

SPDR GOLD TRUST
Form FWP
October 08, 2010

Filed Pursuant To Rule 433
Registration No. 333-167132
October 8, 2010

STATE STREET GLOBAL ADVISORS State Street Financial Center One Lincoln Street, 30th Floor
Boston, MA 02111 **Access Code: XXXX** Mr. Sample A. Sample Company Address line 1 Address line 2
Town, XX 01234-5678 ...the economic outlook remains unusually uncertain. *Federal Reserve*
Chairman Ben Bernanke, testimony to Senate Banking Committee, July 21, 2010 Dear Sample A. Sample:
As the market volatility and uncertainty of the past two years show few signs of letting up, one thing
remains certain: the value of gold as a long-term investment in an unpredictable world. While gold has
traditionally been viewed as a tactical investment for difficult times, a closer look reveals an asset class
with attractive properties in any economic environment. **Visit statestreetspdrs.com/GOLD1 and enter**
your Access Code (above) to learn more about gold's strategic, long-term use as a: **Portfolio diversifier**
with extremely low correlations to virtually every other asset class; few, if any, asset classes can match
the diversification potential of gold¹ **Hedge against inflation** that has tended to retain its purchasing
power when currencies crumble **Defense against dollar weakness** that, all other things being equal, has
tended to rise in price when the dollar declines **Volatility hedge** that, historically, has been significantly
less volatile than commodities overall **View *The Enduring Case for Gold and our full spectrum of gold***
content today. As a thank-you, we'll send you a gold USB drive pre-loaded with all you need to know
about gold. Sincerely, Anthony R. Rochte, CIMA James E. Ross *Senior Managing Director,*
Senior Managing Director, State Street Global Advisors State Street Global Advisors **PS: Learn all**
about gold and get your gold USB drive at statestreetspdrs.com/GOLD1Source: Zephyr
StyleADVISOR, State Street Global Advisors, Strategy & Research. For the period from
12/1989 12/2009, gold's correlations to major asset classes were: US Equities: -0.08; International
Equities: 0.10; US Fixed Income: 0.12; US Real Estate: 0.04; Cash: -0.15. Past performance is no
guarantee of future results. **statestreetspdrs.com/GOLD1 View our latest webcast, *The Enduring Case***
for Gold, at statestreetspdrs.com/GOLD1 *The Enduring Case for Gold* (webcast, 33 min) Also
available at statestreetspdrs.com/GOLD1: *Investing in Gold: A Durable Asset* (interactive multimedia,
self paced) *A Case for Gold Preserving Wealth in an Age of Uncertainty* (article, 4 pp) *Gold FAQ*
(article, 6 pp) *Gold Investment Digest July 2010* (article, 16 pp)

Important Information Relating to SPDR Gold Shares Trust: **The SPDR Gold Shares Trust (GLD) has filed a registration statement (including a prospectus) with the Securities and Exchange Commission (SEC) for the offering to which this communication relates. Before you invest, you should read the prospectus in that registration statement and other documents GLD has filed with the SEC for more complete information about GLD and this offering. You may get these documents for free by visiting EDGAR on the SEC website at www.sec.gov or by visiting www.spdrgoldshares.com. Alternatively, the Trust or any authorized participant will arrange to send you the prospectus if you request it by calling 866.320.4053. GLD is not an investment company registered under the Investment Company Act of 1940 (the 1940 Act) and is not subject to regulation under the Commodity Exchange Act of 1936 (the CEA). As a result, shareholders of the Trust do not have the protections associated with ownership of shares in an investment company registered under the 1940 Act or the protections afforded by the CEA.** GLD shares trade like stocks, are subject to investment risk and will fluctuate in market value. The value of GLD shares relates directly to the value of the gold held by GLD (less its expenses), and fluctuations in the price of gold could materially and adversely affect an investment in the shares. The price received upon the sale of the shares, which trade at market price, may be more or less than the value of the gold represented by them. GLD does not generate any income, and as GLD regularly sells gold to pay for its ongoing expenses, the amount of gold represented by each Share will decline over time. Investing involves risk, and you could lose money on an investment in GLD. **Please see the GLD prospectus for a detailed discussion of the risks of investing in GLD shares.** SPDR® is a registered trademark of Standard & Poor's Financial Services LLC (S&P) and has been licensed for use by State Street Corporation. No financial product offered by State Street Corporation or its affiliates is sponsored, endorsed, sold or promoted by S&P or its affiliates, and S&P and its affiliates make no representation, warranty or condition regarding the advisability of buying, selling or holding units/shares in such products. Further limitations that could affect investors' rights may be found in GLD's prospectus. For more information: State Street Global Markets, LLC, One Lincoln Street, Boston, MA, 02111 866.320.4053 www.spdrgoldshares.com. Not FDIC Insured No Bank Guarantee May Lose Value

Discover the long-term benefits of one of the world's oldest asset classes with our latest webcast, *The Enduring Case for Gold* View it today at statestreetspdrs.com/GOLD1 *The Enduring Case for Gold* (webcast, 33 min) Important Information Relating to SPDR Gold Shares Trust: **The SPDR Gold Shares Trust (GLD) has filed a registration statement (including a prospectus) with the Securities and Exchange Commission (SEC) for the offering to which this communication relates. Before you invest, you should read the prospectus in that registration statement and other documents GLD has filed with the SEC for more complete information about GLD and this offering. You may get these documents for free by visiting EDGAR on the SEC website at www.sec.gov or by visiting www.spdrgoldshares.com. Alternatively, the Trust or any authorized participant will arrange to send you the prospectus if you request it by calling 866.320.4053. GLD is not an investment company registered under the Investment Company Act of 1940 (the 1940 Act) and is not subject to regulation under the Commodity Exchange Act of 1936 (the CEA). As a result, shareholders of the Trust do not have the protections associated with ownership of shares in an investment company registered under the 1940 Act or the protections afforded by the CEA. GLD shares trade like stocks, are subject to investment risk and will fluctuate in market value. The value of GLD shares relates directly to the value of the gold held by GLD (less its expenses), and fluctuations in the price of gold could materially and adversely affect an investment in the shares. The price received upon the sale of the shares, which trade at market price, may be more or less than the value of the gold represented by them. GLD does not generate any income, and as GLD regularly sells gold to pay for its ongoing expenses, the amount of gold represented by each Share will decline over time. Investing involves risk, and you could lose money on an investment in GLD. **Please see the GLD prospectus for a detailed discussion of the risks of investing in GLD shares.** SPDR® is a registered trademark of Standard & Poor's Financial Services LLC (S&P) and has been licensed for use by State Street Corporation. No financial product offered by State Street Corporation or its affiliates is sponsored, endorsed, sold or promoted by S&P or its affiliates, and S&P and its affiliates make no representation, warranty or condition regarding the advisability of buying, selling or holding units/ shares in such products. Further limitations that could affect investors' rights may be found in GLD's prospectus. For more information: State Street Global Markets, LLC, One Lincoln Street, Boston, MA, 02111 866.320.4053 www.spdrgoldshares.com. Not FDIC Insured No Bank Guarantee May Lose Value IBG-2449 Exp. Date: 01/20/2010 The Long-Term Case for Gold statestreetspdrs.com/GOLD1 55% recycled, 30% FPO post consumer waste**

Familiarize your clients with the strategic benefits that gold can provide **Take a look at gold's attractive properties in any economic environment** **Portfolio diversifier** Gold's history of extremely low correlations with other asset classes, as shown in the chart below, makes it an attractive diversifier.

ASSET CLASS CORRELATIONS WITH GOLD DECEMBER 1989 DECEMBER 2009 1.00 1.00
INCOME INTERNATIONAL EQUITIES EQUITIES ESTATE 0.80 0.60 **GOLD**

CASH **FIXED REAL** 0.40 **US US** 0.20 0.10 0.12 0.04 0.00 -0.08 -0.20 -0.15 **Hedge against**

inflation In periods of inflation or economic instability, gold has tended to retain its purchasing power while currencies lose value. **Defense against dollar weakness** Priced in dollars, gold has historically tended to rise in price when the dollar weakens. **Volatility hedge** Over the past 20 years, gold has been 35% less volatile than commodities and slightly less volatile than the S&P 500® Index.² ¹Source: Zephyr

StyleADVISOR, State Street Global Advisors Strategy & Research. Gold: London PM Fixing; US Equities: S&P 500® Index; Cash: Citigroup 3-Month T-Bill Index; International Equities: MSCI EAFE Index; US Fixed Income: Barclays Capital Aggregate Bond Index; Real Estate: Dow Jones U.S. Select REIT Index. Past performance is no guarantee of future results. ²Source: State Street Strategy & Research; period is **Learn all about the potential of gold at statestreetspdrs.com/GOLD1** *Investing in*

Gold: A Durable Asset (interactive multimedia, self-paced) Learn at your own pace with this interactive multimedia that explains the whys and hows of investing in gold. *A Case for Gold Preserving Wealth in an Age of Uncertainty* (article, 2 pp) This overview details the history of gold, its characteristics as an investment, and the economic forces that determine its price. *Gold FAQ* (article, 6 pp) Get detailed answers to frequently asked questions about investing in gold with SPDR® Gold Shares [GLD]. *Gold Investment Digest July 2010* (article, 16 pp) This quarterly newsletter from the World Gold Council covers price, market, and investment trends. View our webcast *The Enduring Case for Gold* and more at statestreetspdrs.com/GOLD1 *The Enduring Case for Gold* (webcast, 33 min) In this new State Street webcast, experts from SPDR® ETFs and the World Gold Council discuss gold's attributes as a strategic asset, major drivers of the gold market, how investors can access the gold market, and the current status of gold amid ongoing economic volatility worldwide. **Access our full spectrum of gold content to learn more about the long-term case for gold** As a thank-you, we'll send you a gold bar USB drive pre-loaded with all you need to know about gold. 20 years ended 12/31/2009; commodities as measured by the S&P® Goldman Sachs Commodity Index. statestreetspdrs.com/GOLD1

Edgar Filing: SPDR GOLD TRUST - Form FWP

SPDR® GOLD TRUST has filed a registration statement (including a prospectus) with the SEC for the offering to which this communication relates. Before you invest, you should read the prospectus in that registration statement and other documents the issuer has filed with the SEC for more complete information about the Trust and this offering. You may get these documents for free by visiting EDGAR on the SEC Web site at www.sec.gov. Alternatively, the Trust or any Authorized Participant will arrange to send you the prospectus if you request it by calling toll free at 1-866-320-4053 or contacting State Street Global Markets, LLC, One Lincoln Street, Attn: SPDR® Gold Shares, 30th Floor, Boston, MA 02111.

tyle="vertical-align:bottom;padding-left:2px;padding-top:2px;padding-bottom:2px;padding-right:2px;">

10.30% (L + 7.50%/Q)

5/18/2017

6/2/2025

7,500

7,436

7,238

19,500

19,333

18,818

1.87
%

FR Arsenal Holdings II Corp.

Business Services

First lien (2)(9)

10.06% (L + 7.25%/Q)

9/29/2016

9/8/2022

18,545

18,404

18,545

1.84

%

Integral Ad Science, Inc.

Software

First lien (8)(9)

9.78% (L + 6.00% + 1.25% PIK/M)*

7/19/2018

7/19/2024

18,678

18,503

18,491

1.84

%

The Kleinfelder Group, Inc.

Business Services

First lien (4)

7.17% (L + 4.75%/M)

12/18/2018

11/29/2024

17,500

17,413

17,413

1.73

%

Navex Topco, Inc.

Software

Second lien (2)

9.53% (L + 7.00%/M)

8/9/2018

9/4/2026

16,807

16,725

16,218

1.61

%

TIBCO Software Inc.

Software

Subordinated (3)

11.38%/S

11/24/2014

12/1/2021

15,000

14,776

15,750

1.57

%

Hill International, Inc.**

Business Services

First lien (2)(9)

8.55% (L + 5.75%/Q)

6/21/2017

6/21/2023

15,563

15,502

15,563

1.55

%

QC McKissock Investment, LLC (14)

McKissock, LLC

Education

First lien (2)(9)

8.55% (L + 5.75%/Q)

8/6/2014

8/5/2021

6,351

6,330

6,351

First lien (2)(9)

8.55% (L + 5.75%/Q)

8/24/2018

8/5/2021

3,649

3,616

3,649

First lien (2)(9)

8.55% (L + 5.75%/Q)

8/6/2014

8/5/2021

3,028

3,019

3,028

First lien (2)(9)

8.55% (L + 5.75%/Q)

8/6/2014

8/5/2021

977

974

977

First lien (2)(9)

8.55% (L + 5.75%/Q)

8/3/2018

8/5/2021

842

835

842

First lien (2)(9)

8.55% (L + 5.75%/Q)

5/23/2018

8/5/2021

572

564

572

15,419

15,338

15,419

1.53

%

OEConnection LLC

Business Services

Second lien (3)

10.53% (L + 8.00%/M)

11/22/2017

11/22/2025

7,660

7,564

7,602

Second lien (8)

10.53% (L + 8.00%/M)

11/22/2017

11/22/2025

7,500

7,407

7,443

15,160

14,971

15,045

1.49

%

Netsmart Inc. / Netsmart Technologies, Inc.

Healthcare Information Technology

Second lien (2)

10.03% (L + 7.50%/Q)

4/18/2016

10/19/2023

15,000

14,727

14,925

1.48

%

Xactly Corporation

Software

First lien (4)(9)

9.78% (L + 7.25%/M)

7/31/2017

7/29/2022

14,690

14,577

14,690

1.46

%

Transcendia Holdings, Inc.

Packaging

Second lien (8)

10.52% (L + 8.00%/M)

6/28/2017

5/30/2025

7,500

7,411

7,385

Second lien (3)

10.52% (L + 8.00%/M)

6/28/2017

5/30/2025

7,000

6,917

6,893

14,500

14,328

14,278

1.42

%

Alegeus Technologies Holdings Corp.

Healthcare Services

First lien (2)(9)

8.66% (L + 6.25%/Q)

9/5/2018

9/5/2024

13,444

13,378

13,376

1.33
%

The accompanying notes are an integral part of these consolidated financial statements.

96

Table of Contents

New Mountain Finance Corporation

Consolidated Schedule of Investments (Continued)

December 31, 2018

(in thousands, except shares)

Portfolio Company, Location and Industry(1)	Type of Investment	Interest Rate (11)	Acquisition Date	Maturity/Expiration Date	Principal Amount, Par Value or Shares	Cost	Fair Value	Percent of Net Assets	
NorthStar Financial Services Group, LLC	Software	Second lien (5)	10.10% (L + 7.50%/M)	5/23/2018	5/25/2026	\$ 13,450	\$ 13,418	\$ 13,316	1.32 %
Project Accelerate Parent, LLC	Business Services	Second lien (8)(9)	10.89% (L + 8.50%/M)	1/2/2018	1/2/2026	7,500	7,414	7,406	
		Second lien (3)(9)	10.89% (L + 8.50%/M)	1/2/2018	1/2/2026	5,973	5,905	5,898	
						13,473	13,319	13,304	1.32 %
Castle Management Borrower LLC	Business Services	First lien (2)(9)	8.87% (L + 6.25%/Q)	5/31/2018	2/15/2024	13,347	13,286	13,281	1.32 %
Ministry Brands, LLC	Software	First lien (2)	6.52% (L + 4.00%/M)	12/7/2016	12/2/2022	2,962	2,952	2,962	
		Second lien (8)(9)	11.77% (L + 9.25%/M)	12/7/2016	6/2/2023	7,840	7,796	7,840	
		Second lien (3)(9)	11.77% (L + 9.25%/M)	12/7/2016	6/2/2023	2,160	2,148	2,160	
						12,962	12,896	12,962	1.29 %
BackOffice Associates Holdings, LLC	Business Services	First lien (2)(9)	13.03% (L + 10.50%/M)	8/25/2017	8/25/2023	13,262	13,169	12,477	
		First lien (3)(9)(10) - Drawn	13.03% (L + 7.50% + 3.00% PIK/M)*	8/25/2017	8/25/2023	17	17	16	

Edgar Filing: SPDR GOLD TRUST - Form FWP

					13,279	13,186	12,493	1.24 %
Zywave, Inc.								
Software	Second lien (4)(9)	11.65% (L + 9.00%/Q)	11/22/2016	11/17/2023	11,000	10,936	11,000	
	First lien (3)(9)(10) - Drawn	7.52% (L + 5.00%/M)	11/22/2016	11/17/2022	1,200	1,191	1,200	
					12,200	12,127	12,200	1.21 %
CHA Holdings, Inc.								
Business Services	Second lien (4)	11.55% (L + 8.75%/Q)	4/3/2018	4/10/2026	7,012	6,946	7,103	
	Second lien (3)	11.55% (L + 8.75%/Q)	4/3/2018	4/10/2026	4,453	4,411	4,511	
					11,465	11,357	11,614	1.15 %
PPVA Black Elk (Equity) LLC								
Business Services	Subordinated (3)(9)	—	5/3/2013	—	14,500	14,500	11,362	1.13 %
Amerijet Holdings, Inc.								
Distribution & Logistics	First lien (4)(9)	10.52% (L + 8.00%/M)	7/15/2016	7/15/2021	8,972	8,935	8,972	
	First lien (4)(9)	10.52% (L + 8.00%/M)	7/15/2016	7/15/2021	1,495	1,489	1,495	
					10,467	10,424	10,467	1.04 %
Vectra Co.								
Business Products	Second lien (8)	9.77% (L + 7.25%/M)	2/23/2018	3/8/2026	10,788	10,751	10,465	1.04 %
Masergy Holdings, Inc.								
Business Services	Second lien (2)	10.31% (L + 7.50%/Q)	12/14/2016	12/16/2024	10,500	10,452	10,290	1.02 %
VT Topco, Inc.								
Business Services	Second lien (4)	9.80% (L + 7.00%/Q)	8/14/2018	7/31/2026	10,000	9,976	9,987	0.99 %
Affinity Dental Management, Inc.								
Healthcare Services	First lien (2)(9)	8.57% (L + 6.00%/S)	9/15/2017	9/15/2023	4,344	4,308	4,344	
	First lien (3)(9)(10) - Drawn	8.61% (L + 6.00%/S)	9/15/2017	9/15/2023	5,277	5,240	5,277	
					9,621	9,548	9,621	0.96 %
AgKnowledge Holdings Company, Inc.								
Business Services	First Lien (4)	7.27% (L + 4.75%/Q)	11/30/2018	7/23/2023	9,450	9,403	9,426	0.94 %
WD Wolverine Holdings, LLC								

Edgar Filing: SPDR GOLD TRUST - Form FWP

Healthcare Services	First lien (2)	8.02% (L + 5.50%/M)	2/22/2017	8/16/2022	9,488	9,269	9,179	0.91 %
------------------------	----------------	------------------------	-----------	-----------	-------	-------	-------	--------

The accompanying notes are an integral part of these consolidated financial statements.

97

Edgar Filing: SPDR GOLD TRUST - Form FWP

Table of Contents

New Mountain Finance Corporation

Consolidated Schedule of Investments (Continued)

December 31, 2018

(in thousands, except shares)

Portfolio Company, Location and Industry(1)	Type of Investment	Interest Rate (11)	Acquisition Date	Maturity/Expiration Date	Principal Amount, Par Value or Shares	Cost	Fair Value	Percent of Net Assets
Wrike, Inc.								
Software	First lien (8)	9.28% (L + 6.75%/M)	12/31/2018	12/31/2024	\$9,067	\$8,976	\$8,976	0.89 %
JAMF Holdings, Inc.								
Software	First lien (8)(9)	10.61% (L + 8.00%/Q)	11/13/2017	11/11/2022	8,757	8,686	8,757	0.87 %
Idera, Inc.								
Software	Second lien (4)	11.53% (L + 9.00%/M)	6/27/2017	6/27/2025	8,000	7,895	8,020	0.80 %
J.D. Power (fka J.D. Power and Associates)								
Business Services	Second lien (3)	11.02% (L + 8.50%/M)	6/9/2016	9/7/2024	7,583	7,508	7,508	0.75 %
CP VI Bella Midco, LLC								
Healthcare Services	Second lien (3)	9.27% (L + 6.75%/M)	1/25/2018	12/29/2025	6,732	6,701	6,631	0.66 %
DealerSocket, Inc.								
Software	First lien (2)	7.27% (L + 4.75%/M)	4/16/2018	4/26/2023	6,678	6,633	6,597	0.66 %
MH Sub I, LLC (Micro Holding Corp.)								
Software	Second lien (2)	10.00% (L + 7.50%/M)	8/16/2017	9/15/2025	7,000	6,938	6,545	0.65 %
Restaurant Technologies, Inc.								
			9/24/2018	10/1/2026	6,722	6,705	6,520	0.65 %

Edgar Filing: SPDR GOLD TRUST - Form FWP

Business Services	Second lien (4)	8.90% (L + 6.50%/Q)							
DG Investment Intermediate Holdings 2, Inc. (aka Convergint Technologies Holdings, LLC)									
Business Services	Second lien (3)	9.27% (L + 6.75%/M)	1/29/2018	2/2/2026	6,732	6,702	6,429	0.64	%
First American Payment Systems, L.P.									
Business Services	First lien (2)	7.29% (L + 4.75%/Q)	1/3/2017	1/5/2024	6,391	6,342	6,359	0.63	%
Solera LLC / Solera Finance, Inc.									
Software ADG, LLC	Subordinated (3)	10.50%/S	2/29/2016	3/1/2024	5,000	4,816	5,350	0.53	%
Healthcare Services	Second lien (3)(9)	11.88% (L + 9.00%/S)	10/3/2016	3/28/2024	5,000	4,942	4,578	0.45	%
York Risk Services Holding Corp.									
Business Services Ensemble S Merger Sub, Inc.	Subordinated (3)	8.50%/S	9/17/2014	10/1/2022	3,000	3,000	2,100	0.20	%
Software Education Management Corporation (12)	Subordinated (3)	9.00%/S	9/21/2015	9/30/2023	2,000	1,953	2,010	0.20	%
Education Management II LLC	First Lien (2)	11.00% (P + 5.50%/Q) (24)	1/5/2015	7/2/2020	211	205	15		
Education	First Lien (3)	11.00% (P +	1/5/2015	7/2/2020	119	116	8		

Edgar Filing: SPDR GOLD TRUST - Form FWP

		5.50%/Q)							
		(24)							
		14.00% (P							
	First Lien (2)	+ 8.50%/Q)	1/5/2015	7/2/2020	475	437	19		
		(24)							
		14.00% (P							
	First Lien (3)	+ 8.50%/Q)	1/5/2015	7/2/2020	268	246	11		
		(24)							
					1,073	1,004	53	0.01	%
PPVA Fund, L.P.									
Business Services	Collateralized Financing (25)	—	11/7/2014	—	—	—	—	—	%
Total Funded Debt					\$1,733,369	\$1,719,771	\$1,709,641	169.89	%
Investments - United States									
Total Funded Debt					\$1,819,774	\$1,805,709	\$1,793,598	178.24	%
Investments Equity - Hong Kong									
Bach Special Limited (Bach Preference Limited)**									
Education	Preferred shares (3)(9)(21)	—	9/1/2017	—	66,528	\$6,573	\$6,653	0.66	%
Total Shares - Hong Kong						\$6,573	\$6,653	0.66	%

The accompanying notes are an integral part of these consolidated financial statements.

Table of Contents

New Mountain Finance Corporation

Consolidated Schedule of Investments (Continued)

December 31, 2018

(in thousands, except shares)

Portfolio Company, Location and Industry(1)	Type of Investment	Interest Rate (11)	Acquisition Date	Maturity/Expiration Date	Principal Amount, Par Value or Shares	Cost	Fair Value	Percent of Net Assets
Equity - United States								
Avatar Topco, Inc.								
Education	Preferred shares (3)(9)(22)	—	11/17/2017	—	35,750	\$40,247	\$39,890	3.96 %
Tenawa Resource Holdings LLC (13)								
QID NGL LLC	Preferred shares (6)(9)	—	10/30/2017	—	1,623,385	1,623	2,717	
Energy	Ordinary shares (6)(9)	—	5/12/2014	—	5,290,997	5,291	8,412	
Symplr Software Intermediate Holdings, Inc.								
Healthcare Information Technology	Preferred Shares (4)(9)(23)	—	11/30/2018	—	7,500	7,470	7,469	
	Preferred Shares (3)(9)(23)	—	11/30/2018	—	2,586	2,575	2,575	
Education Management Corporation (12)								
Education	Preferred shares (2)	—	1/5/2015	—	3,331	200	—	
	Preferred shares (3)	—	1/5/2015	—	1,879	113	—	

Edgar Filing: SPDR GOLD TRUST - Form FWP

Ordinary shares (2)	—	1/5/2015	—	2,994,065	100	—	—	—	%
Ordinary shares (3)	—	1/5/2015	—	1,688,976	56	—	—	—	%
				469	0.01	—	—	—	%
Total Shares - United States				\$57,675	1.85	\$61,063	1.97	6.07	%
Total Shares Warrants - United States				\$64,248	2.10	\$67,716	2.15	6.73	%
ASP LCG Holdings, Inc.									
Education Warrants (3)(9)	—	5/5/2014	5/5/2026	622	0.02	\$37	\$664	0.07	%
Total Warrants - United States				\$37	0.01	\$664	0.02	0.07	%
Total Funded Investments				\$1,869,994	60.30	\$1,861,978	58.80	185.04	%
Unfunded Debt Investments - Canada									
Dentalcorp Perfect Smile ULC**									
Healthcare Services	Second lien (3)(10) - Undrawn	—	6/1/2018	6/6/2020	\$2,110	\$2	\$(32)	(0.00)	%
Total Unfunded Debt Investments - Canada				\$2,110	\$2	\$(32)	(0.00)	(0.00)	%
Unfunded Debt Investments - United States									
DCA Investment Holding, LLC									
Healthcare Services	First lien (3)(9)(10) - Undrawn	—	12/20/2017	12/20/2019	\$6,755	\$(59)	\$—	—	%
	First lien (3)(9)(10) - Undrawn	—	7/2/2015	7/2/2021	1,956	(20)	—	—	%
				8,711	(79)	—	—	—	%
iPipeline, Inc. (Internet Pipeline, Inc.)									
Software	First lien (3)(9)(10) - Undrawn	—	8/4/2015	8/4/2021	1,000	(10)	—	—	%

Ministry
Brands, LLC

Software	First lien (3)(10) - Undrawn	—	12/7/2016	12/2/2022	1,000	(5) —	—	%
----------	------------------------------------	---	-----------	-----------	-------	----	-----	---	---

The accompanying notes are an integral part of these consolidated financial statements.

99

Table of Contents

New Mountain Finance Corporation

Consolidated Schedule of Investments (Continued)

December 31, 2018

(in thousands, except shares)

Portfolio Company, Location and Industry(1)	Type of Investment	Interest Rate (11)	Acquisition Date	Maturity/Expiration Date	Principal Amount, Par Value or Shares	Cost	Fair Value	Percent of Net Assets	
Zywave, Inc.									
Software	First lien (3)(9)(10) - Undrawn	—	11/22/2016	11/17/2022	\$ 800	\$(6)	\$ —	—	%
Trader Interactive, LLC									
Business Services	First lien (3)(9)(10) - Undrawn	—	6/15/2017	6/15/2023	1,673	(13)	—	—	%
Xactly Corporation									
Software	First lien (3)(9)(10) - Undrawn	—	7/31/2017	7/29/2022	992	(10)	—	—	%
Integro Parent Inc.									
Business Services	First lien (3)(9)(10) - Undrawn	—	6/8/2018	10/30/2021	4,686	(23)	—	—	%
Affinity Dental Management, Inc.									
Healthcare Services	First lien (3)(9)(10) - Undrawn	—	9/15/2017	3/15/2019	6,307	(16)	—		
	First lien (3)(9)(10) - Undrawn	—	9/15/2017	3/15/2023	1,738	(17)	—		
					8,045	(33)	—	—	%
Frontline Technologies Group Holdings, LLC									
Education	First lien (3)(9)(10) - Undrawn	—	9/18/2017	9/18/2019	7,738	(58)	—	—	%
JAMF Holdings, Inc.									
Software	First lien (3)(9)(10) - Undrawn	—	11/13/2017	11/11/2022	750	(8)	—	—	%

Edgar Filing: SPDR GOLD TRUST - Form FWP

AgKnowledge Holdings Company, Inc.	First lien							
Business Services	(3)(10) - Undrawn	—	11/30/2018	7/21/2023	526	(3)	(1)	(0.00)%
NM GRC Holdco, LLC	First lien							
Business Services	(2)(9)(10) - Undrawn	—	2/9/2018	2/9/2020	771	(2)	(2)	(0.00)%
DealerSocket, Inc.	First lien							
Software	(3)(10) - Undrawn	—	4/16/2018	4/26/2023	560	(4)	(7)	(0.00)%
Wrike, Inc.	First lien							
Software	(3)(10) - Undrawn	—	12/31/2018	12/31/2024	933	(9)	(9)	(0.00)%
Integral Ad Science, Inc.	First lien							
Software	(3)(9)(10) - Undrawn	—	7/19/2018	7/19/2023	1,429	(14)	(14)	(0.00)%
Finalsite Holdings, Inc.	First lien							
Software	(3)(9)(10) - Undrawn	—	9/25/2018	9/25/2024	2,521	(19)	(19)	(0.00)%
TDG Group Holding Company	First lien							
Consumer Services	(3)(9)(10) - Undrawn	—	5/22/2018	5/31/2024	3,783	(19)	(19)	(0.00)%
iCIMS, Inc.	First lien							
Software	(3)(9)(10) - Undrawn	—	9/12/2018	9/12/2024	1,977	(20)	(20)	(0.00)%
Ansira Holdings, Inc.	First lien							
Business Services	(3)(10) - Undrawn	—	12/19/2016	4/16/2020	5,433	(14)	(24)	(0.00)%
BackOffice Associates Holdings, LLC	First lien							
Business Services	(3)(9)(10) - Undrawn	—	8/25/2017	8/25/2023	862	(7)	(51)	(0.01)%

The accompanying notes are an integral part of these consolidated financial statements.

Table of Contents

New Mountain Finance Corporation

Consolidated Schedule of Investments (Continued)

December 31, 2018

(in thousands, except shares)

Portfolio Company, Location and Industry(1)	Type of Investment	Interest Rate (11)	Acquisition Date	Maturity/Expiration Date	Principal Amount, Par Value or Shares	Cost	Fair Value
Associations, Inc.							
Consumer Services	First lien (3)(9)(10) - Undrawn	—	7/30/2018	7/30/2021	\$6,557	\$(41)	\$(41)
	First lien (3)(9)(10) - Undrawn	—	7/30/2018	7/30/2024	2,033	(13)	(13)
					8,590	(54)	(54)
Diligent Corporation							
Software	First lien (3)(9)(10) - Undrawn	—	12/19/2018	12/19/2020	13,431	(84)	(84)
Salient CRGT Inc.							
Federal Services	First lien (3)(10) - Undrawn	—	6/26/2018	11/29/2021	6,125	(490)	(92)
PhyNet Dermatology LLC							
Healthcare Services	First lien (3)(9)(10) - Undrawn	—	9/17/2018	8/16/2020	45,305	(227)	(227)
Total Unfunded Debt Investments - United States					\$127,641	\$(1,211)	\$(623)
Total Unfunded Debt Investments					\$129,751	\$(1,209)	\$(655)
Total Non-Controlled/Non-Affiliated Investments						\$1,868,785	\$1,861,32
Non-Controlled/Affiliated Investments(26)							
Funded Debt Investments - United States							
Permian Holdco 1, Inc.							
Permian Holdco 2, Inc.							
Permian Holdco 3, Inc.							
Energy	First lien (3)(9)(10) - Drawn	8.87% (L + 6.50%/M)	6/14/2018	6/30/2022	\$17,750	\$17,750	\$17,750
			6/14/2018	6/30/2022	10,101	10,101	10,101

Edgar Filing: SPDR GOLD TRUST - Form FWP

First lien (3)(9)	14.85% (L + 7.50% + 5.00% PIK/Q)*						
Subordinated (3)(9)	14.00% PIK/Q*	10/31/2016	10/15/2021	2,303	2,303	2,187	
Subordinated (3)(9)	18.00% PIK/Q*	12/26/2018	6/30/2022	2,054	2,054	2,054	
Subordinated (3)(9)	14.00% PIK/Q*	10/31/2016	10/15/2021	1,186	1,186	1,127	
				33,394	33,394	33,219	
Total Funded Debt Investments - United States				\$33,394	\$33,394	\$33,219	
Equity - United States NMFC Senior Loan Program I LLC**							
Investment Fund	Membership interest (3)(9)	—	6/13/2014 —	—	\$23,000	\$23,000	
Sierra Hamilton Holdings Corporation							
Energy	Ordinary shares (2)(9)	—	7/31/2017 —	25,000,000	1,501	11,271	
	Ordinary shares (3)(9)	—	7/31/2017 —	2,786,000	1,281	1,256	
					12,782	12,527	
Permian Holdco 1, Inc.							
Energy	Preferred shares (3)(9)(16)	—	10/31/2016 —	1,766,177	7,912	8,257	
	Ordinary shares (3)(9)	—	10/31/2016 —	1,366,452	1,350	490	
					9,262	8,747	
Total Shares - United States					\$45,044	\$44,274	
Total Funded Investments					\$78,438	\$77,493	

The accompanying notes are an integral part of these consolidated financial statements.

Table of Contents

New Mountain Finance Corporation

Consolidated Schedule of Investments (Continued)

December 31, 2018

(in thousands, except shares)

Portfolio Company, Location and Industry(1)	Type of Investment	Interest Rate (11)	Acquisition Date	Maturity/Expiration Date	Principal Amount, Par Value or Shares	Cost	Fair Value	Percent of Net Assets
Unfunded Debt								
Investments - United States								
Permian Holdco 3, Inc.								
Energy	First lien (3)(9)(10) - Undrawn	—	6/14/2018	6/30/2022	\$2,250	\$—	\$—	— %
Total Unfunded Debt Investments - United States					\$2,250	\$—	\$—	— %
Total Non-Controlled/Affiliated Investments Controlled Investments(27)						\$78,438	\$77,493	7.70 %
Funded Debt Investments								
- United States								
Edmentum Ultimate Holdings, LLC (15)								
Edmentum, Inc. (fka Plato, Inc.) (Archipelago Learning, Inc.)								
Education	First lien (2)	11.03% (L + 4.50% + 4.00% PIK/Q)*	8/6/2018	6/9/2021	\$8,490	\$7,245	\$7,004	
	Second lien (3)(9)	7.00% PIK/Q*	2/23/2018	12/9/2021	11,184	10,569	10,346	
	Second lien (3)(9)(10) - Drawn	5.00% PIK/Q*	6/9/2015	12/9/2021	1,671	1,671	1,671	
	Subordinated (3)(9)	8.50% PIK/Q*	6/9/2015	6/9/2020	4,891	4,889	4,891	
	Subordinated (2)(9)	10.00% PIK/Q*	6/9/2015	6/9/2020	18,525	18,525	14,820	
	Subordinated (3)(9)	10.00% PIK/Q*	6/9/2015	6/9/2020	4,557	4,557	3,646	

Edgar Filing: SPDR GOLD TRUST - Form FWP

					49,318	47,456	42,378	4.21 %
NHME Holdings Corp. (20)								
National HME, Inc.								
Healthcare Services	Second lien (3)(9)	12.00% PIK/Q*	11/27/2018	5/27/2024	14,664	10,718	10,631	
	Second lien (3)(9)	12.00% PIK/Q*	11/27/2018	5/27/2024	8,104	7,115	7,091	
					22,768	17,833	17,722	1.76 %
UniTek Global Services, Inc.								
Business Services	First lien (2)(9)	8.02% (L + 5.50%/M)	6/29/2018	8/20/2024	12,542	12,542	12,542	
	First lien (2)(9)	7.96% (L + 5.50%/M)	6/29/2018	8/20/2024	2,508	2,508	2,508	
					15,050	15,050	15,050	1.50 %
Total Funded Debt Investments - United States Equity - Canada NM APP Canada Corp.**					\$87,136	\$80,339	\$75,150	7.47 %
Net Lease	Membership interest (7)(9)	—	9/13/2016	—	—	\$7,345	\$9,727	0.97 %
Total Shares - Canada Equity - United States NMFC Senior Loan Program II LLC**						\$7,345	\$9,727	0.97 %
Investment Fund	Membership interest (3)(9)	—	5/3/2016	—	—	\$79,400	\$79,400	7.89 %
NMFC Senior Loan Program III LLC**								
Investment Fund	Membership interest (3)(9)	—	5/4/2018	—	—	78,400	78,400	7.79 %

The accompanying notes are an integral part of these consolidated financial statements.

Table of Contents

New Mountain Finance Corporation

Consolidated Schedule of Investments (Continued)

December 31, 2018

(in thousands, except shares)

Portfolio Company, Location and Industry(1)	Type of Investment	Interest Rate (11)	Acquisition Date	Maturity/Expiration Date	Principal Amount,		Fair Value	Percent of Net Assets
					Par Value or Shares	Cost		
UniTek Global Services, Inc.								
Business Services	Preferred shares (2)(9)(17)	—	1/13/2015	—	24,841,822	22,462	\$22,012	
	Preferred shares (3)(9)(17)	—	1/13/2015	—	6,865,065	5207	6,083	
	Preferred shares (3)(9)(18)	—	6/30/2017	—	13,079,443	2079	13,036	
	Preferred shares (3)(9)(19)	—	8/17/2018	—	7,070,545	5071	7,071	
	Ordinary shares (2)(9)	—	1/13/2015	—	2,096,417	725	10,013	
	Ordinary shares (3)(9)	—	1/13/2015	—	1,993,749	2	9,523	
						51,276	67,738	6.73 %
NM NL Holdings, L.P.**								
Net Lease	Membership interest (7)(9)	—	6/20/2018	—	—	32,575	33,392	3.32 %
NM GLCR LLC								
Net Lease	Membership interest (7)(9)	—	2/1/2018	—	—	14,750	20,343	2.02 %
NM CLFX LP								
Net Lease	Membership interest (7)(9)	—	10/6/2017	—	—	12,538	12,770	1.27 %
NM APP US LLC								
Net Lease	Membership interest (7)(9)	—	9/13/2016	—	—	5,080	5,912	0.59 %
NM DRVT LLC								
Net Lease	Membership interest (7)(9)	—	11/18/2016	—	—	5,152	5,619	0.56 %
NM KRLN LLC								

Edgar Filing: SPDR GOLD TRUST - Form FWP

Net Lease	Membership interest (7)(9)	—	11/15/2016	—	—	7,510	4,205	0.42	%
NHME Holdings Corp. (20)									
Healthcare Services	Ordinary Shares (3)(9)	—	11/27/2018	—	640,000	4,000	4,000	0.40	%
NM JRA LLC									
Net Lease	Membership interest (7)(9)	—	8/12/2016	—	—	2,043	2,537	0.25	%
Edmentum Ultimate Holdings, LLC (15)									
Education	Ordinary shares (3)(9)	—	6/9/2015	—	123,968	11	238		
	Ordinary shares (2)(9)	—	6/9/2015	—	107,143	39	205		
						20	443	0.04	%
NM GP Holdco, LLC**									
Net Lease	Membership interest (7)(9)	—	6/20/2018	—	—	306	311	0.03	%
Total Shares - United States						\$293,050	\$315,070	31.31	%
Total Shares Warrants - United States						\$300,395	\$324,797	32.28	%
Edmentum Ultimate Holdings, LLC (15)									
Education	Warrants (3)(9)	—	2/23/2018	5/5/2026	1,141,847	669	\$2,190	0.22	%
NHME Holdings Corp. (20)									
Healthcare Services	Warrants (3)(9)	—	11/27/2018	—	160,000	1,000	1,000	0.10	%
Total Warrants - United States						\$1,769	\$3,190	0.32	%
Total Funded Investments						\$382,503	\$403,137	40.07	%

The accompanying notes are an integral part of these consolidated financial statements.

Table of Contents

New Mountain Finance Corporation

Consolidated Schedule of Investments (Continued)

December 31, 2018

(in thousands, except shares)

Portfolio Company, Location and Industry(1)	Type of Investment	Interest Rate (11)	Acquisition Date	Maturity/Expiration Date	Principal Amount, Par Value or Shares	Cost	Fair Value	Percent of Net Assets
Unfunded Debt Investments - United States Edmentum Ultimate Holdings, LLC (15) Edmentum, Inc. (fka Plato, Inc.) (Archipelago Learning, Inc.)	Second lien (3)(9)(10) - Undrawn	—	6/9/2015	12/9/2021	\$ 5,945	\$—	\$—	— %
Total Unfunded Debt Investments - United States					\$ 5,945	\$—	\$—	— %
Total Controlled Investments						\$382,503	\$403,137	40.07 %
Total Investments						\$2,329,726	\$2,341,953	232.75 %

(1) New Mountain Finance Corporation (the "Company") generally acquires its investments in private transactions exempt from registration under the Securities Act of 1933, as amended (the "Securities Act"). These investments are generally subject to certain limitations on resale, and may be deemed to be "restricted securities" under the Securities Act.

(2) Investment is pledged as collateral for the Holdings Credit Facility, a revolving credit facility among the Company, as the Collateral Manager, New Mountain Finance Holdings, L.L.C. ("NMF Holdings") as the Borrower and Wells Fargo Bank, National Association as the Administrative Agent and Collateral Custodian. See Note 7. Borrowings, for details.

(3) Investment is pledged as collateral for the NMFC Credit Facility, a revolving credit facility among the Company as the Borrower and Goldman Sachs Bank USA as the Administrative Agent and the Collateral Agent and Goldman Sachs Bank USA, Morgan Stanley Bank, N.A. and Stifel Bank & Trust as Lenders. See Note 7. Borrowings, for details.

(4) Investment is held in New Mountain Finance SBIC, L.P.

(5) Investment is held in New Mountain Finance SBIC II, L.P.

(6) Investment is held in NMF QID NGL Holdings, Inc.

(7) Investment is held in New Mountain Net Lease Corporation.

Investment is pledged as collateral for the DB Credit Facility, a revolving credit facility among New Mountain Finance DB, L.L.C as the Borrower and Deutsche Bank AG, New York Branch as the Facility Agent. See Note 7. Borrowings, for details.

(9) The fair value of the Company's investment is determined using unobservable inputs that are significant to the overall fair value measurement. See Note 4. Fair Value, for details.

Par Value amounts represent the drawn or undrawn (as indicated in type of investment) portion of revolving credit facilities or delayed draws. Cost amounts represent the cash received at settlement date net of the impact of paydowns and cash paid for drawn revolvers or delayed draws.

All interest is payable in cash unless otherwise indicated. A majority of the variable rate debt investments bear interest at a rate that may be determined by reference to the London Interbank Offered Rate (L), the Prime Rate (P) and the alternative base rate (Base) and which resets monthly (M), quarterly (Q), semi-annually (S) or annually (A). For each investment the current interest rate provided reflects the rate in effect as of December 31, 2018.

The Company holds investments in Education Management Corporation and one related entity of Education Management Corporation. The Company holds series A-1 convertible preferred stock and common stock in Education Management Corporation and holds a tranche A first lien term loan and a tranche B first lien term loan in Education Management II LLC, which is an indirect subsidiary of Education Management Corporation.

The Company holds investments in three related entities of Tenawa Resource Holdings LLC. The Company holds 4.77% of the common units in QID NGL LLC (which at closing represented 98.1% of the ownership in the common units in Tenawa Resource Holdings LLC), class A preferred units in QID NGL LLC and a first lien investment in Tenawa Resource Management LLC, a wholly-owned subsidiary of Tenawa Resource Holdings LLC.

The Company holds investments in QC McKissock Investment, LLC and one related entity of QC McKissock Investment, LLC. The Company holds a first lien term loan in QC McKissock Investment, LLC (which at closing represented 71.1% of the ownership in the Series A common units of McKissock Investment Holdings, LLC) and holds first lien term loans and a delayed draw term loan in McKissock, LLC, a wholly-owned subsidiary of McKissock Investment Holdings, LLC.

The Company holds investments in Edmentum Ultimate Holdings, LLC and its related entities. The Company holds subordinated notes, ordinary equity and warrants in Edmentum Ultimate Holdings, LLC and holds a first lien term loan, second lien revolver and a second lien term loan in Edmentum, Inc. and Archipelago Learning, Inc., which are wholly-owned subsidiaries of Edmentum Ultimate Holdings, LLC.

(16) The Company holds preferred equity in Permian Holdco 1, Inc. that is entitled to receive cumulative preferential dividends at a rate of 12.0% per annum payable in additional shares.

The accompanying notes are an integral part of these consolidated financial statements.

Table of Contents

New Mountain Finance Corporation

Consolidated Schedule of Investments (Continued)

December 31, 2018

(in thousands, except shares)

- (17) The Company holds preferred equity in UniTek Global Services, Inc. that is entitled to receive cumulative preferential dividends at a rate of 13.5% per annum payable in additional shares.
- (18) The Company holds preferred equity in UniTek Global Services, Inc. that is entitled to receive cumulative preferential dividends at a rate of 19.0% per annum payable in additional shares.
- (19) The Company holds preferred equity in UniTek Global Services, Inc. that is entitled to received cumulative preferential dividends at a rate of 20.0% per annum payable in additional shares.
- (20) The Company holds ordinary shares and warrants in NHME Holdings Corp., as well as second lien term loans in National HME, Inc., a wholly-owned subsidiary of NHME Holdings Corp.
- (21) The Company holds preferred equity in Bach Special Limited (Bach Preference Limited) that is entitled to receive cumulative preferential dividends at a rate of 12.25% per annum payable in additional shares.
The Company holds preferred equity in Avatar Topco, Inc. and holds a second lien term loan investment in EAB
- (22) Global, Inc., a wholly-owned subsidiary of Avatar Topco, Inc. The preferred equity is entitled to receive cumulative preferential dividends at a rate of L + 11.00% per annum.
The Company holds preferred equity in Symplr Software Intermediate Holdings, Inc. and holds a first lien term loan investment in Caliper Software, Inc., a wholly-owned subsidiary of Symplr Software Intermediate Holdings,
- (23) Inc. The preferred equity is entitled to receive cumulative preferential dividends at a rate of L + 10.50% per annum.
- (24) Investment or a portion of the investment is on non-accrual status. See Note 3. Investments, for details.
The Company holds one security purchased under a collateralized agreement to resell on its Consolidated
- (25) Statement of Assets and Liabilities with a cost basis of \$30,000 and a fair value of \$23,508 as of December 31, 2018. See Note 2. Summary of Significant Accounting Policies, for details.
Denotes investments in which the Company is an "Affiliated Person", as defined in the Investment Company Act of 1940, as amended (the "1940 Act"), due to owning or holding the power to vote 5.0% or more of the outstanding
- (26) voting securities of the investment but not controlling the company. Fair value as of December 31, 2018 and December 31, 2017 along with transactions during the year ended December 31, 2018 in which the issuer was a non-controlled/affiliated investment is as follows:

Portfolio Company	Fair Value at December 31, 2017	Gross Additions (A)	Gross Redemptions (B)	Net Realized Gains (Losses)	Net Change in Unrealized Appreciation (Depreciation)	Fair Value at December 31, 2018	Interest Income	Dividend Income	Other Income
Edmentum Ultimate Holdings, LLC/Edmentum Inc.	\$ 24,858	\$—	\$(24,858)	\$—	\$—	\$—	\$—	\$—	\$—
HI Technology Corp.	105,155	—	(105,155)	8,387	—	—	—	14,791	—
NMFC Senior Loan Program I LLC	23,000	—	—	—	—	23,000	—	3,173	1,179
Permian Holdco 1, Inc. / Permian Holdco 2, Inc. / Permian Holdco 3, Inc.	12,733	31,824	(50)	—	(2,541)	41,966	2,028	1,083	653
Sierra Hamilton Holdings Corporation	12,330	—	—	—	197	12,527	—	—	—
Total Non-Controlled/Affiliated	\$ 178,076	\$ 31,824	\$(130,063)	\$ 8,387	\$(2,344)	\$ 77,493	\$ 2,028	\$ 19,047	\$ 1,832

Investments

(A) Gross additions include increases in the cost basis of investments resulting from new portfolio investments, payment-in-kind (“PIK”) interest or dividends, the amortization of discounts, reorganizations or restructurings and the movement at fair value of an existing portfolio company into this category from a different category.

(B) Gross reductions include decreases in the cost basis of investments resulting from principal collections related to investment repayments or sales, reorganizations or restructurings and the movement of an existing portfolio company out of this category into a different category.

The accompanying notes are an integral part of these consolidated financial statements.

105

Table of Contents

New Mountain Finance Corporation

Consolidated Schedule of Investments (Continued)

December 31, 2018

(in thousands, except shares)

(27) Denotes investments in which the Company is in “Control”, as defined in the 1940 Act, due to owning or holding the power to vote 25.0% or more of the outstanding voting securities of the investment. Fair value as of December 31, 2018 and December 31, 2017 along with transactions during the year ended December 31, 2018 in which the issuer was a controlled investment, is as follows:

Portfolio Company	Fair Value at December 31, 2017	Gross Additions (A)	Gross Redemptions (B)	Net Realized Gains (Losses)	Net Unrealized Appreciation (Depreciation)	Fair Value December 31, 2018	Interest Income	Dividend Income	Other Income
Edmentum Ultimate Holdings, LLC/Edmentum Inc.	\$ —	\$51,478	\$(6,937)	\$ 3	\$ 470	\$ 45,011	\$4,077	\$—	\$424
National HME, Inc./NHME Holdings Corp.	—	22,832	—	—	(110)	22,722	306	—	—
NM APP CANADA CORP	7,962	—	—	—	1,765	9,727	—	841	—
NM APP US LLC	5,138	—	—	—	774	5,912	—	563	—
NM CLFX LP	12,538	—	—	—	232	12,770	—	1,507	—
NM DRVT LLC	5,385	—	—	—	234	5,619	—	519	—
NM JRA LLC	2,191	—	—	—	346	2,537	—	225	—
NM GLCR LLC	—	14,750	—	—	5,593	20,343	—	1,634	—
NM KRLN LLC	8,195	—	—	—	(3,990)	4,205	—	761	—
NM NL Holdings, L.P.	—	32,575	—	—	817	33,392	—	1,506	—
NM GP Holdco, LLC	—	306	—	—	5	311	—	11	—
NMFC Senior Loan Program II LLC	79,400	—	—	—	—	79,400	—	11,124	—
NMFC Senior Loan Program III LLC	—	78,400	—	—	—	78,400	—	3,040	—
UniTek Global Services, Inc.	64,593	28,696	(15,261)	—	4,760	82,788	1,843	6,648	1,312
Total Controlled Investments	\$ 185,402	\$ 229,037	\$(22,198)	\$ 3	\$ 10,896	\$ 403,137	\$ 6,226	\$ 28,379	\$ 1,736

Gross additions include increases in the cost basis of investments resulting from new portfolio investments, PIK (A) interest or dividends, the amortization of discounts, reorganizations or restructurings and the movement of an existing portfolio company into this category from a different category.

Gross redemptions include decreases in the cost basis of investments resulting from principal collections related to (B) investment repayments or sales, reorganizations or restructurings and the movement of an existing portfolio company out of this category into a different category.

* All or a portion of interest contains PIK interest.

** Indicates assets that the Company deems to be “non-qualifying assets” under Section 55(a) of the 1940 Act.

Qualifying assets must represent at least 70.0% of the Company’s total assets at the time of acquisition of any additional non-qualifying assets. As of December 31, 2018, 13.5% of the Company’s total investments were

non-qualifying assets.

The accompanying notes are an integral part of these consolidated financial statements.

106

Table of Contents

New Mountain Finance Corporation

Consolidated Schedule of Investments (Continued)

December 31, 2018

Investment Type	December 31, 2018 Percent of Total Investments at Fair Value	
First lien	50.11	%
Second lien	28.29	%
Subordinated	2.79	%
Equity and other	18.81	%
Total investments	100.00	%

Industry Type	December 31, 2018 Percent of Total Investments at Fair Value	
Business Services	23.67	%
Software	20.41	%
Healthcare Services	14.80	%
Education	8.94	%
Investment Fund	7.72	%
Consumer Services	5.15	%
Energy	4.49	%
Net Lease	4.05	%
Distribution & Logistics	3.44	%
Federal Services	3.16	%
Healthcare Information Technology	1.92	%
Food & Beverage	1.19	%
Packaging	0.61	%
Business Products	0.45	%
Total investments	100.00	%

Interest Rate Type	December 31, 2018 Percent of Total Investments at Fair
--------------------	---

	Value	
Floating rates	93.25	%
Fixed rates	6.75	%
Total investments	100.00	%

The accompanying notes are an integral part of these consolidated financial statements.

107

Table of Contents

New Mountain Finance Corporation

Consolidated Schedule of Investments

December 31, 2017

(in thousands, except shares)

Portfolio Company, Location and Industry(1)	Type of Investment	Interest Rate(9)	Acquisition Date	Maturity/Expiration Date	Principal Amount, Par Value or Shares	Cost	Fair Value	Percent of Net Assets
Non-Controlled/Non-Affiliated Investments								
Funded Debt Investments - United Kingdom								
Air Newco LLC**								
Software	Second lien (3)	10.94% (L + 9.50%/Q)	1/30/2015	1/31/2023	\$40,000	\$39,033	\$39,000	3.77 %
Shine Acquisition Co. S.à.r.l / Boing US Holdco Inc.**								
Consumer Services	Second lien (3)	8.88% (L + 7.50%/Q)	9/25/2017	10/3/2025	40,353	40,056	40,656	3.93 %
Total Funded Debt Investments - United Kingdom					\$80,353	\$79,089	\$79,656	7.70 %
Funded Debt Investments - United States								
AmWINS Group, Inc.								
Business Services	Second lien (3)	8.32% (L + 6.75%/M)	1/19/2017	1/25/2025	\$57,000	\$56,804	\$57,606	5.57 %
Alegeus Technologies, LLC								
Healthcare Services	Second lien (3)(10)	10.19% (L + 8.50%/Q)	4/28/2017	10/30/2023	23,500	23,500	23,500	
	Second lien (4)(10)	10.19% (L + 8.50%/Q)	4/28/2017	10/30/2023	22,500	22,500	22,500	
					46,000	46,000	46,000	4.44 %
PetVet Care Centers LLC								
Consumer Services	First lien (2)(10)	7.69% (L + 6.00%/Q)	6/8/2017	6/8/2023	34,527	34,409	34,872	
	First lien (3)(10)(11) - Drawn	7.55% (L + 6.00%/Q)	6/8/2017	6/8/2023	8,646	8,616	8,733	
	First lien (3)(10)(11) +	9.50% (P +)	6/8/2017	6/8/2023	2,200	2,192	2,200	

Edgar Filing: SPDR GOLD TRUST - Form FWP

	- Drawn	5.00%/Q)			45,373	45,217	45,805	4.43 %
Integro Parent Inc.								
Business Services	First lien (2)	7.16% (L + 5.75%/Q)	10/9/2015	10/31/2022	34,873	34,601	34,786	
	Second lien (3)	10.63% (L + 9.25%/Q)	10/9/2015	10/30/2023	10,000	9,920	9,800	
					44,873	44,521	44,586	4.31 %
Severin Acquisition, LLC								
Software	Second lien (4)(10)	10.32% (L + 8.75%/M)	7/31/2015	7/29/2022	15,000	14,891	15,000	
	Second lien (3)(10)	10.32% (L + 8.75%/M)	2/1/2017	7/29/2022	14,518	14,361	14,518	
	Second lien (4)(10)	10.32% (L + 8.75%/M)	11/5/2015	7/29/2022	4,154	4,123	4,154	
	Second lien (4)(10)	10.82% (L + 9.25%/M)	2/1/2016	7/29/2022	3,273	3,248	3,273	
	Second lien (3)(10)	10.57% (L + 9.00%/M)	10/14/2016	7/29/2022	2,361	2,341	2,361	
	Second lien (3)(10)	10.82% (L + 9.25%/M)	8/8/2016	7/29/2022	1,825	1,810	1,825	
	Second lien (4)(10)	10.82% (L + 9.25%/M)	8/8/2016	7/29/2022	300	298	300	
					41,431	41,072	41,431	4.00 %
Salient CRGT Inc.								
Federal Services	First lien (2)	7.32% (L + 5.75%/M)	1/6/2015	2/28/2022	40,894	40,421	41,251	3.99 %
Tenawa Resource Holdings LLC (13) Tenawa Resource Management LLC								
Energy	First lien (3)(10)	10.50% (Base + 8.00%/Q)	5/12/2014	10/30/2024	39,900	39,835	39,900	3.86 %

The accompanying notes are an integral part of these consolidated financial statements.

Table of Contents

New Mountain Finance Corporation

Consolidated Schedule of Investments (Continued)

December 31, 2017

(in thousands, except shares)

Portfolio Company, Location and Industry(1)	Type of Investment	Interest Rate(9)	Acquisition Date	Maturity/Expiration Date	Principal Amount, Par Value or Shares	Cost	Fair Value	Percent of Net Assets
VetCor Professional Practices LLC Consumer Services	First lien (4)	7.69% (L + 6.00%/Q)	5/15/2015	4/20/2021	\$ 19,111	\$ 18,996	\$ 19,134	
	First lien (2)	7.69% (L + 6.00%/Q)	5/15/2015	4/20/2021	7,714	7,603	7,724	
	First lien (3)(11) - Drawn	7.69% (L + 6.00%/Q)	2/24/2017	4/20/2021	6,005	5,891	6,013	
	First lien (4)	7.69% (L + 6.00%/Q)	5/15/2015	4/20/2021	2,650	2,632	2,654	
	First lien (2)	7.69% (L + 6.00%/Q)	6/24/2016	4/20/2021	1,632	1,606	1,634	
	First lien (4)	7.69% (L + 6.00%/Q)	3/31/2016	4/20/2021	495	487	496	
	First lien (3)(11) - Drawn	7.69% (L + 6.00%/Q)	5/15/2015	4/20/2021	1,426	1,412	1,428	
					39,033	38,627	39,083	3.78 %
Frontline Technologies Group Holdings, LLC Education	First lien (2)(10)	8.09% (L + 6.50%/Q)	9/18/2017	9/18/2023	16,750	16,629	16,625	
	First lien (4)(10)	8.09% (L + 6.50%/Q)	9/18/2017	9/18/2023	22,613	22,450	22,444	
					39,363	39,079	39,069	3.77 %
Kronos Incorporated Software	Second lien (2)	9.63% (L + 8.25%/Q)	10/26/2012	11/1/2024	36,000	35,508	37,449	3.62 %
Valet Waste Holdings, Inc. Business Services	First lien (2)(10)	8.57% (L + 7.00%/M)	9/24/2015	9/24/2021	29,325	29,078	29,325	

Edgar Filing: SPDR GOLD TRUST - Form FWP

	First lien (2)(10)	8.57% (L + 7.00%/M)	7/27/2017	9/24/2021	3,731	3,697	3,731	
					33,056	32,775	33,056	3.19 %
Evo Payments International, LLC								
Business Services	Second lien (2)	10.57% (L + 9.00%/M)	12/8/2016	12/23/2024	25,000	24,824	25,250	
	Second lien (3)	10.57% (L + 9.00%/M)	12/8/2016	12/23/2024	5,000	5,052	5,050	
					30,000	29,876	30,300	2.93 %
Wirepath LLC Distribution & Logistics Ansira Holdings, Inc.								
Business Services	First lien (2)	6.87% (L + 5.25%/Q)	7/31/2017	8/5/2024	27,731	27,598	28,112	2.72 %
	First lien (3)(11) - Drawn	8.19% (L + 6.50%/Q)	12/19/2016	12/20/2022	25,920	25,809	25,855	
		8.19% (L + 6.50%/Q)	12/19/2016	12/20/2022	2,107	2,097	2,102	
					28,027	27,906	27,957	2.70 %
TW-NHME Holdings Corp. (20) National HME, Inc.								
Healthcare Services	Second lien (4)(10)	10.95% (L + 9.25%/Q)	7/14/2015	7/14/2022	21,500	21,301	21,646	
	Second lien (3)(10)	10.95% (L + 9.25%/Q)	7/14/2015	7/14/2022	5,800	5,737	5,839	
					27,300	27,038	27,485	2.66 %
Navicure, Inc. Healthcare Services Trader Interactive, LLC								
Business Services	First lien (2)(10)	7.50% (L + 6.00%/M)	6/15/2017	6/17/2024	27,190	26,999	26,986	2.61 %
Marketo, Inc. Software								
	First lien (3)(10)	11.19% (L + 9.50%/Q)	8/16/2016	8/16/2021	26,820	26,509	26,820	2.59 %
Keystone Acquisition Corp. Healthcare Services								
	First lien (2)	6.94% (L + 5.25%/Q)	5/10/2017	5/1/2024	19,950	19,764	20,087	
	Second lien (3)	10.94% (L + 9.25%/Q)	5/10/2017	5/1/2025	4,500	4,457	4,511	
					24,450	24,221	24,598	2.38 %

The accompanying notes are an integral part of these consolidated financial statements.

Table of Contents

New Mountain Finance Corporation

Consolidated Schedule of Investments (Continued)

December 31, 2017

(in thousands, except shares)

Portfolio Company, Location and Industry(1)	Type of Investment	Interest Rate(9)	Acquisition Date	Maturity/Expiration Date	Principal Amount, Par Value or Shares	Cost	Fair Value	Percent of Net Assets
iPipeline, Inc. (Internet Pipeline, Inc.)								
Software	First lien (4)(10)	8.82% (L + 7.25%/M)	8/4/2015	8/4/2022	\$ 17,589	\$17,464	\$17,589	
	First lien (4)(10)	7.74% (L + 6.25%/M)	6/16/2017	8/4/2022	4,577	4,556	4,554	
	First lien (2)(10)	7.74% (L + 6.25%/M)	9/25/2017	8/4/2022	1,161	1,155	1,155	
	First lien (4)(10)	7.74% (L + 6.25%/M)	9/25/2017	8/4/2022	511	508	508	
					23,838	23,683	23,806	2.30 %
AAC Holding Corp.								
Education	First lien (2)(10)	9.62% (L + 8.25%/M)	9/30/2015	9/30/2020	23,161	22,953	23,161	2.24 %
BackOffice Associates Holdings, LLC								
Business Services	First lien (2)(10)	8.06% (L + 6.50%/M)	8/25/2017	8/25/2023	22,869	22,679	22,669	2.19 %
TWDiamondback Holdings Corp. (15) Diamondback Drugs of Delaware, L.L.C. (TWDiamondback II Holdings LLC)								
Distribution & Logistics	First lien (4)(10)	10.49% (L + 8.75%/Q)	11/19/2014	11/19/2019	19,895	19,895	19,895	

Edgar Filing: SPDR GOLD TRUST - Form FWP

	First lien (3)(10)	10.44% (L + 8.75%/Q)	11/19/2014	11/19/2019	2,158	2,158	2,158	
	First lien (4)(10)	10.44% (L + 8.75%/Q)	11/19/2014	11/19/2019	605	605	605	
EN Engineering, LLC					22,658	22,658	22,658	2.19 %
Business Services	First lien (2)(10)	7.69% (L + 6.00%/Q)	7/30/2015	6/30/2021	20,893	20,760	20,893	
	First lien (2)(10)	7.69% (L + 6.00%/Q)	7/30/2015	6/30/2021	1,208	1,200	1,208	
Avatar Topco, Inc (23)					22,101	21,960	22,101	2.14 %
EAB Global, Inc.								
Education	Second lien (3)	8.99% (L + 7.50%/M)	11/17/2017	11/17/2025	21,450	21,132	21,236	2.05 %
DigiCert Holdings, Inc.								
Business Services	Second lien (3)	9.38% (L + 8.00%/Q)	9/20/2017	10/31/2025	20,176	20,077	20,347	1.97 %
DiversiTech Holdings, Inc.								
Distribution & Logistics	Second lien (3)	9.20% (L + 7.50%/Q)	5/18/2017	6/2/2025	19,500	19,315	19,744	1.91 %
ABILITY Network Inc.								
Healthcare Information Technology KeyPoint Government Solutions, Inc.	Second lien (3)	9.21% (L + 7.75%/M)	12/11/2017	12/12/2025	18,851	18,839	18,945	1.83 %
Federal Services	First lien (2)(10)	7.35% (L + 6.00%/Q)	4/18/2017	4/18/2024	18,413	18,243	18,597	1.80 %
AgKnowledge Holdings Company, Inc.								
Business Services	Second lien (2)(10)	9.82% (L + 8.25%/M)	7/23/2014	7/23/2020	18,500	18,409	18,500	1.79 %
VF Holding Corp. Software			7/7/2016	6/28/2024	17,086	17,396	17,598	1.70 %

Edgar Filing: SPDR GOLD TRUST - Form FWP

	Second lien (3)(10)	10.57% (L + 9.00%/M)							
DCA Investment Holding, LLC									
Healthcare Services	First lien (2)(10)	6.94% (L + 5.25%/Q)	7/2/2015	7/2/2021	17,453	17,344	17,453	1.69	%
OEConnection LLC									
Business Services	Second lien (3)	9.69% (L + 8.00%/Q)	11/22/2017	11/22/2025	16,841	16,548	16,841	1.63	%
TIBCO Software Inc.									
Software	Subordinated (3)	11.38%/S	11/24/2014	12/1/2021	15,000	14,714	16,378	1.58	%
American Tire Distributors, Inc.									
Distribution & Logistics	Subordinated (3)	10.25%/S	2/10/2015	3/1/2022	15,520	15,267	16,063	1.55	%
Hill International, Inc.**									
Business Services	First lien (2)(10)	7.32% (L + 5.75%/M)	6/21/2017	6/21/2023	15,721	15,648	15,642	1.51	%

The accompanying notes are an integral part of these consolidated financial statements.

110

Table of Contents

New Mountain Finance Corporation

Consolidated Schedule of Investments (Continued)

December 31, 2017

(in thousands, except shares)

Portfolio Company, Location and Industry(1)	Type of Investment	Interest Rate(9)	Acquisition Date	Maturity/Expiration Date	Principal Amount, Par Value or Shares	Cost	Fair Value	Percent of Net Assets
Netsmart Inc. / Netsmart Technologies, Inc. Healthcare Information Technology Transcendia Holdings, Inc.	Second lien (2)	10.98% (L + 9.50%/Q)	4/18/2016	10/19/2023	\$ 15,000	\$14,686	\$15,075	1.46 %
Packaging SW Holdings, LLC	Second lien (3)	9.57% (L + 8.00%/M)	6/28/2017	5/30/2025	14,500	14,309	14,391	1.39 %
Business Services Peraton Holding Corp. (fka MHVC Acquisition Corp.)	Second lien (4)(10)	10.44% (L + 8.75%/Q)	6/30/2015	12/30/2021	14,265	14,167	14,331	1.38 %
Federal Services Ministry Brands, LLC	First lien (2)	6.95% (L + 5.25%/Q)	4/25/2017	4/29/2024	14,030	13,987	14,135	1.37 %
Software	First lien (3)	6.38% (L + 5.00%/Q)	12/7/2016	12/2/2022	2,993	2,980	2,993	
	First lien (3)(10)(11) - Drawn	6.57% (L + 5.00%/M)	12/7/2016	12/2/2022	1,000	995	1,000	
	Second lien (3)(10)	10.63% (L + 9.25%/Q)	12/7/2016	6/2/2023	7,840	7,788	7,840	
	Second lien (3)(10)	10.63% (L + 9.25%/Q)	12/7/2016	6/2/2023	2,160	2,146	2,160	
					13,993	13,909	13,993	1.35 %
nThrive, Inc. (fka Precyse Acquisition Corp.) Healthcare Services	Second lien (2)(10)	11.32% (L + 9.75%/M)	4/19/2016	4/20/2023	13,000	12,813	12,702	1.23 %

Edgar Filing: SPDR GOLD TRUST - Form FWP

FR Arsenal Holdings II Corp.									
Business Services	First lien (2)(10)	8.81% (L + 7.25%/Q)	9/29/2016	9/8/2022	12,356	12,252	12,373	1.19 %	
Amerijet Holdings, Inc.									
Distribution & Logistics	First lien (4)(10)	9.57% (L + 8.00%/M)	7/15/2016	7/15/2021	10,403	10,344	10,458		
	First lien (4)(10)	9.57% (L + 8.00%/M)	7/15/2016	7/15/2021	1,734	1,724	1,743		
					12,137	12,068	12,201	1.18 %	
SSH Group Holdings, Inc.									
Education	First lien (2)(10)	6.69% (L + 5.00%/Q)	10/13/2017	10/2/2024	8,407	8,366	8,365		
	Second lien (3)(10)	10.69% (L + 9.00%/Q)	10/13/2017	10/2/2025	3,363	3,330	3,329		
					11,770	11,696	11,694	1.13 %	
ProQuest LLC									
Business Services	Second lien (3)	10.55% (L + 9.00%/M)	12/14/2015	12/15/2022	11,620	11,440	11,620	1.12 %	
Xactly Corporation									
Software	First lien (4)(10)	8.82% (L + 7.25%/M)	7/31/2017	7/29/2022	11,600	11,492	11,484	1.11 %	
Zywave, Inc.									
Software	Second lien (4)(10)	10.42% (L + 9.00%/Q)	11/22/2016	11/17/2023	11,000	10,927	11,011		
	First lien (3)(10)(11) - Drawn	8.50% (P + 4.00%/Q)	11/22/2016	11/17/2022	200	199	200		
	First lien (3)(10)(11) - Drawn	6.57% (L + 5.00%/Q)	11/22/2016	11/17/2022	250	248	250		
					11,450	11,374	11,461	1.11 %	
QC McKissock Investment, LLC (14)									
McKissock, LLC									
Education	First lien (2)(10)	7.94% (L + 6.25%/Q)	8/6/2014	8/5/2021	6,415	6,386	6,415		
	First lien (2)(10)	7.94% (L + 6.25%/Q)	8/6/2014	8/5/2021	3,058	3,046	3,058		
	First lien (2)(10)	7.94% (L + 6.25%/Q)	8/6/2014	8/5/2021	987	983	987		
					10,460	10,415	10,460	1.01 %	
Masergy Holdings, Inc.									
Business Services	Second lien (2)	10.19% (L + 8.50%/Q)	12/14/2016	12/16/2024	10,000	9,943	10,144	0.98 %	
Idera, Inc.									

Edgar Filing: SPDR GOLD TRUST - Form FWP

Software	Second lien (4)	10.57% (L + 9.00%/M)	6/27/2017	6/27/2025	10,000	9,856	10,100	0.97 %
----------	--------------------	-------------------------	-----------	-----------	--------	-------	--------	--------

The accompanying notes are an integral part of these consolidated financial statements.

111

Table of Contents

New Mountain Finance Corporation

Consolidated Schedule of Investments (Continued)

December 31, 2017

(in thousands, except shares)

Portfolio Company, Location and Industry(1)	Type of Investment	Interest Rate(9)	Acquisition Date	Maturity/Expiration Date	Principal Amount, Par Value or Shares	Cost	Fair Value	Percent of Net Assets
Quest Software US Holdings Inc.								
Software	First lien (2)	6.92% (L + 5.50%/Q)	10/31/2016	10/31/2022	\$9,899	\$9,775	\$10,071	0.97 %
PowerPlan Holdings, Inc.								
Software	Second lien (2)(10)	10.57% (L + 9.00%/M)	2/23/2015	2/23/2023	10,000	9,927	10,000	0.97 %
WD Wolverine Holdings, LLC								
Healthcare Services	First lien (2)	7.07% (L + 5.50%/M)	2/22/2017	8/16/2022	9,813	9,534	9,512	0.92 %
Pelican Products, Inc.								
Business Products	Second lien (2)	9.94% (L + 8.25%/Q)	4/9/2014	4/9/2021	9,500	9,533	9,500	0.92 %
J.D. Power (fka J.D. Power and Associates)								
Business Services	Second lien (3)	10.19% (L + 8.50%/Q)	6/9/2016	9/7/2024	9,333	9,230	9,473	0.91 %
Harley Marine Services, Inc.								
Distribution & Logistics	Second lien (2)	10.63% (L + 9.25%/Q)	12/18/2013	12/20/2019	9,000	8,929	8,955	0.86 %
JAMF Holdings, Inc.								
Software	First lien (3)(10)	9.41% (L + 8.00%/Q)	11/13/2017	11/11/2022	8,757	8,672	8,670	0.84 %

Edgar Filing: SPDR GOLD TRUST - Form FWP

Autodata, Inc. (Autodata Solutions, Inc.)										
Business Services	Second lien (3)	8.82% (L + 7.25%/Q)	12/12/2017	12/12/2025	7,406	7,387	7,387	0.71	%	
MH Sub I, LLC (Micro Holding Corp.)										
Software	Second lien (3)	9.09% (L + 7.50%/Q)	8/16/2017	9/15/2025	7,000	6,932	7,048	0.68	%	
First American Payment Systems, L.P.										
Business Services	First lien (2)	7.14% (L + 5.75%/M)	1/3/2017	1/5/2024	6,844	6,783	6,880	0.66	%	
Solera LLC / Solera Finance, Inc.										
Software	Subordinated (3)	10.50%/S	2/29/2016	3/1/2024	5,000	4,791	5,650	0.55	%	
Pathway Partners Vet Management Company LLC										
Consumer Services	Second lien (4)	9.57% (L + 8.00%/M)	10/4/2017	10/10/2025	5,556	5,527	5,527	0.53	%	
Applied Systems, Inc.										
Software	Second lien (3)	8.69% (L + 7.00%/Q)	9/14/2017	9/19/2025	4,923	4,923	5,106	0.49	%	
ADG, LLC										
Healthcare Services	Second lien (3)(10)	10.57% (L + 9.00%/M)	10/3/2016	3/28/2024	5,000	4,934	5,038	0.49	%	
Vencore, Inc. (fka The SI Organization Inc.)										
Federal Services	Second lien (3)	10.44% (L + 8.75%/Q)	6/14/2016	5/23/2020	4,400	4,350	4,450	0.43	%	
Affinity Dental Management, Inc.										

Edgar Filing: SPDR GOLD TRUST - Form FWP

Healthcare Services	First lien (2)(10)	7.59% (L) + 6.00%/Q)	9/15/2017	9/15/2023	4,344	4,302	4,301	0.41	%
York Risk Services Holding Corp.									
Business Services Ensemble S Merger Sub, Inc.	Subordinated (3)	8.50%/S	9/17/2014	10/1/2022	3,000	3,000	2,940	0.28	%
Software Education Management Corporation (12)	Subordinated (3)	9.00%/S	9/21/2015	9/30/2023	2,000	1,946	2,125	0.20	%
Education Management II LLC									
Education	First lien (2)	5.85% (L) + 4.50%/Q)	1/5/2015	7/2/2020	211	205	82		
	First lien (3)	5.85% (L) + 4.50%/Q)	1/5/2015	7/2/2020	119	116	46		
	First lien (2)	8.85% (L) + 7.50%/Q)	1/5/2015	7/2/2020	475	437	10		
	First lien (3)	8.85% (L) + 7.50%/Q)	1/5/2015	7/2/2020	268	247	6		
Total Funded Debt					1,073	1,005	144	0.01	%
Investments - United States					\$1,319,560	\$1,309,577	\$1,325,328	128.05	%
Total Funded Debt					\$1,399,913	\$1,388,666	\$1,404,984	135.75	%
Investments									

The accompanying notes are an integral part of these consolidated financial statements.

Table of Contents

New Mountain Finance Corporation

Consolidated Schedule of Investments (Continued)

December 31, 2017

(in thousands, except shares)

Portfolio Company, Location and Industry(1)	Type of Investment	Interest Rate(9)	Acquisition Date	Maturity/Expiration Date	Principal Amount, Par Value or Shares	Fair Value	Percent of Net Assets
Equity - Hong Kong Bach Special Limited (Bach Preference Limited)**	Preferred shares (3)(10)(22)	—	9/1/2017	—	58,807 \$5,807	\$5,806	0.56 %
Total Shares - Hong Kong					\$5,807	\$5,806	0.56 %
Equity - United States Avatar Topco, Inc. (23)	Preferred shares (3)(10)(23)	—	11/17/2017	—	35,720 \$35,220	\$35,204	3.40 %
Tenawa Resource Holdings LLC (13) QID NGL LLC	Ordinary shares (7)(10) Preferred shares (7)(10)	—	5/12/2014	—	5,296 \$5,297	8,154	
		—	10/30/2017	—	620,701 5,912	1,007 9,161	0.88 %
TWDiamondback Holdings Corp. (15)	Preferred shares (4)(10)	—	11/19/2014	—	200 2,000	4,508	0.44 %
TW-NHME Holdings Corp. (20)	Preferred shares	—	7/14/2015	—	100 1,000	944	
Healthcare Services							

Edgar Filing: SPDR GOLD TRUST - Form FWP

	(4)(10) Preferred shares	—	1/5/2016	—	16	158	149		
	(4)(10) Preferred shares	—	6/30/2016	—	6	68	58		
	(4)(10)					1,226	1,151	0.11	%
Ancora Acquisition LLC									
Education	Preferred shares (6)(10)	—	8/12/2013	—	372	83	393	0.04	%
Education Management Corporation (12)									
Education	Preferred shares (2)	—	1/5/2015	—	3,332	200	—		
	Preferred shares (3)	—	1/5/2015	—	1,879	13	—		
	Ordinary shares (2)	—	1/5/2015	—	2,994	1,065	10		
	Ordinary shares (3)	—	1/5/2015	—	1,688	5,076	6		
						469	16	0.00	%
Total Shares - United States						\$44,910	\$50,433	4.87	%
Total Shares Warrants - United States						\$50,717	\$56,239	5.43	%
ASP LCG Holdings, Inc.									
Education	Warrants (3)(10)	—	5/5/2014	5/5/2026	622	\$37	\$1,089	0.11	%
Ancora Acquisition LLC									
Education	Warrants (6)(10)	—	8/12/2013	8/12/2020	20	—	—	—	%
YP Equity Investors, LLC									
Media	Warrants (5)(10)	—	5/3/2012	5/8/2022	5	—	—	—	%
Total Warrants - United States						\$37	\$1,089	0.11	%
Total Funded Investments						\$1,439,420	\$1,462,312	141.29	%

The accompanying notes are an integral part of these consolidated financial statements.

Table of Contents

New Mountain Finance Corporation

Consolidated Schedule of Investments (Continued)

December 31, 2017

(in thousands, except shares)

Portfolio Company, Location and Industry(1)	Type of Investment	Interest Rate(9)	Acquisition Date	Maturity/Expiration Date	Principal Amount, Par Value or Shares	Cost	Fair Value	Percent of Net Assets
Unfunded Debt								
Investments - United States								
PetVet Care Centers LLC								
Consumer Services	First lien (3)(10)(11) - Undrawn	—	6/8/2017	6/8/2019	\$ 4,439	\$(16)	\$ 44	0.00 %
VetCor Professional Practices LLC								
Consumer Services	First lien (3)(11) - Undrawn	—	5/15/2015	4/20/2021	1,274	(13)	2	
	First lien (3)(11) - Undrawn	—	12/29/2017	12/29/2019	8,552	(75)	11	
					9,826	(88)	13	0.00 %
DCA Investment Holding, LLC								
Healthcare Services	First lien (3)(10)(11) - Undrawn	—	7/2/2015	7/2/2021	2,100	(21)	—	
	First lien (3)(10)(11) - Undrawn	—	12/20/2017	12/20/2019	13,465	(118)	—	
					15,565	(139)	—	— %
iPipeline, Inc. (Internet Pipeline, Inc.)								
Software	First lien (3)(10)(11) - Undrawn	—	8/4/2015	8/4/2021	1,000	(10)	—	— %
Valet Waste Holdings, Inc.								
Business Services	First lien (3)(10)(11) -	—	9/24/2015	9/24/2021	3,750	(47)	—	— %

Edgar Filing: SPDR GOLD TRUST - Form FWP

Zywave, Inc.	Undrawn								
Software	First lien (3)(10)(11) - Undrawn	—	11/22/2016	11/17/2022	1,550	(12)	—	—	%
Marketo, Inc.									
Software	First lien (3)(10)(11) - Undrawn	—	8/16/2016	8/16/2021	1,788	(27)	—	—	%
Ansira Holdings, Inc.									
Business Services	First lien (3)(11) - Undrawn	—	12/19/2016	12/20/2018	1,700	(9)	(4)	(0.00)%	
JAMF Holdings, Inc.									
Software	First lien (3)(10)(11) - Undrawn	—	11/13/2017	11/11/2022	750	(8)	(8)	(0.00)%	
Xactly Corporation									
Software	First lien (3)(10)(11) - Undrawn	—	7/31/2017	7/29/2022	992	(10)	(10)	(0.00)%	
Pathway Partners Vet Management Company LLC									
Consumer Services	Second lien (4)(11) - Undrawn	—	10/4/2017	10/10/2019	2,444	(12)	(12)	(0.00)%	
Trader Interactive, LLC									
Business Services	First lien (3)(10)(11) - Undrawn	—	6/15/2017	6/15/2023	1,673	(13)	(13)	(0.00)%	
BackOffice Associates Holdings, LLC									
Business Services	First lien (3)(10)(11) - Undrawn	—	8/25/2017	8/24/2018	3,448	(13)	(13)		
	First lien (3)(10)(11) - Undrawn	—	8/25/2017	8/25/2023	2,586	(23)	(23)		
					6,034	(36)	(36)	(0.00)%	

The accompanying notes are an integral part of these consolidated financial statements.

Table of Contents

New Mountain Finance Corporation

Consolidated Schedule of Investments (Continued)

December 31, 2017

(in thousands, except shares)

Portfolio Company, Location and Industry(1)	Type of Investment	Interest Rate(9)	Acquisition Date	Maturity/Expiration Date	Principal Amount, Par Value or Shares	Cost	Fair Value
Affinity Dental Management, Inc.							
Healthcare Services	First lien (3)(10)(11) - Undrawn	—	9/15/2017	3/15/2019	\$ 11,584	\$(29)	\$(29)
	First lien (3)(10)(11) - Undrawn	—	9/15/2017	3/15/2023	1,738	(17)	(17)
					13,322	(46)	(46)
Frontline Technologies Group Holdings, LLC							
Education	First lien (3)(10)(11) - Undrawn	—	9/18/2017	9/18/2019	7,738	(58)	(58)
Total Unfunded Debt Investments - United States					\$72,571	\$(531)	\$(130)
Total Non-Controlled/Non-Affiliated Investments						\$1,438,889	\$1,462,182
Non-Controlled/Affiliated Investments(24)							
Funded Debt Investments - United States							
Edmentum Ultimate Holdings, LLC (16)							
Edmentum, Inc. (fka Plato, Inc.) (Archipelago Learning, Inc.)							
Education	Second lien (3)(10)(11) - Drawn	5.00%/M	6/9/2015	6/9/2020	\$3,172	\$3,172	\$3,172
	Subordinated (3)(10)	8.50% PIK/Q*	6/9/2015	6/9/2020	4,491	4,486	4,491
	Subordinated (2)(10)	10.00% PIK/Q*	6/9/2015	6/9/2020	16,760	16,760	13,408
	Subordinated (3)(10)	10.00% PIK/Q*	6/9/2015	6/9/2020	4,123	4,123	3,298

Edgar Filing: SPDR GOLD TRUST - Form FWP

					28,546	28,541	24,369
Permian Holdco 1, Inc.							
Permian Holdco 2, Inc.							
Energy	Subordinated (3)(10)	14.00% PIK/Q*	10/31/2016	10/15/2021	2,007	2,007	2,007
	Subordinated (3)(10)(11) - Drawn	14.00% PIK/Q*	10/31/2016	10/15/2021	696	696	696
					2,703	2,703	2,703
Total Funded Debt Investments					\$31,249	\$31,244	\$27,072
- United States							
Equity - United States							
HI Technology Corp.							
Business Services	Preferred shares (3)(10)(21)	—	3/21/2017	—	2,768,000	\$105,155	\$105,155
NMFC Senior Loan Program I LLC**							
Investment Fund	Membership interest (3)(10)	—	6/13/2014	—	—	23,000	23,000
Sierra Hamilton Holdings Corporation							
Energy	Ordinary shares (2)(10)	—	7/31/2017	—	25,000,000	1,501	11,094
	Ordinary shares (3)(10)	—	7/31/2017	—	2,786,000	1,281	1,236
						12,782	12,330
Permian Holdco 1, Inc.							
Energy	Preferred shares (3)(10)(17)	—	10/31/2016	—	1,569,226	6,829	8,631
	Ordinary shares (3)(10)	—	10/31/2016	—	1,366,452	1,350	1,399
						8,179	10,030

The accompanying notes are an integral part of these consolidated financial statements.

Table of Contents

New Mountain Finance Corporation

Consolidated Schedule of Investments (Continued)

December 31, 2017

(in thousands, except shares)

Portfolio Company, Location and Industry(1)	Type of Investment	Interest Rate(9)	Acquisition Date	Maturity/Expiration Date	Principal Amount, Par Value or Shares	Cost	Fair Value	Percent of Net Assets
Edmentum Ultimate Holdings, LLC (16)								
Education	Ordinary shares (3)(10)	—	6/9/2015	—	123,968	\$11	\$262	
	Ordinary shares (2)(10)	—	6/9/2015	—	107,143	9	227	
						20	489	0.05 %
Total Shares - United States						\$149,136	\$151,004	14.59 %
Total Funded Investments						\$180,380	\$178,076	17.21 %
Unfunded Debt								
Investments - United States								
Edmentum Ultimate Holdings, LLC (16)								
Edmentum, Inc. (fka Plato, Inc.) (Archipelago Learning, Inc.)								
Education	Second lien (3)(10)(11) - Undrawn	—	6/9/2015	6/9/2020	\$1,709	\$—	\$—	— %
Permian Holdco 1, Inc. Permian Holdco 2, Inc.								
Energy	Subordinated (3)(10)(11) - Undrawn	—	10/31/2016	10/15/2021	342	—	—	— %
Total Unfunded Debt								
Investments - United States						\$2,051	\$—	— %
Total Non-Controlled/Affiliated Investments						\$180,380	\$178,076	17.21 %
Controlled Investments(25)								

Edgar Filing: SPDR GOLD TRUST - Form FWP

Funded Debt Investments
- United States
UniTek Global Services,
Inc.

Business Services	First lien (2)(10)	10.20% (L + 8.50%/Q) 9.84% (L + 7.50% + 1.00% PIK/Q)*	1/13/2015	1/13/2019	\$10,846	\$10,846	\$10,846		
	First lien (2)(10)	15.00% PIK/Q*	1/13/2015	7/13/2019	2,003	2,003	2,003		
	Subordinated (3)(10)	15.00% PIK/Q*	1/13/2015	7/13/2019	1,198	1,198	1,198		
					14,844	14,844	14,844	1.43	%
Total Funded Debt Investments - United States					\$14,844	\$14,844	\$14,844	1.43	%
Equity - Canada NM APP Canada Corp.**									
Net Lease	Membership interest (8)(10)	—	9/13/2016	—	—	\$7,345	\$7,962	0.77	%
Total Shares - Canada Equity - United States						\$7,345	\$7,962	0.77	%
NMFC Senior Loan Program II LLC**									
Investment Fund	Membership interest (3)(10)	—	5/3/2016	—	—	\$79,400	\$79,400	7.67	%

The accompanying notes are an integral part of these consolidated financial statements.

Table of Contents

New Mountain Finance Corporation

Consolidated Schedule of Investments (Continued)

December 31, 2017

(in thousands, except shares)

Portfolio Company, Location and Industry(1)	Type of Investment	Interest Rate(9)	Acquisition Date	Maturity/Expiration Date	Principal Amount, Par Value or Shares	Cost	Fair Value	Percent of Net Assets
UniTek Global Services, Inc.								
Business Services	Preferred shares (2)(10)(18)	—	1/13/2015	—	21,753,102	\$19,373	\$19,288	
	Preferred shares (3)(10)(18)	—	1/13/2015	—	6,011,522	5,353	5,330	
	Preferred shares (3)(10)(19)	—	6/30/2017	—	10,863,583	10,864	10,864	
	Ordinary shares (2)(10)	—	1/13/2015	—	2,096,477	1,925	7,313	
	Ordinary shares (3)(10)	—	1/13/2015	—	1,993,749	531	6,954	
						38,046	49,749	4.81 %
NM CLFX LP								
Net Lease	Membership interest (8)(10)	—	10/6/2017	—	—	12,538	12,538	1.21 %
NM KRLN LLC								
Net Lease	Membership interest (8)(10)	—	11/15/2016	—	—	7,510	8,195	0.79 %
NM DRVT LLC								
Net Lease	Membership interest (8)(10)	—	11/18/2016	—	—	5,152	5,385	0.52 %
NM APP US LLC								
Net Lease	Membership interest	—	9/13/2016	—	—	5,080	5,138	0.50 %

Edgar Filing: SPDR GOLD TRUST - Form FWP

	(8)(10)								
NM JRA LLC									
Net Lease	Membership interest (8)(10)	—	8/12/2016	—	—	2,043	2,191	0.21	%
Total Shares - United States						\$149,769	\$162,596	15.71	%
Total Shares Warrants - United States						\$157,114	\$170,558	16.48	%
UniTek Global Services, Inc.									
Business Services	Warrants (3)(10)	—	6/30/2017	12/31/2018	526,925	\$—	\$—	—	%
Total Warrants - United States						\$—	\$—	—	%
Total Funded Investments Unfunded Debt Investments - United States						\$171,958	\$185,402	17.91	%
UniTek Global Services, Inc.									
Business Services	First lien (3)(10)(11) - Undrawn	—	1/13/2015	1/13/2019	\$ 2,048	\$—	\$—		
	First lien (3)(10)(11) - Undrawn	—	1/13/2015	1/13/2019	758	—	—		
					2,806	—	—	—	%
Total Unfunded Debt Investments - United States					\$ 2,806	\$—	\$—	—	%
Total Controlled Investments Total Investments						\$171,958	\$185,402	17.91	%
						\$1,791,227	\$1,825,660	176.4	%

(1) New Mountain Finance Corporation (the "Company") generally acquires its investments in private transactions exempt from registration under the Securities Act of 1933, as amended (the "Securities Act"). These investments are generally subject to certain limitations on resale, and may be deemed to be "restricted securities" under the Securities Act.

(2) Investment is pledged as collateral for the Holdings Credit Facility, a revolving credit facility among the Company as Collateral Manager, New Mountain Finance Holdings, L.L.C. ("NMF Holdings") as the Borrower, Wells Fargo

Edgar Filing: SPDR GOLD TRUST - Form FWP

Securities, LLC as the Administrative Agent, and Wells Fargo Bank, National Association, as the Lender and Collateral Custodian. See Note 7. Borrowings, for details.

- (3) Investment is pledged as collateral for the NMFC Credit Facility, a revolving credit facility among the Company as the Borrower and Goldman Sachs Bank USA as the Administrative Agent and the Collateral Agent and Goldman Sachs Bank USA, Morgan Stanley Bank, N.A. and Stifel Bank & Trust as Lenders. See Note 7. Borrowings, for details.

The accompanying notes are an integral part of these consolidated financial statements.

117

Table of Contents

New Mountain Finance Corporation

Consolidated Schedule of Investments (Continued)

December 31, 2017

(in thousands, except shares)

(4) Investment is held in New Mountain Finance SBIC, L.P.

(5) Investment is held in NMF YP Holdings, Inc.

(6) Investment is held in NMF Ancora Holdings, Inc.

(7) Investment is held in NMF QID NGL Holdings, Inc.

(8) Investment is held in New Mountain Net Lease Corporation.

All interest is payable in cash unless otherwise indicated. A majority of the variable rate debt investments bear interest at a rate that may be determined by reference to the London Interbank Offered Rate (L), the Prime Rate (P) and the alternative base rate (Base) and which resets monthly (M), quarterly (Q), semi-annually (S) or annually (A). For each investment the current interest rate provided reflects the rate in effect as of December 31, 2017.

(9) The fair value of the Company's investment is determined using unobservable inputs that are significant to the overall fair value measurement. See Note 4. Fair Value, for details.

Par Value amounts represent the drawn or undrawn (as indicated in type of investment) portion of revolving credit facilities or delayed draws. Cost amounts represent the cash received at settlement date net the impact of paydowns and cash paid for drawn revolvers or delayed draws.

The Company holds investments in Education Management Corporation and one related entity of Education Management Corporation. The Company holds series A-1 convertible preferred stock and common stock in Education Management Corporation and holds a tranche A first lien term loan and a tranche B first lien term loan in Education Management II LLC, which is an indirect subsidiary of Education Management Corporation. The Company holds investments in three related entities of Tenawa Resource Holdings LLC. The Company holds 4.77% of the common units in QID NGL LLC (which at closing represented 98.1% of the ownership in the common units in Tenawa Resource Holdings LLC), class A preferred units in QID NGL LLC and a first lien investment in Tenawa Resource Management LLC, a wholly-owned subsidiary of Tenawa Resource Holdings LLC.

The Company holds investments in QC McKissock Investment, LLC and one related entity of QC McKissock Investment, LLC. The Company holds a first lien term loan in QC McKissock Investment, LLC (which at closing represented 71.1% of the ownership in the Series A common units of McKissock Investment Holdings, LLC) and holds a first lien term loan and a delayed draw term loan in McKissock, LLC, a wholly-owned subsidiary of McKissock Investment Holdings, LLC.

The Company holds investments in TWDiamondback Holdings Corp. and one related entity of TWDiamondback Holdings Corp. The Company holds preferred equity in TWDiamondback Holdings Corp. and holds a first lien last out term loan and a delayed draw term loan in Diamondback Drugs of Delaware LLC, a wholly-owned subsidiary of TWDiamondback Holdings Corp.

The Company holds investments in Edmentum Ultimate Holdings, LLC and its related entities. The Company holds subordinated notes and ordinary equity in Edmentum Ultimate Holdings, LLC and holds a second lien revolver in Edmentum, Inc. and Archipelago Learning, Inc., which are wholly-owned subsidiaries of Edmentum Ultimate Holdings, LLC.

(14) The Company holds preferred equity in Permian Holdco 1, Inc. that is entitled to receive cumulative preferential dividends at a rate of 12.0% per annum payable in additional shares.

(15) The Company holds preferred equity in UniTek Global Services, Inc. that is entitled to receive cumulative preferential dividends at a rate of 13.5% per annum payable in additional shares.

(16) The Company holds preferred equity in UniTek Global Services, Inc. that is entitled to receive cumulative preferential dividends at a rate of 19.0% per annum payable in additional shares.

(17)

Edgar Filing: SPDR GOLD TRUST - Form FWP

The Company holds equity investments in TW-NHME Holdings Corp., and holds a second lien term loan investment in National HME, Inc., a wholly-owned subsidiary of TW-NHME Holdings Corp.

- (21) The Company holds convertible preferred equity in HI Technology Corp that is accruing dividends at a rate of 15.0% per annum.
- (22) The Company holds preferred equity in Bach Special Limited (Bach Preference Limited) that is entitled to receive cumulative preferential dividends at a rate of 12.25% per annum payable in additional shares.
The Company holds preferred equity in Avatar Topco, Inc., and holds a second lien term loan investment in EAB
- (23) Global, Inc., a wholly-owned subsidiary of Avatar Topco, Inc. The preferred equity is entitled to receive cumulative preferential dividends at a rate of L + 11.00% per annum.

The accompanying notes are an integral part of these consolidated financial statements.

118

Table of Contents

New Mountain Finance Corporation

Consolidated Schedule of Investments (Continued)

December 31, 2017

(in thousands, except shares)

Denotes investments in which the Company is an "Affiliated Person", as defined in the Investment Company Act of 1940, as amended (the "1940 Act"), due to owning or holding the power to vote 5.0% or more of the outstanding (24) voting securities of the investment but not controlling the company. Fair value as of December 31, 2017 and December 31, 2016 along with transactions during the year ended December 31, 2017 in which the issuer was a non-controlled/affiliated investment is as follows:

Portfolio Company	Fair Value at December 31, 2016	Gross Additions (A)	Gross Redemptions (B)	Net Realized Gains (Losses)	Net Change in Unrealized Appreciation (Depreciation)	Fair Value at December 31, 2017	Interest Income	Dividend Income	Other Income
Edmentum Ultimate Holdings, LLC/Edmentum Inc.	\$ 23,247	\$ 10,912	\$ (5,381)	\$ — (3,920)	\$ 24,858	\$ 2,538	\$—	\$—	
HI Technology Corp.	—	105,155	—	—	105,155	—	11,667	—	
NMFC Senior Loan Program I LLC	23,000	—	—	—	23,000	—	3,498	1,156	
Permian Holdco 1, Inc. / Permian Holdco 2, Inc.	11,193	1,916	—	— (376)	12,733	270	960	30	
Sierra Hamilton Holdings Corporation	—	12,782	—	— (452)	12,330	—	—	—	
Total Non-Controlled/Affiliated Investments	\$ 57,440	\$ 130,765	\$ (5,381)	\$ — (4,748)	\$ 178,076	\$ 2,808	\$ 16,125	\$ 1,186	

(A) Gross additions include increases in the cost basis of investments resulting from new portfolio investments, payment-in-kind ("PIK") interest or dividends, the amortization of discounts, reorganizations or restructurings and the movement at fair value of an existing portfolio company into this category from a different category.

(B) Gross redemptions include decreases in the cost basis of investments resulting from principal collections related to investment repayments or sales, reorganizations or restructurings and the movement of an existing portfolio company out of this category into a different category.

(25) Denotes investments in which the Company is in "Control", as defined in the 1940 Act, due to owning or holding the power to vote 25.0% or more of the outstanding voting securities of the investment. Fair value as of December 31, 2017 and December 31, 2016 along with transactions during the year ended December 31, 2017 in which the issuer was a controlled investment, is as follows:

Portfolio Company	Fair Value at December 31, 2016	Gross Additions (A)	Gross Redemptions (B)	Net Realized Gains (Losses)	Net Change in Unrealized Appreciation (Depreciation)	Fair Value at December 31, 2017	Interest Income	Dividend Income	Other Income
New Mountain Net Lease Corporation	\$ 27,000	\$—	\$ (27,000)	\$ —	\$—	\$—	\$—	\$—	\$—
NM APP CANADA CORP	—	7,345	—	— 617	7,962	—	911	—	
NM APP US LLC	—	5,080	—	— 58	5,138	—	594	—	
NM CLFX LP	—	12,538	—	—	12,538	—	341	—	
NM DRVT LLC	—	5,152	—	— 233	5,385	—	520	—	

Edgar Filing: SPDR GOLD TRUST - Form FWP

NM JRA LLC	—	2,043	—	—	148	2,191	—	232	—
NM KRLN LLC	—	7,510	—	—	685	8,195	—	736	—
NMFC Senior Loan Program II LLC	71,460	7,940	—	—	—	79,400	—	12,406	—
UniTek Global Services, Inc.	56,361	14,777	(4,006)	—	(2,539)	64,593	1,709	4,415	819
Total Controlled Investments	\$ 154,821	\$ 62,385	\$ (31,006)	\$ —	—\$ (798)	\$ 185,402	\$ 1,709	\$ 20,155	\$ 819

Gross additions include increases in the cost basis of investments resulting from new portfolio investments, PIK (A) interest or dividends, the amortization of discounts, reorganizations or restructurings and the movement at fair value of an existing portfolio company into this category from a different category.

Gross redemptions include decreases in the cost basis of investments resulting from principal collections related to (B) investment repayments or sales, reorganizations or restructurings and the movement of an existing portfolio company out of this category into a different category.

* All or a portion of interest contains PIK interest.

Indicates assets that the Company deems to be “non-qualifying assets” under Section 55(a) of the 1940 Act.

** Qualifying assets must represent at least 70.0% of the Company’s total assets at the time of acquisition of any additional non-qualifying assets. As of December 31, 2017, 11.0% of the Company’s total investments were non-qualifying assets.

The accompanying notes are an integral part of these consolidated financial statements.

Table of Contents

New Mountain Finance Corporation

Consolidated Schedule of Investments (Continued)

December 31, 2017

Investment Type	December 31, 2017 Percent of Total Investments at Fair Value	
First lien	37.99	%
Second lien	37.41	%
Subordinated	3.85	%
Equity and other	20.75	%
Total investments	100.00	%

Industry Type	December 31, 2017 Percent of Total Investments at Fair Value	
Business Services	31.85	%
Software	16.33	%
Healthcare Services	9.60	%
Education	9.48	%
Consumer Services	7.18	%
Distribution & Logistics	6.15	%
Investment Fund	5.61	%
Federal Services	4.30	%
Energy	4.06	%
Net Lease	2.27	%
Healthcare Information Technology	1.86	%
Packaging	0.79	%
Business Products	0.52	%
Total investments	100.00	%

Interest Rate Type	December 31, 2017 Percent of Total Investments at Fair Value
--------------------	--

Edgar Filing: SPDR GOLD TRUST - Form FWP

Floating rates	87.48	%
Fixed rates	12.52	%
Total investments	100.00	%

The accompanying notes are an integral part of these consolidated financial statements.

120

Table of Contents

Notes to the Consolidated Financial Statements of
New Mountain Finance Corporation
December 31, 2018

(in thousands, except share data)

Note 1. Formation and Business Purpose

New Mountain Finance Corporation ("NMFC" or the "Company") is a Delaware corporation that was originally incorporated on June 29, 2010 and completed its initial public offering ("IPO") on May 19, 2011. NMFC is a closed-end, non-diversified management investment company that has elected to be regulated as a business development company ("BDC") under the Investment Company Act of 1940, as amended (the "1940 Act"). NMFC has elected to be treated, and intends to comply with the requirements to continue to qualify annually, as a regulated investment company ("RIC") under Subchapter M of the Internal Revenue Code of 1986, as amended (the "Code"). NMFC is also registered as an investment adviser under the Investment Advisers Act of 1940, as amended (the "Advisers Act"). Since NMFC's IPO, and through December 31, 2018, NMFC raised approximately \$614,581 in net proceeds from additional offerings of its common stock.

New Mountain Finance Advisers BDC, L.L.C. (the "Investment Adviser") is a wholly-owned subsidiary of New Mountain Capital Group, L.P. (together with New Mountain Capital, L.L.C. and its affiliates, "New Mountain Capital") whose ultimate owners include Steven B. Klinsky and related other vehicles. New Mountain Capital is a firm with a track record of investing in the middle market. New Mountain Capital focuses on investing in defensive growth companies across its private equity, public equity and credit investment vehicles. The Investment Adviser manages the Company's day-to-day operations and provides it with investment advisory and management services. The Investment Adviser also manages New Mountain Guardian Partners II, L.P., a Delaware limited partnership, and New Mountain Guardian II Offshore, L.P., a Cayman Islands exempted limited partnership, (together "Guardian II"), which commenced operations in April 2017. New Mountain Finance Administration, L.L.C. (the "Administrator"), a wholly-owned subsidiary of New Mountain Capital, provides the administrative services necessary to conduct the Company's day-to-day operations.

The Company's wholly-owned subsidiary, New Mountain Finance Holdings, L.L.C. ("NMF Holdings" or the "Predecessor Operating Company"), is a Delaware limited liability company whose assets are used to secure NMF Holdings' credit facility. NMF Ancora Holdings Inc. ("NMF Ancora"), NMF QID NGL Holdings, Inc. ("NMF QID") and NMF YP Holdings Inc. ("NMF YP"), the Company's wholly-owned subsidiaries, are structured as Delaware entities that serve as tax blocker corporations which hold equity or equity-like investments in portfolio companies organized as limited liability companies (or other forms of pass-through entities). The Company consolidates its tax blocker corporations for accounting purposes. The tax blocker corporations are not consolidated for income tax purposes and may incur income tax expense as a result of their ownership of portfolio companies. Additionally, the Company has a wholly-owned subsidiary, New Mountain Finance Servicing, L.L.C. ("NMF Servicing"), that serves as the administrative agent on certain investment transactions. New Mountain Finance SBIC, L.P. ("SBIC I") and its general partner, New Mountain Finance SBIC G.P., L.L.C. ("SBIC I GP"), were organized in Delaware as a limited partnership and limited liability company, respectively. New Mountain Finance SBIC II, L.P. ("SBIC II") and its general partner, New Mountain Finance SBIC II G.P., L.L.C. ("SBIC II GP"), were also organized in Delaware as a limited partnership and limited liability company, respectively. SBIC I, SBIC I GP, SBIC II and SBIC II GP are consolidated wholly-owned direct and indirect subsidiaries of the Company. SBIC I and SBIC II received licenses from the United States ("U.S.") Small Business Administration (the "SBA") to operate as small business investment companies ("SBICs") under Section 301(c) of the Small Business Investment Act of 1958, as amended (the "1958 Act"). The Company's wholly-owned subsidiary, New Mountain Net Lease Corporation ("NMNLC"), a Maryland corporation, was formed to acquire commercial real properties that are subject to "triple net" leases and has qualified and intends to continue to qualify as a real estate investment trust, or REIT, within the meaning of Section 856(a) of the Code. During the year ended December 31, 2018, New Mountain Finance DB, L.L.C. ("NMFDB") was organized in Delaware as a limited liability company whose assets are used to secure NMFDB's credit facility.

The Company's investment objective is to generate current income and capital appreciation through the sourcing and origination of debt securities at all levels of the capital structure, including first and second lien debt, notes, bonds and mezzanine securities. The first lien debt may include traditional first lien senior secured loans or unitranche loans. Unitranche loans combine characteristics of traditional first lien senior secured loans as well as second lien and subordinated loans. Unitranche loans will expose the Company to the risks associated with second lien and subordinated loans to the extent the Company invests in the "last out" tranche. In some cases, the Company's investments may also include equity interests. The Company's primary focus is in the debt of defensive growth companies, which are defined as generally exhibiting the following characteristics: (i) sustainable secular growth drivers, (ii) high barriers to competitive entry, (iii) high free cash flow after capital expenditure and working capital needs, (iv) high returns on assets and (v) niche market dominance. Similar to the Company, SBIC I's and SBIC II's investment objectives are to generate current income and capital appreciation under the investment criteria used by the Company. However, SBIC I and SBIC II investments must be in SBA eligible small businesses.

Table of Contents

Notes to the Consolidated Financial Statements of
New Mountain Finance Corporation (Continued)
December 31, 2018
(in thousands, except share data)

The Company's portfolio may be concentrated in a limited number of industries. As of December 31, 2018, the Company's top five industry concentrations were business services, software, healthcare services, education and investment funds.

Historical Structure

On May 19, 2011, NMFC priced its IPO of 7,272,727 shares of common stock at a public offering price of \$13.75 per share. Concurrently with the closing of the IPO and at the public offering price of \$13.75 per share, NMFC sold an additional 2,172,000 shares of its common stock to certain executives and employees of, and other individuals affiliated with, New Mountain Capital in a concurrent private placement (the "Concurrent Private Placement"). Additionally, 1,252,964 shares were issued to the partners of New Mountain Guardian Partners, L.P. at that time for their ownership interest in the Predecessor Entities (as defined below). In connection with NMFC's IPO and through a series of transactions, NMF Holdings acquired all of the operations of the Predecessor Entities, including all of the assets and liabilities related to such operations. NMF Holdings, formerly known as New Mountain Guardian (Leveraged), L.L.C., was originally formed as a subsidiary of New Mountain Guardian AIV, L.P. ("Guardian AIV") by New Mountain Capital in October 2008. Guardian AIV was formed through an allocation of approximately \$300.0 million of the \$5.1 billion of commitments supporting New Mountain Partners III, L.P., a private equity fund managed by New Mountain Capital. In February 2009, New Mountain Capital formed a co-investment vehicle, New Mountain Guardian Partners, L.P., comprising \$20.4 million of commitments. New Mountain Guardian (Leveraged), L.L.C. and New Mountain Guardian Partners, L.P., together with their respective direct and indirect wholly-owned subsidiaries, are defined as the "Predecessor Entities".

Until May 8, 2014, NMF Holdings was externally managed by the Investment Adviser and was regulated as a BDC under the 1940 Act. As such, NMF Holdings was obligated to comply with certain regulatory requirements. NMF Holdings was treated as a partnership for U.S. federal income tax purposes for so long as it had at least two members. With the completion of the underwritten secondary offering on February 3, 2014, NMF Holdings' existence as a partnership for U.S. federal income tax purposes terminated and NMF Holdings became an entity that is disregarded as a separate entity from its owner for U.S. federal tax purposes.

Until April 25, 2014, New Mountain Finance AIV Holdings Corporation ("AIV Holdings") was a Delaware corporation that was originally incorporated on March 11, 2011. Guardian AIV, a Delaware limited partnership, was AIV Holdings' sole stockholder. AIV Holdings was a closed-end, non-diversified management investment company that was regulated as a BDC under the 1940 Act. As such, AIV Holdings was obligated to comply with certain regulatory requirements. AIV Holdings was treated, and complied with the requirements to qualify annually, as a RIC under the Code. AIV Holdings was dissolved on April 25, 2014.

Prior to May 8, 2014, NMFC and AIV Holdings were holding companies with no direct operations of their own, and their sole asset was their ownership in NMF Holdings. In connection with the IPO, NMFC and AIV Holdings each entered into a joinder agreement with respect to the Limited Liability Company Agreement, as amended and restated (the "Operating Agreement"), of NMF Holdings, pursuant to which NMFC and AIV Holdings were admitted as members of NMF Holdings. NMFC acquired from NMF Holdings, with the gross proceeds of the IPO and the Concurrent Private Placement, common membership units ("units") of NMF Holdings (the number of units were equal to the number of shares of NMFC's common stock sold in the IPO and the Concurrent Private Placement).

Additionally, NMFC received units of NMF Holdings equal to the number of shares of common stock of NMFC issued to the partners of New Mountain Guardian Partners, L.P. Guardian AIV was the parent of NMF Holdings prior to the IPO and, as a result of the transactions completed in connection with the IPO, obtained units in NMF Holdings. Guardian AIV contributed its units in NMF Holdings to its newly formed subsidiary, AIV Holdings, in exchange for common stock of AIV Holdings. AIV Holdings had the right to exchange all or any portion of its units in NMF Holdings for shares of NMFC's common stock on a one-for-one basis at any time.

The original structure was designed to generally prevent NMFC from being allocated taxable income with respect to unrecognized gains that existed at the time of the IPO in the Predecessor Entities' assets, and rather such amounts would be allocated generally to AIV Holdings. The result was that any distributions made to NMFC's stockholders that were attributable to such gains generally were not treated as taxable dividends but rather as return of capital. NMFC acquired from NMF Holdings units of NMF Holdings equal to the number of shares of NMFC's common stock sold in the additional offerings. With the completion of the final secondary offering on February 3, 2014, NMFC owned 100.0% of the units of NMF Holdings, which became a wholly-owned subsidiary of NMFC.

Table of Contents

Notes to the Consolidated Financial Statements of
New Mountain Finance Corporation (Continued)
December 31, 2018
(in thousands, except share data)

Restructuring

As a BDC, AIV Holdings had been subject to the 1940 Act, including certain provisions applicable only to BDCs. Accordingly, and after careful consideration of the 1940 Act requirements applicable to BDCs, the cost of 1940 Act compliance and a thorough assessment of AIV Holdings' business model, AIV Holdings' board of directors determined that continuation as a BDC was not in the best interest of AIV Holdings and Guardian AIV. Specifically, given that AIV Holdings was formed for the sole purpose of holding units of NMF Holdings and AIV Holdings had disposed of all of the units of NMF Holdings that it was holding as of February 3, 2014, the board of directors of AIV Holdings approved and declared advisable at an in-person meeting held on March 25, 2014 the withdrawal of AIV Holdings' election to be regulated as a BDC under the 1940 Act. In addition, the board of directors of AIV Holdings approved and declared advisable for AIV Holdings to terminate its registration under Section 12(g) of the Securities Exchange Act of 1934, as amended (the "Exchange Act") and to dissolve AIV Holdings under the laws of the State of Delaware. Upon receipt of the necessary stockholder consent to authorize the board of directors of AIV Holdings to withdraw AIV Holdings' election to be regulated as a BDC, the withdrawal was filed and became effective upon receipt by the U.S. Securities and Exchange Commission ("SEC") of AIV Holdings' notification of withdrawal on Form N-54C on April 15, 2014. The board of directors of AIV Holdings believed that AIV Holdings met the requirements for filing the notification to withdraw its election to be regulated as a BDC, upon the receipt of the necessary stockholder consent. After the notification of withdrawal of AIV Holdings' BDC election was filed with the SEC, AIV Holdings was no longer subject to the regulatory provisions of the 1940 Act applicable to BDCs generally, including regulations related to insurance, custody, composition of its board of directors, affiliated transactions and any compensation arrangements.

In addition, on April 15, 2014, AIV Holdings filed a Form 15 with the SEC to terminate AIV Holdings' registration under Section 12(g) of the Exchange Act. After these SEC filings and any other federal or state regulatory or tax filings were made, AIV Holdings proceeded to dissolve under Delaware law by filing a certificate of dissolution in Delaware on April 25, 2014.

Until May 8, 2014, as a BDC, NMF Holdings had been subject to the 1940 Act, including certain provisions applicable only to BDCs. Accordingly, and after careful consideration of the 1940 Act requirements applicable to BDCs, the cost of 1940 Act compliance and a thorough assessment of NMF Holdings' current business model, NMF Holdings' board of directors determined at an in-person meeting held on March 25, 2014 that continuation as a BDC was not in the best interests of NMF Holdings.

At the joint annual meeting of the stockholders of NMFC and the sole unit holder of NMF Holdings held on May 6, 2014, the stockholders of NMFC and the sole unit holder of NMF Holdings approved a proposal which authorized the board of directors of NMF Holdings to withdraw NMF Holdings' election to be regulated as a BDC. Additionally, the stockholders of NMFC approved a new investment advisory and management agreement between NMFC and the Investment Adviser. Upon receipt of the necessary stockholder/unit holder approval to authorize the board of directors of NMF Holdings to withdraw NMF Holdings' election to be regulated as a BDC, the withdrawal was filed and became effective upon receipt by the SEC of NMF Holdings' notification of withdrawal on Form N-54C on May 8, 2014.

Effective May 8, 2014, NMF Holdings amended and restated its Operating Agreement such that the board of directors of NMF Holdings was dissolved and NMF Holdings remained a wholly-owned subsidiary of NMFC with the sole purpose of serving as a special purpose vehicle for NMF Holdings' credit facility, and NMFC assumed all other operating activities previously undertaken by NMF Holdings under the management of the Investment Adviser (collectively, the "Restructuring"). After the Restructuring, all wholly-owned direct and indirect subsidiaries of NMFC are consolidated with NMFC for both 1940 Act and financial statement reporting purposes, subject to any financial statement adjustments required in accordance with accounting principles generally accepted in the United States of America ("GAAP"). NMFC continues to remain a BDC under the 1940 Act.

Also, on May 8, 2014, NMF Holdings filed Form 15 with the SEC to terminate NMF Holdings' registration under Section 12(g) of the Exchange Act. As a special purpose entity, NMF Holdings is bankruptcy-remote and non-recourse to NMFC. In addition, the assets held at NMF Holdings will continue to be used to secure NMF Holdings' credit facility.

Prior to December 18, 2014, New Mountain Finance SPV Funding, L.L.C. ("NMF SLF") was a Delaware limited liability company. NMF SLF was a wholly-owned subsidiary of NMF Holdings and thus a wholly-owned indirect subsidiary of the Company. NMF SLF was bankruptcy-remote and non-recourse to NMFC. As part of an amendment to the Company's

Table of Contents

Notes to the Consolidated Financial Statements of
New Mountain Finance Corporation (Continued)
December 31, 2018
(in thousands, except share data)

existing credit facilities with Wells Fargo Bank, National Association, NMF SLF merged with and into NMF Holdings on December 18, 2014.

Note 2. Summary of Significant Accounting Policies

Basis of accounting—The Company's consolidated financial statements have been prepared in conformity with GAAP. The Company is an investment company following accounting and reporting guidance in Accounting Standards Codification Topic 946, Financial Services—Investment Companies, ("ASC 946"). NMFC consolidates its wholly-owned direct and indirect subsidiaries: NMF Holdings, NMFDB, NMF Servicing, NMNLC, SBIC I, SBIC I GP, SBIC II, SBIC II GP, NMF Ancora, NMF QID and NMF YP. Previously, the Company consolidated its wholly-owned indirect subsidiary NMF SLF until it merged with and into NMF Holdings on December 18, 2014. See Note 5. Agreements, for details. Prior to the Restructuring, the Predecessor Operating Company consolidated its wholly-owned subsidiary, NMF SLF. NMFC and AIV Holdings did not consolidate the Predecessor Operating Company. Prior to the Restructuring, NMFC and AIV Holdings applied investment company master-feeder financial statement presentation, as described in ASC 946 to their interest in the Predecessor Operating Company. NMFC and AIV Holdings observed that it was also industry practice to follow the presentation prescribed for a master fund-feeder fund structure in ASC 946 in instances in which a master fund was owned by more than one feeder fund and that such presentation provided stockholders of NMFC and AIV Holdings with a clearer depiction of their investment in the master fund.

The Company's consolidated financial statements reflect all adjustments and reclassifications which, in the opinion of management, are necessary for the fair presentation of the results of operations and financial condition for all periods presented. All intercompany transactions have been eliminated. Revenues are recognized when earned and expenses when incurred. The financial results of the Company's portfolio investments are not consolidated in the financial statements.

The Company's consolidated financial statements are prepared in accordance with GAAP and pursuant to the requirements for reporting on Form 10-K and Article 6 or 10 of Regulation S-X. In the opinion of management, all adjustments, consisting solely of normal recurring accruals considered necessary for the fair presentation of financial statements have been included.

Investments—The Company applies fair value accounting in accordance with GAAP. Fair value is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Investments are reflected on the Company's Consolidated Statements of Assets and Liabilities at fair value, with changes in unrealized gains and losses resulting from changes in fair value reflected in the Company's Consolidated Statements of Operations as "Net change in unrealized appreciation (depreciation) of investments" and realizations on portfolio investments reflected in the Company's Consolidated Statements of Operations as "Net realized gains (losses) on investments".

The Company values its assets on a quarterly basis, or more frequently if required under the 1940 Act. In all cases, the Company's board of directors is ultimately and solely responsible for determining the fair value of the portfolio investments on a quarterly basis in good faith, including investments that are not publicly traded, those whose market prices are not readily available and any other situation where its portfolio investments require a fair value determination. Security transactions are accounted for on a trade date basis. The Company's quarterly valuation procedures are set forth in more detail below:

(1) Investments for which market quotations are readily available on an exchange are valued at such market quotations based on the closing price indicated from independent pricing services.

Investments for which indicative prices are obtained from various pricing services and/or brokers or dealers are (2) valued through a multi-step valuation process, as described below, to determine whether the quote(s) obtained is representative of fair value in accordance with GAAP.

a.

Edgar Filing: SPDR GOLD TRUST - Form FWP

Bond quotes are obtained through independent pricing services. Internal reviews are performed by the investment professionals of the Investment Adviser to ensure that the quote obtained is representative of fair value in accordance with GAAP and, if so, the quote is used. If the Investment Adviser is unable to sufficiently validate the quote(s) internally and if the investment's par value or its fair value exceeds the materiality threshold, the investment is valued similarly to those assets with no readily available quotes (see (3) below); and

b. For investments other than bonds, the Company looks at the number of quotes readily available and performs the following procedures:

124

Table of Contents

Notes to the Consolidated Financial Statements of
New Mountain Finance Corporation (Continued)

December 31, 2018

(in thousands, except share data)

i. Investments for which two or more quotes are received from a pricing service are valued using the mean of the mean of the bid and ask of the quotes obtained.

Investments for which one quote is received from a pricing service are validated internally. The investment professionals of the Investment Adviser analyze the market quotes obtained using an array of valuation methods ii. (further described below) to validate the fair value. If the Investment Adviser is unable to sufficiently validate the quote internally and if the investment's par value or its fair value exceeds the materiality threshold, the investment is valued similarly to those assets with no readily available quotes (see (3) below).

(3) Investments for which quotations are not readily available through exchanges, pricing services, brokers, or dealers are valued through a multi-step valuation process:

a. Each portfolio company or investment is initially valued by the investment professionals of the Investment Adviser responsible for the credit monitoring;

b. Preliminary valuation conclusions will then be documented and discussed with the Company's senior management;

If an investment falls into (3) above for four consecutive quarters and if the investment's par value or its fair value exceeds the materiality threshold, then at least once each fiscal year, the valuation for each portfolio investment for which the Company does not have a readily available market quotation will be reviewed by an independent valuation firm engaged by the Company's board of directors; and

c. When deemed appropriate by the Company's management, an independent valuation firm may be engaged to review and value investment(s) of a portfolio company, without any preliminary valuation being performed by the Investment Adviser. The investment professionals of the Investment Adviser will review and validate the value provided.

d. For investments in revolving credit facilities and delayed draw commitments, the cost basis of the funded investments purchased is offset by any costs/netbacks received for any unfunded portion on the total balance committed. The fair value is also adjusted for the price appreciation or depreciation on the unfunded portion. As a result, the purchase of a commitment not completely funded may result in a negative fair value until it is called and funded.

The values assigned to investments are based upon available information and do not necessarily represent amounts which might ultimately be realized, since such amounts depend on future circumstances and cannot be reasonably determined until the individual positions are liquidated. Due to the inherent uncertainty of determining the fair value of investments that do not have a readily available market value, the fair value of the Company's investments may fluctuate from period to period and the fluctuations could be material.

Prior to the Restructuring, NMFC was a holding company with no direct operations of its own, and its sole asset was its ownership in the Predecessor Operating Company. Prior to the completion of the underwritten secondary public offering on February 3, 2014, AIV Holdings was a holding company with no direct operations of its own, and its sole asset was its ownership in the Predecessor Operating Company. NMFC's and AIV Holdings' investments in the Predecessor Operating Company were carried at fair value and represented the respective pro-rata interest in the net assets of the Predecessor Operating Company as of the applicable reporting date. NMFC and AIV Holdings valued their ownership interest on a quarterly basis, or more frequently if required under the 1940 Act.

See Note 3. Investments, for further discussion relating to investments.

Table of Contents

Notes to the Consolidated Financial Statements of
New Mountain Finance Corporation (Continued)
December 31, 2018
(in thousands, except share data)

New Mountain Net Lease Corporation

NMNLC was formed to acquire commercial real estate properties that are subject to "triple net" leases. NMNLC's investments are disclosed on the Company's Consolidated Schedule of Investments as of December 31, 2018.

Below is certain summarized property information for NMNLC as of December 31, 2018:

Portfolio Company	Tenant	Lease Expiration Date	Location	Total Square Feet	Fair Value as of December 31, 2018
NM NL Holdings LP / NM GP Holdco LLC	Various	Various	Various	Various	\$ 33,703
NM GLCR LP	Arctic Glacier U.S.A.	2/28/2038	CA	214	20,343
NM CLFX LP	Victor Equipment Company	8/31/2033	TX	423	12,770
NM APP Canada Corp.	A.P. Plasman, Inc.	9/30/2031	Canada	436	9,727
NM APP US LLC	Plasman Corp, LLC / A-Brite LP	9/30/2033	AL / OH	261	5,912
NM DRVT Jonesboro, LLC	FMH Conveyors, LLC	10/31/2031	AR	195	5,619
NM KRLN LLC	Kirlin Group, LLC	6/30/2029	MD	95	4,205
NM JRA LLC	J.R. Automation Technologies, LLC	1/31/2031	MI	88	2,537
					\$ 94,816

Collateralized agreements or repurchase financings—The Company follows the guidance in Accounting Standards Codification Topic 860, Transfers and Servicing—Secured Borrowing and Collateral, ("ASC 860") when accounting for transactions involving the purchases of securities under collateralized agreements to resell (resale agreements). These transactions are treated as collateralized financing transactions and are recorded at their contracted resale or repurchase amounts, as specified in the respective agreements. Interest on collateralized agreements is accrued and recognized over the life of the transaction and included in interest income. As of December 31, 2018 and December 31, 2017, the Company held one collateralized agreement to resell with a cost basis of \$30,000 and \$30,000, respectively, and a fair value of \$23,508 and \$25,212, respectively. The collateralized agreement to resell is guaranteed by a private hedge fund. The private hedge fund is currently in liquidation under the laws of the Cayman Islands. Pursuant to the terms of the collateralized agreement, the private hedge fund was obligated to repurchase the collateral from the Company at the par value of the collateralized agreement. The private hedge fund has breached its agreement to repurchase the collateral under the collateralized agreement. The default by the private hedge fund did not release the collateral to the Company, and therefore, the Company does not have full rights and title to the collateral. A claim has been filed with the Cayman Islands joint official liquidators to resolve this matter. The joint official liquidators have recognized the Company's contractual rights under the collateralized agreement. The Company continues to exercise its rights under the collateralized agreement and continues to monitor the liquidation process of the private hedge fund. The fair value of the collateralized agreement to resell is reflective of the increased risk of the position.

Cash and cash equivalents—Cash and cash equivalents include cash and short-term, highly liquid investments. The Company defines cash equivalents as securities that are readily convertible into known amounts of cash and so near maturity that there is insignificant risk of changes in value. These securities have original maturities of three months or less. The Company did not hold any cash equivalents as of December 31, 2018 and December 31, 2017.

Revenue recognition

Edgar Filing: SPDR GOLD TRUST - Form FWP

Sales and paydowns of investments: Realized gains and losses on investments are determined on the specific identification method.

Interest and dividend income: Interest income, including amortization of premium and discount using the effective interest method, is recorded on the accrual basis and periodically assessed for collectability. Interest income also includes interest earned from cash on hand. Upon the prepayment of a loan or debt security, any prepayment penalties are recorded as part of interest income. The Company has loans and certain preferred equity investments in the portfolio that contain a

126

Table of Contents

Notes to the Consolidated Financial Statements of
New Mountain Finance Corporation (Continued)
December 31, 2018
(in thousands, except share data)

payment-in-kind ("PIK") interest or dividend provision. PIK interest and dividends are accrued and recorded as income at the contractual rates, if deemed collectible. The PIK interest and dividends are added to the principal or share balances on the capitalization dates and are generally due at maturity or when redeemed by the issuer. For the years ended December 31, 2018, December 31, 2017 and December 31, 2016, the Company recognized PIK and non-cash interest from investments of \$8,640, \$6,394 and \$4,270, respectively, and PIK and non-cash dividends from investments of and \$24,893, \$17,853 and \$3,179, respectively.

Dividend income on common equity is recorded on the record date for private portfolio companies or on the ex-dividend date for publicly traded portfolio companies. Dividend income on preferred securities is recorded as dividend income on an accrual basis to the extent that such amounts are deemed collectible.

Non-accrual income: Investments are placed on non-accrual status when principal or interest payments are past due for 30 days or more and when there is reasonable doubt that principal or interest will be collected. Accrued cash and un-capitalized PIK interest or dividends are reversed when an investment is placed on non-accrual status. Previously capitalized PIK interest or dividends are not reversed when an investment is placed on non-accrual status. Interest or dividend payments received on non-accrual investments may be recognized as income or applied to principal depending upon management's judgment of the ultimate collectibility. Non-accrual investments are restored to accrual status when past due principal and interest is paid and, in management's judgment, are likely to remain current.

Other income: Other income represents delayed compensation, consent or amendment fees, revolver fees, structuring fees, upfront fees, management fees from a non-controlled/affiliated investment and other miscellaneous fees received and are typically non-recurring in nature. Delayed compensation is income earned from counterparties on trades that do not settle within a set number of business days after trade date. Other income may also include fees from bridge loans. The Company may from time to time enter into bridge financing commitments, an obligation to provide interim financing to a counterparty until permanent credit can be obtained. These commitments are short-term in nature and may expire unfunded. A fee is received by the Company for providing such commitments. Structuring fees and upfront fees are recognized as income when earned, usually when paid at the closing of the investment, and are non-refundable.

Interest and other financing expenses—Interest and other financing fees are recorded on an accrual basis by the Company. See Note 7. Borrowings, for details.

Deferred financing costs—The deferred financing costs of the Company consists of capitalized expenses related to the origination and amending of the Company's borrowings. The Company amortizes these costs into expense over the stated life of the related borrowing. See Note 7. Borrowings, for details.

Deferred offering costs—The Company's deferred offering costs consists of fees and expenses incurred in connection with equity offerings and the filing of shelf registration statements. Upon the issuance of shares, offering costs are charged as a direct reduction to net assets. Deferred offering costs are included in other assets on the Company's Consolidated Statements of Assets and Liabilities.

Income taxes—The Company has elected to be treated, and intends to comply with the requirements to qualify annually, as a RIC under Subchapter M of the Code. As a RIC, the Company is not subject to U.S. federal income tax on the portion of taxable income and gains timely distributed to its stockholders.

To continue to qualify and be subject to tax as a RIC, the Company is required to meet certain income and asset diversification tests in addition to distributing at least 90.0% of its investment company taxable income, as defined by the Code. Since U.S. federal income tax regulations differ from GAAP, distributions in accordance with tax regulations may differ from net investment income and realized gains recognized for financial reporting purposes. Differences between taxable income and the results of operations for financial reporting purposes may be permanent or temporary in nature. Permanent differences are reclassified among capital accounts in the financial statements to reflect their tax character. Differences in classification may also result from the treatment of short-term gains as ordinary income for tax purposes.

Edgar Filing: SPDR GOLD TRUST - Form FWP

For U.S. federal income tax purposes, distributions paid to stockholders of the Company are reported as ordinary income, return of capital, long term capital gains or a combination thereof.

127

Table of Contents

Notes to the Consolidated Financial Statements of
New Mountain Finance Corporation (Continued)
December 31, 2018
(in thousands, except share data)

The Company will be subject to a 4.0% nondeductible U.S. federal excise tax on certain undistributed income unless the Company distributes, in a timely manner as required by the Code, an amount at least equal to the sum of (1) 98.0% of its respective net ordinary income earned for the calendar year and (2) 98.2% of its respective capital gain net income for the one-year period ending October 31 in the calendar year.

Certain consolidated subsidiaries of the Company are subject to U.S. federal and state income taxes. These taxable entities are not consolidated for income tax purposes and may generate income tax liabilities or assets from permanent and temporary differences in the recognition of items for financial reporting and income tax purposes.

For the year ended December 31, 2018, the Company recognized a total income tax provision of approximately \$403 for the Company's consolidated subsidiaries. For the year ended December 31, 2018, the Company recorded current income tax expense of approximately \$291 and deferred income tax provision of approximately \$112. For the year ended December 31, 2017, the Company recognized a total income tax provision of \$416 for the Company's consolidated subsidiaries. For the year ended December 31, 2017, the Company recorded current income tax expense of approximately \$556 and deferred income tax benefit of approximately \$140. For the year ended December 31, 2016, the Company recognized a total income tax benefit of \$490 for the Company's consolidated subsidiaries. For the year ended December 31, 2016, the Company recorded current income tax expense of approximately \$152 and deferred income tax benefit of approximately \$642.

As of December 31, 2018 and December 31, 2017, the Company had \$1,006 and \$894, respectively, of deferred tax liabilities primarily relating to deferred taxes attributable to certain differences between the computation of income for U.S. federal income tax purposes as compared to GAAP.

Based on its analysis, the Company has determined that there were no uncertain income tax positions that do not meet the more likely than not threshold as defined by Accounting Standards Codification Topic 740 ("ASC 740") through December 31, 2018. The 2015 through 2018 tax years remain subject to examination by the U.S. federal, state, and local tax authorities.

Distributions—Distributions to common stockholders of the Company are recorded on the record date as set by the board of directors. The Company intends to make distributions to its stockholders that will be sufficient to enable the Company to maintain its status as a RIC. The Company intends to distribute approximately all of its net investment income (see Note 5. Agreements) on a quarterly basis and substantially all of its taxable income on an annual basis, except that the Company may retain certain net capital gains for reinvestment.

The Company has adopted a dividend reinvestment plan that provides for reinvestment of any distributions declared on behalf of its stockholders, unless a stockholder elects to receive cash.

The Company applies the following in implementing the dividend reinvestment plan. If the price at which newly issued shares are to be credited to stockholders' accounts is equal to or greater than 110.0% of the last determined net asset value of the shares, the Company will use only newly issued shares to implement its dividend reinvestment plan. Under such circumstances, the number of shares to be issued to a stockholder is determined by dividing the total dollar amount of the distribution payable to such stockholder by the market price per share of the Company's common stock on the New York Stock Exchange ("NYSE") on the distribution payment date. Market price per share on that date will be the closing price for such shares on the NYSE or, if no sale is reported for such day, the average of their electronically reported bid and ask prices.

If the price at which newly issued shares are to be credited to stockholders' accounts is less than 110.0% of the last determined net asset value of the shares, the Company will either issue new shares or instruct the plan administrator to purchase shares in the open market to satisfy the additional shares required. Shares purchased in open market transactions by the plan administrator will be allocated to a stockholder based on the average purchase price, excluding any brokerage charges or other charges, of all shares of common stock purchased in the open market. The number of shares of the Company's common stock to be outstanding after giving effect to payment of the distribution cannot be established until the value per share at which additional shares will be issued has been determined and

elections of the Company's stockholders have been tabulated.

Share repurchase program—On February 4, 2016, the Company's board of directors authorized a program for the purpose of repurchasing up to \$50,000 worth of the Company's common stock. Under the repurchase program, the Company was permitted, but was not obligated to, repurchase its outstanding common stock in the open market from time to time provided that it complied with the Company's code of ethics and the guidelines specified in Rule 10b-18 of the Exchange Act, including certain price, market volume and timing constraints. In addition, any repurchases were conducted in accordance with

Table of Contents

Notes to the Consolidated Financial Statements of
New Mountain Finance Corporation (Continued)
December 31, 2018
(in thousands, except share data)

the 1940 Act. On December 31, 2018 the Company's board of directors extended the Company's repurchase program and the Company expects the repurchase program to be in place until the earlier of December 31, 2019 or until \$50,000 of its outstanding shares of common stock have been repurchased. During the years ended December 31, 2018 and December 31, 2017, the Company did not repurchase any of the Company's common stock. The Company previously repurchased \$2,948, of its common stock under the share repurchase program.

Earnings per share—The Company's earnings per share ("EPS") amounts have been computed based on the weighted-average number of shares of common stock outstanding for the period. Basic EPS is computed by dividing net increase (decrease) in net assets resulting from operations by the weighted average number of shares of common stock outstanding during the period of computation. Diluted EPS is computed by dividing net increase (decrease) in net assets resulting from operations by the weighted average number of shares of common stock assuming all potential shares had been issued, and its related net impact to net assets accounted for, and the additional shares of common stock were dilutive. Diluted EPS reflects the potential dilution, using the as-if-converted method for convertible debt, which could occur if all potentially dilutive securities were exercised.

Foreign securities—The accounting records of the Company are maintained in U.S. dollars. Investment securities denominated in foreign currencies are translated into U.S. dollars based on the rate of exchange of such currencies on the date of valuation. Purchases and sales of investment securities and income and expense items denominated in foreign currencies are translated into U.S. dollars based on the rate of exchange of such currencies on the respective dates of the transactions. The Company does not isolate that portion of the results of operations resulting from changes in foreign exchange rates on investments from the fluctuations arising from changes in market prices of securities held. Such fluctuations are included with "Net change in unrealized appreciation (depreciation) of investments" and "Net realized gains (losses) on investments" in the Company's Consolidated Statements of Operations.

Investments denominated in foreign currencies may be negatively affected by movements in the rate of exchange between the U.S. dollar and such foreign currencies. This movement is beyond the control of the Company and cannot be predicted.

Use of estimates—The preparation of the Company's consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the Company's consolidated financial statements and the reported amounts of revenues and expenses during the reporting periods. Changes in the economic environment, financial markets, and other metrics used in determining these estimates could cause actual results to differ from the estimates used, and the differences could be material.

Dividend income recorded related to distributions received from flow-through investments is an accounting estimate based on the most recent estimate of the tax treatment of the distribution.

Table of Contents

Notes to the Consolidated Financial Statements of
New Mountain Finance Corporation (Continued)

December 31, 2018

(in thousands, except share data)

Note 3. Investments

At December 31, 2018, the Company's investments consisted of the following:

Investment Cost and Fair Value by Type

	Cost	Fair Value
First lien	\$ 1,179,129	\$ 1,173,459
Second lien	666,545	662,556
Subordinated	72,559	65,297
Equity and other	411,493	440,641
Total investments	\$ 2,329,726	\$ 2,341,953

Investment Cost and Fair Value by Industry

	Cost	Fair Value
Business Services	\$ 541,901	\$ 554,404
Software	476,473	478,063
Healthcare Services	350,357	346,521
Education	214,032	209,433
Investment Fund	180,800	180,800
Consumer Services	122,326	120,562
Energy	101,794	105,122
Net Lease	87,299	94,816
Distribution & Logistics	82,201	80,581
Federal Services	74,572	73,962
Healthcare Information Technology	44,793	44,989
Food & Beverage	28,099	27,957
Packaging	14,328	14,278
Business Products	10,751	10,465
Total investments	\$ 2,329,726	\$ 2,341,953

Table of Contents

Notes to the Consolidated Financial Statements of
New Mountain Finance Corporation (Continued)

December 31, 2018

(in thousands, except share data)

At December 31, 2017, the Company's investments consisted of the following:

Investment Cost and Fair Value by Type

	Cost	Fair Value
First lien	\$688,696	\$693,563
Second lien	674,536	682,950
Subordinated	70,991	70,257
Equity and other	357,004	378,890
Total investments	\$1,791,227	\$1,825,660

Investment Cost and Fair Value by Industry

	Cost	Fair Value
Business Services	\$566,344	\$581,434
Software	291,445	298,172
Healthcare Services	174,046	175,348
Education	176,399	173,072
Consumer Services	129,311	131,116
Distribution & Logistics	107,835	112,241
Investment Fund	102,400	102,400
Federal Services	77,001	78,433
Energy	69,411	74,124
Net Lease	39,668	41,409
Healthcare Information Technology	33,525	34,020
Packaging	14,309	14,391
Business Products	9,533	9,500
Total investments	\$1,791,227	\$1,825,660

During the second quarter of 2018, the Company placed a portion of its second lien position in National HME, Inc. on non-accrual status and wrote down the aggregate fair value of its preferred shares in TW-NHME Holdings Corp. (together with the Company's second lien position, "NHME") to \$0. In November of 2018, NHME completed a restructuring which resulted in a material modification of the original terms and an extinguishment of the Company's original investments in NHME. Prior to the extinguishment in November 2018, the Company's original investments in NHME had an aggregate cost of \$30,293, an aggregate fair value of \$15,275 and total unearned interest income of \$1,063 for the year ended December 31, 2018. The extinguishment resulted in a realized loss of \$15,018. As a result of the restructuring, the Company received second lien debt in NHME and common shares in NHME Holdings Corp. In addition, the Company funded additional second lien debt and received warrants to purchase common shares for this additional funding. Post restructuring, the Company's investments in NHME have been restored to full accrual status. As of December 31, 2018, the Company's investments in NHME had an aggregate cost basis of \$22,833 and an aggregate fair value of \$22,722.

During the first quarter of 2018, the Company placed its first lien positions in Education Management II LLC ("EDMC") on non-accrual status as EDMC announced its intention to wind down and liquidate the business. As of December 31, 2018, the Company's investment in EDMC placed on non-accrual status represented an aggregate cost basis of \$1,004, an aggregate fair value of \$53 and total unearned interest income of \$178 for the year then ended. During the first quarter of 2017, the Company placed its entire first lien notes position in Sierra Hamilton LLC / Sierra Hamilton Finance, Inc. ("Sierra") on non-accrual status due to its ongoing restructuring. As of June 30, 2017, the Company's investment in Sierra placed on non-accrual status represented an aggregate cost basis of \$27,231, an aggregate fair value of

Table of Contents

Notes to the Consolidated Financial Statements of
New Mountain Finance Corporation (Continued)
December 31, 2018
(in thousands, except share data)

\$12,725 and total unearned interest income of \$1,388 for the six months then ended. In July 2017, Sierra completed a restructuring which resulted in a material modification of the original terms and an extinguishment of the Company's original investment in Sierra. Prior to the extinguishment in July 2017, the Company's original investment in Sierra had an aggregate cost of \$27,307, an aggregate fair value of \$12,858 and total unearned interest income of \$1,687. The extinguishment resulted in a realized loss of \$14,449. As a result of the restructuring, the Company received common shares in Sierra Hamilton Holding Corporation. As of December 31, 2018, the Company's investment has an aggregate cost basis of \$12,782 and an aggregate fair value of \$12,527.

As of December 31, 2018, the Company had unfunded commitments on revolving credit facilities and bridge facilities of \$43,539 and \$0, respectively. As of December 31, 2018, the Company had unfunded commitments in the form of delayed draws or other future funding commitments of \$94,407. The unfunded commitments on revolving credit facilities and delayed draws are disclosed on the Company's Consolidated Schedule of Investments as of December 31, 2018.

As of December 31, 2017, the Company had unfunded commitments on revolving credit facilities and bridge facilities of \$23,716 and \$0, respectively. As of December 31, 2017, the Company had unfunded commitments in the form of delayed draws or other future funding commitments of \$53,712. The unfunded commitments on revolving credit facilities and delayed draws are disclosed on the Company's Consolidated Schedule of Investments as of December 31, 2017.

PPVA Black Elk (Equity) LLC

On May 3, 2013, the Company entered into a collateralized securities purchase and put agreement (the "SPP Agreement") with a private hedge fund. Under the SPP Agreement, the Company purchased twenty million Class E Preferred Units of Black Elk Energy Offshore Operations, LLC ("Black Elk") for \$20,000 with a corresponding obligation of the private hedge fund to repurchase the preferred units for \$20,000 plus other amounts due under the SPP Agreement. The majority owner of Black Elk was the private hedge fund. In August 2014, the Company received a payment of \$20,540, the full amount due under the SPP Agreement.

In August 2017, a trustee (the "Trustee") for Black Elk informed the Company that the Trustee intended to assert a fraudulent conveyance claim (the "Claim") against the Company and one of its affiliates seeking the return of the \$20,540 repayment. Black Elk filed a Chapter 11 bankruptcy petition pursuant to the United States Bankruptcy Code in August 2015. The Trustee alleges that individuals affiliated with the private hedge fund conspired with Black Elk and others to improperly use proceeds from the sale of certain Black Elk assets to repay, in August 2014, the private hedge fund's obligation to the Company under the SPP Agreement. The Company was unaware of these claims at the time the repayment was received. The private hedge fund is currently in liquidation under the laws of the Cayman Islands.

On December 22, 2017, the Company settled the Trustee's \$20,540 Claim for \$16,000 and filed a claim with the Cayman Islands joint official liquidators of the private hedge fund for \$16,000 that is owed to the Company under the SPP Agreement. The SPP Agreement was restored and is in effect since repayment has not been made. The Company continues to exercise its rights under the SPP Agreement and continues to monitor the liquidation process of the private hedge fund. During the year ended December 31, 2018, the Company received a \$1,500 payment from its insurance carrier in respect to the settlement. As of December 31, 2018, the SPP Agreement has a cost basis of \$14,500 and a fair value of \$11,362, which is reflective of the higher inherent risk in this transaction.

NMFC Senior Loan Program I LLC

NMFC Senior Loan Program I LLC ("SLP I") was formed as a Delaware limited liability company on May 27, 2014 and commenced operations on June 10, 2014. SLP I is a portfolio company held by the Company. SLP I is structured as a private investment fund, in which all of the investors are qualified purchasers, as such term is defined under the 1940 Act. Transfer of interests in SLP I is subject to restrictions and, as a result, interests are not readily marketable. SLP I operates under a limited liability company agreement (the "SLP I Agreement") and will continue in existence

until August 31, 2021, subject to earlier termination pursuant to certain terms of the SLP I Agreement. The term may be extended pursuant to certain terms of the SLP I Agreement. SLP I's re-investment period was through July 31, 2018. In September 2018, the re-investment period was extended until August 31, 2019. SLP I invests in senior secured loans issued by companies within the Company's core industry verticals. These investments are typically broadly syndicated first lien loans.

SLP I is capitalized with \$93,000 of capital commitments and \$265,000 of debt from a revolving credit facility and is managed by the Company. The Company's capital commitment is \$23,000, representing less than 25.0% ownership, with third party investors representing the remaining capital commitments. As of December 31, 2018, SLP I had total investments with an

Table of Contents

Notes to the Consolidated Financial Statements of
New Mountain Finance Corporation (Continued)

December 31, 2018

(in thousands, except share data)

aggregate fair value of approximately \$327,240, debt outstanding of \$242,567 and capital that had been called and funded of \$93,000. As of December 31, 2017, SLP I had total investments with an aggregate fair value of approximately \$348,652, debt outstanding of \$223,667 and capital that had been called and funded of \$93,000. The Company's investment in SLP I is disclosed on the Company's Consolidated Schedule of Investments as of December 31, 2018 and December 31, 2017.

The Company, as an investment adviser registered under the Advisers Act, acts as the collateral manager to SLP I and is entitled to receive a management fee for its investment management services provided to SLP I. As a result, SLP I is classified as an affiliate of the Company. No management fee is charged on the Company's investment in SLP I in connection with the administrative services provided to SLP I. For the years ended December 31, 2018, December 31, 2017 and December 31, 2016, the Company earned approximately \$1,179, \$1,156 and \$1,163, respectively, in management fees related to SLP I, which is included in other income. As of December 31, 2018 and December 31, 2017, approximately \$288 and \$291, respectively, of management fees related to SLP I was included in receivable from affiliates. For the years ended December 31, 2018, December 31, 2017 and December 31, 2016, the Company earned approximately \$3,173, \$3,498 and \$3,728, respectively, of dividend income related to SLP I, which is included in dividend income. As of December 31, 2018 and December 31, 2017, approximately \$750 and \$836, respectively, of dividend income related to SLP I was included in interest and dividend receivable.

NMFC Senior Loan Program III LLC

NMFC Senior Loan Program III LLC ("SLP III") was formed as a Delaware limited liability company and commenced operations on April 25, 2018. SLP III is structured as a private joint venture investment fund between the Company and SkyKnight Income II, LLC ("SkyKnight II") and operates under a limited liability company agreement (the "SLP III Agreement"). The purpose of the joint venture is to invest primarily in senior secured loans issued by portfolio companies within the Company's core industry verticals. These investments are typically broadly syndicated first lien loans. All investment decisions must be unanimously approved by the board of managers of SLP III, which has equal representation from the Company and SkyKnight II. SLP III has a five year investment period and will continue in existence until April 25, 2025. The investment period may be extended for up to one year pursuant to certain terms of the SLP III Agreement.

SLP III is capitalized with equity contributions which are called from its members, on a pro-rata basis based on their equity commitments, as transactions are completed. Any decision by SLP III to call down on capital commitments requires approval by the board of managers of SLP III. As of December 31, 2018, the Company and SkyKnight II have committed \$80,000 and \$20,000, respectively, of equity to SLP III. As of December 31, 2018, the Company and SkyKnight II have contributed \$78,400 and \$19,600, respectively, of equity to SLP III. The Company's investment in SLP III is disclosed on the Company's Consolidated Schedule of Investments as of December 31, 2018.

On May 2, 2018, SLP III closed its \$300,000 revolving credit facility with Citibank, N.A., which matures on May 2, 2023 and bears interest at a rate of the London Interbank Offered Rate ("LIBOR") plus 1.70% per annum. As of December 31, 2018, SLP III had total investments with an aggregate fair value of approximately \$365,357 and debt outstanding under its credit facility of \$280,300. As of December 31, 2018, none of SLP III's investments were on non-accrual. Additionally, as of December 31, 2018, SLP III had unfunded commitments in the form of delayed draws of \$8,811. Below is a summary of SLP III's portfolio, along with a listing of the individual investments in SLP III's portfolio as of December 31, 2018:

	December
	31, 2018
First lien investments (1)	383,289
Weighted average interest rate on first lien investments (2)	6.50 %
Number of portfolio companies in SLP III	39
Largest portfolio company investment (1)	18,958

Edgar Filing: SPDR GOLD TRUST - Form FWP

Total of five largest portfolio company investments (1) 85,938

(1) Reflects principal amount or par value of investment.

(2) Computed as the all in interest rate in effect on accruing investments divided by the total principal amount of investments.

133

Edgar Filing: SPDR GOLD TRUST - Form FWP

Table of Contents

Notes to the Consolidated Financial Statements of
New Mountain Finance Corporation (Continued)

December 31, 2018

(in thousands, except share data)

The following table is a listing of the individual investments in SLP III's portfolio as of December 31, 2018:

Portfolio Company and Type of Investment	Industry	Interest Rate (1)	Maturity Date	Principal Amount or Par Value	Cost	Fair Value (2)
Funded Investments - First lien						
Access CIG, LLC	Business Services	6.46% (L + 3.75%)	2/27/2025	\$1,216	\$1,216	\$1,185
Affordable Care Holding Corp.	Healthcare Services	7.25% (L + 4.75%)	10/24/2022	1,025	1,030	1,005
Bracket Intermediate Holding Corp.	Healthcare Services	7.00% (L + 4.25%)	9/5/2025	14,963	14,890	14,813
Brave Parent Holdings, Inc.	Software	6.52% (L + 4.00%)	4/18/2025	14,925	14,874	14,421
CentralSquare Technologies, LLC	Software	6.27% (L + 3.75%)	8/29/2025	15,000	14,964	14,648
Certara Holdco, Inc.	Healthcare I.T.	6.30% (L + 3.50%)	8/15/2024	1,275	1,280	1,255
CHA Holdings, Inc.	Business Services	7.30% (L + 4.50%)	4/10/2025	997	997	995
CommerceHub, Inc.	Software	6.27% (L + 3.75%)	5/21/2025	14,925	14,856	14,515
CRCI Longhorn Holdings, Inc.	Business Services	5.89% (L + 3.50%)	8/8/2025	14,963	14,891	14,588
Dentalcorp Perfect Smile ULC	Healthcare Services	6.27% (L + 3.75%)	6/6/2025	11,940	11,912	11,701
Dentalcorp Perfect Smile ULC	Healthcare Services	6.27% (L + 3.75%)	6/6/2025	1,686	1,685	1,652
Drilling Info Holdings, Inc.	Business Services	6.77% (L + 4.25%)	7/30/2025	17,591	17,507	17,525
Financial & Risk US Holdings, Inc.	Business Services	6.27% (L + 3.75%)	10/1/2025	8,000	7,980	7,512
GOBP Holdings, Inc.	Retail	6.55% (L + 3.75%)	10/22/2025	15,000	14,963	14,625
Greenway Health, LLC	Software	6.56% (L + 3.75%)	2/16/2024	14,821	14,831	14,450
Heartland Dental, LLC	Healthcare Services	6.27% (L + 3.75%)	4/30/2025	17,329	17,249	16,593
HIG Finance 2 Limited	Business Services	6.06% (L + 3.50%)	12/20/2024	1,995	1,985	1,939
Idera, Inc.	Software	7.03% (L + 4.50%)	6/28/2024	2,294	2,289	2,248
J.D. Power (fka J.D. Power and Associates)	Business Services	6.27% (L + 3.75%)	9/7/2023	5,985	5,985	5,835
Market Track, LLC			6/5/2024	4,827	4,821	4,633

Edgar Filing: SPDR GOLD TRUST - Form FWP

	Business Services	6.87% (L + 4.25%)					
Ministry Brands, LLC	Software	6.52% (L + 4.00%)	12/2/2022	4,596	4,576	4,596	
Ministry Brands, LLC	Software	6.52% (L + 4.00%)	12/2/2022	600	597	600	
National Intergovernmental Purchasing Alliance Company	Business Services	6.55% (L + 3.75%)	5/23/2025	14,925	14,912	14,552	
Navex Topco, Inc.	Software	5.78% (L + 3.25%)	9/5/2025	14,963	14,890	14,102	
Navicure, Inc.	Healthcare Services	6.27% (L + 3.75%)	11/1/2024	2,985	2,985	2,925	
Netsmart Technologies, Inc.	Healthcare I.T.	6.27% (L + 3.75%)	4/19/2023	10,437	10,437	10,307	
Newport Group Holdings II, Inc.	Business Services	6.54% (L + 3.75%)	9/12/2025	4,988	4,963	4,875	
NorthStar Financial Services Group, LLC	Software	6.10% (L + 3.50%)	5/25/2025	14,925	14,856	14,628	
OEConnection LLC	Business Services	6.53% (L + 4.00%)	11/22/2024	1,830	1,843	1,789	
Outcomes Group Holdings, Inc.	Healthcare Services	6.28% (L + 3.50%)	10/24/2025	6,500	6,484	6,394	
Pelican Products, Inc.	Business Products	5.88% (L + 3.50%)	5/1/2025	4,975	4,963	4,726	
Peraton Corp. (fka MHVC Acquisition Corp.)	Federal Services	8.06% (L + 5.25%)	4/29/2024	15,588	15,517	15,199	
Premise Health Holding Corp.	Healthcare Services	6.55% (L + 3.75%)	7/10/2025	13,862	13,796	13,689	
Quest Software US Holdings Inc.	Software	6.78% (L + 4.25%)	5/16/2025	15,000	14,930	14,535	
Sierra Enterprises, LLC	Food & Beverage	6.02% (L + 3.50%)	11/11/2024	2,481	2,478	2,463	
SSH Group Holdings, Inc.	Education	6.77% (L + 4.25%)	7/30/2025	14,963	14,927	14,588	
University Support Services LLC (St. George's University Scholastic Services LLC)	Education	6.03% (L + 3.50%)	7/17/2025	3,790	3,772	3,759	
VT Topco, Inc.	Business Services	6.55% (L + 3.75%)	8/1/2025	7,980	7,961	7,882	
VT Topco, Inc.	Business Services	6.55% (L + 3.75%)	8/1/2025	1,004	1,004	992	
Wirepath LLC	Distribution & Logistics	6.71% (L + 4.00%)	8/5/2024	17,477	17,477	17,215	
WP CityMD Bidco LLC	Healthcare Services	6.30% (L + 3.50%)	6/7/2024	14,887	14,887	14,608	
YI, LLC	Healthcare Services	6.80% (L + 4.00%)	11/7/2024	4,965	4,983	4,935	
Total Funded Investments				\$374,478	\$373,443	\$365,497	

Table of Contents

Notes to the Consolidated Financial Statements of
New Mountain Finance Corporation (Continued)

December 31, 2018

(in thousands, except share data)

Portfolio Company and Type of Investment	Industry	Interest Rate (1)	Maturity Date	Principal Amount or Par Value	Cost	Fair Value (2)
Unfunded Investments - First lien						
Dentalcorp Perfect Smile ULC	Healthcare Services	—	6/6/2020	\$1,308	\$(3)	\$(26)
Drilling Info Holdings, Inc.	Business Services	—	7/30/2020	1,367	(7)	(11)
Heartland Dental, LLC	Healthcare Services	—	4/30/2020	1,586	—	(67)
Ministry Brands, LLC	Software	—	10/18/2019	1,267	(6)	—
Premise Health Holding Corp.	Healthcare Services	—	7/10/2020	1,103	(3)	(14)
University Support Services LLC (St. George's University Scholastic Services LLC)	Education	—	7/17/2019	1,187	—	(10)
VT Topco, Inc.	Business Services	—	8/1/2020	993	(2)	(12)
Total Unfunded Investments				\$8,811	\$(21)	\$(140)
Total Investments				\$383,289	\$373,422	\$365,357

(1) All interest is payable in cash unless otherwise indicated. A majority of the variable rate debt investments bear interest at a rate that may be determined by reference to the LIBOR (L), the Prime Rate (P) and the alternative base rate (Base). For each investment, the current interest rate provided reflects the rate in effect as of December 31, 2018.

(2) Represents the fair value in accordance with Accounting Standards Codification Topic 820, Fair Value Measurement and Disclosures ("ASC 820"). The Company's board of directors does not determine the fair value of the investments held by SLP III.

Table of Contents

Notes to the Consolidated Financial Statements of
New Mountain Finance Corporation (Continued)
December 31, 2018
(in thousands, except share data)

Below is certain summarized financial information for SLP III as of December 31, 2018 and for the year ended December 31, 2018:

Selected Balance Sheet Information:	December 31, 2018	
Investments at fair value (cost of \$373,422)	\$ 365,357	
Cash and other assets	9,138	
Total assets	\$ 374,495	
Credit facility	\$ 280,300	
Deferred financing costs	(2,831)	
Distribution payable	2,600	
Other liabilities	4,415	
Total liabilities	284,484	
Members' capital	\$ 90,011	
Total liabilities and members' capital	\$ 374,495	
		Year Ended December 31, 2018(1)
Selected Statement of Operations Information:		
Interest income		\$ 9,572
Other income		207
Total investment income		9,779
Interest and other financing expenses		5,402
Other expenses		509
Total expenses		5,911
Net investment income		3,868
Net realized gains on investments		9
Net change in unrealized appreciation (depreciation) of investments	(8,065)	
Net decrease in members' capital	\$ (4,188)	

(1) SLP III commenced operations on April 25, 2018.

For the year ended December 31, 2018, the Company earned approximately \$3,040 of dividend income related to SLP III, which is included in dividend income. As of December 31, 2018 approximately \$2,080 of dividend income related to SLP III was included in interest and dividend receivable.

The Company has determined that SLP III is an investment company under ASC 946; however, in accordance with such guidance the Company will generally not consolidate its investment in a company other than a wholly-owned investment company subsidiary. Furthermore, Accounting Standards Codification Topic 810, Consolidation ("ASC 810") concludes that in a joint venture where both members have equal decision making authority, it is not appropriate for one member to consolidate the joint venture since neither has control. Accordingly, the Company does not consolidate SLP III.

Unconsolidated Significant Subsidiaries

In accordance with Regulation S-X Rules 3-09 and 4-08(g), the Company evaluates its unconsolidated controlled portfolio companies as significant subsidiaries under this rule. As of December 31, 2018, the following companies

were considered a significant unconsolidated subsidiary under Regulation S-X Rule 4-08(g). Based on the requirements under Regulation S-X 4-08(g), the summarized consolidated financial information of these portfolio companies are shown below.

136

Table of Contents

Notes to the Consolidated Financial Statements of
New Mountain Finance Corporation (Continued)

December 31, 2018

(in thousands, except share data)

NMFC Senior Loan Program II LLC

NMFC Senior Loan Program II LLC ("SLP II") was formed as a Delaware limited liability company on March 9, 2016 and commenced operations on April 12, 2016. SLP II is structured as a private joint venture investment fund between the Company and SkyKnight Income, LLC ("SkyKnight") and operates under a limited liability company agreement (the "SLP II Agreement"). The purpose of the joint venture is to invest primarily in senior secured loans issued by portfolio companies within the Company's core industry verticals. These investments are typically broadly syndicated first lien loans. All investment decisions must be unanimously approved by the board of managers of SLP II, which has equal representation from the Company and SkyKnight. SLP II has a three year investment period and will continue in existence until April 12, 2021. The term may be extended for up to one year pursuant to certain terms of the SLP II Agreement.

SLP II is capitalized with equity contributions which are called from its members, on a pro-rata basis based on their equity commitments, as transactions are completed. Any decision by SLP II to call down on capital commitments requires approval by the board of managers of SLP II. As of December 31, 2018, the Company and SkyKnight have committed and contributed \$79,400 and \$20,600, respectively, of equity to SLP II. The Company's investment in SLP II is disclosed on the Company's Consolidated Schedule of Investments as of December 31, 2018 and December 31, 2017.

On April 12, 2016, SLP II closed its \$275,000 revolving credit facility with Wells Fargo Bank, National Association, which matures on April 12, 2021 and bears interest at a rate of the LIBOR plus 1.75% per annum. Effective April 1, 2018, SLP II's revolving credit facility bears interest at a rate of LIBOR plus 1.60% per annum. As of December 31, 2018 and December 31, 2017, SLP II had total investments with an aggregate fair value of approximately \$336,869 and \$382,534, respectively, and debt outstanding under its credit facility of \$243,170 and \$266,270, respectively. As of December 31, 2018 and December 31, 2017, none of SLP II's investments were on non-accrual. Additionally, as of December 31, 2018 and December 31, 2017, SLP II had unfunded commitments in the form of delayed draws of \$5,858 and \$4,863, respectively. Below is a summary of SLP II's portfolio, along with a listing of the individual investments in SLP II's portfolio as of December 31, 2018 and December 31, 2017:

	December 31, 2018	December 31, 2017
First lien investments (1)	348,577	386,100
Weighted average interest rate on first lien investments (2)	6.84	%6.05 %
Number of portfolio companies in SLP II	31	35
Largest portfolio company investment (1)	17,150	17,369
Total of five largest portfolio company investments (1)	80,766	81,728

(1) Reflects principal amount or par value of investment.

(2) Computed as the all in interest rate in effect on accruing investments divided by the total principal amount of investments.

Edgar Filing: SPDR GOLD TRUST - Form FWP

Table of Contents

Notes to the Consolidated Financial Statements of
New Mountain Finance Corporation (Continued)

December 31, 2018

(in thousands, except share data)

The following table is a listing of the individual investments in SLP II's portfolio as of December 31, 2018:

Portfolio Company and Type of Investment	Industry	Interest Rate (1)	Maturity Date	Principal Amount or Par Value	Cost	Fair Value (2)
Funded Investments - First lien						
Access CIG, LLC	Business Services	6.46% (L + 3.75%)	2/27/2025	\$8,825	\$8,785	\$8,605
ADG, LLC	Healthcare Services	7.63% (L + 4.75%)	9/28/2023	16,862	16,740	16,609
Beaver-Visitec International Holdings, Inc.	Healthcare Products	6.62% (L + 4.00%)	8/21/2023	14,664	14,492	14,517
Brave Parent Holdings, Inc.	Software	6.52% (L + 4.00%)	4/18/2025	15,422	15,369	14,902
CentralSquare Technologies, LLC	Software	6.27% (L + 3.75%)	8/29/2025	15,000	14,964	14,648
CHA Holdings, Inc.	Business Services	7.30% (L + 4.50%)	4/10/2025	10,805	10,760	10,774
CommerceHub, Inc.	Software	6.27% (L + 3.75%)	5/21/2025	2,488	2,476	2,419
Drilling Info Holdings, Inc.	Business Services	6.77% (L + 4.25%)	7/30/2025	12,242	12,190	12,196
Greenway Health, LLC	Software	6.56% (L + 3.75%)	2/16/2024	14,775	14,718	14,406
GOBP Holdings, Inc.	Retail	6.55% (L + 3.75%)	10/22/2025	2,500	2,494	2,438
Idera, Inc.	Software	7.03% (L + 4.50%)	6/28/2024	12,492	12,388	12,242
J.D. Power (fka J.D. Power and Associates)	Business Services	6.27% (L + 3.75%)	9/7/2023	14,962	14,920	14,588
Keystone Acquisition Corp.	Healthcare Services	8.05% (L + 5.25%)	5/1/2024	5,332	5,289	5,226
LSCS Holdings, Inc.	Healthcare Services	6.86% (L + 4.25%)	3/17/2025	5,321	5,312	5,294
LSCS Holdings, Inc.	Healthcare Services	6.89% (L + 4.25%)	3/17/2025	1,374	1,371	1,367
Market Track, LLC	Business Services	6.87% (L + 4.25%)	6/5/2024	11,820	11,772	11,347
Medical Solutions Holdings, Inc.	Healthcare Services	6.27% (L + 3.75%)	6/14/2024	4,432	4,413	4,343
Ministry Brands, LLC	Software	6.52% (L + 4.00%)	12/2/2022	2,116	2,109	2,116
Ministry Brands, LLC	Software	6.52% (L + 4.00%)	12/2/2022	600	597	600
Ministry Brands, LLC	Software		12/2/2022	12,285	12,238	12,285

Edgar Filing: SPDR GOLD TRUST - Form FWP

		6.52% (L + 4.00%)					
NorthStar Financial Services Group, LLC	Software	6.10% (L + 3.50%)	5/25/2025	7,463	7,428	7,313	
Peraton Corp. (fka MHVC Acquisition Corp.)	Federal Services	8.06% (L + 5.25%)	4/29/2024	10,342	10,301	10,084	
Poseidon Intermediate, LLC	Software	6.78% (L + 4.25%)	8/15/2022	14,729	14,727	14,644	
Premise Health Holding Corp.	Healthcare Services	6.55% (L + 3.75%)	7/10/2025	1,386	1,380	1,369	
Project Accelerate Parent, LLC	Business Services	6.64% (L + 4.25%)	1/2/2025	14,887	14,821	14,663	
PSC Industrial Holdings Corp.	Industrial Services	6.21% (L + 3.75%)	10/11/2024	10,395	10,307	10,161	
Quest Software US Holdings Inc.	Software	6.78% (L + 4.25%)	5/16/2025	15,000	14,930	14,535	
Salient CRGT Inc.	Federal Services	8.27% (L + 5.75%)	2/28/2022	13,509	13,418	13,306	
Sierra Acquisition, Inc.	Food & Beverage	6.02% (L + 3.50%)	11/11/2024	3,713	3,696	3,685	
SSH Group Holdings, Inc.	Education	6.77% (L + 4.25%)	7/30/2025	8,978	8,956	8,753	
Wirepath LLC	Distribution & Logistics	6.71% (L + 4.00%)	8/5/2024	14,963	14,963	14,738	
WP CityMD Bidco LLC	Healthcare Services	6.30% (L + 3.50%)	6/7/2024	10,823	10,801	10,620	
YI, LLC	Healthcare Services	6.80% (L + 4.00%)	11/7/2024	15,064	15,053	14,971	
Zywave, Inc.	Software	7.52% (L + 5.00%)	11/17/2022	17,150	17,091	17,150	
Total Funded Investments				\$342,719	\$341,269	\$336,914	
Unfunded Investments - First lien							
Access CIG, LLC	Business Services	—	2/27/2019	\$1,108	\$—	\$(28)	
CHA Holdings, Inc.	Business Services	—	10/10/2019	2,143	(11)	(6)	
Drilling Info Holdings, Inc.	Business Services	—	7/30/2020	1,230	(5)	(10)	
Ministry Brands, LLC	Software	—	10/18/2019	1,267	(6)	—	
Premise Health Holding Corp.	Healthcare Services	—	7/10/2020	110	—	(1)	
Total Unfunded Investments				\$5,858	\$(22)	\$(45)	
Total Investments				\$348,577	\$341,247	\$336,869	

All interest is payable in cash unless otherwise indicated. A majority of the variable rate debt investments bear interest at a rate that may be determined by reference to the LIBOR (L), the Prime Rate (P) and the alternative base rate (Base). For each investment, the current interest rate provided reflects the rate in effect as of December 31, 2018.

(1) Represents the fair value in accordance with ASC 820. The Company's board of directors does not determine the fair value of the investments held by SLP II.

Edgar Filing: SPDR GOLD TRUST - Form FWP

Table of Contents

Notes to the Consolidated Financial Statements of
New Mountain Finance Corporation (Continued)

December 31, 2018

(in thousands, except share data)

The following table is a listing of the individual investments in SLP II's portfolio as of December 31, 2017:

Portfolio Company and Type of Investment	Industry	Interest Rate (1)	Maturity Date	Principal Amount or Par Value	Cost	Fair Value (2)
Funded Investments - First lien						
ADG, LLC	Healthcare Services	6.32% (L + 4.75%)	9/28/2023	\$17,034	\$16,890	\$16,779
ASG Technologies Group, Inc.	Software	6.32% (L + 4.75%)	7/31/2024	7,481	7,446	7,547
Beaver-Visitec International Holdings, Inc.	Healthcare Products	6.69% (L + 5.00%)	8/21/2023	14,812	14,688	14,813
DigiCert, Inc.	Business Services	6.13% (L + 4.75%)	10/31/2024	10,000	9,951	10,141
Emerald 2 Limited	Business Services	5.69% (L + 4.00%)	5/14/2021	1,266	1,211	1,267
Evo Payments International, LLC	Business Services	5.57% (L + 4.00%)	12/22/2023	17,369	17,292	17,492
Explorer Holdings, Inc.	Healthcare Services	5.13% (L + 3.75%)	5/2/2023	2,940	2,917	2,973
Globallogic Holdings Inc.	Business Services	6.19% (L + 4.50%)	6/20/2022	9,677	9,611	9,755
Greenway Health, LLC	Software	5.94% (L + 4.25%)	2/16/2024	14,925	14,858	15,074
Idera, Inc.	Software	6.57% (L + 5.00%)	6/28/2024	12,619	12,499	12,556
J.D. Power (fka J.D. Power and Associates)	Business Services	5.94% (L + 4.25%)	9/7/2023	13,357	13,308	13,407
Keystone Acquisition Corp.	Healthcare Services	6.94% (L + 5.25%)	5/1/2024	5,386	5,336	5,424
Market Track, LLC	Business Services	5.94% (L + 4.25%)	6/5/2024	11,940	11,884	11,940
McGraw-Hill Global Education Holdings, LLC	Education	5.57% (L + 4.00%)	5/4/2022	9,850	9,813	9,844
Medical Solutions Holdings, Inc.	Healthcare Services	5.82% (L + 4.25%)	6/14/2024	6,965	6,932	7,043
Ministry Brands, LLC	Software	6.38% (L + 5.00%)	12/2/2022	2,138	2,128	2,138
Ministry Brands, LLC	Software	6.38% (L + 5.00%)	12/2/2022	7,768	7,735	7,768
Navex Global, Inc.	Software	5.82% (L + 4.25%)	11/19/2021	14,897	14,724	14,971
Navicure, Inc.	Healthcare Services	5.11% (L + 3.75%)	11/1/2024	15,000	14,926	15,000
OEConnection LLC			11/22/2024	15,000	14,925	14,981

Edgar Filing: SPDR GOLD TRUST - Form FWP

	Business Services	5.69% (L + 4.00%)					
Pathway Partners Vet Management Company LLC	Consumer Services	5.82% (L + 4.25%)	10/10/2024	6,963	6,929	6,980	
Pathway Partners Vet Management Company LLC	Consumer Services	5.82% (L + 4.25%)	10/10/2024	291	290	292	
Peraton Corp. (fka MHVC Acquisition Corp.)	Federal Services	6.95% (L + 5.25%)	4/29/2024	10,448	10,399	10,526	
Poseidon Intermediate, LLC	Software	5.82% (L + 4.25%)	8/15/2022	14,881	14,877	14,955	
Project Accelerate Parent, LLC	Business Services	5.94% (L + 4.25%)	1/2/2025	15,000	14,925	15,038	
PSC Industrial Holdings Corp.	Industrial Services	5.71% (L + 4.25%)	10/11/2024	10,500	10,398	10,500	
Quest Software US Holdings Inc.	Software	6.92% (L + 5.50%)	10/31/2022	9,899	9,775	10,071	
Salient CRGT Inc.	Federal Services	7.32% (L + 5.75%)	2/28/2022	14,433	14,310	14,559	
Severin Acquisition, LLC	Software	6.32% (L + 4.75%)	7/30/2021	14,888	14,827	14,813	
Shine Acquisitoin Co. S.à.r.l / Boing US Holdco Inc.	Consumer Services	4.88% (L + 3.50%)	10/3/2024	15,000	14,964	15,108	
Sierra Acquisition, Inc.	Food & Beverage	5.68% (L + 4.25%)	11/11/2024	3,750	3,731	3,789	
TMK Hawk Parent, Corp.	Distribution & Logistics	4.88% (L + 3.50%)	8/28/2024	1,671	1,667	1,686	
University Support Services LLC (St. George's University Scholastic Services LLC)	Education	5.82% (L + 4.25%)	7/6/2022	1,875	1,875	1,900	
Vencore, Inc. (fka SI Organization, Inc., The)	Federal Services	6.44% (L + 4.75%)	11/23/2019	10,686	10,673	10,835	
WP CityMD Bidco LLC	Healthcare Services	5.69% (L + 4.00%)	6/7/2024	14,963	14,928	15,009	
YI, LLC	Healthcare Services	5.69% (L + 4.00%)	11/7/2024	8,240	8,204	8,230	
Zywave, Inc.	Software	6.61% (L + 5.00%)	11/17/2022	17,325	17,252	17,325	
Total Funded Investments				\$381,237	\$379,098	\$382,529	
Unfunded Investments - First lien							
Pathway Partners Vet Management Company LLC	Consumer Services	—	10/10/2019	\$2,728	\$(14)	\$7	
TMK Hawk Parent, Corp.	Distribution & Logistics	—	3/28/2018	75	—	1	
YI, LLC	Healthcare Services	—	11/7/2018	2,060	(9)	(3)	
Total Unfunded Investments				\$4,863	\$(23)	\$5	
Total Investments				\$386,100	\$379,075	\$382,534	

Table of Contents

Notes to the Consolidated Financial Statements of
New Mountain Finance Corporation (Continued)

December 31, 2018

(in thousands, except share data)

(1) All interest is payable in cash unless otherwise indicated. A majority of the variable rate debt investments bear interest at a rate that may be determined by reference to the LIBOR (L), the Prime Rate (P) and the alternative base rate (Base). For each investment, the current interest rate provided reflects the rate in effect as of December 31, 2017.

(2) Represents the fair value in accordance with ASC 820. The Company's board of directors does not determine the fair value of the investments held by SLP II.

Below is certain summarized financial information for SLP II as of December 31, 2018 and December 31, 2017 and for the years ended December 31, 2018, December 31, 2017 and December 31, 2016:

Selected Balance Sheet Information:	December 31, December 31,		
	2018	2017	
Investments at fair value (cost of \$341,247 and \$379,075, respectively)	\$ 336,869	\$ 382,534	
Cash and other assets	7,620	8,065	
Total assets	\$ 344,489	\$ 390,599	
Credit facility	\$ 243,170	\$ 266,270	
Deferred financing costs	(1,374)	(1,966)	
Payable for unsettled securities purchased	—	15,964	
Distribution payable	3,250	3,500	
Other liabilities	2,869	2,891	
Total liabilities	247,915	286,659	
Members' capital	\$ 96,574	\$ 103,940	
Total liabilities and members' capital	\$ 344,489	\$ 390,599	
Selected Statement of Operations Information:	Year Ended December 31,		
	2018	2017	2016(1)
Interest income	\$24,654	\$22,551	\$7,463
Other income	199	351	572
Total investment income	24,853	22,902	8,035
Interest and other financing expenses	10,474	8,356	3,558
Other expenses	681	697	650
Total expenses	11,155	9,053	4,208
Net investment income	13,698	13,849	3,827
Net realized gains on investments	782	2,281	599
Net change in unrealized (depreciation) appreciation of investments	(7,837)	(822)	4,281
Net increase in members' capital	\$6,643	\$15,308	\$8,707

(1) For the year ended December 31, 2016, amounts reported relate to the period from April 12, 2016 (commencement of operations) to December 31, 2016.

For the years ended December 31, 2018, December 31, 2017 and December 31, 2016, the Company earned approximately \$11,124, \$12,406 and \$3,533, respectively, of dividend income related to SLP II, which is included in dividend income. As of December 31, 2018 and December 31, 2017, approximately \$2,581 and \$2,779, respectively, of dividend income related to SLP II was included in interest and dividend receivable.

The Company has determined that SLP II is an investment company under ASC 946, however, in accordance with such guidance the Company will generally not consolidate its investment in a company other than a wholly-owned investment

140

Table of Contents

Notes to the Consolidated Financial Statements of
New Mountain Finance Corporation (Continued)

December 31, 2018

(in thousands, except share data)

company subsidiary. Furthermore, ASC 810 concludes that in a joint venture where both members have equal decision making authority, it is not appropriate for one member to consolidate the joint venture since neither has control. Accordingly, the Company does not consolidate SLP II.

UniTek Global Services, Inc. ("Unitek")

UniTek is a full service provider of technical services to customers in the wireline telecommunications, satellite television and broadband cable industries in the U.S. and Canada. UniTek's customers are primarily telecommunication services, satellite television, and broadband cable providers, their contractors, and municipalities and related agencies. UniTek's customers utilize its services to engineer, build and maintain their network infrastructure and to provide residential and commercial fulfillment services, which is critical to their ability to deliver voice, video and data services to end users.

Below is certain summarized financial information for Unitek as of December 31, 2018 and December 31, 2017 and for the years ended December 31, 2018, December 31, 2017 and December 31, 2016:

Balance Sheet:	December 31, December 31,	
	2018	2017
Current assets	\$ 99,062	\$ 86,105
Non-current assets	144,948	132,323
Total assets	\$ 244,010	\$ 218,428

Current liabilities	\$ 35,837	\$ 52,872
Noncurrent liabilities	113,959	93,068
Total liabilities	\$ 149,796	\$ 145,940
Total equity	\$ 94,214	\$ 72,488

Summary of Operations:	Year Ended December 31,		
	2018	2017	2016
Net Sales	\$315,526	\$284,823	\$279,929
Cost of goods sold	257,767	223,513	214,938
Gross Profit	57,759	61,310	64,991
Other expenses	59,702	57,110	51,708
Net income from continuing operations before extraordinary items	(1,943)	4,200	13,283
Profit (loss) from discontinued operations	(223)	(9,090)	(9,801)
Net income (loss)	\$(2,166)	\$(4,890)	\$3,482

Investment risk factors—First and second lien debt that the Company invests in is almost entirely rated below investment grade or may be unrated. Debt investments rated below investment grade are often referred to as "leveraged loans", "high yield" or "junk" debt investments, and may be considered "high risk" compared to debt investments that are rated investment grade. These debt investments are considered speculative because of the credit risk of the issuers. Such issuers are considered more likely than investment grade issuers to default on their payments of interest and principal and such risk of default could reduce the net asset value and income distributions of the Company. In addition, some of the Company's debt investments will not fully amortize during their lifetime, which could result in a loss or a substantial amount of unpaid principal and interest due upon maturity. First and second lien debt may also lose significant market value before a default occurs. Furthermore, an active trading market may not exist for these first and second lien debt investments. This illiquidity may make it more difficult to value the debt. Subordinated debt is generally subject to similar risks as those associated with first and second lien debt, except that such debt is subordinated in payment and /or lower in lien priority. Subordinated debt is subject to the additional risk

that the cash flow of the borrower and the property securing the debt, if any, may be insufficient to meet scheduled payments after giving effect to the senior secured and unsecured obligations of the borrower.

Table of Contents

Notes to the Consolidated Financial Statements of
New Mountain Finance Corporation (Continued)

December 31, 2018

(in thousands, except share data)

The Company may directly invest in the equity of private companies or, in some cases, equity investments could be made in connection with a debt investment. Equity investments may or may not fluctuate in value resulting in recognized realized gains or losses upon disposition.

Note 4. Fair Value

Fair value is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. ASC 820 establishes a fair value hierarchy that prioritizes and ranks the inputs to valuation techniques used in measuring investments at fair value. The hierarchy classifies the inputs used in measuring fair value into three levels as follows:

Level I—Quoted prices (unadjusted) are available in active markets for identical investments and the Company has the ability to access such quotes as of the reporting date. The type of investments which would generally be included in Level I include active exchange-traded equity securities and exchange-traded derivatives. As required by ASC 820, the Company, to the extent that it holds such investments, does not adjust the quoted price for these investments, even in situations where the Company holds a large position and a sale could reasonably impact the quoted price.

Level II—Pricing inputs are observable for the investments, either directly or indirectly, as of the reporting date, but are not the same as those used in Level I. Level II inputs include the following:

- Quoted prices for similar assets or liabilities in active markets;

- Quoted prices for identical or similar assets or liabilities in non-active markets (examples include corporate and municipal bonds, which trade infrequently);

- Pricing models whose inputs are observable for substantially the full term of the asset or liability (examples include most over-the-counter derivatives, including foreign exchange forward contracts); and

- Pricing models whose inputs are derived principally from or corroborated by observable market data through correlation or other means for substantially the full term of the asset or liability.

Level III—Pricing inputs are unobservable for the investment and include situations where there is little, if any, market activity for the investment.

The inputs used to measure fair value may fall into different levels. In all instances when the inputs fall within different levels of the hierarchy, the level within which the fair value measurement is categorized is based on the lowest level of input that is significant to the fair value measurement in its entirety. As such, a Level III fair value measurement may include inputs that are both observable and unobservable. Gains and losses for such assets categorized within the Level III table below may include changes in fair value that are attributable to both observable inputs and unobservable inputs.

The inputs into the determination of fair value require significant judgment or estimation by management and consideration of factors specific to each investment. A review of the fair value hierarchy classifications is conducted on a quarterly basis. Changes in the observability of valuation inputs may result in the transfer of certain investments within the fair value hierarchy from period to period.

The following table summarizes the levels in the fair value hierarchy that the Company's portfolio investments fall into as of December 31, 2018:

	Total	Level I	Level II	Level III
First lien	\$ 1,173,459	\$ —	\$ 185,931	\$ 987,528
Second lien	662,556	—	355,741	306,815
Subordinated	65,297	—	25,210	40,087
Equity and other	440,641	—	—	440,641
Total investments	\$ 2,341,953	\$ —	\$ 566,882	\$ 1,775,071

Table of Contents

Notes to the Consolidated Financial Statements of
New Mountain Finance Corporation (Continued)

December 31, 2018

(in thousands, except share data)

The following table summarizes the levels in the fair value hierarchy that the Company's portfolio investments fall into as of December 31, 2017:

	Total	Level I	Level II	Level III
First lien	\$693,563	\$ —	\$136,866	\$556,697
Second lien	682,950	—	239,868	443,082
Subordinated	70,257	—	43,156	27,101
Equity and other	378,890	16	—	378,874
Total investments	\$1,825,660	\$ 16	\$419,890	\$1,405,754

The following table summarizes the changes in fair value of Level III portfolio investments for the year ended December 31, 2018, as well as the portion of appreciation (depreciation) included in income attributable to unrealized appreciation (depreciation) related to those assets and liabilities still held by the Company at December 31, 2018:

	Total	First Lien	Second Lien	Subordinated	Equity and other
Fair value, December 31, 2017	\$1,405,754	\$556,697	\$443,082	\$ 27,101	\$378,874
Total gains or losses included in earnings:					
Net realized (losses) gains on investments	(4,368)	357	(14,704)	—	9,979
Net change in unrealized (depreciation) appreciation of investments	(5,467)	(4,466)	(4,523)	(3,752)	7,274
Purchases, including capitalized PIK and revolver fundings(1)	970,532	634,700	150,896	21,817	163,119
Proceeds from sales and paydowns of investments(1)	(632,804)	(278,371)	(230,749)	(5,079)	(118,605)
Transfers into Level III(2)	113,612	106,564	7,048	—	—
Transfers out of Level III(2)	(72,188)	(27,953)	(44,235)	—	—
Fair value, December 31, 2018	\$1,775,071	\$987,528	\$306,815	\$ 40,087	\$440,641
Unrealized (depreciation) appreciation for the period relating to those Level III assets that were still held by the Company at the end of the period:	\$(1,032)	\$(3,232)	\$(4,064)	\$(3,752)	\$10,016

(1) Includes reorganizations and restructurings.

(2) As of December 31, 2018, the portfolio investments were transferred into Level III from Level II and out of Level III into Level II at fair value as of the beginning of the period in which the reclassifications occurred.

Table of Contents

Notes to the Consolidated Financial Statements of
New Mountain Finance Corporation (Continued)
December 31, 2018
(in thousands, except share data)

The following table summarizes the changes in fair value of Level III portfolio investments for the year ended December 31, 2017, as well as the portion of appreciation (depreciation) included in income attributable to unrealized appreciation (depreciation) related to those assets and liabilities still held by the Company at December 31, 2017:

	Total	First Lien	Second Lien	Subordinated	Equity and other
Fair value, December 31, 2016	\$1,066,878	\$530,601	\$324,177	\$24,653	\$187,447
Total gains or losses included in earnings:					
Net realized (losses) gains on investments	(41,086)	(13,848)	(27,195)	—	(43)
Net change in unrealized appreciation (depreciation) of investments	39,690	12,326	31,897	(1,305)	(3,228)
Purchases, including capitalized PIK and revolver fundings (1)	740,395	284,239	256,932	3,753	195,471
Proceeds from sales and paydowns of investments (1)	(380,700)	(229,144)	(150,783)	—	(773)
Transfers into Level III(2)	39,902	—	39,902	—	—
Transfers out of Level III(2)	(59,325)	(27,477)	(31,848)	—	—
Fair value, December 31, 2017	\$1,405,754	\$556,697	\$443,082	\$27,101	\$378,874
Unrealized appreciation (depreciation) for the period relating to those Level III assets that were still held by the Company at the end of the period:	\$1,478	\$2,115	\$4,163	\$(1,305)	\$(3,495)

(1)Includes reorganizations and restructurings.

(2)As of December 31, 2017, the portfolio investments were transferred into Level III from Level II or Level I and out of Level III into Level II at fair value as of the beginning of the period in which the reclassifications occurred.

Except as noted in the tables above, there were no other transfers in or out of Level I, II, or III during the years ended December 31, 2018 and December 31, 2017. Transfers into Level III occur as quotations obtained through pricing services are deemed not representative of fair value as of the balance sheet date and such assets are internally valued. As quotations obtained through pricing services are substantiated through additional market sources, investments are transferred out of Level III. In addition, transfers out of Level III and transfers into Level III occur based on the increase or decrease in the availability of certain observable inputs.

The Company invests in revolving credit facilities. These investments are categorized as Level III investments as these assets are not actively traded and their fair values are often implied by the term loans of the respective portfolio companies.

The Company generally uses the following framework when determining the fair value of investments where there are little, if any, market activity or observable pricing inputs. The Company typically determines the fair value of its performing debt investments utilizing an income approach. Additional consideration is given using a market based approach, as well as reviewing the overall underlying portfolio company's performance and associated financial risks. The following outlines additional details on the approaches considered:

Company Performance, Financial Review, and Analysis: Prior to investment, as part of its due diligence process, the Company evaluates the overall performance and financial stability of the portfolio company. Post investment, the Company analyzes each portfolio company's current operating performance and relevant financial trends versus prior year and budgeted results, including, but not limited to, factors affecting its revenue and earnings before interest, taxes, depreciation, and amortization ("EBITDA") growth, margin trends, liquidity position, covenant compliance and changes to its capital structure. The Company also attempts to identify and subsequently track any developments at the portfolio company, within its customer or vendor base or within the industry or the macroeconomic environment,

generally, that may alter any material element of its original investment thesis. This analysis is specific to each portfolio company. The Company leverages the knowledge gained from its original due diligence process, augmented by this subsequent monitoring, to continually refine its outlook for each of

Table of Contents

Notes to the Consolidated Financial Statements of
New Mountain Finance Corporation (Continued)

December 31, 2018

(in thousands, except share data)

its portfolio companies and ultimately form the valuation of its investment in each portfolio company. When an external event such as a purchase transaction, public offering or subsequent sale occurs, the Company will consider the pricing indicated by the external event to corroborate the private valuation.

For debt investments, the Company may employ the Market Based Approach (as described below) to assess the total enterprise value of the portfolio company, in order to evaluate the enterprise value coverage of the Company's debt investment. For equity investments or in cases where the Market Based Approach implies a lack of enterprise value coverage for the debt investment, the Company may additionally employ a discounted cash flow analysis based on the free cash flows of the portfolio company to assess the total enterprise value.

After enterprise value coverage is demonstrated for the Company's debt investments through the method(s) above, the Income Based Approach (as described below) may be employed to estimate the fair value of the investment.

Market Based Approach: The Company may estimate the total enterprise value of each portfolio company by utilizing market value cash flow (EBITDA) multiples of publicly traded comparable companies and comparable transactions. The Company considers numerous factors when selecting the appropriate companies whose trading multiples are used to value its portfolio companies. These factors include, but are not limited to, the type of organization, similarity to the business being valued, and relevant risk factors, as well as size, profitability and growth expectations. The Company may apply an average of various relevant comparable company EBITDA multiples to the portfolio company's latest twelve month ("LTM") EBITDA or projected EBITDA to calculate the enterprise value of the portfolio company. Significant increases or decreases in the EBITDA multiple will result in an increase or decrease in enterprise value, which may result in an increase or decrease in the fair value estimate of the investment. In applying the market based approach as of December 31, 2018 and December 31, 2017, the Company used the relevant EBITDA multiple ranges set forth in the table below to determine the enterprise value of its portfolio companies. The Company believes these were reasonable ranges in light of current comparable company trading levels and the specific portfolio companies involved.

Income Based Approach: The Company also may use a discounted cash flow analysis to estimate the fair value of the investment. Projected cash flows represent the relevant security's contractual interest, fee and principal payments plus the assumption of full principal recovery at the investment's expected maturity date. These cash flows are discounted at a rate established utilizing a yield calibration approach, which incorporates changes in the credit quality (as measured by relevant statistics) of the portfolio company, as compared to changes in the yield associated with comparable credit quality market indices, between the date of origination and the valuation date. Significant increases or decreases in the discount rate would result in a decrease or increase in the fair value measurement. In applying the income based approach as of December 31, 2018 and December 31, 2017, the Company used the discount ranges set forth in the table below to value investments in its portfolio companies.

Table of Contents

Notes to the Consolidated Financial Statements of
New Mountain Finance Corporation (Continued)

December 31, 2018

(in thousands, except share data)

The unobservable inputs used in the fair value measurement of the Company's Level III investments as of December 31, 2018 were as follows:

Type	Fair Value as of December 31, 2018	Approach	Unobservable Input	Range		Weighted Average
				Low	High	
First lien	\$797,985	Market & income approach	EBITDA multiple	2.0x	32.0x	12.1x
			Revenue multiple	3.5x	6.5x	5.8x
			Discount rate	7.0 %	15.3 %	9.6 %
Second lien	129,837 59,706 102,963	Market quote	Broker quote	N/A	N/A	N/A
			Other	N/A(1)	N/A	N/A
		Market & income approach	EBITDA multiple	8.5x	15.0x	11.1x
Subordinated	203,852 40,087	Market quote	Broker quote	N/A	N/A	N/A
			Market & income approach	EBITDA multiple	5.0x	13.0x
		Equity and other	439,977 664	Market & income approach	Discount rate	10.9%
EBITDA multiple	0.4x				18.0x	10.3x
Black Scholes analysis	Expected life in years			7.3	7.3	7.3
			Volatility	37.9%	37.9 %	37.9 %
			Discount rate	2.9 %	2.9 %	2.9 %
	\$1,775,071					

(1) Fair value was determined based on transaction pricing or recent acquisition or sale as the best measure of fair value with no material changes in operations of the related portfolio company since the transaction date.

Edgar Filing: SPDR GOLD TRUST - Form FWP

Table of Contents

Notes to the Consolidated Financial Statements of
New Mountain Finance Corporation (Continued)
December 31, 2018
(in thousands, except share data)

The unobservable inputs used in the fair value measurement of the Company's Level III investments as of December 31, 2017 were as follows:

Type	Fair Value as of December 31, 2017	Approach	Unobservable Input	Range		Weighted Average	
				Low	High		
First lien	\$458,543	Market & income approach	EBITDA multiple	2.0x	20.0x	11.8x	
			Revenue multiple	3.5x	8.0x	6.1x	
			Discount rate	6.5 %	11.2 %	9.2 %	
Second lien	98,154	Market quote	Broker quote	N/A	N/A	N/A	
			Market & income approach	EBITDA multiple	8.0x	16.0x	11.4x
				Discount rate	7.9 %	12.5 %	10.8 %
Subordinated	215,098	Market quote	Broker quote	N/A	N/A	N/A	
			Other	N/A(1)	N/A	N/A	N/A
				Market & income approach	EBITDA multiple	4.5x	11.8x
Equity and other	7,387	Market & income approach	Revenue multiple	0.5x	1.0x	0.8x	
			Discount rate	7.9 %	14.9 %	12.8 %	
			1,089	Black Scholes analysis	EBITDA multiple	2.5x	18.0x
Revenue multiple	0.5x	1.0x			0.8x		
Discount rate	7.0 %	23.6 %			14.5 %		
	27,101	Market & income approach	Expected life in years	8.3	8.3	8.3	
			Volatility	39.4 %	39.4 %	39.4 %	
			Discount rate	2.4 %	2.4 %	2.4 %	
	\$1,405,754						

(1) Fair value was determined based on transaction pricing or recent acquisition or sale as the best measure of fair value with no material changes in operations of the related portfolio company since the transaction date.

Based on a comparison to similar BDC credit facilities, the terms and conditions of the Holdings Credit Facility, the NMFC Credit Facility and the DB Credit Facility (as defined in Note 7. Borrowings) are representative of market. The carrying values of the Holdings Credit Facility, NMFC Credit Facility and DB Credit Facility approximate fair value as of December 31, 2018, as the facilities are continually monitored and examined by both the borrower and the lender and are considered Level III. The carrying value of the SBA-guaranteed debentures, the 2016 Unsecured Notes, the 2017A Unsecured Notes, the 2018A Unsecured Notes and the 2018B Unsecured Notes (as defined in Note 7. Borrowings) approximate fair value as of December 31, 2018 based on a comparison of market interest rates for the Company's borrowings and similar entities and are considered Level III. The fair value of the Convertible Notes and the 5.75% Unsecured Notes (as defined in Note 7. Borrowings) as of December 31, 2018 was \$270,131 and \$50,933, respectively, which was based on quoted prices and considered Level II. See Note 7. Borrowings, for details. The carrying value of the collateralized agreement approximates fair value as of December 31, 2018 and is considered Level III. The fair value of other financial assets and liabilities approximates their carrying value based on the short-term nature of these items.

Fair value risk factors—The Company seeks investment opportunities that offer the possibility of attaining substantial capital appreciation. Certain events particular to each industry in which the Company's portfolio companies conduct their operations, as well as general economic and political conditions, may have a significant negative impact on the operations and profitability of the Company's investments and/or on the fair value of the Company's investments. The

Company's investments are subject to the risk of non-payment of scheduled interest or principal, resulting in a reduction in income to the Company and their corresponding fair valuations. Also, there may be risk associated with the concentration of investments in one geographic region or in certain industries. These events are beyond the control of the Company and cannot be predicted. Furthermore, the ability to liquidate investments and realize value is subject to uncertainties.

Table of Contents

Notes to the Consolidated Financial Statements of
New Mountain Finance Corporation (Continued)
December 31, 2018
(in thousands, except share data)

Note 5. Agreements

The Company entered into an investment advisory and management agreement (the "Investment Management Agreement") with the Investment Adviser which was most recently re-approved by the Company's board of directors on February 6, 2019. Under the Investment Management Agreement, the Investment Adviser manages the day-to-day operations of, and provides investment advisory services to, the Company. For providing these services, the Investment Adviser receives a fee from the Company, consisting of two components—a base management fee and an incentive fee.

Pursuant to the Investment Management Agreement, the base management fee is calculated at an annual rate of 1.75% of the Company's gross assets, which equals the Company's total assets on the Consolidated Statements of Assets and Liabilities, less (i) the borrowings under the New Mountain Finance SPV Funding, L.L.C. Loan and Security Agreement, as amended and restated, dated October 27, 2010 (the "SLF Credit Facility") and (ii) cash and cash equivalents. The base management fee is payable quarterly in arrears, and is calculated based on the average value of the Company's gross assets, which equals the Company's total assets, as determined in accordance with GAAP, less the borrowings under the SLF Credit Facility and cash and cash equivalents at the end of each of the two most recently completed calendar quarters, and appropriately adjusted on a pro rata basis for any equity capital raises or repurchases during the current calendar quarter. The Company has not invested, and currently is not invested, in derivatives. To the extent the Company invests in derivatives in the future, the Company will use the actual value of the derivatives, as reported on the Consolidated Statements of Assets and Liabilities, for purposes of calculating its base management fee.

Since the IPO, the base management fee calculation has deducted the borrowings under the SLF Credit Facility. The SLF Credit Facility had historically consisted of primarily lower yielding assets at higher advance rates. As part of an amendment to the Company's existing credit facilities with Wells Fargo Bank, National Association, the SLF Credit Facility merged with the NMF Holdings Loan and Security Agreement, as amended and restated, dated May 19, 2011, and formed the Holdings Credit Facility on December 18, 2014 (as defined in Note 7. Borrowings). The amendment merged the credit facilities and combined the amount of borrowings previously available. Post credit facility merger and to be consistent with the methodology since the IPO, the Investment Adviser will continue to waive management fees on the leverage associated with those assets that share the same underlying yield characteristics with investments leveraged under the legacy SLF Credit Facility, which as of December 31, 2018, December 31, 2017 and December 31, 2016 was approximately \$525,658, \$281,174 and \$297,323, respectively. The Investment Adviser cannot recoup management fees that the Investment Adviser has previously waived. For the years ended December 31, 2018, December 31, 2017 and December 31, 2016, management fees waived were approximately \$6,709, \$5,642 and \$4,824, respectively.

The incentive fee consists of two parts. The first part is calculated and payable quarterly in arrears and equals 20.0% of the Company's "Pre-Incentive Fee Adjusted Net Investment Income" for the immediately preceding quarter, subject to a "preferred return", or "hurdle", and a "catch-up" feature. "Pre-Incentive Fee Net Investment Income" means interest income, dividend income and any other income (including any other fees (other than fees for providing managerial assistance), such as commitment, origination, structuring, upfront, diligence and consulting fees or other fees that the Company receives from portfolio companies) accrued during the calendar quarter, minus the Company's operating expenses for the quarter (including the base management fee, expenses payable under an administration agreement, as amended and restated (the "Administration Agreement"), with the Administrator, and any interest expense and distributions paid on any issued and outstanding preferred stock (of which there are none as of December 31, 2018), but excluding the incentive fee). Pre-Incentive Fee Net Investment Income includes, in the case of investments with a deferred interest feature (such as original issue discount, debt instruments with PIK interest and zero coupon securities), accrued income that the Company has not yet received in cash. Pre-Incentive Fee Net Investment Income does not include any realized capital gains, realized capital losses or unrealized capital

appreciation or depreciation.

Under GAAP, NMFC's IPO did not step-up the cost basis of the Predecessor Operating Company's existing investments to fair market value at the IPO date. Since the total value of the Predecessor Operating Company's investments at the time of the IPO was greater than the investments' cost basis, a larger amount of amortization of purchase or original issue discount, as well as different amounts in realized gain and unrealized appreciation, may be recognized under GAAP in each period than if the step-up had occurred. This will remain until such predecessor investments are sold, repaid or mature in the future. The Company tracks the transferred (or fair market) value of each of its investments as of the time of the IPO and, for purposes of the incentive fee calculation, adjusts Pre-Incentive Fee Net Investment Income to reflect the amortization of purchase or original issue discount on the Company's investments as if each investment was purchased at the date of the IPO, or stepped up to fair market value. This is defined as "Pre-Incentive Fee Adjusted Net Investment Income". The Company also uses the transferred (or fair market) value of each of its investments as of the time of the IPO to adjust capital gains ("Adjusted Realized Capital Gains") or losses ("Adjusted

148

Table of Contents

Notes to the Consolidated Financial Statements of
New Mountain Finance Corporation (Continued)

December 31, 2018

(in thousands, except share data)

Realized Capital Losses") and unrealized capital appreciation ("Adjusted Unrealized Capital Appreciation") and unrealized capital depreciation ("Adjusted Unrealized Capital Depreciation"). As of December 31, 2017, all predecessor investments have been sold or matured.

Pre-Incentive Fee Adjusted Net Investment Income, expressed as a rate of return on the value of the Company's net assets at the end of the immediately preceding calendar quarter, will be compared to a "hurdle rate" of 2.0% per quarter (8.0% annualized), subject to a "catch-up" provision measured as of the end of each calendar quarter. The hurdle rate is appropriately pro-rated for any partial periods. The calculation of the Company's incentive fee with respect to the Pre-Incentive Fee Adjusted Net Investment Income for each quarter is as follows:

No incentive fee is payable to the Investment Adviser in any calendar quarter in which the Company's Pre-Incentive Fee Adjusted Net Investment Income does not exceed the hurdle rate of 2.0% (the "preferred return" or "hurdle").

100.0% of the Company's Pre-Incentive Fee Adjusted Net Investment Income with respect to that portion of such Pre-Incentive Fee Adjusted Net Investment Income, if any, that exceeds the hurdle rate but is less than or equal to 2.5% in any calendar quarter (10.0% annualized) is payable to the Investment Adviser. This portion of the Company's Pre-Incentive Fee Adjusted Net Investment Income (which exceeds the hurdle rate but is less than or equal to 2.5%) is referred to as the "catch-up". The catch-up provision is intended to provide the Investment Adviser with an incentive fee of 20.0% on all of the Company's Pre-Incentive Fee Adjusted Net Investment Income as if a hurdle rate did not apply when the Company's Pre-Incentive Fee Adjusted Net Investment Income exceeds 2.5% in any calendar quarter. 20.0% of the amount of the Company's Pre-Incentive Fee Adjusted Net Investment Income, if any, that exceeds 2.5% in any calendar quarter (10.0% annualized) is payable to the Investment Adviser once the hurdle is reached and the catch-up is achieved.

For the years ended December 31, 2018, December 31, 2017 and December 31, 2016, incentive fees waived were approximately \$0, \$1,800 and \$0, respectively. The Investment Adviser cannot recoup incentive fees that the Investment Adviser has previously waived.

The second part of the incentive fee will be determined and payable in arrears as of the end of each calendar year (or upon termination of the Investment Management Agreement) and will equal 20.0% of the Company's Adjusted Realized Capital Gains, if any, on a cumulative basis from inception through the end of each calendar year, computed net of all Adjusted Realized Capital Losses and Adjusted Unrealized Capital Depreciation on a cumulative basis, less the aggregate amount of any previously paid capital gain incentive fee.

In accordance with GAAP, the Company accrues a hypothetical capital gains incentive fee based upon the cumulative net Adjusted Realized Capital Gains and Adjusted Realized Capital Losses and the cumulative net Adjusted Unrealized Capital Appreciation and Adjusted Unrealized Capital Depreciation on investments held at the end of each period. Actual amounts paid to the Investment Adviser are consistent with the Investment Management Agreement and are based only on actual Adjusted Realized Capital Gains computed net of all Adjusted Realized Capital Losses and Adjusted Unrealized Capital Depreciation on a cumulative basis from inception through the end of each calendar year as if the entire portfolio was sold at fair value.

Table of Contents

Notes to the Consolidated Financial Statements of
New Mountain Finance Corporation (Continued)
December 31, 2018
(in thousands, except share data)

The following table summarizes the management fees and incentive fees incurred by the Company for the years ended December 31, 2018, December 31, 2017 and December 31, 2016.

	Year Ended December 31,		
	2018	2017	2016
Management fee	\$38,530	\$32,694	\$27,551
Less: management fee waiver	(6,709)	(5,642)	(4,824)
Total management fee	31,821	27,052	22,727
Incentive fee, excluding accrued capital gains incentive fees	\$26,508	\$25,101	\$22,011
Less: incentive fee waiver	—	(1,800)	—
Total incentive fee	26,508	23,301	22,011
Accrued capital gains incentive fees(1)	\$—	\$—	\$—

As of December 31, 2018, December 31, 2017 and December 31, 2016, no actual capital gains incentive fee was (1)owed under the Investment Management Agreement by the Company, as cumulative net Adjusted Realized Capital Gains did not exceed cumulative Adjusted Unrealized Capital Depreciation.

As all predecessor investments have been sold or matured, no cost basis adjustment is necessary for the years ended December 31, 2018 and December 31, 2017.

The Company's Consolidated Statements of Operations below are adjusted as if the step-up in cost basis to fair market value had occurred at the IPO date, May 19, 2011.

Table of Contents

Notes to the Consolidated Financial Statements of
New Mountain Finance Corporation (Continued)
December 31, 2018
(in thousands, except share data)

The following Consolidated Statement of Operations for the year ended December 31, 2016 is adjusted to reflect this step-up to fair market value.

	Year Ended December 31, 2016	Stepped-up Cost Basis Adjustments	Adjusted Year Ended December 31, 2016
Investment income			
Interest income(1)	\$ 147,425	\$ (65)	\$ 147,360
Total dividend income(2)	11,200	—	11,200
Other income	9,459	—	9,459
Total investment income(3)	168,084	(65)	168,019
Total expenses pre-incentive fee(4)	57,965	—	57,965
Pre-Incentive Fee Net Investment Income	110,119	(65)	110,054
Incentive fee(5)	22,011	—	22,011
Post-Incentive Fee Net Investment Income	88,108	(65)	88,043
Net realized losses on investments(6)	(16,717)	(151)	(16,868)
Net change in unrealized appreciation (depreciation) of investments(6)	40,131	216	40,347
Net change in unrealized (depreciation) appreciation of securities purchased under collateralized agreements to resell	(486)	—	(486)
Benefit for taxes	642	—	642
Net increase in net assets resulting from operations	\$ 111,678		\$ 111,678

(1) Includes \$4,270 in PIK interest from investments.

(2) Includes \$3,178 in PIK dividends for investments.

(3) Includes income from non-controlled/non-affiliated investments, non-controlled/affiliated investments and controlled investments.

(4) Includes expense waivers and reimbursements of \$725 and management fee waivers of \$4,824.

(5) For the year ended December 31, 2016, the Company incurred total incentive fees of \$22,011, none of which was related to the capital gains incentive fee accrual on a hypothetical liquidation basis.

(6) Includes net realized gains (losses) on investments and net change in unrealized appreciation (depreciation) of investments from non-controlled/non-affiliated investments, non-controlled/affiliated investments and controlled investments.

The Company has entered into the Administration Agreement with the Administrator under which the Administrator provides administrative services. The Administrator maintains, or oversees the maintenance of, the Company's consolidated financial records, prepares reports filed with the SEC, generally monitors the payment of the Company's expenses and oversees the performance of administrative and professional services rendered by others. The Company will reimburse the Administrator for the Company's allocable portion of overhead and other expenses incurred by the Administrator in performing its obligations to the Company under the Administration Agreement. Pursuant to the Administration Agreement and further restricted by the Company, the Administrator may, in its own discretion, submit to the Company for reimbursement some or all of the expenses that the Administrator has incurred on behalf of the Company during any quarterly period. As a result, the amount of expenses for which the Company will have to reimburse the Administrator may fluctuate in future quarterly periods and there can be no assurance given as to when, or if, the Administrator may determine to limit the expenses that the Administrator submits to the Company for reimbursement in the future. However, it is expected that the Administrator will continue to support part of the

expense burden of the Company in the near future and may decide to not calculate and charge through certain overhead related amounts as well as continue to cover some of the indirect costs. The Administrator cannot recoup any expenses that the Administrator has previously waived. For the years ended December 31, 2018, December 31, 2017 and December 31, 2016, approximately \$2,406, \$1,558 and \$1,641, respectively, of indirect administrative expenses were included in administrative expenses of which \$276, \$415 and \$725, respectively, of indirect administrative expenses were waived by the Administrator. As of December 31, 2018 and December 31, 2017, \$681 and \$444, respectively, of indirect administrative expenses were included in payable to affiliates.

Table of Contents

Notes to the Consolidated Financial Statements of
New Mountain Finance Corporation (Continued)
December 31, 2018
(in thousands, except share data)

As of December 31, 2018, December 31, 2017 and December 31, 2016, no expense waivers or reimbursements were receivable from an affiliate.

The Company, the Investment Adviser and the Administrator have also entered into a Trademark License Agreement, as amended, with New Mountain Capital, pursuant to which New Mountain Capital has agreed to grant the Company, the Investment Adviser and the Administrator a non-exclusive, royalty-free license to use the "New Mountain" and the "New Mountain Finance" names. Under the Trademark License Agreement, as amended, subject to certain conditions, the Company, the Investment Adviser and the Administrator will have a right to use the "New Mountain" and "New Mountain Finance" names, for so long as the Investment Adviser or one of its affiliates remains the investment adviser of the Company. Other than with respect to this limited license, the Company, the Investment Adviser and the Administrator will have no legal right to the "New Mountain" or the "New Mountain Finance" names.

Note 6. Related Parties

The Company has entered into a number of business relationships with affiliated or related parties.

The Company has entered into the Investment Management Agreement with the Investment Adviser, a wholly-owned subsidiary of New Mountain Capital. Therefore, New Mountain Capital is entitled to any profits earned by the Investment Adviser, which includes any fees payable to the Investment Adviser under the terms of the Investment Management Agreement, less expenses incurred by the Investment Adviser in performing its services under the Investment Management Agreement.

The Company has entered into the Administration Agreement with the Administrator, a wholly-owned subsidiary of New Mountain Capital. The Administrator arranges office space for the Company and provides office equipment and administrative services necessary to conduct their respective day-to-day operations pursuant to the Administration Agreement. The Company reimburses the Administrator for the allocable portion of overhead and other expenses incurred by it in performing its obligations to the Company under the Administration Agreement which includes the fees and expenses associated with performing administrative, finance and compliance functions, and the compensation of the Company's chief financial officer and chief compliance officer and their respective staffs.

The Company, the Investment Adviser and the Administrator have entered into a royalty-free Trademark License Agreement, as amended, with New Mountain Capital, pursuant to which New Mountain Capital has agreed to grant the Company, the Investment Adviser and the Administrator a non-exclusive, royalty-free license to use the name "New Mountain" and "New Mountain Finance".

The Company has adopted a formal code of ethics that governs the conduct of its officers and directors. These officers and directors also remain subject to the duties imposed by the 1940 Act, the Delaware General Corporation Law and the Delaware Limited Liability Company Act.

The Investment Adviser and its affiliates may also manage other funds in the future that may have investment mandates that are similar, in whole or in part, to the Company's investment mandates, including Guardian II. The Investment Adviser and its affiliates may determine that an investment is appropriate for the Company or for one or more of those other funds. In such event, depending on the availability of such investment and other appropriate factors, the Investment Adviser or its affiliates may determine that the Company should invest side-by-side with one or more other funds. Any such investments will be made only to the extent permitted by applicable law and interpretive positions of the SEC and its staff and consistent with the Investment Adviser's allocation procedures. On December 18, 2017, the SEC issued an exemptive order (the "Exemptive Order"), which superseded a prior order issued on June 5, 2017, which permits the Company to co-invest in portfolio companies with certain funds or entities managed by the Investment Adviser or its affiliates in certain negotiated transactions where co-investing would otherwise be prohibited under the 1940 Act, subject to the conditions of the Exemptive Order. Pursuant to the Exemptive Order, the Company is permitted to co-invest with its affiliates if a "required majority" (as defined in Section 57(o) of the 1940 Act) of the Company's independent directors make certain conclusions in connection with a co-investment transaction, including, but not limited to, that (1) the terms of the potential co-investment transaction,

including the consideration to be paid, are reasonable and fair to the Company and its stockholders and do not involve overreaching in respect of the Company or its stockholders on the part of any person concerned, and (2) the potential co-investment transaction is consistent with the interests of the Company's stockholders and is consistent with its then-current investment objective and strategies.

Table of Contents

Notes to the Consolidated Financial Statements of
New Mountain Finance Corporation (Continued)

December 31, 2018

(in thousands, except share data)

Note 7. Borrowings

On March 23, 2018, the Small Business Credit Availability Act (the “SBCA”) was signed into law, which included various changes to regulations under the federal securities laws that impact BDCs. The SBCA included changes to the 1940 Act to allow BDCs to decrease their asset coverage requirement to 150.0% from 200.0% under certain circumstances. On April 12, 2018, the Company’s board of directors, including a “required majority” (as such term is defined in Section 57(o) of the 1940 Act) approved the application of the modified asset coverage requirements set forth in Section 61(a)(2) of the 1940 Act, as amended by the SBCA, and recommended the submission of a proposal for stockholders to approve the application of the 150.0% minimum asset coverage ratio to the Company at a special meeting of stockholders, which was held on June 8, 2018. The stockholder proposal was approved by the required votes of the Company’s stockholders at such special meeting of stockholders, and thus the Company became subject to the 150.0% minimum asset coverage ratio on June 9, 2018. As a result of the Company’s exemptive relief received on November 5, 2014, the Company is permitted to exclude its SBA-guaranteed debentures from the 150.0% asset coverage ratio that the Company is required to maintain under the 1940 Act. The agreements governing the NMFC Credit Facility, the 2018 Convertible Notes and the Unsecured Notes (as defined below) contain certain covenants and terms, including a requirement that the Company not exceed a debt-to-equity ratio of 1.65 to 1.00 at the time of incurring additional indebtedness and a requirement that the Company not exceed a secured debt ratio of 0.70 to 1.00 at any time. As of December 31, 2018, the Company’s asset coverage ratio was 181.37%.

Holdings Credit Facility—On December 18, 2014, the Company entered into the Second Amended and Restated Loan and Security Agreement among the Company, as the Collateral Manager, NMF Holdings, as the Borrower, Wells Fargo Securities, LLC, as the Administrative Agent and Wells Fargo Bank, National Association, as the Lender and Collateral Custodian (as amended from time to time, the “Holdings Credit Facility”). As of the most recent amendment on November 19, 2018, the maturity date of the Holdings Credit Facility is October 24, 2022, and the maximum facility amount is the lesser of \$695,000 and the actual commitments of the lenders to make advances as of such date.

As of December 31, 2018, the maximum amount of revolving borrowings available under the Holdings Credit Facility is \$615,000. Under the Holdings Credit Facility, NMF Holdings is permitted to borrow up to 25.0%, 45.0% or 70.0% of the purchase price of pledged assets, subject to approval by Wells Fargo Bank, National Association. The Holdings Credit Facility is non-recourse to the Company and is collateralized by all of the investments of NMF Holdings on an investment by investment basis. All fees associated with the origination or upsizing of the Holdings Credit Facility are capitalized on the Company’s Consolidated Statement of Assets and Liabilities and charged against income as other financing expenses over the life of the Holdings Credit Facility. The Holdings Credit Facility contains certain customary affirmative and negative covenants and events of default. In addition, the Holdings Credit Facility requires the Company to maintain a minimum asset coverage ratio of 150.0%. The covenants are generally not tied to mark to market fluctuations in the prices of NMF Holdings investments, but rather to the performance of the underlying portfolio companies.

As of the amendment entered into on April 1, 2018, the Holdings Credit Facility bears interest at a rate of LIBOR plus 1.75% per annum for Broadly Syndicated Loans (as defined in the Loan and Security Agreement) and LIBOR plus 2.25% per annum for all other investments. The Holdings Credit Facility also charges a non-usage fee, based on the unused facility amount multiplied by the Non-Usage Fee Rate (as defined in the Loan and Security Agreement).

The following table summarizes the interest expense, non-usage fees and amortization of financing costs incurred on the Holdings Credit Facility for the years ended December 31, 2018, December 31, 2017 and December 31, 2016.

	Year Ended December 31,		
	2018	2017	2016
Interest expense	\$16,062	\$11,612	\$9,546
Non-usage fee	\$610	\$749	\$772

Edgar Filing: SPDR GOLD TRUST - Form FWP

Amortization of financing costs	\$2,519	\$1,780	\$1,615	
Weighted average interest rate	4.2	% 3.3	% 2.8	%
Effective interest rate	5.0	% 4.1	% 3.5	%
Average debt outstanding	\$384,433	\$345,174	\$341,055	

153

Table of Contents

Notes to the Consolidated Financial Statements of
New Mountain Finance Corporation (Continued)
December 31, 2018
(in thousands, except share data)

As of December 31, 2018, December 31, 2017 and December 31, 2016, the outstanding balance on the Holdings Credit Facility was \$512,563, \$312,363 and \$333,513, respectively, and NMF Holdings was in compliance with the applicable covenants in the Holdings Credit Facility on such dates.

NMFC Credit Facility—The Senior Secured Revolving Credit Agreement, (as amended from time to time, and together with the related guarantee and security agreement, the "NMFC Credit Facility"), dated June 4, 2014, among the Company, as the Borrower, Goldman Sachs Bank USA, as the Administrative Agent and Collateral Agent, and Goldman Sachs Bank USA, Morgan Stanley Bank, N.A. and Stifel Bank & Trust, as Lenders, is structured as a senior secured revolving credit facility. The NMFC Credit Facility is guaranteed by certain of the Company's domestic subsidiaries and proceeds from the NMFC Credit Facility may be used for general corporate purposes, including the funding of portfolio investments. As of the most recent amendment on July 5, 2018, the maturity date of the NMFC Credit Facility is June 4, 2022 and the NMFC Credit Facility includes the financial covenants related to the asset coverage discussed above.

As of December 31, 2018, the maximum amount of revolving borrowings available under the NMFC Credit Facility was \$135,000. The Company is permitted to borrow at various advance rates depending on the type of portfolio investment, as outlined in the related Senior Secured Revolving Credit Agreement. All fees associated with the origination of the NMFC Credit Facility are capitalized on the Company's Consolidated Statement of Assets and Liabilities and charged against income as other financing expenses over the life of the NMFC Credit Facility. The NMFC Credit Facility contains certain customary affirmative and negative covenants and events of default, including certain financial covenants related to asset coverage and liquidity and other maintenance covenants.

The NMFC Credit Facility generally bears interest at a rate of LIBOR plus 2.50% per annum or the prime rate plus 1.50% per annum, and charges a commitment fee, based on the unused facility amount multiplied by 0.375% per annum (as defined in the Senior Secured Revolving Credit Agreement).

The following table summarizes the interest expense, non-usage fees and amortization of financing costs incurred on the NMFC Credit Facility for the years ended December 31, 2018, December 31, 2017 and December 31, 2016.

	Year Ended December 31,				
	2018	2017	2016		
Interest expense	\$5,408	\$2,010	\$2,011		
Non-usage fee	\$93	\$257	\$183		
Amortization of financing costs	\$480	\$391	\$378		
Weighted average interest rate	4.6	% 3.6	% 3.0	%	%
Effective interest rate	5.1	% 4.8	% 3.8	%	%
Average debt outstanding	\$117,719	\$54,853	\$66,876		

As of December 31, 2018, December 31, 2017 and December 31, 2016, the outstanding balance on the NMFC Credit Facility was \$60,000, \$122,500 and \$10,000, respectively, and NMFC was in compliance with the applicable covenants in the NMFC Credit Facility on such dates.

DB Credit Facility—The Loan Financing and Servicing Agreement (the "DB Credit Facility") dated December 14, 2018, among NMFDB as the borrower, Deutsche Bank AG, New York Branch ("Deutsche Bank") as the facility agent, Lender and other agent from time to time party thereto and U.S. Bank National Association, as collateral agent and collateral custodian, is structured as a secured revolving credit facility and matures on December 14, 2023.

As of December 31, 2018, the maximum amount of revolving borrowings available under the DB Credit Facility was \$100,000. The Company is permitted to borrow at various advance rates depending on the type of portfolio investment, as outlined in the Loan Financing and Servicing Agreement. The DB Credit Facility is non-recourse to the Company and is collateralized by all of the investments of NMFDB on an investment by investment basis. All fees associated with the origination of the DB Credit Facility are capitalized on the Company's Consolidated Statement of

Assets and Liabilities and charged against income as other financing expenses over the life of the DB Credit Facility.
The DB Credit Facility contains

154

Table of Contents

Notes to the Consolidated Financial Statements of
New Mountain Finance Corporation (Continued)
December 31, 2018
(in thousands, except share data)

certain customary affirmative and negative covenants and events of default. The covenants are generally not tied to mark to market fluctuations in the prices of NMFDB investments, but rather to the performance of the underlying portfolio companies.

The advances under the DB Credit Facility accrue interest at a per annum rate equal to the Applicable Margin plus the lender's Cost of Funds Rate. The "Applicable Margin" is equal to 2.85% during the Revolving Period and then increases by 0.20% during an Event of Default. The "Cost of Funds Rate" for a conduit lender is the lower of its commercial paper rate and the Base Rate plus 0.50%, and for any other lender is the Base Rate. The "Base Rate" is the three-months LIBOR Rate but may become an alternative base rate based on Deutsche Bank's base lending rate if certain LIBOR disruption events occur. The Company is also charged a non-usage fee, based on the unused facility amount multiplied by the Undrawn Fee Rate (as defined in the Loan Financing and Servicing Agreement).

The following table summarizes the interest expense, non-usage fees and amortization of financing costs incurred on the DB Credit Facility for the years ended December 31, 2018, December 31, 2017 and December 31, 2016.

	Year Ended December 31,		
	2018(1)	2017(2)	2016(2)
Interest expense	\$140	\$ —	\$ —
Non-usage fee	\$13	\$ —	\$ —
Amortization of financing costs	\$13	\$ —	\$ —
Weighted average interest rate	5.7	% — %	— %
Effective interest rate	6.7	% — %	— %
Average debt outstanding	\$49,833	\$ —	\$ —

(1) For the year ended December 31, 2018, amounts reported relate to the period from December 14, 2018 (commencement of the DB Credit Facility) to December 31, 2018.

(2) Not applicable as the DB Credit Facility commenced on December 14, 2018.

As of December 31, 2018, the outstanding balance on the DB Credit Facility was \$57,000 and NMFDB was in compliance with the applicable covenants in the DB Credit Facility on such dates.

NMNLC Credit Facility—The Revolving Credit Agreement (together with the related guarantee and security agreement, the "NMNLC Credit Facility"), dated September 21, 2018, among NMNLC, as the Borrower, and KeyBank National Association, as the Administrative Agent and Lender, is structured as a senior secured revolving credit facility and matures on September 23, 2019. The NMNLC Credit Facility is guaranteed by the Company and proceeds from the NMNLC Credit Facility may be used for funding of additional acquisition properties.

The NMNLC Credit Facility generally bears interest at a rate of LIBOR plus 2.50% per annum or the prime rate plus 1.50% per annum, and charges a commitment fee, based on the unused facility amount multiplied by 0.15% per annum (as defined in the Revolving Credit Agreement).

As of December 31, 2018, the maximum amount of revolving borrowings available under the NMNLC Credit Facility was \$30,000. For the year ended December 31, 2018, interest expense, non-usage fees and amortization of financing costs were \$47, \$11 and \$28, respectively. As of December 31, 2018, the outstanding balance on the NMNLC Credit Facility was \$0 and NMNLC was in compliance with the applicable covenants in the NMNLC Credit Facility on such date.

Convertible Notes

2014 Convertible Notes—On June 3, 2014, the Company closed a private offering of \$115,000 aggregate principal amount of unsecured convertible notes (the "2014 Convertible Notes"), pursuant to an indenture, dated June 3, 2014 (the "2014 Indenture"). The 2014 Convertible Notes were issued in a private placement only to qualified institutional buyers pursuant to Rule 144A under the Securities Act of 1933, as amended (the "Securities Act"). As of June 3, 2015, the restrictions under Rule 144A under the Securities Act were removed, allowing the 2014 Convertible Notes to be

eligible and freely tradable without restrictions for resale pursuant to Rule 144(b)(1) under the Securities Act. On September 30, 2016, the Company closed a public offering of an additional \$40,250 aggregate principal amount of the 2014 Convertible Notes. These additional 2014

Table of Contents

Notes to the Consolidated Financial Statements of
New Mountain Finance Corporation (Continued)
December 31, 2018
(in thousands, except share data)

Convertible Notes constitute a further issuance of, rank equally in right of payment with, and form a single series with the \$115,000 aggregate principal amount of 2014 Convertible Notes that the Company issued on June 3, 2014.

The 2014 Convertible Notes bear interest at an annual rate of 5.0%, payable semi-annually in arrears on June 15 and December 15 of each year, which commenced on December 15, 2014. The 2014 Convertible Notes will mature on June 15, 2019 unless earlier converted or repurchased at the holder's option.

The Company may not redeem the 2014 Convertible Notes prior to maturity. No sinking fund is provided for the 2014 Convertible Notes. In addition, if certain corporate events occur, holders of the 2014 Convertible Notes may require the Company to repurchase for cash all or part of their 2014 Convertible Notes at a repurchase price equal to 100.0% of the principal amount of the 2014 Convertible Notes to be repurchased, plus accrued and unpaid interest through, but excluding, the repurchase date.

The 2014 Indenture contains certain covenants, including covenants requiring the Company to provide financial information to the holders of the 2014 Convertible Notes and the Trustee if the Company ceases to be subject to the reporting requirements of the Exchange Act. These covenants are subject to limitations and exceptions that are described in the 2014 Indenture.

2018 Convertible Notes—On August 20, 2018, the Company closed a registered public offering of \$100,000 aggregate principal amount of unsecured convertible notes (the “2018 Convertible Notes” and together with the 2014 Convertible Notes, the “Convertible Notes”), pursuant to an indenture, dated August 20, 2018, as supplemented by a first supplemental indenture thereto, dated August 20, 2018 (together the “2018A Indenture”). On August 30, 2018, in connection with the registered public offering, the Company issued an additional \$15,000 aggregate principal amount of the 2018 Convertible Notes pursuant to the exercise of an overallotment option by the underwriter of the 2018 Convertible Notes.

The 2018 Convertible Notes bear interest at an annual rate of 5.75%, payable semi-annually in arrears on February 15 and August 15 of each year, commencing on February 15, 2019. The 2018 Convertible Notes will mature on August 15, 2023 unless earlier converted, repurchased or redeemed pursuant to the terms of the 2018A Indenture. The Company may not redeem the 2018 Convertible Notes prior to May 15, 2023. On or after May 15, 2023, the Company may redeem the 2018 Convertible Notes for cash, in whole or from time to time in part, at its option at a redemption price, subject to an exception for redemption dates occurring after a record date but on or prior to the interest payment date, equal to the sum of (i) 100% of the principal amount of the 2018 Convertible Notes to be redeemed, (ii) accrued and unpaid interest thereon to, but excluding, the redemption date and (iii) a make-whole premium.

No sinking fund is provided for the 2018 Convertible Notes. Holders of 2018 Convertible Notes may, at their option, convert their 2018 Convertible Notes into shares of the Company's common stock at any time on or prior to the close of business on the business day immediately preceding the maturity date of the 2018 Convertible Notes. In addition, if certain corporate events occur, holders of the 2018 Convertible Notes may require the Company to repurchase for cash all or part of their 2018 Convertible Notes at a repurchase price equal to 100.0% of the principal amount of the 2018 Convertible Notes to be repurchased, plus accrued and unpaid interest through, but excluding, the repurchase date.

The 2018A Indenture contains certain covenants, including covenants requiring the Company to provide certain financial information to the holders of the 2018 Convertible Notes and the trustee if the Company ceases to be subject to the reporting requirements of the Exchange Act. The 2018A Indenture also includes additional financial covenants related to asset coverage. These covenants are subject to limitations and exceptions that are described in the 2018A Indenture.

Table of Contents

Notes to the Consolidated Financial Statements of
New Mountain Finance Corporation (Continued)
December 31, 2018
(in thousands, except share data)

The following table summarizes certain key terms related to the convertible features of the Company's Convertible Notes as of December 31, 2018.

	2014		2018	
	Convertible		Convertible	
	Notes		Notes	
Initial conversion premium	12.5	%	10.0	%
Initial conversion rate(1)	62.7746		65.8762	
Initial conversion price	\$ 15.93		\$ 15.18	
Conversion premium at December 31, 2018	11.7	%	10.0	%
Conversion rate at December 31, 2018(1)(2)	63.2794		65.8762	
Conversion price at December 31, 2018(2)(3)	\$ 15.80		\$ 15.18	
Last conversion price calculation date	June 3, 2018		August 20, 2018	

(1) Conversion rates denominated in shares of common stock per \$1 principal amount of the Convertible Notes converted.

(2) Represents conversion rate and conversion price, as applicable, taking into account certain de minimis adjustments that will be made on the conversion date.

The conversion price in effect at December 31, 2018 was calculated on the last anniversary of the issuance and will (3) be calculated again on the next anniversary, unless the exercise price shall have changed by more than 1.0% before the anniversary.

The conversion rate will be subject to adjustment upon certain events, such as stock splits and combinations, mergers, spin-offs, increases in dividends in excess of \$0.34 per share per quarter and certain changes in control. Certain of these adjustments, including adjustments for increases in dividends, are subject to a conversion price floor of \$14.05 per share for the 2014 Convertible Notes and \$13.80 per share for the 2018 Convertible Notes. In no event will the total number of shares of common stock issuable upon conversion exceed 71.1893 per \$1 principal amount of the 2014 Convertible Notes or 72.4637 per \$1 principal amount of the 2018 Convertible Notes. The Company has determined that the embedded conversion option in the Convertible Notes is not required to be separately accounted for as a derivative under GAAP.

The Convertible Notes are unsecured obligations and rank senior in right of payment to the Company's existing and future indebtedness, if any, that is expressly subordinated in right of payment to the Convertible Notes; equal in right of payment to the Company's existing and future unsecured indebtedness that is not so subordinated; effectively junior in right of payment to any of the Company's secured indebtedness (including existing unsecured indebtedness that the Company later secures) to the extent of the value of the assets securing such indebtedness; and structurally junior to all existing and future indebtedness (including trade payables) incurred by the Company's subsidiaries and financing vehicles. As reflected in Note 12. Earnings Per Share, the issuance is considered part of the if-converted method for calculation of diluted earnings per share.

The following table summarizes the interest expense, amortization of financing costs and amortization of premium incurred on the Convertible Notes for the years ended December 31, 2018, December 31, 2017 and December 31, 2016.

	Year Ended December 31,		
	2018(1)	2017	2016
Interest expense	\$10,169	\$7,763	\$6,259
Amortization of financing costs	\$1,268	\$1,190	\$859
Amortization of premium	\$(111)	\$(111)	\$(28)

Edgar Filing: SPDR GOLD TRUST - Form FWP

Weighted average interest rate	5.2	% 5.0	% 5.0	%
Effective interest rate	5.7	% 5.7	% 5.7	%
Average debt outstanding	\$197,058	\$155,250	\$125,227	

For the year ended December 31, 2018, amounts reported include interest and amortization of financing costs (1) related to the 2018 Convertible Notes for the period from August 20, 2018 (issuance of the 2018 Convertible Notes) to December 31, 2018.

Table of Contents

Notes to the Consolidated Financial Statements of
New Mountain Finance Corporation (Continued)
December 31, 2018
(in thousands, except share data)

As of December 31, 2018, December 31, 2017 and December 31, 2016, the outstanding balance on the Convertible Notes was \$270,250, \$155,250 and \$155,250, respectively, and NMFC was in compliance with the terms of the 2014 Indenture and 2018A Indenture on such dates, as applicable.

Unsecured Notes

On May 6, 2016, the Company issued \$50,000 in aggregate principal amount of five-year unsecured notes that mature on May 15, 2021 (the "2016 Unsecured Notes"), pursuant to a note purchase agreement, dated May 4, 2016, to an institutional investor in a private placement. On September 30, 2016, the Company entered into an amended and restated note purchase agreement (the "NPA") and issued an additional \$40,000 in aggregate principal amount of 2016 Unsecured Notes to institutional investors in a private placement. On June 30, 2017, the Company issued \$55,000 in aggregate principal amount of five-year unsecured notes that mature on July 15, 2022 (the "2017A Unsecured Notes"), pursuant to the NPA and a supplement to the NPA. On January 30, 2018, the Company issued \$90,000 in aggregate principal amount of five year unsecured notes that mature on January 30, 2023 (the "2018A Unsecured Notes") pursuant to the NPA and a second supplement to the NPA. On July 5, 2018, the Company issued \$50,000 in aggregate principal amount of five year unsecured notes that mature on June 28, 2023 (the "2018B Unsecured Notes") pursuant to the NPA and a third supplement to the NPA (the "Third Supplement"). The NPA provides for future issuances of unsecured notes in separate series or tranches.

The 2016 Unsecured Notes bear interest at an annual rate of 5.313%, payable semi-annually on May 15 and November 15 of each year, which commenced on November 15, 2016. The 2017A Unsecured Notes bear interest at an annual rate of 4.760%, payable semi-annually on January 15 and July 15 of each year, which commenced on January 15, 2018. The 2018A Unsecured Notes bear interest at an annual rate of 4.870%, payable semi-annually on February 15 and August 15 of each year, which commenced on August 15, 2018. The 2018B Unsecured Notes bear interest at an annual rate of 5.360%, payable semi-annually on January 15 and July 15 of each year, which commences on January 15, 2019. These interest rates are subject to increase in the event that: (i) subject to certain exceptions, the underlying unsecured notes or the Company ceases to have an investment grade rating or (ii) the aggregate amount of the Company's unsecured debt falls below \$150,000. In each such event, the Company has the option to offer to prepay the underlying unsecured notes at par, in which case holders of the underlying unsecured notes who accept the offer would not receive the increased interest rate. In addition, the Company is obligated to offer to prepay the underlying unsecured notes at par if the Investment Adviser, or an affiliate thereof, ceases to be the Company's investment adviser or if certain change in control events occur with respect to the Investment Adviser.

The NPA contains customary terms and conditions for unsecured notes issued in a private placement, including, without limitation, an option to offer to prepay all or a portion of the unsecured notes under its governance at par (plus a make-whole amount, if applicable), affirmative and negative covenants such as information reporting, maintenance of the Company's status as a BDC under the 1940 Act and a RIC under the Code, minimum stockholders' equity, minimum asset coverage ratio, and prohibitions on certain fundamental changes at the Company or any subsidiary guarantor, as well as customary events of default with customary cure and notice, including, without limitation, nonpayment, misrepresentation in a material respect, breach of covenant, cross-default under other indebtedness of the Company or certain significant subsidiaries, certain judgments and orders, and certain events of bankruptcy. The Third Supplement includes additional financial covenants related to asset coverage as well as other terms.

On September 25, 2018, the Company closed a registered public offering of \$50,000 in aggregate principal amount of five-year unsecured notes that mature on October 1, 2023 (the "5.75% Unsecured Notes" and together with the 2016 Unsecured Notes, 2017A Unsecured Notes, 2018A Unsecured Notes and 2018B Unsecured Notes, the "Unsecured Notes") pursuant to an indenture, dated August 20, 2018, as supplemented by a second supplemental indenture thereto, dated September 25, 2018 (together, the "2018B Indenture"). On October 17, 2018, in connection with the registered public offering, the Company issued an additional \$1,750 aggregate principal amount of the 5.75% Unsecured Notes pursuant to the exercise of an overallotment option by the underwriters of the 5.75% Unsecured

Notes.

The 5.75% Unsecured Notes bear interest at an annual rate of 5.75%, payable quarterly on January 1, April 1, July 1 and October 1 of each year, which commenced on January 1, 2019. The 5.75% Unsecured Notes will mature on October 1, 2023 unless earlier redeemed. The 5.75% Unsecured Notes are listed on the New York Stock Exchange and trade under the trading symbol "NMFV."

The Company may redeem the 5.75% Unsecured Notes, in whole or in part, at any time, or from time to time, at its option on or after October 1, 2020, upon not less than 30 days nor more than 60 days written notice by mail prior to the date fixed for redemption thereof, at a redemption price of 100% of the outstanding principal amount thereof plus accrued and

Table of Contents

Notes to the Consolidated Financial Statements of
New Mountain Finance Corporation (Continued)

December 31, 2018

(in thousands, except share data)

unpaid interest payments otherwise payable for the then-current quarterly interest period accrued to but not including the date fixed for redemption.

No sinking fund is provided for the 5.75% Unsecured Notes and holders of the 5.75% Unsecured Notes have no option to have their 5.75% Unsecured Notes repaid prior to the stated maturity date.

The 2018B Indenture contains certain covenants, including covenants requiring the Company to (i) comply with the asset coverage requirements set forth in Section 18(a)(1)(A) of the 1940 Act as modified by Section 61(a)(1) of the 1940 Act as may be applicable to the Company from time to time or any successor provisions, whether or not the Company continues to be subject to such provisions of the 1940 Act, but giving effect, in either case, to any exemptive relief granted to the Company by the SEC and (ii) provide certain financial information to the holders of the 5.75% Unsecured Notes and the trustee if the Company ceases to be subject to the reporting requirements of the Exchange Act. The 2018B Indenture also includes additional financial covenants related to asset coverage. These covenants are subject to limitations and exceptions that are described in the 2018B Indenture.

The 2018B Indenture provides for customary events of default and further provides that the trustee or the holders of 25% in aggregate principal amount of the outstanding 5.75% Unsecured Notes may declare such 5.75% Unsecured Notes immediately due and payable upon the occurrence of any event of default after expiration of any applicable grace period.

The Unsecured Notes are unsecured obligations and rank senior in right of payment to the Company's existing and future indebtedness, if any, that is expressly subordinated in right of payment to the Unsecured Notes; equal in right of payment to the Company's existing and future unsecured indebtedness that is not so subordinated; effectively junior in right of payment to any of the Company's secured indebtedness (including existing unsecured indebtedness that the Company later secures) to the extent of the value of the assets securing such indebtedness; and structurally junior to all existing and future indebtedness (including trade payables) incurred by the Company's subsidiaries and financing vehicles.

The following table summarizes the interest expense and amortization of financing costs incurred on the Unsecured Notes for the years ended December 31, 2018, December 31, 2017 and December 31, 2016.

	Year Ended December 31,			
	2018(1)	2017(2)	2016(3)	
Interest expense	\$13,533	\$6,098	\$2,271	
Amortization of financing costs	\$818	\$493	\$202	
Weighted average interest rate	5.1	% 5.2	% 5.3	%
Effective interest rate	5.4	% 5.6	% 5.8	%
Average debt outstanding	\$266,296	\$117,877	\$65,500	

For the year ended December 31, 2018, amounts reported include interest and amortization of financing costs related to the 2018A Unsecured Notes for the period from January 30, 2018 (issuance of the 2018A Unsecured (1)Notes) to December 31, 2018, the 2018B Unsecured Notes for the period from July 5, 2018 (issuance of the 2018B Unsecured Notes) to December 31, 2018 and the 5.75% Unsecured Notes for the period from September 25, 2018 (issuance of the 5.75% Unsecured Notes) to December 31, 2018.

For the year ended December 31, 2017, amounts reported include interest and amortization of financing costs (2)related to the 2017A Unsecured Notes for the period from June 30, 2017 (issuance of the 2017A Unsecured Notes) to December 31, 2017.

(3) For the year ended December 31, 2016 amounts reported include interest and amortization of financing costs for the period from May 6, 2016 (issuance of the 2016 Unsecured Notes) to December 31, 2016.

As of December 31, 2018, December 31, 2017 and December 31, 2016, the outstanding balance on the Unsecured Notes was \$336,750, \$145,000 and \$90,000, respectively, and the Company was in compliance with the terms of the

NPA and the 2018B Indenture as of such dates, as applicable.

SBA-guaranteed debentures—On August 1, 2014 and August 25, 2017, respectively, SBIC I and SBIC II received licenses from the SBA to operate as SBICs.

Table of Contents

Notes to the Consolidated Financial Statements of
New Mountain Finance Corporation (Continued)

December 31, 2018

(in thousands, except share data)

The SBIC licenses allow SBICs to obtain leverage by issuing SBA-guaranteed debentures, subject to the issuance of a capital commitment by the SBA and other customary procedures. SBA-guaranteed debentures are non-recourse to the Company, interest only debentures with interest payable semi-annually and have a ten year maturity. The principal amount of SBA-guaranteed debentures is not required to be paid prior to maturity but may be prepaid at any time without penalty. The interest rate of SBA-guaranteed debentures is fixed on a semi-annual basis at a market-driven spread over U.S. Treasury Notes with ten year maturities. The SBA, as a creditor, will have a superior claim to the assets of SBIC I and SBIC II over the Company's stockholders in the event SBIC I and SBIC II are liquidated or the SBA exercises remedies upon an event of default.

The maximum amount of borrowings available under current SBA regulations for a single licensee is \$150,000 as long as the licensee has at least \$75,000 in regulatory capital, receives a capital commitment from the SBA and has been through an examination by the SBA subsequent to licensing. In June 2018, legislation amended the 1958 Act by increasing the individual leverage limit from \$150,000 to \$175,000, subject to SBA approvals.

As of December 31, 2018 and December 31, 2017, SBIC I had regulatory capital of \$75,000 and \$75,000, respectively, and SBA-guaranteed debentures outstanding of \$150,000 and \$150,000, respectively. As of December 31, 2018 and December 31, 2017, SBIC II had regulatory capital of \$42,500 and \$2,500, respectively, and \$15,000 and \$0, respectively, of SBA-guaranteed debentures outstanding. The SBA-guaranteed debentures incur upfront fees of 3.425%, which consists of a 1.00% commitment fee and a 2.425% issuance discount, which are amortized over the life of the SBA-guaranteed debentures. The following table summarizes the Company's SBA-guaranteed debentures as of December 31, 2018.

Issuance Date	Maturity Date	Debenture Amount	Interest Rate	SBA Annual Charge
Fixed SBA-guaranteed debentures(1):				
March 25, 2015	March 1, 2025	\$ 37,500	2.517 %	0.355 %
September 23, 2015	September 1, 2025	37,500	2.829 %	0.355 %
September 23, 2015	September 1, 2025	28,795	2.829 %	0.742 %
March 23, 2016	March 1, 2026	13,950	2.507 %	0.742 %
September 21, 2016	September 1, 2026	4,000	2.051 %	0.742 %
September 20, 2017	September 1, 2027	13,000	2.518 %	0.742 %
March 21, 2018	March 1, 2028	15,255	3.187 %	0.742 %
Fixed SBA-guaranteed debentures(2):				
September 19, 2018	September 1, 2028	15,000	3.548 %	0.222 %
Total SBA-guaranteed debentures		\$ 165,000		

(1) SBA-guaranteed debentures are held in SBIC I.

(2) SBA-guaranteed debentures are held in SBIC II.

Prior to pooling, the SBA-guaranteed debentures bear interest at an interim floating rate of LIBOR plus 0.30%. Once pooled, which occurs in March and September each year, the SBA-guaranteed debentures bear interest at a fixed rate that is set to the current 10-year treasury rate plus a spread at each pooling date.

The following table summarizes the interest expense and amortization of financing costs incurred on the SBA-guaranteed debentures for the years ended December 31, 2018, December 31, 2017 and December 31, 2016.

	Year Ended December 31,		
	2018	2017	2016
Interest expense	\$5,124	\$4,160	\$3,758
Amortization of financing costs	\$530	\$444	\$403
Weighted average interest rate	3.2 %	3.1 %	3.1 %

Edgar Filing: SPDR GOLD TRUST - Form FWP

Effective interest rate	3.6	%	3.5	%	3.5	%
Average debt outstanding	\$158,471		\$132,572		\$119,819	

160

Table of Contents

Notes to the Consolidated Financial Statements of
New Mountain Finance Corporation (Continued)
December 31, 2018
(in thousands, except share data)

The SBIC program is designed to stimulate the flow of private investor capital into eligible smaller businesses, as defined by the SBA. Under SBA regulations, SBICs are subject to regulatory requirements, including making investments in SBA-eligible businesses, investing at least 25.0% of its investment capital in eligible smaller businesses, as defined under the 1958 Act, placing certain limitations on the financing terms of investments, regulating the types of financing, prohibiting investments in smaller businesses with certain characteristics or in certain industries and requiring capitalization thresholds that limit distributions to the Company. SBICs are subject to an annual periodic examination by an SBA examiner to determine the SBIC's compliance with the relevant SBA regulations and an annual financial audit of its financial statements that are prepared on a basis of accounting other than GAAP (such as ASC 820) by an independent auditor. As of December 31, 2018, December 31, 2017 and December 31, 2016, SBIC I was in compliance with SBA regulatory requirements and as of December 31, 2018 and December 31, 2017, SBIC II was in compliance with SBA regulatory requirements.

Leverage risk factors—The Company utilizes and may utilize leverage to the maximum extent permitted by the law for investment and other general business purposes. The Company's lenders will have fixed dollar claims on certain assets that are superior to the claims of the Company's common stockholders, and the Company would expect such lenders to seek recovery against these assets in the event of a default. The use of leverage also magnifies the potential for gain or loss on amounts invested. Leverage may magnify interest rate risk (particularly on the Company's fixed-rate investments), which is the risk that the prices of portfolio investments will fall or rise if market interest rates for those types of securities rise or fall. As a result, leverage may cause greater changes in the Company's net asset value. Similarly, leverage may cause a sharper decline in the Company's income than if the Company had not borrowed. Such a decline could negatively affect the Company's ability to make distributions to its stockholders. Leverage is generally considered a speculative investment technique. The Company's ability to service any debt incurred will depend largely on financial performance and will be subject to prevailing economic conditions and competitive pressures.

Note 8. Regulation

The Company has elected to be treated, and intends to comply with the requirements to continue to qualify annually, as a RIC under Subchapter M of the Code. In order to continue to qualify and be subject to tax as a RIC, among other things, the Company is required to timely distribute to its stockholders at least 90.0% of investment company taxable income, as defined by the Code, for each year. The Company, among other things, intends to make and will continue to make the requisite distributions to its stockholders, which will generally relieve the Company from U.S. federal, state, and local income taxes (excluding excise taxes which may be imposed under the Code).

Additionally, as a BDC, the Company must not acquire any assets other than "qualifying assets" specified in the 1940 Act unless, at the time the acquisition is made, at least 70.0% of its total assets are qualifying assets (with certain limited exceptions). In addition, the Company must offer to make available to all eligible portfolio companies managerial assistance.

Note 9. Commitments and Contingencies

In the normal course of business, the Company may enter into contracts that contain a variety of representations and warranties and which provide general indemnifications. The Company may also enter into future funding commitments such as revolving credit facilities, bridge financing commitments or delayed draw commitments. As of December 31, 2018, the Company had unfunded commitments on revolving credit facilities of \$43,539, no outstanding bridge financing commitments and other future funding commitments of \$94,407. As of December 31, 2017, the Company had unfunded commitments on revolving credit facilities of \$23,716, no outstanding bridge financing commitments and other future funding commitments of \$53,712. The unfunded commitments on revolving credit facilities and delayed draws are disclosed on the Company's Consolidated Schedules of Investments.

The Company also has revolving borrowings available under the Holdings Credit Facility, the NMFC Credit Facility, the DB Credit Facility and the NMNLC Credit Facility as of December 31, 2018 and December 31, 2017. See Note 7.

Borrowings, for details.

The Company may from time to time enter into financing commitment letters. As of December 31, 2018 and December 31, 2017, the Company had commitment letters to purchase investments in the aggregate par amount of \$27,536 and \$13,907, respectively, which could require funding in the future.

161

Table of Contents

As of December 31, 2018 and December 31, 2017, the Company owed \$6,000 and \$12,000, respectively, related to a settlement agreement with a trustee of Black Elk Energy Offshore Operations, LLC. The Company began to make semi-annual payments of \$3,000 in June 2018 with the final payment due in December 2019.

As of December 31, 2018, the Company had unfunded commitments related to an equity investment in SLP III of \$1,600 which may be funded at the Company's discretion.

Note 10. Distributions

Differences between taxable income and the results of operations for financial reporting purposes may be permanent or temporary in nature. Permanent differences are reclassified among capital accounts in the financial statements to reflect their tax character. Differences in classification may also result from the treatment of short-term gains as ordinary income for tax purposes. During the years ended December 31, 2018, December 31, 2017 and December 31, 2016, the Company's reclassifications of amounts for book purposes arising from permanent book/tax differences related to return of capital distributions were as follows:

	Year Ended December 31,		
	2018	2017	2016
Undistributed net investment income	\$20,166	\$35,793	\$(1,435)
Distributions in excess of net realized gains	—	—	(21,572)
Additional paid-in-capital	(20,166)	(35,793)	23,007

For U.S. federal income tax purposes, distributions paid to stockholders of the Company are reported as ordinary income, return of capital, long term capital gains or a combination thereof. The tax character of distributions paid by the Company for the years ended December 31, 2018, December 31, 2017 and December 31, 2016 were estimated to be as follows:

	Year Ended December 31,		
	2018	2017	2016
Ordinary income (non-qualified)	\$51,573	\$72,150	\$79,415
Ordinary income (qualified)	35,000	—	—
Capital gains	—	—	—
Return of capital	16,815	28,755	9,349
Total	\$103,388	\$100,905	\$88,764

As of December 31, 2018, December 31, 2017 and December 31, 2016, the costs of investments for the Company for tax purposes were \$2,330,134, \$1,799,563 and \$1,602,607, respectively.

	December 31, December 31,	
	2018(1)	2017(1)
Tax cost	\$2,330,134	\$1,799,563
Gross unrealized appreciation on investments	79,589	63,167
Gross unrealized depreciation on investments	(44,262)	(11,858)
Total investments at fair value	\$2,365,461	\$1,850,872

(1)Includes securities purchased under collateralized agreement to resell.

At December 31, 2018, December 31, 2017 and December 31, 2016, the components of distributable earnings on a tax basis differ from the amounts reflected per the Company's Consolidated Statements of Assets and Liabilities by temporary book/tax differences primarily arising from differences between the tax and book basis of the Company's investment in securities held directly as well as through the Predecessor Operating Company and undistributed income.

Table of Contents

Notes to the Consolidated Financial Statements of
New Mountain Finance Corporation (Continued)
December 31, 2018
(in thousands, except share data)

As of December 31, 2018, December 31, 2017 and December 31, 2016, the Company's components of accumulated earnings (deficit) on a tax basis were as follows:

	Year Ended December 31,		
	2018	2017	2016
Accumulated capital gains (capital loss carryforwards)	\$(66,505)	\$(70,701)	\$(39,517)
Other temporary differences	12,551	11,521	2,072
Undistributed ordinary income	—	—	—
Unrealized (appreciation) depreciation	23,834	39,928	(26,093)
Total	\$(30,120)	\$(19,252)	\$(63,538)

The Company is subject to a 4.0% nondeductible U.S. federal excise tax on certain undistributed income unless the Company distributes, in a timely manner as required by the Code, an amount at least equal to the sum of (1) 98.0% of its net ordinary income earned for the calendar year and (2) 98.2% of its capital gain net income for the one-year period ending October 31 in the calendar year. For the year ended December 31, 2018, the Company does not expect to incur any excise taxes. For the years ended December 31, 2017 and December 31, 2016, the Company did not incur any excise taxes.

The following information is hereby provided with respect to distributions declared during the calendar years ended December 31, 2018, December 31, 2017 and December 31, 2016:

(unaudited)	Year Ended December 31,		
	2018	2017	2016
Distributions per share	\$1.36	\$1.36	\$1.36
Ordinary dividends	83.74 %	71.50 %	89.46 %
Long-term capital gains	— %	— %	— %
Qualified dividend income	33.85 %	— %	— %
Dividends received deduction	— %	— %	— %
Interest-related dividends(1)	76.77 %	92.59 %	89.78 %
Qualified short-term capital gains(1)	— %	— %	— %
Return of capital	16.26 %	28.50 %	10.54 %

(1) Represents the portion of the taxable ordinary dividends eligible for exemption from U.S. withholding tax for nonresident aliens and foreign corporations.

Dividends and distributions 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 participated in the dividend reinvestment plan should also refer to the information as provided in the table above.

Edgar Filing: SPDR GOLD TRUST - Form FWP

Table of Contents

Notes to the Consolidated Financial Statements of
New Mountain Finance Corporation (Continued)

December 31, 2018

(in thousands, except share data)

Note 11. Net Assets

The table below illustrates the effect of certain transactions on the net asset accounts of the Company:

	Common Stock		Treasury	Paid in	Accumulated	Accumulated	Net	Total
	Shares	Par	Stock	Capital in	Undistributed	Undistributed	Unrealized	Net Assets
		Amount	at Cost	Excess of	Net	Net	Appreciation	
				Par	Investment	Realized	(Depreciation)	
					Income	Gains	(Losses)	
Balance at December 31, 2015	64,005,387	\$ 640	\$—	\$899,713	\$ 4,164	\$ 1,342	\$(68,951)	\$836,908
Issuances of common stock	5,750,000	58	—	79,005	—	—	—	79,063
Repurchases of common stock	(248,499)	—	(2,948)	—	—	—	—	(2,948)
Reissuance of common stock	210,926	—	2,488	465	—	—	—	2,953
Deferred offering costs	—	—	—	(328)	—	—	—	(328)
Distributions declared	—	—	—	—	(88,764)	—	—	(88,764)
Net increase (decrease) in net assets resulting from operations	—	—	—	—	88,108	(16,717)	40,287	111,678
Tax reclassifications related to return of capital distributions (See Note 10)	—	—	—	23,007	(1,435)	(21,572)	—	—
Balance at December 31, 2016	69,717,814	\$ 698	\$(460)	\$1,001,862	\$ 2,073	\$(36,947)	\$(28,664)	\$938,562
Issuances of common stock	6,179,706	61	—	87,552	—	—	—	87,613
Reissuance of common stock	37,573	—	460	100	—	—	—	560
Other	—	—	—	(81)	—	—	—	(81)
Deferred offering costs	—	—	—	(172)	—	—	—	(172)
Distributions declared	—	—	—	—	(100,905)	—	—	(100,905)
Net increase (decrease) in net assets resulting from operations	—	—	—	—	102,204	(39,734)	46,928	109,398
Tax reclassifications related to return of capital distributions (See Note 10)	—	—	—	(35,793)	35,793	—	—	—
Balance at December 31, 2017	75,935,093	\$ 759	\$—	\$1,053,468	\$ 39,165	\$(76,681)	\$ 18,264	\$1,034,975
Issuances of common stock	171,279	2	—	2,327	—	—	—	2,329

Edgar Filing: SPDR GOLD TRUST - Form FWP

Distributions declared	—	—	—	(103,388)	—	—	(103,388)
Net increase (decrease) in net assets resulting from operations	—	—	—	106,032	(9,657)	(24,022)	72,353
Tax reclassifications related to return of capital distributions (See Note 10)	—	—	—	(20,166)	20,166	—	—
Balance at December 31, 2018	76,106,372	\$ 761	\$—	\$1,035,629	\$ 61,975	\$(86,338)	\$(5,758) \$1,006,269

Table of Contents

Notes to the Consolidated Financial Statements of
New Mountain Finance Corporation (Continued)

December 31, 2018

(in thousands, except share data)

Note 12. Earnings Per Share

The following information sets forth the computation of basic and diluted net increase in the Company's net assets per share resulting from operations for the years ended December 31, 2018, December 31, 2017 and December 31, 2016:

	Year Ended December 31,		
	2018	2017	2016
Earnings per share—basic			
Numerator for basic earnings per share:	\$72,353	\$ 109,398	\$ 111,678
Denominator for basic weighted average share:	76,022,375	74,171,268	64,918,191
Basic earnings per share:	\$0.95	\$ 1.47	\$ 1.72
Earnings per share—diluted			
Numerator for increase in net assets per share	\$72,353	\$ 109,398	\$ 111,678
Adjustment for interest on Convertible Notes and incentive fees, net	8,135	6,210	5,007
Numerator for diluted earnings per share:	\$80,488	\$ 115,608	\$ 116,685
Denominator for basic weighted average share	76,022,375	74,171,268	64,918,191
Adjustment for dilutive effect of Convertible Notes	12,605,366	824,127	7,945,196
Denominator for diluted weighted average share	88,627,741	83,995,395	72,863,387
Diluted earnings per share	\$0.91	\$ 1.38	\$ 1.60

Table of Contents

Notes to the Consolidated Financial Statements of
New Mountain Finance Corporation (Continued)
December 31, 2018
(in thousands, except share data)

Note 13. Financial Highlights

The following information sets forth the Company's financial highlights for the years ended December 31, 2018, December 31, 2017, December 31, 2016, December 31, 2015 and December 31, 2014.

	Year Ended December 31,				
	2018	2017	2016	2015	2014
Per share data(1):					
Net asset value at the beginning of the period	\$13.63	\$13.46	\$13.08	\$13.83	\$14.38
Net investment income	1.39	1.38	1.36	1.38	1.10
Net realized and unrealized (losses) gains(2)	(0.44)	0.15	0.38	(0.77)	(0.80)
Net increase (decrease) in net assets resulting from operations allocated from NMF Holdings:					
Net investment income(3)	—	—	—	—	0.44
Net realized and unrealized gains (losses)(2)(3)	—	—	—	—	0.19
Total net increase	0.95	1.53	1.74	0.61	0.93
Distributions declared to stockholders from net investment income	(1.36)	(1.36)	(1.36)	(1.36)	(1.36)
Distributions declared to stockholders from net realized gains	—	—	—	—	(0.12)
Net asset value at the end of the period	\$13.22	\$13.63	\$13.46	\$13.08	\$13.83
Per share market value at the end of the period	\$12.58	\$13.55	\$14.10	\$13.02	\$14.94
Total return based on market value(4)	2.70 %	5.54 %	19.68 %	(4.00)%	9.66 %
Total return based on net asset value(5)	7.16 %	11.77 %	13.98 %	4.32 %	6.56 %
Shares outstanding at end of period	76,106,372	75,935,093	69,717,814	64,005,387	57,997,890
Average weighted shares outstanding for the period	76,022,375	74,171,268	64,918,191	59,715,290	51,846,164
Average net assets for the period	\$1,026,313	\$1,011,562	\$863,193	\$832,805	\$749,732
Ratio to average net assets(6):					
Net investment income	10.33 %	10.10 %	10.21 %	9.91 %	10.68 %
Total expenses, before waivers/reimbursements	12.90 %	10.23 %	9.91 %	9.28 %	7.65 %
Total expenses, net of waivers/reimbursements	12.22 %	9.45 %	9.27 %	8.57 %	7.41 %

(1) Per share data is based on weighted average shares outstanding for the respective period (except for distributions declared to stockholders which is based on actual rate per share).

Includes the accretive effect of common stock issuances per share, which for the years ended December 31, 2018, (2)December 31, 2017, December 31, 2016, December 31, 2015 and December 31, 2014 were \$0.00, \$0.05, \$0.02, \$0.06 and \$0.05, respectively.

For the year ended December 31, 2014, per share data is based on the summation of the per share results of (3)operations items over the outstanding shares for the period in which the respective line items were realized or earned.

Total return is calculated assuming a purchase of common stock at the opening of the first day of the year and a (4)sale on the closing of the last business day of the period. Dividends and distributions, if any, are assumed for purposes of this calculation, to be reinvested at prices obtained under the Company's dividend reinvestment plan.

Total return is calculated assuming a purchase at net asset value on the opening of the first day of the year and a (5)sale at net asset value on the last day of the period. Dividends and distributions, if any, are assumed for purposes of this calculation, to be reinvested at the net asset value on the last day of the respective quarter.

Ratio to average net assets for the year ended December 31, 2014 is based on the summation of the results of operations items over the net assets for the period in which the respective line items were realized or earned. For (6) the year ended December 31, 2014, the Company is reflecting its net investment income and expenses as well as its proportionate share of the Predecessor Operating Company's net investment income and expenses.

Table of Contents

Notes to the Consolidated Financial Statements of
New Mountain Finance Corporation (Continued)
December 31, 2018
(in thousands, except share data)

The following information sets forth the financial highlights for the Company for the years ended December 31, 2018, December 31, 2017, December 31, 2016, December 31, 2015 and December 31, 2014.

	Year Ended December 31,					
	2018	2017	2016	2015	2014	
Average debt outstanding—Holdings Credit Facility(1)	\$384,433	\$345,174	\$341,055	\$394,945	\$243,693	
Average debt outstanding—SLF Credit Facility(2)	—	—	—	—	208,377	
Average debt outstanding—Convertible Notes(3)	197,058	155,250	125,227	115,000	115,000	
Average debt outstanding—SBA-guaranteed debentures(4)	158,471	132,572	119,819	71,921	29,167	
Average debt outstanding—Unsecured Notes(5)	266,296	117,877	65,500	—	—	
Average debt outstanding—NMFC Credit Facility(6)	117,719	54,853	66,876	60,477	11,227	
Average debt outstanding—DB Credit Facility(7)	49,833	—	—	—	—	
Average debt outstanding—NMNLC Credit Facility(8)	3,570	—	—	—	—	
Asset coverage ratio(9)	181.37	% 240.76	% 259.34	% 234.05	% 226.70	%
Portfolio turnover(10)	36.75	% 41.98	% 36.07	% 33.93	% 29.51	%

(1) For the year ended December 31, 2014, average debt outstanding represents the Company's average debt outstanding as well as the Company's proportionate share of the Predecessor Operating Company's average debt outstanding. The average debt outstanding for the year ended December 31, 2014 at the Holdings Credit Facility was \$244,598.

(2) For the year ended December 31, 2014, average debt outstanding represents the Company's average debt outstanding as well as the Company's proportionate share of the Predecessor Operating Company's average debt outstanding for the period January 1, 2014 to December 17, 2014 (date of SLF Credit Facility merger with and into the Holdings Credit Facility). The average debt outstanding for the period January 1, 2014 to December 17, 2014 at the SLF Credit Facility was \$209,333.

(3) For the year ended December 31, 2014, average debt outstanding represents the period from June 3, 2014 (issuance of the 2014 Convertible Notes) to December 31, 2014.

(4) For the year ended December 31, 2014, average debt outstanding represents the period from November 17, 2014 (date of initial SBA-guaranteed debenture borrowing) to December 31, 2014.

(5) For the year ended December 31, 2016, average debt outstanding represents the period from May 6, 2016 (issuance of the 2016 Unsecured Notes) to December 31, 2016.

(6) For the year ended December 31, 2014, average debt outstanding represents the period from June 4, 2014 (commencement of the NMFC Credit Facility) to December 31, 2014.

(7) For the year ended December 31, 2018, average debt outstanding represents the period from December 14, 2018 (commencement of the DB Credit Facility) to December 31, 2018.

(8) For the year ended December 31, 2018, average debt outstanding represents the period from September 21, 2018 (commencement of the NMNLC Credit Facility) to December 31, 2018.

(9) On November 5, 2014, the Company received exemptive relief from the SEC allowing the Company to modify the asset coverage requirement to exclude the SBA-guaranteed debentures from this calculation.

(10) For the year ended December 31, 2014, portfolio turnover represents the investment activity of the Predecessor Operating Company and the Company.

Table of Contents

Notes to the Consolidated Financial Statements of
New Mountain Finance Corporation (Continued)
December 31, 2018
(in thousands, except share data)

Note 14. Selected Quarterly Financial Data (unaudited)

The below selected quarterly financial data is for the Company.
(in thousands except for per share data)

Quarter Ended	Total Investment Income		Net Investment Income		Total Net Realized Gains (Losses) and Net Changes in Unrealized Appreciation (Depreciation) of Investments(1)		Net Increase (Decrease) in Net Assets Resulting from Operations	
	Total	Per Share	Total	Per Share	Total	Per Share	Total	Per Share
December 31, 2018	\$63,509	\$0.83	\$27,458	\$0.36	\$(28,842)	\$(0.38)	\$(1,384)	\$(0.02)
September 30, 2018	60,469	0.79	27,117	0.35	(357)	—	26,760	0.35
June 30, 2018	54,598	0.72	25,721	0.34	(2,588)	(0.03)	23,133	0.31
March 31, 2018	52,889	0.70	25,736	0.34	(1,892)	(0.03)	23,844	0.31
December 31, 2017	\$53,244	\$0.70	\$26,683	\$0.35	\$194	\$—	\$26,877	\$0.35
September 30, 2017	51,236	0.68	26,292	0.35	(1,516)	(0.02)	24,776	0.33
June 30, 2017	50,019	0.66	25,798	0.34	1,530	0.02	27,328	0.36
March 31, 2017	43,307	0.62	23,431	0.34	6,986	0.10	30,417	0.44
December 31, 2016	\$43,784	\$0.64	\$22,980	\$0.34	\$10,875	\$0.16	\$33,855	\$0.50
September 30, 2016	41,834	0.66	21,729	0.34	3,350	0.05	25,079	0.39
June 30, 2016	41,490	0.65	21,832	0.34	22,861	0.36	44,693	0.70
March 31, 2016	40,976	0.64	21,567	0.34	(13,516)	(0.21)	8,051	0.13

(1) Includes securities purchased under collateralized agreements to resell, benefit (provision) for taxes and the accretive effect of common stock issuances per share, if applicable.

Note 15. Recent Accounting Standards Updates

In August 2018, the FASB issued Accounting Standards Update No. 2018-13, Fair Value Measurement (Topic 820): Disclosure Framework—Changes to the Disclosure Requirements for Fair Value Measurement ("ASU 2018-13"). The standard will modify the disclosure requirements for fair value measurements by removing, modifying, or adding certain disclosures. ASU 2018-13 is effective for annual reporting periods beginning after December 15, 2019, including interim periods within that reporting period. The Company is permitted to early adopt any removed or modified disclosures upon issuance of ASU 2018-13 and delay adoption of the additional disclosures until their effective date. The Company has elected to early adopt ASU 2018-13 as of December 31, 2018.

Note 16. Subsequent Events

On January 8, 2019 and January 25, 2019, the Company entered into certain Joinder Supplements (the "Joinders") to add Old Second National Bank and Sumitomo Mitsui Trust Bank, Limited, New York, respectively, as new lenders under the Holdings Credit Facility. After giving effect to the Joinders, the aggregate commitments of the lenders under the Holdings Credit Facility equals \$675,000. The Holdings Credit Facility continues to have a revolving period ending on October 24, 2020, and will still mature on October 24, 2022.

On February 14, 2019, the Company completed a public offering of 4,312,500 shares of the Company's common stock (including 562,500 shares of common stock that were issued pursuant to the full exercise of the overallotment option

granted to the underwriters to purchase additional shares) at a public offering price of \$13.57 per share. The Investment Adviser paid all of the underwriters' sales load of \$0.42 per share and an additional supplemental payment of \$0.18 per share to the underwriters,

168

Table of Contents

Notes to the Consolidated Financial Statements of
New Mountain Finance Corporation (Continued)

December 31, 2018

(in thousands, except share data)

which reflects the difference between the public offering price of \$13.57 per share and the net proceeds of \$13.75 per share received by the Company in this offering. All payments made by the Investment Adviser are not subject to reimbursement by the Company. The Company received total net proceeds of approximately \$59,297 in connection with this offering.

On February 22, 2019, the Company's board of directors declared a first quarter 2019 distribution of \$0.34 per share payable on March 29, 2019 to holders of record as of March 15, 2019.

169

Table of Contents

The terms "we", "us", "our" and the "Company" refers to New Mountain Finance Corporation and its consolidated subsidiaries.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure
None.

Item 9A. Controls and Procedures

(a) Evaluation of Disclosure Controls and Procedures

As of December 31, 2018 (the end of the period covered by this report), we, including our Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rule 13a-15(e) of the Securities Act of 1934, as amended). Based on that evaluation, our management, including the Chief Executive Officer and Chief Financial Officer, concluded that our disclosure controls and procedures were effective and provided reasonable assurance that information required to be disclosed in our periodic United States Securities and Exchange Commission filings is recorded, processed, summarized and reported within the time periods specified in the United States Securities and Exchange Commission's rules and forms, and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure. However, in evaluating the disclosure controls and procedures, management recognized that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and management necessarily was required to apply its judgment in evaluating the cost-benefit relationship of such possible controls and procedures.

(b) Report of Management on Internal Control Over Financial Reporting

Management is responsible for establishing and maintaining adequate internal control over financial reporting, and for performing an assessment of the effectiveness of internal control over financial reporting. Internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. Our internal control over financial reporting includes those policies and procedures that (i) pertain to assets of the Company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of our management and directors; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of our assets that could have a material effect on the financial statements.

Management performed an assessment of the effectiveness of our internal control over financial reporting as of December 31, 2018 based upon the criteria in the 2013 Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on management's assessment, management determined that our internal control over financial reporting was effective as of December 31, 2018.

(c) Attestation Report of the Registered Public Accounting Firm.

Our independent registered public accounting firm, Deloitte & Touche LLP, has issued an attestation report on New Mountain Finance Corporation's internal control over financial reporting, which is set forth on the following page.

Table of Contents

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the shareholders and the Board of Directors of
New Mountain Finance Corporation

Opinion on Internal Control over Financial Reporting

We have audited the internal control over financial reporting of New Mountain Finance Corporation and subsidiaries (the "Company") as of December 31, 2018, based on criteria established in Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2018, based on criteria established in Internal Control - Integrated Framework (2013) issued by COSO.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated financial statements as of and for the year ended December 31, 2018 of the Company and our report dated February 27, 2019, expressed an unqualified opinion on those consolidated financial statements.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Report of Management on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB. We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ DELOITTE & TOUCHE LLP

February 27, 2019

Table of Contents

Changes in Internal Control Over Financial Reporting

Management has not identified any change in our internal control over financial reporting that occurred during the quarter ended December 31, 2018 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

Item 9B. Other Information

None.

172

Table of Contents

The terms "we", "us", "our" and the "Company" refers to New Mountain Finance Corporation and its consolidated subsidiaries.

PART III

We will file a definitive Proxy Statement for our 2019 Annual Meeting of Stockholders with the United States Securities and Exchange Commission, pursuant to Regulation 14A, not later than 120 days after the end of our fiscal year. Accordingly, certain information required by Part III has been omitted under General Instruction G(3) to Form 10-K. Only those sections of our definitive Proxy Statement that specifically address the items set forth herein are incorporated by reference.

Item 10. Directors, Executive Officers and Corporate Governance

The information required by Item 10 is hereby incorporated by reference from the definitive Proxy Statement relating to our 2019 Annual Meeting of Stockholders, to be filed with the United States Securities and Exchange Commission within 120 days following the end of our fiscal year.

Item 11. Executive Compensation

The information required by Item 11 is hereby incorporated by reference from the definitive Proxy Statement relating to our 2019 Annual Meeting of Stockholders, to be filed with the United States Securities and Exchange Commission within 120 days following the end of our fiscal year.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

The information required by Item 12 is hereby incorporated by reference from the definitive Proxy Statement relating to our 2019 Annual Meeting of Stockholders, to be filed with the United States Securities and Exchange Commission within 120 days following the end of our fiscal year.

Item 13. Certain Relationships and Related Transactions, and Director Independence

The information required by Item 13 is hereby incorporated by reference from the definitive Proxy Statement relating to our 2019 Annual Meeting of Stockholders, to be filed with the United States Securities and Exchange Commission within 120 days following the end of our fiscal year.

Item 14. Principal Accountant Fees and Services

The information required by Item 14 is hereby incorporated by reference from the definitive Proxy Statement relating to our 2019 Annual Meeting of Stockholders, to be filed with the United States Securities and Exchange Commission within 120 days following the end of our fiscal year.

Table of Contents

PART IV

Item 15. Exhibits and Financial Statement Schedules

(a) Documents Filed as Part of this Report

The following financial statements are set forth in Item 8:

New Mountain Finance Corporation

Consolidated Statements of Assets and Liabilities as of December 31, 2018 and December 31, 2017 89

Consolidated Statements of Operations for the years ended December 31, 2018, December 31, 2017 and December 31, 2016 90

Consolidated Statements of Changes in Net Assets for the years ended December 31, 2018, December 31, 2017 and December 31, 2016 91

Consolidated Statements of Cash Flows for the years ended December 31, 2018, December 31, 2017 and December 31, 2016 92

Consolidated Schedule of Investments as of December 31, 2018 93

Consolidated Schedule of Investments as of December 31, 2017 108

Notes to the Consolidated Financial Statements of New Mountain Finance Corporation 121

174

Table of Contents

(b) Exhibits

The following exhibits are filed as part of this report or hereby incorporated by reference to exhibits previously filed with the United States Securities and Exchange Commission:

Exhibit Number	Description
3.1(a)	<u>Amended and Restated Certificate of Incorporation of New Mountain Finance Corporation(2)</u>
3.1(b)	<u>Certificate of Change of Registered Agent and/or Registered Office of New Mountain Finance Corporation(3)</u>
3.2	<u>Amended and Restated Bylaws of New Mountain Finance Corporation(2)</u>
4.1	<u>Form of Stock Certificate of New Mountain Finance Corporation(1)</u>
4.2	<u>Indenture by and between New Mountain Finance Corporation, as Issuer, and U.S. Bank National Association, as Trustee, dated June 3, 2014(7)</u>
4.3	<u>Form of Global Note 5.00% Convertible Note Due 2019 (included as part of Exhibit 4.2)(7)</u>
4.4	<u>Indenture by and between New Mountain Finance Corporation, as Issuer, and U.S. Bank National Association, as Trustee, dated August 20, 2018(20)</u>
4.5	<u>First Supplemental Indenture, dated August 20, 2018, relating to the 5.75% Convertible Notes Due 2023, by and between New Mountain Finance Corporation and U.S. Bank National Association, as trustee(20)</u>
4.6	<u>Form of Global Note 5.75% Convertible Note Due 2023 (included as part of Exhibit (4.5))(20)</u>
4.7	<u>Second Supplemental Indenture, dated September 25, 2018, relating to the 5.75% Notes Due 2023, by and between New Mountain Finance Corporation and U.S. Bank National Association, as trustee(21)</u>
4.8	<u>Form of Global Note 5.75% Note Due 2023 (included as part of Exhibit (4.7))(21)</u>
10.1	<u>Investment Advisory and Management Agreement by and between New Mountain Finance Corporation and New Mountain Finance Advisers BDC, LLC(6)</u>
10.2	<u>Second Amended and Restated Administration Agreement(10)</u>
10.3	<u>Dividend Reinvestment Plan(2)</u>
10.4	<u>Form of Trademark License Agreement(1)</u>
10.5	<u>Amendment No. 1 to Trademark License Agreement(4)</u>
10.6	<u>Form of Indemnification Agreement by and between New Mountain Finance Corporation and each director(1)</u>
10.7	<u>Form of Safekeeping Agreement among New Mountain Finance Holdings, L.L.C., Wells Fargo Securities, LLC as the Administrative Agent and Wells Fargo Bank, National Association, as Safekeeping Agent(1)</u>
10.8	<u>Custody Agreement by and between New Mountain Finance Corporation and U.S. Bank National Association(5)</u>
10.9	<u>Limited Liability Company Agreement of NMFC Senior Loan Program II LLC, dated March 9, 2016(13)</u>
10.10	<u>Limited Liability Company Agreement for NMFC Senior Loan Program III LLC, dated April 25, 2018(18)</u>
10.11	<u>Third Amended and Restated Loan and Security Agreement, conformed through Amendment No. 2, dated as of November 19, 2018, by and among New Mountain Finance Corporation, as the collateral manager, New Mountain Finance Holdings, L.L.C., as the borrower, Wells Fargo Bank, National Association, as the administrative agent, the lenders party thereto and Wells Fargo Bank, National Association, as the collateral custodian(22)</u>
10.12	<u>Form of Joinder Supplement, dated as of December 13, 2018, by and among TIAA, FSB, New Mountain Finance Holdings, L.L.C., as the borrower, and Wells Fargo Bank, National Association, as the administrative agent(23)</u>
10.13	<u>Form of Joinder Supplement, dated as of January 8, 2019, by and among Old Second National Bank, New Mountain Finance Holdings, L.L.C., as the borrower, and Wells Fargo Bank, National Association, as the administrative agent(24)</u>
10.14	<u>Form of Joinder Supplement, dated as of January 25, 2019, by and among Sumitomo Mitsui Trust Bank, Limited, New York, New Mountain Finance Holdings, L.L.C., as the borrower, and Wells Fargo Bank, National Association, as the administrative agent(24)</u>

Edgar Filing: SPDR GOLD TRUST - Form FWP

- 10.15 Form of Amended and Restated Account Control Agreement among New Mountain Finance Holdings, L.L.C., Wells Fargo Securities, LLC as the Administrative Agent and Wells Fargo Bank, National Association, as Securities Intermediary(1)
- 10.16 Form of Senior Secured Revolving Credit Agreement, by and between New Mountain Finance Corporation, as Borrower, and Goldman Sachs Bank USA, as Administrative Agent and Syndication Agent, dated June 4, 2014(8)

175

Table of Contents

Exhibit Number	Description
10.17	<u>Form of Guarantee and Security Agreement dated June 4, 2014, among New Mountain Finance Corporation, as Borrower, and Goldman Sachs Bank USA, as Administrative Agent(8)</u>
10.18	<u>Amendment No. 1, dated December 29, 2014, to the Senior Secured Revolving Credit Agreement dated June 4, 2014, by and among New Mountain Finance Corporation, as Borrower, and Goldman Bank USA, as Administrative Agent and Syndication Agent(9)</u>
10.19	<u>Amendment No. 2, dated June 26, 2015, to the Senior Secured Revolving Credit Agreement dated June 4, 2014, by and among New Mountain Finance Corporation, as Borrower, and Goldman Bank USA, as Administrative Agent and Syndication Agent(11)</u>
10.20	<u>Commitment Increase Agreement, dated March 23, 2016, to the Senior Secured Revolving Credit Agreement dated June 4, 2014, by and among New Mountain Finance Corporation, as Borrower, and Goldman Sachs Bank USA, as Administrative Agent and Syndication Agent(12)</u>
10.21	<u>Commitment Increase Agreement, dated May 4, 2016, to the Senior Secured Revolving Credit Agreement dated June 4, 2014, by and among New Mountain Finance Corporation, as Borrower, and Goldman Sachs Bank USA, as Administrative Agent and Syndication Agent(13)</u>
10.22	<u>Commitment Increase Agreement, dated January 25, 2018, to the Senior Secured Revolving Credit Agreement dated June 4, 2014, by and among New Mountain Finance Corporation, as Borrower, and Goldman Sachs Bank USA, as Administrative Agent and Syndication Agent(17)</u>
10.23	<u>Amendment No. 3, dated February 27, 2018 to the Senior Secured Revolving Credit Agreement dated June 4, 2014, by and among New Mountain Finance Corporation, as Borrower, and Goldman Bank USA, as Administrative Agent and Syndication Agent(17)</u>
10.24	<u>Amendment No. 4, dated as of July 5, 2018, to the Senior Secured Revolving Credit Agreement dated June 4, 2014, by and among New Mountain Finance Corporation, as borrower, Goldman Sachs Bank USA, as Administrative Agent and Syndication Agent(19)</u>
10.25	<u>Amendment No. 5, dated as of December 12, 2018, to the Senior Secured Revolving Credit Agreement dated June 4, 2014, by and among New Mountain Finance Corporation, as borrower, Goldman Sachs Bank USA, as Administrative Agent and Syndication Agent</u>
10.26	<u>Form of Amended and Restated Note Purchase Agreement relating to 5.313% Notes due 2021, dated September 30, 2016, by and between New Mountain Finance Corporation and the purchasers party thereto(14)</u>
10.27	<u>Form of Amended and Restated Note Purchase Agreement relating to 4.760% Notes due 2022, dated June 30, 2017, by and between New Mountain Finance Corporation and the purchasers party thereto(15)</u>
10.28	<u>Form of Amended and Restated Note Purchase Agreement relating to 4.870% Notes due 2023, dated January 30, 2018, by and between New Mountain Finance Corporation and the purchasers party thereto(16)</u>
10.29	<u>Form of Amended and Restated Note Purchase Agreement relating to 5.360% Notes due 2023, dated July 5, 2018, by and between New Mountain Finance Corporation and the purchasers party thereto(19)</u>
10.30	<u>Form of Loan Financing and Servicing Agreement, dated as of December 14, 2018, by and among New Mountain Finance DB, L.L.C., New Mountain Finance Corporation, as equityholder and servicer, the lenders from time to time party thereto, Deutsche Bank, as the facility agent, the other agents from time to time party thereto and U.S. Bank National Association, as collateral agent and collateral custodian(23)</u>
10.31	<u>Form of Sale and Contribution Agreement, dated as of December 14, 2018, between New Mountain Finance Corporation, as seller, and New Mountain Finance DB, L.L.C., as purchaser(23)</u>
14.1	<u>Code of Ethics(1)</u>
21.1	Subsidiaries of New Mountain Finance Corporation: New Mountain Finance Holdings, L.L.C. (Delaware) NMF Ancora Holdings, Inc. (Delaware) NMF QID NGL Holdings, Inc. (Delaware) NMF YP Holdings, Inc. (Delaware)

New Mountain Finance DB, L.L.C. (Delaware)
New Mountain Finance Servicing, L.L.C. (Delaware)
New Mountain Finance SBIC G.P., L.L.C. (Delaware)
New Mountain Finance SBIC II G.P., L.L.C. (Delaware)
New Mountain Finance SBIC, L.P. (Delaware)
New Mountain Finance SBIC II, L.P. (Delaware)

31.1 Certification of Chief Executive Officer pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934, as amended

176

Table of Contents

Exhibit Number	Description
31.2	<u>Certification of Chief Financial Officer pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934, as amended</u>
32.1	<u>Certification of Chief Executive Officer pursuant to Section 906 of The Sarbanes-Oxley Act of 2002 (18 U.S.C. 1350)</u>
32.2	<u>Certification of Chief Financial Officer pursuant to Section 906 of The Sarbanes-Oxley Act of 2002 (18 U.S.C. 1350)</u>
(1)	Previously filed in connection with New Mountain Finance Corporation's registration statement on Form N-2 Pre-Effective Amendment No. 3 (File Nos. 333-168280 and 333-172503) filed on May 9, 2011.
(2)	Previously filed in connection with New Mountain Finance Corporation's quarterly report on Form 10-Q filed on August 11, 2011.
(3)	Previously filed in connection with New Mountain Finance Corporation and New Mountain Finance AIV Holdings Corporation report on Form 8-K filed on August 25, 2011.
(4)	Previously filed in connection with New Mountain Finance Corporation's quarterly report on Form 10-Q filed on November 14, 2011.
(5)	Previously filed in connection with New Mountain Finance Corporation's registration statement on Form N-2 Post-Effective Amendment No. 2 (File Nos. 333-189706 and 333-189707) filed on April 11, 2014.
(6)	Previously filed in connection with New Mountain Finance Corporation's report on Form 8-K filed on May 8, 2014.
(7)	Previously filed in connection with New Mountain Finance Corporation's report on Form 8-K filed on June 4, 2014.
(8)	Previously filed in connection with New Mountain Finance Corporation's report on Form 8-K filed on June 10, 2014.
(9)	Previously filed in connection with New Mountain Finance Corporation's report on Form 8-K filed on January 5, 2015.
(10)	Previously filed in connection with New Mountain Finance Corporation's quarterly report on Form 10-Q filed on May 5, 2015.
(11)	Previously filed in connection with New Mountain Finance Corporation's report on Form 8-K filed on June 30, 2015.
(12)	Previously filed in connection with New Mountain Finance Corporation's report on Form 8-K filed on March 29, 2016.
(13)	Previously filed in connection with New Mountain Finance Corporation's quarterly report on Form 10-Q filed on May 4, 2016.
(14)	Previously filed in connection with New Mountain Finance Corporation's report on Form 8-K filed on October 3, 2016.
(15)	Previously filed in connection with New Mountain Finance Corporation's report on Form 8-K filed on July 3, 2017.
(16)	Previously filed in connection with New Mountain Finance Corporation's report on Form 8-K filed on February 5, 2018.
(17)	Previously filed in connection with New Mountain Finance Corporation's annual report on Form 10-K filed on February 28, 2018.
(18)	Previously filed in connection with New Mountain Finance Corporation's quarterly report on Form 10-Q filed on May 7, 2018.
(19)	Previously filed in connection with New Mountain Finance Corporation's report on Form 8-K filed on July 11, 2018.

(20) Previously filed in connection with New Mountain Finance Corporation's registration statement on Form N-2 Post-Effective Amendment No. 3 (File No. 333-218040) filed on August 20, 2018.

Table of Contents

- (21) Previously filed in connection with New Mountain Finance Corporation's registration statement on Form N-2 Post-Effective Amendment No. 4 (File No. 333-218040) filed on September 25, 2018.
- (22) Previously filed in connection with New Mountain Finance Corporation's report on Form 8-K filed on November 27, 2018.
- (23) Previously filed in connection with New Mountain Finance Corporation's report on Form 8-K filed on December 19, 2018.
- (24) Previously filed in connection with New Mountain Finance Corporation's registration statement on Form N-2 Post-Effective Amendment No. 5 (File No. 333-218040) filed on February 13, 2019.

Financial Statement Schedules

No financial statement schedules are filed herewith because (1) such schedules are not required or (2) the information has been presented in the aforementioned financial statements.

Item 16. Form 10-K Summary

None.

Table of Contents

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized on February 27, 2019.

NEW MOUNTAIN FINANCE
CORPORATION

By: /s/ ROBERT A. HAMWEE
Robert A. Hamwee
Chief Executive Officer
(Principal Executive Officer)

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

SIGNATURE	TITLE	DATE
By: /s/ ROBERT A. HAMWEE Robert A. Hamwee	Chief Executive Officer (Principal Executive Officer), and Director	February 27, 2019
By: /s/ SHIRAZ Y. KAJEE Shiraz Y. Kajee	Chief Financial Officer (Principal Financial and Accounting Officer)	February 27, 2019
By: /s/ STEVEN B. KLINSKY Steven B. Klinsky	Chairman of the Board of Directors	February 27, 2019
By: /s/ ADAM B. WEINSTEIN Adam B. Weinstein	Executive Vice President, Chief Administrative Officer and Director	February 27, 2019
By: /s/ ROME G. ARNOLD III Rome G. Arnold III	Director	February 27, 2019
By: /s/ ALFRED F. HURLEY, JR. Alfred F. Hurley, Jr.	Director	February 27, 2019
By: /s/ DAVID OGENS David Ogens	Director	February 27, 2019
By: /s/ KURT J. WOLFGRUBER Kurt J. Wolfgruber	Director	February 27, 2019