

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, DC 20549

FORM 8-K

CURRENT REPORT

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

Date of report (Date of earliest event reported): November 1, 2024 (October 30, 2024)

Stellus Capital Investment Corporation
(Exact Name of Registrant as Specified in Charter)

Maryland
(State or Other Jurisdiction
of Incorporation)

814-00971
(Commission
File Number)

46-0937320
(IRS Employer
Identification No.)

4400 Post Oak Parkway, Suite 2200
Houston, Texas
(Address of Principal Executive Offices)

77027
(Zip Code)

Registrant's Telephone Number, Including Area Code: (713) 292-5400

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

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

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

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

<u>Title of each class</u>	<u>Trading Symbol(s)</u>	<u>Name of each exchange on which registered</u>
Common Stock, par value \$0.001 per share	SCM	New York Stock Exchange

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

Emerging growth company

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

Item 1.01 Entry into a Material Definitive Agreement.

On October 30, 2024, Stellus Capital Investment Corporation (the “Company”) entered into an Increase Agreement (the “Increase Agreement”) to the Amended and Restated Senior Secured Revolving Credit Agreement by and among the Company, as the borrower, Zions Bancorporation, N.A. dba Amegy Bank, as the administrative agent, and the lenders that are party thereto from time to time, which, among other things, amends that certain Amended and Restated Senior Secured Revolving Credit Agreement dated as of September 18, 2020 (as amended, supplemented, and restated or otherwise modified from time to time, the “Credit Facility”). The Increase Agreement increases the total Commitments under the Credit Facility from \$260,000,000 to \$315,000,000 on a committed basis.

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

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

The information contained in Item 1.01 to this current report on Form 8-K is by this reference incorporated in this Item 2.03.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

<u>Exhibit Number</u>	<u>Description</u>
10.1	Increase Agreement, dated October 30, 2024, between the Company, as a borrower, Zions Bancorporation, N.A. dba Amegy Bank, as the administrative agent, and the lenders that are party thereto.
104	Cover Page Interactive Data File (embedded within the Inline XBRL Document)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934 as amended, the Registrant has duly caused this Report on Form 8-K to be signed on its behalf by the undersigned hereunto duly authorized.

Date: November 1, 2024

STELLUS CAPITAL INVESTMENT CORPORATION

By: /s/ W. Todd Huskinson

W. Todd Huskinson
Chief Financial Officer

**INCREASE AGREEMENT TO AMENDED AND RESTATED
SENIOR SECURED REVOLVING CREDIT AGREEMENT**

THIS INCREASE AGREEMENT TO AMENDED AND RESTATED SENIOR SECURED REVOLVING CREDIT AGREEMENT dated as of October 30, 2024 (this "**Agreement**"), is among STELLUS CAPITAL INVESTMENT CORPORATION, a Maryland corporation (the "**Borrower**"), ZIONS BANCORPORATION, N.A. dba AMEGY BANK, as Administrative Agent (the "**Administrative Agent**") and Issuing Bank (the "**LC Issuer**"), BANK OZK ("**OZK**"), and COMMERCE BANK ("**Commerce**"), and together with OZK, collectively, the "**New Lenders**" and each individually, a "**New Lender**").

WITNESSETH:

WHEREAS, the Borrower, certain financial institutions as lenders, Zions Bancorporation, N.A. dba Amegy Bank, as the Swingline Lender, the Issuing Bank, the Multicurrency Lender and the Administrative Agent are parties to that certain Amended and Restated Senior Secured Revolving Credit Agreement dated as of September 18, 2020 (as amended by that First Amendment and Commitment Increase to Amended and Restated Senior Secured Revolving Credit Agreement dated December 22, 2021, that Second Amendment to Amended and Restated Senior Secured Revolving Credit Agreement dated February 28, 2022, that Third Amendment and Commitment Increase to Amended and Restated Senior Secured Revolving Credit Agreement dated May 13, 2022, that Fourth Amendment to Amended and Restated Senior Secured Revolving Credit Agreement dated November 21, 2023, that Fifth Amendment to Amended and Restated Senior Secured Revolving Credit Agreement dated March 14, 2024, and as further amended, supplemented, and restated or otherwise modified from time to time, the "**Credit Agreement**");

WHEREAS, the Borrower requests that the Commitments of the Dollar Lenders be increased from \$260,000,000 to \$315,000,000 in the aggregate; and

WHEREAS, each New Lender is willing on the terms and subject to the conditions hereinafter set forth, to make a Commitment, subject to the terms and conditions of this Agreement; and

NOW, THEREFORE, the parties hereto hereby covenant and agree as follows:

**ARTICLE I
DEFINITIONS**

Section 1.1 Certain Definitions. The following terms when used in this Agreement shall have the following meanings (such meanings to be equally applicable to the singular and plural forms thereof):

"**Borrower**" is defined in the *preamble*.

"**Credit Agreement**" is defined in the *first recital*.

"**Increase Effective Date**" is defined in *Article IV*.

Section 1.2 Other Definitions. Capitalized terms used in this Agreement but not defined herein, shall have the meanings given such terms in the Credit Agreement.

**ARTICLE II
COMMITMENT INCREASE REQUEST**

On or before September 11, 2024, the Borrower irrevocably requested that the Commitments of the Dollar Lenders be increased from \$260,000,000 to \$315,000,000 in the aggregate (the “**Commitment Increase**”) pursuant to **Section 2.08** of the Credit Agreement.

**ARTICLE III
AGREEMENT TO INCREASE COMMITMENTS**

Subject to the occurrence of the Increase Effective Date (as hereinafter defined), the Commitments are increased on the Increase Effective Date as follows:

Section 3.1 New Lenders. Each New Lender hereby (i) agrees to commit to provide a Commitment in the amount described on **Schedule 1.01(b)** attached hereto. Each New Lender confirms that it has received a copy of the Credit Agreement and the other Loan Documents, together with copies of the most recent financial statements delivered thereunder and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Agreement; (ii) agrees that it will, independently and without reliance upon the Administrative Agent or any other Lender or agent thereunder and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Credit Agreement; (iii) appoints and authorizes the Administrative Agent to take such action as agent on its behalf and to exercise such powers under the Credit Agreement and the other Loan Documents as are delegated to Administrative Agent by the terms thereof, together with such powers as are reasonably incidental thereto; and (iv) agrees that it will perform in accordance with their terms all of the obligations which by the terms of the Credit Agreement are required to be performed by it as a Lender. The Administrative Agent and LC Issuer consent to (i) each New Lender joining the Credit Agreement as a Lender and (ii) each of OZK and Frost Bank being named a Joint Lead Arranger under the Credit Agreement. From and after the Increase Effective Date each New Lender shall be deemed to be a party to the Credit Agreement, and a “Lender” for all purposes of the Credit Agreement and the other Loan Documents, and shall have all of the rights and obligations of a Lender under the Credit Agreement and the other Loan Documents.

Section 3.2 Commitment Increase. On the Increase Effective Date, adjustments of Borrowings will be made in accordance with **Section 2.08(e)** of the Credit Agreement that will result in, after giving effect to all such deemed prepayments and borrowings, the Loans and participations in Letters of Credit, Swingline Loans and Multicurrency Loans being held by the Lenders ratably in accordance with their Commitments, after giving effect to the Commitment Increase herein, as described on **Schedule 1.01(b)** attached hereto.

**ARTICLE IV
CONDITIONS TO EFFECTIVENESS**

Section 4.1 Effective Date. This Agreement shall become effective on the date first set forth above (the “**Increase Effective Date**”) when the Administrative Agent shall have received:

- (a) counterparts of this Agreement duly executed and delivered on behalf of the Borrower, the Administrative Agent, the LC Issuer, and the New Lenders, together with the Subsidiary Guarantors’ Consent and Agreement executed by each Subsidiary Guarantor;

- (b) a Revolving Credit Note in the maximum principal amount of \$45,000,000 executed by Borrower and made payable to Bank OZK;
- (c) a Revolving Credit Note in the maximum principal amount of \$10,000,000 executed by Borrower and made payable to Commerce Bank;
- (d) an Officer's Certificate of Borrower, certifying as to incumbency of officers, specimen signatures, organizational documents, and resolutions adopted by the Board of Directors of Borrower authorizing this Agreement, in form and substance satisfactory to Administrative Agent;
- (e) a certificate of existence/good standing for Borrower and each Subsidiary Guarantor from its jurisdiction of formation;
- (f) a certificate of a duly authorized officer of the Borrower in form and substance satisfactory to the Administrative Agent (i) stating that each of the applicable conditions set forth in **Section 2.08(e)** of the Credit Agreement have been satisfied and (ii) certifying that on and as of the Increase Effective Date, before and after giving effect to the Commitment Increase, (x) the representations and warranties contained in Article III of the Credit Agreement and the other Loan Documents are true and correct in all material respects (except those representations and warranties qualified by materiality or by reference to a material adverse effect, which are true and correct in all respects) on and as of the date hereof as though made on and as of the date hereof (unless such representations and warranties specifically refer to a specific date, in which case, they shall be complete and correct in all material respects (or, with respect to such representations or warranties qualified by materiality or by reference to a material adverse effect, complete and correct in all respects) on and as of such specific date), and (y) no Default or Event of Default exists; and
- (g) payment by the Borrower of all fees payable pursuant to the Increase Agreement Fee Letter dated as of the date hereof between the Borrower and Amegy Bank.

ARTICLE V MISCELLANEOUS

Section 5.1 Representations. The Borrower hereby represents and warrants that (i) this Agreement constitutes a legal, valid and binding obligation of it, enforceable against it in accordance with its terms, (ii) upon the effectiveness of this Agreement, no Default or Event of Default shall exist and (iii) its representations and warranties as set forth in the Loan Documents, as applicable, are true and correct in all material respects (except those representations and warranties qualified by materiality or by reference to a material adverse effect, which are true and correct in all respects) on and as of the date hereof as though made on and as of the date hereof (unless such representations and warranties specifically refer to a specific date, in which case, they shall be complete and correct in all material respects (or, with respect to such representations or warranties qualified by materiality or by reference to a material adverse effect, complete and correct in all respects) on and as of such specific date).

Section 5.2 Cross-References. References in this Agreement to any Article or Section are, unless otherwise specified, to such Article or Section of this Agreement.

Section 5.3 Loan Document Pursuant to Credit Agreement. This Agreement is a Loan Document executed pursuant to the Credit Agreement and shall (unless otherwise expressly indicated therein) be construed, administered and applied in accordance with all of the terms and provisions of the Credit Agreement, as amended hereby, including **Article IX** thereof.

Section 5.4 Successors and Assigns. The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

Section 5.5 Counterparts. This Agreement may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. Delivery of an executed counterpart of a signature page of this Agreement by telecopy electronically (e.g. pdf) shall be effective as delivery of a manually executed counterpart of this Agreement.

Section 5.6 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New York.

Section 5.7 Full Force and Effect. On and after the Increase Effective Date, each reference in any Loan Document to the Credit Agreement, “thereunder”, “thereof” or words of like import referring to the Credit Agreement shall mean and be a reference to the Credit Agreement as amended by this Agreement. Except as specifically amended by this Agreement, the Credit Agreement and the other Loan Documents shall remain in full force and effect (with the same priority, as applicable) and are hereby ratified and confirmed and this Agreement shall not be considered a novation. The execution, delivery and performance of this Agreement shall not constitute a waiver of any provision of, or operate as a waiver of any right, power or remedy of the Administrative Agent or any Lender or any other party under, the Credit Agreement or any of the other Loan Documents.

[Signatures on Following Pages]

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

BORROWER:

STELLUS CAPITAL INVESTMENT CORPORATION

By: /s/ W. Todd Huskinson
W. Todd Huskinson
Chief Financial Officer, Chief Compliance Officer, Treasurer, and
Secretary

SIGNATURE PAGE TO INCREASE AGREEMENT – STELLUS CAPITAL INVESTMENT CORPORATION

ADMINISTRATIVE AGENT AND LC ISSUER:

ZIONS BANCORPORATION, N.A.
DBA AMEGY BANK

By: /s/ Mario Gagetta
Mario Gagetta
Vice President

SIGNATURE PAGE TO INCREASE AGREEMENT – STELLUS CAPITAL INVESTMENT CORPORATION

NEW LENDER:

BANK OZK

By: /s/ James Lyons

Name: James Lyons

Title: Senior Managing Director

SIGNATURE PAGE TO INCREASE AGREEMENT – STELLUS CAPITAL INVESTMENT CORPORATION

NEW LENDER:

COMMERCE BANK

By: /s/ Jessica Morrison

Name: Jessica Morrison

Title: Senior Vice President

SIGNATURE PAGE TO INCREASE AGREEMENT – STELLUS CAPITAL INVESTMENT CORPORATION

**SUBSIDIARY GUARANTORS' CONSENT AND AGREEMENT TO
INCREASE AGREEMENT**

As an inducement to Administrative Agent, LC Issuer, and the New Lenders party thereto to execute the Increase Agreement to Credit Agreement (the "**Agreement**") to which this Subsidiary Guarantors' Consent and Agreement to Increase Agreement is attached, and in consideration of such execution by the parties thereto (capitalized terms used herein and not otherwise defined shall have the meanings given to such terms in **Article I** of the Agreement), each of the undersigned Subsidiary Guarantors hereby consents to the Agreement and the transactions contemplated thereby, and agrees that the Agreement shall in no way release, diminish, impair, reduce or otherwise adversely affect the obligations and liabilities of the undersigned under any Guarantee and Security Agreement executed by the undersigned in connection with the Credit Agreement, or under any Loan Documents, agreements, documents or instruments executed by the undersigned to create liens, security interests or charges to secure any of the Guaranteed Obligations (as defined in the Guarantee and Security Agreement), all of which are in full force and effect. Each of the undersigned further represents and warrants to Administrative Agent and the Lenders that, after giving effect to the Agreement, (a) the representations and warranties in each Loan Document to which the undersigned is a party are true and correct in all material respects (or, in the case of any portion of the representations and warranties already subject to a materiality qualifier, true and correct in all respects) on and as of the date of the Agreement as if made on and as of the date of the Agreement (or, if any such representation or warranty is expressly stated to have been made as of a specific date, as of such specific date), and (b) no Default or Event of Default has occurred and is continuing. The undersigned Subsidiary Guarantors agree to be bound by the terms, conditions, covenants and agreements in the Agreement. This Consent and Agreement is executed as of the date of the Agreement and shall be binding upon each of the undersigned, and their respective successors and assigns, and shall inure to the benefit of Administrative Agent, Lenders, and their successors and assigns.

[Signatures on Following Page]

SUBSIDIARY GUARANTORS' CONSENT AND AGREEMENT TO
INCREASE AGREEMENT – STELLUS CAPITAL INVESTMENT CORPORATION

SUBSIDIARY GUARANTORS:

SCIC – ERC BLOCKER 1, INC.
SCIC – SKP BLOCKER 1, INC.
SCIC – APE BLOCKER 1, INC.
SCIC – CONSOLIDATED BLOCKER, INC.
SCIC – INVINCIBLE BLOCKER 1, INC.
SCIC – CC BLOCKER 1, INC.
SCIC – HOLLANDER BLOCKER 1, INC.
SCIC – VENBROOK BLOCKER, INC.

By: /s/ W. Todd Huskinson

W. Todd Huskinson

Authorized Signatory of each of the above corporations

SIGNATURE PAGE TO SUBSIDIARY GUARANTORS' CONSENT AND AGREEMENT TO
INCREASE AGREEMENT – STELLUS CAPITAL INVESTMENT CORPORATION
