



Tax Status of Dividends and Distributions for 2017

The tax character of dividends paid by Medley Capital Corporation (the “Company”) for calendar year 2017 is set forth below. For tax purposes, the Company is a regulated investment company and is designating the tax character of dividends and distributions you receive as a stockholder for calendar year 2017 in accordance with Subchapter M of the Internal Revenue Code of 1986, as amended (“IRC”).

The amounts shown in the table below represent the final accounting of the Company’s 2017 distributions. This information supersedes any estimated information you may have received during the year. Calendar year 2017 dividends were classified as follows:

Record Date	Payment Date	Dividend Per Share	Non-Qualified	Return of Capital	Long Term Capital Gain
			Ordinary Taxible Income		
2/22/2017	3/24/2017	0.22	100.00%	0.00%	0.00%
5/22/2017	6/23/2017	0.16	100.00%	0.00%	0.00%
8/21/2017	9/22/2017	0.16	100.00%	0.00%	0.00%
11/21/2017	12/22/2017	0.16	100.00%	0.00%	0.00%

Dividends that were reinvested through the Company’s Dividend Reinvestment Plan are treated, for tax purposes, as if they had been paid in cash. Therefore, stockholders who participate in the Dividend Reinvestment Plan should also refer to the above table.

This notice is not intended to constitute tax, legal, investment or other professional advice. Stockholders should be aware that tax treatment is subject to change by law in the future or retroactively. This is general information and should not be relied upon without consulting your tax advisor.

If you have any questions about the tax character of your dividends, please contact American Stock Transfer and Trust Company at 800-937-5449. You may also contact Medley Capital Corporation’s Investor Relations Department directly at 212-759-0777.

Past performance is not indicative of future results. This is not an offer or a solicitation of an offer to buy any securities of Medley Capital Corporation. Such an offer can be made only by means of a prospectus. A copy of the prospectus can be obtained by visiting www.medleycapitalcorp.com.