

Capitala Finance Corp.
Form 5
February 10, 2017

FORM 5

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Check this box if
no longer subject
to Section 16.
Form 4 or Form
5 obligations
may continue.
See Instruction
1(b).
Form 3 Holdings
Reported
Form 4
Transactions
Reported

**ANNUAL STATEMENT OF CHANGES IN BENEFICIAL
OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,
Section 17(a) of the Public Utility Holding Company Act of 1935 or Section
30(h) of the Investment Company Act of 1940

OMB APPROVAL

OMB
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1. Name and Address of Reporting Person *
BROYHILL MARKHAM HUNT

(Last) (First) (Middle)

**C/O CAPITALA FINANCE
CORP., 4201 CONGRESS
STREET, SUITE 360**

(Street)

CHARLOTTE, NC 28209

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading
Symbol
Capitala Finance Corp. [CPTA]

3. Statement for Issuer's Fiscal Year Ended
(Month/Day/Year)
12/31/2016

4. If Amendment, Date Original
Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

☒ Director ☐ 10% Owner
☐ Officer (give title below) ☐ Other (specify below)

6. Individual or Joint/Group Reporting

(check applicable line)

☒ Form Filed by One Reporting Person
☐ Form Filed by More than One Reporting
Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned at end of Issuer's Fiscal Year (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
Common Stock	06/22/2015	Â	P4	500	A \$ 16.272 78,538 ⁽¹⁾	D	Â
Common Stock	06/22/2015	Â	P4	232	A \$ 16.29 232	I	via Spouse
Common Stock	06/22/2015	Â	P4	68	A \$ 16.37 300	I	via Spouse
	06/24/2015	Â	P4	6,000	A 19,580	I	

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Common Stock						\$ 16.1782				via Broyhill Family Foundation Inc.
Common Stock	06/24/2015	Â	P4	2,000	A	\$ 16.1782	2,000	I		via Broyhill Memorial Park Inc.
Common Stock	05/16/2014	Â	P4	824	A	\$ 18.1914	824	I		via Paul H. Broyhill II Irrevocable Trust
Common Stock	Â	Â	Â	Â	Â	Â	37,764 ⁽¹⁾	I		via Broyhill Investments, Inc.
Common Stock	Â	Â	Â	Â	Â	Â	78,455	I		via BMC Fund, Inc.
Common Stock	Â	Â	Â	Â	Â	Â	134,857	I		via Claron Investments, LP
Common Stock	Â	Â	Â	Â	Â	Â	6,993	I		via Hibriten Investments of N.C. Limited Partnership

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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(9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. Price or Derivative Security (Instr. 3)
					(A) (D)	Date Exercisable Expiration Date	Title Amount or Number of Shares	
Awards	Â	Â	Â	Â	Â Â	Â ⁽²⁾⁽³⁾ Â ⁽²⁾⁽³⁾	Common Stock, par 37,357 ^{(1) (2)}	Â

value
\$0.01 per
share

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
BROYHILL MARKHAM HUNT C/O CAPITALA FINANCE CORP. 4201 CONGRESS STREET, SUITE 360 CHARLOTTE, NC 28209	X			

Signatures

/s/ Richard G. Wheelahan, III,
attorney-in-fact

02/10/2017

____Signature of Reporting Person

Date

Explanation of Responses:

* If the form is filed by more than one reporting person, see Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

In a Form 4 filed on December 1, 2014, Mr. Broyhill inadvertently reported an indirect purchase of 1,000 shares of Capitala Finance Corp.'s (the "Issuer") common stock by Broyhill Investments, Inc. on November 26, 2014. This purchase should have been reported as a direct purchase by Mr. Broyhill, which is reflected in this Form 5.

(2) As of the date of this report, Mr. Broyhill holds unvested Awards with respect to 37,357 shares of the Issuer's common stock held by Capitala Restricted Shares I, LLC ("CRS"), which is controlled by Joseph B. Alala, III and is an affiliate of Capitala Investment Advisors, LLC, pursuant to CRS's Amended and Restated 2015 Equity Compensation Plan, dated September 18, 2015 (the "Plan"). The Plan was previously approved by the Issuer's Board of Directors. Unvested Awards under the Plan are scheduled to vest as follows: approximately 43% on September 25, 2017 and approximately 57% on September 25, 2018. Upon settlement, the unvested Awards will become payable on a one-for-one basis in shares of the Issuer's common stock.

(3) Pursuant to the SEC staff no-action letters to Babson Capital Management LLC (pub. Avail. Dec. 14, 2006) and Carlyle GMS Finance, Inc. (pub. avail. Oct. 8, 2015), an employee benefit plans sponsored by an investment adviser (or an affiliated person of an investment adviser) to a registered closed-end investment company or a business development company regulated under the Investment Company Act of 1940, as amended, that offers plan participants equity securities of such registered investment company or business development company is considered an "employee benefit plan sponsored by the issuer" for the purposes of Rule 16b-3 under the Securities Exchange Act of 1934, as amended.

Note: File three copies of this Form, one of which must be manually signed. If space provided is insufficient, see Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.