.00	--	--	4.04	2,020.00	-3,228.00	-61.51	Lo			
	500	05/07/14	10.2660	5,133.00	--	--	4.04	2,020.00	-3,113.00	-60.65	Lo			
	500	05/08/14	10.2260	5,113.00	--	--	4.04	2,020.00	-3,093.00	-60.49	Lo			
	500	05/13/14	9.9460	4,973.00	--	--	4.04	2,020.00	-2,953.00	-59.38	Lo			
	500	05/13/14	9.8110	4,905.50	--	--	4.04	2,020.00	-2,885.50	-58.82	Lo			

500	05/13/14	9.4458	4,722.90	--	--	4.04	2,020.00	-2,702.90	-57.23	Lo
500	05/13/14	9.3756	4,687.80	--	--	4.04	2,020.00	-2,667.80	-56.91	Lo
500	09/30/14	9.92	4,960.00	--	--	4.04	2,020.00	-2,940.00	-59.27	Lo
1,000	10/10/14	9.4190	9,419.00	--	--	4.04	4,040.00	-5,379.00	-57.11	Lo
500	12/04/14	9.0960	4,548.00	--	--	4.04	2,020.00	-2,528.00	-55.58	Lo
500	12/04/14	8.9360	4,468.00	--	--	4.04	2,020.00	-2,448.00	-54.79	Lo
500	12/08/14	8.0860	4,043.00	--	--	4.04	2,020.00	-2,023.00	-50.04	Lo
500	06/01/15	7.8360	3,918.00	--	--	4.04	2,020.00	-1,898.00	-48.44	Lo
500	06/05/15	7.6160	3,808.00	--	--	4.04	2,020.00	-1,788.00	-46.95	Lo
500	06/05/15	7.5660	3,783.00	--	--	4.04	2,020.00	-1,763.00	-46.60	Lo
500	06/08/15	7.5460	3,773.00	--	--	4.04	2,020.00	-1,753.00	-46.46	Lo
500	06/09/15	7.4360	3,718.00	--	--	4.04	2,020.00	-1,698.00	-45.67	Lo
500	06/09/15	7.3560	3,678.00	--	--	4.04	2,020.00	-1,658.00	-45.08	Lo
500	06/09/15	7.2860	3,643.00	--	--	4.04	2,020.00	-1,623.00	-44.55	Lo
500	06/09/15	7.2360	3,618.00	--	--	4.04	2,020.00	-1,598.00	-44.17	Lo
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1,000	08/24/15	6.7680	6,768.00	--	--	4.04	4,040.00	-2,728.00	-40.31	Lo
1,000	12/09/15	6.7980	6,798.00	--	--	4.04	4,040.00	-2,758.00	-40.57	Lo
1,000	12/11/15	6.6780	6,678.00	--	--	4.04	4,040.00	-2,638.00	-39.50	Lo

1,000	12/14/15	6.4572	6,457.20	--	--	4.04	4,040.00	-2,417.20	-37.43	Lo
1,000	12/14/15	6.2179	6,217.90	--	--	4.04	4,040.00	-2,177.90	-35.03	Lo
1,000	01/11/16	6.6880	6,688.00	--	--	4.04	4,040.00	-2,648.00	-39.59	Lo
1,000	01/12/16	6.3780	6,378.00	--	--	4.04	4,040.00	-2,338.00	-36.66	Lo
1,000	01/14/16	5.7979	5,797.90	--	--	4.04	4,040.00	-1,757.90	-30.32	Lo
1,000	01/20/16	5.7580	5,758.00	--	--	4.04	4,040.00	-1,718.00	-29.84	Lo
1,000	01/20/16	5.6379	5,637.90	--	--	4.04	4,040.00	-1,597.90	-28.34	Lo
1,000	01/30/18	6.6369	6,636.95	--	--	4.04	4,040.00	-2,596.95	-39.13	Lo
1,000	01/31/18	6.4369	6,436.95	--	--	4.04	4,040.00	-2,396.95	-37.24	Lo
1,000	01/31/18	6.3319	6,331.95	--	--	4.04	4,040.00	-2,291.95	-36.20	Lo
1,000	03/21/18	6.4970	6,496.95	--	--	4.04	4,040.00	-2,456.95	-37.82	Lo
1,000	05/31/19	6.3969	6,396.95	--	--	4.04	4,040.00	-2,356.95	-36.84	Sh
1,000	05/31/19	6.2969	6,296.95	--	--	4.04	4,040.00	-2,256.95	-35.84	Sh

Equities (continued)	Quantity Units Purchased	Market Price Cost Per Share	Market Value Cost Basis	Account Assets Acquired	Gain or (Loss)	Yield Holding Days	Estimated Annual Income Holding Period
<i>Cost Basis</i>							
PROSPECT CAPITAL CO (M)	36,500.0000	4.25000	155,125.00	30%	(76,592.85)	16.94%	26,280.00
SYMBOL: PSEC	2,000.0000	6.7024	13,404.95	10/03/17	(4,904.95)	910	Long-Term
	2,000.0000	6.7024	13,404.95	10/06/17	(4,904.95)	907	Long-Term
	1,500.0000	6.6133	9,919.95	10/10/17	(3,544.95)	903	Long-Term
	1,500.0000	6.5633	9,844.95	10/11/17	(3,469.95)	902	Long-Term
	1,500.0000	6.2233	9,334.95	10/12/17	(2,959.95)	901	Long-Term
	1,500.0000	6.2333	9,349.95	10/12/17	(2,974.95)	901	Long-Term
	1,500.0000	6.2533	9,379.95	10/12/17	(3,004.95)	901	Long-Term
	1,500.0000	6.3433	9,514.95	10/12/17	(3,139.95)	901	Long-Term
	2,000.0000	6.0524	12,104.95	10/25/17	(3,604.95)	888	Long-Term
	2,000.0000	6.0919	12,183.95	10/25/17	(3,683.95)	888	Long-Term
	2,000.0000	6.6424	13,284.95	12/07/17	(4,784.95)	845	Long-Term
	1,500.0000	6.6433	9,964.95	01/30/18	(3,589.95)	791	Long-Term
	1,500.0000	6.3333	9,499.95	01/31/18	(3,124.95)	790	Long-Term

Accrued Dividend: 475.00



Equities (continued)	Quantity	Market Price	Market Value	% of Account Assets	Unrealized Gain or (Loss)	Estimated Yield	Estimated Annual Income
	Units Purchased	Cost Per Share	Cost Basis	Acquired		Holding Days	Holding Period
PROSPECT CAPITAL CO (M)	1,500.0000	6.4433	9,664.95	01/31/18	(3,289.95)	790	Long-Term
	1,500.0000	6.5633	9,844.95	01/31/18	(3,469.95)	790	Long-Term
	1,500.0000	6.1633	9,244.95	02/05/18	(2,869.95)	785	Long-Term
	1,500.0000	6.2233	9,334.95	02/05/18	(2,959.95)	785	Long-Term
	1,000.0000	6.5349	6,534.95	03/12/18	(2,284.95)	750	Long-Term
	1,000.0000	6.4349	6,434.95	04/13/18	(2,184.95)	718	Long-Term
	500.0000	6.3899	3,194.95	12/14/18	(1,069.95)	473	Long-Term
	1,000.0000	6.1449	6,144.95	12/17/18	(1,894.95)	470	Long-Term
	1,000.0000	6.2949	6,294.95	05/31/19	(2,044.95)	305	Short-Term
	1,000.0000	6.3749	6,374.95	05/31/19	(2,124.95)	305	Short-Term
	1,000.0000	6.1500	6,150.00	02/25/20	(1,900.00)	35	Short-Term
	1,000.0000	5.8900	5,890.00	02/27/20	(1,640.00)	33	Short-Term
	1,000.0000	5.4150	5,415.00	03/06/20	(1,165.00)	25	Short-Term
<i>Cost Basis</i>			231,717.85				

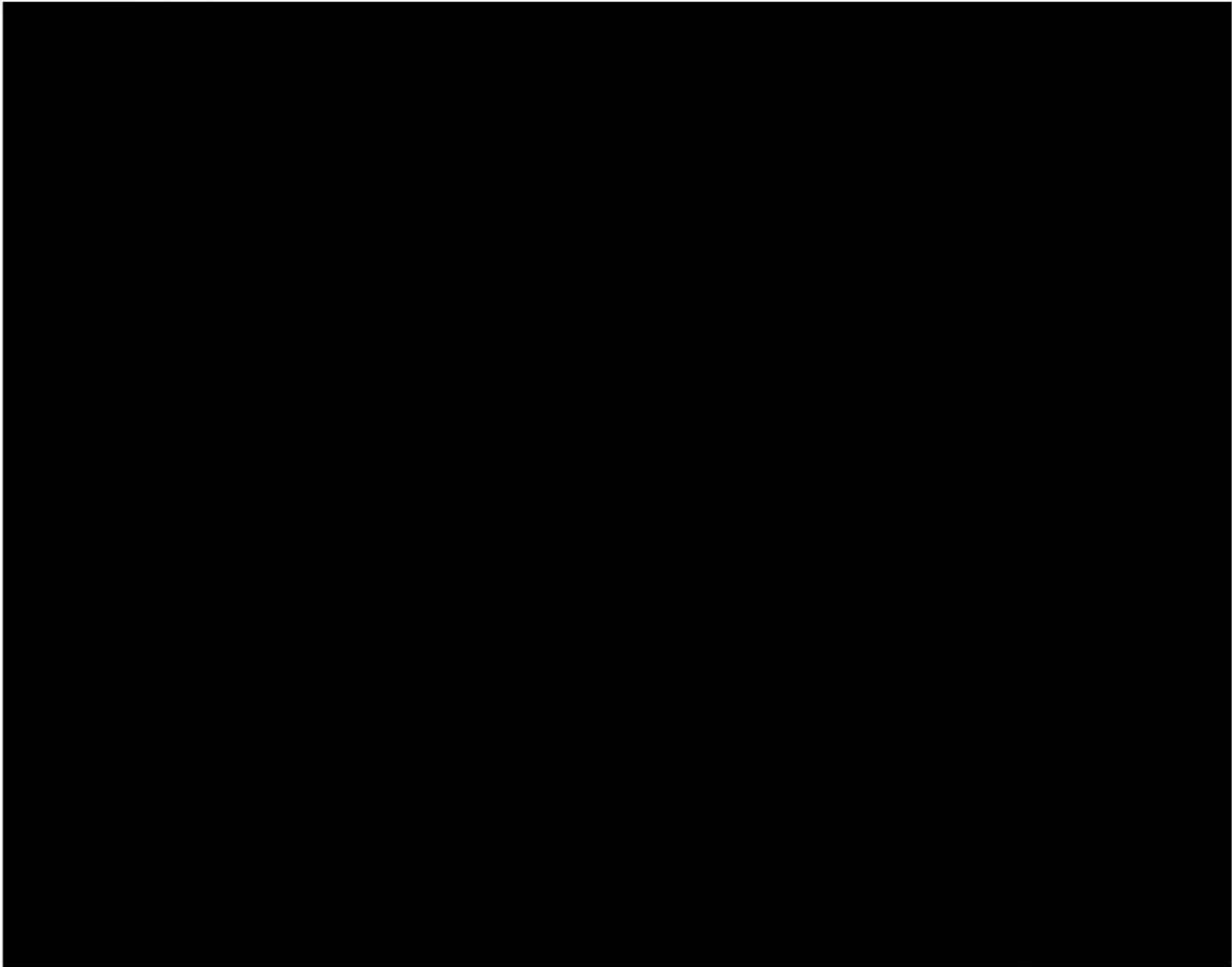


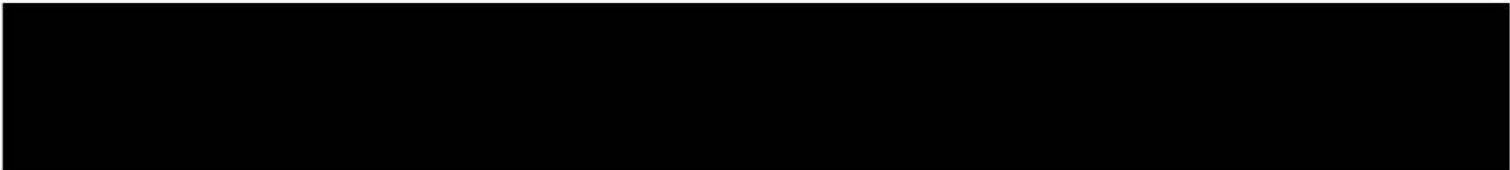
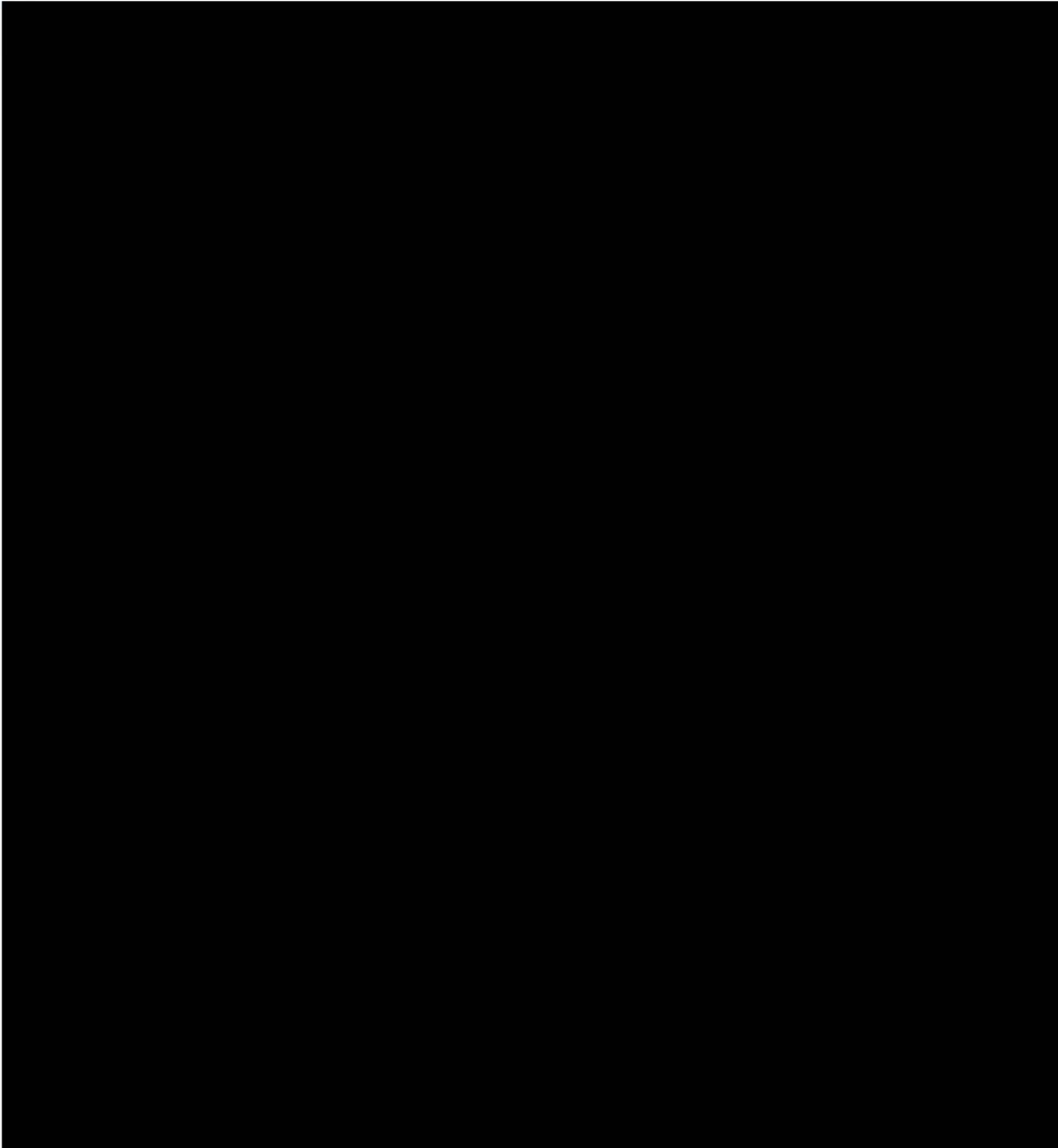


Corporate Secretary
c/o Prospect Capital Corporation
10 East 40th Street, 42nd Floor
New York, NY 10016

Re: Confirmation of Share Ownership

Dear Ms. Secretary:





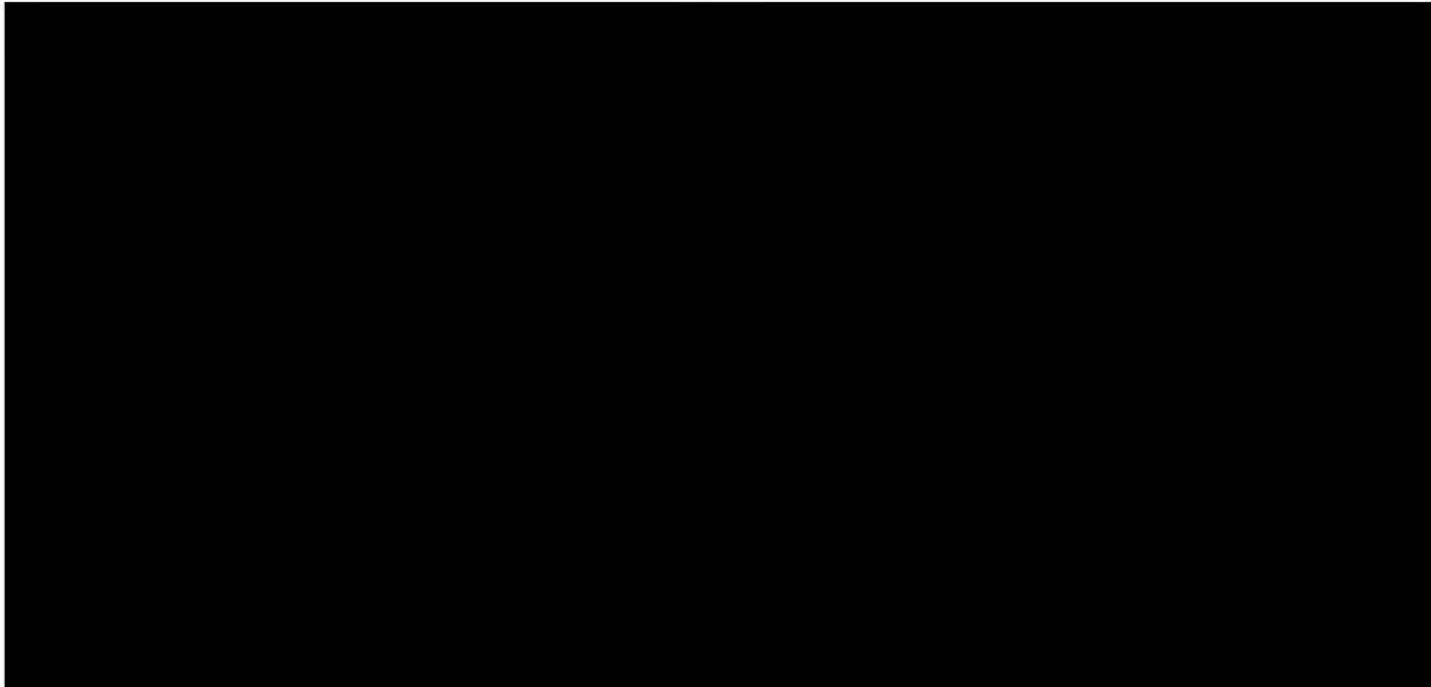


EXHIBIT C

From: Kristin Van Dask <kvandask@prospectcap.com>
Sent: Wednesday, May 27, 2020 2:20 PM
To: [REDACTED]
Cc: [REDACTED]
Subject: 14a-8 Deficiency Letter
Attachments: 2020 05 26 - PSEC M Bronsted 14a-8 Deficiency Letter - signed.pdf

Dear Ms. Bronsted,

Please see attached in response to a letter purported to be submitted by you to Prospect Capital Corporation dated May 8, 2020.

Kind Regards,

Kristin Van Dask
Secretary

PROSPECT CAPITAL

May 26, 2020

BY EMAIL AND FEDERAL EXPRESS

Michelle H. Bronsted
[REDACTED]
[REDACTED]

Re: Stockholder Proposals Submitted to Prospect Capital Corporation (the “Company”)

Dear Ms. Bronsted:

I write in response to a letter purported to be submitted by you to Prospect Capital Corporation dated May 8, 2020, requesting inclusion of a stockholder proposal in the Company’s proxy statement for its 2020 annual meeting of stockholders (the “Annual Meeting”) pursuant to Rule 14a-8 promulgated under the Securities Exchange Act of 1934, as amended. For your reference, a copy of Rule 14a-8 is attached to this letter as Exhibit A.

Pursuant to Rule 14a-8, we hereby bring to your attention certain deficiencies in your purported submission. Specifically, Rule 14a-8(c) provides that a stockholder may submit no more than one proposal under Rule 14a-8 to a company for a particular stockholder meeting. For purposes of Rule 14a-8(c), the staff of the U.S. Securities and Exchange Commission has indicated that stockholders submitting proposals will be treated as one stockholder proponent if one stockholder is the alter ego of another or the stockholder-proponents are otherwise acting as a group, the result being that the entire group would be limited to one proposal. The Company is also in receipt of a letter, dated May 8, 2020, from a person who has represented himself to the Company to be your father, Mark S. Cane, requesting inclusion of certain stockholder proposals in the Company’s proxy statement for the Annual Meeting pursuant to Rule 14a-8. Based on the manner in which the proposals were submitted and other information available to the Company, we believe that you are a nominal proponent acting at the behest of Mr. Cane and that Mr. Cane in fact authored your proposal and arranged for your proposal to be submitted to the Company along with his other proposals and is intending and authorized to direct the manner in which you will vote at the Annual Meeting, in violation of Rule 14a-8(c). You can choose to correct this Rule 14a-8(c) violation by clearly indicating in a written response to the Company the proposals you and Mr. Cane are withdrawing and the one single proposal you and Mr. Cane still wish to submit pursuant to Rule 14a-8.

May 26, 2020
Page 2

Rule 14a-8 requires that your written response to this letter, if any, be mailed to the Company and postmarked, or transmitted to the Company electronically, no later than 14 calendar days from the date you receive this letter. Please note that this letter addresses only certain procedural aspects of the requirements for submitting a proposal pursuant to Rule 14a-8 and does not address or waive any of the Company's rights or concerns regarding your stockholder proposal, your eligibility to have such proposal included in the Company's proxy statement, or any other matter. The Company reserves all rights to omit your proposal from the Company's proxy statement on any grounds.

Very truly yours,



Kristin Van Dask
Secretary

cc: Mark S. Cane

Attachment

Exhibit A

[See attachment]

Title 17 → Chapter II → Part 240 → §240.14a-8

Title 17: Commodity and Securities Exchanges
PART 240—GENERAL RULES AND REGULATIONS, SECURITIES EXCHANGE ACT OF 1934

§240.14a-8 Shareholder proposals.

This section addresses when a company must include a shareholder's proposal in its proxy statement and identify the proposal in its form of proxy when the company holds an annual or special meeting of shareholders. In summary, in order to have your shareholder proposal included on a company's proxy card, and included along with any supporting statement in its proxy statement, you must be eligible and follow certain procedures. Under a few specific circumstances, the company is permitted to exclude your proposal, but only after submitting its reasons to the Commission. We structured this section in a question-and-answer format so that it is easier to understand. The references to "you" are to a shareholder seeking to submit the proposal.

(a) *Question 1: What is a proposal?* A shareholder proposal is your recommendation or requirement that the company and/or its board of directors take action, which you intend to present at a meeting of the company's shareholders. Your proposal should state as clearly as possible the course of action that you believe the company should follow. If your proposal is placed on the company's proxy card, the company must also provide in the form of proxy means for shareholders to specify by boxes a choice between approval or disapproval, or abstention. Unless otherwise indicated, the word "proposal" as used in this section refers both to your proposal, and to your corresponding statement in support of your proposal (if any).

(b) *Question 2: Who is eligible to submit a proposal, and how do I demonstrate to the company that I am eligible?* (1) In order to be eligible to submit a proposal, you must have continuously held at least \$2,000 in market value, or 1%, of the company's securities entitled to be voted on the proposal at the meeting for at least one year by the date you submit the proposal. You must continue to hold those securities through the date of the meeting.

(2) If you are the registered holder of your securities, which means that your name appears in the company's records as a shareholder, the company can verify your eligibility on its own, although you will still have to provide the company with a written statement that you intend to continue to hold the securities through the date of the meeting of shareholders. However, if like many shareholders you are not a registered holder, the company likely does not know that you are a shareholder, or how many shares you own. In this case, at the time you submit your proposal, you must prove your eligibility to the company in one of two ways:

(i) The first way is to submit to the company a written statement from the "record" holder of your securities (usually a broker or bank) verifying that, at the time you submitted your proposal, you continuously held the securities for at least one year. You must also include your own written statement that you intend to continue to hold the securities through the date of the meeting of shareholders; or

(ii) The second way to prove ownership applies only if you have filed a Schedule 13D (§240.13d-101), Schedule 13G (§240.13d-102), Form 3 (§249.103 of this chapter), Form 4 (§249.104 of this chapter) and/or Form 5 (§249.105 of this chapter), or amendments to those documents or updated forms, reflecting your ownership of the shares as of or before the date on which the one-year eligibility period begins. If you have filed one of these documents with the SEC, you may demonstrate your eligibility by submitting to the company:

(A) A copy of the schedule and/or form, and any subsequent amendments reporting a change in your ownership level;

(B) Your written statement that you continuously held the required number of shares for the one-year period as of the date of the statement; and

(C) Your written statement that you intend to continue ownership of the shares through the date of the company's annual or special meeting.

(c) *Question 3: How many proposals may I submit?* Each shareholder may submit no more than one proposal to a company for a particular shareholders' meeting.

(d) *Question 4: How long can my proposal be?* The proposal, including any accompanying supporting statement, may not exceed 500 words.

(e) *Question 5: What is the deadline for submitting a proposal?* (1) If you are submitting your proposal for the company's annual meeting, you can in most cases find the deadline in last year's proxy statement. However, if the company did not hold an

annual meeting last year, or has changed the date of its meeting for this year more than 30 days from last year's meeting, you can usually find the deadline in one of the company's quarterly reports on Form 10-Q (§249.308a of this chapter), or in shareholder reports of investment companies under §270.30d-1 of this chapter of the Investment Company Act of 1940. In order to avoid controversy, shareholders should submit their proposals by means, including electronic means, that permit them to prove the date of delivery.

(2) The deadline is calculated in the following manner if the proposal is submitted for a regularly scheduled annual meeting. The proposal must be received at the company's principal executive offices not less than 120 calendar days before the date of the company's proxy statement released to shareholders in connection with the previous year's annual meeting. However, if the company did not hold an annual meeting the previous year, or if the date of this year's annual meeting has been changed by more than 30 days from the date of the previous year's meeting, then the deadline is a reasonable time before the company begins to print and send its proxy materials.

(3) If you are submitting your proposal for a meeting of shareholders other than a regularly scheduled annual meeting, the deadline is a reasonable time before the company begins to print and send its proxy materials.

(f) *Question 6: What if I fail to follow one of the eligibility or procedural requirements explained in answers to Questions 1 through 4 of this section?* (1) The company may exclude your proposal, but only after it has notified you of the problem, and you have failed adequately to correct it. Within 14 calendar days of receiving your proposal, the company must notify you in writing of any procedural or eligibility deficiencies, as well as of the time frame for your response. Your response must be postmarked, or transmitted electronically, no later than 14 days from the date you received the company's notification. A company need not provide you such notice of a deficiency if the deficiency cannot be remedied, such as if you fail to submit a proposal by the company's properly determined deadline. If the company intends to exclude the proposal, it will later have to make a submission under §240.14a-8 and provide you with a copy under Question 10 below, §240.14a-8(j).

(2) If you fail in your promise to hold the required number of securities through the date of the meeting of shareholders, then the company will be permitted to exclude all of your proposals from its proxy materials for any meeting held in the following two calendar years.

(g) *Question 7: Who has the burden of persuading the Commission or its staff that my proposal can be excluded?* Except as otherwise noted, the burden is on the company to demonstrate that it is entitled to exclude a proposal.

(h) *Question 8: Must I appear personally at the shareholders' meeting to present the proposal?* (1) Either you, or your representative who is qualified under state law to present the proposal on your behalf, must attend the meeting to present the proposal. Whether you attend the meeting yourself or send a qualified representative to the meeting in your place, you should make sure that you, or your representative, follow the proper state law procedures for attending the meeting and/or presenting your proposal.

(2) If the company holds its shareholder meeting in whole or in part via electronic media, and the company permits you or your representative to present your proposal via such media, then you may appear through electronic media rather than traveling to the meeting to appear in person.

(3) If you or your qualified representative fail to appear and present the proposal, without good cause, the company will be permitted to exclude all of your proposals from its proxy materials for any meetings held in the following two calendar years.

(i) *Question 9: If I have complied with the procedural requirements, on what other bases may a company rely to exclude my proposal?* (1) *Improper under state law:* If the proposal is not a proper subject for action by shareholders under the laws of the jurisdiction of the company's organization;

NOTE TO PARAGRAPH (i)(1): Depending on the subject matter, some proposals are not considered proper under state law if they would be binding on the company if approved by shareholders. In our experience, most proposals that are cast as recommendations or requests that the board of directors take specified action are proper under state law. Accordingly, we will assume that a proposal drafted as a recommendation or suggestion is proper unless the company demonstrates otherwise.

(2) *Violation of law:* If the proposal would, if implemented, cause the company to violate any state, federal, or foreign law to which it is subject;

NOTE TO PARAGRAPH (i)(2): We will not apply this basis for exclusion to permit exclusion of a proposal on grounds that it would violate foreign law if compliance with the foreign law would result in a violation of any state or federal law.

(3) *Violation of proxy rules:* If the proposal or supporting statement is contrary to any of the Commission's proxy rules, including §240.14a-9, which prohibits materially false or misleading statements in proxy soliciting materials;

(4) *Personal grievance; special interest:* If the proposal relates to the redress of a personal claim or grievance against the company or any other person, or if it is designed to result in a benefit to you, or to further a personal interest, which is not shared by the other shareholders at large;

(5) *Relevance:* If the proposal relates to operations which account for less than 5 percent of the company's total assets at the end of its most recent fiscal year, and for less than 5 percent of its net earnings and gross sales for its most recent fiscal year, and is not otherwise significantly related to the company's business;

(6) *Absence of power/authority*: If the company would lack the power or authority to implement the proposal;

(7) *Management functions*: If the proposal deals with a matter relating to the company's ordinary business operations;

(8) *Director elections*: If the proposal:

(i) Would disqualify a nominee who is standing for election;

(ii) Would remove a director from office before his or her term expired;

(iii) Questions the competence, business judgment, or character of one or more nominees or directors;

(iv) Seeks to include a specific individual in the company's proxy materials for election to the board of directors; or

(v) Otherwise could affect the outcome of the upcoming election of directors.

(9) *Conflicts with company's proposal*: If the proposal directly conflicts with one of the company's own proposals to be submitted to shareholders at the same meeting;

NOTE TO PARAGRAPH (i)(9): A company's submission to the Commission under this section should specify the points of conflict with the company's proposal.

(10) *Substantially implemented*: If the company has already substantially implemented the proposal;

NOTE TO PARAGRAPH (i)(10): A company may exclude a shareholder proposal that would provide an advisory vote or seek future advisory votes to approve the compensation of executives as disclosed pursuant to Item 402 of Regulation S-K (§229.402 of this chapter) or any successor to Item 402 (a "say-on-pay vote") or that relates to the frequency of say-on-pay votes, provided that in the most recent shareholder vote required by §240.14a-21(b) of this chapter a single year (*i.e.*, one, two, or three years) received approval of a majority of votes cast on the matter and the company has adopted a policy on the frequency of say-on-pay votes that is consistent with the choice of the majority of votes cast in the most recent shareholder vote required by §240.14a-21(b) of this chapter.

(11) *Duplication*: If the proposal substantially duplicates another proposal previously submitted to the company by another proponent that will be included in the company's proxy materials for the same meeting;

(12) *Resubmissions*: If the proposal deals with substantially the same subject matter as another proposal or proposals that has or have been previously included in the company's proxy materials within the preceding 5 calendar years, a company may exclude it from its proxy materials for any meeting held within 3 calendar years of the last time it was included if the proposal received:

(i) Less than 3% of the vote if proposed once within the preceding 5 calendar years;

(ii) Less than 6% of the vote on its last submission to shareholders if proposed twice previously within the preceding 5 calendar years; or

(iii) Less than 10% of the vote on its last submission to shareholders if proposed three times or more previously within the preceding 5 calendar years; and

(13) *Specific amount of dividends*: If the proposal relates to specific amounts of cash or stock dividends.

(j) *Question 10*: What procedures must the company follow if it intends to exclude my proposal? (1) If the company intends to exclude a proposal from its proxy materials, it must file its reasons with the Commission no later than 80 calendar days before it files its definitive proxy statement and form of proxy with the Commission. The company must simultaneously provide you with a copy of its submission. The Commission staff may permit the company to make its submission later than 80 days before the company files its definitive proxy statement and form of proxy, if the company demonstrates good cause for missing the deadline.

(2) The company must file six paper copies of the following:

(i) The proposal;

(ii) An explanation of why the company believes that it may exclude the proposal, which should, if possible, refer to the most recent applicable authority, such as prior Division letters issued under the rule; and

(iii) A supporting opinion of counsel when such reasons are based on matters of state or foreign law.

(k) *Question 11*: May I submit my own statement to the Commission responding to the company's arguments?

Yes, you may submit a response, but it is not required. You should try to submit any response to us, with a copy to the company, as soon as possible after the company makes its submission. This way, the Commission staff will have time to consider fully your submission before it issues its response. You should submit six paper copies of your response.

(l) Question 12: If the company includes my shareholder proposal in its proxy materials, what information about me must it include along with the proposal itself?

(1) The company's proxy statement must include your name and address, as well as the number of the company's voting securities that you hold. However, instead of providing that information, the company may instead include a statement that it will provide the information to shareholders promptly upon receiving an oral or written request.

(2) The company is not responsible for the contents of your proposal or supporting statement.

(m) Question 13: What can I do if the company includes in its proxy statement reasons why it believes shareholders should not vote in favor of my proposal, and I disagree with some of its statements?

(1) The company may elect to include in its proxy statement reasons why it believes shareholders should vote against your proposal. The company is allowed to make arguments reflecting its own point of view, just as you may express your own point of view in your proposal's supporting statement.

(2) However, if you believe that the company's opposition to your proposal contains materially false or misleading statements that may violate our anti-fraud rule, §240.14a-9, you should promptly send to the Commission staff and the company a letter explaining the reasons for your view, along with a copy of the company's statements opposing your proposal. To the extent possible, your letter should include specific factual information demonstrating the inaccuracy of the company's claims. Time permitting, you may wish to try to work out your differences with the company by yourself before contacting the Commission staff.

(3) We require the company to send you a copy of its statements opposing your proposal before it sends its proxy materials, so that you may bring to our attention any materially false or misleading statements, under the following timeframes:

(i) If our no-action response requires that you make revisions to your proposal or supporting statement as a condition to requiring the company to include it in its proxy materials, then the company must provide you with a copy of its opposition statements no later than 5 calendar days after the company receives a copy of your revised proposal; or

(ii) In all other cases, the company must provide you with a copy of its opposition statements no later than 30 calendar days before it files definitive copies of its proxy statement and form of proxy under §240.14a-6.

[63 FR 29119, May 28, 1998; 63 FR 50622, 50623, Sept. 22, 1998, as amended at 72 FR 4168, Jan. 29, 2007; 72 FR 70456, Dec. 11, 2007; 73 FR 977, Jan. 4, 2008; 76 FR 6045, Feb. 2, 2011; 75 FR 56782, Sept. 16, 2010]

Need assistance?

EXHIBIT D



1000



10016

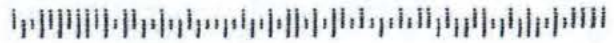


R2304H109601-04

RETURN RECEIPT REQUESTED

Kristin Van Dask - secretary
Prospect capital corporation
10 East 40th St., 42nd Floor
New York, NY 10016

1001630301



PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT
OF THE RETURN ADDRESS, FOLD AT DOTTED LINE

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Kristin VAN DASK - Secretary
Prospect Capital Corporation
10 East 40th St, 42nd Floor
New York, NY 10016



9590 9402 4126 8092 5941 58

2 Article Number (Transfer from service label)

7019 1640 0000 2221 7543

COMPLETE THIS SECTION ON DELIVERY

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X

- Agent
- Addressee

B. Received by (Printed Name)

C. Date of Delivery

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If YES, enter delivery address below: No

3. Service Type

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Michelle H. Bronsted

June 2, 2020

Kristin Van Dask
Secretary
Prospect Capital Corporation
10 East 40th St., 42nd Floor
New York, NY 10016

Dear Ms. Van Dask:

I received your letter of May 26 regarding the shareholder proposal I submitted for inclusion in the 2020 annual meeting of stockholders proxy statement.

You wrote, "Pursuant to Rule 14a-8, we hereby bring to your attention certain deficiencies in your purported submission. Specifically, Rule 14a-8(c) provides that a stockholder may submit no more than one proposal under Rule 14a-8 to a company for a particular stockholder meeting. For purposes of Rule 14a-8(c), the staff of the U.S. Securities and Exchange Commission has indicated that stockholders submitting proposals will be treated as one stockholder proponent if one stockholder is the alter ego of another or the stockholder-proponents are otherwise acting as a group, the result being that the entire group would be limited to one proposal. The Company is also in receipt of a letter, dated May 8, 2020, from a person who has represented himself to the Company to be your father, Mark S. Cane, requesting inclusion of certain stockholder proposals in the Company's proxy statement for the Annual Meeting pursuant to Rule 14a-8. Based on the manner in which the proposals were submitted and other information available to the Company, we believe that you are a nominal proponent acting at the behest of Mr. Cane and that Mr. Cane in fact authored your proposal and arranged for your proposal to be submitted to the Company along with his other proposals and is intending and authorized to direct the manner in which you will vote at the Annual Meeting, in violation of Rule 14a-8(c). You can choose to correct this Rule 14a-8(c) violation by clearly indicating in a written response to the Company the proposals you and Mr. Cane are withdrawing and the one single proposal you and Mr. Cane still wish to submit pursuant to Rule 14a-8."

I actually did submit a shareholder resolution that I would like to be voted on by Prospect Capital shareholders at the 2020 Annual Shareholders Meeting. It is not "purported" to be from me. I have owned shares of Prospect Capital since 2011. Along with the resolution I sent you on May 8 I included a letter that answered questions about me and my associations required by Prospect Capital's Charter and By-laws. I included proof of the duration of my Prospect Capital share ownership as well as the dates I acquired my Prospect Capital stock. According to my understanding of the rules, I am qualified to submit a shareholder resolution.

You refer to Mark S. Cane in your letter. In the cover letter I included with the resolution I indicated that I am associated with him so that is not a secret. You also indicated that, "we believe that you are a nominal proponent acting at the behest of Mr. Cane and that Mr. Cane in fact authored your proposal and arranged for your proposal to be submitted to the Company along with his other proposals and is intending and authorized to direct the manner in which you will vote at the Annual Meeting."

I am not a "nominal proponent" acting at the "behest" of anyone. I am a very frustrated individual shareholder whose 1470 shares of Prospect Capital stock are now worth 37% less than what I paid for them. I have been counting on my Prospect Capital investment to help me in retirement and I am moving backwards. I do not need any outside motivation or an "alter ego" to want to see that change for the better. I believe my resolution, if approved by shareholders, could help do that for the good of all shareholders.

I did receive assistance from Mr. Cane. The process of submitting a shareholder resolution is very challenging with a lot of detailed hurdles to cross. I asked him what sort of things he thought Prospect Capital should consider doing in order to help my investment get out of a huge hole. At my request he shared research he had done on the company which helped me decide on a shareholder cause to advocate and develop the passion to actually take action. He had a laundry list of issues and I did happen to pick one of them as my resolution topic without his guidance or direction. I asked him to propose a format for me for what a resolution should include and what a cover letter to Prospect Capital should include to help me meet Securities and Exchange Commission and Prospect Capital rules and regulations. I asked him to review my resolution and cover letter for me to be sure I did not omit anything related to rules and regulations. I asked him to help me explain what I wanted to communicate and accomplish where I struggled getting my ideas on paper, without sounding stupid, and in a way that would make sense for other shareholders. I asked him to help me with [REDACTED] so that could get the information related to stock ownership I needed, and in the form I needed it. I even asked him to address my package and mail it for me. Especially on May 8, as a full time worker and mother of three children having to be homeschooled while I was working from home due to the Coronavirus, I needed the help. Requesting or getting such help, in my mind, does not mean that he "arranged for my proposal to be submitted." I can imagine that there is a good chance that you had help from a legal staff when you wrote your letter to me to be sure that you said the right things and met legal requirements. I imagine that there is a good chance that you did not address or mail your letter to me but instead had help from support staff. I do not question your use of that sort of help if you did. If you did it does not mean that your legal staff or support staff "arranged for your letter to be submitted" to me. If you did what I think is probable I think you did what you should do. I did what I thought I needed to do. I sent you my proposal with my letter signed by me. I take full ownership for everything I submitted to you.

You suggest Mr. Cane "is intending and authorized to direct the manner in which you will vote at the Annual Meeting." Nothing could be further from the truth. He has indicated no such intention to me and I assure you that he is not authorized, nor will he direct, the manner in which I vote. Because I have three young children who need my care and a full time job that I cannot afford to take time away from, I will not be able to attend to the December shareholder's meeting. Therefore, if my proposal has to be presented at the meeting I have asked him if he

would represent me at it only to present it (not to vote for me) as I indicated to you on May 8. I had to see if that were possible before I submitted the resolution and he agreed to do that for me if necessary.

Finally, you have asked me to clearly indicate, "in a written response to the Company the proposals you and Mr. Cane are withdrawing and the one single proposal you and Mr. Cane still wish to submit." I have no intention of withdrawing my proposed resolution. As far as I can tell I am fully qualified to submit it. I take full ownership for it as well the associated documents I sent you. I am not part of a "group" with him. I have acted on my own initiative for my own individual best interest and hopefully for the best interest of all Prospect Capital shareholders. It would only make sense for me to work with Mr. Cane to determine whether or not to withdraw my resolution if I were part of a group with him. If Mr. Cane wants to withdraw a resolution that he owns you will have to deal with him. I am not authorized to act for him any more than he is authorized to act for me.

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[app=Uspstools&ref=homepageBanner&appURL=https%3A%2F%2Finformeddelivery.usps.com/box/pages/intro/start.action](https://reg.usps.com/xsel?app=Uspstools&ref=homepageBanner&appURL=https%3A%2F%2Finformeddelivery.usps.com/box/pages/intro/start.action))

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EXHIBIT E

From: Mark Cane [REDACTED]
Sent: Thursday, June 4, 2020 9:09 AM
To: Kristin Van Dask
Subject: RE: 14a-8 Deficiency Letter
Attachments: Mark Cane response to Ms. Van Dask 5-31-20 re deficiencies.pdf; Cane 5-31-20 letter to Ms. Van Dask tracking history.pdf

– Caution: External Sender –

Dear Ms. Van Dask,

Attached is my response to your letter which was mailed on June 1. According to the attached tracking information it should arrive at your office today.

I hope you have been spared any harm related to the pandemic and social unrest.

Sincerely,

Mark Cane

From: Kristin Van Dask [mailto:kvandask@prospectcap.com]
Sent: Wednesday, May 27, 2020 12:09 PM
To: [REDACTED]
Subject: 14a-8 Deficiency Letter

Dear Mr. Cane,

Please see attached in response to your letter submitted to Prospect Capital Corporation dated May 8, 2020.

Kind Regards,

Kristin Van Dask
Secretary

Any agreement, amendment, waiver, consent, modification or other action to be binding on Prospect Capital Corporation, Prospect Capital Management, or any affiliate or associated person of either (together, "Prospect"), and any related duty or liability to be imposed on Prospect, can arise only from handwritten execution in blue ink by a Prospect Corporate office of a formally written instrument and not by any other action or communication, verbal, written or otherwise (including email). Any agreement or amendment regarding any potential investment by Prospect to be binding on Prospect as a condition precedent (i) completion of due diligence satisfactory in Prospect's sole discretion, (ii) final approval of Prospect's investment committee in its sole discretion, (iii) approval of a documentation by Prospect and its legal counsel in their sole discretion, (iv) execution and delivery of definitive documentation, (v) wiring of funds, and (vi) other conditions

Mark S. Cane



May 31, 2020

Kristin Van Dask
Secretary
Prospect Capital Corporation
10 East 40th St., 42nd Floor
New York, NY 10016

Dear Ms. Van Dask:

Thank you for your letter of May 26 regarding the shareholder proposal I submitted on May 8 for inclusion in the PSEC proxy statement for the 2020 annual meeting of stockholders.

Thank you also for pointing out deficiencies in my submission. First, you stated that I exceeded the 500 word maximum. I thought my submission had met this requirement. Second, you correctly pointed out that my proposal could be construed so as to request more than one action. My intent was to recommend only one specific board action for shareholder consideration but to include the possible shareholder value generating initiatives the proposal could unlock to explain the potential benefits the proposal could generate for all shareholders. I have modified my shareholder proposal to hopefully remedy this deficiency. The modifications I made also reduce the total word count to 471 according to my Microsoft Word program. The modified resolution is attached.

You also stated in your letter that, "for purposes of Rule 14a-8(c), the staff of the U.S. Securities and Exchange Commission has indicated that stockholders submitting proposals will be treated as one stockholder proponent if one stockholder is the alter ego of another or the stockholder proponents are otherwise acting as a group, the result being that the entire group is limited to one proposal. Based on the manner in which the proposals were submitted and other information available to the Company, we believe that you have authored your proposals and the proposal of Ms. Bronsted and arranged for these proposals to be submitted to the Company and are intending and authorized to direct the manner in which your family members, including Camilla C. Cane and Ms. Bronsted, will vote at the Annual Meeting, in violation of Rule 14a-8(c)."

Based on the interactions I have had with PSEC staff to try to establish dialogue with PSEC executives and my independent board members, and the contents of the "White Paper" and accompanying email I sent to Mr. Eugene Stark, I understand how one could suspect what you allege. The facts are otherwise. While I provided requested assistance, I did not "authorize" Ms. Bronsted's proposal. I did not "arrange" for Ms. Bronsted's proposal to be submitted. I do not intend to even attempt to "direct the manner" in which Ms. Bronsted or Camilla C. Cane will vote at the annual meeting. I am not authorized to "direct the manner" in which Ms. Bronsted or Camilla C. Cane will vote at the annual meeting. If my proposed resolution makes it into the proxy I intend to attend the annual meeting to present it as required by the SEC. Ms. Bronsted has told me she cannot afford to miss work and travel to New York in December. Ms. Bronsted's has asked me to only represent her as her proxy to present her proposed resolution if it

makes it into the proxy. She has made it clear to me that she will continue to handle her own PSEC shareholder votes as she has done since she first bought shares in PSEC.

Mrs. Cane and Ms. Bronsted are both long time independent PSEC shareholders. They both have held the requisite number of shares for the required time period to entitle them to submit a shareholder resolution. Both Mrs. Cane and Ms. Bronsted have asked me numerous times why their investments in PSEC have been performed so poorly and if PSEC is a lost cause. They were aware that I have been frustrated in my long running attempts to talk with company executives and outside board members to discuss the future of the company. They were aware of the extensive research I had been doing on the company. As very interested investors, they asked me to share the contents of my White Paper with them and at their request I complied. They asked if I would try to do anything else if my continued requests to communicate with PSEC's outside board members were rebuffed. I told them I intended to try to be part of a solution and submit a shareholder resolution to hopefully effect change that would lead to improved returns for all PSEC shareholders. They asked me if they could also try to be part of a solution and do the same thing. I told them as far as I could determine it appeared that they met the SEC qualifications for submission of a shareholder resolution. After reading my White Paper they said a lot of the things I was suggesting the outside Board members consider were way over their head but a few were understandable for them and things they believed they would like to submit as a shareholder resolution. They said the procedures that had to be taken and the regulations that had to be followed were way over their heads too. They asked me if I would help them and I said yes but I insisted that any resolution they proposed had to be their resolution, not influenced or coerced by me. They asked me to format their desired content of their resolutions and letters accompanying the resolutions in an attempt to assure that the conditions in the PSEC Charter and By-laws and SEC regulations were complied with and I did. They asked me to help them with language that would help them get across their message and not sound "dumb" and I did my best to do as they asked. I told them I would be happy to counsel them but, again, whatever, if anything, they chose to submit ultimately had to be theirs and only theirs. They asked me to address their packages to be sure it was done right and even deliver them to the post office and I did. They told me that I had their authorization to inform PSEC's outside board members and staff of their resolution intent and that I could submit advance copies of their proposed resolutions to PSEC's outside board members.

You indicated that Mrs. Cane's proposed resolution did not arrive in time. Regrettably, for PSEC's independent shareholders, her proposed resolution is now dead.

Ms. Bronsted's proposed resolution is not mine. In addition, to be very clear, I am not her "alter ego." I know her well and can assure you that while she frequently seeks advice from me on numerous (especially financial and legal) matters, she makes her own decisions. I ceased being her custodian for her investments when she turned 21. She is a very smart and very independent single mother of 3 young children but she is not a financial expert or knowledgeable about SEC regulations. She is fighting hard to make a living for herself and her young children and has depended on PSEC to perform well in her Roth IRA to give her something to count on in her eventual retirement. She has asked me numerous times over the past few years why PSEC's performance in her IRA has been so poor and whether she should dump it. I encouraged (not coerced or forced) her to hold on because my interactions with PSEC contacts I was able to get through to over the years continued to give me hope that better results were around the corner. She regrettably took my bad advice and held her PSEC stock.

In your letter you state, "You can choose to correct the foregoing violations of Rule 14a-8(c) by clearly indicating in a written response to the Company the proposals you and Ms. Bronsted are withdrawing and the one single proposal you and Ms. Bronsted still wish to submit pursuant to Rule 14a-8."

Ms. Bronsted and I are not part of a "group." I do not control her. If I were to collaborate with her as you suggest above to jointly decide which of our independent resolutions should be submitted to PSEC it would be a sign that we are a "group." If I could demand or require her to withdraw her resolution it would be a sign that I am her "alter-ego," that I do "control" her and that I am part of a "group" with her. It would also be a flat-out lie if she claimed adoption of my proposed resolution as hers. If she could convince me that I should drop my proposed resolution and instead adopt her resolution as my own it would cause me to flat-out lie and it would be a sign that we are part of a "group." If I could demand or require her to adopt my resolution as her own, I would be asking her to lie. It would also be a sign that I am her "alter-ego," that I control her and that we are a "group."

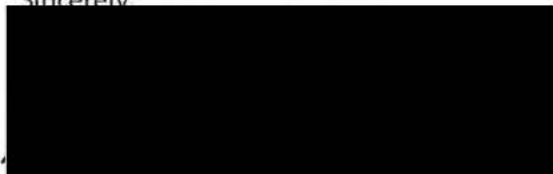
Ms. Bronsted has to determine for herself whether she is willing to withdraw her proposed resolution. She has to speak for herself. With regard to this matter or any other PSEC matter leading to this point, I do not independently speak for her. Why don't you reach out to her and tell her why her resolution would not be in the best interest of PSEC's independent shareholders? She is very reasonable.

I am a frustrated long-time independent shareholder who is way under water on my PSEC investment. My patience has run out and I am convinced that change is needed at PSEC. I do not intend to voluntarily withdraw my proposed resolution unless I can be convinced by my outside board members that they will take the action I am requesting in the resolution or if they can convince me that a yes vote on my resolution would not be in my best long term interest and/or the best long term interest of PSEC's other independent shareholders.

The SEC requires that companies send shareholder proponents of resolutions a notice of deficiencies before they get involved in order to stimulate dialogue. I have been trying to establish dialogue for a very long time. PSEC is the party that has been unwilling to substantively respond to my communications or provide me with the dialogue I have requested. I would think that my outside directors would value a "temperature check" of PSEC's shareholder base to see if they would be willing to temporarily forgo cash dividends in return for potentially better and more tax efficient returns through capital appreciation. If my outside directors can convince me that even consideration of my proposed resolution by PSEC independent shareholders is not in my best interest or the best interest of PSEC's other independent shareholders I will happily withdraw it.

Thank you again.

Sincerely,

A large black rectangular redaction box covering the signature area.

ATTACHMENT

"PSEC has chosen to be a Subchapter M Registered Investment Company (RIC), as explained in the 10K.

The conceptual attraction of a RIC BDC is a high, at least stable, dividend plus equity appreciation from a structure that eliminates the double taxation of dividends. As long as minimum distribution requirements are met, income taxes are not paid by the BDC due to adoption of statutory RIC status. Taxes on income / distributions are borne by shareholders, for the most part, at ordinary (not capital gains or qualified dividend) income tax rates. As long as the BDC performs such that its stock price remains at least stable, and dividend payouts do not fall, the shareholders' after-tax return should be attractive.

PSEC shares purchased on 1/1/14, and held through 3/31/20, experienced per share accumulated dividends of \$4.605 but a per share price reduction of \$6.62 per share – an accumulated pre-tax loss of \$2.015 per share. (Source: PSEC 10Ks and 10Qs) Because dividends are taxed, over this time period, a typical PSEC shareholder experienced an even more significant negative after-tax return during this period.

As of 3/31/20, PSEC had \$1.111 billion distributable loss (source: 10Q). This reflects sustained net investment losses but can be utilized as an asset. The Board could choose to retain BDC status but suspend PSEC's qualification as a RIC under Subchapter M of the Code, discontinue paying dividends, and incur the statutory 4% excise tax liability on undistributed income. This would make PSEC subject to Federal income tax on income and capital gains. This would also allow PSEC to utilize its distributable loss to shield a proportion of income and capital gains from taxation. The board could choose to suspend dividend payments and direct "distributable" income to aggressive, accretive open market share repurchases. If shareholders would be willing to temporarily attempt achievement of improved returns from their PSEC investment through more after-tax efficient share price appreciation than dividends, it could give shareholders an improved and more tax efficient return on investment. Such a strategy could be employed until the open market price of PSEC stock sustainably exceeds a reasonable board chosen percentage of NAV target. After that time the board could again seek restoration of RIC status and normal RIC cash dividend payments could be resumed from a higher share price base.

While novel and aggressive, precedent exists for such a strategy. American Capital Strategies (ACAS) employed it. It was instrumental in helping ACAS grow a \$100 ACAS investment on 12/31/09 to \$641 on 12/31/13 (source ACAS 2014 10k, p. 34 - <https://www.sec.gov/Archives/edgar/data/817473/000081747315000010/acas10k123114.htm>).

Resolution - With an objective of improving PSEC's total absolute and after-tax shareholder return, shareholders request that the board evaluate the merits of, and consider, temporary RIC status suspension to enable otherwise precluded strategic initiatives that could result in significant total after-tax shareholder returns.

Please vote YES:"

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June 2, 2020

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MILWAUKEE WI PROCESSING CENTER

June 1, 2020, 7:01 pm

Arrived at USPS Regional Origin Facility
MILWAUKEE WI PROCESSING CENTER

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