

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

**FORM 10-K**

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934  
FOR THE FISCAL YEAR ENDED December 31, 2018

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

COMMISSION FILE NUMBER: 814-00852

**GSV Capital Corp.**

(Exact name of registrant as specified in its charter)

**Maryland**

(State of incorporation)

**345 California Street, Suite 600, San Francisco, CA**

(Address of principal executive offices)

**27-4443543**

(I.R.S. Employer Identification No.)

**94104**

(Zip Code)

**(650) 235-4769**

(Registrant's telephone number, including area code)

**SECURITIES REGISTERED PURSUANT TO SECTION 12(b) OF THE ACT:**

Title of Each Class	Name of Each Exchange on Which Registered
Common Stock, par value \$0.01 per share	Nasdaq Capital Market

**SECURITIES REGISTERED PURSUANT TO SECTION 12(g) OF THE ACT: None**

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. YES  No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. YES  No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter periods as the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. YES  NO

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes  No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer  (Do not check if a smaller reporting company)

Smaller reporting company

Emerging growth company

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

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). YES  NO

The aggregate market value of common stock beneficially owned by non-affiliates of the Registrant on June 29, 2018, based on the closing price on that date of \$6.86 on the Nasdaq Capital Market, was \$142,351,263. For the purposes of calculating this amount only, all interested directors and executive officers of the Registrant have been treated as affiliates. There were 19,762,647 shares of the Registrant's common stock outstanding as of April 17, 2019.

**DOCUMENTS INCORPORATED BY REFERENCE**

Portions of the Registrant's definitive proxy statement relating to the Registrant's 2019 annual meeting of stockholders (the "2019 Proxy Statement"), to be filed with the Securities and Exchange Commission (the "SEC") within 120 days following the end of the Registrant's fiscal year, are incorporated by reference in Part III of this annual report on Form 10-K as indicated herein.

## GSV CAPITAL CORP.

## TABLE OF CONTENTS

	<u>PAGE</u>
<b>PART I.</b>	
<a href="#"><u>Item 1. Business</u></a>	<a href="#"><u>1</u></a>
<a href="#"><u>Item 1A. Risk Factors</u></a>	<a href="#"><u>23</u></a>
<a href="#"><u>Item 1B. Unresolved Staff Comments</u></a>	<a href="#"><u>47</u></a>
<a href="#"><u>Item 2. Properties</u></a>	<a href="#"><u>47</u></a>
<a href="#"><u>Item 3. Legal Proceedings</u></a>	<a href="#"><u>47</u></a>
<a href="#"><u>Item 4. Mine Safety Disclosures</u></a>	<a href="#"><u>47</u></a>
<b>PART II.</b>	
<a href="#"><u>Item 5. Market for Registrant’s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities</u></a>	<a href="#"><u>48</u></a>
<a href="#"><u>Item 6. Selected Financial Data</u></a>	<a href="#"><u>52</u></a>
<a href="#"><u>Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations</u></a>	<a href="#"><u>53</u></a>
<a href="#"><u>Item 7A. Quantitative and Qualitative Disclosures About Market Risk</u></a>	<a href="#"><u>69</u></a>
<a href="#"><u>Item 8. Financial Statements and Supplementary Data</u></a>	<a href="#"><u>70</u></a>
<a href="#"><u>Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure</u></a>	<a href="#"><u>130</u></a>
<a href="#"><u>Item 9A. Controls and Procedures</u></a>	<a href="#"><u>130</u></a>
<a href="#"><u>Item 9B. Other Information</u></a>	<a href="#"><u>131</u></a>
<b>PART III.</b>	
<a href="#"><u>Item 10. Directors, Executive Officers and Corporate Governance</u></a>	<a href="#"><u>132</u></a>
<a href="#"><u>Item 11. Executive Compensation</u></a>	<a href="#"><u>132</u></a>
<a href="#"><u>Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters</u></a>	<a href="#"><u>132</u></a>
<a href="#"><u>Item 13. Certain Relationships and Related Transactions, and Director Independence</u></a>	<a href="#"><u>132</u></a>
<a href="#"><u>Item 14. Principal Accounting Fees and Services</u></a>	<a href="#"><u>132</u></a>
<b>PART IV.</b>	
<a href="#"><u>Item 15. Exhibits and Financial Statement Schedules</u></a>	<a href="#"><u>133</u></a>
<a href="#"><u>Signatures</u></a>	<a href="#"><u>135</u></a>

**PART I****Item 1. Business****GSV Capital**

GSV Capital Corp. (the “Company,” “we,” “our” or “GSV Capital”), a Maryland corporation, is an externally managed, non-diversified closed-end 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”). In addition, we have elected to be treated as a regulated investment company (“RIC”) under Subchapter M of the Internal Revenue Code of 1986, as amended (the “Code”). We commenced operations upon completion of our initial public offering (“IPO”) in May 2011. See “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Recent Developments” in Part II, Item 7 of this Form 10-K.

Our investment objective is to maximize our portfolio’s total return, principally by seeking capital gains on our equity and equity-related investments. We invest principally in the equity securities of what we believe to be rapidly growing venture-capital-backed emerging companies. We acquire our investments through direct investments in prospective portfolio companies, secondary marketplaces for private companies and negotiations with selling stockholders. We may also invest on an opportunistic basis in select publicly traded equity securities or certain non-U.S. companies that otherwise meet our investment criteria. Our investment activities are supervised by our Board of Directors and managed by our investment adviser, GSV Asset Management, LLC (“GSV Asset Management”), and our administrator, GSV Capital Service Company, LLC (“GSV Capital Service Company”), provides the administrative services necessary for us to operate. See “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Recent Developments” in Part II, Item 7 of this Form 10-K.

Our investment philosophy is based on a disciplined approach of identifying potentially high-growth emerging companies across several key industry themes which may include, among others, social mobile, cloud computing and big data, internet commerce, sustainability and education technology. GSV Asset Management’s investment decisions are based on a disciplined analysis of available information regarding each potential portfolio company’s business operations, focusing on the company’s growth potential, the quality of recurring revenues and cash flow and cost structures, as well as an understanding of key market fundamentals. Venture capital funds or other financial or strategic sponsors have invested in the vast majority of the companies that GSV Asset Management evaluates.

We seek to deploy capital primarily in the form of non-controlling equity and equity-related investments, including common stock, warrants, preferred stock and similar forms of senior equity, which may or may not be convertible into a portfolio company’s common equity, and convertible debt securities with a significant equity component. Typically, our preferred stock investments are non-income producing, have different voting rights than our common stock investments and are generally convertible into common stock at our discretion.

We seek to create a low-turnover portfolio that includes investments in companies representing a broad range of investment themes.

Our common stock is traded on the Nasdaq Capital Market under the symbol “GSVC”. The net asset value per share of our common stock on December 31, 2018 was \$9.89. On April 17, 2019, the last reported sale price of a share of our common stock on the Nasdaq Capital Market was \$6.52.

**Internalization of Operating Structure**

On and effective March 12, 2019 (the “Effective Date”), our Board of Directors approved internalizing our operating structure (our “Internalization”) and we began operating as an internally managed non-diversified closed-end management investment company that has elected to be regulated as a BDC under the 1940 Act, as of the Effective Date.

In connection with our Internalization, the Investment Advisory Agreement and the Administration Agreement (as such terms are defined in this Form 10-K) were terminated as of the Effective Date. As of such date, we entered into a Consulting Agreement with Michael T. Moe (the former Chairman of our Board of Directors and the Chief Executive Officer and Chief Investment Officer of GSV Asset Management), pursuant to which Mr. Moe will provide certain services to us in connection with our transition to an internally managed operating structure. We also entered into an Amended and Restated Trademark License Agreement with GSV Asset Management to continue to use the trade name “GSV”, and other state or unregistered “GSV” marks, including the trading symbol “GSVC.”

In connection with our Internalization, Mr. Moe resigned from our Board of Directors, and our Board of Directors reduced the number of directors that constitute our full Board of Directors to five directors from six directors in accordance with our bylaws.

Except as otherwise disclosed herein, this Form 10-K discusses our business and operations as an externally managed BDC during the period covered by this Form 10-K and through the Effective Date. See “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Recent Developments” in Part II, Item 7 of this Form 10-K for additional information regarding the forgoing and our Internalization.

### **About GSV Asset Management**

Our investment activities are managed by GSV Asset Management, an investment adviser registered under the Investment Advisers Act of 1940, as amended (the “Advisers Act”), subject to the overall supervision of our Board of Directors. GSV Asset Management is led by Michael Moe, Chairman of our Board of Directors. Mr. Moe is assisted by Mark Klein, our Chief Executive Officer and President, whom, along with Luben Pampoulov, a partner of GSV Asset Management, as GSV Asset Management’s senior investment professionals. See “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Recent Developments” in Part II, Item 7 of this Form 10-K.

We believe we benefit from the ability of GSV Asset Management’s senior investment professionals to identify attractive investment opportunities, conduct diligence on and value prospective investments, negotiate terms, and manage and monitor a portfolio of those investments. GSV Asset Management’s senior investment professionals have broad investment backgrounds, with prior experience at investment banks, commercial banks, unregistered investment funds and other financial services companies, and have collectively developed a broad network of contacts that provides us with an important source of investment opportunities.

We pay GSV Asset Management a fee for its services under the Amended and Restated Investment Advisory Agreement, as amended (the “Investment Advisory Agreement”), which consists of two components—a base management fee and an incentive fee. See “—Investment Advisory Agreement.” We have also entered into an administration agreement under which we have agreed to reimburse GSV Capital Service Company for our allocable portion of overhead and other expenses incurred (the “Administration Agreement”).

GSV Asset Management is a Delaware limited liability company. The principal executive offices of GSV Asset Management are located at 2925 Woodside Road, Woodside, CA 94062.

### **About GSV Capital Service Company**

GSV Capital Service Company, a Delaware limited liability company, provides, among other things, administrative services and facilities for us pursuant to the Administration Agreement. See “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Recent Developments” in Part II, Item 7 of this Form 10-K. The principal executive offices of GSV Capital Service Company are located at 2925 Woodside Road, Woodside, CA 94062.

GSV Capital Service Company has retained Carl Rizzo of Alaric Compliance Services LLC to serve as our Chief Compliance Officer.

### **Operating and Regulatory Structure**

We are a Maryland corporation formed in 2010 that operates as an externally managed, non-diversified closed-end management investment company. Our investment activities are supervised by our Board of Directors and managed by our investment adviser, GSV Asset Management. Our administrator, GSV Capital Service Company, provides the administrative services necessary for us to operate. See “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Recent Developments” in Part II, Item 7 of this Form 10-K.

As a BDC, we are required to meet regulatory tests. See “—Regulation as a Business Development Company.” Also, while we are permitted to finance investments using debt, our ability to use debt is limited in certain significant aspects. See “Risk Factors” in Part I, Item 1A of this Form 10-K for more information.

We have elected to be treated as a RIC under Subchapter M of the Code and expect to continue to operate in a manner so as to qualify for the tax treatment applicable to RICs. See “—Material U.S. Federal Income Tax Considerations” and “Note 2—Significant Accounting Policies—*U.S. Federal and State Income Taxes*” and “Note 9—Income Taxes” to our consolidated financial statements for the year ended December 31, 2018 for more information.

Our executive officers receive no direct compensation from us, and we have no direct employees. Our day-to-day investment operations are managed by GSV Asset Management. In addition, we reimburse GSV Capital Service Company for an allocable portion of expenses incurred by it in performing its obligations under the Administration Agreement, including a portion of the rent and the compensation of our President, Chief Financial Officer, Chief Compliance Officer and other staff providing administration services. Carl Rizzo, our Chief Compliance Officer, is a director of Alaric Compliance Services LLC and performs his functions as our Chief Compliance Officer under the terms of an agreement between GSV Capital Service Company and Alaric Compliance Services LLC.

### Investment Opportunity

We believe that society is experiencing a convergence of numerous disruptive trends, producing new high-growth markets. For example, the growth of both social networking and connected mobile devices, such as smartphones and tablets, has opened up new channels for communication and real-time collaboration. The number of devices and people that regularly connect to the Internet has increased in recent years, generating significant demand for always accessible, personalized and localized content and real-time online interactivity. Similarly, the advent of education technology, and insights with respect to how, and what, people learn, are also disrupting the traditional educational sector. These factors are creating opportunities for new market participants and significant growth for established companies with leading positions capitalizing on these trends.

At the same time, we believe that the IPO markets have experienced substantial structural changes which have made it significantly more challenging for private companies to go public. Volatile equity markets, a lack of investment research coverage for private and smaller companies and investor demand for a longer history of revenue and earnings growth have resulted in companies staying private significantly longer than in the past. In addition, increased public company compliance obligations such as those imposed by the Sarbanes-Oxley Act of 2002 (the “Sarbanes-Oxley Act”) and the Dodd-Frank Wall Street Reform and Consumer Protection Act (the “Dodd-Frank Act”) have made it more costly and less attractive to become a public company. As a result, there are significantly fewer IPOs today than there were during the 1990s, with prospective public companies taking longer to come to market.

### Investment Strategy

We seek to maintain our portfolio of potentially high-growth emerging private companies via a repeatable and disciplined investment approach, as well as to provide investors with access to such companies through our publicly traded common stock.

Our investment objective is to maximize our portfolio’s total return, principally by seeking capital gains on our equity and equity-related investments. We have adopted the following business strategies to achieve our investment objective:

- **Identify high quality growth companies.** Based on our extensive experience in analyzing technology trends and markets, we have identified the technology sub-sectors of social mobile, cloud computing and big data, internet commerce, sustainability and education technology, as opportunities where we believe companies are capable of producing substantial growth. We rely on our collective industry knowledge as well as an understanding of where leading venture capitalists are investing.

We leverage a combination of our relationships throughout Silicon Valley and our independent research to identify leaders in our targeted sub-sectors that we believe are differentiated and best positioned for sustained growth. Our evaluation process is based on what we refer to as “the four P’s”:

- People—Organizations led by strong management teams with in-depth operational focus
- Product—Differentiated and disruptive products with leading market positioning
- Potential—Large addressable markets
- Predictability—Ability to forecast and drive predictable and sustainable growth

We consider these to be the core elements for identifying rapidly growing emerging companies.

- ***Acquire positions in targeted investments.*** We seek to add to our portfolio by sourcing investments at an acceptable price through our disciplined investing strategy. To this end, we utilize multiple methods to acquire equity stakes in private companies that are not available to many individual investors.

*Direct equity investments.* We seek direct investments in private companies. There is a large market among emerging private companies for equity capital investments. Many of these companies, particularly within the technology sector, lack the necessary cash flows to sustain substantial amounts of debt, and therefore have viewed equity capital as a more attractive long-term financing tool. We seek to be a source of such equity capital as a means of investing in these companies and look for opportunities to invest alongside other venture capital and private equity investors with whom we have established relationships.

*Private secondary marketplaces and direct share purchases.* We also utilize private secondary marketplaces as a means to acquire equity and equity-related interests in privately held companies that meet our investment criteria and that we believe are attractive candidates for investment. We believe that such markets offer new channels for access to equity investments in private companies and provide a potential source of liquidity should we decide to exit an investment. In addition, we also purchase shares directly from stockholders, including current or former employees. As certain companies grow and experience significant increased value while remaining private, employees and other stockholders may seek liquidity by selling shares directly to a third party or to a third party via a secondary marketplace. Sales of shares in private companies are typically restricted by contractual transfer restrictions and may be further restricted by provisions in company charter documents, investor rights of first refusal and co-sale and company employment and trading policies, which may impose strict limits on transfer. We believe that the reputation of GSV Asset Management's investment professionals within the industry and established history of investing affords us a favorable position when seeking approval for a purchase of shares subject to such limitations.

- ***Create access to a varied investment portfolio.*** We seek to hold a varied portfolio of non-controlling equity investments, which we believe will minimize the impact on our portfolio of a negative downturn at any one specific company. We believe that our relatively varied portfolio will provide a convenient means for accredited and non-accredited individual investors to obtain access to an asset class that has generally been limited to venture capital, private equity and similar large institutional investors.

Starting in 2017, we began to focus our investment strategy to increase the size of our investments in individual portfolio companies. While this will likely have the effect of reducing the number of companies in which we hold investments, we believe that the shift towards larger positions will better allow GSV Asset Management's investment professionals to focus our investments in companies and industries that are more likely to result in beneficial returns to our stockholders.

## Competitive Advantages

We believe that we benefit from the following competitive advantages in executing our investment strategy:

- ***Experienced team of investment professionals.*** GSV Asset Management's senior investment professionals and our Board of Directors have significant experience researching and investing in the types of potentially rapidly growing venture-capital-backed emerging companies we are targeting for investment. Through our proprietary company-evaluation process, including our identification of technology trends and themes and company research, we believe we have developed important insight into identifying and valuing emerging private companies.
- ***Disciplined and repeatable investment process.*** We have established a disciplined and repeatable process to locate and acquire available shares at attractive valuations by utilizing multiple sources. In contrast to industry "aggregators" that accumulate stock at market prices, we conduct valuation analyses and make acquisitions only when we can invest at valuations that we believe are attractive to our investors.
- ***Deep relationships with significant credibility to source and complete transactions.*** GSV Asset Management, including its senior investment professionals, are strategically located in the heart of Silicon Valley in Woodside, California. During the course of over two decades of researching and investing in emerging private companies, GSV Asset Management's senior investment professionals have developed strong reputations within the investing community, particularly within technology-related sectors. GSV Asset Management's senior investment professionals have also developed strong relationships in the financial, investing and technology-related sectors.

- **Source of permanent investing capital.** As a publicly traded corporation, we have access to a source of permanent equity capital that we can use to invest in portfolio companies. This permanent equity capital is a significant differentiator from other potential investors that may be required to return capital to stockholders on a defined schedule. We believe that our ability to invest on a long-term time horizon makes us attractive to companies looking for strong, stable owners of their equity.
- **Early mover advantage.** We believe we are one of the few publicly traded BDCs with a specific focus on investing in potentially rapidly growing venture-capital-backed emerging companies. The transactions that we have executed to date since our IPO have helped to establish our reputation with the types of secondary sellers and emerging companies that we target for investment. We have leveraged a number of relationships and channels to acquire the equity of private companies. As we continue to grow our portfolio with attractive investments, we believe that our reputation as a committed partner will be further enhanced, allowing us to source and close investments that would otherwise be unavailable. We believe that these factors collectively differentiate us from other potential investors in private company securities and will serve our goal to complete equity transactions in compelling private companies at attractive valuations.

Our primary competitors include specialty finance companies including late-stage venture capital funds, private equity funds, other crossover funds, public funds investing in private companies and public and private BDCs. Many of these entities have greater financial and managerial resources than we will have. In addition, some of our competitors may have higher risk tolerances or different risk assessments, which could allow them to consider more investments and establish more relationships than we do. Furthermore, many of our competitors are not subject to the regulatory restrictions the 1940 Act imposes on us as a BDC. For additional information concerning the competitive risks we face, see “Risk Factors—Risks Related to Our Business and Structure” in Part I, Item 1A of this Form 10-K.

## **Investment Process**

### ***Concentrated Technology-related Focus***

During the course of over two decades of researching and investing in non-public companies, GSV Asset Management’s investment professionals have identified five areas from which we expect to see significant numbers of high-growth companies emerge: new media, communication, alternative energy, education technology, and the consumerization of information technology. These broad markets have the potential to produce disruptive technologies, reach a large addressable market and provide significant commercial opportunities. Within these areas, GSV Asset Management has identified broad trends that could create significant positive effects on growth such as globalization, consolidation, branding, convergence and network effects. From within these broad technology themes, GSV Asset Management has selected five sub-segments in which it target companies for our investment: social mobile, cloud computing and big data, internet commerce, sustainability and education technology. We remain focused on selecting market leaders within the sub-segments identified, while continuing to review our pipeline to ensure we are tracking the next phase of leaders.

### ***Investment Targeting and Screening***

We identify prospective portfolio companies through an extensive network of relationships developed by GSV Asset Management’s senior investment professionals, supplemented by the knowledge and relationships of our Board of Directors. Investment opportunities that fall within our identified themes are validated against the observed behavior of leading venture capitalists and through our own internal and external research. We evaluate potential portfolio companies across a spectrum of criteria, including “the four Ps,” industry positioning and leadership, stage of growth, and several other factors that collectively characterize our proprietary investment process. We typically seek to invest approximately 90% of our portfolio in well-established, late stage companies and the remaining approximately 10% in emerging companies that fit within our targeted areas, where we see the potential for higher returns from early investment. Based on our initial screening, we identify a select set of companies that we evaluate in greater depth.

### ***Research and Due Diligence Process***

Once we identify those companies that we believe warrant more in-depth analysis, we focus on their revenue growth, revenue quality and sustainability and earnings growth, as well as other metrics that may be strongly correlated with higher valuations. We also focus on the company’s management team and any significant financial sponsor, their current business model, competitive positioning, regulatory and legal issues, the quality of any intellectual property and other investment-specific due diligence. Each prospective portfolio company that passes our initial due diligence review is given a qualitative ranking to allow us to evaluate it against others in our pipeline, and we review and update these companies on a regular basis.

Our due diligence process will vary depending on whether we are investing through a private secondary transaction on a marketplace or with a selling stockholder or by direct equity investment. We access information on our potential investments through a variety of sources, including information made available on secondary marketplaces, publications by private company research firms, industry publications, commissioned analysis by third-party research firms, and, to a limited extent, directly from the company or financial sponsor. We utilize a combination of each of these sources to help us set a target value for the companies we ultimately select for investment.

### ***Portfolio Construction and Sourcing***

Upon completion of our research and due diligence process, we select investments for inclusion in our portfolio based on their relative qualitative ranking, fundamentals and valuation. We seek to create a relatively varied portfolio that we expect will include investments in companies representing a broad range of investment themes. We generally choose to pursue specific investments based on the availability of shares and valuation expectations. We utilize a combination of secondary marketplaces, direct purchases from stockholders and direct equity investments in order to make investments in our portfolio companies. Once we have established an initial position in a portfolio company, we may choose to increase our stake through subsequent purchases. Maintaining a balanced portfolio is a key to our success, and as a result we constantly evaluate the composition of our investments and our pipeline to ensure we are exposed to a diverse set of companies within our target segments.

### ***Transaction Execution***

We enter into purchase agreements for substantially all of our private company portfolio investments. Private company securities are typically subject to contractual transfer limitations, which may, among other things, give the issuer, its assignees and/or its stockholders a particular period of time, often 30 days or more, in which to exercise a veto right, or a right of first refusal over, the sale of such securities. Accordingly, the purchase agreements we enter into for secondary transactions typically require the lapse or satisfaction of these rights as a condition to closing. Under these circumstances, we may be required to deposit the purchase price into escrow upon signing, with the funds released to the seller at closing or returned to us if the closing conditions are not met.

### ***Risk Management and Monitoring***

We monitor the financial trends of each portfolio company to assess our exposure to individual companies as well as to evaluate overall portfolio quality. We establish valuation targets at the portfolio level and for gross and net exposures with respect to specific companies and industries within our overall portfolio. In cases where we make a direct investment in a portfolio company, we may also obtain board positions, board observation rights and/or information rights from that portfolio company in connection with our equity investment. We regularly monitor our portfolio for compliance with the diversification requirements for purposes of maintaining our status as a BDC and a RIC for tax purposes.

### ***Managerial Assistance***

As a BDC we are required to offer, and in some cases may provide and be paid for, significant managerial assistance to portfolio companies. This assistance typically involves monitoring the operations of portfolio companies, participating in their board and management meetings, consulting with and advising their officers and providing other organizational and financial guidance. GSV Asset Management will provide such managerial assistance on our behalf to portfolio companies that request assistance. We may receive fees for these services and will reimburse GSV Asset Management for its allocated costs in providing such assistance, subject to review by our Board of Directors, including our independent directors.



**Portfolio Overview**

The following table shows the fair value of our portfolio of investments by asset class as of December 31, 2018 and 2017:

	December 31, 2018		December 31, 2017	
	Fair Value	Percentage of Portfolio	Fair Value	Percentage of Portfolio
<b>Private Portfolio Companies:</b>				
Common Stock	\$ 48,517,824	16.2%	\$ 86,824,096	27.1%
Preferred Stock	99,856,159	33.4%	120,253,822	37.5%
Debt Investments	5,584,994	1.9%	4,916,578	1.6%
Warrants	267,446	0.1%	433,997	0.1%
<b>Private Portfolio Companies</b>	<b>154,226,423</b>	<b>51.6%</b>	<b>212,428,493</b>	<b>66.3%</b>
<b>Publicly Traded Portfolio Companies:</b>				
Common Stock	44,589,406	14.9%	8,160,000	2.5%
<b>Total Portfolio Investments</b>	<b>198,815,829</b>	<b>66.5%</b>	<b>220,588,493</b>	<b>68.8%</b>
<b>Non-Portfolio Investments</b>				
U.S. Treasury Bills	99,994,000	33.5%	99,994,000	31.2%
<b>Total Investments</b>	<b>\$ 298,809,829</b>	<b>100.0%</b>	<b>\$ 320,582,493</b>	<b>100.0%</b>

**Determination of Net Asset Value**

We determine the net asset value of our investment portfolio after the conclusion of each fiscal quarter in connection with the preparation of our annual and quarterly reports filed under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or more frequently if required under the 1940 Act.

Securities that are publicly traded are generally valued at the close price on the valuation date; however, if they remain subject to lock-up restrictions they are discounted accordingly. Securities that are not publicly traded or for which there are no readily available market quotations, including securities that trade on secondary markets for private securities, are valued at fair value as determined in good faith by our Board of Directors. In connection with that determination, members of GSV Asset Management’s portfolio management team will prepare portfolio company valuations using, when available, the most recent portfolio company financial statements and forecasts. We also engage an independent valuation firm to perform independent valuations of our investments that are not publicly traded or for which there are no readily available market quotations. We may also engage an independent valuation firm to perform independent valuations of any securities that trade on private secondary markets, but are not otherwise publicly traded, where there is a lack of appreciable trading or a wide disparity in recently reported trades.

For those securities that are not publicly traded or for which there are no readily available market quotations, our Board of Directors, with the assistance of its valuation committee (the “Valuation Committee”), will use the recommended valuations as prepared by GSV Asset Management and the independent valuation firm, respectively, as a component of the foundation for its final fair value determination. Due to the uncertainty inherent in the valuation process, such estimates of fair value may differ significantly from the values that would have resulted had others made the determination using the same or different procedures or had a readily available market for the securities existed, and the differences could be material. Additionally, changes in the market environment and other events that may occur over the life of the investments may cause the gains or losses ultimately realized on these investments to be different than the gains or losses implied by the valuation currently assigned to such investments. For those investments that are publicly traded, we generally record unrealized appreciation or depreciation based on changes in the market value of the securities as of the valuation date. Publicly traded securities that remain subject to lock-up restrictions are discounted accordingly. For those investments that are not publicly traded and for which there are no readily available market quotations, we record unrealized depreciation on such investments when we believe that an investment has become impaired and record unrealized appreciation if we believe that the underlying portfolio company has appreciated in value and our equity security has also appreciated in value. Changes in fair value are recorded in the consolidated statement of operations as the net change in unrealized appreciation or depreciation.

We generally determine the fair value of our investments by considering a number of factors. The following represent factors that, among others, could impact our fair value determinations:

1. Public trading of our portfolio securities, taking into consideration lock-up requirements and liquidity;
2. Active trading of our portfolio securities on a private secondary market, where we have determined that there is meaningful volume and the transactions are considered arm's length by sophisticated investors;
3. Qualified funding rounds in the companies in which we are invested, where there is meaningful and reputable information available on size, valuation and investors; and
4. Additional investments by us in current portfolio companies, where the price of the new investment differs materially from prior investments.

There is inherent subjectivity in determining the fair value of our investments. In addition, we will accrue as a liability, each time we calculate net asset value, the amount we may owe GSV Asset Management for the income incentive fee and the capital gains incentive fee, the latter of which is based on the amount of unrealized and realized capital appreciation. We expect that most of our portfolio investments, other than those for which market quotations are readily available and that may be sold without restriction, will be valued at fair value as determined in good faith by our Board of Directors, with the assistance of our Valuation Committee. Furthermore, when calculating net asset value, we also consider our recognition of a deferred tax liability for unrealized gains on investments for those investments held in our taxable subsidiaries. See "Note 1—Nature of Operations" to our consolidated financial statements for the year ended December 31, 2018 for a list of our taxable subsidiaries.

## **Investment Advisory Agreement**

### ***Management Services***

GSV Asset Management serves as our investment adviser. Subject to the overall supervision of our Board of Directors, GSV Asset Management manages our day-to-day operations and provides us with investment advisory services. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Recent Developments" in Part II, Item 7 of this Form 10-K.

Under the terms of the Investment Advisory Agreement, GSV Asset Management:

- determines the composition of our portfolio, the nature and timing of the changes to our portfolio and the manner of implementing such changes;
- determines what securities we will purchase, retain or sell;
- performs due diligence on prospective portfolio companies;
- identifies, evaluates and negotiates the structure of the investments we make;
- closes, monitors and services the investments we make; and
- provides us with such other investment advisory, research and related services as we, from time to time, reasonably require for the investment of our funds.

GSV Asset Management's services under the Investment Advisory Agreement are not exclusive, and it is free to furnish similar services to other entities so long as its services to us are not impaired. For example, as of April 17, 2019, GSV Asset Management also manages: Coursera@GSV Fund, LP, Coursera@GSV-EDBI Fund, LP, and GSV@CS, LP, special purpose vehicles each comprised of an underlying investment in the capital stock of Coursera, Inc. (the "Coursera Funds"); GSV@SP, LLC, a special purpose vehicle comprised of an underlying investment in the capital stock of Spotify Technology S.A. (the "GSV@SP Fund"); and GSV@LT, LLC, GSV@LT II, LP, and GSV@LT III, LP, special purpose vehicles each comprised of an underlying investment in the capital stock of Lyft, Inc. (the "Lyft Funds"). GSV Asset Management will likely manage one or more private funds, or series within such private funds, in the future. The Company has no ownership interests in the Coursera Funds, the GSV@SP Fund or the Lyft Funds.

The 1940 Act prohibits the Company from making certain negotiated co-investments with affiliates unless it receives an order from the SEC permitting it to do so. To the extent that the Company competes with entities managed by GSV Asset Management or any of its affiliates for one or more investment or disposition opportunities, GSV Asset Management will allocate any such opportunity across the entities for which the opportunity is appropriate, consistent with (1) its internal conflict-resolution and allocation policies, (2) the requirements of the Investment Advisers Act of 1940, and (3) certain restrictions under the 1940 Act regarding co-investments with affiliates. In situations where a particular investment or disposition opportunity is appropriate for both the Company and another entity managed by GSV Asset Management, even where co-investments are permissible under the 1940 Act, GSV Asset Management will first offer any such opportunity in its entirety to the Company. In the event that the size of such investment or disposition opportunity exceeds the Company's capacity, other funds managed by GSV Asset Management may be offered the opportunity, but only to the extent that the Company and its Board of Directors have confirmed that any such investment or disposition by an affiliated entity is permissible under the 1940 Act and otherwise in the Company's best interests. The Company's Chief Compliance Officer and Board of Directors will monitor on a quarterly basis any such allocation of investment or disposition opportunities between the Company and any such other funds.

GSV Asset Management does not anticipate that it will ordinarily identify investment opportunities that are appropriate for both GSV Capital and the other funds that are currently or in the future may be managed by GSV Asset Management. However, to the extent it does identify such opportunity, GSV Asset Management will allocate any such opportunity across the entities for which the opportunity is appropriate, consistent with (1) its internal conflict-resolution and allocation policies, (2) the requirements of the Investment Advisers Act of 1940, and (3) certain restrictions under the 1940 Act regarding co-investments with affiliates.

We, GSV Asset Management, and certain of our affiliates have submitted an exemptive relief application to the SEC to permit us to co-invest with other funds managed by GSV Asset Management or its affiliates in a manner consistent with our investment objective and the conditions to the application. As a result of our Internalization, we and GSV Asset Management withdrew such exemptive application on April 2, 2019 because the relief sought was no longer necessary.

As a business development company, we are prohibited under the 1940 Act from participating in certain transactions with certain of our affiliates without the prior approval of our Board of Directors, including the independent directors, and, in some cases, the SEC. The affiliates with which we may be prohibited from transacting include our officers, directors and employees and any person controlling or under common control with us, subject to certain exceptions.

### ***Management Fees***

We pay GSV Asset Management a fee for its services under the Investment Advisory Agreement consisting of two components — a base management fee and an incentive fee.

Our base management fee compensates GSV Asset Management for its work in identifying, evaluating, negotiating, executing and servicing our investments. Under the terms of the Investment Advisory Agreement, the base management fee is calculated at an annual rate of 2.00% of our gross assets, which is our total assets as reflected on our balance sheet (with no deduction for liabilities). Effective January 1, 2017 through January 31, 2018, however, pursuant to a voluntary waiver by GSV Asset Management, we paid GSV Asset Management a base management fee of 1.75%, a 0.25% reduction from the 2.00% base management fee payable under the Investment Advisory Agreement. On February 2, 2018 GSV Asset Management voluntarily agreed to reduce fees payable under the Investment Advisory Agreement (the "Waiver Agreement"). Pursuant to the Waiver Agreement, effective February 1, 2018, the base management fee is reduced to 1.75% of the Company's gross assets, as further described below. The waiver of a portion of the base management fee is not subject to recourse against or reimbursement by the Company.

The base management fee is payable monthly in arrears, and is calculated based on the average value of our gross assets at the end of the two most recently completed calendar quarters, and appropriately adjusted for any equity or debt capital raises, repurchases or redemptions during the current calendar quarter. The base management fee for any partial month or quarter will be appropriately prorated.

Under the Investment Advisory Agreement, GSV Asset Management's incentive fee is determined and payable in arrears as of the end of each calendar year (or upon termination of the Investment Advisory Agreement, as of the termination date), and will equal the lesser of:

- 20% of our realized capital gains during such calendar year, if any, calculated on an investment-by-investment basis, subject to a non-compounded preferred return, or "hurdle," and a "catch-up" feature, and

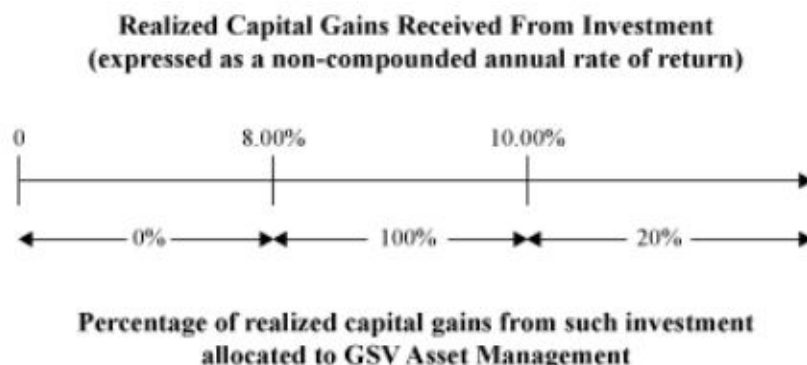
- 20% of our realized capital gains, if any, on a cumulative basis from inception through the end of each calendar year, computed net of all realized capital losses and unrealized capital depreciation on a cumulative basis, less the aggregate amount of any previously paid incentive fees.

Our realized capital gains from each investment, expressed as a non-compounded annual rate of return on the cost of such investment since we initially acquired it, will be compared to a hurdle rate of 8.00% per year. We will only pay an incentive fee on any realized capital gains from an investment that exceeds the hurdle rate. We will pay GSV Asset Management an incentive fee with respect to our realized capital gains from each investment as follows:

- No incentive fee will be payable on the amount of any realized capital gains from an investment that, when expressed as a non-compounded annual rate of return on the cost of such investment since we initially acquired it, does not exceed the hurdle rate of 8.00% per year.
- We will pay as an incentive fee 100% of the amount of any realized capital gains from an investment that, when expressed as a non-compounded annual rate of return on the cost of such investment since we initially acquired it, exceeds the hurdle rate of 8.00% per year but is less than a rate of 10.00% per year. We refer to this portion of our realized capital gains from each investment (which exceeds the hurdle rate but is less than 10.00%) as the “catch-up.” The “catch-up” is meant to provide our investment adviser with 20% of the amount of our realized capital gains from an investment that, when expressed as a non-compounded annual rate of return on the cost of such investment since we initially acquired it, exceeds a rate of 10.00% per year.
- We will pay as an incentive fee 20% of the amount of any realized capital gains from an investment that, when expressed as a non-compounded annual rate of return on the cost of such investment since we initially acquired it, exceeds a rate of 10.00% per year.

However, pursuant to the Waiver Agreement, certain high-water marks must be reached before any incentive fee is paid to GSV Asset Management under the Investment Advisory Agreement. In addition, in no event will we pay an incentive fee for any calendar year that exceeds 20% of our realized capital gains, if any, on a cumulative basis from inception through the end of such calendar year, computed net of all realized capital losses and unrealized capital depreciation on a cumulative basis, less the aggregate amount of any previously paid incentive fees.

The following is a graphical representation of the calculation of our incentive fee under the Investment Advisory Agreement with respect to a single investment, assuming certain "High Water Marks" (detailed below) are met:



For accounting purposes, in order to reflect the theoretical capital gains incentive fee that would be payable for a given period as if all unrealized gains were realized, we are required to accrue a capital gains incentive fee based upon realized capital gains and losses during the current calendar year through the end of the period, plus any unrealized capital appreciation and depreciation as of the end of the period. It should be noted that a fee so calculated and accrued would not necessarily be payable under the Investment Advisory Agreement, and may never be paid based upon the computation of capital gains incentive fees in subsequent periods. Amounts paid under the Investment Advisory Agreement will be consistent with the formula reflected in the Investment Advisory Agreement, except as modified by the Waiver Agreement.

We seek to deploy capital primarily in the form of non-controlling investments in our portfolio companies. Although we primarily invest through private secondary markets, to the extent we make a direct minority investment in a portfolio company,

neither we, nor GSV Asset Management, may have the ability to control the timing of when we realize capital gains or losses with respect to such investment. We expect the timing of such realization events to be determined by our portfolio companies in such cases. To the extent we have non-minority investments, or the securities we hold are traded on a private secondary market or public securities exchange, GSV Asset Management will have greater control over the timing of a realization event. In such cases, our Board of Directors will monitor such investments in connection with their general oversight of the investment management services provided by GSV Asset Management. In addition, as of the end of each fiscal quarter, we will evaluate whether the cumulative aggregate unrealized appreciation on our portfolio would be sufficient to require us to pay an incentive fee to GSV Asset Management if such unrealized appreciation were actually realized as of the end of such quarter, and if so, we will accrue an expense equal to the amount of such incentive fee. Any such accrual of incentive fees will be reflected in the calculation of our net asset value.

In no event will we pay an incentive fee for any calendar year that exceeds 20% of our realized capital gains, if any, on a cumulative basis from inception through the end of such calendar year, computed net of all realized capital losses and unrealized capital depreciation on a cumulative basis, less the aggregate amount of any previously paid incentive fees. See “Note 3—Related-Party Arrangements” to our consolidated financial statements as of December 31, 2018 for details of incentive fees paid and accrued.

The cost of both the base management fee payable to GSV Asset Management, and any incentive fees earned by GSV Asset Management, are ultimately borne by our common stockholders. In aggregate, inclusive of accruals and reversals, GSV Asset Management earned \$10,108,330 under the Investment Advisory Agreement during the fiscal years ended December 31, 2018, 2017, and 2016. Refer to our Consolidated Statements of Operation as of December 31, 2018, 2017 and 2016 included in Part II, Item 6 of this report on Form 10-K for details of management and incentive fees earned and waived.

### ***Waiver Agreement***

On February 2, 2018, GSV Asset Management voluntarily agreed to reduce the fees payable under the Investment Advisory Agreement pursuant to the Waiver Agreement. The Waiver Agreement is effective February 1, 2018 and changes the fee structure set forth in the Investment Advisory Agreement by: (i) reducing our base management fee from 2.00% to 1.75%; and (ii) creating certain high-water marks that must be reached before any incentive fee is paid to GSV Asset Management. In addition to the foregoing changes to the fee structure, GSV Asset Management also agreed to a one-time forfeiture of \$5.0 million of previously accrued but unpaid incentive fees.

Pursuant to the Waiver Agreement, effective February 1, 2018, the base management fee is reduced to 1.75% of gross assets. The base management fee is calculated based on the average value of gross assets at the end of the two most recently completed calendar quarters, and appropriately adjusted for any equity or debt capital raises, repurchases or redemptions during the current calendar quarter. The base management fee for any partial month or quarter will be appropriately prorated. In addition, because our 5.25% Convertible Senior Notes matured on September 15, 2018 (the “5.25% Convertible Senior Notes due 2018”), we were previously carrying a larger cash balance than we would in the ordinary course of business. As a result, under the Waiver Agreement, GSV Asset Management agreed to waive its base management fee on any cash balances effective as of February 1, 2018 until the 5.25% Convertible Senior Notes due 2018 matured on September 15, 2018, at which time we repaid the remaining outstanding aggregate principal amount of the 5.25% Convertible Senior Notes due 2018, including accrued but unpaid interest. As a result, as of and after September 15, 2018, we pay GSV Asset Management a 1.75% base management fee on our cash balances.

Further, pursuant to the Waiver Agreement, in addition to the “hurdle” feature in the incentive fee, GSV Asset Management has agreed to additional conditions on its ability to receive an incentive fee. Specifically, the Waiver Agreement provides that an incentive fee earned by GSV Asset Management under the Investment Advisory Agreement will be payable to GSV Asset Management only if, at the time that such incentive fee becomes payable under the Investment Advisory Agreement, both our stock price and our last reported net asset value per share are equal to or greater than \$12.55 (the “High-Water Mark”). The High-Water Mark is based upon the volume weighted average price (VWAP) of all our equity offerings since the initial public offering, less the dollar amount of all dividends paid by us since inception. Upon such time that the High-Water Mark is achieved, and GSV Asset Management is paid an incentive fee, a new High-Water Mark will be established. Each new High-Water Mark will be equal to the most recent High-Water Mark, plus 10%. Any High-Water Mark then in effect will be adjusted to reflect any dividends paid by us or any stock split effected by us.

In addition, as of December 31, 2018, the Company had accrued \$4,660,472 in incentive fees that have not yet become payable under the Investment Advisory Agreement, inclusive of the \$5.0 million GSV Asset Management has agreed to forfeit pursuant to the Waiver Agreement.

For the avoidance of doubt, after these changes take effect, under no circumstances will the aggregate fees earned by GSV Asset Management in any quarterly period be higher than those aggregate fees that would have been earned prior to the effectiveness of the Waiver Agreement.

### ***Payment of our Expenses***

Our primary operating expenses are the payment of a base management fee and any incentive fees under the Investment Advisory Agreement (defined below) and the allocable portion of overhead and other expenses incurred by GSV Capital Service Company in performing its obligations under the Administration Agreement. We bear all other cost and expenses of our operations, administration, and transactions, including (without limitation) fees and expenses relating to:

- organization and offering;
- calculating our net asset value (including the cost and expenses of any independent valuation firm);
- expenses incurred by GSV Asset Management payable to third parties, including agents, consultants, or other advisers in monitoring our financial and legal affairs and in providing administrative services, monitoring our investments and performing due diligence on any prospective portfolio companies;
- interest payable on debt and any other related costs, if any, incurred to finance our investments;
- the cost of effecting sales and repurchases of shares our common stock and other securities;
- investment advisory and management fees payable pursuant to the Investment Advisory Agreement
- administration fees, if any, payable pursuant to the Administration Agreement
- fees payable to third parties, including agents, consultants, or other advisers, relating to, or associated with, evaluating and making investments
- transfer agent, trustee, and custodial fees;
- federal and state registration fees;
- all costs of registration and listing our shares on any securities exchange;
- federal, state, and local taxes;
- independent directors' fees and expenses, including travel expenses, and other costs of our Board of Directors' meetings;
- costs of preparing and filing reports or other documents required by the SEC;
- costs of any reports, proxy statements, or other notices to stockholders, including printing costs;
- our allocable portion of the of the fidelity bond, directors and officers, errors and omissions liability insurance, and any other insurance premiums;
- fees and expenses associated with our website, public relations and marketing efforts (including attendance at industry and investor conferences and similar events);
- direct costs and expenses of administration, including printing, mailing, long distance telephone, copying, secretarial and other staff, independent auditors, and outside legal costs; and
- all other expenses incurred by either GSV Capital Service Company or us in connection with administering our business, including payments under the Administration Agreement that will be based upon our allocable portion of overhead and other expenses incurred by GSV Capital Service Company in performing its obligations under the Administration Agreement, including a portion of the rent and the compensation of our President, Chief Financial Officer, Chief Compliance Officer and other administrative support personnel.

All of these expenses are ultimately borne by our common stockholders.

All personnel of GSV Asset Management, when and to the extent engaged in providing investment advisory services, and the compensation and expenses of such personnel allocable to such services, are provided and paid for by GSV Asset Management.

### ***Duration and Termination***

The Investment Advisory Agreement was initially approved by our Board of Directors on March 28, 2011 and became effective on April 11, 2011.

Unless earlier terminated as described below, the Investment Advisory Agreement will remain in effect from year to year if approved annually by our Board of Directors or by the affirmative vote of the holders of a majority of our outstanding voting securities, including, in either case, approval by a majority of our directors who are not interested persons of any such party, as such term is defined in Section 2(a)(19) of the 1940 Act. The Investment Advisory Agreement will automatically terminate in the event of its assignment. The Investment Advisory Agreement may be terminated by either party without penalty upon not more than 60 days' written notice to the other. The Investment Advisory Agreement may also be terminated, without penalty, upon the vote of a majority of our outstanding voting securities.

In connection with our Internalization, the Investment Advisory Agreement was terminated on the Effective Date in accordance with its terms. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Recent Developments" in Part II, Item 7 of this Form 10-K.

### ***Indemnification***

The Investment Advisory Agreement provides that, absent willful misfeasance, bad faith or gross negligence in the performance of its duties or by reason of the reckless disregard of its duties and obligations, GSV Asset Management and its officers, managers, partners, agents, employees, controlling persons, members and any other person or entity affiliated with it are entitled to indemnification from us for any damages, liabilities, costs and expenses (including reasonable attorneys' fees and amounts reasonably paid in settlement) arising from the rendering of GSV Asset Management's services under the Investment Advisory Agreement or otherwise as our investment adviser.

### ***Board Approval of the Investment Advisory Agreement***

On April 9, 2018, at an in-person meeting, our Board of Directors, including a majority of the directors who were not "interested persons," as defined by the 1940 Act, of the Company or GSV Asset Management, approved the continuation of the Investment Advisory Agreement to April 9, 2019. In its consideration of the re-approval of the Investment Advisory Agreement, the Board of Directors focused on information it had received relating to, among other things:

- the nature, quality and extent of the advisory and other services to be provided to us by GSV Asset Management;
- the investment performance of GSV Asset Management;
- comparative data with respect to advisory fees or similar expenses paid by other BDCs with similar investment objectives;
- our projected operating expenses and expense ratio;
- any existing and potential sources of indirect income to GSV Asset Management or GSV Capital Service Company from their relationships with us and the profitability of those relationships;
- information about the services to be performed and the personnel performing such services under the Investment Advisory Agreement;
- the organizational capability and financial condition of GSV Asset Management and its affiliates; and
- the possibility of obtaining similar services from other third-party service providers or through an internally-managed structure.

Based on the information reviewed and related discussions, our Board of Directors concluded that fees payable to GSV Asset Management pursuant to the Investment Advisory Agreement were reasonable in relation to the services to be provided. The Board of Directors did not assign relative weights to the above factors or the other factors considered by it. In addition, our Board of Directors did not reach any specific conclusion on each factor considered, but rather, conducted an overall analysis of these factors. Individual members of the Board of Directors may have given different weights to different factors.

### ***Administration Agreement***

Under the Administration Agreement, GSV Capital Service Company performs, or oversees the performance of, our required administrative services, which includes being responsible for the financial records that we are required to maintain and preparing reports to our stockholders and reports filed with the SEC. In addition, GSV Capital Service Company assists us in determining and publishing our net asset value, overseeing the preparation and filing of our tax returns and the printing and dissemination of reports to our stockholders, and generally overseeing the payment of our expenses and the performance of administrative and professional services rendered to us by others. Further, pursuant to the Administration Agreement, GSV Capital Service Company furnishes us with office facilities, together with equipment and clerical, bookkeeping and record-keeping services at such facilities.

### ***Costs Incurred Under the Administration Agreement***

Costs incurred under the Administration Agreement are based upon our allocable portion of overhead and other expenses incurred by GSV Capital Service Company in performing its obligations under the Administration Agreement, including a portion of the rent and the compensation of our President, Chief Financial Officer, Chief Compliance Officer and other staff providing administrative services.

In accordance with the terms of the Administration Agreement, overhead and other administrative expenses are generally allocated between us and GSV Asset Management by reference to the relative time spent by personnel in performing administrative and similar functions on our behalf as compared to performing investment advisory or administrative functions on behalf of GSV Asset Management. To the extent personnel retained by GSV Capital Service Company perform administrative tasks for GSV Asset Management, the fees incurred with respect to the actual time dedicated to such tasks will be reimbursed by GSV Asset Management. While there is no limit on the total amount of expenses we may be required to reimburse to GSV Capital Service Company, our administrator will only charge us for the actual expenses it incurs on our behalf, or our allocable portion thereof, without any profit to GSV Capital Service Company.

GSV Asset Management wholly owns and controls GSV Capital Service Company, which is a disregarded entity for tax purposes. The Administration Agreement may be terminated at any time without penalty upon 60 days' written notice, by a vote of a majority of our outstanding voting securities, by a vote of our Board of Directors or by GSV Capital Service Company.

In connection with our Internalization, the Administration Agreement was terminated on the Effective Date in accordance with its terms. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Recent Developments" in Part II, Item 7 of this Form 10-K.

### ***Indemnification***

The Administration Agreement provides that, absent willful misfeasance, bad faith or gross negligence in the performance of their respective duties or by reason of the reckless disregard of their respective duties and obligations, GSV Capital Service Company and its officers, manager, agents, employees, controlling persons, members and any other person or entity affiliated with it are entitled to indemnification from us for any damages, liabilities, costs and expenses (including reasonable attorneys' fees and amounts reasonably paid in settlement) arising from the rendering of GSV Capital Service Company's services under the Administration Agreement or otherwise as our administrator.

### ***License Agreement***

We have entered into a license agreement with GSV Asset Management pursuant to which GSV Asset Management has agreed to grant us a non-exclusive, royalty-free license to use the name "GSV." Under this agreement, we have a right to use the GSV name for so long as the Investment Advisory Agreement with GSV Asset Management is in effect. Other than with respect to this limited license, we will have no legal right to the "GSV" name. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Recent Developments" in Part II, Item 7 of this Form 10-K.

### ***Regulation as a Business Development Company***

#### ***General***

A BDC is regulated by the 1940 Act. A BDC must be organized in the United States for the purpose of investing in, or lending to, primarily private companies and making significant managerial assistance available to them. A BDC may use capital provided by public stockholders and from other sources to make long-term, private investments in businesses. A BDC provides stockholders the ability to retain the liquidity of a publicly traded stock while sharing in the possible benefits, if any, of investing in primarily privately owned companies.

We may not change the nature of our business so as to cease to be, or withdraw our election as, a BDC unless authorized by vote of a majority of the outstanding voting securities, as required by the 1940 Act. A majority of the outstanding voting securities of a company is defined under the 1940 Act as the lesser of: (a) 67% or more of such company's voting securities present at a meeting if more than 50% of the outstanding voting securities of such company are present or represented by proxy, or (b) more than 50% of the outstanding voting securities of such company. We do not anticipate any substantial change in the nature of our business.



As with other companies regulated by the 1940 Act, a BDC must adhere to certain substantive regulatory requirements. A majority of our directors must be persons who are not “interested persons” as defined in the 1940 Act. Additionally, we are required to provide and maintain a bond issued by a reputable fidelity insurance company to protect the BDC. Furthermore, as a BDC, we are prohibited from protecting any director or officer against any liability to us or our stockholders arising from willful misfeasance, bad faith, gross negligence or reckless disregard of the duties involved in the conduct of such person’s office.

As a BDC, we are generally required to meet an asset coverage ratio, defined under the 1940 Act as the ratio of our gross assets (less all liabilities and indebtedness not represented by senior securities) to our outstanding senior securities, of at least 200% after each issuance of senior securities. We may also be prohibited under the 1940 Act from knowingly participating in certain transactions with our affiliates without the prior approval of our directors who are not interested persons and, in some cases, prior approval by the SEC.

The Small Business Credit Availability Act (the “SBCAA”) modifies the asset coverage percentage from 200% to 150%. Under the SBCAA, we are allowed to increase our leverage capacity if stockholders representing at least a majority of the votes cast, when a quorum is present, approve a proposal to do so. If we receive stockholder approval, we would be allowed to increase our leverage capacity on the first day after such approval. Alternatively, the SBCAA allows the majority of our independent directors to approve an increase in our leverage capacity, and such approval would become effective on the one-year anniversary of such approval. In either case, we would be required to make certain disclosures on our website and in SEC filings regarding, among other things, the receipt of approval to increase our leverage, our leverage capacity and usage, and risks related to leverage.

The SBCAA also instructs the SEC to issue rules or amendments to rules allowing BDCs to use the same securities offering and proxy rules that are available to operating companies, including, among other things, allowing BDCs to incorporate by reference in registration statements filed with the SEC and allow certain BDCs to file shelf registration statements that are automatically effective and take advantage of other benefits available to Well-Known Seasoned Issuers; however, as of the date of this Form 10-K, we do not know when the rules relating to this legislation will become effective.

We do not intend to acquire securities issued by any investment company that exceed the limits imposed by the 1940 Act. Under these limits, except for registered money market funds, we generally cannot acquire more than 3% of the voting stock of any investment company, invest more than 5% of the value of our total assets in the securities of one investment company or invest more than 10% of the value of our total assets in the securities of investment companies in the aggregate. The portion of our portfolio invested in securities issued by investment companies ordinarily will subject our stockholders to additional indirect expenses. Our investment portfolio is also subject to diversification requirements by virtue of our election to be treated as a RIC for U.S. tax purposes and our intention to continue to operate in a manner so as to qualify for the tax treatment applicable to RICs. See “Risk Factors—Risks Related to Our Business and Structure” in Part I, Item 1A of this Form 10-K for more information.

In addition, investment companies registered under the 1940 Act and private funds that are excluded from the definition of “investment company” pursuant to either Section 3(c)(1) or 3(c)(7) of the 1940 Act may not acquire directly or through a controlled entity more than 3% of our total outstanding voting stock (measured at the time of the acquisition), unless the funds comply with an exemption under the 1940 Act. As a result, certain of our investors may hold a smaller position in our shares than if they were not subject to these restrictions.

We are generally not able to issue and sell our common stock at a price below net asset value per share. See “Risk Factors—Risks Related to Our Business and Structure—Regulations governing our operation as a business development company affect our ability to, and the way in which we, raise additional capital, which may expose us to risks, including the typical risks associated with leverage” in Part I, Item 1A of this Form 10-K. We may, however, sell our common stock, or warrants, options or rights to acquire our common stock, at a price below the then-current net asset value of our common stock if our Board of Directors determines that such sale is in our best interests and the best interests of our stockholders, and our stockholders approve such sale. In addition, we may generally issue new shares of our common stock at a price below net asset value in rights offerings to existing stockholders, in payment of dividends and in certain other limited circumstances.

As a BDC, we are also prohibited under the 1940 Act from knowingly participating in certain transactions with our affiliates without the prior approval of our Board of Directors who are not interested persons and, in some cases, prior approval by the SEC. For example, under the 1940 Act, absent receipt of exemptive relief from the SEC, we and certain of our affiliates are generally precluded from co-investing in negotiated private placements of securities. We, GSV Asset Management and certain of our affiliates have submitted an exemptive application to the SEC to permit us to co-invest with other funds managed by GSV Asset Management or its affiliates in a manner consistent with our investment objective and the conditions to the application. There can be no assurance that this exemptive order will be granted. If such relief is granted, then we will be permitted to participate in co-investment transactions with certain of our affiliates if a “required majority” (as defined in Section 57(o) of the 1940 Act) of our independent directors makes certain conclusions in connection with each transaction, including that (1) the terms of the transaction, including

the consideration to be paid, are reasonable and fair to us and our stockholders and do not involve overreaching in respect of us or our stockholders on the part of any person concerned and (2) the transaction is consistent with the interests of our stockholders and is consistent with our investment objective and strategies.

We are subject to periodic examination by the SEC for compliance with the 1940 Act.

As a BDC, we are subject to certain risks and uncertainties. See “Risk Factors—Risks Related to Our Business and Structure” in Part I, Item 1A of this Form 10-K.

### ***Qualifying Assets***

Under the 1940 Act, a BDC may not acquire any asset other than assets of the type listed in Section 55(a) of the 1940 Act, which are referred to as “qualifying assets”, unless, at the time the acquisition is made, qualifying assets represent at least 70% of the BDC’s gross assets. The principal categories of qualifying assets relevant to our business are the following:

1. Securities purchased in transactions not involving any public offering from the issuer of such securities, which issuer (subject to certain limited exceptions) is an eligible portfolio company, or from any person who is, or has been during the preceding 13 months, an affiliated person of an eligible portfolio company, or from any other person, subject to such rules as may be prescribed by the SEC. An eligible portfolio company is defined in the 1940 Act as any issuer which:
  - a. is organized under the laws of, and has its principal place of business in, the United States;
  - b. is not an investment company (other than a small business investment company wholly owned by the BDC) or a company that would be an investment company but for certain exclusions under the 1940 Act; and
  - c. satisfies any of the following:
    - i. does not have any class of securities that is traded on a national securities exchange;
    - ii. has a class of securities listed on a national securities exchange, but has an aggregate market value of outstanding voting and non-voting common equity of less than \$250.0 million;
    - iii. is controlled by a BDC or a group of companies including a BDC and the BDC has an affiliated person who is a director of the eligible portfolio company;
    - iv. is a small and solvent company having gross assets of not more than \$4.0 million and capital and surplus of not less than \$2.0 million; or
    - v. meets such other criteria as may be established by the SEC.
2. Securities of any eligible portfolio company which we control.
3. Securities purchased in a private transaction from a U.S. issuer that is not an investment company or from an affiliated person of the issuer, or in transactions incident thereto, if the issuer is in bankruptcy and subject to reorganization or if the issuer, immediately prior to the purchase of its securities, was unable to meet its obligations as they came due without material assistance other than conventional lending or financing arrangements.
4. Securities of an eligible portfolio company purchased from any person in a private transaction if there is no ready market for such securities and we already own 60% of the outstanding equity of the eligible portfolio company.
5. Securities received in exchange for or distributed on or with respect to securities described in 1 through 4 above, or pursuant to the exercise of options, warrants or rights relating to such securities.
6. Cash, cash equivalents, U.S. government securities or high-quality debt securities maturing in one year or less from the time of investment.

In addition, a BDC must have been organized and have its principal place of business in the United States and must be operated for the purpose of making investments in the types of securities described in (1), (2) or (3) above.

If at any time less than 70% of our gross assets are comprised of qualifying assets, including as a result of an increase in the value of any non-qualifying assets or decrease in the value of any qualifying assets, we would generally not be permitted to acquire any additional non-qualifying assets, other than office furniture and equipment, interests in real estate and leasehold improvements and facilities maintained to conduct the business operations of the BDC, deferred organization and operating expenses, and other noninvestment assets necessary and appropriate to its operations as a BDC, until such time as 70% of our then-current gross assets were comprised of qualifying assets. We would not be required, however, to dispose of any non-qualifying assets in such circumstances.

### ***Managerial Assistance to Portfolio Companies***

A BDC generally must offer to make available to the issuer of the securities it holds significant managerial assistance, except in circumstances where either (i) the BDC controls such issuer of securities or (ii) the BDC purchases such securities in conjunction with one or more other persons acting together and one of the other persons in the group makes available such managerial assistance. Making available managerial assistance means, among other things, any arrangement whereby the BDC, through its directors, officers or employees, offers to provide, and, if accepted, does so provide, significant guidance and counsel concerning the management, operations or business objectives and policies of a portfolio company.

### ***Temporary Investments***

Pending investment in other types of “qualifying assets,” as described above, our investments may consist of cash, cash equivalents, U.S. government securities or high-quality debt securities maturing in one year or less from the time of investment, which we refer to, collectively, as temporary investments, so that 70% of our assets are qualifying assets. Typically, we will invest in U.S. Treasury bills or in repurchase agreements, provided that such agreements are fully collateralized by cash or securities issued by the U.S. government or its agencies. A repurchase agreement involves the purchase by an investor, such as us, of a specified security and the simultaneous agreement by the seller to repurchase it at an agreed-upon future date and at a price which is greater than the purchase price by an amount that reflects an agreed-upon interest rate. There is no percentage restriction on the proportion of our assets that may be invested in such repurchase agreements. However, if more than 25% of our gross assets constitute repurchase agreements from a single counterparty, we would not meet the diversification tests in order to qualify as a RIC for U.S. federal income tax purposes. Thus, we do not intend to enter into repurchase agreements with a single counterparty in excess of this limit. GSV Asset Management will monitor the creditworthiness of the counterparties with which we enter into repurchase agreement transactions.

### ***Warrants and Options***

Under the 1940 Act, a BDC is subject to restrictions on the amount of warrants, options, restricted stock or rights to purchase shares of capital stock that it may have outstanding at any time. Under the 1940 Act, we may generally only offer warrants provided that (i) the warrants expire by their terms within ten years, (ii) the exercise or conversion price is not less than the current market value at the date of issuance, (iii) our stockholders authorize the proposal to issue such warrants, and our Board of Directors approves such issuance on the basis that the issuance is in the best interests of us and our stockholders and (iv) if the warrants are accompanied by other securities, the warrants are not separately transferable unless no class of such warrants and the securities accompanying them has been publicly distributed. The 1940 Act also provides that the amount of our voting securities that would result from the exercise of all outstanding warrants, as well as options and rights, at the time of issuance may not exceed 25% of our outstanding voting securities. In particular, the amount of capital stock that would result from the conversion or exercise of all outstanding warrants, options or rights to purchase capital stock cannot exceed 25% of the BDC’s total outstanding shares of capital stock.

### ***Senior Securities***

We are permitted, under specified conditions, to issue multiple classes of indebtedness and one class of stock senior to our common stock if our asset coverage, as defined in the 1940 Act, is at least equal to 200% (or 150% if certain requirements are met) immediately after each such issuance. In addition, while any senior securities remain outstanding, we must make provisions to prohibit any distribution to our stockholders or the repurchase of such securities or shares unless we meet the applicable asset coverage ratios at the time of the distribution or repurchase. We may also borrow amounts up to 5% of the value of our gross assets for temporary or emergency purposes without regard to asset coverage. For a discussion of the risks associated with leverage, see “Risk Factors — Risks Related to Our Business and Structure — Borrowings, such as our 4.75% Convertible Senior Notes due

2023 (the "4.75% Convertible Senior Notes due 2023") and the Credit Facility (as defined herein), can magnify the potential for gain or loss on amounts invested and may increase the risk of investing in us." in Part I, Item 1A of this Form 10-K.

### ***Code of Ethics***

We and GSV Asset Management have adopted a joint code of ethics pursuant to Rule 17j-1 under the 1940 Act and Rule 204A-1 under the Advisers Act. This code establishes procedures for personal investments and restricts certain transactions by our personnel. Our code of ethics and our code of business conduct and ethics are available on the EDGAR Database on the SEC's Internet site at <http://www.sec.gov>, and are available on our corporate governance. You may also obtain copies of our code of ethics and our code of business conduct and ethics, after paying a duplicating fee, by electronic request at the following Email address: [publicinfo@sec.gov](mailto:publicinfo@sec.gov).

### **Compliance Policies and Procedures**

We and GSV Asset Management have adopted and implemented written policies and procedures reasonably designed to detect and prevent violation of the federal securities laws and are required to review these compliance policies and procedures annually for their adequacy and the effectiveness of their implementation and designate a Chief Compliance Officer to be responsible for administering the policies and procedures. Carl Rizzo currently serves as our Chief Compliance Officer.

### **Compliance with Corporate Governance Regulations**

The Sarbanes-Oxley Act imposes a wide variety of regulatory requirements on publicly held companies and their insiders. Many of these requirements affect us. For example:

- pursuant to Rule 13a-14 of the Exchange Act, our Chief Executive Officer and Chief Financial Officer must certify the accuracy of the financial statements contained in our periodic reports;
- pursuant to Item 307 of Regulation S-K, our periodic reports must disclose our conclusions about the effectiveness of our disclosure controls and procedures;
- pursuant to Rule 13a-15 of the Exchange Act, our management must prepare an annual report regarding its assessment of our internal control over financial reporting and must obtain an audit of the effectiveness of internal control over financial reporting performed by our independent registered public accounting firm; and
- pursuant to Item 308 of Regulation S-K and Rule 13a-15 of the Exchange Act, our periodic reports must disclose whether there were significant changes in our internal control over financial reporting or in other factors that could significantly affect these controls subsequent to the date of their evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

The Sarbanes-Oxley Act requires us to review our current policies and procedures to determine whether we comply with the Sarbanes-Oxley Act and the regulations promulgated thereunder. We will continue to monitor our compliance with all regulations that are adopted under the Sarbanes-Oxley Act and will take actions necessary to ensure that we are in compliance therewith.

In addition, the Nasdaq Capital Market has adopted various corporate governance requirements as part of its listing standards. We believe we are in compliance with such corporate governance listing standards. We will continue to monitor our compliance with all future listing standards and will take actions necessary to ensure that we are in compliance therewith.

### **Proxy Voting Policies and Procedures**

We have delegated our proxy voting responsibility to GSV Asset Management. The Proxy Voting Policies and Procedures of GSV Asset Management are set forth below. The guidelines will be reviewed periodically by GSV Asset Management and our non-interested directors, and, accordingly, are subject to change. For purposes of these Proxy Voting Policies and Procedures described below, "we," "our" and "us" refer to GSV Asset Management.

### ***Introduction***

An investment adviser registered under the Advisers Act has a fiduciary duty to act in the best interests of its clients, without regard to the investment adviser's financial or other interest. As part of this duty, we recognize that we must vote client securities

in a timely manner, free of actual or apparent conflicts of interest and in the best interests of our clients (or, where the client is a pooled investment vehicle or other similar entity, the client's equity interest holders ("stockholders"), viewed as a group rather than individually).

These policies and procedures for voting proxies for our investment advisory clients are intended to comply with Section 206 of, and Rule 206(4)-6 under, the Advisers Act.

### ***Proxy Policies***

We will vote proxies relating to portfolio securities in what we perceive to be the best interests of our clients or, as applicable, their stockholders. We will review on a case-by-case basis each proposal submitted to a stockholder vote to determine its impact on the portfolio securities held by our clients. Although we will generally vote against proposals that may have a negative impact on our clients' portfolio securities, we may vote for such a proposal if there are compelling long-term reasons to do so.

Our proxy voting decisions are made by the senior officers who are responsible for monitoring the relevant client's investments. To ensure that our vote is not the product of a conflict of interest, we require that: (1) anyone involved in the decision-making process disclose to our Chief Compliance Officer any potential conflict that he or she is aware of and any contact that he or she has had with any interested party regarding a proxy vote; and (2) employees involved in the decision-making process or vote administration are prohibited from revealing how we intend to vote on a proposal without the prior approval of the Chief Compliance Officer and senior management in order to reduce any attempted influence from interested parties.

### ***Proxy Voting Records***

You may obtain information about how we voted proxies with respect to our portfolio securities by making a written request for proxy voting information to: Chief Compliance Officer, 345 California Street, Suite 600, San Francisco, CA 94104 or [compliance@gsvcap.com](mailto:compliance@gsvcap.com).

### **Privacy Principles**

We are committed to maintaining the privacy of our stockholders and to safeguarding their non-public personal information. The following information is provided to help you understand what personal information we collect, how we protect that information and why, in certain cases, we may share information with select other parties.

Generally, we do not receive any non-public personal information relating to our stockholders, although certain non-public personal information of our stockholders may become available to us. We do not disclose any non-public personal information about our stockholders or former stockholders to anyone, except as permitted by law or as is necessary in order to service stockholder accounts (for example, to a transfer agent or third-party administrator).

We restrict access to non-public personal information about our stockholders to employees of GSV Asset Management and its affiliates with a legitimate business need for the information. We maintain physical, electronic and procedural safeguards designed to protect the non-public personal information of our stockholders.

### **Available Information**

The SEC maintains an Internet site that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC. The address of that site is <http://www.sec.gov>.

Our internet address is [www.gsvcap.com](http://www.gsvcap.com). We make available free of charge on our website our annual report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and amendments to those reports as soon as reasonably practicable after we electronically file such material with, or furnish it to, the SEC. The information on our website is not incorporated by reference into this annual report on Form 10-K unless specifically so incorporated by reference herein.

### **Material U.S. Federal Income Tax Considerations**

Included in our consolidated financial statements, the following wholly-owned subsidiaries are taxable subsidiaries (collectively, the "GSVC Holdings"), regardless of whether we qualify for tax treatment as a RIC: GSVC AE Holdings, Inc., GSVC AV Holdings, Inc., GSVC NG Holdings, Inc., GSVC SW Holdings, Inc., GSVC WS Holdings, Inc., and GSVC SVDS Holdings, Inc. The GSVC Holdings are C corporations for U.S. federal and state income tax purposes. These taxable subsidiaries

are not consolidated for income tax purposes and may generate income tax expenses as a result of their ownership of the portfolio companies. Such income tax expenses and deferred taxes, if any, will be reflected in our consolidated financial statements.

We evaluate tax positions taken, or expected to be taken, in the course of preparing our consolidated financial statements to determine whether the tax positions are “more-likely-than-not” to be sustained by the applicable tax authority. We recognize the tax benefits of uncertain tax positions only when the position has met the “more-likely-than-not” threshold. We classify penalties and interest associated with income taxes, if any, as income tax expense. Conclusions regarding tax positions are subject to review and may be adjusted at a later date based on factors including, but not limited to, ongoing analyses of tax laws, regulations and interpretations thereof. We have identified our major tax jurisdictions as U.S. federal and California.

### ***Election to be Taxed as a RIC***

We elected to be treated as a RIC for the taxable year ended December 31, 2014 in connection with the filing of its 2014 tax return. As a result, the Company was required to pay a corporate-level U.S. federal income tax on the amount of the net built-in gains in its assets (the amount by which the net fair market value of the Company’s assets exceeds the net adjusted basis in its assets) either (1) as of the date it converted to a RIC (i.e., the beginning of the first taxable year that the Company qualifies as a RIC, which would be January 1, 2014), or (2) to the extent that the Company recognized such net built-in gains during the five-year recognition period beginning on the date of conversion. As of January 1, 2014, the Company had net unrealized built-in gains, but did not incur a built-in-gains tax for the 2014 tax year due to the fact that there were sufficient net capital loss carryforwards to completely offset recognized built-in gains as well as available net operating losses. The five-year recognition period ended on December 31, 2018.

We were taxed as a C corporation for the fiscal years ended December 31, 2012 and 2013. As a result of converting from a C corporation to a RIC, we are required to pay a corporate-level U.S. federal income tax on the net amount of the net built-in gains, if any, in our assets (i.e., the amount by which the net fair market value of our assets exceeds our net adjusted basis in our assets) as of the date of conversion (i.e., January 1, 2014) to the extent that such gains are recognized by us during the applicable five-year recognition period, which began on the date of conversion.

### ***Taxation as a Regulated Investment Company***

If we:

- qualify as a RIC; and
- satisfy the Annual Distribution Requirement,

then we will not be subject to U.S. federal income tax on the portion of our income we distribute (or are deemed to distribute) to stockholders. We will be subject to U.S. federal income tax at the regular corporate rates on any income, including capital gains not distributed (or deemed distributed) to our stockholders.

We will be subject to a 4% nondeductible U.S. federal excise tax on certain undistributed income unless we distribute in a timely manner an amount at least equal to the sum of (1) 98% of our net ordinary income for each calendar year, (2) 98.2% of our capital gains in excess of capital losses for the one-year period ending October 31 in that calendar year and (3) any ordinary income and net capital gains for preceding years that were not distributed during such preceding years (the “Excise Tax Avoidance Requirement”). We generally will endeavor in each year to make sufficient distributions to our stockholders to avoid any U.S. federal excise tax on our earnings.

In order to qualify as a RIC for U.S. federal income tax purposes, we must, among other things:

- have in effect an election to be regulated as a BDC under the 1940 Act at all times during each taxable year;
- derive in each taxable year at least 90% of our gross income from dividends, interest, payments with respect to loans of certain securities, gains from the sale of stock or other securities or foreign currencies, net income from certain “qualified publicly traded partnerships,” or other income derived with respect to our business of investing in such stock or securities (the “90% Income Test”);
- distribute to our stockholders on a timely basis each year at least 90% of “investment company taxable income,” which is generally our net ordinary income plus the excess of realized net short-term capital gains over realized net long-term capital losses (the “Annual Distribution Requirement”). and

- diversify our holdings so that at the end of each quarter of the taxable year:
  - at least 50% of the value of our assets consists of cash, cash equivalents, U.S. government securities, securities of other RICs, and other securities if such other securities of any one issuer do not represent more than 5% of the value of our assets or more than 10% of the outstanding voting securities of the issuer (the “50% Diversification Test”); and
  - no more than 25% of the value of our assets is invested in the securities, other than U.S. government securities or securities of other RICs, of one issuer, of two or more issuers that are controlled, as determined under applicable Code rules, by us and that are engaged in the same or similar or related trades or businesses, or of certain “qualified publicly traded partnerships” (the “25% Diversification Test,” and together with the 50% Diversification Test, the “Diversification Tests”).

If we satisfy the Diversification Tests as of the close of any quarter, we will not fail the Diversification Tests as of the close of a subsequent quarter as a consequence of a discrepancy between the value of our assets and the requirements of the Diversification Tests that is attributable solely to fluctuations in the value of our assets. Rather, we will fail the Diversification Tests as of the end of a subsequent quarter only if such a discrepancy existed immediately after our acquisition of any asset and such discrepancy is wholly or partly the result of that acquisition. In addition, if we fail the Diversification Tests as of the end of any quarter, we will not lose our status as a RIC if we eliminate the discrepancy within thirty days of the end of such quarter and, if we eliminate the discrepancy within that thirty-day period, we will be treated as having satisfied the Diversification Tests as of the end of such quarter for purposes of applying the rule described in the preceding sentence, assuming that it is not the first quarter of RIC qualification.

Any corporate-level built-in gain tax is payable at the time the built-in gains are recognized (which generally will be the years in which the built-in gain assets are sold in a taxable transaction). The amount of this tax will vary depending on the assets that are actually sold by us in the applicable period, the amount of realized gain (loss), the actual amount of net built-in gain or loss present in those assets as of the date of conversion, and the effective tax rates at such times. The payment of any such corporate-level U.S. federal income tax on built-in gain will be an expense that will reduce the amount available for distribution to our stockholders. The built-in gain tax is calculated by determining a RIC’s net unrealized built-in gains, if any, by which the fair market value of the assets of the RIC at the beginning of the first RIC-year exceeds the aggregate adjusted basis of such assets at that time.

We may be required to recognize taxable income in circumstances in which we do not receive cash. For example, if we hold debt obligations that are treated under applicable tax rules as having original issue discount (which may arise if we receive warrants in connection with the origination of a loan or possibly in other circumstances), we must include in income each year a portion of the original issue discount that accrues over the life of the obligation, regardless of whether cash representing such income is received by us in the same taxable year. We may also have to include in income other amounts that we have not yet received in cash, such as contractual payment-in-kind, or PIK, interest (which represents contractual interest added to the loan balance and due at the end of the loan term) or dividends and deferred loan origination fees that are paid after origination of the loan or are paid in non-cash compensation such as warrants or stock. Because any original issue discount or other amounts accrued will be included in our investment company taxable income for the year of accrual, we may be required to make a distribution to our stockholders in order to satisfy the Annual Distribution Requirement and the Excise Tax Avoidance Requirement, even though we will not have received any corresponding cash amount.

We will be subject to certain asset coverage ratio requirements under the 1940 Act and financial covenants under loan and credit agreements that could, under certain circumstances, restrict us from making distributions necessary to satisfy the Annual Distribution Requirement. See “—Regulation as a Business Development Company—Senior Securities.” Moreover, our ability to dispose of assets to meet our distribution requirements may be limited by (1) the illiquid nature of our portfolio and/or (2) other requirements relating to our status as a RIC, including the Diversification Tests. If we dispose of assets in order to meet the Annual Distribution Requirement or the Excise Tax Avoidance Requirement, we may make such dispositions at times that, from an investment standpoint, are not advantageous.

Certain of our investment practices may be subject to special and complex U.S. federal income tax provisions that may, among other things: (i) disallow, suspend or otherwise limit the allowance of certain losses or deductions; (ii) convert lower taxed long-term capital gain into higher taxed short-term capital gain or ordinary income; (iii) convert an ordinary loss or a deduction into a capital loss (the deductibility of which is more limited); (iv) cause us to recognize income or gain without a corresponding receipt of cash; (v) adversely affect the time as to when a purchase or sale of securities is deemed to occur; (vi) adversely alter

the characterization of certain complex financial transactions; and (vii) produce income that will not be qualifying income for purposes of the 90% Income Test described above. We will monitor our transactions and may make certain tax elections in order to mitigate the potential adverse effect of these provisions.

Gain or loss realized by us from the sale or exchange of warrants acquired by us as well as any loss attributable to the lapse of such warrants generally will be treated as capital gain or loss. The treatment of such gain or loss as long-term or short-term will depend on how long we held a particular warrant. Upon the exercise of a warrant acquired by us, our tax basis in the stock purchased under the warrant will equal the sum of the amount paid for the warrant plus the strike price paid on the exercise of the warrant.

#### ***Failure to Maintain our Qualification as a RIC***

If we fail to satisfy the 90% Income Test or the Diversification Tests for any taxable year, we may nevertheless continue to qualify as a RIC for such year if certain relief provisions are applicable (which may, among other things, require us to pay certain corporate-level U.S. federal income taxes or to dispose of certain assets).

If we were unable to qualify for treatment as a RIC and the foregoing relief provisions are not applicable, we would be subject to tax on all of our taxable income at regular corporate rates, regardless of whether we make any distributions to our stockholders. Distributions would not be required, and any distributions would be taxable to our stockholders as ordinary dividend income that, subject to certain limitations, may be eligible for the 20% maximum rate to the extent of our current and accumulated earnings and profits provided certain holding period and other requirements were met. Subject to certain limitations under the Code, corporate distributees would be eligible for the dividends-received deduction. Distributions in excess of our current and accumulated earnings and profits would be treated first as a return of capital to the extent of the stockholder's tax basis, and any remaining distributions would be treated as a capital gain. To requalify as a RIC in a subsequent taxable year, we would be required to satisfy the RIC qualification requirements for that year and dispose of any earnings and profits from any year in which we failed to qualify as a RIC. Subject to a limited exception applicable to RICs that qualified as such under Subchapter M of the Code for at least one year prior to disqualification and that requalify as a RIC no later than the second year following the nonqualifying year, we could be subject to tax on any unrealized net built-in gains in the assets held by us during the period in which we failed to qualify as a RIC that are recognized within the subsequent five years, unless we made a special election to pay corporate-level U.S. federal income tax on such built-in gain at the time of our requalification as a RIC.

Tax matters are complicated and the tax consequences to an investor of an investment in our common stock will depend on the facts of his, her or its particular situation. We encourage investors to consult their own tax advisers regarding the specific consequences of such an investment, including tax reporting requirements, the applicability of federal, state, local and foreign tax laws, eligibility for the benefits of any applicable tax treaty and the effect of any possible changes in the tax laws.

See "Risk Factors—Risks Related to Our Business and Structure" in Part I, Item 1A of this Form 10-K and "Note 2—Significant Accounting Policies—U.S. Federal and State Income Taxes" and "Note 9—Income Taxes" to our consolidated financial statements for the year ended December 31, 2018 for further detail.



**Item 1A. Risk Factors**

Investing in our securities involves a number of significant risks. In addition to the other information contained in this annual report on Form 10-K, you should consider carefully the following information before making an investment in our securities. Although the risks described below represent the principal risks associated with an investment in us, they are not the only risks we face. Additional risks and uncertainties not presently known to us might also impair our operations and performance. If any of the following events occur, our business, financial condition and results of operations could be materially and adversely affected. In such case, our net asset value and the trading price of our common stock could decline, and you may lose all or part of your investment.

For risks related to our Internalization, see “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Recent Developments” in Part II, Item 7 of this Form 10-K.

**Risks Related to Our Investments**

***Our investments in the rapidly growing venture-capital-backed emerging companies that we target may be extremely risky and we could lose all or part of our investments.***

Investment in the rapidly growing venture-capital-backed emerging companies that we target involves a number of significant risks, including the following:

- these companies may have limited financial resources and may be unable to meet their obligations under their existing debt, which may lead to equity financings, possibly at discounted valuations, in which we could be substantially diluted if we do not or cannot participate, bankruptcy or liquidation and the reduction or loss of our equity investment;
- they typically have limited operating histories, narrower, less established product lines and smaller market shares than larger businesses, which tend to render them more vulnerable to competitors’ actions, market conditions and consumer sentiment in respect of their products or services, as well as general economic downturns;
- they generally have less predictable operating results, may from time to time be parties to litigation, may be engaged in rapidly changing businesses with products subject to a substantial risk of obsolescence, and may require substantial additional capital to support their operations, finance expansion or maintain their competitive position;
- because they are privately owned, there is generally little publicly available information about these businesses; therefore, although GSV Asset Management’s agents will perform due diligence investigations on these portfolio companies, their operations and their prospects, we may not learn all of the material information we need to know regarding these businesses and, in the case of investments we acquire on private secondary transactions, we may be unable to obtain financial or other information regarding the companies with respect to which we invest. Furthermore, there can be no assurance that the information that we do obtain with respect to any investment is reliable; and
- they are more likely to depend on the management talents and efforts of a small group of persons; therefore, the death, disability, resignation or termination of one or more of these persons could have a material adverse impact on the portfolio company and, in turn, on us.

A portfolio company’s failure to satisfy financial or operating covenants imposed by its lenders could lead to defaults and, potentially, termination of its loans and foreclosure on its assets, which could trigger cross-defaults under other agreements and jeopardize our equity investment in such portfolio company. We may incur expenses to the extent necessary to seek recovery of our equity investment or to negotiate new terms with a financially distressed portfolio company.

***Because our investments are generally not in publicly traded securities, there will be uncertainty regarding the value of our investments, which could adversely affect the determination of our net asset value.***

Our portfolio investments will generally not be in publicly traded securities. As a result, although we expect that some of our equity investments may trade on private secondary marketplaces, the fair value of our direct investments in portfolio companies will often not be readily determinable. Under the 1940 Act, for our investments for which there are no readily available market quotations, including securities that, while listed on a private securities exchange, have not actively traded, we will value such securities at fair value quarterly as determined in good faith by our Board of Directors based upon the recommendation of the

Valuation Committee in accordance with our written valuation policy. In connection with that determination, members of GSV Asset Management's portfolio management team will prepare portfolio company valuations using, where available, the most recent portfolio company financial statements and forecasts. The Valuation Committee utilizes the services of an independent valuation firm, which prepares valuations for each of our portfolio investments that are not publicly traded or for which we do not have readily available market quotations, including securities that while listed on a private securities exchange, have not actively traded. However, the Board of Directors retains ultimate authority as to the appropriate valuation of each such investment. The types of factors that the Valuation Committee takes into account in providing its fair value recommendation to the Board of Directors with respect to such non-traded investments include, as relevant and, to the extent available, the portfolio company's earnings, the markets in which the portfolio company does business, comparison to valuations of publicly traded companies, comparisons to recent sales of comparable companies, the discounted value of the cash flows of the portfolio company and other relevant factors. This information may not be available because it is difficult to obtain financial and other information with respect to private companies, and even when we are able to obtain such information, there can be no assurance that it is complete or accurate. Because such valuations are inherently uncertain and may be based on estimates, our determinations of fair value may differ materially from the values that would be assessed if a readily available market for these securities existed. Due to this uncertainty, our fair value determinations with respect to any non-traded investments we hold may cause our net asset value on a given date to materially understate or overstate the value that we may ultimately realize on one or more of our investments. As a result, investors purchasing our securities based on an overstated net asset value would pay a higher price than the value of our investments might warrant. Conversely, investors selling securities during a period in which the net asset value understates the value of our investments would receive a lower price for their securities than the value of our investments might warrant.

***The securities of our private portfolio companies are illiquid, and the inability of these portfolio companies to complete an IPO or consummate another liquidity event within our targeted time frame will extend the holding period of our investments, may adversely affect the value of these investments, and will delay the distribution of gains, if any.***

The IPO market is, by its very nature, unpredictable. A lack of IPO opportunities for venture capital-backed companies could lead to companies staying longer in our portfolio as private entities still requiring funding. This situation may adversely affect the amount of available venture capital funding to late-stage companies that cannot complete an IPO. Such stagnation could dampen returns or could lead to unrealized depreciation and realized losses as some companies run short of cash and have to accept lower valuations in private fundings or are not able to access additional capital at all. A lack of IPO opportunities for venture capital-backed companies may also cause some venture capital firms to change their strategies, leading some of them to reduce funding of their portfolio companies and making it more difficult for such companies to access capital. This might result in unrealized depreciation and realized losses in such companies by other investment funds, like us, who are co-investors in such companies. There can be no assurance that we will be able to achieve our targeted return on our portfolio company investments if, as and when they go public.

The equity securities we acquire in a private company are generally subject to contractual transfer limitations imposed on the company's stockholders as well as other contractual obligations, such as rights of first refusal and co-sale rights. These obligations generally expire only upon an IPO by the company or the occurrence of another liquidity/exit event. As a result, prior to an IPO or other liquidity/exit event, our ability to liquidate our private portfolio company positions may be constrained. Transfer restrictions could limit our ability to liquidate our positions in these securities if we are unable to find buyers acceptable to our portfolio companies, or where applicable, their stockholders. Such buyers may not be willing to purchase our investments at adequate prices or in volumes sufficient to liquidate our position, and even where they are willing, other stockholders could exercise their co-sale rights to participate in the sale, thereby reducing the number of shares available to sell by us. Furthermore, prospective buyers may be deterred from entering into purchase transactions with us due to the delay and uncertainty that these transfer and other limitations create.

If the private companies in which we invest do not perform as planned, they may be unable to successfully complete an IPO or consummate another liquidity event within our targeted time frame, or they may decide to abandon their plans for an IPO. In such cases, we will likely exceed our targeted holding period and the value of these investments may decline substantially if an IPO or other exit is no longer viable. We may also be forced to take other steps to exit these investments.

The illiquidity of our private portfolio company investments, including those that are traded on the trading platforms of private secondary marketplaces, may make it difficult for us to sell such investments should the need arise. Also, if we were required to liquidate all or a portion of our portfolio quickly, we may realize significantly less than the value at which we have previously recorded our investments. We will have no limitation on the portion of our portfolio that may be invested in illiquid securities, and we anticipate that all or a substantial portion of our portfolio may be invested in such illiquid securities at all times. Due to the inherent uncertainty in determining the fair value of investments that do not have a readily available market value, the fair value of our investments determined in good faith by our Board of Directors may differ significantly from the value that would have been used had a ready market existed for such investments, and the differences could be material.

In addition, even if a portfolio company completes an IPO, we will typically not be able to sell our position until any applicable post-IPO lockup restriction expires. As a result of lockup restrictions, the market price of securities that we hold may decline substantially before we are able to sell them following an IPO. There is also no assurance that a meaningful trading market will develop for our publicly traded portfolio companies following an IPO to allow us to liquidate our position when we desire.

***We may not realize gains from our equity investments and, because certain of our portfolio companies may incur substantial debt to finance their operations, we may experience a complete loss on our equity investments in the event of a bankruptcy or liquidation of any of our portfolio companies.***

We invest principally in the equity and equity-related securities of what we believe to be rapidly growing venture-capital-backed emerging companies. However, the equity interests we acquire may not appreciate in value and, in fact, may decline in value.

In addition, the private company securities we acquire may be subject to drag-along rights, which could permit other stockholders, under certain circumstances, to force us to liquidate our position in a subject company at a specified price, which could be, in our opinion, inadequate or undesirable or even below our cost basis. In this event, we could realize a loss or fail to realize gain in an amount that we deem appropriate on our investment. Further, capital market volatility and the overall market environment may preclude our portfolio companies from realizing liquidity events and impede our exit from these investments. Accordingly, we may not be able to realize gains from our equity interests, and any gains that we do realize on the disposition of any equity interests may not be sufficient to offset any other losses we experience. We will generally have little, if any, control over the timing of any gains we may realize from our equity investments unless and until the portfolio companies in which we invest become publicly traded. In addition, the companies in which we invest may have substantial debt loads. In such cases, we would typically be last in line behind any creditors in a bankruptcy or liquidation and would likely experience a complete loss on our investment.

***Many of our portfolio companies are currently experiencing operating losses, which may be substantial, and there can be no assurance when or if such companies will operate at a profit.***

We have limited information about the financial performance and profitability of some of our portfolio companies. While certain of our portfolio companies have earned net income in recent periods, we believe that many of our portfolio companies are currently experiencing operating losses. There can be no assurance when or if such companies will operate at a profit.

***The lack of liquidity in, and potentially extended holding period of, our many investments may adversely affect our business and will delay any distributions of gains, if any.***

Our investments will generally not be in publicly traded securities. Although we expect that some of our equity investments will trade on private secondary marketplaces, certain of the securities we hold will be subject to legal and other restrictions on resale or will otherwise be less liquid than publicly traded securities. In addition, while some portfolio companies may trade on private secondary marketplaces, we can provide no assurance that such a trading market will continue or remain active, or that we will be able to sell our position in any portfolio company at the time we desire to do so and at the price we anticipate. The illiquidity of our investments, including those that are traded on private secondary marketplaces, will make it difficult for us to sell such investments if the need arises. Also, if we are required to liquidate all or a portion of our portfolio quickly, we may realize significantly less than the value at which we have previously recorded our investments. We have no limitation on the portion of our portfolio that may be invested in illiquid securities, and a substantial portion or all of our portfolio may be invested in such illiquid securities from time to time.

In addition, because we generally invest in equity and equity-related securities, with respect to the majority of our portfolio companies, we do not expect regular realization events, if any, to occur in the near term. We expect that our holdings of equity securities may require several years to appreciate in value, and we can offer no assurance that such appreciation will occur. Even if such appreciation does occur, it is likely that initial purchasers of our shares could wait for an extended period of time before any appreciation or sale of our investments, and any attendant distributions of gains, may be realized.

***Our portfolio is concentrated in a limited number of portfolio companies or market sectors, which subjects us to a risk of significant loss if the business or market position of these companies deteriorates or market sectors experiences a market downturn.***

A consequence of our limited number of investments is that the aggregate returns we realize may be significantly adversely affected if a small number of investments perform poorly or if we need to write down the value of any one investment. For example,

as of December 31, 2018, 87.2% of our net asset value was comprised of investments in ten portfolio companies. Beyond the asset diversification requirements necessary to qualify as a RIC, we have general guidelines for diversification, however our investments could be concentrated in relatively few issuers. In addition, our investments may be concentrated in a limited number of market sectors, including in technology-related sectors. As a result, a downturn in any market sector in which a significant number of our portfolio companies operate or the deterioration of the market position of any portfolio company in which we have a material position could materially adversely affect us.

***Technology-related sectors in which we invest are subject to many risks, including volatility, intense competition, decreasing life cycles, product obsolescence, changing consumer preferences, periodic downturns, regulatory concerns and litigation risks.***

Given the experience of GSV Asset Management's senior investment professionals within the technology space, a number of the companies in which we have invested and intend to invest operate in technology-related sectors. Investments in such companies are subject to substantial risks. The revenue, income (or losses) and valuations of technology-related companies can and often do fluctuate suddenly and dramatically. In addition, because of rapid technological change, the average selling prices of products and some services provided by companies in technology-related sectors have historically decreased over their productive lives.

In addition, our portfolio companies face intense competition since their businesses are rapidly evolving, intensely competitive and subject to changing technology, shifting user needs and frequent introductions of new products and services. Potential competitors to our portfolio companies in the technology industry range from large and established companies to emerging start-ups. Further, such companies are subject to laws that were adopted prior to the advent of the Internet and related technologies and, as a result, may not contemplate or address the unique issues of the Internet and related technologies. The laws that do reference the Internet are being interpreted by the courts, but their applicability and scope remain uncertain. Claims have been threatened and filed under both U.S. and foreign laws for defamation, invasion of privacy and other tort claims, unlawful activity, copyright and trademark infringement, or other theories based on the nature and content of the materials searched and the ads posted by a company's users, a company's products and services, or content generated by a company's users. Further, the growth of technology-related companies into a variety of new fields implicate a variety of new regulatory issues and may subject such companies to increased regulatory scrutiny, particularly in the U.S. and Europe. Any of these factors could materially and adversely affect the business and operations of a portfolio company in the technology industry and, in turn, adversely affect the value of these portfolio companies and the value of any securities that we may hold.

***Our financial results could be negatively affected if a significant portfolio company fails to perform as expected.***

Our total investment in companies may be significant individually or in the aggregate. As a result, if a significant investment in one or more companies fails to perform as expected, our financial results could be more negatively affected and the magnitude of the loss could be more significant than if we had made smaller investments in more companies. The following table shows the cost and fair value of our ten largest portfolio company positions as of December 31, 2018:

Portfolio Company	Cost	Fair Value	% of Net Asset Value
Palantir Technologies, Inc.	\$ 16,189,935	\$ 34,053,394	17.4%
Spotify Technology S.A.	10,002,084	26,713,360	13.7%
Coursera, Inc.	14,519,519	23,111,889	11.8%
Dropbox, Inc.	13,656,926	17,876,046	9.1%
Lyft, Inc.	4,296,334	15,609,752	8.0%
Course Hero, Inc.	5,000,001	14,106,625	7.2%
StormWind, LLC	6,130,474	13,386,824	6.9%
Nextdoor.com, Inc.	10,006,578	10,097,442	5.2%
NestGSV, Inc. (d/b/a GSV Labs, Inc.)	9,669,056	8,679,711	4.4%
SharesPost, Inc.	2,383,703	6,798,904	3.5%
<b>Total</b>	<b>\$ 91,854,610</b>	<b>\$ 170,433,947</b>	<b>87.2%</b>

***We may be limited in our ability to make follow-on investments, and our failure to make follow-on investments in our portfolio companies could impair the value of our portfolio.***

Following an initial investment in a portfolio company, we may make additional investments in that portfolio company as “follow-on” investments, in order to: (1) increase or maintain in whole or in part our equity ownership percentage; (2) exercise warrants, options or convertible securities that were acquired in the original or subsequent financing; or (3) attempt to preserve or enhance the value of our investment.

We may elect not to make follow-on investments, or may otherwise lack sufficient funds to make those investments or lack access to desired follow-on investment opportunities. We have the discretion to make any follow-on investments, subject to the availability of capital resources and of the investment opportunity. The failure to make follow-on investments may, in some circumstances, jeopardize the continued viability of a portfolio company and our initial investment, or may result in a missed opportunity for us to increase our participation in a successful operation. Even if we have sufficient capital to make a desired follow-on investment, we may elect not to make a follow-on investment because we may not want to increase our concentration of risk, because we prefer other opportunities, or because we are inhibited by compliance with BDC requirements or the desire to qualify to maintain our status as a RIC, or we lack access to the desired follow-on investment opportunity.

In addition, we may be unable to complete follow-on investments in our portfolio companies that have conducted an IPO as a result of regulatory or financial restrictions.

***Because we will generally not hold controlling equity interests in our portfolio companies, we will likely not be in a position to exercise control over our portfolio companies or to prevent decisions by substantial stockholders or management of our portfolio companies that could decrease the value of our investments.***

Generally, we will not take controlling equity positions in our portfolio companies. As a result, we will be subject to the risk that a portfolio company may make business decisions with which we disagree, and the stockholders and management of a portfolio company may take risks or otherwise act in ways that are adverse to our interests. In addition, other stockholders, such as venture capital and private equity sponsors, that have substantial investments in our portfolio companies may have interests that differ from that of the portfolio company or its minority stockholders, which may lead them to take actions that could materially and adversely affect the value of our investment in the portfolio company. Due to the lack of liquidity for the equity and equity-related investments that we will typically hold in our portfolio companies, we may not be able to dispose of our investments in the event we disagree with the actions of a portfolio company or its substantial stockholders, and may therefore suffer a decrease in the value of our investments.

***Investments in foreign companies may involve significant risks in addition to the risks inherent in U.S. investments.***

While we invest primarily in U.S. companies, we may invest on an opportunistic basis in certain non-U.S. companies, including those located in emerging markets, that otherwise meet our investment criteria. In regards to the regulatory requirements for BDCs, non-U.S. investments do not qualify as investments in “eligible portfolio companies,” and thus may not be considered “qualifying assets.” In addition, investing in foreign companies, and particularly those in emerging markets, may expose us to additional risks not typically associated with investing in U.S. issues. These risks include changes in exchange control regulations, political and social instability, expropriation, imposition of foreign taxes, less liquid markets and less available information than is generally the case in the United States, higher transaction costs, less government supervision of exchanges, brokers and issuers, less developed bankruptcy laws, difficulty in enforcing contractual obligations, lack of uniform accounting and auditing standards and greater price volatility. Further, we may have difficulty enforcing our rights as equity holders in foreign jurisdictions. In addition, to the extent we invest in non-U.S. companies, we may face greater exposure to foreign economic developments.

Although we expect that most of our investments will be U.S. dollar-denominated, any investments denominated in a foreign currency will be subject to the risk that the value of a particular currency will change in relation to one or more other currencies. Among the factors that may affect currency values are trade balances, the level of short-term interest rates, differences in relative values of similar assets in different currencies, long-term opportunities for investment and capital appreciation, and political developments.

***We may expose ourselves to risks if we engage in hedging transactions.***

If we engage in hedging transactions, we may expose ourselves to risks associated with such transactions. We may utilize instruments such as forward contracts, currency options and interest rate swaps, caps, collars and floors to seek to hedge against fluctuations in the relative values of our portfolio positions from changes in currency exchange rates and market interest rates. Hedging against a decline in the values of our portfolio positions does not eliminate the possibility of fluctuations in the values

of such positions or prevent losses if the values of such positions decline. However, such hedging can establish other positions designed to gain from those same developments, thereby offsetting the decline in the value of such portfolio positions. Such hedging transactions may also limit the opportunity for gain if the values of the underlying portfolio positions should increase. It may not be possible to hedge against an exchange rate or interest rate fluctuation that is so generally anticipated that we are not able to enter into a hedging transaction at an acceptable price. Moreover, for a variety of reasons, we may not seek to establish a perfect correlation between such hedging instruments and the portfolio holdings being hedged. Any such imperfect correlation may prevent us from achieving the intended hedge and expose us to risk of loss. In addition, it may not be possible to hedge fully or perfectly against currency fluctuations affecting the value of securities denominated in non-U.S. currencies because the value of those securities is likely to fluctuate as a result of factors not related to currency fluctuations.

## **Risks Related to Our Business and Structure**

### ***Any failure on our part to maintain our status as a BDC would reduce our operating flexibility.***

The 1940 Act imposes numerous constraints on the operations of BDCs. For example, BDCs are required to invest at least 70% of their gross assets in specified types of securities, primarily in private companies or thinly-traded U.S. public companies, cash, cash equivalents, U.S. government securities and other high quality debt investments that mature in one year or less. Furthermore, any failure to comply with the requirements imposed on BDCs by the 1940 Act could cause the SEC to bring an enforcement action against us and/or expose us to claims of private litigants. In addition, upon approval of a majority of our stockholders, we may elect to withdraw our status as a BDC. If we decide to withdraw our election, or if we otherwise fail to maintain our qualification, to be regulated as a BDC, we may be subject to substantially greater regulation under the 1940 Act as a closed-end investment company. Compliance with such regulations would significantly decrease our operating flexibility and could significantly increase our costs of doing business.

### ***We are dependent upon GSV Asset Management's senior investment professionals for our future success. If we lose any of GSV Asset Management's senior investment professionals, our ability to implement our business strategy could be significantly harmed.***

We depend on the diligence, skill and network of business contacts of GSV Asset Management's senior investment professionals. These senior investment professionals evaluate, negotiate, structure, close, monitor and service our investments. Our future success will depend to a significant extent on the continued service and coordination of our investment adviser's senior investment professionals, particularly Michael T. Moe, Mark Klein and Luben Pampoulov.

All of GSV Asset Management's senior investment professionals, including Michael T. Moe, Mark Klein and Luben Pampoulov, are free to terminate their relationship with GSV Asset Management at any time. In addition, none of our investment adviser's senior investment professionals, including Messrs. Moe, Klein and Pampoulov, are subject to any non-compete agreements that would restrict their ability to provide investment advisory services to an entity with an investment objective similar to our own in the event they were to terminate their relationship with GSV Asset Management, or if GSV Asset Management were to no longer serve as our investment adviser. There can be no assurance that our investment adviser will be successful in retaining its senior investment professionals, including Messrs. Moe, Klein and Pampoulov. The departure of any of Messrs. Moe, Klein and Pampoulov could have a material adverse effect on our ability to achieve our investment objective.

Our growth will require that GSV Asset Management retain and attract new investment and administrative personnel in a competitive market. Its ability to attract and retain personnel with the requisite credentials, experience and skills will depend on several factors including, but not limited to, its ability to offer competitive wages, benefits and professional growth opportunities. Many of the entities with which GSV Asset Management will compete for experienced personnel, including investment funds (such as private equity funds and mezzanine funds) and traditional financial services companies, will have greater resources than it does.

### ***Our financial condition and results of operations will depend on our ability to achieve our investment objective.***

Our ability to achieve our investment objective will depend on our investment adviser's ability to identify, analyze and invest in companies that meet our investment criteria. Accomplishing this result on a cost-effective basis is largely a function of our investment adviser's structuring of the investment process and its ability to provide competent, attentive and efficient services to us. We seek a specified number of investments in rapidly growing venture-capital-backed emerging companies, which may be extremely risky. There can be no assurance that GSV Asset Management will be successful in identifying and investing in companies that meet our investment criteria, or that we will achieve our investment objective.

Even if we are able to grow and build upon our investment operations, any failure to manage our growth effectively could have a material adverse effect on our business, financial condition, results of operations and prospects. Our investment adviser also manages Coursera@GSV Fund, LP, Coursera@GSV-EDBI Fund, LP, and GSV@CS, LP, special purpose vehicles each comprised of an underlying investment in the capital stock of Coursera, Inc. (the “Coursera Funds”); GSV@SP, LLC, a special purpose vehicle comprised of an underlying investment in the capital stock of Spotify Technology S.A. (the “GSV@SP Fund”); and GSV@LT, LLC, GSV@LT II, LP, and GSV@LT III, LP, special purpose vehicles each comprised of an underlying investment in the capital stock of Lyft, Inc. (the “Lyft Funds”). GSV Asset Management will likely manage one or more private funds, or series within such private funds, in the future. We have no ownership interests in the Coursera Funds, the GSV@SP Fund or the Lyft Funds. These demands on their time may distract or slow the rate of investment.

The results of our operations will depend on many factors, including the availability of opportunities for investment, readily accessible short and long-term funding alternatives in the financial markets and economic conditions. Furthermore, any inability to successfully operate our business or implement our investment policies and strategies as described herein, could adversely impact our ability to pay dividends.

***We will likely experience fluctuations in our quarterly results and we may be unable to replicate past investment opportunities or make the types of investments we have made to date in future periods.***

We will likely experience fluctuations in our quarterly operating results due to a number of factors, including the rate at which we make new investments, the level of our expenses, changes in the valuation of our portfolio investments, variations in and the timing of the recognition of realized and unrealized gains or losses, the degree to which we encounter competition in our markets and general economic conditions. For example, since inception through December 31, 2018, we have experienced substantial cumulative negative cash flows from operations. These fluctuations may in certain cases be exaggerated as a result of our focus on realizing capital gains rather than current income from our investments. In addition, there can be no assurance that we will be able to locate or acquire investments that are of a similar nature to those currently in our portfolio. As a result of these factors, results for any period should not be relied upon as being indicative of performance in future periods.

***Our business model depends upon the development and maintenance of strong referral relationships with private equity, venture capital funds and investment banking firms.***

We are substantially dependent on the GSV Asset Management senior investment professionals’ informal relationships, which we use to help identify and gain access to investment opportunities. If the GSV Asset Management senior investment professionals fail to maintain relationships with key firms, or if they fail to establish strong referral relationships with other firms or other sources of investment opportunities, we will not be able to grow our portfolio of equity investments and achieve our investment objective. In addition, persons with whom GSV Asset Management senior investment professionals have informal relationships are not obligated to inform them or us of investment opportunities, and therefore such relationships may not lead to the origination of equity or other investments. Any loss or diminishment of such relationships could effectively reduce the ability to identify attractive portfolio companies that meet our investment criteria, either for direct equity investments or for investments through private secondary market transactions or other secondary transactions.

***There are significant potential risks related to investing in securities traded on private secondary marketplaces.***

We have utilized and expect to continue to utilize private secondary marketplaces, such as SharesPost, Inc., to acquire investments for our portfolio. When we purchase secondary shares, we may have little or no direct access to financial or other information from these portfolio companies. As a result, we are dependent upon the relationships and contacts of GSV Asset Management’s senior investment professionals and our Board of Directors to obtain the information for GSV Asset Management to perform research and due diligence, and to monitor our investments after they are made. There can be no assurance that GSV Asset Management will be able to acquire adequate information on which to make its investment decision with respect to any private secondary marketplace purchases, or that the information it is able to obtain is accurate or complete. Any failure to obtain full and complete information regarding the portfolio companies with respect to which we invest through private secondary marketplaces could cause us to lose part or all of our investment in such companies, which would have a material and adverse effect on our net asset value and results of operations.

In addition, while we believe the ability to trade on private secondary marketplaces provides valuable opportunities for liquidity, there can be no assurance that the portfolio companies with respect to which we invest through private secondary marketplaces will have or maintain active trading markets, and the prices of those securities may be subject to irregular trading activity, wide bid/ask spreads and extended trade settlement periods, which may result in an inability for us to realize full value on our investment. In addition, wide swings in market prices, which are typical of irregularly traded securities, could cause significant and unexpected declines in the value of our portfolio investments. Further, prices in private secondary marketplaces,

where limited information is available, may not accurately reflect the true value of a portfolio company, and may overstate a portfolio company's actual value, which may cause us to realize future capital losses on our investment in that portfolio company. If any of the foregoing were to occur, it would likely have a material and adverse effect on our net asset value and results of operations.

Investments in private companies, including through private secondary marketplaces, also entail additional legal and regulatory risks which expose participants to the risk of liability due to the imbalance of information among participants and participant qualification and other transactional requirements applicable to private securities transactions, the non-compliance with which could result in rescission rights and monetary and other sanctions. The application of these laws within the context of private secondary marketplaces and related market practices are still evolving, and, despite our efforts to comply with applicable laws, we could be exposed to liability. The regulation of private secondary marketplaces is also evolving. Additional state or federal regulation of these markets could result in limits on the operation of or activity on those markets. Conversely, deregulation of these markets could make it easier for investors to invest directly in private companies and affect the attractiveness of our Company as an access vehicle for investment in private shares. Private companies may also increasingly seek to limit secondary trading in their stock, such as through contractual transfer restrictions, and provisions in company charter documents, investor rights of first refusal and co-sale and/or employment and trading policies further restricting trading. To the extent that these or other developments result in reduced trading activity and/or availability of private company shares, our ability to find investment opportunities and to liquidate our investments could be adversely affected.

***Due to transfer restrictions and the illiquid nature of our investments, we may not be able to purchase or sell our investments when we wish to do so.***

Most of our investments are or will be in equity or equity-related securities of privately held companies. The securities we acquire in private companies are typically subject to contractual transfer limitations, which may include prohibitions on transfer without the company's consent, may require that shares owned by us be held in escrow and may include provisions in company charter documents, and may include investor rights of first refusal and co-sale and/or employment or trading policies further restricting trading. In order to complete a purchase of shares we may need to, among other things, give the issuer, its assignees or its stockholders a particular period of time, often 30 days or more, in which to exercise a veto right, or a right of first refusal over, the sale of such securities. We may be unable to complete a purchase transaction if the subject company or its stockholders chooses to exercise a veto right or right of first refusal. When we complete an investment, we generally become bound to the contractual transfer limitations imposed on the subject company's stockholders as well as other contractual obligations, such as co-sale or tag-along rights. These obligations generally expire only upon an IPO by the subject company. As a result, prior to an IPO, our ability to liquidate may be constrained. Transfer restrictions could limit our ability to liquidate our positions in these securities if we are unable to find buyers acceptable to our portfolio companies, or where applicable, their stockholders. Such buyers may not be willing to purchase our investments at adequate prices or in volumes sufficient to liquidate our position, and even where they are willing, other stockholders could exercise their co-sales or tag-along rights to participate in the sale, thereby reducing the number of shares sellable by us. Furthermore, prospective buyers may be deterred from entering into purchase transactions with us due to the delay and uncertainty that these transfer and other limitations create.

Although we believe that secondary marketplaces may offer an opportunity to liquidate our private company investments, there can be no assurance that a trading market will develop for the securities that we wish to liquidate or that the subject companies will permit their shares to be sold through such marketplaces. Even if some of our portfolio companies complete IPOs, we are typically subject to lock-up provisions that prohibit us from selling our investments into the public market for specified periods of time after IPOs. As a result, the market price of securities that we hold may decline substantially before we are able to sell these securities following an IPO.

Due to the illiquid nature of most of our investments, we may not be able to sell these securities at times when we deem it advantageous to do so, or at all. Because our net asset value is only determined on a quarterly basis, and due to the difficulty in assessing this value, our net asset value may not fully reflect the illiquidity of our portfolio, which may change on a daily basis, depending on many factors, including the status of the private secondary markets and our particular portfolio at any given time.

***There are significant potential risks associated with investing in venture capital companies with complex capital structures.***

We invest primarily in what we believe to be rapidly growing, venture-capital-backed emerging companies, either through private secondary transactions, other secondary transactions or direct investments in companies. Such private companies frequently have much more complex capital structures than traditional publicly traded companies, and may have multiple classes of equity securities with differing rights, including with respect to voting and distributions. In addition, it is often difficult to obtain financial and other information with respect to private companies, and even where we are able to obtain such information, there can be no assurance that it is complete or accurate. In certain cases, such private companies may also have senior or pari passu preferred



stock or senior debt outstanding, which may heighten the risk of investing in the underlying equity of such private companies, particularly in circumstances when we have limited information with respect to such capital structures. Although we believe that GSV Asset Management's senior investment professionals and our Board of Directors have extensive experience evaluating and investing in private companies with such complex capital structures, there can be no assurance that we will be able to adequately evaluate the relative risks and benefits of investing in a particular class of a portfolio company's equity securities. Any failure on our part to properly evaluate the relative rights and value of a class of securities in which we invest could cause us to lose part or all of our investment, which in turn could have a material and adverse effect on our net asset value and results of operations.

***Our business is subject to increasingly complex corporate governance, public disclosure and accounting requirements that are costly and could adversely affect our business and financial results.***

We are subject to changing rules and regulations of federal and state government as well as the stock exchange on which our common stock is listed. These entities, including the Public Company Accounting Oversight Board, the SEC and the Nasdaq Capital Market, have issued a significant number of new and increasingly complex requirements and regulations over the course of the last several years and continue to develop additional regulations and requirements in response to laws enacted by Congress. In addition, there are significant corporate governance and executive compensation-related provisions in the Dodd-Frank Act, and the SEC has adopted, and may continue to adopt, additional rules and regulations that may impact us. Our efforts to comply with these requirements have resulted in, and are likely to continue to result in, an increase in expenses and a diversion of management's time from other business activities.

In addition, any failure to keep pace with such rules, or for our management to appropriately address compliance with such rules fully and in a timely manner, would expose us to an increasing risk of inadvertent non-compliance. While our management team takes reasonable efforts to ensure that we are in full compliance with all laws applicable to our operations, the increasing rate and extent of regulatory change increases the risk of a failure to comply, which may limit our ability to operate our business in the ordinary course or may subject us to potential fines, regulatory findings or other matters that may materially impact our business.

Over the last several years, there has also been an increase in regulatory attention to the extension of credit outside of the traditional banking sector, raising the possibility that some portion of the non-bank financial sector will be subject to new regulation. While it cannot be known at this time whether any regulation will be implemented or what form it will take, increased regulation of non-bank credit extension could negatively impact our operating results or financial condition, impose additional costs on us, intensify the regulatory supervision of us or otherwise adversely affect our business.

***Capital markets may experience periods of disruption and instability. These market conditions may materially and adversely affect debt and equity capital markets in the United States and abroad, which may in the future have a negative impact on our business and operations.***

As a BDC, we must maintain our ability to raise additional capital for investment purposes. Without sufficient access to the capital markets or credit markets, we may be forced to curtail our business operations, or we may not be able to pursue new business opportunities.

From time to time, capital markets may experience periods of disruption and instability. During such periods of market disruption and instability, we and other companies in the financial services sector may have limited access, if available, to alternative markets for debt and equity capital. Equity capital may be difficult to raise because, subject to some limited exceptions which will apply to us as a BDC, we will generally not be able to issue additional shares of our common stock at a price less than net asset value without first obtaining approval for such issuance from our stockholders and our independent directors. In addition, our ability to incur indebtedness (including by issuing preferred stock) is limited by applicable regulations such that our asset coverage, as defined in the 1940 Act, must equal at least 200% (or 150% if certain requirements are met) immediately after each time we incur indebtedness. The debt capital that will be available, if at all, may be at a higher cost and on less favorable terms and conditions in the future. Any inability to raise capital could have a negative effect on our business, financial condition and results of operations.

Given the volatility and dislocation in the capital markets over the past several years, many BDCs have faced, and may in the future face, a challenging environment in which to raise or access capital. In addition, this volatility and disruption, has had, and in the future may have, a negative effect on the valuations of our investments and on the potential for liquidity events involving these investments. While most of our investments are not publicly traded, applicable accounting standards require us to assume, as part of our valuation process, that our investments are sold in orderly market-to-market transactions between market participants. As a result, volatility in the capital markets can adversely affect our investment valuations. Further, the illiquidity of our investments may make it difficult for us to sell such investments if required and to value such investments. As a result, we may realize significantly less than the value at which we will have recorded our investments. An inability to raise capital, and any required

sale of our investments for liquidity purposes, could have a material adverse impact on our business, financial condition or results of operations. In addition, a prolonged period of market illiquidity may cause us to reduce the volume of investments we may make and adversely affect the value of our portfolio investments, which could have a material and adverse effect on our business, financial condition, results of operations and cash flows.

***Economic recessions or downturns could impair our portfolio companies and harm our operating results.***

Many of the portfolio companies in which we make investments may be susceptible to economic slowdowns or recessions and may be unable to repay any loans made to them during these periods and, thus, jeopardize our equity investment in such portfolio companies. Therefore, the value of our portfolio may decrease during these periods as we are required to record our investments at their current fair value. Adverse economic conditions also may decrease the value of our equity investments and the value of any collateral securing our loans, if any. Economic slowdowns or recessions could lead to financial losses in our portfolio and a decrease in revenues, net income and assets. Unfavorable economic conditions could also increase our and our portfolio companies' funding costs, limit our and our portfolio companies' access to the capital markets or result in a decision by lenders not to extend credit to us or our portfolio companies. These events could prevent us from increasing investments and harm our operating results.

A portfolio company's failure to satisfy financial or operating covenants imposed by us or other lenders could lead to defaults and, potentially, acceleration of the time when the loans are due and foreclosure on its secured assets, which could trigger cross-defaults under other agreements and jeopardize our equity investment in such portfolio company. We may incur additional expenses to the extent necessary to seek recovery upon default or to negotiate new terms with a financially distressed or defaulting portfolio company. In addition, if one of our portfolio companies were to go bankrupt, depending on the facts and circumstances, we would typically be last in line behind any creditors and would likely experience a complete loss on our investment.

Any disruptive conditions in the financial industry and the impact of new legislation in response to those conditions could restrict our business operations and could adversely impact our results of operations and financial condition. In addition, the BDC market may be more sensitive to changes in interest rates or other factors and to the extent the BDC market trades down, our shares might likewise be affected. If the fair value of our assets declines substantially, we may fail to maintain the asset coverage ratios imposed upon us by the 1940 Act. Any such failure would affect our ability to issue securities, including borrowings, and pay dividends, which could materially impair our business operations. Our liquidity could be impaired further by an inability to access the capital markets or to consummate new borrowing facilities to provide capital for normal operations, including new originations. In recent years, reflecting concern about the stability of the financial markets, many lenders and institutional investors have reduced or ceased providing funding to borrowers.

***Our business and operations could be negatively affected if we become subject to any securities litigation or stockholder activism, which could cause us to incur significant expense, hinder execution of investment strategy and impact our stock price.***

In the past, following periods of volatility in the market price of a company's securities, securities class-action litigation has often been brought against that company. Stockholder activism, which could take many forms or arise in a variety of situations, has been increasing in the BDC space recently. While we are currently not subject to any securities litigation or stockholder activism, due to the potential volatility of our stock price and for a variety of other reasons, we may in the future become the target of securities litigation or stockholder activism. Securities litigation and stockholder activism, including potential proxy contests, could result in substantial costs and divert management's and our Board of Directors' attention and resources from our business. Additionally, such securities litigation and stockholder activism could give rise to perceived uncertainties as to our future, adversely affect our relationships with service providers and make it more difficult to attract and retain qualified personnel. Also, we may be required to incur significant legal fees and other expenses related to any securities litigation and activist stockholder matters. Further, our stock price could be subject to significant fluctuation or otherwise be adversely affected by the events, risks and uncertainties of any securities litigation and stockholder activism.

***We operate in a highly competitive market for direct equity investment opportunities.***

A large number of entities compete with us to make the types of direct equity investments that we target as part of our business strategy. We compete for such investments with a large number of private equity and venture capital funds, other equity and non-equity based investment funds, investment banks and other sources of financing, including traditional financial services companies such as commercial banks and specialty finance companies. Many of our competitors are substantially larger than us and have considerably greater financial, technical and marketing resources than we do. For example, some competitors may have a lower cost of funds and access to funding sources that are not available to us. In addition, some of our competitors may have higher risk tolerances or different risk assessments, which could allow them to consider a wider variety of investments and establish more relationships than us. Furthermore, many of our competitors are not subject to the regulatory restrictions that the 1940 Act imposes

on us as a BDC. There can be no assurance that the competitive pressures we face will not have a material adverse effect on our business, financial condition and results of operations. Also, as a result of this competition, we may not be able to take advantage of attractive investment opportunities from time to time, and we can offer no assurance that we will be able to identify and make direct equity investments that are consistent with our investment objective.

***The management and incentive fees may induce GSV Asset Management to make speculative investments.***

The incentive fee payable by us to GSV Asset Management may create an incentive for GSV Asset Management to make investments on our behalf that are risky or more speculative than would be the case in the absence of such compensation arrangement. The way in which the incentive fee payable to GSV Asset Management is determined, which is calculated as a percentage of the return on invested capital, may encourage GSV Asset Management to use leverage to increase the return on our investments. In addition, the fact that our base management fee is payable based upon our gross assets, which is our total assets as reflected on our balance sheet (with no deduction for liabilities), may encourage GSV Asset Management to use leverage to make additional investments. For example, we currently have the 4.75% Convertible Senior Notes due 2023 outstanding. We will be required, however, to obtain the approval of our Board of Directors before we incur any additional indebtedness. Under certain circumstances, the use of leverage may increase the likelihood of default, which would disfavor holders of our common stock. Such a practice could result in our investing in more speculative securities than would otherwise be the case, which could result in higher investment losses, particularly during cyclical economic downturns.

In addition, GSV Asset Management has control over the timing of the acquisition and dispositions of our investments, and; therefore, over when we realize gains and losses on our investments. As a result, GSV Asset Management, and those of our interested directors who are compensated by GSV Asset Management as employees of, or consultants to, GSV Asset Management based on the management and incentive fees paid by us to GSV Asset Management, may face a conflict of interest in determining when it is appropriate to dispose of a specific investment to the extent doing so may serve to maximize the incentive fee at a point where disposing of such investment may not necessarily be in the best interests of our stockholders. The independent members of our Board of Directors monitor such conflicts of interest in connection with their review of the performance of GSV Asset Management under our Investment Advisory Agreement, as well as during their quarterly review of our financial performance and results of operations.

***Borrowings, such as the 4.75% Convertible Senior Notes due 2023 and the Credit Facility, can magnify the potential for gain or loss on amounts invested and may increase the risk of investing in us.***

Borrowings, also known as leverage, magnify the potential for gain or loss on amounts invested and, therefore, increase the risks associated with investing in our securities. In addition to the 4.75% Convertible Senior Notes due 2023 and the \$12.0 million Credit Facility, we may borrow from and issue senior debt securities to banks, insurance companies and other lenders. Lenders of such senior securities would have fixed dollar claims on our assets that are superior to the claims of our common stockholders. If the value of our assets increases, then leveraging would cause the net asset value attributable to our common stock to increase more sharply than it would have had we not leveraged. Conversely, if the value of our assets decreases, leveraging would cause net asset value to decline more sharply than it otherwise would have had we not leveraged. Similarly, any increase in our income in excess of interest payable on the borrowed funds would cause our net income to increase more than it would without the leverage, while any decrease in our income would cause net income to decline more sharply than it would have had we not borrowed. Leverage is generally considered a speculative investment technique. Our ability to service the 4.75% Convertible Senior Notes due 2023, any borrowings under the Credit Facility and any future debt that we incur will depend largely on our financial performance and will be subject to prevailing economic conditions and competitive pressures. Moreover, because the management fee payable to GSV Asset Management is calculated based on our gross assets, including those assets acquired through the use of leverage, GSV Asset Management may have a financial incentive to incur additional leverage which may not be consistent with our stockholders' interests. In addition, our common stockholders will bear the burden of any increase in our expenses as a result of such leverage, including any increase in the management fee payable to GSV Asset Management. As a result of our use of leverage, we have experienced a substantial increase in operating expenses and may continue to do so in the future.

***Our use of borrowed funds to make investments exposes us to risks typically associated with leverage.***

We borrow money and may issue additional debt securities or preferred stock to leverage our capital structure. As a result:

- shares of our common stock would be exposed to incremental risk of loss; therefore, a decrease in the value of our investments would have a greater negative impact on the value of our common shares than if we did not use leverage;
- any depreciation in the value of our assets may magnify losses associated with an investment and could totally eliminate the value of an asset to us;

- if we do not appropriately match the assets and liabilities of our business and interest or dividend rates on such assets and liabilities, adverse changes in interest rates could reduce or eliminate the incremental income we make with the proceeds of any leverage;
- our ability to pay dividends on our common stock may be restricted if our asset coverage ratio, as provided in the 1940 Act, is not at least 200% (or 150% if certain requirements are met), and any amounts used to service indebtedness or preferred stock would not be available for such dividends;
- the Credit Facility is, and any future credit facility we may enter would be, subject to periodic renewal by our lenders, whose continued participation cannot be guaranteed;
- such securities would be governed by an indenture or other instrument containing covenants restricting our operating flexibility or affecting our investment or operating policies, and may require us to pledge assets or provide other security for such indebtedness;
- we, and indirectly our common stockholders, bear the entire cost of issuing and paying interest or dividends on such securities;
- if we issue preferred stock, the special voting rights and preferences of preferred stockholders may result in such stockholders' having interests that are not aligned with the interests of our common stockholders, and the rights of our preferred stockholders to dividends and liquidation preferences will be senior to the rights of our common stockholders;
- any convertible or exchangeable securities that we issue may have rights, preferences and privileges more favorable than those of our common shares; and
- any custodial relationships associated with our use of leverage would conform to the requirements of the 1940 Act, and no creditor would have veto power over our investment policies, strategies, objectives or decisions except in an event of default or if our asset coverage was less than 200% (or 150% if certain requirements are met.)

Under the provisions of the 1940 Act, we are permitted, as a BDC, to issue senior securities only in amounts such that our asset coverage ratio equals at least 200% after each issuance of senior securities. If the value of our assets declines, we may be unable to satisfy this test and we may be required to sell a portion of our investments and, depending on the nature of our leverage, repay a portion of our senior securities at a time when such sales may be disadvantageous.

***If we default under the Credit Facility or any other future indebtedness, we may not be able to make payments on the 4.75% Convertible Senior Notes due 2023.***

Any default under the Credit Facility or any other future indebtedness to which we may be a party that is not waived by the required lenders or holders, and the remedies sought by the holders of such indebtedness, could make us unable to pay principal, premium, if any, and interest on the 4.75% Convertible Senior Notes due 2023 and substantially decrease the market value of the 4.75% Convertible Senior Notes due 2023. If we are unable to generate sufficient cash flow and are otherwise unable to obtain funds necessary to meet required payments of principal, premium, if any, and interest on our indebtedness, or if we otherwise fail to comply with the various covenants, including financial and operating covenants, in the instruments governing our indebtedness, we could be in default under the terms of the agreements governing such indebtedness. In the event of such default, the holders of such indebtedness may have the ability to elect to declare all the funds borrowed thereunder due and payable, together with accrued and unpaid interest, the lenders under the Credit Facility or other debt we may incur in the future may elect to terminate their commitments, cease making further loans and institute foreclosure proceedings against our assets, and we could be forced into bankruptcy or liquidation. If our operating performance declines, we may in the future need to seek to obtain waivers from the required lenders under the Credit Facility or other debt that we may incur in the future to avoid being in default. If we breach our covenants under the Credit Facility or other debt and seek a waiver, we may not be able to obtain a waiver from the required lenders or holders. If this occurs, we may be in default under the relevant credit facility or other debt, the lenders or holders could exercise their rights as described above, and we could be forced into bankruptcy or liquidation. If we are unable to repay debt, lenders having secured obligations, including the lenders under the Credit Facility, could proceed against the collateral securing the debt. Because the Credit Facility has, and any future credit facilities will likely have, customary cross-default provisions, if the indebtedness under the 4.75% Convertible Senior Notes due 2023, the Credit Facility or under any future credit facility is accelerated, we may be unable to repay or finance the amounts due.

***If we default under the Credit Facility or any future borrowing facility we enter into or are unable to amend, repay or refinance any such facility on commercially reasonable terms, or at all, we may suffer material adverse effects on our business, financial condition, results of operations and cash flows.***

Substantially all of our assets are pledged as collateral under the Credit Facility. In the event that we default under the Credit Facility or any other future borrowing facility, our business could be adversely affected as we may be forced to sell all or a portion of our investments quickly and prematurely at what may be disadvantageous prices to us in order to meet our outstanding payment obligations and/or support covenants and working capital requirements under any future borrowing facility, any of which would have a material adverse effect on our business, financial condition, results of operations and cash flows.

Following any such default, the agent for the lenders under the Credit Facility or such future borrowing facility could assume control of the disposition of any or all of our assets, including the selection of such assets to be disposed and the timing of such disposition, which would have a material adverse effect on our business, financial condition, results of operations and cash flows. In addition, if the lender exercises its right to sell the assets pledged under the Credit Facility, such sales may be completed at distressed sale prices, thereby diminishing or potentially eliminating the amount of cash available to us after repayment of our outstanding borrowings. Moreover, such deleveraging of our Company could significantly impair our ability to effectively operate our business in the manner in which we have historically operated. As a result, we could be forced to curtail or cease new investment activities and lower or eliminate any dividends that we may pay to our stockholders.

***There are significant potential conflicts of interest, which could impact our investment returns and limit the flexibility of our investment policies.***

We have entered into an Investment Advisory Agreement with GSV Asset Management. GSV Asset Management is controlled by Michael T. Moe, the Chairman of our Board of Directors. Mr. Moe, along with Luben Pampoulov, collectively manage the business and internal affairs of GSV Asset Management. In addition, GSV Capital Service Company provides us with office facilities and administrative services pursuant to an Administration Agreement. GSV Capital Service Company is a disregarded entity for tax purposes and is wholly-owned and controlled by GSV Asset Management. We may pay GSV Capital Service Company our allocable portion of overhead and other expenses incurred by GSV Capital Service Company in performing its obligations under the Administration Agreement, including a portion of the rent and the compensation of the Company's President, Chief Financial Officer, Chief Compliance Officer and other staff providing any administrative services, which creates conflicts of interest that our Board of Directors must monitor. While there is no limit on the total amount of expenses we may be required to reimburse to GSV Capital Service Company, our administrator will only charge us for the actual expenses it incurs on our behalf, or our allocable portion thereof, without any profit to GSV Capital Service Company.

As discussed above, GSV Asset Management has control over the timing of the acquisition and dispositions of our investments, and therefore over when we realize gains and losses on our investments. As a result, GSV Asset Management, and those of our interested directors who are compensated by GSV Asset Management as employees of, or consultants to, GSV Asset Management, may face a conflict of interest in determining when it is appropriate to dispose of a specific investment to the extent doing so may serve to maximize the incentive fee at a point where disposing of such investment may not necessarily be in the best interests of our stockholders. In addition, Mark Klein, our Chief Executive Officer and President, and a member of our Board of Directors, or entities with which he is affiliated, receives consulting fees from GSV Asset Management equal to a percentage of each of the base management fee and the incentive fee paid by us to GSV Asset Management pursuant to a consulting agreement with GSV Asset Management.

Further, our executive officers and directors, and the principals of our investment adviser, GSV Asset Management, serve or may serve as officers, directors or managers of entities that operate in a line of business similar to our own, including new entities that may be formed in the future. Accordingly, they may have obligations to investors in those entities, the fulfillment of which might not be in the best interests of us or our stockholders. For example, GSV Asset Management also manages the Coursera Funds, the GSV@SP Fund, and the Lyft Funds. GSV Asset Management will likely manage one or more private funds, or series within such private funds, in the future. We have no ownership interests in the Coursera Funds, the GSV@SP Fund or the GSV@LT Fund.

The 1940 Act prohibits us from participating in certain negotiated co-investments with certain affiliates unless we receive an order from the SEC permitting us to do so. To the extent that we compete with entities managed by GSV Asset Management or any of its affiliates for one or more investment or disposition opportunities, GSV Asset Management will allocate any such opportunity across the entities for which the opportunity is appropriate, consistent with (1) its internal conflict-resolution and allocation policies, (2) the requirements of the Advisers Act, and (3) certain restrictions under the 1940 Act regarding co-investments with affiliates.

We, GSV Asset Management and certain of our affiliates have submitted an exemptive relief application to the SEC to permit us to co-invest with other funds managed by GSV Asset Management or its affiliates in a manner consistent with our investment objective and the conditions to the application. As a result of our Internalization, we and GSV Asset Management withdrew such exemptive application on April 2, 2019 because the relief sought was no longer necessary.

As a business development company, we are prohibited under the 1940 Act from participating in certain transactions with certain of our affiliates without the prior approval of our Board of Directors, including the independent directors, and, in some cases, the SEC. The affiliates with which we may be prohibited from transacting include our officers, directors and employees and any person controlling or under common control with us, subject to certain exceptions.

GSV Asset Management is the owner of the “GSV” name and marks, which we are permitted to use pursuant to a non-exclusive license agreement between us and GSV Asset Management. GSV Asset Management and its principals also use, and may permit other entities to use, the “GSV” name and marks in connection with businesses and activities unrelated to our operations. The use of the “GSV” name and marks in connection with businesses and activities unrelated to our operations may not be in the best interests of us or our stockholders and may result in actual or perceived conflicts of interest.

***GSV Asset Management has the right to resign on 60 days’ notice, and we may not be able to find a suitable replacement within that time, resulting in a disruption in our operations that could adversely affect our financial condition, business and results of operations.***

GSV Asset Management has the right, under the Investment Advisory Agreement, to resign at any time upon not more than 60 days’ written notice, whether we have found a replacement or not. If GSV Asset Management resigns, we may not be able to find a new investment adviser or hire internal management with similar expertise and ability to provide the same or equivalent services on acceptable terms within 60 days, or at all. If we are unable to do so quickly, our operations are likely to experience a disruption, our financial condition, business and results of operations as well as our ability to pay distributions are likely to be adversely affected and the market price of our shares may decline. In addition, the coordination of our internal management and investment activities is likely to suffer if we are unable to identify and reach an agreement with a single institution or group of executives having the expertise possessed by GSV Asset Management and its affiliates. Even if we are able to retain comparable management, whether internal or external, the integration of such management and their lack of familiarity with our investment objective may result in additional costs and time delays that may adversely affect our financial condition, business and results of operations.

***We may have difficulty paying our required distributions if we recognize income before or without receiving cash representing such income.***

Although we focus on achieving capital gains from our investments, in certain cases we may receive current income, such as interest or dividends, on our investments. Because in certain cases we may recognize such current income before or without receiving cash representing such income, we may have difficulty satisfying the annual distribution requirement applicable to RICs. Accordingly, in order to maintain our qualification as a RIC, we may have to sell some of our investments at times we would not consider advantageous, raise additional debt or equity capital or reduce new investments to meet these distribution requirements. If we are not able to obtain cash from other sources, we may fail to qualify for RIC tax treatment and thus would be subject to corporate-level U.S. federal income tax.

***Regulations governing our operation as a BDC affect our ability to, and the way in which we, raise additional capital, which may expose us to risks, including the typical risks associated with leverage.***

We may in the future issue additional debt securities or preferred stock and/or borrow money from banks or other financial institutions, which we refer to collectively (along with the 4.75% Convertible Senior Notes due 2023) as “senior securities,” up to the maximum amount permitted by the 1940 Act. Under the provisions of the 1940 Act, we are permitted, as a BDC, to issue senior securities in amounts such that our asset coverage ratio, as defined in the 1940 Act, equals at least 200% (or 150% if certain requirements are met) of gross assets less all liabilities and indebtedness not represented by senior securities, after each issuance of senior securities. If the value of our assets declines, we may be unable to satisfy this test. If that happens, we may be required to sell a portion of our investments and, depending on the nature of our leverage, repay a portion of our indebtedness at a time when such sales may be disadvantageous. Furthermore, any amounts that we use to service our indebtedness would not be available for distributions to our common stockholders.

All of the costs of offering and servicing the 4.75% Convertible Senior Notes due 2023 and any additional debt or preferred stock we may issue in the future, including interest or preferential dividend payments thereon, will be borne by our common stockholders. The interests of the holders of the 4.75% Convertible Senior Notes due 2023, any additional debt or preferred stock

we may issue will not necessarily be aligned with the interests of our common stockholders. In particular, the rights of holders of the 4.75% Convertible Senior Notes due 2023 and our debt or preferred stock to receive interest, dividends or principal repayment will be senior to those of our common stockholders. Also, in the event we issue preferred stock, the holders of such preferred stock will have the ability to elect two members of our Board of Directors. In addition, we may grant a lender a security interest in a significant portion or all of our assets, even if the total amount we may borrow from such lender is less than the amount of such lender's security interest in our assets. In no event, however, will any lender to us have any veto power over, or any vote with respect to, any change in our, or approval of any new, investment objective or investment policies or strategies.

We are not generally able to issue and sell our common stock at a price below net asset value per share. We may, however, sell our common stock, or warrants, options or rights to acquire our common stock, at a price below the then-current net asset value of our common stock if our Board of Directors determines that such sale is in the best interests of GSV Capital and its stockholders, and our stockholders approve such sale. In any such case, the price at which our securities are to be issued and sold may not be less than a price which, in the determination of our Board of Directors, closely approximates the market value of such securities (less any distributing commission or discount). We are also generally prohibited under the 1940 Act from issuing securities convertible into voting securities without obtaining the approval of our existing stockholders.

***In addition to regulatory requirements that restrict our ability to raise capital, the loan agreement governing the Credit Facility contains various covenants which, if not complied with, could materially and adversely affecting our liquidity, financial condition, results of operations and ability to pay dividends.***

Under a Loan and Security Agreement (as amended, the "Loan Agreement") with Western Alliance Bank, pursuant to which Western Alliance Bank agreed to provide us with a \$12.0 million senior secured revolving Credit Facility (the "Credit Facility"), we have made certain customary representations and warranties and are required to comply with various affirmative and negative covenants, reporting requirements, and other customary requirements for similar credit facilities, including, without limitation, restrictions on incurring additional indebtedness, compliance with the asset coverage requirements under the 1940 Act, a minimum net asset value requirement of at least the greater of \$60.0 million or five times the amount of the \$12.0 million Credit Facility, a limitation on our net asset value being reduced by more than 15% of our net asset value at December 31, 2016, and maintenance of RIC and BDC status. The Loan Agreement includes usual and customary events of default for credit facilities of this nature, including, without limitation, nonpayment, misrepresentation of representations and warranties in a material respect, breach of covenant, cross-default to certain other indebtedness, bankruptcy, the cessation of the Investment Advisory Agreement and the occurrence of a material adverse effect.

Our ability to continue to comply with these covenants in the future depends on many factors, some of which are beyond our control. There are no assurances that we will be able to comply with these covenants. Failure to comply with these covenants would result in a default which, if we were unable to obtain a waiver under the Loan Agreement, would have a material adverse impact on our liquidity, financial condition, results of operations and ability to pay dividends.

***We will be subject to corporate-level U.S. federal income tax if we are profitable and are unable to qualify as a RIC, which could have a material adverse effect on us and our stockholders.***

We elected to be treated as a RIC under the Code beginning with our taxable year ended December 31, 2014, have qualified to be treated as a RIC for subsequent taxable years and expect to continue to operate in a manner so as to qualify for the tax treatment applicable to RICs. See "Business—Material U.S. Federal Income Tax Considerations" and "Note 2—Significant Accounting Policies—U.S. Federal and State Income Taxes" and "Note 9—Income Taxes" to our consolidated financial statements for the year ended December 31, 2018 for more information.

Management generally believes that it will be in our best interest to be treated as a RIC in any year in which we are profitable. If we fail to qualify for tax treatment as a RIC for any year in which we are profitable and such profits exceed certain loss carryforwards that we are entitled to utilize, we will be subject to corporate-level U.S. federal income tax, which could substantially reduce our net assets, the amount of income available for distribution or reinvestment and the amount of our distributions. Such a failure could have a material adverse effect on us and our stockholders.

***In any year in which we intend to be treated as a RIC, we may be forced to dispose of investments at times when GSV Asset Management would not otherwise do so or raise additional capital at times when we would not otherwise do so, in each case in order to qualify for the special tax treatment accorded to RICs.***

To qualify for the special treatment accorded to RICs, we must meet certain income source, asset diversification and annual distribution requirements. In order to satisfy the income source requirement, we must derive in each taxable year at least 90% of our gross income from dividends, interest, payments with respect to certain securities loans, gains from the sale of stock or other

securities or foreign currencies, other income derived with respect to our business of investing in such stock or securities or income from “qualified publicly traded partnerships.” To qualify as a RIC, we must also meet certain asset diversification requirements at the end of each quarter of our taxable year. Failure to meet these tests in any year in which we intend to be treated as a RIC may result in our having to dispose of certain investments quickly in order to prevent the loss of RIC status. Because most of our investments are in private companies, any such dispositions could be made at disadvantageous prices and could result in substantial losses. In addition, in order to satisfy the Annual Distribution Requirement for a RIC, we must distribute at least 90% of our ordinary income and realized net short-term capital gains in excess of realized net long-term capital losses, if any, to our stockholders on an annual basis. We will be subject to certain asset coverage ratio requirements under the 1940 Act and financial covenants under the terms of our indebtedness that could, under certain circumstances, restrict us from making distributions necessary to satisfy the annual distribution requirement. If we are unable to dispose of investments quickly enough to meet the asset diversification requirements at the end of a quarter or obtain cash from other sources in order to meet the annual distribution requirement, we may fail to qualify for special tax treatment accorded to RICs and, thus, be subject to corporate-level U.S. federal income tax.

***The recently passed comprehensive tax reform bill could adversely affect our business and financial condition.***

On December 22, 2017, the Tax Cuts and Jobs Act of 2017 (the “Tax Act”) was signed into law and significantly changes the Code. The Tax Act, among other things, contains significant changes to corporate taxation, including reduction of the corporate tax rate from a top marginal rate of 35% to a flat rate of 21%, limitation of the tax deduction for interest expense to 30% of adjusted earnings (except for certain small businesses), limitation of the deduction or net operating losses to 80% of current year taxable income and elimination of net operating loss carrybacks, one time taxation of offshore earnings at reduced rates regardless of whether they are repatriated, immediate deductions for certain new investments instead of deductions for depreciation expense over time, and modifying or repealing many business deductions and credits. Our U.S. federal net operating loss carryovers created in 2018 and thereafter will be carried forward indefinitely pursuant to the Tax Act. We continue to examine the impact this tax legislation may have on our business. Notwithstanding the reduction in the corporate income tax rate, the overall impact of the Tax Act is uncertain and our business and financial condition could be adversely affected. The impact of this Tax Act on holders of the 4.75% Convertible Senior Notes due 2023 or our common stock is also uncertain and could be adverse. We urge such holders to consult with their legal and tax advisors with respect to such legislation and the potential tax consequences of investing in our convertible notes and common stock.

***Because we expect to distribute substantially all of our net investment income and net realized capital gains to our stockholders, we will need additional capital to finance our growth and such capital may not be available on favorable terms or at all.***

We have elected to be taxed for U.S. federal income tax purposes as a RIC under Subchapter M of the Code. If we meet certain requirements, including source of income, asset diversification and distribution requirements, and if we continue to qualify as a BDC, we will continue to qualify for tax treatment as a RIC under the Code and will not have to pay corporate-level income taxes on income we distribute to our stockholders as dividends, allowing us to substantially reduce or eliminate our U.S. federal corporate-level income tax liability. As a BDC, we are generally required to meet a coverage ratio of total assets to total senior securities, which includes all of our borrowings and any preferred stock we may issue in the future, of at least 200% (or 150% if certain requirements are met) at the time we issue any debt or preferred stock. This requirement limits the amount that we may borrow. Because we will continue to need capital to grow our investment portfolio, this limitation may prevent us from incurring debt or preferred stock and require us to raise additional equity at a time when it may be disadvantageous to do so. We cannot assure you that debt and equity financing will be available to us on favorable terms, or at all, and debt financings may be restricted by the terms of any of our outstanding borrowings. In addition, as a BDC, we are generally not permitted to issue common stock priced below net asset value without stockholder approval. If additional funds are not available to us, we could be forced to curtail or cease new lending and investment activities, and our net asset value could decline.

***We may continue to choose to pay dividends in our common stock, in which case you may be required to pay tax in excess of the cash you receive.***

We have in the past, and may continue to, distribute taxable dividends that are payable in part in shares of our common stock. For example, on November 4, 2015, our Board of Directors declared a dividend of \$2.76 per share to stockholders, paid partially in cash and partially in shares of our common stock on December 31, 2015. In accordance with certain applicable U.S. Treasury regulations and published guidance issued by the Internal Revenue Service (“IRS”), a RIC may treat a distribution of its own common stock as fulfilling the RIC distribution requirements if each stockholder may elect to receive his or her entire distribution in either cash or common stock of the RIC, subject to a limitation that the aggregate amount of cash to be distributed to all stockholders must be at least 20% of the aggregate declared distribution. If too many stockholders elect to receive cash, the cash available for distribution must be allocated among the stockholders electing to receive cash (with the balance of the distribution paid in stock). In no event will any stockholder electing to receive cash, receive less than the lesser of (a) the portion of the



distribution such stockholder has elected to receive in cash or (b) an amount equal to his or her entire distribution times the percentage limitation on cash available for distribution. If these and certain other requirements are met, for U.S. federal income tax purposes, the amount of the dividend paid in common stock will be equal to the amount of cash that could have been received instead of common stock. Taxable stockholders receiving such dividends will be required to include the full amount of the dividend as ordinary income (or as long-term capital gain to the extent such distribution is properly reported as a capital gain dividend) to the extent of our current and accumulated earnings and profits for U.S. federal income tax purposes. As a result, a U.S. stockholder may be required to pay tax with respect to such dividends in excess of any cash received. If a U.S. stockholder sells the stock it receives as a dividend in order to pay this tax, the sales proceeds may be less than the amount included in income with respect to the dividend, depending on the market price of our common stock at the time of the sale. Furthermore, with respect to Non-U.S. stockholders, we may be required to withhold U.S. tax with respect to such dividends, including in respect of all or a portion of such dividend that is payable in common stock. In addition, if a significant number of our stockholders determine to sell shares of our common stock in order to pay taxes owed on dividends, it may put downward pressure on the trading price of our common stock.

***Changes in laws or regulations governing our business or the businesses of our portfolio companies, changes in the interpretation thereof or newly enacted laws or regulations, and any failure by us or our portfolio companies to comply with these laws or regulations may adversely affect our business and the businesses of our portfolio companies.***

We and our portfolio companies are subject to laws and regulations at the U.S. federal, state and local levels and, in some cases, foreign levels. These laws and regulations, as well as their interpretation, may change from time to time, and new laws, regulations and interpretations may also come into effect, potentially with retroactive effect. Any such new or changed laws or regulations could have a material adverse effect on our business or the business of our portfolio companies. The legal, tax and regulatory environment for BDCs, investment advisers and the instruments that they utilize (including derivative instruments) is continuously evolving. In addition, there is significant uncertainty regarding enacted legislation (including the Dodd-Frank Act and the regulations adopted thereunder and future regulations that may or may not be adopted pursuant to such legislation) and, consequently, the full impact that such legislation will ultimately have on us and the markets in which we trade and invest is not fully known. Such uncertainty and any resulting confusion may itself be detrimental to the efficient functioning of the markets and the success of certain investment strategies.

In addition, as private equity firms become more influential participants in the U.S. and global financial markets and economy generally, there recently has been pressure for greater governmental scrutiny and/or regulation of the private equity industry. It is uncertain as to what form and in what jurisdictions such enhanced scrutiny and/or regulation, if any, on the private equity industry may ultimately take. Therefore, there can be no assurance as to whether any such scrutiny or initiatives will have an adverse impact on the private equity industry, including our ability to effect operating improvements or restructurings of our portfolio companies or otherwise achieve our objectives.

Over the last several years, there also has been an increase in regulatory attention to the extension of credit outside of the traditional banking sector, raising the possibility that some portion of the non-bank financial sector will be subject to new regulation. While it cannot be known at this time whether any regulation will be implemented or what form it will take, increased regulation of non-bank credit extension could negatively impact our or our portfolio companies' operating results or financial condition, impose additional costs on us or our portfolio companies, intensify the regulatory supervision of us or otherwise adversely affect our business.

Additionally, any changes to the laws and regulations governing our operations may cause us to alter our investment strategy in order to avail ourselves of new or different opportunities. Such changes could result in material differences to the strategies and plans set forth herein and may result in our investment focus shifting from the areas of expertise of the GSV Asset Management senior investment professionals to other types of investments in which the investment team may have less expertise or little or no experience. Thus, any such changes, if they occur, could have a material adverse effect on our results of operations and the value of your investment.

***Recent legislation allows us to incur additional leverage, which could increase the risk of investing in us.***

The 1940 Act generally prohibits us from incurring indebtedness unless immediately after such borrowing we have an asset coverage for total borrowings of at least 200% (i.e., the amount of debt may not exceed 50% of the value of our total assets). However, in March 2018, the Small Business Credit Availability Act (the "SBCAA") was signed into law, which included various changes to regulations under the federal securities laws that impact BDCs. The SBCAA included changes to the 1940 Act to allow BDCs to decrease their asset coverage requirement from 200% to 150% (i.e. the amount of debt may not exceed 66.7% of the value of our total assets), if certain requirements are met. Under the SBCAA, we are allowed to reduce our asset coverage requirement to 150%, and thereby increase our leverage capacity, if shareholders representing at least a majority of the votes cast,

when a quorum is present, approve a proposal to do so. If we receive shareholder approval, we would be allowed to reduce our asset coverage requirement to 150% on the first day after such approval. Alternatively, the SBCAA allows the majority of our independent directors to approve the reduction in our asset coverage requirement to 150%, and such approval would become effective after one year. In either case, we would be required to make certain disclosures on our website and in SEC filings regarding, among other things, the receipt of approval to reduce our asset coverage requirement to 150%, our leverage capacity and usage, and risks related to leverage.

As a result of the SBCAA, if we obtain the necessary approval, we may be able to increase our leverage up to an amount that reduces our asset coverage ratio from 200% to 150%. Leverage magnifies the potential for loss on investments in our indebtedness and on invested equity capital. As we use leverage to partially finance our investments, you will experience increased risks of investing in our securities. If the value of our assets increases, then leveraging would cause the net asset value attributable to our common stock to increase more sharply than it would have had we not leveraged. Conversely, if the value of our assets decreases, leveraging would cause net asset value to decline more sharply than it otherwise would have had we not leveraged our business. Similarly, any increase in our income in excess of interest payable on the borrowed funds would cause our net investment income to increase more than it would without the leverage, while any decrease in our income would cause net investment income to decline more sharply than it would have had we not borrowed. Such a decline could negatively affect our ability to pay common stock dividends, scheduled debt payments or other payments related to our securities. Leverage is generally considered a speculative investment technique.

***We cannot predict how tax reform legislation will affect us, our investments, or our stockholders, and any such legislation could adversely affect our business.***

Legislative or other actions relating to taxes could have a negative effect on us. The rules dealing with U.S. federal income taxation are constantly under review by persons involved in the legislative process and by the IRS and the U.S. Treasury Department. The U.S. House of Representatives and U.S. Senate recently passed tax reform legislation, which the President signed into law. Such legislation significantly changed the Code, including significant changes to the taxation of business entities, the deductibility of interest expense, and the tax treatment of capital investment. We cannot predict with certainty how any changes in the tax laws might affect us, our stockholders, or our portfolio investments. New legislation and any U.S. Treasury regulations, administrative interpretations or court decisions interpreting such legislation could significantly and negatively affect our ability to qualify for tax treatment as a RIC or the U.S. federal income tax consequences to us and our stockholders of such qualification or could have other adverse consequences. Stockholders are urged to consult with their tax advisor regarding tax legislative, regulatory, or administrative developments and proposals and their potential effect on an investment in our securities.

***Certain investors are limited in their ability to make significant investments in us.***

Private funds that are excluded from the definition of “investment company” either pursuant to Section 3(c)(1) or 3(c)(7) of the 1940 Act are restricted from acquiring directly or through a controlled entity more than 3% of our total outstanding voting stock (measured at the time of the acquisition). Investment companies registered under the 1940 Act and BDCs, such as us, are also subject to this restriction as well as other limitations under the 1940 Act that would restrict the amount that they are able to invest in our securities. As a result, certain investors will be limited in their ability to make significant investments in us at a time that they might desire to do so.

***Even in the event the value of your investment declines, the base management fee will still be payable.***

The base management fee is payable regardless of whether the value of our gross assets or your investment declines. As a result, we will owe GSV Asset Management a base management fee regardless of whether we incurred significant realized capital losses and unrealized capital depreciation (losses) during the period for which the base management fee is paid. Under the terms of the Investment Advisory Agreement, the base management fee is calculated at an annual rate of 2.00% of the value of our gross assets, which we pay monthly in arrears. In addition, pursuant to the Waiver Agreement, the base management fee is calculated at an annual rate of 1.75% of our gross assets beginning as of February 1, 2018. See “Business—Investment Advisory Agreement” in Part I, Item 1 of this Form 10-K for more information.

***We incur significant costs as a result of being a publicly traded company.***

As a publicly traded company, we incur legal, accounting and other expenses, including costs associated with the periodic reporting requirements applicable to a company whose securities are registered under the Exchange Act as well as additional corporate governance requirements, including requirements under the Sarbanes-Oxley Act, and other rules implemented by the SEC.

***Ineffective internal controls could impact our business and operating results.***

Our internal control over financial reporting may not prevent or detect misstatements because of its inherent limitations, including the possibility of human error, the circumvention or overriding of controls, or fraud. Even effective internal controls can provide only reasonable assurance with respect to the preparation and fair presentation of financial statements. If we fail to maintain the adequacy of our internal controls, including any failure to implement required new or improved controls, or if we experience difficulties in their implementation, our business and operating results could be harmed and we could fail to meet our financial reporting obligations.

***We may in the future determine to fund a portion of our investments with preferred stock, which would magnify the potential for gain or loss and the risks of investing in us in the same way as our borrowings.***

Preferred stock, which is another form of leverage, has the same risks to our common stockholders as borrowings because the dividends on any preferred stock we issue must be cumulative. Payment of such dividends and repayment of the liquidation preference of such preferred stock must take preference over any dividends or other payments to our common stockholders, and preferred stockholders are not subject to any of our expenses or losses and are not entitled to participate in any income or appreciation in excess of their stated preference.

***Our Board of Directors is authorized to reclassify any unissued shares of stock into one or more classes of preferred stock, which could convey special rights and privileges to its owners.***

Our charter permits our Board of Directors to reclassify any authorized but unissued shares of stock into one or more classes of preferred stock. Our Board of Directors will generally have broad discretion over the size and timing of any such reclassification, subject to a finding that the reclassification and issuance of such preferred stock is in the best interests of GSV Capital and our existing common stockholders. Any issuance of preferred stock would be subject to certain limitations imposed under the 1940 Act, including the requirement that such preferred stock have equal voting rights with our outstanding common stock. We are authorized to issue up to 100,000,000 shares of common stock. In the event our Board of Directors opts to reclassify a portion of our unissued shares of common stock into a class of preferred stock, those preferred shares would have a preference over our common stock with respect to dividends and liquidation. The cost of any such reclassification would be borne by our existing common stockholders. In addition, the 1940 Act provides that holders of preferred stock are entitled to vote separately from holders of common stock to elect two directors. As a result, our preferred stockholders will have the ability to reject a director that would otherwise be elected by our common stockholders. In addition, while Maryland law generally requires directors to act in the best interests of all of a corporation's stockholders, there can be no assurance that a director elected by our preferred stockholders will not choose to act in a manner that tends to favor our preferred stockholders, particularly where there is a conflict between the interests of our preferred stockholders and our common stockholders. The class voting rights of any preferred shares we may issue could make it more difficult for us to take some actions that may, in the future, be proposed by the Board of Directors and/or the holders of our common stock, such as a merger, exchange of securities, liquidation, or alteration of the rights of a class of our securities, if these actions were perceived by the holders of preferred shares as not in their best interests. The issuance of preferred shares convertible into shares of common stock might also reduce the net income and net asset value per share of our common stock upon conversion. These effects, among others, could have an adverse effect on your investment in our common stock.

***Our Board of Directors may change our investment objective, operating policies and strategies without prior notice or stockholder approval, the effects of which may be adverse.***

Our Board of Directors has the authority to modify or waive our investment objective, current operating policies, investment criteria and strategies without prior notice and without stockholder approval. We cannot predict the effect any changes to our current operating policies, investment criteria and strategies would have on our business, net asset value, operating results and value of our stock. However, the effects might be adverse, which could negatively impact our ability to pay you dividends and cause you to lose all or part of your investment.

***Provisions of the Maryland General Corporation Law and of our charter and bylaws could deter takeover attempts and have an adverse impact on the price of our common stock.***

The Maryland General Corporation Law and our charter and bylaws contain provisions that may discourage, delay or make more difficult a change in control of us or the removal of our directors. We are subject to the Maryland Business Combination Act ("MBCA"), subject to any applicable requirements of the 1940 Act. Our Board of Directors has adopted a resolution exempting from the MBCA any business combination between us and any other person, subject to prior approval of such business combination by our Board of Directors, including approval by a majority of our directors who are not "interest persons" as defined in the 1940 Act. If the resolution exempting business combinations is repealed or our Board of Directors does not approve a business

combination, the MBCA may discourage third parties from trying to acquire control of us and increase the difficulty of consummating such an offer. Our bylaws exempt from the Maryland Control Share Acquisition Act (“Control Share Act”) acquisitions of our stock by any person. If we amend our bylaws to repeal the exemption from the Control Share Act, the Control Share Act also may make it more difficult for a third party to obtain control of us and increase the difficulty of consummating such a transaction. However, we will amend our bylaws to be subject to the Control Share Act only if our Board of Directors determines that it would be in our best interests and if the SEC staff does not object to our determination that our being subject to the Control Share Act does not conflict with the 1940 Act.

We have also adopted measures that may make it difficult for a third party to obtain control of us, including provisions of our charter classifying our Board of Directors in three classes serving staggered three-year terms, and authorizing our Board of Directors, without stockholder action, to classify or reclassify shares of our stock in one or more classes or series, including preferred stock, to cause the issuance of additional shares of our stock, to amend our charter without stockholder approval to increase or decrease the aggregate number of shares of stock or the number of shares of stock of any class or series that we have authority to issue. These provisions, as well as other provisions of our charter and bylaws, may delay, defer or prevent a transaction or a change in control that might otherwise be in the best interests of our stockholders.

***We are highly dependent on information systems and systems failures could significantly disrupt our business, which may, in turn, negatively affect the market price of our common stock and our ability make distributions.***

Our business is highly dependent on our and third parties’ communications and information systems. Any failure or interruption of those systems, including as a result of the termination of an agreement with any third-party service providers, could cause delays or other problems in our activities. Our financial, accounting, data processing, backup or other operating systems and facilities may fail to operate properly or become disabled or damaged as a result of a number of factors including events that are wholly or partially beyond our control and may adversely affect our business. There could be:

- sudden electrical or telecommunications outages;
- natural disasters such as earthquakes, tornadoes and hurricanes;
- disease pandemics;
- events arising from local or larger scale political or social matters, including terrorist acts; and
- cyber-attacks.

These events, in turn, could have a material adverse effect on our operating results and negatively affect the market price of our common stock and our ability to pay dividends to our stockholders.

***Terrorist attacks, acts of war or natural disasters may affect any market for our securities, impact the businesses in which we invest and harm our business, operating results and financial condition.***

Terrorist acts, acts of war or natural disasters may disrupt our operations, as well as the operations of the businesses in which we invest. Such acts have created, and continue to create, economic and political uncertainties and have contributed to global economic instability. Future terrorist activities, military or security operations, or natural disasters could further weaken the domestic/global economies and create additional uncertainties, which may negatively impact the businesses in which we invest directly or indirectly and, in turn, could have a material adverse impact on our business, operating results and financial condition. Losses from terrorist attacks and natural disasters are generally uninsurable.

***We face cyber-security risks.***

Our business operations rely upon secure information technology systems for data processing, storage and reporting. Despite careful security and controls design, implementation and updating, our information technology systems could become subject to cyber-attacks. Network, system, application and data breaches could result in operational disruptions or information misappropriation, which could have a material adverse effect on our business, results of operations and financial condition.

***The failure in cyber-security systems, as well as the occurrence of events unanticipated in our disaster recovery systems and management continuity planning could impair our ability to conduct business effectively.***

The occurrence of a disaster such as a cyber-attack, a natural catastrophe, an industrial accident, a terrorist attack or war, events unanticipated in our disaster recovery systems, or a support failure from external providers, could have an adverse effect on our ability to conduct business and on our results of operations and financial condition, particularly if those events affect our

computer-based data processing, transmission, storage, and retrieval systems or destroy data. If a significant number of our managers were unavailable in the event of a disaster, our ability to effectively conduct our business could be severely compromised.

We depend heavily upon computer systems to perform necessary business functions. Despite our implementation of a variety of security measures, our computer systems could be subject to cyber-attacks and unauthorized access, such as physical and electronic break-ins or unauthorized tampering. Like other companies, we may experience threats to our data and systems, including malware and computer virus attacks, unauthorized access, system failures and disruptions. If one or more of these events occurs, it could potentially jeopardize the confidential, proprietary and other information processed and stored in, and transmitted through, our computer systems and networks, or otherwise cause interruptions or malfunctions in our operations, which could result in damage to our reputation, financial losses, litigation, increased costs, regulatory penalties and/or customer dissatisfaction or loss.

### **Risks Related to the 4.75% Convertible Senior Notes due 2023**

#### ***Our stockholders may experience dilution upon the conversion of the 4.75% Convertible Senior Notes due 2023.***

The 4.75% Convertible Senior Notes due 2023 are convertible into shares of our common stock. Upon conversion, we must deliver shares of our common stock. The initial conversion rate of the 4.75% Convertible Senior Notes due 2023 is 93.2836 shares of common stock per \$1,000 principal amount of the 4.75% Convertible Senior Notes due 2023, which is equivalent to an initial conversion price of approximately \$10.72 per share of common stock. Based on the initial conversion rate, as of April 17, 2019, the maximum number of shares of common stock that would be issued upon conversion of the \$40,000,000 of 4.75% Convertible Senior Notes due 2023 currently outstanding is approximately 3,731,344. If we deliver shares of common stock upon a conversion at the time our net asset value per share exceeds the conversion price in effect at such time, our stockholders will incur dilution. In addition, our stockholders will experience dilution in their ownership percentage of our common stock upon our issuance of common stock in connection with the conversion of the 4.75% Convertible Senior Notes due 2023 and any dividends paid on our common stock will also be paid on shares issued in connection with such conversion after such issuance.

#### ***We may not have, or have the ability to raise, the funds necessary to repurchase the 4.75% Convertible Senior Notes due 2023 upon a fundamental change, and our debt may contain limitations on our ability to deliver shares of our common stock upon conversion or pay cash upon repurchase of the 4.75% Convertible Senior Notes due 2023.***

Holders of the 4.75% Convertible Senior Notes due 2023 will have the right to require us to repurchase their notes upon the occurrence of certain significant corporate events involving us, including if our common stock ceases to trade on any national securities exchange or we consolidate or merge into another entity in certain circumstances, at a repurchase price equal to 100% of their principal amount, plus accrued and unpaid interest, if any. We refer to such a corporate event as a “fundamental change.” However, we may not have enough available cash or be able to obtain financing at the time we are required to make repurchases of the 4.75% Convertible Senior Notes due 2023 surrendered therefor. In addition, our ability to repurchase the 4.75% Convertible Senior Notes due 2023 or deliver shares of our common stock upon conversions of the 4.75% Convertible Senior Notes due 2023 may be limited by law, by regulatory authority or by agreements governing our indebtedness. For example, the Credit Facility generally prohibits us from prepaying indebtedness other than borrowings under the Credit Facility. As a result, before making any such repurchase of the 4.75% Convertible Senior Notes due 2023, we would have to obtain consent from the lender under the Credit Facility to the extent such requirements remain in effect at such time. Our failure to repurchase the 4.75% Convertible Senior Notes due 2023 at a time when the repurchase is required by the indenture relating to the 4.75% Convertible Senior Notes due 2023 or to deliver any shares of our common stock deliverable on future conversions of such 4.75% Convertible Senior Notes due 2023 as required by such indenture would constitute a default under such indenture. A default under the indenture relating to the 4.75% Convertible Senior Notes due 2023 or the occurrence of a fundamental change itself could also lead to a default under agreements governing our indebtedness, including the Loan Agreement. If the repayment of the related indebtedness were to be accelerated after any applicable notice or grace periods, we may not have sufficient funds to repay the indebtedness and repurchase the 4.75% Convertible Senior Notes due 2023.

#### ***Provisions of the 4.75% Convertible Senior Notes due 2023 could discourage an acquisition of us by a third party.***

Certain provisions of the 4.75% Convertible Senior Notes due 2023 could make it more difficult or more expensive for a third party to acquire us. Upon the occurrence of certain transactions constituting a fundamental change, the holders of the 4.75% Convertible Senior Notes due 2023 will have the right, at their option, to require us to repurchase all or a portion of their 4.75% Convertible Senior Notes due 2023, plus accrued and unpaid interest. We may also be required to increase the conversion rate of the 4.75% Convertible Senior Notes due 2023 in certain other circumstances, including in the event of certain transactions constituting fundamental changes or a make-whole adjustment event. These provisions could discourage an acquisition of us by a third party.

***Servicing our debt requires a significant amount of cash, and we may not have sufficient cash flow from our business to pay our debt.***

Our ability to make scheduled payments of the principal of, to pay interest on or to refinance our indebtedness, including the 4.75% Convertible Senior Notes due 2023, depends on our future performance, which is subject to economic, financial, competitive and other factors beyond our control. Our business may not continue to generate cash flow from operations in the future sufficient to service our debt and make necessary capital expenditures. If we are unable to generate such cash flow, we may be required to adopt one or more alternatives, such as selling assets (including interests in our portfolio companies if permitted pursuant to the terms of our investment) under terms that may be disadvantageous for us, restructuring debt or obtaining additional equity capital on terms that may be onerous or highly dilutive. Our ability to refinance our indebtedness will depend on the capital markets and our financial condition at such time. We may not be able to engage in any of these activities or engage in these activities on desirable terms, which could result in a default on our debt obligations.

***Any adverse rating of the 4.75% Convertible Senior Notes due 2023 may negatively affect the trading price and liquidity of the 4.75% Convertible Senior Notes due 2023 and the price of our common stock.***

We do not intend to seek a rating on the 4.75% Convertible Senior Notes due 2023. However, if a rating service were to rate the 4.75% Convertible Senior Notes due 2023, and if such rating service were to assign the 4.75% Convertible Senior Notes due 2023 a rating lower than the rating expected by investors or were to lower its rating on the 4.75% Convertible Senior Notes due 2023 below the rating initially assigned to the 4.75% Convertible Senior Notes due 2023 or otherwise announce its intention to put the 4.75% Convertible Senior Notes due 2023 on credit watch, the trading price or liquidity of the 4.75% Convertible Senior Notes due 2023 and the price of our common stock could decline.

***Holders of the 4.75% Convertible Senior Notes due 2023 may be subject to tax if we make or fail to make certain adjustments to the conversion rate of the 4.75% Convertible Senior Notes due 2023, even though such holders do not receive a corresponding cash distribution.***

The conversion rate of the 4.75% Convertible Senior Notes due 2023 is subject to adjustment in certain circumstances, including the payment of cash dividends. If the conversion rate is adjusted as a result of a distribution that is taxable to our common stockholders, holders of the 4.75% Convertible Senior Notes due 2023 may be deemed to have received a dividend subject to U.S. federal income tax without the receipt of any cash. In addition, a failure to adjust (or to adjust adequately) the conversion rate after an event that increases a noteholder's proportionate interest in us could be treated as a deemed taxable dividend to such holder. If a make-whole adjustment event occurs on or prior to the business day immediately preceding the stated maturity date of the 4.75% Convertible Senior Notes due 2023, under some circumstances, we will increase the conversion rate for the 4.75% Convertible Senior Notes due 2023 converted in connection with the make-whole adjustment event. Such increase may also be treated as a distribution subject to U.S. federal income tax as a dividend. In addition, if a holder is a Non-U.S. Holder, such holder may be subject to U.S. federal withholding tax in connection with such a deemed distribution. If withholding tax is paid on a noteholder's behalf as a result of an adjustment to the conversion rate of the 4.75% Convertible Senior Notes due 2023, the withholding agent may offset such payments against payments of cash and common stock on the 4.75% Convertible Senior Notes due 2023. Refer to the prospectus supplement related to the offering of the 4.75% Convertible Senior Notes due 2023, dated March 22, 2018, for more information.

***Certain adverse consequences could result if the 4.75% Convertible Senior Notes due 2023 are treated as equity interests in us for purposes of regulations under the Employee Retirement Income Security Act of 1974.***

Pursuant to regulations under the Employee Retirement Income Security Act of 1974 ("ERISA"), it is possible that, due to their convertibility feature, the 4.75% Convertible Senior Notes due 2023 could be treated as equity interests in us. In that event, if employee benefit plans subject to Title I of ERISA, plans that are not subject to ERISA but that are subject to Section 4975 of the Code, such as individual retirement accounts, and entities that are deemed to hold the assets of such plans or accounts (such plans, accounts, and entities, "Benefit Plan Investors") were to acquire 25% or more of the aggregate value of the 4.75% Convertible Senior Notes due 2023, among other consequences, we and our management would be subject to ERISA fiduciary duties, and certain transactions we might enter into, or may have entered into, in the ordinary course of our business might constitute non-exempt "prohibited transactions" under Section 406 of ERISA or Section 4975 of the Code and might have to be rescinded at significant cost to us. Moreover, if our underlying assets were deemed to be assets constituting plan assets, (i) our assets could be subject to ERISA's reporting and disclosure requirements, (ii) a fiduciary causing a Benefit Plan Investor to make an investment in our equity interests could be deemed to have delegated its responsibility to manage the assets of the Benefit Plan Investor, and (iii) various providers of fiduciary or other services to us, and any other parties with authority or control with respect to our assets, could be deemed to be plan fiduciaries or otherwise parties in interest or disqualified persons by virtue of their provision of such services.

We do not believe that the 4.75% Convertible Senior Notes due 2023 should be treated as equity interests in us for purposes of ERISA in light of the relevant regulations. No assurance can be given, however, that the 4.75% Convertible Senior Notes due 2023 will not be so treated.

***The accounting for convertible debt securities is complex and subject to uncertainty.***

The accounting for convertible debt securities is complex and subject to frequent scrutiny by the accounting regulatory bodies and is subject to change. The issuance of the 4.75% Convertible Senior Notes due 2023 may affect our earnings per share on a fully diluted basis in certain periods. Further, we cannot predict if or when changes in the accounting for convertible debt securities could be made and whether any such change could have an adverse impact on our reported or future financial results. Any such impacts could adversely affect the market price or value of our common stock.

**Risks Related to an Investment in Our Securities**

***Investing in our securities may involve an above average degree of risk.***

The investments we make in accordance with our investment objective may result in a higher amount of risk than alternative investment options and a higher risk of volatility or loss of principal. Our investments in portfolio companies may be highly speculative, and therefore, an investment in our shares may not be suitable for someone with lower risk tolerance.

***Our common stock price may be volatile and may decrease substantially.***

The trading price of our common stock may fluctuate substantially. The price of our common stock that will prevail in the market after any future offering may be higher or lower than the price you pay, depending on many factors, some of which are beyond our control and may not be directly related to our operating performance. These factors include, but are not limited to, the following:

- price and volume fluctuations in the overall stock market from time to time;
- investor demand for our shares;
- significant volatility in the market price and trading volume of securities of RICs, BDCs or other financial services companies;
- changes in regulatory policies or tax guidelines with respect to RICs or BDCs;
- failure to qualify as a RIC for a particular taxable year, or the loss of RIC status;
- actual or anticipated changes in our earnings or fluctuations in our operating results or changes in the expectations of securities analysts;
- general economic conditions and trends;
- fluctuations in the valuation of our portfolio investments;
- operating performance of companies comparable to us;
- market sentiment against technology-related companies; or
- departures of any of the senior investment professionals of GSV Asset Management.

In the past, following periods of volatility in the market price of a company's securities, securities class action litigation has often been brought against that company. Due to the potential volatility of our stock price, we may therefore be the target of securities litigation in the future. Securities litigation could result in substantial costs and divert management's attention and resources from our business.

***Shares of our common stock have recently traded, and may in the future trade, at discounts from net asset value or at premiums that may prove to be unsustainable.***

Shares of BDCs like us may, during some periods, trade at prices higher than their net asset value per share and, during other periods, as frequently occurs with closed-end investment companies, trade at prices lower than their net asset value per share. The perceived value of our investment portfolio may be affected by a number of factors including perceived prospects for individual companies we invest in, market conditions for common stock generally, for IPOs and other exit events for venture-capital-backed companies, and the mix of companies in our investment portfolio over time. Negative or unforeseen developments affecting the

perceived value of companies in our investment portfolio could result in a decline in the trading price of our common stock relative to our net asset value per share.

The possibility that our shares will trade at a discount from net asset value or at premiums that are unsustainable are risks separate and distinct from the risk that our net asset value per share will decrease. The risk of purchasing shares of a BDC that might trade at a discount or unsustainable premium is more pronounced for investors who wish to sell their shares in a relatively short period of time because, for those investors, realization of a gain or loss on their investments is likely to be more dependent upon changes in premium or discount levels than upon increases or decreases in net asset value per share. As of April 17, 2019, the closing price of our common stock on the Nasdaq Capital Market was \$6.52 per share, which represented an approximately 34.1% discount to our net asset value of \$9.89 per share as of December 31, 2018.

***We may not be able to pay distributions to our stockholders and our distributions may not grow over time, particularly since we invest primarily in securities that do not produce current income, and a portion of distributions paid to our stockholders may be a return of capital, which is a distribution of the stockholders' invested capital.***

The timing and amount of our distributions, if any, will be determined by our Board of Directors and will be declared out of assets legally available for distribution. We cannot assure you that we will achieve investment results or maintain a tax treatment that will allow or require any specified level of cash distributions or year-to-year increases in cash distributions. Our ability to pay distributions might be adversely affected by, among other things, the impact of one or more of the risk factors described herein. In addition, the inability to satisfy the asset coverage test applicable to us as a BDC could limit our ability to pay distributions. All distributions will be paid at the discretion of our Board of Directors and will depend on our earnings, our financial condition, maintenance of our tax treatment as a RIC, compliance with applicable BDC regulations, compliance with our debt covenants and such other factors as our Board of Directors may deem relevant from time to time. We cannot assure you that we will pay distributions to our stockholders in the future.

As we intend to focus on making primarily capital gains-based investments in equity securities, which generally will not be income producing, we do not anticipate that we will pay dividends on a quarterly basis or become a predictable issuer of dividends, and we expect that our dividends, if any, will be less consistent than other BDCs that primarily make debt investments. When we make distributions, we will be required to determine the extent to which such distributions are paid out of current or accumulated taxable earnings, recognized capital gains or capital. To the extent there is a return of capital, investors will be required to reduce their basis in our stock for federal tax purposes, which may result in higher tax liability when the shares are sold, even if they have not increased in value or have lost value. In addition, any return of capital will be net of any sales load and offering expenses associated with sales of shares of our common stock. Our distributions have included a return of capital in the past, and our future distributions may include a return of capital.

***We have broad discretion over the use of proceeds from our offerings, to the extent they are successful, and will use proceeds in part to satisfy operating expenses.***

We have significant flexibility in applying the proceeds of our offerings and may use the net proceeds from such offerings in ways with which you may not agree, or for purposes other than those contemplated at the time of the offering. We cannot assure you that we will be able to successfully utilize the proceeds within the time frame contemplated. We will also pay operating expenses, and may pay other expenses such as due diligence expenses of potential new investments, from the net proceeds of any offering. Our ability to achieve our investment objective may be limited to the extent that the net proceeds of an offering, pending full investment, are used to pay operating expenses. In addition, we can provide you no assurance that any such offerings will be successful, or that by increasing the size of our available equity capital our aggregate expenses, and correspondingly, our expense ratio, will be lowered.



**Item 1B. Unresolved Staff Comments**

Not applicable.

**Item 2. Properties**

Through March 31, 2019, our corporate headquarters were located at 2925 Woodside Road, Woodside, California, 94062, in the offices of GSV Asset Management. Subsequent to the Internalization, we are leasing office space at 345 California Street, Suite 600, San Francisco, CA 94104. During the year ended December 31, 2019 we did not own or lease any office space directly; however, we paid a portion of the rent as allocated to us by GSV Capital Service Company. Our office facilities are suitable and adequate for our business as it is presently conducted.

**Item 3. Legal Proceedings**

Although we and our subsidiaries may, from time to time, be involved in litigation arising out of our and our subsidiaries' operations in the normal course of business or otherwise, neither we nor any of our subsidiaries are currently a party to any pending material legal proceedings.

**Item 4. Mine Safety Disclosures**

Not applicable.

## PART II

**Item 5. Market for Registrant’s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities**

Our common stock is traded on the Nasdaq Capital Market under the symbol “GSVC.” The following table sets forth the high and low closing market prices for our common stock for each fiscal quarter for the years ended December 31, 2018 and 2017. The closing market prices reported below have been adjusted to give retroactive effect to material changes resulting from stock dividends. The reported closing market price of our common stock on April 17, 2019 was \$6.52.

	Price Range	
	High	Low
<b>Fiscal 2018</b>		
Fourth Quarter	\$ 7.22	\$ 5.12
Third Quarter	7.35	6.81
Second Quarter	7.50	6.68
First Quarter	9.18	5.58
<b>Fiscal 2017</b>		
Fourth Quarter	\$ 6.62	\$ 5.27
Third Quarter	5.41	3.86
Second Quarter	4.71	4.29
First Quarter	5.52	4.43

 **Holders**

As of April 17, 2019, there were 3 holders of record of our common stock (including Cede & Co.).

 **Distributions**

We have elected to be treated as a RIC under Subchapter M of the Code and expect to continue to operate in a manner so as to qualify for the tax treatment applicable to RICs. To maintain RIC tax treatment, we must, among other things, distribute at least 90% of our ordinary income and realized net short-term capital gains in excess of realized net long-term capital losses, if any. Further, undistributed taxable income (subject to a 4% excise tax) pertaining to a given fiscal year may be distributed up to 12 months subsequent to the end of that fiscal year, provided such dividends are declared prior to the later of (1) the fifteenth day of the ninth month following the close of that fiscal year or (2) the extended due date for filing the U.S. federal income tax return for that fiscal year. In order to avoid certain excise taxes imposed on RICs, we currently intend to distribute during each calendar year an amount at least equal to the sum of (1) 98% of our ordinary income for the calendar year, (2) 98.2% of our capital gains in excess of capital losses for the one-year period ending on October 31 of the calendar year and (3) any ordinary income and net capital gains for preceding years that were not distributed during such years. In addition, although we currently intend to distribute realized net capital gains (i.e., net long-term capital gains in excess of net short-term capital losses), if any, at least annually, we may in the future decide to retain such capital gains for investment. If this happens, our stockholders will be treated as if they received an actual distribution of the capital gains we retain and reinvested the net after-tax proceeds in us. Stockholders may be eligible to claim a tax credit (or, in certain circumstances, a tax refund) equal to the allocable share of the tax we paid on the capital gains deemed distributed to them. We can offer no assurance that we will achieve results that will permit the payment of any cash distributions and, to the extent that we issue senior securities, we will be prohibited from making distributions if doing so causes us to fail to maintain the asset coverage ratios stipulated by the 1940 Act or if distributions are limited by the terms of any of our borrowings.

The timing and amount of our distributions, if any, will be determined by our Board of Directors and will be declared out of assets legally available for distribution. The following table lists the distributions, including dividends and returns of capital, if any, per share that we have declared since our formation through December 31, 2018. The table is divided by fiscal year according to record date:

Date Declared	Record Date	Payment Date	Amount per Share
<b>Fiscal 2015:</b>			
November 4, 2015 <sup>(1)</sup>	November 16, 2015	December 31, 2015	\$ 2.76
<b>Fiscal 2016:</b>			
August 3, 2016 <sup>(2)</sup>	August 16, 2016	August 24, 2016	0.04
<b>Total</b>			<b>\$ 2.80</b>

(1) The distribution was paid in cash or shares of our common stock at the election of stockholders, although the total amount of cash distributed to all stockholders was limited to approximately 50% of the total distribution to be paid to all stockholders. As a result of stockholder elections, the distribution consisted of approximately 2,860,903 shares of common stock issued in lieu of cash, or approximately 14.8% of our outstanding shares prior to the distribution, as well as cash of \$26,358,885. The number of shares of common stock comprising the stock portion was calculated based on a price of \$9.425 per share, which equaled the average of the volume weighted-average trading price per share of our common stock on December 28, 29 and 30, 2015. None of the \$2.76 per share distribution represented a return of capital.

(2) Of the total distribution of \$887,240 on August 24, 2016, \$820,753 represented a distribution from realized gains, and \$66,487 represented a return of capital.

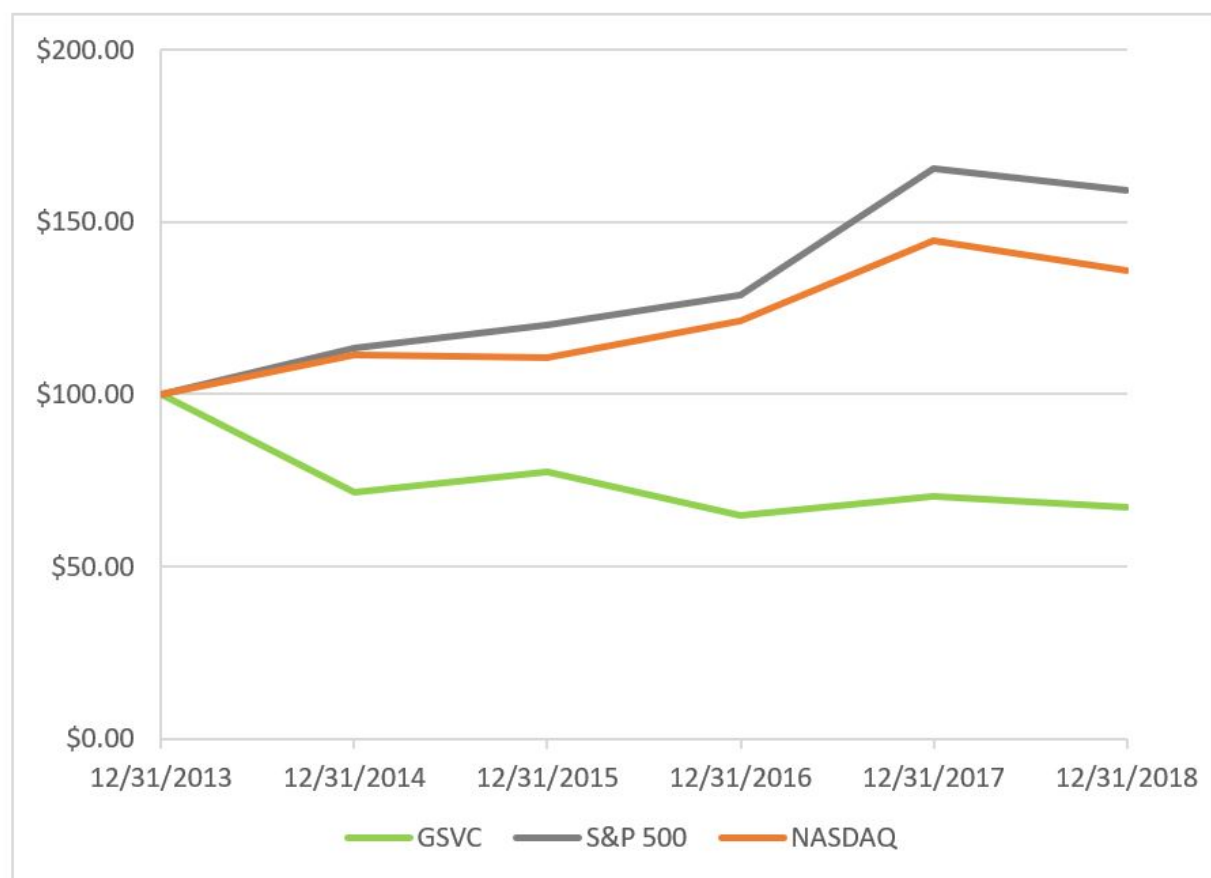
We intend to focus on making capital gains-based investments from which we will derive primarily capital gains. As a consequence, we do not anticipate that we will pay distributions on a quarterly basis or become a predictable distributor of distributions, and we expect that our distributions, if any, will be much less consistent than the distributions of other BDCs that primarily make debt investments. If there are earnings or realized capital gains to be distributed, we intend to declare and pay a distribution at least annually. The amount of realized capital gains available for distribution to stockholders will be impacted by our tax status.

Our current intention is to make any future distributions out of assets legally available therefrom in the form of additional shares of our common stock under our dividend reinvestment plan, except in the case of stockholders who elect to receive dividends and/or long-term capital gains distributions in cash. Under the dividend reinvestment plan, if a stockholder owns shares of common stock registered in its own name, the stockholder will have all cash distributions (net of any applicable withholding) automatically reinvested in additional shares of common stock unless the stockholder opts out of our dividend reinvestment plan by delivering a written notice to our dividend paying agent prior to the record date of the next dividend or distribution. Any distributions reinvested under the plan will nevertheless be treated as received by the U.S. stockholder for U.S. federal income tax purposes, although no cash distribution has been made. As a result, if a stockholder does not elect to opt out of the dividend reinvestment plan, it will be required to pay applicable federal, state and local taxes on any reinvested dividends even though such stockholder will not receive a corresponding cash distribution. In addition, reinvested dividends have the effect of increasing our gross assets, which may correspondingly increase the management fee payable to GSV Asset Management. Stockholders that hold shares in the name of a broker or financial intermediary should contact the broker or financial intermediary regarding any election to receive distributions in cash.

So long as we qualify and maintain our tax treatment as a RIC, we generally will not pay corporate-level U.S. federal and state income taxes on any ordinary income or capital gains that we distribute at least annually to our stockholders as dividends. Rather, any tax liability related to income earned by the RIC will represent obligations of our investors and will not be reflected in our consolidated financial statements. See “Note 2—Significant Accounting Policies—U.S. Federal and State Income Taxes” and “Note 9—Income Taxes” to our consolidated financial statements for the year ended December 31, 2018 for more information. The GSVC Holdings included in our consolidated financial statements are taxable subsidiaries, regardless of whether we are taxed as a RIC. These taxable subsidiaries are not consolidated for income tax purposes and may generate income tax expenses as a result of their ownership of the portfolio companies. Such income tax expenses and deferred taxes, if any, will be reflected in our consolidated financial statements.

## Performance Graph

The following graph compares the cumulative total return on our common stock with that of the Standard & Poor's 500 Stock Index and the Nasdaq Stock Index, as we do not believe there is an appropriate index of companies with an investment strategy similar to our own with which to compare the return on our common stock, for the five years ended December 31, 2018. The graph assumes that, on December 31, 2013, a person invested \$100.00 in our common stock, at the closing price of our common stock on December 31, 2013, and in the Standard & Poor's 500 Stock Index and the Nasdaq Stock Index. The graph measures total stockholder return, which takes into account both changes in stock price and dividends. It assumes that dividends are reinvested in like securities on the respective dividend dates without commissions.



	12/31/13	12/31/14	12/31/15	12/31/16	12/31/17	12/31/18
GSVC	\$ 100.00	\$ 71.36	\$ 77.49	\$ 64.75	\$ 70.17	\$ 67.22
S&P 500 Index	\$ 100.00	\$ 113.41	\$ 119.91	\$ 128.91	\$ 165.46	\$ 159.06
Nasdaq Stock Index	\$ 100.00	\$ 111.40	\$ 110.59	\$ 121.14	\$ 144.75	\$ 135.77

The graph and other information furnished under this Part II, Item 5 of this annual report on Form 10-K shall not be deemed to be “soliciting material” or to be “filed” with the SEC or subject to Regulation 14A or 14C, or to the liabilities of Section 18 of the Exchange Act. The stock price performance included in the above graph is not necessarily indicative of future stock price performance.

**Sales of Unregistered Equity Securities**

We did not sell any equity securities during the period covered in this report that were not registered under the Securities Act of 1933, as amended.

**Issuer Purchases of Equity Securities<sup>(1)</sup>**

Information relating to the Company's purchases of its common stock during the year ended December 31, 2018 is as follows:

Period	Total Number of Shares Purchased <sup>(2)</sup>	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Share Repurchase Program <sup>(4)</sup>
January 1 through January 31, 2018	—		—	\$ 5,066,123
February 1 through February 28, 2018	179,807	\$ 6.90	179,807	3,825,455
March 1 through March 31, 2018	—		—	3,825,455
April 1 through April 30, 2018	—		—	3,825,455
May 1 through May 31, 2018	105,047	6.94	90,047	8,200,529
June 1 through June 30, 2018	227,006	6.84	225,578	6,655,571
July 1 through July 31, 2018	195,402	7.01	195,402	5,285,086
August 1 through August 31, 2018	192,718	7.17	192,718	3,900,423
September 1 through September 30, 2018	187,838	7.02	187,838	2,581,513
October 1, 2018 through October 31, 2018	239,954	6.87	239,954	933,405
November 1, 2018 through November 30, 2018	122,881	6.85	122,881	5,091,911
December 1, 2018 through December 31, 2018 <sup>(3)</sup>	49,473	6.11	49,473	4,789,673
<b>Total</b>	<b>1,500,126</b>		<b>1,483,698</b>	

(1) On August 8, 2017, we announced the \$5.0 million discretionary open-market Share Repurchase Program under which our Board of Directors authorized the repurchase of shares of our common stock in the open market until the earlier of (i) August 6, 2018 or (ii) the repurchase of \$5.0 million in aggregate amount of our common stock. On November 7, 2017, our Board of Directors authorized an extension of, and an increase in the amount of shares of our common stock that may be repurchased under, the discretionary Share Repurchase Program until the earlier of (i) November 6, 2018 or (ii) the repurchase of \$10.0 million in aggregate amount of our common stock. On May 3, 2018, the Company's Board of Directors authorized an additional \$5.0 million increase in the amount of shares of our common stock that may be repurchased under the discretionary Share Repurchase Program until the earlier of (i) November 6, 2018 or (ii) the repurchase of \$15.0 million in aggregate amount of our common stock. On November 1, 2018, the Company's Board of Directors authorized a \$5.0 million increase in the amount of shares of the Company's common stock that may be repurchased under the discretionary Share Repurchase Program until the earlier of (i) October 31, 2019 or (ii) the repurchase of \$20.0 million in aggregate amount of the Company's common stock. The timing and number of shares to be repurchased will depend on a number of factors, including market conditions and alternative investment opportunities. The Share Repurchase Program may be suspended, terminated or modified at any time for any reason and does not obligate us to acquire any specific number of shares of our common stock. During the three months ended December 31, 2018, we repurchased 412,308 shares of our common stock for approximately \$2.8 million under the Share Repurchase Program.

(2) Includes purchases of our common stock made on the open market by or on behalf of any "affiliated purchaser," as defined in Exchange Act Rule 10b-18(a)(3), of the Company.

(3) Subsequent to year-end, through April 17, 2019, we did not repurchase any additional shares of our common stock pursuant to the Share Repurchase Program.

(4) As of April 17, 2019, the dollar value of shares that may yet be purchased by us under the Share Repurchase Program is approximately \$4.8 million.

**Item 6. Selected Financial Data**

The following selected financial and other data for the fiscal years ended December 31, 2018, 2017, 2016, 2015 and 2014, respectively, have been derived from our audited financial statements. The data should be read in conjunction with “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in Part II, Item 7 of this Form 10-K and consolidated financial statements and notes thereto contained in this report.

	Year Ended December 31,				
	2018	2017	2016	2015	2014
<b>Income Statement Data</b>					
Total Investment Income	\$ 1,617,836	\$ 852,768	\$ 736,283	\$ 290,896	\$ 185,946
Gross Operating Expenses	15,144,834	22,439,855	1,999,646	26,978,235	21,775,939
Management fee waiver	(892,421)	(708,272)	—	—	—
Incentive fee waiver	(5,000,000)	—	—	—	—
Net Operating Expenses	9,252,413	21,731,583	1,999,646	26,978,235	21,775,939
Benefit/(Reversal of benefit) from taxes on net investment loss <sup>(4)</sup>	—	—	—	(21,969,370)	8,810,102
Net Investment Loss	(7,634,577)	(20,878,815)	(1,263,363)	(48,656,709)	(12,779,891)
Net realized gain/(loss) on investments	(7,433,619)	913,982	(2,634,471)	54,144,229	23,926,124
Benefit from/(Provision for) taxes on net realized loss/gain on investments <sup>(4)</sup>	—	—	—	342,802	(9,769,036)
Realized loss on extinguishment of debt	(397,846)	—	—	—	—
Net change in unrealized appreciation/(depreciation) of investments	9,641,050	34,775,696	(73,213,845)	(13,422,245)	(5,811,797)
Benefit from/(Provision for) taxes on unrealized depreciation/appreciation of investments <sup>(4)(5)</sup>	6,716,735	2,757,070	2,116,784	16,058,080	2,371,829
Net increase/(decrease) in net assets resulting from operations	891,743	17,567,933	(74,994,895)	8,466,157	(2,062,771)
<b>Per Common Share Data</b>					
<i>Weighted-Average Common Shares:</i>					
Basic	20,617,890	21,924,490	22,181,003	19,327,938	19,320,100
Diluted	20,617,890	21,924,490	22,181,003	19,327,938	19,320,100
<i>Net increase/(decrease) in net assets resulting from operations per average share:</i>					
Basic	\$ 0.04	\$ 0.80	\$ (3.38)	\$ 0.44	\$ (0.11)
Diluted	0.04	0.80	(3.38)	0.44	(0.11)
Net asset value per share <sup>(1)</sup>	9.89	9.64	8.66	12.08	14.80
Market price at year-end	5.22	5.45	5.03	9.37	8.63
Distributions declared	—	—	0.04	2.76	—
Shares Outstanding at Year-End	19,762,647	21,246,345	22,181,003	22,181,003	19,320,100
<b>Balance Sheet Data<sup>(3)</sup></b>					
Total Assets <sup>(2)</sup>	\$ 330,219,554	\$ 381,682,536	\$ 300,964,426	\$ 397,843,071	\$ 482,979,027
5.25% Convertible Senior Notes due 2018	—	68,382,549	67,512,798	66,649,047	65,795,284
5.25% Convertible Senior Notes due 2018 embedded derivative liability	—	—	—	—	1,000
4.75% Convertible Senior Notes due 2023	38,434,511	—	—	—	—
Total Liabilities	134,841,395	176,919,670	108,835,616	129,832,126	197,075,354
Net Assets	195,378,159	204,762,866	192,128,810	268,010,945	285,903,673

(1) Net asset value per share is based on basic shares outstanding at the end of the period.

(2) During the year ended December 31, 2014, total assets increased due to the purchase of a U.S. Treasury bill on margin. During the year ended December 31, 2015, total assets decreased due to a declared dividend, which was paid on December 31, 2015. During the year ended December 31, 2016, total assets and net assets decreased due to a change in unrealized depreciation of investments and net realized losses on investments. During the year ended December 31, 2017, total assets and net assets increased due to a change in unrealized appreciation

of investments and net realized gains on investments. During the year ended December 31, 2018, total assets and net assets decreased due to a decrease in net unrealized appreciation of investments and net realized losses on investments. For further discussion of factors that affected our total assets and net assets refer to “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Results of Operations” in Part II, Item 7 of this Form 10-K.

- (3) Deferred debt issuance costs of \$1,947,572 and \$2,667,069, as of December 31, 2015 and 2014, respectively, related to the Company’s issuance of the 5.25% Convertible Senior Notes due 2018 were previously classified as “Deferred financing costs” as of December 31, 2015 and 2014. In accordance with ASU 2015-03, each of these balances has been retrospectively reclassified as a direct deduction from the 5.25% Convertible Senior Notes due 2018. Refer to “Note 10—Debt Capital Activities” of the consolidated financial statements as of December 31, 2018 included in this annual report on Form 10-K for further detail.
- (4) Due to our change in tax status to a RIC from a C Corporation, the associated accrued benefits from and provisions for taxes from previous years were reversed for the year ended December 31, 2015. Refer to “Note 9 — Income Taxes” to our consolidated financial statements as of December 31, 2018 included in this annual report on Form 10-K for further detail.
- (5) During the year ended December 31, 2017, we recognized a net benefit from taxes on unrealized depreciation of \$2,757,070 despite recording a net change in unrealized appreciation of approximately \$34.8 million. The net tax benefit from taxes on unrealized depreciation for the year ended December 31, 2017 was the result of an approximately \$4.1 million decrease in built-in gains tax liability due to the recently passed tax legislation that reduced the U.S. corporate federal income tax rate from 35% to 21%, partially offset by a \$1.3 million increase in the net deferred tax liability generated by the GSVC Holdings. During the year ended December 31, 2018, in anticipation of the end of the RIC built-in gain measurement period, we reversed the accrual of related potential tax liabilities of approximately \$6.1 million.

## Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations

### Forward-Looking statements

This annual report on Form 10-K contains forward-looking statements that involve substantial risks and uncertainties. These forward-looking statements are not historical facts, but rather are based on current expectations, estimates and projections about us, our current and prospective portfolio investments, our industry, our beliefs, and our assumptions. Words such as “anticipates,” “expects,” “intends,” “plans,” “will,” “may,” “continue,” “believes,” “seeks,” “estimates,” “would,” “could,” “should,” “targets,” “projects,” and variations of these words and similar expressions are intended to identify forward-looking statements.

The forward-looking statements contained in this annual report on Form 10-K involve risks and uncertainties, including, without limitation, statements as to:

- our future operating results;
- our business prospects and the prospects of our portfolio companies;
- the impact of investments that we expect to make;
- our contractual arrangements and relationships with third parties;
- the dependence of our future success on the general economy and its impact on the industries in which we invest;
- the ability of our portfolio companies to achieve their objectives;
- our expected financings and investments;
- the adequacy of our cash resources and working capital; and
- the timing of cash flows, if any, from the operations of our portfolio companies.

These statements are not guarantees of future performance and are subject to risks, uncertainties, and other factors, some of which are beyond our control and difficult to predict and could cause actual results to differ materially from those expressed or forecasted in the forward-looking statements, including without limitation:

- an economic downturn could impair our portfolio companies’ ability to continue to operate, which could lead to the loss of some or all of our investments in such portfolio companies;

- an economic downturn could disproportionately impact the market sectors in which a significant portion of our portfolio is concentrated, causing us to suffer losses in our portfolio;
- a contraction of available credit and/or an inability to access the equity markets could impair our investment activities;
- interest rate volatility could adversely affect our results, particularly because we use leverage as part of our investment strategy; and
- the risks, uncertainties and other factors we identify in the sections entitled “Risk Factors” in our quarterly reports on Form 10-Q, our annual report on Form 10-K, and in our other filings with the SEC.

Although we believe that the assumptions on which these forward-looking statements are based are reasonable, any of those assumptions could prove to be inaccurate, and as a result, the forward-looking statements based on those assumptions also could be inaccurate. Important assumptions include our ability to originate new investments, certain margins and levels of profitability and the availability of additional capital. In light of these and other uncertainties, the inclusion of a projection or forward-looking statement in this annual report on Form 10-K should not be regarded as a representation by us that our plans and objectives will be achieved. These risks and uncertainties include those described or identified in our quarterly reports on Form 10-Q and our annual report on Form 10-K, in the “Risk Factors” sections. You should not place undue reliance on these forward-looking statements, which apply only as of the date of this annual report on Form 10-K. The following analysis of our financial condition and results of operations should be read in conjunction with our consolidated financial statements and the related notes thereto contained elsewhere in this annual report on Form 10-K.

## Overview

We are an externally managed, non-diversified closed-end management investment company that has elected to be regulated as a business development company (or “BDC”) under the 1940 Act. See “—Recent Developments”. Our investment objective is to maximize our portfolio’s total return, principally by seeking capital gains on our equity and equity-related investments. We invest principally in the equity securities of what we believe to be rapidly growing venture-capital-backed emerging companies. We have also invested, on an opportunistic basis, in select publicly traded equity securities of rapidly growing companies that otherwise meet our investment criteria and may continue to do so in the future. In addition, while we invest primarily in U.S. companies, we may invest on an opportunistic basis in certain non-U.S. companies that otherwise meet our investment criteria. In regard to the regulatory requirements for BDCs under the 1940 Act, some of these investments may not qualify as investments in “eligible portfolio companies,” and thus may not be considered “qualifying assets.” “Eligible portfolio companies” generally include U.S. companies that are not investment companies and that do not have securities listed on a national exchange. If at any time less than 70% of our gross assets are comprised of qualifying assets, including as a result of an increase in the value of any on-qualifying assets or decrease in the value of any qualifying assets, we would generally not be permitted to acquire any additional non-qualifying assets until such time as 70% of our then-current gross assets were comprised of qualifying assets. We would not be required, however, to dispose of any non-qualifying assets in such circumstances.

We acquire our investments in portfolio companies through offerings of the prospective portfolio companies, transactions on secondary marketplaces for private companies and negotiations with selling stockholders. Our investment activities are managed by GSV Asset Management. GSV Capital Service Company provides the administrative services necessary for us to operate. See “—Recent Developments”.

Our investment philosophy is premised on a disciplined approach of identifying high-growth emerging companies across several key industry themes that may include, among others, social mobile, cloud computing and big data, internet commerce, sustainability and education technology. GSV Asset Management’s investment decisions are based on a disciplined analysis of available information regarding each potential portfolio company’s business operations, focusing on the company’s growth potential, the quality of recurring revenues and cash flow and cost structures, as well as an understanding of key market fundamentals. Many of the companies that our investment adviser, GSV Asset Management, evaluates have financial backing from top-tier venture capital funds or other financial or strategic sponsors.

We seek to deploy capital primarily in the form of non-controlling equity and equity-related investments, including common stock, warrants, preferred stock and similar forms of senior equity, which may or may not be convertible into a portfolio company’s common equity, and convertible debt securities with a significant equity component. Typically, our preferred stock investments are non-income-producing, have different voting rights than common stock and are generally convertible into common stock at our discretion. Our investments generally do not produce current income and, therefore, we may be dependent on future capital raising to meet our operating needs if no other source of liquidity is available.



Starting in 2017, we began to focus our investment strategy to increase the size of our investments in individual portfolio companies. While this will likely have the effect of reducing the number of companies in which we hold investments, we believe that the shift towards larger positions will better allow GSV Asset Management’s investment professionals to focus our investments in companies and industries that are more likely to result in beneficial returns to our stockholders.

### ***Internalization of Operating Structure***

On and effective March 12, 2019, our Board of Directors approved internalizing our operating structure and we began operating as an internally managed non-diversified closed-end management investment company that has elected to be regulated as a BDC under the 1940 Act, as of the Effective Date.

In connection with our Internalization, the Investment Advisory Agreement and the Administration Agreement were terminated as of the Effective Date. As of such date, we entered into a Consulting Agreement with Michael T. Moe (the former Chairman of our Board of Directors and the Chief Executive Officer and Chief Investment Officer of GSV Asset Management), pursuant to which Mr. Moe will provide certain services to us in connection with our transition to an internally managed operating structure. We also entered into an Amended and Restated Trademark License Agreement with GSV Asset Management to continue to use the trade name “GSV”, and other state or unregistered “GSV” marks, including the trading symbol “GSVC.”

In connection with our Internalization, Mr. Moe resigned from our Board of Directors, and our Board of Directors reduced the number of directors that constitute our full Board of Directors to five directors from six directors in accordance with our bylaws.

Except as otherwise disclosed herein, this Form 10-K discusses our business and operations as an externally managed BDC during the period covered by this Form 10-K and through the Effective Date. See “—Recent Developments” for additional information regarding the forgoing and our Internalization.

### ***Management and Incentive Fee Waiver Agreement***

On February 2, 2018, GSV Asset Management voluntarily agreed to reduce the fees payable under the Investment Advisory Agreement pursuant to the Waiver Agreement. The Waiver Agreement is effective February 1, 2018 and changes the fee structure set forth in the Investment Advisory Agreement by: (i) reducing the base management fee from 2.00% to 1.75%; and (ii) creating certain high-water marks that must be reached before we pay any incentive fee to GSV Asset Management. In addition to the foregoing changes to the fee structure, GSV Asset Management also agreed to a one-time forfeiture of \$5.0 million of previously accrued but unpaid incentive fees. Refer to “Note 3—Related-Party Arrangements” to our consolidated financial statements as of December 31, 2018 for more information regarding the Waiver Agreement.

### ***Management Transition***

On May 22, 2018, William Tanona resigned from his positions as our President, Chief Financial Officer, Treasurer and Secretary, effective June 12, 2018. In addition, Michael Moe, the former Executive Chairman of our Board of Directors, transitioned to the role of Chairman of the Board of Directors effective May 29, 2018.

On May 29, 2018, our Board of Directors appointed Mark Klein to serve as our President, effective June 12, 2018, in order to fill the vacancy created by Mr. Tanona’s resignation. Mr. Klein continues to also serve as our Chief Executive Officer.

On May 29, 2018, our Board of Directors appointed Allison Green to serve as our Senior Vice President of Finance, effective May 29, 2018, and our Treasurer and Secretary, effective June 12, 2018. Ms. Green continues to also serve as our Controller.

For more information regarding Mr. Klein and Ms. Green, please refer to our current report on Form 8-K filed with the SEC on May 29, 2018.

### ***Portfolio and Investment Activity***

The value of our investment portfolio will change over time due to changes in the fair value of our underlying investments, as well as changes in the composition of our portfolio resulting from purchases of new and follow-on investments and the sales of existing investments. The fair value, as of December 31, 2018, of all of our portfolio investments, excluding U.S. Treasury bills, was \$198,815,829.

During the year ended December 31, 2018, we funded investments in an aggregate amount of \$10,636,685 (not including

capitalized transaction costs) as shown in the following table:

Portfolio Company	Investment	Transaction Date	Gross Payments
Ozy Media, Inc. <sup>(1)</sup>	Promissory Note 10% Due 2/12/2018	1/12/2018	\$ 100,000
SharesPost, Inc. <sup>(2)</sup>	Common shares	6/15/2018	\$ 100,221
Knewton, Inc.	Unsecured Convertible Promissory Note 8% due 12/31/2019	7/23/2018	\$ 134,405
Nextdoor.com, Inc.	Common shares	9/27/2018	\$ 6,326,790
Nextdoor.com, Inc.	Common shares	12/19/2018	\$ 1,390,373
Nextdoor.com, Inc.	Common shares	12/27/2018	\$ 2,284,896
NestGSV, Inc. (d/b/a GSV Labs, Inc.) <sup>(3)</sup>	Unsecured Convertible Promissory Note 12% due 12/31/2019	12/31/2018	\$ 300,000
<b>Total</b>			<b>\$ 10,636,685</b>

- (1) During the year ended December 31, 2018, Ozy Media, Inc.'s obligations under its financing arrangements with us became past due. Effective April 9, 2018, the term of Ozy Media Inc.'s notes were extended through the issuance of a new convertible promissory note, which extended the maturity date of the existing notes to October 31, 2018 and then to December 31, 2018 once certain conditions were satisfied. Effective August 17, 2018, Ozy Media Inc. executed an additional debt amendment, which expanded its borrowing limit. In consideration for amending and restating the existing notes, the Company was issued warrants exercisable for 295,565 shares of Ozy Media Inc.'s common stock. Subsequent to December 31, 2018, Ozy Media Inc.'s obligations under its financing arrangements with the Company became past due.
- (2) On June 15, 2018 we exercised our 770,934 warrants to purchase shares of SharesPost, Inc.'s common stock, with a \$0.13 strike price.
- (3) Effective July 31, 2018, GSV Capital Corp agreed to extend the Convertible Promissory Note to NestGSV, Inc. (d/b/a GSV Labs, Inc.) until December 31, 2018, with a new interest rate of 12%. Previously accrued interest will be capitalized into the principal of the extended note. On December 31, 2018, GSV Capital Corp extended the maturity of the Convertible Promissory Note to December 31, 2019, compounded the previously accrued and then-outstanding interest, and invested an additional \$300,000. The Convertible Promissory Note continues to accrue interest at 12%. In consideration for the extension and additional investment, the 500,000 Series A-3 Preferred Warrants due April 4, 2019 and the 187,500 Series A-4 Preferred Warrants due October 6, 2019, were extended to April 4, 2021 and October 6, 2021, respectively. The Company also received an additional 250,000 Series B Preferred Warrants due December 31, 2023.

During the year ended December 31, 2018, we capitalized fees of \$32,350.

During the year ended December 31, 2018, we sold investments or received repayments from portfolio companies in an amount of \$32,395,839, net of transaction costs, and realized a net loss on investments of approximately \$7,433,619 (including U.S. Treasury investments) as shown in following table:

Portfolio Investment	Transaction Date	Shares Sold	Average Net Share Price <sup>(1)</sup>	Net Proceeds	Realized Gain/(Loss) <sup>(4)</sup>
Chegg, Inc.	1/3/2018	1,897	\$ 16.78	\$ 31,831	\$ 9,018
Chegg, Inc.	1/4/2018	9,103	16.79	152,799	43,327
Chegg, Inc.	1/5/2018	36,212	16.78	607,623	172,139
Chegg, Inc.	1/8/2018	15,888	16.86	267,905	76,837
Chegg, Inc.	1/9/2018	36,900	16.78	619,356	175,598
Chegg, Inc.	2/13/2018	200,000	19.31	3,861,271	1,457,883
Chegg, Inc. <sup>(2)</sup>	2/20/2018	200,000	19.53	3,905,530	1,503,045
		500,000	18.89	9,446,315	3,437,847
NestGSV, Inc. (d/b/a GSV Labs, Inc.) <sup>(3)</sup>	1/12/2018	N/A	N/A	592,129	(680)
Avenues Global Holdings, LLC	1/22/2018	10,014,270	0.59	5,923,795	(4,228,059)
General Assembly Space, Inc. <sup>(5)</sup>	6/12/2018	259,765	35.78	7,820,191	3,292,552
Lytro, Inc. <sup>(6)</sup>	8/1/2018	3,537,539	0.22	791,596	(9,711,762)
SugarCRM, Inc. <sup>(7)</sup>	8/30/2018	1,897,933	1.39	2,645,183	(4,332,777)
DreamBox Learning, Inc. <sup>(8)</sup>	9/5/2018	10,738,831	0.48	5,176,630	2,916,251
<b>Total</b>				<b>\$ 32,395,839</b>	<b>\$ (8,626,628)</b>

- (1) The average net share price is the net share price realized after deducting all commissions and fees on the sale(s), if applicable.
- (2) As of February 22, 2018, all remaining shares of Chegg, Inc. held by us had been sold.
- (3) Represents repayment of the 12% Unsecured Promissory Note Due 1/15/2018.

- (4) Realized gain/(loss) does not include amounts held in escrow or any realized gain/(loss) incurred on the maturity of our U.S. Treasury investments.
- (5) On April 16, 2018, Adecco Group, a Swiss staffing company, announced that it was acquiring technology education provider General Assembly Space, Inc. for \$412.5 million, including debt financing. We have received approximately \$7.8 million in net proceeds as a result of the transaction, with approximately \$1.5 million of additional proceeds currently being held in escrow. We expect to receive the escrow in 2019.
- (6) On March 27, 2018, Lytro, Inc. announced that it was preparing to wind down the company over an unspecified period of time. Google LLC acquired Lytro, Inc.'s intellectual property and certain other assets. As a result of the transaction, we have received \$0.8 million in net proceeds and expects to receive approximately \$0.4 million in additional proceeds currently held in escrow. We expect to receive the proceeds held in escrow in 2019.
- (7) On June 14, 2018, SugarCRM, Inc. entered into an agreement to be purchased by AKKR Candy Holdings, Inc. As a result of the transaction, we have received \$2.6 million in net proceeds and expects to receive approximately \$0.3 million in additional proceeds currently held in escrow. We expect to receive the proceeds held in escrow in 2019.
- (8) On July 18, 2018, DreamBox Learning, Inc. entered into a definitive agreement to be acquired by a wholly owned subsidiary of DreamBox Learning Holding, LLC, an entity owned by The Rise Fund Deneb, LP. As a result of the transaction, we have received \$5.2 million in proceeds and expects to receive approximately \$0.3 million in additional proceeds currently held in escrow. We expect to receive the proceeds held in escrow in 2019.

During the quarter and year ended December 31, 2018 we did not write-off any investments.

### Portfolio and Investment Activity - 2017

During quarter and year ended December 31, 2017, we did not purchase or close on any investments. We did, however, pay \$2,080 in capitalized fees. The table below summarizes the portfolio investments we wrote-off and sold during the quarter and year ended December 31, 2017:

Portfolio Company	Three Months Ended December 31, 2017		Year Ended December 31, 2017	
	Net Proceeds	Realized Gain/(Loss) <sup>(1)</sup>	Net Proceeds	Realized Gain/(Loss) <sup>(1)</sup>
AliphCom, Inc. (d/b/a Jawbone)	—	—	\$ —	\$ (793,152)
AlwaysOn, Inc.	—	—	—	(1,903,414)
Beamreach Solar, Inc. (f/k/a Solexel, Inc.)	—	—	—	(14,272,840)
Cricket Media (f/k/a ePals Corporation)	—	—	—	(2,448,959)
EarlyShares.com, Inc.	—	—	—	(312,438)
Orchestra One, Inc. (f/k/a Learnist, Inc.)	—	—	—	(4,959,614)
Global Education Learning (Holdings) Ltd.	—	—	—	(675,495)
Snap, Inc.	—	—	4,033,360	31,090
JAMF Holdings, Inc. <sup>(2)</sup>	34,931,287	25,474,575	34,931,287	25,474,575
Spotify Technology S.A. <sup>(3)</sup>	13,896,600	10,299,111	13,896,600	10,299,111
Dataminr, Inc.	4,803,384	1,635,673	4,803,384	1,635,673
Whittle Schools, LLC	4,575,000	(181,045)	4,575,000	(181,045)
Chegg, Inc. <sup>(3)</sup>	4,506,108	1,241,122	10,246,005	2,231,611
Strategic Data Command, LLC <sup>(2)</sup>	2,454,652	1,524,374	2,454,652	1,524,374
Palantir Technologies, Inc. <sup>(3)</sup>	2,091,501	1,078,692	2,091,501	1,078,692
Circle Media (f/k/a S3 Digital Corp. (d/b/a S3i)	—	(1,839,914)	—	(1,839,914)
Handle Financial, Inc. (f/k/a PayNearMe, Inc.)	—	(14,000,398)	—	(14,000,398)
Total Disposals	\$ 67,258,532	\$ 25,232,190	\$ 77,031,789	\$ 887,857

(1) Realized gain/(loss) exclude any realized gain/(loss) incurred on the maturity of our U.S. Treasury investments.

(2) Net proceeds does not reflect amounts expected to be received from the sale of these investments currently being held in escrow. Refer to "Note 2—Significant Accounting Policies—Escrow Proceeds Receivable" to our consolidated financial statements as of December 31, 2018 for further detail.

(3) Represents only a partial sale of our investment in the denoted portfolio companies. Refer to our Consolidated Schedule of Investments as of December 31, 2017 for the remaining investments held in these portfolio companies as of December 31, 2017.

**Portfolio and Investment Activity - 2016**

The table below summarizes the portfolio investments we purchased during the year ended December 31, 2016:

<b>Portfolio Company</b>	<b>Year Ended December 31, 2016</b>	
Beamreach Solar, Inc. (f/k/a Solexel, Inc.)	\$	250,000
Curious.com Inc.		2,000,003
Fullbridge, Inc.		1,000,000
Lytro, Inc.		3,000,002
NestGSV, Inc. (d/b/a GSV Labs, Inc.)		1,526,000
Ozy Media, Inc.		2,000,000
Snap Inc. (f/k/a Snapchat, Inc.)		3,999,990
Capitalized Fees <sup>(1)</sup>		27,347
<b>Total Gross Payments</b>	<b>\$</b>	<b>13,803,342</b>

(1) Capitalized fees represent costs such as legal and other fees associated with entering into or exiting a portfolio company investment or the ongoing due diligence and other costs associated with an existing portfolio company investment. Refer to “Note 2—Significant Accounting Policies—*Investment Transaction Costs and Escrow Deposits*” to our consolidated financial statements as of December 31, 2018 for further detail.

The table below summarizes the portfolio investments we sold or wrote-off during the quarter and year ended December 31, 2016:

<b>Portfolio Company</b>	<b>Year Ended December 31, 2016</b>	
	<b>Net Proceeds</b>	<b>Realized Gains/(Losses)<sup>(1)</sup></b>
Bloom Energy Corporation	\$ 2,973,438	\$ (882,162)
Gilt Groupe Holdings, Inc. <sup>(2)</sup>	429,261	(6,165,173)
Lyft, Inc.	7,651,890	4,430,220
NestGSV, Inc. (d/b/a GSVLabs, Inc.)	500,000	—
Twitter, Inc.	14,579,469	306,603
Upwork Global Inc. (f/k/a Odesk Corporation)	108,531	(77,819)
	<b>\$ 26,242,589</b>	<b>\$ (2,388,331)</b>

(1) Realized gain/(loss) exclude any realized gain/(loss) incurred on the maturity of our U.S. Treasury investments.

(2) \$1,991 of the proceeds received from Gilt Groupe Holdings, Inc. represents an excess distribution of proceeds received as part of the January 2016 sale of Gilt Groupe Holdings, Inc. to Hudson’s Bay Co., the parent company of Saks Fifth Avenue.

**Results of Operations - Comparison of the years ended December 31, 2018, 2017, and 2016**

Operating results for the years ended December 31, 2018, 2017, and 2016 are as follows:

	For the Year Ended December 31,		
	2018	2017	2016
<b>Total Investment Income</b>	<b>\$ 1,617,836</b>	<b>\$ 852,768</b>	<b>\$ 736,283</b>
Interest income	992,836	304,672	523,488
Dividend income	625,000	475,000	—
Other income	—	73,096	212,795
<b>Gross Operating Expenses</b>	<b>\$ 15,144,834</b>	<b>\$ 22,439,855</b>	<b>\$ 1,999,646</b>
Incentive fee waiver	(5,000,000)	—	—
Management fee waiver	(892,421)	(708,272)	—
<b>Net Operating Expenses</b>	<b>\$ 9,252,413</b>	<b>\$ 21,731,583</b>	<b>\$ 1,999,646</b>
Management fees	5,199,900	5,666,176	6,896,347
Incentive fees	382,387	7,151,641	(15,188,121)
Costs incurred under Administration Agreement	1,702,047	1,874,839	2,545,316
Directors' fees	345,000	328,480	345,000
Professional fees	1,587,578	2,068,668	1,966,906
Interest expense	4,545,471	4,696,819	4,731,430
Income tax expense	482,994	52,901	—
Other expenses	899,457	600,331	702,768
<b>Net Investment Loss</b>	<b>\$ (7,634,577)</b>	<b>\$ (20,878,815)</b>	<b>\$ (1,263,363)</b>
Net realized gain/(loss) on investments	(7,433,619)	913,982	(2,634,471)
Realized loss on partial repurchase of 5.25% Convertible Senior Notes due 2018	(397,846)	—	—
Net change in unrealized appreciation/(depreciation) of investments	9,641,050	34,775,696	(73,213,845)
Benefit from taxes on unrealized depreciation of investments	\$ 6,716,735	\$ 2,757,070	\$ 2,116,784
<b>Net Increase in Net Assets Resulting from Operations</b>	<b>\$ 891,743</b>	<b>\$ 17,567,933</b>	<b>\$ (74,994,895)</b>

**Investment Income**

For the year ended December 31, 2018 as compared to the year ended December 31, 2017

Investment income increased to \$1,617,836 for the year ended December 31, 2018 from \$852,768 for the year ended December 31, 2017. The increase was primarily due to increased interest income related to our debt investments in Ozy Media, Inc., NestGSV, Inc. (d.b.a. GSV Labs, Inc.), and CUX, Inc. (d/b/a CorpU) and interest on cash balances not earned in the prior year. Dividend income also increased during the year as the total dividends received from SPBRX, Inc. (f/k/a GSV Sustainability Partners, Inc.) increased from \$475,000 in 2017 to \$625,000 in 2018.

For the year ended December 31, 2017 as compared to the year ended December 31, 2016

Investment income increased to \$852,768 for the year ended December 31, 2017, from \$736,283 for the year ended December 31, 2016. The increase was primarily due to increased dividend income which was partially offset by reversals of interest accruals. The increase in dividend income resulted from a \$475,000 dividend received from our investment in SPBRX, INC. (f/k/a GSV Sustainability Partners, Inc.). Interest income also increased due to increased interest income from our investment in NestGSV, Inc. (d/b/a GSV Labs, Inc.)

**Operating Expenses**

For the year ended December 31, 2018 as compared to the year ended December 31, 2017

Total operating expenses, net of waiver of management and incentive fees, decreased to \$9,252,413 for the year ended December 31, 2018, from \$21,731,583 for the year ended December 31, 2017. The decrease was primarily due to a decrease in the accrued incentive fees, enhanced by the one-time incentive fee accrual forfeiture of \$5.0 million per the Waiver Agreement

and, to a lesser extent, an increase in GSV Asset Management's management fee waiver and costs incurred under Administration Agreement. The increase in GSV Asset Management's management fee waiver under the Waiver Agreement during the year ended December 31, 2018 resulted primarily from the exclusion of our cash balance from the calculation of the base management fee. The decrease in total operating expenses between periods was also, to a lesser extent, the result of a decrease in professional fees, which include legal, valuation, audit, and consulting fees.

*For the year ended December 31, 2017 as compared to the year ended December 31, 2016*

Total operating expenses, net of waiver of management fees, increased to \$21,731,583 for the year ended December 31, 2017, from \$1,999,646 for the year ended December 31, 2016, primarily due to incentive fee accruals for the year ended December 31, 2017 as well as the reversal of incentive fee accruals during fiscal year 2016, and, to a lesser extent, increased professional fees, which include legal, valuation, audit and consulting fees. We accrued incentive fees during the year ended December 31, 2017, as a result of the unrealized appreciation of our portfolio investments in the aggregate during the period. The increase in total operating expenses during the year ended December 31, 2017, was partially offset by lower management fees due to lower average gross assets outstanding, and GSV Asset Management's voluntary 0.25% reduction to the base management fee payable under the Investment Advisory Agreement, as well as a decrease in costs incurred under the Administration Agreement.

#### **Net Investment Loss**

*For the year ended December 31, 2018 as compared to the year ended December 31, 2017*

For the year ended December 31, 2018, we recognized a net investment loss of \$7,634,577, compared to a net investment loss of \$20,878,815 for the year ended December 31, 2017. The decrease in net investment loss resulted primarily from the decrease in operating expenses, net of waiver of management fees and one-time incentive fee accrual forfeiture, as discussed above, and an increase in total investment income between 2018 and 2017, also discussed above.

*For the year ended December 31, 2017 as compared to the year ended December 31, 2016*

For the year ended December 31, 2017, we recognized a net investment loss of \$20,878,815, compared to a net investment loss of \$1,263,363 for the year ended December 31, 2016. The increase in net investment loss resulted primarily from the large increase in our operating expenses for the year ended December 31, 2017, as discussed above. For the years ended December 31, 2017 and 2016, we recognized no benefit from taxes on net investment loss.

#### **Net Realized Gain/(Loss) on Investments**

*For the year ended December 31, 2018 as compared to the year ended December 31, 2017*

For the year ended December 31, 2018, we recognized a net realized loss of \$7,433,619 on our investments, compared to a net realized gain of \$913,982 for the year ended December 31, 2017. The components of our net realized gains and losses on portfolio investments for the year ended December 31, 2018 and 2017, excluding U.S. Treasury investments, are reflected in the tables above, under "—Portfolio and Investment Activity."

*For the year ended December 31, 2017 as compared to the year ended December 31, 2016*

For the year ended December 31, 2017, we recognized net realized gains of \$913,982, compared to net realized losses of \$2,634,471 for the year ended December 31, 2016 and net realized gains of \$54,144,229 for the year ended December 31, 2015. The components of our net realized gains and losses on portfolio investments for the years ended December 31, 2017, 2016, and 2015, excluding U.S. Treasury investments, are reflected in the tables above, under "- Portfolio and Investment Activity." For the year ended December 31, 2017, we recognized no provision for taxes on our net realized capital gains due to our election to be treated as a RIC. For the year ended December 31, 2016, we recognized no benefit from taxes on our net realized capital losses due to our election to be treated as a RIC.

#### **Net Change in Unrealized Appreciation/(Depreciation) of Investments**

For the year ended December 31, 2018, we had a net change in unrealized appreciation of \$9,641,050. For the year ended December 31, 2017, we had a net change in unrealized appreciation of \$34,775,696. For the year ended December 31, 2016, we had a net change in unrealized depreciation of \$73,213,845. The following tables summarize, by portfolio company, the significant

changes in unrealized appreciation and/or depreciation of our investment portfolio for the years ended December 31, 2018, 2017, and 2016.

Portfolio Company	Net Change in Unrealized Appreciation/(Depreciation) For the Year Ended December 31, 2018	
Lytro, Inc. <sup>(1)</sup>	\$	8,387,816
Lyft, Inc.		5,486,237
Coursera, Inc.		4,751,216
SharesPost, Inc.		4,401,790
Avenues Global Holdings, LLC <sup>(1)</sup>		4,243,435
Course Hero, Inc.		4,065,198
SugarCRM, Inc. <sup>(1)</sup>		3,753,157
Palantir Technologies, Inc.		(1,022,365)
Knewton, Inc.		(1,576,151)
Declara, Inc.		(1,715,261)
Ozy Media, Inc.		(2,070,561)
Chegg, Inc. <sup>(1)</sup>		(2,151,532)
Spotify Technology S.A.		(4,015,707)
General Assembly Space, Inc. <sup>(1)</sup>		(4,840,905)
Curious.com, Inc.		(5,514,077)
Other <sup>(2)</sup>		(2,541,240)
<b>Total</b>	<b>\$</b>	<b>9,641,050</b>

(1) The change in unrealized appreciation/(depreciation) reflected for these investments resulted from the full or partial sale of the relevant investment, which resulted in the reversal of previously accrued unrealized appreciation/(depreciation), as applicable.

(2) "Other" represents investments (including U.S. Treasury bills) for which individual change in unrealized appreciation/(depreciation) was less than \$1.0 million for the year ended December 31, 2018.

Portfolio Company	Net Change in Unrealized Appreciation/ (Depreciation) for the Year Ended December 31, 2017	Portfolio Company	Net Change in Unrealized Appreciation/ (Depreciation) for the Year Ended December 31, 2016
Spotify Technology S.A. <sup>(2)</sup>	\$ 15,394,865	Palantir Technologies, Inc.	\$ (14,844,283)
Beamreach Solar, Inc. (f/k/a Solexel, Inc.) <sup>(1)</sup>	14,272,843	Beamreach Solar, Inc. (f/k/a Solexel, Inc.)	(14,281,910)
Handle Financial, Inc. (f/k/a PayNearMe, Inc.) <sup>(1)</sup>	13,835,988	Handle Financial, Inc. (f/k/a PayNearMe, Inc.)	(13,810,477)
Chegg, Inc. <sup>(2)</sup>	7,445,390	Dropbox, Inc.	(9,041,704)
Orchestra One, Inc. (f/k/a Learnist, Inc.) <sup>(1)</sup>	4,959,614	Fullbridge, Inc.	(5,904,068)
Dropbox, Inc.	4,685,212	Dataminr, Inc.	(5,875,388)
NestGSV, Inc. (d/b/a GSV Labs, Inc.)	4,308,957	Avenues Global Holdings, LLC	(4,886,897)
Coursera, Inc.	3,849,819	Declarra, Inc.	(4,506,983)
StormWind, LLC	3,832,681	Twitter, Inc. <sup>(2)</sup>	(4,254,018)
Lyft, Inc.	2,671,022	SugarCRM, Inc.	(3,866,388)
Cricket Media (f/k/a ePals, Inc.) <sup>(1)</sup>	2,448,959	Lyft, Inc. <sup>(2)</sup>	(3,305,991)
AlwaysOn, Inc. <sup>(1)</sup>	1,903,414	NestGSV, Inc. (d/b/a GSV Labs, Inc.)	(2,827,142)
Aspiration Partners, Inc.	1,440,417	Curious.com, Inc.	(2,011,360)
Circle Media (f/k/a/ S3 Digital Corp. (d/b/a S3i)) <sup>(1)</sup>	1,325,033	SPBRX, INC. (f/k/a GSV Sustainability Partners, Inc.)	(1,940,222)
Strategic Data Command, LLC <sup>(2)</sup>	(1,063,278)	Ozy Media, Inc.	(1,518,995)
Maven Research, Inc.	(1,672,521)	Knewton, Inc.	(1,171,677)
Dataminr, Inc. <sup>(2)</sup>	(2,348,736)	Strategic Data Command, LLC	1,050,905
General Assembly Space, Inc.	(2,905,898)	General Assembly Space, Inc.	2,225,392
SugarCRM, Inc.	(2,893,050)	Spotify Technology S.A.	2,711,991
SPBRX, INC. (f/k/a GSV Sustainability Partners, Inc.)	(3,239,916)	JAMF Holdings, Inc.	3,133,955
JAMF Holdings, Inc. <sup>(2)</sup>	(3,856,826)	Course Hero, Inc.	5,532,303
Curious.com, Inc.	(4,470,877)	Gilt Groupe Holdings, Inc. <sup>(2)</sup>	6,055,046
Palantir Technologies, Inc. <sup>(2)</sup>	(5,424,238)		
Ozy Media, Inc.	(5,518,893)		
Declarra, Inc.	(6,111,907)		
Lytro, Inc.	(8,793,884)		
Other <sup>(3)</sup>	701,506	Other <sup>(3)</sup>	124,066
Total	\$ 34,775,696	Total	\$ (73,213,845)

(1) The change in unrealized appreciation for this investment resulted from writing off an investment that was previously reduced in value to zero.

(2) The change in unrealized appreciation/(depreciation) reflected for these investments resulted from the full or partial sale of the relevant investment, which resulted in the reversal of previously accrued unrealized appreciation/(depreciation), as applicable.

(3) "Other" represents investments (including U.S. Treasury bills) for which individual change in unrealized appreciation/(depreciation) was less than \$1.0 million for the years ended December 31, 2017 or 2016.

## Recent Developments

### Portfolio Activity

Please refer to "Note 11—Subsequent Events" to our consolidated financial statements as of December 31, 2018 for details regarding activity in our investment portfolio from January 1, 2019 through April 17, 2019.

We are frequently in negotiations with various private companies with respect to investments in such companies. Investments in private companies are generally subject to satisfaction of applicable closing conditions. In the case of secondary market transactions, such closing conditions may include approval of the issuer, waiver or failure to exercise rights of first refusal by the



issuer and/or its stockholders and termination rights by the seller or us. Equity investments made through the secondary market may involve making deposits in escrow accounts until the applicable closing conditions are satisfied, at which time the escrow accounts will close and such equity investments will be effectuated.

### ***Share Repurchase Program***

From January 1, 2019 through April 17, 2019, we did not repurchase any additional shares under the Share Repurchase Program.

### ***Internalization of Company's Operating Structure***

On and effective March 12, 2019, our Board of Directors approved internalizing our operating structure and we began operating as an internally managed non-diversified closed-end management investment company that has elected to be regulated as a BDC under the 1940 Act, as of the Effective Date, and the following occurred.

#### *Termination of Investment Advisory Agreement*

On and effective March 12, 2019, the Investment Advisory Agreement was terminated by mutual agreement of GSV Asset Management and us in connection with our Internalization.

Prior to our Internalization, GSV Asset Management served as our external investment adviser pursuant to the Investment Advisory Agreement. Pursuant to the terms of the Investment Advisory Agreement, we paid GSV Asset Management a fee for its services consisting of two components - a base management fee and an incentive fee. The base management fee was calculated at an annual rate of 2.00% of our gross assets (our total assets as reflected on our balance sheet with no deduction for liabilities). The incentive fee was determined and payable in arrears as of the end of each calendar year (or upon termination of the Investment Advisory Agreement, as of the termination date), and equaled the lesser of (i) 20% of our realized capital gains during such calendar year, if any, calculated on an investment-by-investment basis, subject to a non-compounded preferred return, or "hurdle" of 8.00% per year, and a "catch-up" feature, and (ii) 20% of our realized capital gains, if any, on a cumulative basis from inception through the end of each calendar year, computed net of all realized capital losses and unrealized capital depreciation on a cumulative basis, less the aggregate amount of any previously paid incentive fees. See "Investment Advisory Agreement" in Part I, Item 1A of this Form 10-K.

#### *Termination of Administration Agreement*

On and effective March 12, 2019, the Administration Agreement was terminated by mutual agreement of GSV Capital Service Company and us in connection with our Internalization.

Prior to our Internalization, GSV Capital Service Company served as our external administrator and provided administrative services necessary for our operations, including but not limited to, furnishing us with office facilities, equipment and clerical, bookkeeping and record keeping services at such facilities, as well as providing us with certain other administrative services, including, but not limited to, assisting us with determining and publishing our net asset value, overseeing the preparation and filing of our tax returns and the printing and dissemination of reports to our stockholders.

Under the Administration Agreement, we did not pay any fees to GSV Capital Service Company but reimbursed GSV Capital Service Company for our allocable portion of overhead and other expenses incurred by GSV Capital Service Company in performing its services under the Administration Agreement, including, but not limited to, fees and expenses associated with performing compliance functions and our allocable portion of rent and compensation of our President, Chief Financial Officer, Chief Compliance Officer and other staff providing administrative services. See "Administration Agreement" in Part I, Item 1A of this Form 10-K.

#### *Departure of Director and Reduction of Number of Directors*

On and effective March 12, 2019, Michael T. Moe resigned from our Board of Directors in connection with our Internalization. As a result of Mr. Moe's resignation, our Board of Directors reduced the number of directors that constitute our full Board of Directors to five directors from six directors in accordance with our bylaws. Mr. Moe will continue to provide services to us pursuant to the Consulting Agreement (as defined below). See "—Consulting Agreement."

*Consulting Agreement*

On and effective March 12, 2019, we entered into a Consulting Agreement (the “Consulting Agreement”) with Michael T. Moe, the former Chairman of our Board of Directors and the Chief Executive Officer and Chief Investment Officer of GSV Asset Management, for the purpose of assisting us with certain transition services following the termination of the Investment Advisory Agreement and our Internalization. Pursuant to the Consulting Agreement, Mr. Moe will provide certain transition services to us related to our existing portfolio investments for which Mr. Moe previously had oversight in his role as the Chief Executive Officer and Chief Investment Officer of GSV Asset Management. Such transition services will include providing information to us regarding such portfolio companies, including as a member of a portfolio company’s board of directors, assisting with the transition of portfolio company board seats as requested by us, making appropriate introductions to representatives of portfolio companies, and providing other similar types of services that we may reasonably request.

The term of the Consulting Agreement commenced on March 12, 2019 and will continue for eighteen months, unless the parties thereto mutually agree to extend the Consulting Agreement for an additional period. Pursuant to the Consulting Agreement, we will pay Mr. Moe a total amount equal to \$1,250,000.

*Amended and Restated Trademark License Agreement*

On and effective March 12, 2019, we entered into an Amended and Restated Trademark License Agreement (the “Amended and Restated License Agreement”) with GSV Asset Management in connection with termination of the Investment Advisory Agreement. See “—Termination of Investment Advisory Agreement.”

GSV Asset Management is the owner of the trade name “GSV”, and other state or unregistered “GSV” marks, including the trading symbol “GSVC” (collectively, the “Licensed Marks”). Pursuant to the Amended and Restated License Agreement, GSV Asset Management granted us a non-transferable, non-sublicensable, and non-exclusive right and license to use the Licensed Marks, solely in connection with the operation of our existing business.

The term of the Amended and Restated License Agreement commenced on March 12, 2019 and will continue for eighteen months, unless the parties thereto mutually agree to extend the Amended and Restated License Agreement for an additional period. Pursuant to the Amended and Restated License Agreement, we will pay GSV Asset Management a total amount equal to \$1,250,000.

*Risk Factor Related to Internalization*

***We have internalized our operating structure, including our management and investment functions; as a result, we may incur significant costs and face significant risks associated with being self-managed, including adverse effects on our business and financial condition.***

On March 12, 2019, our Board of Directors approved internalizing our operating structure, including our management and investment functions. There can be no assurances that internalizing our operating structure will be beneficial to us and our stockholders, as we may incur the costs and risks discussed below and may not be able to effectively replicate the services previously provided to us by our former investment adviser, GSV Asset Management, and our former administrator, GSV Capital Service Company.

While we will no longer bear the costs of the various fees and expenses we previously paid to GSV Asset Management under the Investment Advisory Agreement, our direct expenses will generally include general and administrative costs, including legal, accounting, and other expenses related to corporate governance, SEC reporting and compliance, as well as costs and expenses related to making and managing our investments. We will also now incur the compensation and benefits costs of our officers and other employees and consultants, and we may issue equity awards to our officers, employees and consultants, which awards may decrease net income and funds from our operations and may dilute our stockholders. We may also be subject to potential liabilities commonly faced by employers, such as workers disability and compensation claims, potential labor disputes and other employee-related liabilities and grievances.

In addition, if the expenses we assume as a result of our internalization are higher than the expenses we would have paid to GSV Asset Management and/or reimbursed to GSV Capital Service Company, our earnings per share may be lower as a result of our internalization than they otherwise would have been, potentially decreasing the amount of funds available to distribute to our stockholders and the value of our shares.

Further, in connection with internalizing our operating structure, we may experience difficulty integrating these functions as a stand-alone entity, and we could have difficulty retaining our personnel, including those performing management, investment

and general and administrative functions. These personnel have a great deal of know-how and experience. We may also fail to properly identify the appropriate mix of personnel and capital needs to operate successfully as a stand-alone entity. An inability to effectively manage our internalization could result in our incurring excess costs and operating inefficiencies, and may divert our management’s attention from managing our investments.

Internalization transactions have also, in some cases, been the subject of litigation. Even if these claims are without merit, we could be forced to spend significant amounts of time and money defending claims, which would reduce the amount of funds available for us to make investments and to pay distributions, and may divert our management’s attention from managing our investments.

All of these factors could have a material adverse effect on our results of operations, financial condition, and ability to pay distributions.

### ***Delayed Filing of 2018 Annual Report on Form 10-K***

As previously reported, the Company was unable to file this Annual Report on Form 10-K within the prescribed time period without unreasonable effort or expense because the Company’s independent directors retained independent counsel to conduct a review of certain operational and administrative activities (the “Internal Review”). The Internal Review is now complete and no material issues were found. The results of the Internal Review did not change the Company’s financial statements or results of operations that were reported in its earnings release on March 14, 2019.

### ***Appointment of Chief Financial Officer***

On April 17, 2019, our Board of Directors appointed Allison Green to serve as our Chief Financial Officer, effective as of such date. Ms. Green currently serves, and will continue to serve, as our Treasurer, Controller and Secretary, and will no longer serve as our Senior Vice President of Finance as of such date.

### **Liquidity and Capital Resources**

Our liquidity and capital resources are generated primarily from the sales of our investments and advances from our \$12.0 million Credit Facility. In addition, during the year ended December 31, 2018, we issued \$40.0 million aggregate principal amount of 4.75% Convertible Senior Notes due 2023, as discussed further below and in “Note 10—Debt Capital Activities” to our consolidated financial statements as of December 31, 2018.

The 5.25% Convertible Senior Notes due 2018 matured on September 15, 2018 (the “Maturity Date”). Pursuant to the terms of the 5.25% Convertible Senior Notes due 2018 and the indenture related thereto, we repaid the remaining outstanding aggregate principal amount of the 5.25% Convertible Senior Notes due 2018, including accrued but unpaid interest, on the Maturity Date and the 5.25% Convertible Senior Notes were no longer outstanding as of such date.

Our primary uses of cash are to make investments, pay our operating expenses and make distributions to our stockholders. For the years ended December 31, 2018, 2017, 2016 and our operating expenses, net of any fee waivers, were \$9,252,413, \$21,731,583, and \$1,999,646, respectively.

<b>Cash Reserves and Liquid Securities</b>	<b>December 31, 2018</b>	<b>December 31, 2017</b>	<b>December 31, 2016</b>
Cash	\$ 28,184,163	\$ 59,838,600	\$ 8,332,634
Borrowing availability under the Credit Facility <sup>(1)</sup>	12,000,000	12,000,000	—
Securities of publicly traded portfolio companies:			
Unrestricted securities <sup>(2)</sup>	44,589,406	8,160,000	8,729,005
Subject to other sales restrictions	—	—	—
Total securities of publicly traded portfolio companies	44,589,406	8,160,000	8,729,005
<b>Total Cash Reserves and Liquid Securities</b>	<b>\$ 84,773,569</b>	<b>\$ 79,998,600</b>	<b>\$ 17,061,639</b>

(1) Subject to leverage and borrowing base restrictions and other requirements under the Credit Facility as of December 31, 2018 and December 31, 2017. Refer to “Note 10—Debt Capital Activities” to our consolidated financial statements as of December 31, 2018 for details.

(2) “Unrestricted securities” represents common stock of our publicly traded companies that are not subject to any restrictions upon sale. We may incur losses if we liquidate these positions to pay operating expenses or fund new investments. As of December 31, 2018, this balance represents our shares of common stock in Spotify Technology S.A. and Dropbox, Inc.

During the year ended December 31, 2018, cash decreased to \$28,184,163 from \$59,838,600 at the beginning of the year. The decrease in cash was primarily due to the repayment of 5.25% Convertible Senior Notes due 2018 of approximately \$69.3 million, approximately \$10.3 million in cash used under the Share Repurchase Program, and approximately \$10.6 million in cash used to make additional investments, partially offset by the receipt of net proceeds from the issuance of \$40.0 million aggregate principal amount of 4.75% Convertible Senior Notes due 2023 and approximately \$32.4 million in net proceeds from the sale of certain portfolio investments.

### **Contractual Obligations**

	Payments Due By Period (dollars in millions)				
	Total	Less than 1 year	1–3 years	3–5 years	More than 5 years
Payable for securities purchased <sup>(1)</sup>	\$ 89.5	\$ 89.5	\$ —	\$ —	\$ —
Credit Facility payable <sup>(2)(3)</sup>	—	—	—	—	—
Convertible Senior Notes <sup>(4)</sup>	40.0	—	—	40.0	—
<b>Total</b>	<b>\$ 129.5</b>	<b>\$ 89.5</b>	<b>\$ —</b>	<b>\$ 40.0</b>	<b>\$ —</b>

(1) "Payable for securities purchased" relates to the purchase of the U.S. Treasury bill on margin. This balance was subsequently repaid on January 3, 2019, when the \$100.0 million United States Treasury bill matured and the \$10.5 million margin deposit that we posted as collateral was returned.

(2) The total unused amount available under the Credit Facility as of December 31, 2018 was \$12.0 million.

(3) The weighted-average interest rate incurred under the Credit Facility was 0.00% for the year ended December 31, 2018.

(4) The balance shown for the "Convertible Senior Notes" reflects the principal balance payable to investors for the 4.75% Convertible Senior Notes due 2023 as of December 31, 2018. Refer to "Note 10—Debt Capital Activities" to our consolidated financial statements as of December 31, 2018 for more information.

### **Share Repurchase Program**

During the year ended December 31, 2018, we repurchased 1,483,698 shares of our common stock pursuant to the Share Repurchase Program at an average price of \$6.93 per share, or approximately \$10.3 million in aggregate. As of December 31, 2018, the dollar value of shares that remained available to be purchased under the Share Repurchase Program was approximately \$4.8 million. For more information on the Share Repurchase Program, see "Part II. Item 2. Unregistered Sales of Equity Securities and Use of Proceeds".

### **Off-Balance Sheet Arrangements**

As of December 31, 2018, we had no off-balance sheet arrangements, including any risk management of commodity pricing or other hedging practices. However, we may employ hedging and other risk management techniques in the future.

### **Credit Facility**

Pursuant to the Loan Agreement, Western Alliance Bank has agreed to provide us with the \$12.0 million Credit Facility, which, among other things, matures on May 31, 2019 and bears interest at a per annum rate equal to the prime rate plus 3.50%. In addition, the Loan Agreement requires payment of a fee for unused amounts during the revolving period in an amount equal to 0.50% per annum of the average unused portion of the Credit Facility payable quarterly in arrears. Refer to "Note 10—Debt Capital Activities" to our consolidated financial statements as of December 31, 2018 for more information.

### **Equity Issuances & Debt Capital Activities**

We made no sales of our equity securities during the year ended December 31, 2018 or the year ended December 31, 2017.

#### **5.25% Convertible Senior Notes due 2018 - Tender Offer, Repurchase, and Repayment**

On December 15, 2017, we announced the commencement of a cash tender offer (the "Tender Offer") to purchase any and all of the \$69.0 million aggregate principal amount of outstanding 5.25% Convertible Senior Notes due 2018. As of the expiration of the Tender Offer on January 17, 2018, approximately \$4.8 million aggregate principal amount of the 5.25% Convertible Senior Notes due 2018 representing approximately 7.0% of the outstanding 5.25% Convertible Senior Notes due 2018, were validly

tendered and not validly withdrawn pursuant to the Tender Offer. On March 27, 2018, we repurchased an additional \$14.2 million aggregate principal amount of the outstanding 5.25% Convertible Senior Notes due 2018.

The 5.25% Convertible Senior Notes due 2018 matured on September 15, 2018 (the “Maturity Date”). Pursuant to the terms of the 5.25% Convertible Senior Notes due 2018 and the indenture related thereto, we repaid the remaining outstanding aggregate principal amount of the 5.25% Convertible Senior Notes due 2018, including accrued but unpaid interest, on the Maturity Date and the 5.25% Convertible Senior Notes were no longer outstanding as of such date. Refer to “Note 10—Debt Capital Activities” to our consolidated financial statements as of December 31, 2018 for more information regarding the 5.25% Convertible Senior Notes due 2018.

#### 4.75% Convertible Senior Notes due 2023 - Issuance

On March 28, 2018, we issued \$40.0 million aggregate principal amount of 4.75% Convertible Senior Notes due 2023, which bear interest at a fixed rate of 4.75% per year, payable semi-annually in arrears on March 31 and September 30 of each year, commencing on September 30, 2018. We received \$38.4 million in proceeds from the offering, net of underwriting discounts and commissions and other offering expenses. The 4.75% Convertible Senior Notes due 2023 mature on March 28, 2023, unless previously repurchased or converted in accordance with their terms. We do not have the right to redeem the 4.75% Convertible Senior Notes due 2023 prior to March 27, 2021.

In connection with the issuance of the 4.75% Convertible Senior Notes due 2023, we are required under the terms of the Credit Facility to deposit the proceeds from the 4.75% Convertible Senior Notes due 2023 offering into an account at Western Alliance Bank and are required to maintain at least \$65.0 million (or such lesser amount to the extent such funds are used to repay or repurchase a portion of the outstanding 5.25% Convertible Senior Notes due 2018 prior to their maturity and repayment in full) in an account at Western Alliance Bank until such time as the 5.25% Convertible Senior Notes due 2018 are repaid in full. Refer to “Note 10—Debt Capital Activities” to our consolidated financial statements as of December 31, 2018 for more information regarding the 4.75% Convertible Senior Notes due 2023.

#### Distributions

The timing and amount of our distributions, if any, will be determined by our Board of Directors and will be declared out of assets legally available for distribution. The following table lists the distributions, including dividends and returns of capital, if any, per share that we have declared since our formation through December 31, 2018. The table is divided by fiscal year according to record date:

Date Declared	Record Date	Payment Date	Amount per Share
<b>Fiscal Year 2015:</b>			
November 4, 2015 <sup>(1)</sup>	November 16, 2015	December 31, 2015	\$ 2.76
<b>Fiscal Year 2016:</b>			
August 3, 2016 <sup>(2)</sup>	August 16, 2016	August 24, 2016	0.04
<b>Total</b>			<u>\$ 2.80</u>

(1)The distribution was paid in cash or shares of our common stock at the election of stockholders, although the total amount of cash distributed to all stockholders was limited to approximately 50% of the total distribution to be paid to all stockholders. As a result of stockholder elections, the distribution consisted of approximately 2,860,903 shares of common stock issued in lieu of cash, or approximately 14.8% of our outstanding shares prior to the distribution, as well as cash of \$26,358,885. The number of shares of common stock comprising the stock portion was calculated based on a price of \$9.425 per share, which equaled the average of the volume weighted-average trading price per share of our common stock on December 28, 29 and 30, 2015. None of the \$2.76 per share distribution represented a return of capital.

(2)Of the total distribution of \$887,240 on August 24, 2016, \$820,753 represented a distribution from realized gains and \$66,487 represented a return of capital.

We intend to focus on making capital gains-based investments from which we will derive primarily capital gains. As a consequence, we do not anticipate that we will pay distributions on a quarterly basis or become a predictable distributor of distributions, and we expect that our distributions, if any, will be much less consistent than the distributions of other BDCs that primarily make debt investments. If there are earnings or realized capital gains to be distributed, we intend to declare and pay a distribution at least annually. The amount of realized capital gains available for distribution to stockholders will be impacted by our treatment as a RIC.

Our current intention is to make any future distributions out of assets legally available in the form of additional shares of our common stock under our dividend reinvestment plan, unless a stockholder elects to receive dividends and/or long-term capital gains distributions in cash. Under the dividend reinvestment plan, if a stockholder owns shares of common stock registered in its own name, the stockholder will have all cash distributions (net of any withholding) automatically reinvested in additional shares of common stock unless the stockholder opts out of our dividend reinvestment plan by delivering a written notice to our dividend paying agent prior to the record date of the next dividend or distribution. Any distributions reinvested under the plan will nevertheless remain taxable to the U.S. stockholder, although no cash distribution has been made. As a result, if a stockholder does not elect to opt out of the dividend reinvestment plan, it will be required to pay applicable federal, state and local taxes on any reinvested dividends even though such stockholder will not receive a corresponding cash distribution. In addition, reinvested dividends have the effect of increasing our gross assets, which may correspondingly increase the management fee payable to our investment adviser, GSV Asset Management. Stockholders who hold shares in the name of a broker or financial intermediary should contact the broker or financial intermediary regarding any election to receive distributions in cash.

We elected to be treated as a RIC under Subchapter M of the Code beginning with our taxable year ended December 31, 2014 and continue to qualify to be treated as a RIC. So long as we qualify and maintain our tax treatment as a RIC, we generally will not pay corporate-level U.S. federal and state income taxes on any ordinary income or capital gains that we distribute at least annually to our stockholders as dividends. Rather, any tax liability related to income earned by the RIC will represent obligations of our investors and will not be reflected in our consolidated financial statements. In order to qualify as a RIC and to avoid corporate-level income tax on the income we distribute to our stockholders, we are required, under Subchapter M of the Code, to distribute at least 90% of our ordinary income and short-term capital gains to our stockholders on an annual basis. See “Note 2—Significant Accounting Policies—U.S. Federal and State Income Taxes” and “Note 9—Income Taxes” to our consolidated financial statements as of December 31, 2018 for more information.

### **Critical Accounting Policies**

Critical accounting policies and practices are the policies that are both most important to the portrayal of our financial condition and results, and require management’s most difficult, subjective, or complex judgments, often as a result of the need to make estimates about the effects of matters that are inherently uncertain. These include estimates of the fair value of our Level 3 investments and other estimates that affect the reported amounts of assets and liabilities as of the date of the consolidated financial statements and the reported amounts of certain revenues and expenses during the reporting period. It is likely that changes in these estimates will occur in the near term. Our estimates are inherently subjective in nature and actual results could differ materially from such estimates. See “Note 2—Significant Accounting Policies” to our consolidated financial statements as of December 31, 2018 for further detail regarding our critical accounting policies and recently issued or adopted accounting pronouncements.

### **Related-Party Transactions**

See “Note 3—Related-Party Arrangements” to our consolidated financial statements as of December 31, 2018 for more information.

**Item 7A. Quantitative and Qualitative Disclosures about Market Risk****Market Risk**

Our equity investments are primarily in growth companies that in many cases have short operating histories and are generally illiquid. In addition to the risk that these companies may fail to achieve their objectives, the price we may receive for these companies in private transactions may be significantly impacted by periods of disruption and instability in the capital markets. While these periods of disruption generally have little actual impact on the operating results of our equity investments, these events may significantly impact the prices that market participants will pay for our equity investments in private transactions. This may have a significant impact on the valuation of our equity investments.

**Interest Rate Risk**

We are subject to financial market risks, which could include, to the extent we utilize leverage with variable rate structures, changes in interest rates. As we invest primarily in equity rather than debt instruments, we would not expect fluctuations in interest rates to directly impact the return on our portfolio investments, although any significant change in market interest rates could potentially have an adverse effect on the business, financial condition and results of operations of the portfolio companies in which we invest.

As of December 31, 2018, all of our debt investments and outstanding borrowings bore fixed rates of interest. The Credit Facility, however, is indexed to the prime rate. We do not expect a significant impact on our net investment income or loss due to changes in the prime rate; however, the table below indicates the impact on our net investment income or loss should the prime rate change. Based on our December 31, 2018 Consolidated Statement of Assets and Liabilities, the following table shows the various, incremental impact of changes in interest rates on our net income or loss related to the Credit Facility for the year ended December 31, 2018, assuming no changes in our investment income and borrowing structure. Although we believe that this measure is indicative of our sensitivity to the below-referenced interest rate changes, it does not reflect potential changes in credit quality, size and composition of the assets on our statement of assets and liabilities and other BDCs that could affect net increase or decrease in net assets resulting from operations, or net income or loss.

Basis Point Change(1)	Interest Income	Interest Expense	Net Income/(Loss)
Up 300 Basis points	\$ —	\$ 360,000	\$ (360,000)
Up 200 Basis points	\$ —	\$ 240,000	\$ (240,000)
Up 100 Basis points	\$ —	\$ 120,000	\$ (120,000)
Down 100 Basis points	\$ —	\$ (120,000)	\$ 120,000
Down 200 Basis points	\$ —	\$ (240,000)	\$ 240,000
Down 300 Basis points	\$ —	\$ (360,000)	\$ 360,000

(1) Assumes we have borrowed \$12.0 million under the Credit Facility for the year ended December 31, 2018. Our actual borrowings under the Credit Facility will vary based on our needs throughout the year. For the year ended December 31, 2018, our actual average borrowings under the Credit Facility were \$0.

Although we believe that this measure is indicative of our sensitivity to the above-referenced interest rate changes, it does not reflect potential changes in credit quality, size and composition of the assets on our statement of assets and liabilities and other BDC's that could affect net increase or decrease in net assets resulting from operations, or net income or loss.

**Item 8. Financial Statements and Supplementary Data****Index to Financial Statements**

	<u>Page</u>
<a href="#"><u>Report of Independent Registered Public Accounting Firm</u></a>	<a href="#"><u>71</u></a>
<a href="#"><u>Report of Independent Registered Public Accounting Firm on Internal Control over Financial Reporting</u></a>	<a href="#"><u>72</u></a>
<a href="#"><u>Consolidated Statements of Assets and Liabilities as of December 31, 2018 and 2017</u></a>	<a href="#"><u>73</u></a>
<a href="#"><u>Consolidated Statements of Operations for the years ended December 31, 2018, 2017 and 2016</u></a>	<a href="#"><u>74</u></a>
<a href="#"><u>Consolidated Statements of Changes in Net Assets for the years ended December 31, 2018, 2017 and 2016</u></a>	<a href="#"><u>75</u></a>
<a href="#"><u>Consolidated Statements of Cash Flows for the years ended December 31, 2018, 2017 and 2016</u></a>	<a href="#"><u>76</u></a>
<a href="#"><u>Consolidated Schedule of Investments as of December 31, 2018</u></a>	<a href="#"><u>77</u></a>
<a href="#"><u>Consolidated Schedule of Investments as of December 31, 2017</u></a>	<a href="#"><u>82</u></a>
<a href="#"><u>Notes to Consolidated Financial Statements</u></a>	<a href="#"><u>86</u></a>



**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

To the shareholders and the Board of Directors of GSV Capital Corp.

**Opinion on the Consolidated Financial Statements and Financial Highlights**

We have audited the accompanying consolidated statements of assets and liabilities of GSV Capital Corp. and subsidiaries (the "Company"), including the consolidated schedule of investments, as of December 31, 2018 and 2017, the related consolidated statements of operations, cash flows, and changes in net assets for each of the three years in the period ended December 31, 2018, the financial highlights (presented in Note 8) for each of the four years in the period then ended, and the related notes. In our opinion, the consolidated financial statements and financial highlights present fairly, in all material respects, the financial position of the Company as of December 31, 2018 and 2017, and the results of its operations, changes in net assets, and cash flows for each of the three years in the period ended December 31, 2018, and the financial highlights for each of the four years in the period then ended in conformity with accounting principles generally accepted in the United States of America.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting 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 and our report dated April 17, 2019, expressed an unqualified opinion on the Company's internal control over financial reporting.

**Basis for Opinion**

These consolidated financial statements and financial highlights are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's consolidated financial statements and financial highlights based on our audits. 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 audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements and financial highlights are free of material misstatement, whether due to error or fraud.

Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements and financial highlights, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements and financial highlights. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statement and financial highlights. Our procedures included confirmation of investments owned as of December 31, 2018 and 2017, by correspondence with the custodian, loan agents, and borrowers; when replies were not received, we performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinion.

/s/ Deloitte & Touche LLP

San Francisco, California

April 17, 2019

We have served as the Company's auditor since 2015.

**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

To the shareholders and the Board of Directors of GSV Capital Corp.

**Opinion on Internal Control over Financial Reporting**

We have audited the internal control over financial reporting of GSV Capital Corp. 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 statement of assets and liabilities, including the consolidated schedule of investments, the related consolidated statements of operations, cash flows, changes in net assets and the financial highlights as of and for the year ended December 31, 2018, of the Company and our report dated April 17, 2019, expressed an unqualified opinion on the 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 “Management’s Report 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

San Francisco, California

April 17, 2019

## GSV CAPITAL CORP. AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF ASSETS AND LIABILITIES

	December 31, 2018	December 31, 2017
<b>ASSETS</b>		
Investments at fair value:		
Non-controlled/non-affiliate investments (cost of \$105,869,607 and \$137,526,726, respectively)	\$ 170,067,233	\$ 179,908,234
Non-controlled/affiliate investments (cost of \$42,333,854 and \$41,886,312, respectively)	5,931,863	16,473,098
Controlled investments (cost of \$22,960,942 and \$23,161,314, respectively)	22,816,733	24,207,161
Total Portfolio Investments	198,815,829	220,588,493
Investments in U.S. Treasury bills (cost of \$99,982,067 and \$99,985,833, respectively)	99,994,000	99,994,000
Total Investments (cost of \$271,146,470 and \$302,560,185, respectively)	298,809,829	320,582,493
Cash	28,184,163	59,838,600
Due from controlled investments	—	840
Escrow proceeds receivable	2,494,582	603,456
Interest and dividends receivable	255,670	35,141
Prepaid expenses and other assets	207,769	208,983
Deferred financing costs	267,541	413,023
<b>Total Assets</b>	<b>330,219,554</b>	<b>381,682,536</b>
<b>LIABILITIES</b>		
Due to GSV Asset Management <sup>(1)</sup>	—	231,697
Accounts payable and accrued expenses	490,687	458,203
Accrued incentive fees, net of waiver of incentive fees <sup>(1)</sup>	4,660,472	9,278,085
Accrued management fees, net of waiver of management fees <sup>(1)</sup>	415,056	424,447
Accrued interest payable	475,000	1,056,563
Payable for securities purchased	89,480,103	89,485,825
Deferred tax liability	885,566	7,602,301
5.25% Convertible Senior Notes due September 15, 2018 <sup>(2)</sup>	—	68,382,549
4.75% Convertible Senior Notes due March 28, 2023 <sup>(2)</sup>	38,434,511	—
<b>Total Liabilities</b>	<b>134,841,395</b>	<b>176,919,670</b>
<b>Commitments and contingencies (Notes 7 and 10)</b>		
<b>Net Assets</b>	<b>\$ 195,378,159</b>	<b>\$ 204,762,866</b>
<b>NET ASSETS</b>		
Common stock, par value \$0.01 per share (100,000,000 authorized; 19,762,647 and 21,246,345 issued and outstanding, respectively)	\$ 197,626	\$ 212,463
Paid-in capital in excess of par	192,322,399	202,584,012
Accumulated net investment loss	(16,228,294)	(8,593,717)
Accumulated net realized gains/(losses) on investments	(7,691,365)	140,100
Accumulated net unrealized appreciation of investments	26,777,793	10,420,008
<b>Net Assets</b>	<b>\$ 195,378,159</b>	<b>\$ 204,762,866</b>
<b>Net Asset Value Per Share</b>	<b>\$ 9.89</b>	<b>\$ 9.64</b>

*See accompanying notes to consolidated financial statements.*

(1) This balance references a related-party transaction. Refer to “Note 3—Related-Party Arrangements” for more detail.

(2) As of December 31, 2018 and December 31, 2017, the 5.25% Convertible Senior Notes due September 15, 2018 had a face value of \$0 and \$69,000,000, respectively. As of December 31, 2018 and December 31, 2017, the 4.75% Convertible Senior Notes due March 28, 2023 had a face value of \$40,000,000 and \$0, respectively. Refer to “Note 10—Debt Capital Activities” for a reconciliation of the carrying value to the face value.

## GSV CAPITAL CORP. AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF OPERATIONS

	Year Ended December 31, 2018	Year Ended December 31, 2017	Year Ended December 31, 2016
<b>INVESTMENT INCOME</b>			
Non-controlled/non-affiliate investments:			
Interest income	\$ 351,188	\$ (4,627)	\$ 262,473
Other income	—	73,096	212,795
Non-controlled/affiliate investments:			
Interest income	581,813	59,460	159,016
Controlled investments:			
Interest income	59,835	249,839	101,999
Dividend income	625,000	475,000	—
<b>Total Investment Income</b>	<b>1,617,836</b>	<b>852,768</b>	<b>736,283</b>
<b>OPERATING EXPENSES</b>			
Management fees <sup>(1)</sup>	5,199,900	5,666,176	6,896,347
Incentive fees <sup>(1)</sup>	382,387	7,151,641	(15,188,121)
Costs incurred under Administration Agreement <sup>(1)</sup>	1,702,047	1,874,839	2,545,316
Directors' fees	345,000	328,480	345,000
Professional fees	1,587,578	2,068,668	1,966,906
Interest expense	4,545,471	4,696,819	4,731,430
Income tax expense	482,994	52,901	—
Other expenses	899,457	600,331	702,768
Total Operating Expenses	15,144,834	22,439,855	1,999,646
Management fee waiver <sup>(1)</sup>	(892,421)	(708,272)	—
Incentive fee waiver <sup>(1)</sup>	(5,000,000)	—	—
Total operating expenses, net of waiver of management and incentive fees	9,252,413	21,731,583	1,999,646
<b>Net Investment Loss</b>	<b>(7,634,577)</b>	<b>(20,878,815)</b>	<b>(1,263,363)</b>
<b>Realized Gains/(Losses) on Investments:</b>			
Non-controlled/non-affiliated investments	(7,432,939)	3,989,476	(2,634,471)
Controlled investments	(680)	(3,075,494)	—
<b>Net Realized Gains/(Losses) on Investments</b>	<b>(7,433,619)</b>	<b>913,982</b>	<b>(2,634,471)</b>
Realized loss on partial repurchase of 5.25% Convertible Senior Notes due 2018	(397,846)	—	—
<b>Change in Unrealized Appreciation/(Depreciation) of Investments:</b>			
Non-controlled/non-affiliated investments	21,819,883	45,958,490	(54,745,095)
Non-controlled/affiliate investments	(10,988,777)	(16,084,516)	(13,571,477)
Controlled investments	(1,190,056)	4,901,722	(4,897,273)
<b>Net Change in Unrealized Appreciation/(Depreciation) of Investments</b>	<b>9,641,050</b>	<b>34,775,696</b>	<b>(73,213,845)</b>
Benefit from taxes on unrealized depreciation of investments <sup>(3)</sup>	6,716,735	2,757,070	2,116,784
<b>Net Increase/(Decrease) in Net Assets Resulting from Operations</b>	<b>\$ 891,743</b>	<b>\$ 17,567,933</b>	<b>\$ (74,994,895)</b>
<b>Net Change in Net Assets Resulting from Operations per Common Share:</b>			
Basic	\$ 0.04	\$ 0.80	\$ (3.38)
Diluted <sup>(2)</sup>	\$ 0.04	\$ 0.80	\$ (3.38)
<b>Weighted-Average Common Shares Outstanding</b>			
Basic	20,617,890	21,924,490	22,181,003
Diluted <sup>(2)</sup>	20,617,890	21,924,490	22,181,003

*See accompanying notes to consolidated financial statements.*

(1) This balance references a related-party transaction. Refer to "Note 3—Related-Party Arrangements" for more detail.

(2) For the years ended December 31, 2018, 2017, and 2016, 6,079,068, 5,751,815, and 5,751,815 potentially dilutive common shares, respectively, were excluded from the weighted-average common shares outstanding for diluted net increase in net assets resulting from operations per common share because the effect of these shares would have been anti-dilutive. Refer to "Note 6—Net Change in Net Assets Resulting from Operations per Common Share—Basic and Diluted"

(3) During the year ended December 31, 2018, in anticipation of the end of the RIC built-in gain measurement period, we reversed the accrual of related potential tax liabilities of approximately \$6.1 million. During the year ended December 31, 2017, we recognized a net benefit from taxes on unrealized depreciation despite recording a net change in unrealized appreciation of approximately \$34.8 million. The tax benefit was the result of a decrease in built-in gains tax liability due to recently passed tax legislation, partially offset by an increase in the net deferred tax liability generated by the GSV Holdings. Refer to "Note 9—Income Taxes" for further detail.

## GSV CAPITAL CORP. AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS

	Year Ended December 31, 2018	Year Ended December 31, 2017	Year Ended December 31, 2016
<b>Change in Net Assets Resulting from Operations</b>			
Net investment loss	\$ (7,634,577)	\$ (20,878,815)	\$ (1,263,363)
Net realized gains/(losses) on investments	(7,433,619)	913,982	(2,634,471)
Realized loss on partial repurchase of 5.25% Convertible Senior Notes due 2018	(397,846)	—	—
Net change in unrealized appreciation/(depreciation) of investments	9,641,050	34,775,696	(73,213,845)
Benefit from taxes on unrealized depreciation of investments	6,716,735	2,757,070	2,116,784
<b>Net Increase/(Decrease) in Net Assets Resulting from Operations</b>	<b>891,743</b>	<b>17,567,933</b>	<b>(74,994,895)</b>
Distributions from realized gains	—	—	(820,753)
Distributions from return of capital	—	—	(66,487)
<b>Total Distributions</b>	<b>—</b>	<b>—</b>	<b>(887,240)</b>
<b>Change in Net Assets Resulting from Capital Transactions</b>			
Repurchases of common stock	(10,276,450)	(4,933,877)	—
<b>Net Decrease in Net Assets Resulting from Capital Transactions</b>	<b>(10,276,450)</b>	<b>(4,933,877)</b>	<b>—</b>
<b>Total Increase/(Decrease) in Net Assets</b>	<b>(9,384,707)</b>	<b>12,634,056</b>	<b>(75,882,135)</b>
Net assets at beginning of year	204,762,866	192,128,810	268,010,945
<b>Net Assets at End of Year</b>	<b>\$ 195,378,159</b>	<b>\$ 204,762,866</b>	<b>\$ 192,128,810</b>
<b>Capital Share Activity</b>			
Shares outstanding at beginning of year	21,246,345	22,181,003	22,181,003
Shares issued	—	—	—
Shares repurchased	(1,483,698)	(934,658)	—
<b>Shares Outstanding at End of Year</b>	<b>19,762,647</b>	<b>21,246,345</b>	<b>22,181,003</b>

*See accompanying notes to consolidated financial statements.*

## GSV CAPITAL CORP. AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CASH FLOWS

	Year Ended December 31, 2018	Year Ended December 31, 2017	Year Ended December 31, 2016
<b>Cash Flows from Operating Activities</b>			
Net change in net assets resulting from operations	\$ 891,743	\$ 17,567,933	\$ (74,994,895)
Adjustments to reconcile net increase/(decrease) in net assets resulting from operations to net cash provided by/(used in) operating activities:			
Net realized (gains)/losses on investments	7,433,619	(913,982)	2,634,471
Net change in unrealized (appreciation)/depreciation of investments	(9,641,050)	(34,775,696)	73,213,845
Change in deferred tax liability	(6,716,735)	(2,757,070)	(2,116,784)
Amortization of discount on 5.25% Convertible Senior Notes due 2018	492,170	869,751	863,751
Amortization of discount on 4.75% Convertible Senior Notes due 2023	281,130	—	—
Amortization of deferred financing costs	51,636	48,678	210,999
Write-off of deferred offering costs	325,248	—	—
Amortization of fixed income security premiums and discounts	(30,660)	(139,544)	(54,522)
Paid-in-kind interest	(386,546)	(152,270)	(447,009)
Change in restricted cash	—	—	52,931
Escrow proceeds receivable	1,034,704	603,456	—
Purchases of investments in:			
Portfolio investments	(10,669,035)	(191,274)	(13,803,342)
U.S. Treasury bills	(399,893,952)	(360,031,336)	(119,998,208)
Proceeds from sales or maturity of investments in:			
Portfolio investments	33,925,585	77,031,789	26,241,589
U.S. Treasury bills	400,000,000	290,000,000	120,000,000
U.S. Treasury strips	—	—	3,685,000
Change in operating assets and liabilities:			
Due from GSV Asset Management <sup>(1)</sup>	—	—	220,770
Due from controlled investments	840	(840)	56,371
Prepaid expenses and other assets	1,214	4,959	13,884
Interest and dividends receivable	(220,529)	57,805	4,237
Escrow proceeds receivable	(1,891,126)	(603,456)	—
Due to GSV Asset Management <sup>(1)</sup>	(231,697)	(190,328)	(4,625,404)
Payable for securities purchased	(5,722)	62,987,075	(607)
Accounts payable and accrued expenses	32,484	122,592	230,024
Accrued incentive fees <sup>(1)</sup>	(4,617,613)	7,151,641	(15,188,121)
Accrued management fees <sup>(1)</sup>	(9,391)	(99,607)	(159,369)
Accrued interest payable	(581,563)	—	—
<b>Net Cash Provided by/(Used in) Operating Activities</b>	<b>9,574,753</b>	<b>56,590,276</b>	<b>(3,960,389)</b>
<b>Cash Flows from Financing Activities</b>			
Proceeds from the issuance of 4.75% Convertible Senior Notes due 2023	40,000,000	—	—
Deferred debt issuance costs	(1,846,620)	—	—
Repurchases of common stock	(10,276,450)	(4,933,877)	—
Repayment of 5.25% Convertible Senior Notes due 2018	(69,272,565)	—	—
Realized loss on repurchase of 5.25% Convertible Senior Notes due 2018	397,846	—	—
Borrowings under credit facility	—	16,000,000	3,500,000
Repayments under credit facility	—	(16,000,000)	(3,500,000)
Deferred credit facility costs	—	(100,313)	—
Deferred offering costs	(231,401)	(50,120)	(169,614)
<b>Net Cash Used in Financing Activities</b>	<b>(41,229,190)</b>	<b>(5,084,310)</b>	<b>(1,056,854)</b>
<b>Total Increase/(Decrease) in Cash Balance</b>	<b>(31,654,437)</b>	<b>51,505,966</b>	<b>(5,017,243)</b>
Cash Balance at Beginning of Year	59,838,600	8,332,634	13,349,877
<b>Cash Balance at End of Year</b>	<b>\$ 28,184,163</b>	<b>\$ 59,838,600</b>	<b>\$ 8,332,634</b>
<b>Supplemental Information:</b>			
Interest paid	\$ 4,127,163	\$ 3,684,410	\$ 3,650,961
Taxes paid	\$ 496,912	\$ 54,014	\$ —

*See accompanying notes to consolidated financial statements.*

(1) This balance references a related-party transaction. Refer to “Note 3—Related-Party Arrangements” for more detail.



## GSV CAPITAL CORP. AND SUBSIDIARIES

CONSOLIDATED SCHEDULE OF INVESTMENTS  
December 31, 2018

Portfolio Investments*	Headquarters/ Industry	Date of Initial Investment	Shares/ Principal	Cost	Fair Value	% of Net Assets
<b>NON-CONTROLLED/NON-AFFILIATE</b>						
<b>Palantir Technologies, Inc.</b>	Palo Alto, CA					
Common shares, Class A	Data Analysis	5/7/2012	5,773,690	\$ 16,189,935	\$ 34,053,394	17.43%
<b>Spotify Technology S.A.**</b>	Stockholm, Sweden					
Common shares <sup>(3)(7)</sup>	On-Demand Music Streaming	8/6/2012	235,360	10,002,084	26,713,360	13.67%
<b>Coursera, Inc.</b>	Mountain View, CA					
Preferred shares, Series B	Online Education	6/9/2013	2,961,399	14,519,519	23,111,889	11.83%
<b>Dropbox, Inc.**</b>	San Francisco, CA					
Common shares <sup>(3)(8)</sup>	Cloud Computing Services	11/15/2011	874,990	13,656,926	17,876,046	9.15%
<b>Lyft, Inc.</b>	San Francisco, CA					
Preferred shares, Series E	On-Demand Transportation Services	3/11/2015	128,563	2,503,585	6,583,483	3.37%
Preferred shares, Series D		3/21/2014	176,266	1,792,749	9,026,269	4.62%
Total				4,296,334	15,609,752	7.99%
<b>Course Hero, Inc.</b>	Redwood City, CA					
Preferred shares, Series A	Online Education	9/18/2014	2,145,509	5,000,001	14,106,625	7.22%
<b>Nextdoor.com, Inc.</b>	San Francisco, CA					
Common shares	Social Networking	9/27/2018	580,360	10,006,578	10,097,442	5.17%
<b>SharesPost, Inc.</b>	San Francisco, CA					
Preferred shares, Series B	Online Marketplace Finance	7/19/2011	1,771,653	2,259,716	5,943,577	3.04%
Common shares <sup>(13)</sup>		7/20/2011	770,934	123,987	855,327	0.44%
Total				2,383,703	6,798,904	3.48%
<b>Parchment, Inc.</b>	Scottsdale, AZ					
Preferred shares, Series D 8%	E-Transcript Exchange	10/1/2012	3,200,512	4,000,982	6,151,161	3.15%
<b>Enjoy Technology, Inc.</b>	Menlo Park, CA					
Preferred shares, Series B	On-Demand Commerce	7/29/2015	1,681,520	4,000,280	4,000,000	2.05%
Preferred shares, Series A		10/16/2014	879,198	1,002,440	2,091,436	1.07%
Total				5,002,720	6,091,436	3.12%
<b>A Place for Rover Inc. (f/k/a DogVacay, Inc.)</b>	Seattle, WA					
Common shares	Peer-to-Peer Pet Services	11/3/2014	707,991	2,506,119	3,511,661	1.80%
<b>Knewton, Inc.</b>	New York, NY					
Preferred shares, Series E	Online Education	12/16/2013	375,985	4,999,999	2,021,690	1.03%
Convertible Promissory Note 8% Due 12/31/2019 <sup>(12)</sup>		7/23/2018	\$ 134,405	135,213	134,405	0.07%
Total				5,135,212	2,156,095	1.10%
<b>Clever, Inc.</b>	San Francisco, CA					
Preferred shares, Series B	Education Software	12/5/2014	1,799,047	2,000,601	2,000,001	1.02%
<b>Aspiration Partners, Inc.</b>	Marina Del Rey, CA					
Preferred shares, Series A	Financial Services	8/11/2015	540,270	1,001,815	999,975	0.51%
<b>Tynker (f/k/a Neuron Fuel, Inc.)</b>	Mountain View, CA					
Preferred shares, Series A 8%	Computer Software	8/8/2012	534,162	309,310	789,492	0.41%
<b>4C Insights (f/k/a The Echo Systems Corp.)</b>	Chicago, IL					
Common shares	Social Data Platform	3/30/2012	436,219	1,436,404	—	—%
<b>Fullbridge, Inc.</b>	Cambridge, MA					
Common shares	Business Education	5/13/2012	517,917	6,150,506	—	—%
Promissory Note 1.49% Due 11/9/2021 <sup>(4)</sup>		3/3/2016	\$ 2,270,458	2,270,858	—	—%
Total				8,421,364	—	—%
<b>Total Non-controlled/Non-affiliate</b>				<b>\$ 105,869,607</b>	<b>\$ 170,067,233</b>	<b>87.05%</b>

See accompanying notes to consolidated financial statements.



## GSV CAPITAL CORP. AND SUBSIDIARIES

CONSOLIDATED SCHEDULE OF INVESTMENTS—continued  
December 31, 2018

Portfolio Investments*	Headquarters/ Industry	Date of Initial Investment	Shares/ Principal	Cost	Fair Value	% of Net Assets
<b>NON-CONTROLLED/AFFILIATE<sup>(1)</sup></b>						
<b>Ozy Media, Inc.</b> Mountain View, CA						
Convertible Promissory Note 5% Due 12/31/2018 <sup>(11)</sup>	Digital Media Platform	8/31/2016	\$ 2,102,384	\$ 2,102,384	\$ 3,153,575	1.61%
Preferred shares, Series B 6%		10/3/2014	922,509	4,999,999	—	—%
Preferred shares, Series A 6%		12/11/2013	1,090,909	3,000,200	—	—%
Preferred shares, Series Seed 6%		11/2/2012	500,000	500,000	—	—%
Common Warrants, Strike Price \$0.01, Expiration Date 4/9/2028 <sup>(11)</sup>		4/9/2018	295,565	30,647	—	—%
Total				10,633,230	3,153,575	1.61%
<b>CUX, Inc. (d/b/a CorpU)</b> Philadelphia, PA						
Senior Subordinated Convertible Promissory Note 10% Due 2/14/2020 <sup>***</sup> (6)	Corporate Education	11/26/2014	\$ 1,360,489	1,361,969	1,360,489	0.70%
Convertible preferred shares, Series D 6%		5/31/2013	169,033	778,607	878,005	0.45%
Convertible preferred shares, Series C 8%		3/29/2012	615,763	2,006,077	—	—%
Preferred Warrants Series D, Strike Price \$4.59, Expiration Date 2/14/2020 <sup>(9)</sup>		5/31/2013	16,903	—	19,946	0.01%
Total				4,146,653	2,258,440	1.16%
<b>EdSurge, Inc.</b> Burlingame, CA						
Preferred shares, Series A-1	Education Media Platform	11/12/2015	378,788	501,360	250,000	0.13%
Preferred shares, Series A		2/28/2014	494,365	500,801	269,848	0.14%
Total				1,002,161	519,848	0.27%
<b>Maven Research, Inc.</b> San Francisco, CA						
Preferred shares, Series C	Knowledge Networks	7/2/2012	318,979	2,000,447	—	—%
Preferred shares, Series B		2/28/2012	49,505	217,206	—	—%
Total				2,217,653	—	—%
<b>Curious.com, Inc.</b> Menlo Park, CA						
Common shares <sup>(15)</sup>	Online Education	11/22/2013	1,135,944	12,000,006	—	—%
<b>Declaro, Inc.</b> Palo Alto, CA						
Convertible Promissory Note 12% Due 4/30/2018 <sup>(4)</sup> (10)	Social Cognitive Learning	12/30/2015	\$ 2,327,727	2,334,152	—	—%
Preferred shares, Series A 8%		4/17/2014	10,716,390	9,999,999	—	—%
Total				12,334,151	—	—%
<b>Total Non-controlled/Affiliate</b>				<b>\$ 42,333,854</b>	<b>\$ 5,931,863</b>	<b>3.04%</b>
<b>CONTROLLED<sup>(2)</sup></b>						
<b>StormWind, LLC<sup>(5)</sup></b> Scottsdale, AZ						
Preferred shares, Series C 8%	Interactive Learning	1/7/2014	2,779,134	4,000,787	7,194,971	3.68%
Preferred shares, Series B 8%		12/16/2011	3,279,629	2,019,687	5,770,328	2.95%
Preferred shares, Series A 8%		2/25/2014	366,666	110,000	421,525	0.22%
Total				6,130,474	13,386,824	6.85%

See accompanying notes to consolidated financial statements.

## GSV CAPITAL CORP. AND SUBSIDIARIES

CONSOLIDATED SCHEDULE OF INVESTMENTS—continued  
December 31, 2018

Portfolio Investments*	Headquarters/ Industry	Date of Initial Investment	Shares/ Principal	Cost	Fair Value	% of Net Assets
<b>NestGSV, Inc. (d/b/a GSV Labs, Inc.)</b>						
San Mateo, CA						
Convertible Promissory Note 12% Due 12/31/2019*** (14)	Global Innovation Platform	2/17/2016	\$ 936,525	\$ 951,436	\$ 936,525	0.48 %
Preferred shares, Series A-4		10/6/2014	3,720,424	4,904,498	4,960,553	2.54 %
Preferred shares, Series A-3		4/4/2014	1,561,625	2,005,730	1,735,134	0.89 %
Preferred shares, Series A-2		7/15/2013	450,001	605,500	300,000	0.15 %
Preferred shares, Series A-1		5/25/2012	1,000,000	1,021,778	499,999	0.26 %
Common shares		7/1/2014	200,000	1,000	—	— %
Preferred Warrants Series A-3, Strike Price \$1.33, Expiration Date 4/4/2021 <sup>(14)</sup>		4/4/2014	187,500	—	26,250	0.01 %
Preferred Warrants Series A-4, Strike Price \$1.33, Expiration Date 10/6/2021 <sup>(14)</sup>		10/6/2014	500,000	—	145,000	0.07 %
Preferred Warrants Series A-4, Strike Price \$1.33, Expiration Date 7/18/2021		7/8/2016	250,000	74,380	70,000	0.04 %
Preferred Warrants Series B, Strike Price \$2.31, Expiration Date 11/29/2021		11/29/2016	100,000	29,275	556	0.00 %
Preferred Warrant Series B, Strike Price \$2.31, Expiration Date 5/29/2022		5/29/2017	125,000	70,379	694	0.00 %
Preferred Warrant Series B—Strike Price \$2.31, Expiration Date 12/31/2023 <sup>(14)</sup>		12/31/2018	250,000	5,080	5,000	0.00 %
Total				9,669,056	8,679,711	4.44 %
<b>SPBRX, INC. (f/k/a GSV Sustainability Partners, Inc.)</b>						
Woodside, CA						
Preferred shares, Class A*** <sup>(16)</sup>	Clean Technology	4/15/2014	14,300,000	7,151,412	750,198	0.38 %
Common shares		4/15/2014	100,000	10,000	—	— %
Total				7,161,412	750,198	0.38 %
<b>Total Controlled</b>				<b>\$ 22,960,942</b>	<b>\$ 22,816,733</b>	<b>11.68 %</b>
<b>Total Portfolio Investments</b>				<b>\$ 171,164,403</b>	<b>\$ 198,815,829</b>	<b>101.76 %</b>
<b>U.S. Treasury</b>						
U.S. Treasury bills, 0%, due 1/3/2019*** <sup>(3)</sup>		12/27/2018	\$ 100,000,000	99,982,067	99,994,000	51.18 %
<b>TOTAL INVESTMENTS</b>				<b>\$ 271,146,470</b>	<b>\$ 298,809,829</b>	<b>152.94 %</b>

See accompanying notes to consolidated financial statements.

\* All portfolio investments are non-control/non-affiliated and non-income-producing, unless otherwise identified. Equity investments are subject to lock-up restrictions upon their initial public offering (“IPO”). Preferred dividends are generally only payable when declared and paid by the portfolio company’s board of directors. The Company’s and GSV Asset Management’s officers and staff, as applicable, may serve on the board of directors of the Company’s portfolio investments. (Refer to “Note 3—Related-Party Arrangements”). All portfolio investments are considered Level 3 and valued using significant unobservable inputs, unless otherwise noted. (Refer to “Note 4—Investments at Fair Value”). All of the Company’s portfolio investments are restricted as to resale, unless otherwise noted, and were valued at fair value as determined in good faith by the Company’s Board of Directors. (Refer to “Note 2—Significant Accounting Policies—Investments at Fair Value”).

\*\* Indicates assets that GSV Capital Corp. believes do not represent “qualifying assets” under Section 55(a) of the Investment Company Act of 1940, as amended (the “1940 Act”). Of GSV Capital Corp.’s total investments as of December 31, 2018, 14.92% of its total investments are non-qualifying assets.

\*\*\* Investment is income-producing.

(1) “Affiliate Investments” are investments in those companies that are “Affiliated Companies” of GSV Capital Corp., as defined in the 1940 Act. In general, a company is deemed to be an “Affiliate” of GSV Capital Corp. if GSV Capital Corp. owns 5% or more of the voting securities (*i.e.*, securities with the right to elect directors) of such company. For the Schedule of Investments In, and Advances To, Affiliates, as required by SEC Regulation S-X, Rule 12-14, refer to “Note 4—Investments at Fair Value”.

## GSV CAPITAL CORP. AND SUBSIDIARIES

**CONSOLIDATED SCHEDULE OF INVESTMENTS—continued**  
**December 31, 2018**

- (2) “Control Investments” are investments in those companies that are “Controlled Companies” of GSV Capital Corp., as defined in the 1940 Act. In general, under the 1940 Act, the Company would “Control” a portfolio company if the Company owned more than 25% of its outstanding voting securities (*i.e.*, securities with the right to elect directors) and/or had the power to exercise control over the management or policies of such portfolio company. For the Schedule of Investments In, and Advances To, Affiliates, as required by SEC Regulation S-X, Rule 12-14, refer to “Note 4—Investments at Fair Value”.
- (3) Denotes an investment considered Level 1 or Level 2 and valued using observable inputs.
- (4) As of December 31, 2018, the investments noted had been placed on non-accrual status.
- (5) GSV Capital Corp.’s investments in StormWind, LLC are held through GSV Capital Corp.’s wholly owned subsidiary, GSVC SW Holdings, Inc.
- (6) Interest will accrue daily on the unpaid principal balance of the note. Interest began compounding annually on November 26, 2015. Accrued interest is not payable until the earlier of (a) the closing of a subsequent equity offering by CUX, Inc. (d/b/a CorpU), or (b) the maturity of the note. On October 31, 2018, GSV Capital Corp. agreed to extend the maturity of the Senior Subordinated Convertible Promissory Note to CUX, Inc. (d/b/a CorpU) until February 14, 2020, with a new interest rate of 10%. Accrued interest will continue to be compounded annually on November 26 of the current and each subsequent year until repaid.
- (7) On March 14, 2018, as disclosed in its Amendment No. 1 to its Form F-1 Registration Statement filed in connection with its direct listing, Spotify Technology S.A. effectuated a 40:1 stock split of its ordinary shares, beneficiary certificates and any other of its outstanding securities. On April 3, 2018, Spotify Technology S.A., registered for resale up to 55,731,480 ordinary shares by the registered shareholders in a direct listing. GSV Capital Corp.’s common shares of Spotify Technology S.A. are considered unrestricted as they are not subject to restriction upon sale. At December 31, 2018, GSV Capital Corp. valued its common shares of Spotify Technology S.A. based on its December 31, 2018 closing price.
- (8) On March 7, 2018, as disclosed in its Amendment No. 1 to its Form S-1 Registration Statement filed in connection with its initial public offering, Dropbox, Inc. effectuated a 1:1.5 reverse stock split of its capital stock. On March 23, 2018, Dropbox, Inc. priced its initial public offering for 26,822,409 Class A common shares at a price of \$21.00 per share. Dropbox, Inc., also registered for resale up to 9,177,591 Class A common shares by the registered shareholders. As of August 23, 2018 GSV Capital Corp.’s shares of common stock in Dropbox, Inc. were no longer restricted. At December 31, 2018, GSV Capital Corp. valued its common shares of Dropbox, Inc. based on its December 31, 2018 closing price.
- (9) On February 23, 2018, CUX, Inc. (d/b/a CorpU) agreed to extend the maturity of the GSV Capital Corp.’s Series D warrants until August 1, 2018. On July 31, 2018, CUX, Inc. (d/b/a CorpU) agreed to further extend the maturity of GSV Capital Corp.’s Series D warrants until November 26, 2018. On October 31, 2018 and in connection with the extension of the maturity date on the related debt investment, CUX, Inc. (d/b/a CorpU) agreed to further extend the maturity of GSV Capital Corp.’s Series D warrants until February 14, 2020.
- (10) On January 31, 2018, the maturity date of the convertible promissory note to Declara, Inc. was extended an additional three months to April 30, 2018 and the interest rate on the convertible promissory note increased to 12% per annum (including 365 days for the purposes of accrual). On January 31, 2018 the convertible promissory note to Declara Inc. was placed on non-accrual status. On April 30, 2018, the Company deemed this investment to be in default based on Declara Inc.’s financial position.
- (11) Effective April 9, 2018, the term of Ozy Media Inc.’s notes were extended through the issuance of a new convertible promissory note, which extended the maturity date of the existing notes to October 31, 2018 and then to December 31, 2018 once certain conditions were satisfied. Effective August 17, 2018, Ozy Media Inc. executed an additional debt amendment, which expanded its borrowing limit. In consideration for amending and restating the existing notes, the Company was issued warrants exercisable for 295,565 shares of Ozy Media Inc.’s common stock. Subsequent to December 31, 2018, Ozy Media Inc.’s obligations under its financing arrangements with the Company became past due.
- (12) On July 23, 2018, Knewton, Inc. issued an 8% unsecured convertible promissory amount with a principal amount of \$134,405 and a maturity date of December 31, 2019 to GSV Capital Corp.
- (13) On June 15, 2018 GSV Capital Corp. exercised its 770,934 warrants to purchase shares of SharesPost, Inc.’s common stock, with a \$0.13 strike price.
- (14) Effective July 31, 2018, GSV Capital Corp agreed to extend the Convertible Promissory Note to NestGSV, Inc. (d/b/a GSV Labs, Inc.) until December 31, 2018, with a new interest rate of 12%. Previously accrued interest will be capitalized into the principal of the extended note. On December 31, 2018, GSV Capital Corp extended the maturity of the Convertible Promissory Note to December 31, 2019, compounded the previously accrued and then-outstanding interest and invested an additional \$300,000. The Convertible Promissory Note continues to accrue interest at 12%. In consideration for the extension and additional investment, the 500,000 Series A-3 Preferred Warrants due April 4, 2019 and the 187,500 Series A-4 Preferred Warrants due October 6, 2019, were extended to April 4, 2021 and October 6, 2021, respectively. The Company also received an additional 250,000 Series B Preferred Warrants due December 31, 2023.

**GSV CAPITAL CORP. AND SUBSIDIARIES**

**CONSOLIDATED SCHEDULE OF INVESTMENTS –continued**

**December 31, 2018**

- (15) On June 8, 2018, Curious.com, Inc. completed a recapitalization and issued new Series C preferred shares. In connection with the offering, GSV Capital Corp.'s 3,407,834 Series B preferred shares were converted into common shares. Additionally, a 1:3 reverse stock split was declared on the now common shares.
- (16) The SPBRX, INC. (f/k/a GSV Sustainability Partners, Inc.) preferred shares held by GSV Capital Corp. do not entitle GSV Capital Corp. to a preferred dividend rate. During the year ended December 31, 2018, SPBRX, INC. declared, and GSV Capital Corp. received, an aggregate of \$625,000 in cash distributions. GSV Capital Corp. does not anticipate that SPBRX, INC. will pay distributions on a quarterly or regular basis or become a predictable distributor of distributions.

## GSV CAPITAL CORP. AND SUBSIDIARIES

CONSOLIDATED SCHEDULE OF INVESTMENTS  
December 31, 2017

Portfolio Investments*	Headquarters/ Industry	Shares/ Principal	Cost	Fair Value	% of Net Assets
<b>NON-CONTROLLED/NON-AFFILIATE</b>					
<b>Palantir Technologies, Inc.</b>	Palo Alto, CA				
Common shares, Class A	Data Analysis	5,773,690	\$ 16,189,935	\$ 35,075,759	17.13%
<b>Spotify Technology S.A.**</b>	Stockholm, Sweden				
Common shares	On-Demand Music Streaming	5,884	10,002,084	30,729,068	15.01%
<b>Coursera, Inc.</b>	Mountain View, CA				
Preferred shares, Series B	Online Education	2,961,399	14,519,519	18,360,674	8.97%
<b>Dropbox, Inc.</b>	San Francisco, CA				
Preferred shares, Series A-1	Cloud Computing Services	552,486	5,015,773	7,524,859	3.67%
Common shares		760,000	8,641,153	10,350,837	5.06%
Total			13,656,926	17,875,696	8.73%
<b>General Assembly Space, Inc.</b>	New York, NY				
Preferred shares, Series C	Online Education	126,552	2,999,978	5,281,440	2.58%
Common shares		133,213	2,999,983	5,559,426	2.72%
Total			5,999,961	10,840,866	5.30%
<b>Lyft, Inc.</b>	San Francisco, CA				
Preferred shares, Series E	On-Demand Transportation Services	128,563	2,503,585	4,269,577	2.09%
Preferred shares, Series D		176,266	1,792,749	5,853,938	2.86%
Total			4,296,334	10,123,515	4.95%
<b>Course Hero, Inc.</b>	Redwood City, CA				
Preferred shares, Series A	Online Education	2,145,509	5,000,001	10,041,426	4.90%
<b>Chegg, Inc.**</b>	Santa Clara, CA				
Common shares <sup>(3)(11)</sup>	Online Education Services	500,000	6,008,468	8,160,000	3.99%
<b>Avenues Global Holdings, LLC<sup>(4)</sup></b>	New York, NY				
Preferred shares, Junior Preferred Stock	Globally-Focused Private School	10,014,270	10,151,854	5,908,419	2.89%
<b>Parchment, Inc.</b>	Scottsdale, AZ				
Preferred shares, Series D	E-Transcript Exchange	3,200,512	4,000,982	5,583,562	2.73%
<b>Enjoy Technology, Inc.</b>	Menlo Park, CA				
Preferred shares, Series B	On-Demand Commerce	1,681,520	4,000,280	3,929,210	1.92%
Preferred shares, Series A		879,198	1,002,440	1,190,998	0.58%
Total			5,002,720	5,120,208	2.50%
<b>Knewton, Inc.</b>	New York, NY				
Preferred shares, Series E	Online Education	375,985	4,999,999	3,597,034	1.76%
<b>SugarCRM, Inc.</b>	Cupertino, CA				
Preferred shares, Series E	Customer Relationship Manager	373,134	1,500,522	1,838,912	0.90%
Common shares		1,524,799	5,476,502	1,384,956	0.68%
Total			6,977,024	3,223,868	1.58%
<b>A Place for Rover Inc. (f/k/a DogVacay, Inc.)<sup>(7)</sup></b>	Seattle, WA				
Common shares	Peer-to-Peer Pet Services	707,991	2,506,119	3,130,348	1.53%
<b>SharesPost, Inc.</b>	San Francisco, CA				
Preferred shares, Series B	Online Marketplace Finance	1,771,653	2,259,716	2,249,999	1.10%
Common warrants, \$0.13 Strike Price, Expiration Date 6/15/2018		770,934	23,128	46,256	0.02%
Total			2,282,844	2,296,255	1.12%

See accompanying notes to consolidated financial statements.

## GSV CAPITAL CORP. AND SUBSIDIARIES

CONSOLIDATED SCHEDULE OF INVESTMENTS—continued  
December 31, 2017

Portfolio Investments*	Headquarters/ Industry	Shares/ Principal	Cost	Fair Value	% of Net Assets
<b>DreamBox Learning, Inc.</b> Bellevue, WA					
Preferred shares, Series A-1	Education Technology	7,159,221	\$ 1,502,362	\$ 1,518,176	0.74%
Preferred shares, Series A		3,579,610	758,017	759,088	0.37%
Total			2,260,379	2,277,264	1.11%
<b>Lytro, Inc.</b> Mountain View, CA					
Preferred shares, Series D	Light Field Imaging Platform	159,160	502,081	100,680	0.05%
Preferred shares, Series C-1		3,378,379	10,000,002	2,013,587	0.98%
Total			10,502,083	2,114,267	1.03%
<b>Clever, Inc.</b> San Francisco, CA					
Preferred shares, Series B	Education Software	1,799,047	2,000,601	2,000,001	0.98%
<b>Aspiration Partners, Inc.</b> Marina Del Rey, CA					
Preferred shares, Series A	Financial Services	540,270	1,001,815	1,748,371	0.85%
<b>Tynker (f/k/a Neuron Fuel, Inc.)</b> Mountain View, CA					
Preferred shares, Series A	Computer Software	534,162	309,310	791,361	0.39%
<b>4C Insights (f/k/a The Echo Systems Corp.)</b> Chicago, IL					
Common shares	Social Data Platform	436,219	1,436,404	593,702	0.29%
<b>Fullbridge, Inc.</b> Cambridge, MA					
Common shares	Business Education	517,917	6,150,506	—	—%
Promissory note 1.47%, Due 11/9/2021 <sup>(12)</sup>		\$ 2,270,458	2,270,858	316,570	0.15%
Total			8,421,364	316,570	0.15%
<b>Total Non-controlled/Non-affiliate</b>			<b>\$ 137,526,726</b>	<b>\$ 179,908,234</b>	<b>87.89%</b>
<b>NON-CONTROLLED/AFFILIATE<sup>(1)</sup></b>					
<b>Curious.com, Inc.</b> Menlo Park, CA					
Preferred shares, Series B	Online Education	3,407,834	12,000,006	5,514,077	2.69%
<b>Ozy Media, Inc.</b> Mountain View, CA					
Convertible Promissory Note 5% Due 2/28/2018 <sup>***</sup> (14)	Digital Media Platform	\$ 2,000,000	2,000,000	1,067,639	0.52%
Preferred shares, Series B		922,509	4,999,999	2,367,022	1.16%
Preferred shares, Series A		1,090,909	3,000,200	1,419,810	0.69%
Preferred shares, Series Seed		500,000	500,000	236,635	0.12%
Total			10,500,199	5,091,106	2.49%
<b>CUX, Inc. (d/b/a CorpU)</b> Philadelphia, PA					
Senior Subordinated Convertible Promissory Note 8%, Due 11/26/2018 <sup>***</sup> (6)	Corporate Education	\$ 1,259,712	1,259,712	1,259,712	0.62%
Convertible preferred shares, Series D		169,033	778,607	989,489	0.48%
Convertible preferred shares, Series C		615,763	2,006,077	480,184	0.23%
Preferred Warrants Series D—Strike Price \$4.59—Expiration Date 2/25/2018 <sup>(15)</sup>		16,903	—	2,366	0.00%
Total			4,044,396	2,731,751	1.33%
<b>Declaro, Inc.</b> Palo Alto, CA					
Convertible Promissory Note 9% Due 12/31/2017 <sup>(10)(12)</sup>	Social Cognitive Learning	\$ 2,120,658	2,121,898	1,120,329	0.55%
Preferred shares, Series A		10,716,390	9,999,999	382,678	0.19%
Total			12,121,897	1,503,007	0.74%
<b>EdSurge, Inc.</b> Burlingame, CA					
Preferred shares, Series A-1	Education Media Platform	378,788	501,360	500,000	0.24%
Preferred shares, Series A		494,365	500,801	581,917	0.28%
Total			1,002,161	1,081,917	0.52%

See accompanying notes to consolidated financial statements.

## GSV CAPITAL CORP. AND SUBSIDIARIES

CONSOLIDATED SCHEDULE OF INVESTMENTS—continued  
December 31, 2017

Portfolio Investments*	Headquarters/ Industry	Shares/ Principal	Cost	Fair Value	% of Net Assets
<b>Maven Research, Inc.</b>					
	San Francisco, CA				
Preferred shares, Series C	Knowledge Networks	318,979	\$ 2,000,447	\$ 501,240	0.24%
Preferred shares, Series B		49,505	217,206	50,000	0.02%
Total			2,217,653	551,240	0.26%
<b>Total Non-controlled/Affiliate</b>			<b>\$ 41,886,312</b>	<b>\$ 16,473,098</b>	<b>8.03%</b>
<b>CONTROLLED<sup>(2)</sup></b>					
<b>StormWind, LLC<sup>(5)</sup></b>					
	Scottsdale, AZ				
Preferred shares, Series C	Interactive Learning	2,779,134	4,000,787	7,223,904	3.53%
Preferred shares, Series B		3,279,629	2,019,687	5,804,472	2.83%
Preferred shares, Series A		366,666	110,000	425,342	0.21%
Total			6,130,474	13,453,718	6.57%
<b>NestGSV, Inc. (d/b/a GSV Labs, Inc.)</b>					
	Redwood City, CA				
Convertible Promissory Note 8% Due 7/31/2018*** <sup>(9)</sup>	Global Innovation Platform	\$ 560,199	564,079	560,199	0.27%
Unsecured Promissory Note 12% Due 1/15/2018*** <sup>(8)</sup>		\$ 592,129	592,809	592,129	0.29%
Preferred shares, Series A-4		3,720,424	4,904,498	5,390,842	2.63%
Preferred shares, Series A-3		1,561,625	2,005,730	1,885,644	0.92%
Preferred shares, Series A-2		450,001	605,500	326,022	0.16%
Preferred shares, Series A-1		1,000,000	1,021,778	543,370	0.27%
Common shares		200,000	1,000	—	—%
Preferred Warrants Series A-3—Strike Price \$1.33— Expiration Date 4/4/2019		187,500	—	1,875	0.00%
Preferred Warrants Series A-4—Strike Price \$1.33— Expiration Date 10/6/2019		500,000	—	160,000	0.08%
Preferred Warrants Series A-4—Strike Price \$1.33— Expiration Date 7/18/2021		250,000	74,380	102,500	0.05%
Preferred Warrants Series B—Strike Price \$2.31—Expiration Date 11/29/2021 <sup>(13)</sup>		100,000	29,275	41,000	0.02%
Preferred Warrant Series B—Strike Price \$2.31, Expiration Date 5/29/2022 <sup>(8)</sup>		125,000	70,379	80,000	0.04%
Total			9,869,428	9,683,581	4.73%
<b>SPBRX, INC. (f/k/a GSV Sustainability Partners, Inc.)</b>					
	Woodside, CA				
Preferred shares, Class A***	Clean Technology	14,300,000	7,151,412	1,069,862	0.52%
Common shares		100,000	10,000	—	—%
Total			7,161,412	1,069,862	0.52%
<b>Total Controlled</b>			<b>\$ 23,161,314</b>	<b>\$ 24,207,161</b>	<b>11.82%</b>
<b>Total Portfolio Investments</b>			<b>\$ 202,574,352</b>	<b>\$ 220,588,493</b>	<b>107.74%</b>
<b>U.S. Treasury</b>					
U.S. Treasury bills, 0%, due 1/4/2018*** <sup>(3)</sup>		\$ 100,000,000	99,985,833	99,994,000	48.83%
<b>TOTAL INVESTMENTS</b>			<b>\$ 302,560,185</b>	<b>\$ 320,582,493</b>	<b>156.57%</b>

See accompanying notes to consolidated financial statements.

\* All portfolio investments are non-control/non-affiliated and non-income-producing, unless otherwise identified. Equity investments are subject to lock-up restrictions upon their initial public offering (“IPO”). The Company’s and GSV Asset Management’s officers and staff, as applicable, may serve on the board of directors of the Company’s portfolio investments. (Refer to “Note 3—Related-Party Arrangements”). All portfolio investments are considered Level 3 and valued using significant unobservable inputs, unless otherwise noted. (Refer to “Note 4—Investments at Fair Value”). All investments are restricted as to resale, unless otherwise noted, and were valued at fair value as determined in good faith by the Company’s Board of Directors.

## GSV CAPITAL CORP. AND SUBSIDIARIES

**CONSOLIDATED SCHEDULE OF INVESTMENTS –continued**  
**December 31, 2017**

- \*\* Indicates assets that GSV Capital Corp. believes do not represent “qualifying assets” under Section 55(a) of the Investment Company Act of 1940, as amended (the “1940 Act”). Of GSV Capital Corp.’s total portfolio as of December 31, 2017, 12.13% of its total investments are non-qualifying assets.
- \*\*\* Investment is income-producing.
- (1) Denotes an Affiliate Investment. “Affiliate Investments” are investments in those companies that are “Affiliated Companies” of GSV Capital Corp., as defined in the 1940 Act. In general, a company is deemed to be an “Affiliate” of GSV Capital Corp. if GSV Capital Corp. owns 5% or more of the voting securities (*i.e.*, securities with the right to elect directors) of such company. For the Schedule of Investments In, and Advances To, Affiliates, as required by SEC Regulation S-X, Rule 12-14, refer to “Note 4—Investments at Fair Value”.
  - (2) Denotes a Control Investment. “Control Investments” are investments in those companies that are “Controlled Companies” of GSV Capital Corp., as defined in the 1940 Act. In general, under the 1940 Act, the Company would “Control” a portfolio company if the Company owned more than 25% of its outstanding voting securities (*i.e.*, securities with the right to elect directors) and/or had the power to exercise control over the management or policies of such portfolio company. For the Schedule of Investments In, and Advances To, Affiliates, as required by SEC Regulation S-X, Rule 12-14, refer to “Note 4—Investments at Fair Value”.
  - (3) Denotes an investment considered Level 1 valued using observable inputs.
  - (4) GSV Capital Corp.’s investment in Avenues Global Holdings, LLC is held through its wholly owned subsidiary, GSVC AV Holdings, Inc. In January 2018, GSV Capital Corp. sold its entire position in Avenues Global Holdings, LLC.
  - (5) GSV Capital Corp.’s investment in StormWind, LLC is held through its wholly owned subsidiary, GSVC SW Holdings, Inc.
  - (6) Interest will accrue daily on the unpaid principal balance of the note. Interest began compounding annually on November 26, 2015. Accrued interest is not payable until the earlier of (a) the closing of a subsequent equity offering by CUX, Inc. (d/b/a CorpU), or (b) the maturity of the note (November 26, 2018).
  - (7) On March 29, 2017, A Place for Rover, Inc. acquired DogVacay, Inc. and, pursuant to a plan of reorganization, the Company received common shares of A Place for Rover Inc. in exchange for the Company’s previously held Series B-1 preferred shares of DogVacay, Inc.
  - (8) On May 29, 2017, the maturity date of the unsecured promissory note to NestGSV, Inc. (d/b/a GSV Labs, Inc.) was extended to November 29, 2017 in exchange for 125,000 Series B warrants. For accounting purposes, the extension of the maturity date was treated as an extinguishment of the existing note and creation of a new note. Refer to “Note 4—Investments at Fair Value.” On November 29, 2017, the maturity date of the unsecured promissory note to NestGSV, Inc. (d/b/a GSV Labs, Inc.) was extended to January 15, 2018. In January 2018, upon its maturity, NestGSV, Inc. (d/b/a GSV Labs, Inc.) repaid the unsecured promissory note, with interest.
  - (9) On July 31, 2017, the maturity date of the convertible promissory note to NestGSV, Inc. (d/b/a GSV Labs, Inc.) was extended to July 31, 2018.
  - (10) On July 1, 2017, the maturity date of the convertible promissory note to Declara, Inc. was extended to December 31, 2017. The convertible promissory note was further extended until January 31, 2018. The maturity date of the convertible promissory note to Declara, Inc. was then subsequently extended an additional three months to April 30, 2018. On January 31, 2018 the interest rate on the convertible promissory note increased to 12% per annum (including 365 days for the purposes of accrual).
  - (11) On November 12, 2013, Chegg, Inc. priced its IPO. The lock-up agreement for the Company’s Chegg, Inc. common shares expired on May 11, 2014. As a result, the Company’s Chegg, Inc. common shares are considered unrestricted. As of February 22, 2018, all remaining shares of Chegg, Inc. held by GSV Capital Corp. had been sold.
  - (12) As of December 31, 2017, the investments noted had been placed on non-accrual status.
  - (13) In the fourth quarter of 2017, NestGSV, Inc. (d/b/a GSV Labs, Inc.) met certain financing qualifications under the Company’s warrant agreement with NestGSV, Inc. (d/b/a GSV Labs, Inc.), and the Company’s Series A-4 warrants with a strike price of \$1.33 converted to Series B warrants with a \$2.31 strike price.
  - (14) Subsequent to the year-ended December 31, 2017, Ozy Media, Inc.’s obligations under its financing arrangements with the Company became past due. The Company and Ozy Media are in the process of renegotiating the terms of the Company’s investment.
  - (15) On February 23, 2018, CUX, Inc. (d/b/a CorpU) agreed to extend the maturity of the Company’s Series D warrants until August 1, 2018.



## GSV CAPITAL CORP. AND SUBSIDIARIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2018

## NOTE 1—NATURE OF OPERATIONS

GSV Capital Corp. (the “Company” or “GSV Capital”), formed in September 2010 as a Maryland corporation, is an externally managed, non-diversified closed-end management investment company. The Company has elected to be regulated as a business development company under the Investment Company Act of 1940, as amended (the “1940 Act”). The Company’s investment activities are managed by GSV Asset Management, LLC (“GSV Asset Management”), and GSV Capital Service Company, LLC (“GSV Capital Service Company”) provides the administrative services necessary for the Company to operate.

Subsequent to year end, on and effective March 12, 2019 (the “Effective Date”), the Company’s Board of Directors determined that internalizing the operating structure (“Internalization”) was in the best interests of the Company and its stockholders and approved Internalization. As a result, the Company began operating as an internally managed non-diversified closed-end management investment company that has elected to be regulated as a BDC under the 1940 Act, as of the Effective Date. Refer to “Note 11 - Subsequent Events” for further detail.

The Company’s date of inception was January 6, 2011, which is the date it commenced its development stage activities. The Company’s common stock is currently listed on the Nasdaq Capital Market under the symbol “GSVC”. The Company began its investment operations during the second quarter of 2011.

The table below displays all the Company’s subsidiaries as of December 31, 2018, which, other than GSV Capital Lending, LLC (“GCL”), are collectively referred to as the “GSVC Holdings.” The GSVC Holdings were formed to hold portfolio investments. The GSVC Holdings, including their associated portfolio investments, are consolidated with the Company for accounting purposes, but have elected to be treated as separate entities for U.S. federal income tax purposes. GCL was formed to originate portfolio loan investments within the state of California and is consolidated with the Company for accounting purposes. Refer to “Note 2—Significant Accounting Policies—*Basis of Consolidation*” below for further detail.

Subsidiary	Jurisdiction of Incorporation	Formation Date	Percentage Owned
GCL	Delaware	April 13, 2012	100%
<b>Subsidiaries below are referred to collectively, as the “GSVC Holdings”</b>			
GSVC AE Holdings, Inc. (“GAE”)	Delaware	November 28, 2012	100%
GSVC AV Holdings, Inc. (“GAV”)	Delaware	November 28, 2012	100%
GSVC NG Holdings, Inc. (“GNG”)	Delaware	November 28, 2012	100%
GSVC SW Holdings, Inc. (“GSW”)	Delaware	November 28, 2012	100%
GSVC WS Holdings, Inc. (“GWS”)	Delaware	November 28, 2012	100%
GSVC SVDS Holdings, Inc. (“SVDS”)	Delaware	August 13, 2013	100%

The Company’s investment objective is to maximize its portfolio’s total return, principally by seeking capital gains on its equity and equity-related investments. The Company invests principally in the equity securities of what it believes to be rapidly growing venture-capital-backed emerging companies. The Company may acquire its investments in these portfolio companies through: offerings of the prospective portfolio companies, transactions on secondary marketplaces for private companies, or negotiations with selling stockholders. The Company may also invest on an opportunistic basis in select publicly traded equity securities or certain non-U.S. companies that otherwise meet its investment criteria, subject to any applicable limitations under the 1940 Act.

**GSV CAPITAL CORP. AND SUBSIDIARIES****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****December 31, 2018****NOTE 2—SIGNIFICANT ACCOUNTING POLICIES****Basis of Presentation**

The consolidated financial statements of the Company are prepared on the accrual basis of accounting in conformity with U.S. generally accepted accounting principles (“GAAP”) and pursuant to the requirements for reporting on Form 10-K and Regulation S-X under the Securities Exchange Act of 1934, as amended (the “Exchange Act”). The Company is an investment company following the specialized accounting and reporting guidance specified in the Financial Accounting Standards Board’s (“FASB”) Accounting Standards Codification (“ASC”) Topic 946, Financial Services—Investment Companies. In the opinion of management, all adjustments, all of which were of a normal recurring nature, considered necessary for the fair presentation of consolidated financial statements for the interim period have been included.

**Basis of Consolidation**

Under Article 6 of Regulation S-X and the American Institute of Certified Public Accountants’ (“AICPA”) Audit and Accounting Guide for Investment Companies, the Company is precluded from consolidating any entity other than another investment company, a controlled operating company that provides substantially all of its services and benefits to the Company, and certain entities established for tax purposes where the Company holds a 100% interest. Accordingly, the Company’s consolidated financial statements include its accounts and the accounts of the GSVC Holdings and GCL, its wholly-owned subsidiaries. All intercompany balances and transactions have been eliminated in consolidation.

**Use of Estimates**

The preparation of consolidated financial statements in accordance with GAAP requires the Company’s management to make a number of significant estimates. These include estimates of the fair value of certain assets and liabilities and other estimates that affect the reported amounts of certain assets and liabilities as of the date of the consolidated financial statements and the reported amounts of certain revenues and expenses during the reporting period. It is likely that changes in these estimates will occur in the near term. The Company’s estimates are inherently subjective in nature and actual results could differ materially from such estimates.

**Uncertainties and Risk Factors**

The Company is subject to a number of risks and uncertainties in the nature of its operations, as well as vulnerability due to certain concentrations. Refer to “Risk Factors” in Part I, Item 1A of this Form 10-K for a detailed discussion of the risks and uncertainties inherent in the nature of the Company’s operations. Refer to “Note 4—Investments at Fair Value” for an overview of the Company’s industry and geographic concentrations.

**Investments at Fair Value**

The Company applies fair value accounting in accordance with GAAP and the AICPA’s Audit and Accounting Guide for Investment Companies. The Company values its assets on a quarterly basis, or more frequently if required under the 1940 Act.

Fair value is defined as the price 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. GAAP establishes a framework for measuring fair value that includes a hierarchy used to classify the inputs used in measuring fair value. The hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three levels. The level in the fair value hierarchy within which the fair value measurement falls is determined based on the lowest level input that is significant to the fair value measurement. The levels of the fair value hierarchy are as follows:

**Level 1**—Valuations based on unadjusted quoted prices for identical assets or liabilities in an active market that the Company has the ability to access at the measurement date.

**GSV CAPITAL CORP. AND SUBSIDIARIES****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****December 31, 2018**

**Level 2**—Valuations based on observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data at the measurement date for substantially the full term of the assets or liabilities.

**Level 3**—Valuations based on unobservable inputs that reflect management’s best estimate of what market participants would use in pricing the asset or liability at the measurement date. Consideration is given to the risk inherent in the valuation technique and the risk inherent in the inputs to the model. The majority of the Company’s investments are Level 3 investments and are subject to a high degree of judgment and uncertainty in determining fair value.

When the inputs used to measure fair value fall within different levels of the hierarchy, the level within which the fair value measurement is categorized is based on the lowest level input that is significant to the fair value measurement in its entirety. For example, a Level 3 fair value measurement may include inputs that are observable (Levels 1 and 2) and unobservable (Level 3). Therefore, gains and losses for such assets and liabilities categorized within the Level 3 table set forth in “Note 4—Investments at Fair Value” may include changes in fair value that are attributable to both observable inputs (Levels 1 and 2) and unobservable inputs (Level 3).

A review of fair value hierarchy classifications is conducted on a quarterly basis. Changes in the observability of valuation inputs may result in a reclassification for certain financial assets or liabilities. Reclassifications impacting Level 3 of the fair value hierarchy are reported as transfers in/out of the Level 3 category as of the beginning of the measurement period in which the reclassifications occur. Refer to “Levelling Policy” below for a detailed discussion of the levelling of the Company’s financial assets or liabilities and events that may cause a reclassification within the fair value hierarchy.

Securities for which market quotations are readily available on an exchange are valued at the most recently available closing price of such security as of the valuation date, unless there are legal or contractual restrictions on the sale or use of such security that under ASC 820-10-35 should be incorporated into the security’s fair value measurement as a characteristic of the security that would transfer to market participants who would buy the security. The Company may also obtain quotes with respect to certain of its investments from pricing services, brokers or dealers in order to value assets. When doing so, the Company determines whether the quote obtained is sufficient according to GAAP to determine the fair value of the security. If determined to be adequate, the Company uses the quote obtained.

Securities for which reliable market quotations are not readily available or for which the pricing source does not provide a valuation or methodology, or provides a valuation or methodology that, in the judgment of GSV Asset Management, our Board of Directors or the valuation committee of the Company’s Board of Directors (the “Valuation Committee”), does not reliably represent fair value, shall each be valued as follows:

1. The quarterly valuation process begins with each portfolio company or investment being initially valued by the investment professionals of GSV Asset Management responsible for the portfolio investment;
2. Preliminary valuation conclusions are then documented and discussed with GSV Asset Management senior management;
3. An independent third-party valuation firm is engaged by the Valuation Committee to conduct independent appraisals and review GSV Asset Management’s preliminary valuations and make its own independent assessment, for all investments for which there are no readily available market quotations;
4. The Valuation Committee discusses the valuations and recommends to the Company’s Board of Directors a fair value for each investment in the portfolio based on the input of GSV Asset Management and the independent third-party valuation firm; and
5. The Company’s Board of Directors then discusses the valuations recommended by the Valuation Committee and determines in good faith the fair value of each investment in the portfolio.

**GSV CAPITAL CORP. AND SUBSIDIARIES****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****December 31, 2018**

In making a good faith determination of the fair value of investments, the Company considers valuation methodologies consistent with industry practice. Valuation methods utilized include, but are not limited to the following: comparisons to prices from secondary market transactions; venture capital financings; public offerings; purchase or sales transactions; as well as analysis of financial ratios and valuation metrics of the portfolio companies that issued such private equity securities to peer companies that are public, analysis of the portfolio companies' most recent financial statements and forecasts, and the markets in which the portfolio company does business, and other relevant factors. The Company assigns a weighting based upon the relevance of each method to determine the fair value of each investment.

For investments that are not publicly traded or that do not have readily available market quotations, the Valuation Committee generally engages an independent valuation firm to provide an independent valuation, which the Company's Board of Directors considers, among other factors, in making its fair value determinations for these investments. For the current and prior fiscal year, the Valuation Committee engaged an independent valuation firm to perform valuations of 100% of the Company's investments for which there were no readily available market quotations.

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. Because of the inherent uncertainty of valuation, these estimated values may differ significantly from the values that would have been reported had a ready market for the investments existed, and it is reasonably possible that the difference could be material.

In addition, changes in the market environment and other events that may occur over the life of the investments may cause the realized gains or losses on investments to be different from the net change in unrealized appreciation or depreciation currently reflected in the consolidated financial statements.

***Equity Investments***

Equity investments for which market quotations are readily available in an active market are generally valued at the most recently available closing market prices and are classified as Level 1 assets. Equity investments with readily available market quotations that are subject to sales restrictions due to an initial public offering ("IPO") by the portfolio company will be classified as Level 1. Any other equity investments with readily available market quotations that are subject to sales restrictions that would transfer to market participants who would buy the security may be valued at a discount for a lack of marketability ("DLOM"), to the most recently available closing market prices depending upon the nature of the sales restriction. These investments are generally classified as Level 2 assets. The DLOM used is generally based upon the market value of publicly traded put options with similar terms.

The fair values of the Company's equity investments for which market quotations are not readily available are determined based on various factors and are classified as Level 3 assets. To determine the fair value of a portfolio company for which market quotations are not readily available, the Company may analyze the relevant portfolio company's most recently available historical and projected financial results, public market comparables, and other factors. The Company may also consider other events, including the transaction in which the Company acquired its securities, subsequent equity sales by the portfolio company, and mergers or acquisitions affecting the portfolio company. In addition, the Company may consider the trends of the portfolio company's basic financial metrics from the time of its original investment until the measurement date, with material improvement of these metrics indicating a possible increase in fair value, while material deterioration of these metrics may indicate a possible reduction in fair value.

In determining the value of equity or equity-linked securities (including warrants to purchase common or preferred stock) in a portfolio company, the Company considers the rights, preferences and limitations of such securities. In cases where a portfolio company's capital structure includes multiple classes of preferred and common stock and equity-linked securities with different rights and preferences, the Company may use an option pricing model to allocate value to each equity-linked security, unless it believes a liquidity event such as an acquisition or a dissolution is imminent, or the portfolio company is unlikely to continue as a going concern. When equity-linked securities expire worthless, any cost associated with these positions is recognized as a realized loss on investments in the Consolidated Statements of Operations and Consolidated Statements of Cash Flows. In the event these securities are exercised into common or preferred stock, the cost associated with these securities is reassigned to the cost basis of

**GSV CAPITAL CORP. AND SUBSIDIARIES****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****December 31, 2018**

the new common or preferred stock. These conversions are noted as non-cash operating items on the Consolidated Statements of Cash Flows.

***Debt Investments***

Given the nature of the Company's current debt investments (excluding U.S. Treasuries), principally convertible and promissory notes issued by venture-capital-backed portfolio companies, these investments are classified as Level 3 assets because there is no known or accessible market or market indexes for these investment securities to be traded or exchanged. The Company's debt investments are valued at estimated fair value as determined by the Company's Board of Directors.

***Warrants***

The Company's Board of Directors will ascribe value to warrants based on fair value analyses that can include discounted cash flow analyses, option pricing models, comparable analyses and other techniques as deemed appropriate. These investments are classified as Level 3 assets because there is no known or accessible market or market indexes for these investment securities to be traded or exchanged. The Company's warrants are valued at estimated fair value as determined by the Company's Board of Directors.

***Portfolio Company Investment Classification***

The Company is a non-diversified company within the meaning of the 1940 Act. The Company classifies its investments by level of control. As defined in the 1940 Act, control investments are those where there is the power to exercise a controlling influence over the management or policies of a company. Control is generally deemed to exist when a company or individual directly or indirectly owns beneficially more than 25% of the voting securities of an investee company. Affiliated investments and affiliated companies are defined by a lesser degree of influence and are deemed to exist when a company or individual directly or indirectly owns, controls or holds the power to vote 5% or more of the outstanding voting securities of a portfolio company. Refer to the Consolidated Schedules of Investments as of December 31, 2018 and December 31, 2017, for details regarding the nature and composition of the Company's investment portfolio.

***Levelling Policy***

The portfolio companies in which the Company invests may offer their shares in IPOs. The Company's shares in such portfolio companies are typically subject to lock-up agreements for 180 days following the IPO. Upon the IPO date, the Company transfers its investment from Level 3 to Level 1 due to the presence of an active market, limited by the lock-up agreement. The Company prices the investment at the closing price on a public exchange as of the measurement date. In situations where there are lock-up restrictions, as well as legal or contractual restrictions on the sale or use of such security that under ASC 820-10-35 should be incorporated into the security's fair value measurement as a characteristic of the security that would transfer to market participants who would buy the security, the Company will classify the investment as Level 2 subject to an appropriate DLOM to reflect the restrictions upon sale. The Company transfers investments between levels based on the fair value at the beginning of the measurement period in accordance with FASB ASC 820. For investments transferred out of Level 3 due to an IPO, the Company transfers these investments based on their fair value at the IPO date.

***Securities Transactions***

Securities transactions are accounted for on the date the transaction for the purchase or sale of the securities is entered into by the Company (*i.e.*, trade date). Securities transactions outside conventional channels, such as private transactions, are recorded as of the date the Company obtains the right to demand the securities purchased or to collect the proceeds from a sale and incurs an obligation to pay for securities purchased or to deliver securities sold, respectively.

***Valuation of Other Financial Instruments***

The carrying amounts of the Company's other, non-investment financial instruments, consisting of cash, receivables, accounts payable, and accrued expenses, approximate fair value due to their short-term nature.

## GSV CAPITAL CORP. AND SUBSIDIARIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2018

**Cash**

The Company places its cash with U.S. Bank, N.A., Bridge Bank (a subsidiary of Western Alliance Bank), and Silicon Valley Bank, and at times, cash held in these accounts may exceed the Federal Deposit Insurance Corporation insured limit. The Company believes that U.S. Bank, N.A., Western Alliance Bank, and Silicon Valley Bank are high-quality financial institutions and that the risk of loss associated with any uninsured balance is remote.

**Escrow Proceeds Receivable**

During the year-ended December 31, 2017, the Company completed the sales of its investments in JAMF Holdings, Inc. and Strategic Data Command, LLC. During the year ended December 31, 2018, the Company completed the sale of its investments in General Assembly Space, Inc., Lytro, Inc., SugarCRM, Inc., and DreamBox Learning, Inc. A portion of the proceeds from the sale of these portfolio investments and those sold in prior years are held in escrow as a recourse for indemnity claims that may arise under the sale agreement. Amounts held in escrow are held at estimated realizable value and included in net realized gains (losses) on investments in the Consolidated Statements of Operations for the period in which they occurred. Any remaining escrow proceeds balances from these transactions reasonably expected to be received are reflected on the Consolidated Statement of Assets and Liabilities as escrow proceeds receivable. At December 31, 2018 and December 31, 2017, the Company had \$2,494,582 and \$603,456, respectively, in escrow proceeds receivable. During the year ended December 31, 2018, the Company received the remainder of escrow proceeds receivable from the sales of JAMF Holdings, Inc. and Strategic Data Command, LLC in 2017.

**Deferred Financing Costs**

The Company records origination costs related to lines of credit as deferred financing costs. These costs are deferred and amortized as part of interest expense using the straight-line method over the respective life of the line of credit. For modifications to a line of credit, any unamortized origination costs are expensed. Included within deferred financing costs are offering costs incurred relating to the Company's shelf registration statement on Form N-2. The Company defers these offering costs until capital is raised pursuant to the shelf registration statement or the shelf registration statement has expired. For equity capital raised, the offering costs reduce paid-in capital resulting from the offering. For debt capital raised, the associated offering costs are amortized over the life of the debt instrument. As of December 31, 2018, and December 31, 2017, the Company had deferred financing costs of \$267,541 and \$413,023, respectively, on the Consolidated Statements of Assets and Liabilities.

	December 31, 2018	December 31, 2017
Deferred credit facility costs	\$ —	\$ 51,636
Deferred offering costs	267,541	361,387
<b>Deferred Financing Costs</b>	<b>\$ 267,541</b>	<b>\$ 413,023</b>

**Revenue Recognition**

The Company recognizes gains or losses on the sale of investments using the specific identification method. The Company recognizes interest income, adjusted for amortization of premium and accretion of discount, on an accrual basis. The Company recognizes dividend income on the ex-dividend date.

**Investment Transaction Costs and Escrow Deposits**

Commissions and other costs associated with an investment transaction, including legal expenses not reimbursed by the portfolio company, are included in the cost basis of purchases and deducted from the proceeds of sales. The Company makes certain acquisitions on secondary markets, which may involve making deposits to escrow accounts until certain conditions are met, including the underlying private company's right of first refusal. If the underlying private company does not exercise or assign its right of first refusal and all other conditions are met, then the funds in the escrow account are delivered to the seller and the

**GSV CAPITAL CORP. AND SUBSIDIARIES****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****December 31, 2018**

account is closed. Such transactions would be reflected on the Consolidated Statement of Assets and Liabilities as escrow deposits. At December 31, 2018 and December 31, 2017, the Company had no escrow deposits.

**Unrealized Appreciation or Depreciation of Investments**

Unrealized appreciation or depreciation is calculated as the difference between the fair value of the investment and the cost basis of such investment.

**U.S. Federal and State Income Taxes**

The Company elected to be treated as a regulated investment company (a "RIC") under Subchapter M of the Internal Revenue Code of 1986, as amended (the "Code"), beginning with its taxable year ended December 31, 2014, has qualified to be treated as a RIC for subsequent taxable years and intends to continue to operate in a manner so as to qualify for the tax treatment applicable to RICs. To qualify for tax treatment as a RIC, among other things, the Company is required to meet certain source of income and asset diversification requirements and timely distribute to its stockholders at least 90% of the sum of investment company taxable income ("ICTI") including payment-in-kind interest income, as defined by the Code, and net tax-exempt interest income (which is the excess of its gross tax-exempt interest income over certain disallowed deductions) for each taxable year (the "Annual Distribution Requirement"). Depending on the level of ICTI earned in a tax year, the Company may choose to carry forward into the next tax year ICTI in excess of current year dividend distributions. Any such carryforward ICTI must be distributed on or before December 31 of the subsequent tax year to which it was carried forward.

If the Company meets the Annual Distribution Requirement, but does not distribute (or is not deemed to have distributed) each calendar year a sum of (1) 98% of its net ordinary income for each calendar year, (2) 98.2% of its capital gain net income for the one-year period ending October 31 in that calendar year and (3) any income recognized, but not distributed, in preceding years (the "Excise Tax Avoidance Requirement"), it generally will be required to pay an excise tax equal to 4% of the amount by which the Excise Tax Avoidance Requirement exceeds the distributions for the year. To the extent that the Company determines that its estimated current year annual taxable income will exceed estimated current year dividend distributions from such taxable income, the Company will accrue excise taxes, if any, on estimated excess taxable income as taxable income is earned using an annual effective excise tax rate. The annual effective excise tax rate is determined by dividing the estimated annual excise tax by the estimated annual taxable income.

So long as the Company qualifies and maintains its tax treatment as a RIC, it generally will not pay corporate-level U.S. federal and state income taxes on any ordinary income or capital gains that it distributes at least annually to its stockholders as dividends. Rather, any tax liability related to income earned by the RIC will represent obligations of the Company's investors and will not be reflected in the consolidated financial statements of the Company. Included in the Company's consolidated financial statements, the GSVC Holdings are taxable subsidiaries, regardless of whether the Company is a RIC. These taxable subsidiaries are not consolidated for income tax purposes and may generate income tax expenses as a result of their ownership of the portfolio companies. Such income tax expenses and deferred taxes, if any, will be reflected in the Company's consolidated financial statements.

If it is not treated as a RIC, the Company will be taxed as a regular corporation (a "C corporation") under Subchapter C of the Code for such taxable year. If the Company has previously qualified as a RIC but is subsequently unable to qualify for treatment as a RIC, and certain amelioration provisions are not applicable, the Company would be subject to tax on all of its taxable income (including its net capital gains) at regular corporate rates. The Company would not be able to deduct distributions to stockholders, nor would it be required to make distributions. Distributions, including distributions of net long-term capital gain, would generally be taxable to its stockholders as ordinary dividend income to the extent of the Company's current and accumulated earnings and profits. Subject to certain limitations under the Code, corporate stockholders would be eligible to claim a dividend received deduction with respect to such dividend; non-corporate stockholders would generally be able to treat such dividends as "qualified dividend income," which is subject to reduced rates of U.S. federal income tax. Distributions in excess of the Company's current and accumulated earnings and profits would be treated first as a return of capital to the extent of the stockholder's tax basis, and any remaining distributions would be treated as a capital gain. In order to requalify as a RIC, in addition to the other requirements discussed above, the Company would be required to distribute all of its previously undistributed earnings attributable to the period it failed to qualify as a RIC by the end of the first year that it intends to requalify for tax treatment as a RIC. If the Company fails

**GSV CAPITAL CORP. AND SUBSIDIARIES****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****December 31, 2018**

to requalify for tax treatment as a RIC for a period greater than two taxable years, it may be subject to regular corporate tax on any net built-in gains with respect to certain of its assets (i.e., the excess of the aggregate gains, including items of income, over aggregate losses that would have been realized with respect to such assets if the Company had been liquidated) that it elects to recognize on requalification or when recognized over the next five years. The Company was taxed as a C Corporation for its 2012 and 2013 taxable years. Refer to “Note 9—Income Taxes” for further details.

The Company elected to be treated as a RIC for the taxable year ended December 31, 2014 in connection with the filing of its 2014 tax return. As a result, the Company was required to pay a corporate-level U.S. federal income tax on the amount of the net built-in gains in its assets (the amount by which the net fair market value of the Company’s assets exceeds the net adjusted basis in its assets) either (1) as of the date it converted to a RIC (i.e., the beginning of the first taxable year that the Company qualifies as a RIC, which would be January 1, 2014), or (2) to the extent that the Company recognized such net built-in gains during the five-year recognition period beginning on the date of conversion. As of January 1, 2014, the Company had net unrealized built-in gains, but did not incur a built-in-gains tax for the 2014 tax year due to the fact that there were sufficient net capital loss carryforwards to completely offset recognized built-in gains as well as available net operating losses. The five-year recognition period ended on December 31, 2018.

**Per Share Information**

Basic net increase/(decrease) in net assets resulting from operations per common share is computed using the weighted-average number of shares outstanding for the period presented. Diluted net increase/(decrease) in net assets resulting from operations per common share is computed by dividing net increase/(decrease) in net assets resulting from operations for the period adjusted to include the pre-tax effects of interest incurred on potentially dilutive securities, by the weighted-average number of common shares outstanding plus any potentially dilutive shares outstanding during the period. The Company used the if-converted method in accordance with *FASB ASC 260, Earnings Per Share* (“ASC 260”) to determine the number of potentially dilutive shares outstanding. Refer to “Note 6—Net Increase in Net Assets Resulting from Operations per Common Share—Basic and Diluted” for further detail.

**Recently Adopted Accounting Standards**

In July 2017, the FASB issued ASU 2017-13 which addressed the application of ASU 2014-9, *Revenue from Contracts with Customers (Topic 606)* as it relates to adoption period for entities not otherwise required to adopt the new revenue recognition standard, but whose financial statements or financial information are included in another entity’s filing with the Securities and Exchange Commission (the “SEC”). ASU 2014-9, issued by FASB in May 2014, and related amendments, provide comprehensive guidance for recognizing revenue from contracts with customers. Entities will be able to recognize revenue when the entity transfers promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled to in exchange for those goods or services. The guidance in ASU 2014-9, and the related amendments, is effective for the Company on January 1, 2018. The Company adopted the ASU on January 1, 2018, which did not have a material impact on the Company’s consolidated financial statements.

**Recently Issued Accounting Standards**

In August 2018, the FASB issued ASU 2018-13, which changes the fair value measurement disclosure requirements of *FASB ASC 820, Fair Value Measurement*. The guidance is effective for all entities for interim and annual periods beginning after December 15, 2019. Early adoption is permitted for any eliminated or modified disclosure requirements upon issuance of the guidance. The Company did not early adopt the eliminated and modified disclosure requirements during the year ended December 31, 2018, but plans to adopt the guidance upon its effective date.

**NOTE 3—RELATED-PARTY ARRANGEMENTS****Investment Advisory Agreement**

The Company has entered into an investment advisory agreement with GSV Asset Management (the “Investment Advisory Agreement”). Under the terms of the Investment Advisory Agreement, GSV Asset Management is paid a quarterly management



**GSV CAPITAL CORP. AND SUBSIDIARIES****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****December 31, 2018**

fee and an annual incentive fee. GSV Asset Management is controlled by Michael Moe, the Chairman of the Company's Board of Directors. Mr. Moe, through his ownership interest in GSV Asset Management, is entitled to a portion of any profits earned by GSV Asset Management in performing its services under the Investment Advisory Agreement. Mr. Moe serves as the principal of GSV Asset Management and manages the business and internal affairs of GSV Asset Management. Mark Klein, the Company's Chief Executive Officer and a President of the Company's Board of Directors, or entities with which he is affiliated, receives consulting fees from GSV Asset Management equal to a percentage of each of the base management fee and the incentive fee paid by the Company to GSV Asset Management pursuant to a consulting agreement with GSV Asset Management.

Under the Investment Advisory Agreement, there are no restrictions on the right of any manager, partner, officer or employee of GSV Asset Management to engage in any other business or to devote his or her time and attention in part to any other business, whether of a similar or dissimilar nature, or to receive any fees or compensation in connection therewith (including fees for serving as a director of, or providing consulting services to, one or more of the Company's portfolio companies). GSV Asset Management has, however, adopted an internal policy whereby any fees or compensation received by a manager, partner, officer or employee of GSV Asset Management in exchange for serving as a director of, or providing consulting services to, any of the Company's portfolio companies will be transferred to the Company, net of any personal taxes incurred, upon such receipt for the benefit of the Company and its stockholders.

Subsequent to year end, in connection with the Company's Internalization, the Investment Advisory Agreement was terminated on the Effective Date in accordance with its terms. Refer to "Note 11—Subsequent Events" for further detail.

***Management Fees***

Under the terms of the Investment Advisory Agreement, GSV Asset Management is paid a base management fee of 2.00% of gross assets, which is the Company's total assets reflected on its Consolidated Statements of Assets and Liabilities (with no deduction for liabilities) reduced by any non-portfolio investments. During the month of January 2018, pursuant to a voluntary waiver by GSV Asset Management, the Company paid GSV Asset Management a base management fee of 1.75%, a 0.25% reduction from the 2.00% base management fee payable under the Investment Advisory Agreement. On February 2, 2018 GSV Asset Management voluntarily agreed to reduce fees payable under the Investment Advisory Agreement (the "Waiver Agreement"). Pursuant to the Waiver Agreement, effective February 1, 2018, the base management fee is reduced to 1.75% of the Company's gross assets, as further described below. The waiver of a portion of the base management fee is not subject to recourse against or reimbursement by the Company.

GSV Asset Management earned \$5,199,900, \$5,666,176, and \$6,896,347 in management fees for the years ended December 31, 2018, 2017, and 2016, respectively, and waived \$892,421 and \$708,272 in management fees for the years ended December 31, 2018 and 2017, respectively. GSV Asset Management did not waive management fees for the year ended December 31, 2016.

***Incentive Fees***

Under the terms of the Investment Advisory Agreement, GSV Asset Management is paid an annual incentive fee equal to the lesser of (i) 20% of the Company's realized capital gains during each calendar year, if any, calculated on an investment-by-investment basis, subject to a non-compounded preferred return, or "hurdle," and a "catch-up" feature, and (ii) 20% of the Company's realized capital gains, if any, on a cumulative basis from inception through the end of each calendar year, computed net of all realized capital losses and unrealized capital depreciation on a cumulative basis, less the aggregate amount of any previously paid incentive fees. Effective February 1, 2018, the incentive fee paid by the Company to GSV Asset Management under the Investment Advisory Agreement is modified pursuant to the terms of the Waiver Agreement, as further described below.

The Company is required to accrue incentive fees for all periods as if the Company had fully liquidated its entire investment portfolio at the fair value stated on the Consolidated Statements of Assets and Liabilities as of December 31, 2018 and December 31, 2017. This accrual considers both the hypothetical liquidation of the Company's portfolio described previously, as well as the Company's actual cumulative realized gains and losses since inception, as well any previously paid incentive fees.

For the year ended December 31, 2018, the Company accrued incentive fees of \$382,387. Pursuant to the Waiver Agreement, on February 2, 2018, GSV Asset Management forfeited \$5.0 million of the then accrued incentive fees. For the year ended

**GSV CAPITAL CORP. AND SUBSIDIARIES****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****December 31, 2018**

December 31, 2017, the Company accrued incentive fees of \$7,151,641. For the year ended December 31, 2016 the Company reversed incentive fee accruals of \$15,188,121. As of December 31, 2018, the Company's accrued incentive fee balance due GSV Asset Management was \$4,660,472, net of the Waiver Agreement.

***Management and Incentive Fee Waiver Agreement***

On February 2, 2018, GSV Asset Management voluntarily agreed to reduce the fees payable under the Investment Advisory Agreement pursuant to the Waiver Agreement. The Waiver Agreement is effective February 1, 2018 and changes the fee structure set forth in the Investment Advisory Agreement by: (i) reducing the Company's base management fee from 2.00% to 1.75%; and (ii) creating certain high-water marks that must be reached before any incentive fee is paid to GSV Asset Management. In addition to the foregoing changes to the fee structure, GSV Asset Management also agreed to a one-time forfeiture of \$5.0 million of previously accrued but unpaid incentive fees.

Pursuant to the Waiver Agreement, effective February 1, 2018, the base management fee is reduced to 1.75% of the Company's gross assets. The base management fee is calculated based on the average value of the Company's gross assets at the end of the two most recently completed calendar quarters, and appropriately adjusted for any equity or debt capital raises, repurchases or redemptions during the current calendar quarter. The base management fee for any partial month or quarter will be appropriately prorated. In addition, because the Company's 5.25% Convertible Senior Notes matured on September 15, 2018 (the "5.25% Convertible Senior Notes due 2018"), the Company was previously carrying a larger cash balance than it would in the ordinary course of its business. As a result, under the Waiver Agreement, GSV Asset Management agreed to waive its base management fee on any cash balances effective as of February 1, 2018 until the 5.25% Convertible Senior Notes due 2018 matured on September 15, 2018, at which time the Company repaid the remaining outstanding aggregate principal amount of the 5.25% Convertible Senior Notes due 2018, including accrued but unpaid interest. As a result, as of and after September 15, 2018, the Company pays GSV Asset Management a 1.75% base management fee on its cash balances.

Pursuant to the Waiver Agreement, in addition to the "hurdle" feature in the incentive fee, GSV Asset Management has agreed to additional conditions on its ability to receive an incentive fee. Specifically, the Waiver Agreement provides that an incentive fee earned by GSV Asset Management under the Investment Advisory Agreement will be payable to GSV Asset Management only if, at the time that such incentive fee becomes payable under the Investment Advisory Agreement, both the Company's stock price and its last reported net asset value per share are equal to or greater than \$12.55 (the "High-Water Mark"). The High-Water Mark is based upon the volume weighted average price (VWAP) of all the Company's equity offerings since its initial public offering, less the dollar amount of all dividends paid by the Company since inception. Upon such time that the High-Water Mark is achieved, and GSV Asset Management is paid an incentive fee, a new High-Water Mark will be established. Each new High-Water Mark will be equal to the most recent High-Water Mark, plus 10%. Any High-Water Mark then in effect will be adjusted to reflect any dividends paid by the Company or any stock split effected by the Company.

For the avoidance of doubt, after the effective date of the Waiver Agreement, under no circumstances will the aggregate fees earned by GSV Asset Management in any quarterly period be higher than those aggregate fees that would have been earned prior to the effectiveness of the Waiver Agreement.

As of each of December 31, 2018 and December 31, 2017, there were no receivables owed to the Company by GSV Asset Management.

**Administration Agreement**

The Company has entered into an administration agreement with GSV Capital Service Company (the "Administration Agreement") to provide administrative services, including furnishing the Company with office facilities, equipment, clerical, bookkeeping, record keeping services, and other administrative services. The Company reimburses GSV Capital Service Company an allocable portion of overhead and other expenses in performing its obligations under the Administration Agreement, including a portion of the rent and the compensation of the Company's President, Chief Financial Officer, Chief Compliance Officer and other staff providing administrative services. While there is no limit on the total amount of expenses the Company may be required to reimburse to GSV Capital Service Company, GSV Capital Service Company will only charge the Company for the actual expenses GSV Capital Service Company incurs on the Company's behalf, or the Company's allocable portion thereof, without

**GSV CAPITAL CORP. AND SUBSIDIARIES****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****December 31, 2018**

any profit to GSV Capital Service Company. There were \$1,702,047, \$1,874,839, and \$2,545,316 in such costs incurred under the Administration Agreement for the years ended December 31, 2018, 2017, and 2016, respectively.

Subsequent to year end, in connection with the Company's Internalization, the Administration Agreement was terminated on the Effective Date in accordance with its terms. Refer to "Note 11—Subsequent Events" for further detail.

***Due to GSV Asset Management***

GSV Asset Management wholly owns and controls GSV Capital Service Company, which is a disregarded entity for tax purposes. As of each of December 31, 2018 and December 31, 2017, the Company owed GSV Asset Management, via the Administration Agreement with GSV Capital Service Company, \$0 and \$231,697, respectively, primarily for the reimbursement of overhead allocation expenses and travel expenses, pursuant to the Administration Agreement.

**License Agreement**

The Company entered into a license agreement with GSV Asset Management pursuant to which GSV Asset Management has agreed to grant the Company a non-exclusive, royalty-free license to use the name "GSV." Under this agreement, the Company has the right to use the GSV name for so long as the Investment Advisory Agreement with GSV Asset Management is in effect. Other than with respect to this limited license, the Company has no legal right to the "GSV" name.

Subsequent to year-end, in connection with the Company's Internalization, as of the Effective Date, the Company entered into an Amended and Restated Trademark License Agreement to continue to use the trade name "GSV", and other state or unregistered "GSV" marks, including the trading symbol "GSVC." Refer to "Note 11—Subsequent Events" for further detail.

**Other Arrangements**

Mark Moe, who is the brother of Michael Moe, the Chairman of the Company's Board of Directors, serves as Vice President of Business Development, Global Expansion for NestGSV, Inc. (d/b/a GSV Labs, Inc.), one of the Company's portfolio companies. Diane Flynn, who is the spouse of the Company's former President, Mark Flynn, served as Chief Marketing Officer of NestGSV, Inc. until her resignation in January 2017. Ron Johnson, the Chief Executive Officer of Enjoy Technology, Inc., one of the Company's portfolio companies, is the brother-in-law of the Company's former President, Mark Flynn. As of December 31, 2018, the fair values of the Company's investments in NestGSV, Inc. and Enjoy Technology, Inc. were \$8,679,711 and \$6,091,436, respectively.

In addition, the Company's executive officers and directors, and the principals of the Company's investment adviser, GSV Asset Management, serve or may serve as officers, directors or managers of entities that operate in a line of business similar to the Company's, including new entities that may be formed in the future. Accordingly, they may have obligations to investors in those entities, the fulfillment of which might not be in the best interests of the Company or the Company's stockholders. For example, as of April 17, 2019, GSV Asset Management also manages: Coursera@GSV Fund, LP, Coursera@GSV-EDBI Fund, LP, and GSV@CS, LP, special purpose vehicles each comprised of an underlying investment in the capital stock of Coursera, Inc. (the "Coursera Funds"); GSV@SP, LLC, a special purpose vehicle comprised of an underlying investment in the capital stock of Spotify Technology S.A. (the "GSV@SP Fund"); and GSV@LT, LLC, GSV@LT II, LP, and GSV@LT III, LP, special purpose vehicles each comprised of an underlying investment in the capital stock of Lyft, Inc. (the "Lyft Funds"). GSV Asset Management will likely manage one or more private funds, or series within such private funds, in the future. The Company has no ownership interests in the Coursera Funds, the GSV@SP Fund or the Lyft Funds.

The 1940 Act prohibits the Company from participating in certain negotiated co-investments with certain affiliates unless it receives an order from the SEC permitting it to do so. To the extent that the Company competes with entities managed by GSV Asset Management or any of its affiliates for one or more investment or disposition opportunities, GSV Asset Management will allocate any such opportunity across the entities for which the opportunity is appropriate, consistent with (1) its internal conflict-resolution and allocation policies, (2) the requirements of the Investment Advisers Act of 1940, and (3) certain restrictions under the 1940 Act regarding co-investments with affiliates. Where co-investment is permissible under the 1940 Act, for example where

**GSV CAPITAL CORP. AND SUBSIDIARIES****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****December 31, 2018**

the only term of a transaction negotiated is price, and where a particular investment or disposition opportunity is appropriate for both the Company and another entity managed by GSV Asset Management, GSV Asset Management will first offer any such opportunity in its entirety to the Company. In the event that the size of such investment or disposition opportunity exceeds the Company's capacity, other funds managed by GSV Asset Management may be offered the opportunity, but only to the extent that the Company and its Board of Directors have confirmed that any such investment or disposition by an affiliated entity is permissible under the 1940 Act and otherwise in the Company's best interests. The Company's Chief Compliance Officer and Board of Directors will monitor on a quarterly basis any such allocation of investment or disposition opportunities between the Company and any such other funds.

The Company, GSV Asset Management and certain of their affiliates have submitted an exemptive relief application to the SEC to permit the Company to co-invest with other funds managed by GSV Asset Management or its affiliates in a manner consistent with the Company's investment objectives and the conditions to the application. As a result of the internalization of the Company's operating structure, the Company and GSV Asset Management withdrew such exemptive application on April 2, 2019 because the relief sought was no longer necessary.

As a business development company, the Company is prohibited under the 1940 Act from participating in certain transactions with certain of its affiliates without the prior approval of the Board of Directors, including its independent directors, and, in some cases, the SEC. The affiliates with which the Company may be prohibited from transacting include its officers, directors and employees and any person controlling or under common control with the Company, subject to certain exceptions.

In the ordinary course of business, the Company may enter into transactions with portfolio companies that may be considered related-party transactions. To ensure that the Company does not engage in any prohibited transactions with any persons affiliated with the Company, the Company has implemented certain written policies and procedures whereby the Company's executive officers screen each of the Company's transactions for any possible affiliations between the proposed portfolio investment, the Company, companies controlled by the Company and the Company's executive officers and directors.

**NOTE 4—INVESTMENTS AT FAIR VALUE****Investment Portfolio Composition**

The Company's investments in portfolio companies consist primarily of equity securities (such as common stock, preferred stock and warrants to purchase common and preferred stock) and to a lesser extent, debt securities, issued by private and publicly traded companies. The Company may also, from time to time, invest in U.S. Treasury securities. Non-portfolio investments represent investments in U.S. Treasury securities. At December 31, 2018, the Company had 55 positions in 26 portfolio companies. As of December 31, 2017, the Company had 63 positions in 31 portfolio companies.

GSV CAPITAL CORP. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2018

The following tables summarize the composition of the Company's investment portfolio by security type at cost and fair value as of December 31, 2018 and December 31, 2017:

	December 31, 2018			December 31, 2017		
	Cost	Fair Value	Percentage of Net Assets	Cost	Fair Value	Percentage of Net Assets
<b>Private Portfolio Companies</b>						
Common Stock	\$ 48,424,535	\$ 48,517,824	24.9%	\$ 53,413,686	\$ 86,824,096	42.4%
Preferred Stock	89,715,085	99,856,159	51.1%	134,145,680	120,253,822	58.7%
Debt Investments	9,156,012	5,584,994	2.9%	8,809,356	4,916,578	2.4%
Warrants	209,761	267,446	0.1%	197,162	433,997	0.2%
<b>Private Portfolio Companies</b>	<b>147,505,393</b>	<b>154,226,423</b>	<b>79.0%</b>	<b>196,565,884</b>	<b>212,428,493</b>	<b>103.7%</b>
<b>Publicly Traded Portfolio Companies</b>						
Common Stock	23,659,010	44,589,406	22.8%	6,008,468	8,160,000	4.0%
<b>Total Portfolio Investments</b>	<b>171,164,403</b>	<b>198,815,829</b>	<b>101.8%</b>	<b>202,574,352</b>	<b>220,588,493</b>	<b>107.7%</b>
<b>Non-Portfolio Investments</b>						
U.S. Treasury bill	99,982,067	99,994,000	51.1%	99,985,833	99,994,000	48.8%
<b>Total Investments</b>	<b>\$ 271,146,470</b>	<b>\$ 298,809,829</b>	<b>152.9%</b>	<b>\$ 302,560,185</b>	<b>\$ 320,582,493</b>	<b>156.5%</b>

The industrial and geographic compositions of the Company's portfolio at fair value as of December 31, 2018 and December 31, 2017 were as follows:

	As of December 31, 2018			As of December 31, 2017		
	Fair Value	Percentage of Portfolio	Percentage of Net Assets	Fair Value	Percentage of Portfolio	Percentage of Net Assets
<b>Industry</b>						
Education Technology	\$ 64,480,375	32.4%	33.0%	\$ 90,658,640	41.1%	44.3%
Big Data/Cloud	51,929,440	26.1%	26.6%	57,678,330	26.1%	28.2%
Social/Mobile	39,964,377	20.1%	20.5%	38,528,143	17.5%	18.8%
Marketplaces	41,691,439	21.0%	21.3%	32,653,518	14.8%	15.9%
Sustainability	750,198	0.4%	0.4%	1,069,862	0.5%	0.5%
<b>Total</b>	<b>\$ 198,815,829</b>	<b>100.0%</b>	<b>101.8%</b>	<b>\$ 220,588,493</b>	<b>100.0%</b>	<b>107.7%</b>

	As of December 31, 2018			As of December 31, 2017		
	Fair Value	Percentage of Portfolio	Percentage of Net Assets	Fair Value	Percentage of Portfolio	Percentage of Net Assets
<b>Geographic Region</b>						
West	\$ 167,687,933	84.4%	85.8%	\$ 165,871,083	75.2%	81.0%
Mid-west	—	—%	—%	593,702	0.3%	0.3%
Northeast	4,414,536	2.2%	2.3%	23,394,640	10.6%	11.4%
International	26,713,360	13.4%	13.7%	30,729,068	13.9%	15.0%
<b>Total</b>	<b>\$ 198,815,829</b>	<b>100.0%</b>	<b>101.8%</b>	<b>\$ 220,588,493</b>	<b>100.0%</b>	<b>107.7%</b>

**GSV CAPITAL CORP. AND SUBSIDIARIES****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****December 31, 2018**

The table below details the composition of the Company's industrial themes presented above:

<b>Industry Theme</b>	<b>Industry</b>
Education Technology	Business Education Computer Software Corporate Education Education Media Platform Education Software Education Technology E-Transcript Exchange Globally-Focused Private School Interactive Learning Online Education Online Education Services
Big Data/Cloud	Cloud Computing Services Customer Relationship Manager Data Analysis Social Cognitive Learning
Marketplaces	Financial Services Global Innovation Platform Knowledge Networks On-Demand Commerce On-Demand Transportation Services Online Marketplace Finance Peer-to-Peer Pet Services
Social/Mobile	Digital Media Platform Light Field Imaging Platform On-Demand Music Streaming Social Data Platform
Sustainability	Clean Technology

**GSV CAPITAL CORP. AND SUBSIDIARIES**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**
**December 31, 2018**
**Investment Valuation Inputs**

The fair values of the Company's investments disaggregated into the three levels of the fair value hierarchy based upon the lowest level of significant input used in the valuation as of December 31, 2018 and December 31, 2017 are as follows:

	As of December 31, 2018			Total
	Quoted Prices in Active Markets for Identical Securities (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
<b>Investments at Fair Value</b>				
<b>Private Portfolio Companies</b>				
Common Stock	\$ —	\$ —	\$ 48,517,824	\$ 48,517,824
Preferred Stock	—	—	99,856,159	99,856,159
Debt Investments	—	—	5,584,994	5,584,994
Warrants	—	—	267,446	267,446
<b>Private Portfolio Companies</b>	—	—	154,226,423	154,226,423
<b>Publicly Traded Portfolio Companies</b>				
Common Stock	44,589,406	—	—	44,589,406
<b>Total Portfolio Investments</b>	44,589,406	—	154,226,423	198,815,829
<b>Non-Portfolio Investments</b>				
U.S. Treasury bills	99,994,000	—	—	99,994,000
<b>Total Investments at Fair Value</b>	\$ 144,583,406	\$ —	\$ 154,226,423	\$ 298,809,829

	As of December 31, 2017			Total
	Quoted Prices in Active Markets for Identical Securities (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
<b>Investments at Fair Value</b>				
<b>Private Portfolio Companies</b>				
Common Stock	\$ —	\$ —	\$ 86,824,096	\$ 86,824,096
Preferred Stock	—	—	120,253,822	120,253,822
Debt Investments	—	—	4,916,578	4,916,578
Warrants	—	—	433,997	433,997
<b>Private Portfolio Companies</b>	—	—	212,428,493	212,428,493
<b>Publicly Traded Portfolio Companies</b>				
Common Stock	8,160,000	—	—	8,160,000
<b>Total Portfolio Investments</b>	8,160,000	—	212,428,493	220,588,493
<b>Non-Portfolio Investments</b>				
U.S. Treasury bills	99,994,000	—	—	99,994,000
<b>Total Investments at Fair Value</b>	\$ 108,154,000	\$ —	\$ 212,428,493	\$ 320,582,493

**GSV CAPITAL CORP. AND SUBSIDIARIES**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**
**December 31, 2018**
***Significant Unobservable Inputs for Level 3 Assets and Liabilities***

In accordance with FASB ASC 820, the tables below provide quantitative information about the Company's fair value measurements of its Level 3 assets as of December 31, 2018 and December 31, 2017. In addition to the techniques and inputs noted in the tables below, according to the Company's valuation policy, the Company may also use other valuation techniques and methodologies when determining the Company's fair value measurements. The tables below are not intended to be all-inclusive, but rather provide information on the significant Level 3 inputs as they relate to the Company's fair value measurements. To the extent an unobservable input is not reflected in the tables below, such input is deemed insignificant with respect to the Company's Level 3 fair value measurements as of December 31, 2018 and December 31, 2017. Significant changes in the inputs in isolation would result in a significant change in the fair value measurement, depending on the input and the materiality of the investment. Refer to "Note 2—Significant Accounting Policies—Investments at Fair Value" for more detail.

**As of December 31, 2018**

Asset	Fair Value	Valuation Approach/ Technique <sup>(1)</sup>	Unobservable Inputs <sup>(2)</sup>	Range (Weighted Average)
Common stock in private companies	\$48,517,824	Market approach	Revenue multiples	1.26x - 4.95x (4.04x)
			Liquidation value	N/A
		Discounted cash flow <sup>(2)</sup>	Discount rate	12.0% (12.0%)
Preferred stock in private companies	\$99,856,159	Market approach	Precedent transactions	2.60x - 3.07x (2.69x)
			Revenue multiples	2.20x - 4.15x (3.39x)
		Discounted cash flow <sup>(2)</sup>	Discount rate	12.0% (12.0%)
			PWERM	Revenue multiples
		Liquidation value		N/A
Debt investments	\$5,584,994	Market approach	Revenue multiples	1.26x - 2.40x (2.30x)
		PWERM	Revenue multiples	1.31x - 5.40x (1.91x)
			Liquidation value	N/A
Warrants	\$267,446	Option pricing model	Term to expiration (Years)	1.1-9.3 (2.6)
			Volatility	28.1%-37.1% (29.0%)

(1) As of December 31, 2018, the Company used a hybrid market and income approach to value certain common and preferred stock investments as the Company felt this approach better reflected the fair value of these investments. By considering multiple valuation approaches (and consequently, multiple valuation techniques), the valuation approaches and techniques are not likely to change from one period of measurement to the next; however, the weighting of each in determining the final fair value of a Level 3 investment may change based on recent events or transactions. Refer to "Note 2—Significant Accounting Policies—Investments at Fair Value" for more detail.

(2) The Company considers all relevant information that can reasonably be obtained when determining the fair value of Level 3 investments. Due to any given portfolio company's information rights, changes in capital structure, recent events, transactions, or liquidity events, the type and availability of unobservable inputs may change. Increases/(decreases) in revenue multiples, earnings before interest and



**GSV CAPITAL CORP. AND SUBSIDIARIES**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**
**December 31, 2018**

taxes (“EBIT”) multiples, time to expiration, and stock price/strike price would result in higher (lower) fair values all else equal. Decreases (increases) in discount rates, volatility, and annual risk rates, would result in higher (lower) fair values all else equal. The market approach utilizes market value (revenue and EBIT) multiples of publicly traded comparable companies and available precedent sales transactions of comparable companies. The Company carefully considers numerous factors when selecting the appropriate companies whose 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, relevant risk factors, as well as size, profitability and growth expectations. In general, precedent transactions include recent rounds of financing, recent purchases made by the Company, and tender offers. Refer to “Note 2—Significant Accounting Policies—*Investments at Fair Value*” for more detail.

**As of December 31, 2017**

Asset	Fair Value	Valuation Approach/ Technique <sup>(1)</sup>	Unobservable Inputs <sup>(2)</sup>	Range (Weighted Average)
Common stock in private companies	\$86,824,096	Market approach	Precedent transactions	N/A
			Revenue multiples	2.03x–7.08x (5.70x)
			Liquidation value	N/A
		Discounted Cash Flow <sup>(2)</sup>	Discount rate	12.0% (12.0)%
			Long-term revenue growth	0.0% (0.0)%
Preferred stock in private companies	\$120,253,822	Market approach	Precedent transactions	N/A
			Revenue multiples	1.91x–7.08x (3.80x)
			EBIT multiples	27.8x (27.8x)
		Discounted Cash Flow <sup>(2)</sup>	Discount rate	12.0% (12.0)%
			Long-term revenue growth	0.0% (0.0)%
		PWERM	Liquidation value	N/A
Revenue multiples	2.28x–4.60x (3.23x)			
Debt investments	\$4,916,578	Market approach	Liquidation value	N/A
		PWERM	Revenue multiples	3.04x–4.60x (3.84x)
			Liquidation value	N/A
Warrants	\$433,997	Option pricing model	Term to expiration (Years)	0.2-3.0 (2.2)
			Volatility	18.8%–51.6% (36.5)%

- (1) As of December 31, 2017, the Company used a hybrid market and income approach to value certain common and preferred stock investments as the Company felt this approach better reflected the fair value of these investments. By considering multiple valuation approaches (and consequently, multiple valuation techniques), the valuation approaches and techniques are not likely to change from one period of measurement to the next; however, the weighting of each in determining the final fair value of a Level 3 investment may change based on recent events or transactions. Refer to “Note 2—Significant Accounting Policies—*Investments at Fair Value*” for more detail.

**GSV CAPITAL CORP. AND SUBSIDIARIES**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**
**December 31, 2018**

- (2) The Company considers all relevant information that can reasonably be obtained when determining the fair value of Level 3 investments. Due to any given portfolio company's information rights, changes in capital structure, recent events, transactions, or liquidity events, the type and availability of unobservable inputs may change. Increases/(decreases) in revenue multiples, earnings before interest and taxes ("EBIT") multiples, time to expiration, and stock price/strike price would result in higher (lower) fair values all else equal. Decreases (increases) in discount rates, volatility, and annual risk rates, would result in higher (lower) fair values all else equal. The market approach utilizes market value (revenue and EBIT) multiples of publicly traded comparable companies and available precedent sales transactions of comparable companies. The Company carefully considers numerous factors when selecting the appropriate companies whose 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, relevant risk factors, as well as size, profitability and growth expectations. In general, precedent transactions include recent rounds of financing, recent purchases made by the Company, and tender offers. Refer to "Note 2—Significant Accounting Policies—Investments at Fair Value" for more detail.

The aggregate values of Level 3 assets and liabilities changed during the year ended December 31, 2018 as follows:

	Year Ended December 31, 2018				
	Common Stock	Preferred Stock	Debt Investments	Warrants	Total
<b>Assets:</b>					
Fair Value as of December 31, 2017	\$ 86,824,096	\$ 120,253,822	\$ 4,916,578	\$ 433,997	\$ 212,428,493
Transfers out of Level 3 <sup>(1)</sup>	(41,707,506)	(7,734,804)	—	—	(49,442,310)
Purchases, capitalized fees and interest	10,108,434	2,177	1,044,531	30,647	11,185,789
Sales/Maturity of investments <sup>(2)</sup>	(6,910,798)	(16,958,428)	(722,776)	—	(24,592,002)
Exercises and conversions <sup>(1)</sup>	5,537,205	(5,514,077)	(5,080)	(18,048)	—
Amortization of fixed income security premiums and discounts	—	—	30,660	—	30,660
Realized gains/(losses)	(1,567,122)	(10,458,567)	(680)	—	(12,026,369)
Net change in unrealized appreciation/ (depreciation) included in earnings	(3,766,485)	20,266,036	321,761	(179,150)	16,642,162
Fair Value as of December 31, 2018	\$ 48,517,824	\$ 99,856,159	\$ 5,584,994	\$ 267,446	\$ 154,226,423
Net change in unrealized appreciation/ (depreciation) of Level 3 investments still held as of December 31, 2018	\$ (12,412,555)	\$ 10,061,576	\$ 317,201	\$ (156,021)	\$ (2,189,799)

- (1) During the year ended December 31, 2018, the Company's portfolio investments had the following corporate actions which are reflected above:

Portfolio Company	Conversion from	Conversion to
Dropbox, Inc.	Preferred shares, Series A-1 & Common shares	Public Common Shares (Level 2)
Spotify Technology S.A.	Common shares	Public Common Shares (Level 1)
Curious.com, Inc.	Preferred shares, Series B	Common shares
SharesPost, Inc.	Common warrants	Common shares

- (2) Sales of investments includes escrow proceeds receivable of approximately \$2.5 million from the sale of the Company's investments in General Assembly Space, Inc., Lytro, Inc., SugarCRM, Inc., and DreamBox Learning, Inc.

**GSV CAPITAL CORP. AND SUBSIDIARIES**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**
**December 31, 2018**

The aggregate values of Level 3 assets and liabilities changed during the year ended December 31, 2017 as follows:

	For the Year Ended December 31, 2017				
	Common Stock	Preferred Stock	Debt Investments	Warrants	Total
<b>Assets:</b>					
Fair Value as of December 31, 2016	\$ 83,074,410	\$ 162,238,879	\$ 7,821,948	\$ 150,904	\$ 253,286,141
Transfers into Level 3	(2,184,565)	(2,184,565)	—	—	(4,369,130)
Purchases, capitalized fees and interest	60,649	126,824	226,449	70,379	484,301
Sales of investments <sup>(2)</sup>	(17,986,251)	(45,369,628)	(70,379)	—	(63,426,258)
Realized gains/(losses)	(10,440,384)	9,433,159	(335,688)	(31,930)	(1,374,843)
Exercises, conversions and assignments <sup>(1)</sup>	2,506,119	(2,506,119)	—	—	—
Amortization of fixed income security premiums and discounts	—	—	139,544	—	139,544
Net change in unrealized depreciation included in earnings	31,794,118	(1,484,728)	(2,865,296)	244,644	27,688,736
Fair Value as of December 31, 2017	<u>\$ 86,824,096</u>	<u>\$ 120,253,822</u>	<u>\$ 4,916,578</u>	<u>\$ 433,997</u>	<u>\$ 212,428,493</u>
Net change in unrealized appreciation/ (depreciation) of Level 3 investments still held as of December 31, 2017	<u>\$ 10,742,585</u>	<u>\$ (12,221,603)</u>	<u>\$ (3,170,869)</u>	<u>\$ 212,714</u>	<u>\$ (4,437,173)</u>

(1) During year ended December 31, 2017, the Company's portfolio investments had the following corporate actions which are reflected above:

Portfolio Company	Transfer from	Transfer to
A Place for Rover Inc. (f/k/a DogVacay, Inc.)	Preferred shares, Series B-1	Common shares

(2) Sales of investments includes escrow proceeds receivable of \$603,456 from the sale of the Company's investments in JAMF Holdings Inc. and Strategic Data Command, LLC.

GSV CAPITAL CORP. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2018

Schedule of Investments In, and Advances to, Affiliates

Transactions during the year ended December 31, 2018 involving the Company's controlled investments and non-controlled/affiliate investments were as follows:

Schedule of Investments In, and Advances to, Affiliate

Type/Industry/Portfolio Company/Investment	Principal/Quantity	Interest, Fees, or Dividends Credited in Income	Fair Value at December 31, 2017	Purchases, Capitalized Fees, Interest and Amortization	Sales	Realized Gains/(Losses)	Unrealized Gains/(Losses)	Fair Value at December 31, 2018	Percentage of Net Assets
<b>CONTROLLED INVESTMENTS</b> *(2)									
<b>Debt Investments</b>									
<i>Global Innovation Platform</i>									
NestGSV, Inc. (d/b/a GSV Labs, Inc.)—Convertible Promissory Note 12% Due 12/31/2019*** <sup>(10)</sup>	\$ 936,525	\$ 57,466	\$ 560,199	\$ 392,437	\$ —	\$ —	\$ (16,111)	\$ 936,525	0.48%
NestGSV, Inc. (d/b/a GSV Labs, Inc.)—Unsecured Promissory Note 12% Due 1/15/2018*** <sup>(8)</sup>	\$ —	2,369	592,129	—	(592,129)	(680)	680	—	—%
<i>Total Global Innovation Platform</i>		59,835	1,152,328	392,437	(592,129)	(680)	(15,431)	936,525	0.48%
<b>Total Debt Investments</b>		\$ 59,835	\$ 1,152,328	\$ 392,437	\$(592,129)	\$ (680)	\$ (15,431)	\$ 936,525	0.48%
<b>Preferred Stock</b>									
<i>Clean Technology</i>									
SPBRX, INC. (f/k/a GSV Sustainability Partners, Inc.)—Preferred shares, Class A*** <sup>(12)</sup>	14,300,000	\$ 625,000	\$ 1,069,862	\$ —	\$ —	\$ —	\$ (319,664)	\$ 750,198	0.38%
<i>Global Innovation Platform</i>									
NestGSV, Inc. (d/b/a GSV Labs, Inc.)—Preferred stock Series A-4	3,720,424	—	5,390,842	—	—	—	(430,289)	4,960,553	2.54%
NestGSV, Inc. (d/b/a GSV Labs, Inc.)—Preferred stock Series A-3	1,561,625	—	1,885,644	—	—	—	(150,510)	1,735,134	0.89%
NestGSV, Inc. (d/b/a GSV Labs, Inc.)—Preferred stock Series A-2	450,001	—	326,022	—	—	—	(26,022)	300,000	0.15%
NestGSV, Inc. (d/b/a GSV Labs, Inc.)—Preferred stock Series A-1	1,000,000	—	543,370	—	—	—	(43,371)	499,999	0.26%
<i>Total Global Innovation Platform</i>		—	8,145,878	—	—	—	(650,192)	7,495,686	3.84%

GSV CAPITAL CORP. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2018

*Schedule of Investments In, and Advances to, Affiliate*

Type/Industry/Portfolio Company/Investment	Principal/Quantity	Interest, Fees, or Dividends Credited in Income	Fair Value at December 31, 2017	Purchases, Capitalized Fees, Interest and Amortization	Sales	Realized Gains/(Losses)	Unrealized Gains/(Losses)	Fair Value at December 31, 2018	Percentage of Net Assets
<i>Interactive Learning</i>									
StormWind, LLC—Preferred shares, Series C 8% <sup>(3)</sup>	2,779,134	—	7,223,904	—	—	—	(28,933)	7,194,971	3.68%
StormWind, LLC—Preferred shares, Series B 8% <sup>(3)</sup>	3,279,629	—	5,804,472	—	—	—	(34,144)	5,770,328	2.95%
StormWind, LLC—Preferred shares, Series A 8% <sup>(3)</sup>	366,666	—	425,342	—	—	—	(3,817)	421,525	0.22%
<i>Total Interactive Learning</i>		—	13,453,718	—	—	—	(66,894)	13,386,824	6.85%
<b>Total Preferred Stock</b>		\$ 625,000	\$22,669,458	\$ —	\$ —	\$ —	\$ (1,036,750)	\$21,632,708	11.07%
<b>Warrants</b>									
<i>Global Innovation Platform</i>									
NestGSV, Inc. (d/b/a GSV Labs, Inc.)—Preferred Warrant Series A-3, Strike Price \$1.33, Expiration Date 4/4/2021 <sup>(10)</sup>	187,500	\$ —	\$ 1,875	\$ —	\$ —	\$ —	\$ 24,375	\$ 26,250	0.01%
NestGSV, Inc. (d/b/a GSV Labs, Inc.)—Preferred Warrant Series A-4, Strike Price \$1.33, Expiration Date 10/6/2021 <sup>(10)</sup>	500,000	—	160,000	—	—	—	(15,000)	145,000	0.07%
NestGSV, Inc. (d/b/a GSV Labs, Inc.)—Preferred Warrant Series A-4, Strike Price \$1.33, Expiration Date 7/18/2021	250,000	—	102,500	—	—	—	(32,500)	70,000	0.04%
NestGSV, Inc. (d/b/a GSV Labs, Inc.)—Preferred Warrant Series B, Strike Price \$2.31, Expiration Date 11/29/2021	100,000	—	41,000	—	—	—	(40,444)	556	0.00%
NestGSV, Inc. (d/b/a GSV Labs, Inc.)—Preferred Warrant Series B, Strike Price \$2.31, Expiration Date 5/29/2022	125,000	—	80,000	—	—	—	(79,306)	694	0.00%
NestGSV, Inc. (d/b/a GSV Labs, Inc.)—Preferred Warrant Series B, Strike Price \$2.31, Expiration Date 12/31/2023 <sup>(10)</sup>	250,000	—	—	5,080	—	—	(80)	5,000	0.00%
<i>Total Global Innovation Platform</i>		—	385,375	5,080	—	—	(142,955)	247,500	0.12%
<b>Total Warrants</b>		\$ —	\$ 385,375	\$ 5,080	\$ —	\$ —	\$ (142,955)	\$ 247,500	0.12%
<b>Common Stock</b>									
<i>Clean Technology</i>									
SPBRX, INC. (f/k/a GSV Sustainability Partners, Inc.)—Common shares	100,000	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	—%

**GSV CAPITAL CORP. AND SUBSIDIARIES**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**
**December 31, 2018**
**Schedule of Investments In, and Advances to, Affiliate**

Type/Industry/Portfolio Company/Investment	Principal/Quantity	Interest, Fees, or Dividends Credited in Income	Fair Value at December 31, 2017	Purchases, Capitalized Fees, Interest and Amortization	Sales	Realized Gains/(Losses)	Unrealized Gains/(Losses)	Fair Value at December 31, 2018	Percentage of Net Assets
<i>Global Innovation Platform</i>									
NestGSV, Inc. (d/b/a GSV Labs, Inc.)—Common shares	200,000	—	—	—	—	—	—	—	—%
<b>Total Common Stock</b>		\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	—%
<b>TOTAL CONTROLLED INVESTMENTS<sup>(2)</sup></b>		<b>\$ 684,835</b>	<b>\$24,207,161</b>	<b>\$ 397,517</b>	<b>\$(592,129)</b>	<b>\$ (680)</b>	<b>\$(1,195,135)</b>	<b>\$22,816,733</b>	<b>11.68%</b>
<b><u>NON-CONTROLLED/AFFILIATE INVESTMENTS<sup>(1)</sup></u></b>									
<b>Debt Investments</b>									
<i>Corporate Education</i>									
CUX, Inc. (d/b/a CorpU)—Senior Subordinated Convertible Promissory Note 10% Due 2/14/2020 <sup>***(4)</sup>	\$1,360,489	\$ 104,256	\$ 1,259,712	\$ 102,257	\$ —	\$ —	\$ (1,480)	\$ 1,360,489	0.70%
<i>Digital Media Platform</i>									
Ozy Media, Inc.—Convertible Promissory Note 5% Due 12/31/2018 <sup>(7)</sup>	\$2,102,384	268,104	1,067,639	133,031	(30,647)	—	1,983,552	3,153,575	1.61%
Ozy Media, Inc.—Promissory Note 10% Due 2/12/2018 <sup>***(7)</sup>	\$ —	2,384	—	100,000	(100,000)	—	—	—	—%
<b>Total Digital Media Platform</b>		<b>270,488</b>	<b>1,067,639</b>	<b>233,031</b>	<b>(130,647)</b>	<b>—</b>	<b>1,983,552</b>	<b>3,153,575</b>	<b>1.61%</b>
<i>Social Cognitive Learning</i>									
Declará, Inc.—Convertible Promissory Note 12% Due 4/30/2018 <sup>(6)(9)</sup>	\$2,327,727	207,069	1,120,329	212,254	—	—	(1,332,583)	—	—%
<b>Total Debt Investments</b>		<b>\$ 581,813</b>	<b>\$ 3,447,680</b>	<b>\$ 547,542</b>	<b>\$(130,647)</b>	<b>\$ —</b>	<b>\$ 649,489</b>	<b>\$ 4,514,064</b>	<b>2.31%</b>
<b>Preferred Stock</b>									
<i>Corporate Education</i>									
CUX, Inc. (d/b/a CorpU)—Convertible preferred shares, Series D 6%	169,033	\$ —	\$ 989,489	\$ —	\$ —	\$ —	\$ (111,484)	\$ 878,005	0.45%
CUX, Inc. (d/b/a CorpU) - Convertible preferred shares, Series C 8%	615,763	—	480,184	—	—	—	(480,184)	—	—%
<b>Total Corporate Education</b>		<b>—</b>	<b>1,469,673</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>(591,668)</b>	<b>878,005</b>	<b>0.45%</b>
<i>Social Cognitive Learning</i>									
Declará, Inc.—Preferred shares, Series A 8%	10,716,390	—	382,678	—	—	—	(382,678)	—	—%

**GSV CAPITAL CORP. AND SUBSIDIARIES**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**December 31, 2018**
**Schedule of Investments In, and Advances to, Affiliate**

Type/Industry/Portfolio Company/Investment	Principal/Quantity	Interest, Fees, or Dividends Credited in Income	Fair Value at December 31, 2017	Purchases, Capitalized Fees, Interest and Amortization	Sales	Realized Gains/(Losses)	Unrealized Gains/(Losses)	Fair Value at December 31, 2018	Percentage of Net Assets
<i>Education Media Platform</i>									
EdSurge, Inc.—Preferred shares, Series A-1	378,788	—	500,000	—	—	—	(250,000)	250,000	0.13%
EdSurge, Inc.—Preferred shares, Series A	494,365	—	581,917	—	—	—	(312,069)	269,848	0.14%
<b>Total Education Media Platform</b>		—	1,081,917	—	—	—	(562,069)	519,848	0.27%
<i>Knowledge Networks</i>									
Maven Research, Inc.—Preferred shares, Series C	318,979	—	501,240	—	—	—	(501,240)	—	—%
Maven Research, Inc.—Preferred shares, Series B	49,505	—	50,000	—	—	—	(50,000)	—	—%
<b>Total Knowledge Networks</b>		—	551,240	—	—	—	(551,240)	—	—%
<i>Digital Media Platform</i>									
OzyMedia, Inc.—Preferred shares, Series B 6%	922,509	—	2,367,022	—	—	—	(2,367,022)	—	—%
OzyMedia, Inc.—Preferred shares, Series A 6%	1,090,909	—	1,419,810	—	—	—	(1,419,810)	—	—%
OzyMedia, Inc.—Preferred shares, Series Seed 6%	500,000	—	236,635	—	—	—	(236,635)	—	—%
<b>Total Digital Media Platform</b>		—	4,023,467	—	—	—	(4,023,467)	—	—%
<b>Total Preferred Stock</b>		\$ —	\$ 7,508,975	\$ —	\$ —	\$ —	\$ (6,111,122)	\$ 1,397,854	0.72%
<b>Warrants</b>									
<i>Corporate Education</i>									
CUX, Inc. (d/b/a CorpU) –Preferred warrants, Series D, Strike Price \$4.59, Expiration Date 2/14/2020 <sup>(5)</sup>	16,903	\$ —	\$ 2,366	\$ —	\$ —	\$ —	\$ 17,580	\$ 19,946	0.01%
<i>Digital Media Platform</i>									
OzyMedia, Inc.—Common Warrants, Strike Price \$0.01, Expiration Date 4/9/2028 <sup>(7)</sup>	295,565	—	—	30,647	—	—	(30,647)	—	—%
<b>Total Warrants</b>		\$ —	\$ 2,366	\$ 30,647	\$ —	\$ —	\$ (13,067)	\$ 19,946	0.01%
<b>Common Stock</b>									
<i>Online Education</i>									
Curious.com, Inc.—Common shares <sup>(11)</sup>	1,135,944	\$ —	\$ 5,514,077	\$ —	\$ —	\$ —	\$ (5,514,077)	\$ —	—%
<b>Total Common Stock</b>		\$ —	\$ 5,514,077	\$ —	\$ —	\$ —	\$ (5,514,077)	\$ —	—%
<b>TOTAL NON-CONTROLLED/AFFILIATE INVESTMENTS<sup>(1)</sup></b>		<b>\$ 581,813</b>	<b>\$16,473,098</b>	<b>\$ 578,189</b>	<b>\$(130,647)</b>	<b>\$ —</b>	<b>\$(10,988,777)</b>	<b>\$ 5,931,863</b>	<b>3.04%</b>

**GSV CAPITAL CORP. AND SUBSIDIARIES****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****December 31, 2018**

- \* All portfolio investments are non-income-producing, unless otherwise identified. Equity investments are subject to lock-up restrictions upon their IPO. Preferred dividends are generally only payable when declared and paid by the portfolio company's board of directors. Unless otherwise noted, all investments were pledged as collateral under the Credit Facility. The Company's and GSV Asset Management's officers and staff, as applicable, may serve on the board of directors of the Company's portfolio investments. (Refer to "Note 3—Related-Party Arrangements"). All portfolio investments are considered Level 3 and valued using significant unobservable inputs, unless otherwise noted. (Refer to "Note 4—Investments at Fair Value"). All portfolio investments are considered Level 3 and valued using unobservable inputs, unless otherwise noted. All of the Company's portfolio investments are restricted as to resale, unless otherwise noted, and were valued at fair value as determined in good faith by the Company's Board of Directors. (Refer to "Note 2—Significant Accounting Policies—*Investments at Fair Value*").
- \*\* Indicates assets that GSV Capital Corp. believes do not represent "qualifying assets" under Section 55(a) of the 1940 Act.
- \*\*\* Investment is income-producing.
- (1) "Affiliate Investments" are investments in those companies that are "Affiliated Companies" of GSV Capital Corp., as defined in the 1940 Act. In general, a company is deemed to be an "Affiliate" of GSV Capital Corp. if GSV Capital Corp. owns 5% or more of the voting securities (*i.e.*, securities with the right to elect directors) of such company.
  - (2) "Control Investments" are investments in those companies that are "Controlled Companies" of GSV Capital Corp., as defined in the 1940 Act. In general, under the 1940 Act, the Company would "Control" a portfolio company if the Company owned more than 25% of its outstanding voting securities (*i.e.*, securities with the right to elect directors) and/or had the power to exercise control over the management or policies of such portfolio company.
  - (3) GSV Capital Corp.'s investments in StormWind, LLC are held through GSV Capital Corp.'s wholly owned subsidiary, GSVC SW Holdings, Inc.
  - (4) Interest will accrue daily on the unpaid principal balance of the note. Interest began compounding annually on November 26, 2015. Accrued interest is not payable until the earlier of (a) the closing of a subsequent equity offering by CUX, Inc. (d/b/a CorpU), or (b) the maturity of the note. On October 31, 2018, GSV Capital Corp. agreed to extend the maturity of the Senior Subordinated Convertible Promissory Note to CUX, Inc. (d/b/a CorpU) until February 14, 2020, with a new interest rate of 10%. Accrued interest will continue to be compounded annually on November 26 of the current and each subsequent year until repaid.
  - (5) On February 23, 2018, CUX, Inc. (d/b/a CorpU) agreed to extend the maturity of the GSV Capital Corp.'s Series D warrants until August 1, 2018. On July 31, 2018, CUX, Inc. (d/b/a CorpU) agreed to further extend the maturity of GSV Capital Corp.'s Series D warrants until November 26, 2018. On October 31, 2018, and in connection with the extension of the maturity date on the related debt investment, CUX, Inc. (d/b/a CorpU) agreed to further extend the maturity of GSV Capital Corp.'s Series D warrants until February 14, 2020.
  - (6) On January 31, 2018, the maturity date of the convertible promissory note to Declara, Inc. was extended an additional three months to April 30, 2018 and the interest rate on the convertible promissory note increased to 12% per annum (including 365 days for the purposes of accrual). On January 31, 2018 the convertible promissory note to Declara Inc. was placed on non-accrual status. On April 30, 2018, the Company deemed this investment to be in default based on Declara Inc.'s financial position.
  - (7) Effective April 9, 2018, the term of Ozy Media Inc.'s notes were extended through the issuance of a new convertible promissory note, which extended the maturity date of the existing notes to October 31, 2018 and then to December 31, 2018 once certain conditions were satisfied. Effective August 17, 2018, Ozy Media Inc. executed an additional debt amendment, which expanded its borrowing limit. In consideration for amending and restating the existing notes, the Company was issued warrants exercisable for 295,565 shares of Ozy Media Inc.'s common stock. Subsequent to the year-ended December 31, 2018, Ozy Media Inc.'s obligations under its financing arrangements with the Company became past due.
  - (8) On January 12, 2018, the unsecured promissory note to NestGSV, Inc. (d/b/a GSV Labs, Inc.) was repaid, with interest.
  - (9) As of December 31, 2018, the investments noted had been placed on non-accrual status.



**GSV CAPITAL CORP. AND SUBSIDIARIES**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**December 31, 2018**

- (10) Effective July 31, 2018, GSV Capital Corp agreed to extend the Convertible Promissory Note to NestGSV, Inc. (d/b/a GSV Labs, Inc.) until December 31, 2018, with a new interest rate of 12%. Previously accrued interest will be capitalized into the principal of the extended note. On December 31, 2018, GSV Capital Corp extended the maturity of the Convertible Promissory Note to December 31, 2019, compounded the previously accrued and then-outstanding interest and invested an additional \$300,000. The Convertible Promissory Note continues to accrue interest at 12%. In consideration for the extension and additional investment, the 500,000 Series A-3 Preferred Warrants due April 4, 2019 and the 187,500 Series A-4 Preferred Warrants due October 6, 2019, were extended to April 4, 2021 and October 6, 2021, respectively. The Company also received an additional 250,000 Series B Preferred Warrants due December 31, 2023.
- (11) On June 8, 2018, Curious.com, Inc. completed a recapitalization and issued new Series C preferred shares. In connection with the offering, GSV Capital Corp.'s 3,407,834 Series B preferred shares were converted into common shares. Additionally, a 1:3 reverse stock split was declared on the now common shares.
- (12) The SPBRX, INC. (f/k/a GSV Sustainability Partners, Inc.) preferred shares held by GSV Capital Corp. do not entitle GSV Capital Corp. to a preferred dividend rate. During the year ended December 31, 2018, SPBRX, INC. declared, and GSV Capital Corp. received, an aggregate of \$625,000 in cash distributions. GSV Capital Corp. does not anticipate that SPBRX, INC. will pay distributions on a quarterly or regular basis or become a predictable distributor of distributions.

GSV CAPITAL CORP. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2018

Transactions during the year ended December 31, 2017 involving the Company's controlled investments and non-controlled/affiliate investments were as follows:

*Schedule of Investments In, and Advances to, Affiliates*

Type/Industry/Portfolio Company/Investment	Principal/Quantity	Interest, Fees, or Dividends Credited in Income	Fair Value at December 31, 2016	Purchases, Capitalized Fees, Interest and Amortization	Sales	Realized Gains/(Losses)	Unrealized Gains/(Losses)	Fair Value at December 31, 2017	Percentage of Net Assets
<b>CONTROLLED INVESTMENTS</b> <sup>(2)</sup>									
<b>Debt Investments</b>									
<i>Global Innovation Platform</i>									
NestGSV, Inc. (d/b/a GSV Labs, Inc.)—Convertible Promissory Note 8% Due 7/31/2018***	\$ 560,199	\$ 88,604	\$ 427,900	\$ 106,490	\$ —	\$ —	\$ 25,809	\$ 560,199	0.27%
NestGSV, Inc. (d/b/a GSV Labs, Inc.)—Unsecured Promissory Note 12% Due 5/29/2017*** <sup>(4)</sup>	\$ —	50,146	496,725	24,195	(526,000)	—	5,080	—	—%
NestGSV, Inc. (d/b/a GSV Labs, Inc.)—Unsecured Promissory Note 12% Due 1/15/2018*** <sup>(4)</sup>	\$ 592,129	111,089	—	592,809	—	—	(680)	592,129	0.29%
<i>Total Global Innovation Platform</i>		249,839	924,625	723,494	(526,000)	—	30,209	1,152,328	0.56%
<b>Total Debt Investments</b>		\$ 249,839	\$ 924,625	\$ 723,494	\$(526,000)	\$ —	\$ 30,209	\$ 1,152,328	0.56%
<b>Preferred Stock</b>									
<i>Clean Technology</i>									
SPBRX, INC. (f/k/a GSV Sustainability Partners, Inc.)—Preferred shares, Class A***	14,300,000	\$ 475,000	\$ 4,309,778	\$ —	\$ —	\$ —	\$(3,239,916)	\$ 1,069,862	0.52%
<i>Global Innovation Platform</i>									
NestGSV, Inc. (d/b/a GSV Labs, Inc.)—Preferred stock Series A-4	3,720,424	—	2,715,910	—	—	—	2,674,932	5,390,842	2.63%
NestGSV, Inc. (d/b/a GSV Labs, Inc.)—Preferred stock Series A-3	1,561,625	—	952,591	—	—	—	933,053	1,885,644	0.92%
NestGSV, Inc. (d/b/a GSV Labs, Inc.)—Preferred stock Series A-2	450,001	—	166,500	—	—	—	159,522	326,022	0.16%
NestGSV, Inc. (d/b/a GSV Labs, Inc.)—Preferred stock Series A-1	1,000,000	—	270,000	—	—	—	273,370	543,370	0.27%
<i>Total Global Innovation Platform</i>		—	4,105,001	—	—	—	4,040,877	8,145,878	3.98%
<i>Interactive Learning</i>									
StormWind, LLC—Preferred shares, Series C <sup>(3)</sup>	2,779,134	—	4,650,838	—	—	—	2,573,066	7,223,904	3.53%
StormWind, LLC—Preferred shares, Series B <sup>(3)</sup>	3,279,629	—	4,470,403	—	—	—	1,334,069	5,804,472	2.83%

**GSV CAPITAL CORP. AND SUBSIDIARIES**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**December 31, 2018**
**Schedule of Investments In, and Advances to, Affiliates**

Type/Industry/Portfolio Company/Investment	Principal/Quantity	Interest, Fees, or Dividends Credited in Income	Fair Value at December 31, 2016	Purchases, Capitalized Fees, Interest and Amortization	Sales	Realized Gains/(Losses)	Unrealized Gains/(Losses)	Fair Value at December 31, 2017	Percentage of Net Assets
StormWind, LLC—Preferred shares, Series A <sup>(3)</sup>	366,666	—	499,796	—	—	—	(74,454)	425,342	0.21%
<i>Total Interactive Learning</i>		—	9,621,037	—	—	—	3,832,681	13,453,718	6.57%
<b>Total Preferred Stock</b>		\$ 475,000	\$18,035,816	\$ —	\$ —	\$ —	\$ 4,633,642	\$22,669,458	11.07%
<b>Warrants</b>									
<i>Global Innovation Platform</i>									
NestGSV, Inc. (d/b/a GSV Labs, Inc.)—Preferred Warrant Series A-3—Strike Price \$1.33, Expiration Date 4/4/2019	187,500	\$ —	\$ 5,625	\$ —	\$ —	\$ —	\$ (3,750)	\$ 1,875	0.00%
NestGSV, Inc. (d/b/a GSV Labs, Inc.)—Preferred Warrant Series A-4—Strike Price \$1.33, Expiration Date 10/6/2019	500,000	—	40,000	—	—	—	120,000	160,000	0.08%
NestGSV, Inc. (d/b/a GSV Labs, Inc.)—Preferred Warrant Series A-4—Strike Price \$1.33, Expiration Date 7/18/2021	250,000	—	22,500	—	—	—	80,000	102,500	0.05%
NestGSV, Inc. (d/b/a GSV Labs, Inc.)—Preferred Warrant Series B—Strike Price \$2.31, Expiration Date 11/29/2021 <sup>(11)</sup>	100,000	—	9,000	—	—	—	32,000	41,000	0.02%
NestGSV, Inc. (d/b/a GSV Labs, Inc.)—Preferred Warrant Series B—Strike Price \$2.31, Expiration Date 5/29/2022 <sup>(4)</sup>	125,000	—	—	70,379	—	—	9,621	80,000	0.04%
<i>Total Global Innovation Platform</i>		—	77,125	70,379	—	—	237,871	385,375	0.19%
<b>Total Warrants</b>		\$ —	\$ 77,125	\$ 70,379	\$ —	\$ —	\$ 237,871	\$ 385,375	0.19%
<b>Common Stock</b>									
<i>Clean Technology</i>									
SPBRX, INC. (f/k/a GSV Sustainability Partners, Inc.)—Common shares	100,000	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	—%
<i>Global Innovation Platform</i>									
NestGSV, Inc. (d/b/a GSV Labs, Inc.)—Common shares	200,000	—	—	—	—	—	—	—	—%
<b>Total Common Stock</b>		\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	—%
<b>TOTAL CONTROLLED INVESTMENTS<sup>*(2)</sup></b>		<b>\$ 724,839</b>	<b>\$19,037,566</b>	<b>\$ 793,873</b>	<b>\$(526,000)</b>	<b>\$ —</b>	<b>\$ 4,901,722</b>	<b>\$24,207,161</b>	<b>11.82%</b>

GSV CAPITAL CORP. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
December 31, 2018

*Schedule of Investments In, and Advances to, Affiliates*

Type/Industry/Portfolio Company/Investment	Principal/Quantity	Interest, Fees, or Dividends Credited in Income	Fair Value at December 31, 2016	Purchases, Capitalized Fees, Interest and Amortization	Sales	Realized Gains/(Losses)	Unrealized Gains/(Losses)	Fair Value at December 31, 2017	Percentage of Net Assets
<b>NON-CONTROLLED/AFFILIATE INVESTMENTS<sup>(1)</sup></b>									
<b>Debt Investments</b>									
<i>Corporate Education</i>									
CUX, Inc. (d/b/a CorpU)–Senior Subordinated Convertible Promissory Note 8% Due 11/26/2018 <sup>***(6)</sup>	\$1,259,712	\$ 93,772	\$ 1,166,400	\$ 93,312	\$ —	\$ —	\$ —	\$ 1,259,712	0.62%
<i>Digital Media Platform</i>									
Ozy Media, Inc.–Convertible Promissory Note 5%, Due 2/28/2018 <sup>***(12)</sup>	\$2,000,000	(33,699)	2,000,000	—	—	—	(932,361)	1,067,639	0.52%
<i>Social Cognitive Learning</i>									
Declara, Inc.–Convertible Promissory Note 9% Due 12/31/2017 <sup>(8)</sup>	\$2,120,658	(523)	2,827,020	1,240	—	—	(1,707,931)	1,120,329	0.55%
<i>Sports Analytics</i>									
Circle Media (f/k/a S3 Digital Corp. (d/b/a S3i))–Promissory Note, 12%, 11/17/2017 <sup>***(13)</sup>	\$ —	(90)	26,544	3,569	—	(30,408)	295	—	—%
<b>Total Debt Investments</b>		\$ 59,460	\$ 6,019,964	\$ 98,121	\$ —	\$ (30,408)	\$ (2,639,997)	\$ 3,447,680	1.68%
<b>Preferred Stock</b>									
<i>Corporate Education</i>									
CUX, Inc. (d/b/a CorpU)–Convertible preferred shares, Series D	169,033	\$ —	\$ 775,861	\$ —	\$ —	\$ —	\$ 213,628	\$ 989,489	0.48%
CUX, Inc. (d/b/a CorpU) - Convertible preferred shares, Series C	615,763	—	1,913,484	—	—	—	(1,433,300)	480,184	0.23%
<b>Total Corporate Education</b>		—	2,689,345	—	—	—	(1,219,672)	1,469,673	0.71%
<i>Globally-Focused Private School</i>									
Whittle Schools, LLC–Preferred shares, Series B <sup>(5)</sup>	—	—	3,000,000	119,299	(3,000,000)	(119,299)	—	—	—%
<i>Online Education</i>									
Curious.com, Inc.–Preferred shares, Series B	3,407,834	—	9,984,954	—	—	—	(4,470,877)	5,514,077	2.69%
<i>Sports Analytics</i>									
Circle Media (f/k/a S3 Digital Corp. (d/b/a S3i))–Preferred shares, Series A <sup>(13)</sup>	—	—	484,769	—	—	(1,777,576)	1,292,807	—	—%

## GSV CAPITAL CORP. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
December 31, 2018

## Schedule of Investments In, and Advances to, Affiliates

Type/Industry/Portfolio Company/Investment	Principal/Quantity	Interest, Fees, or Dividends Credited in Income	Fair Value at December 31, 2016	Purchases, Capitalized Fees, Interest and Amortization	Sales	Realized Gains/(Losses)	Unrealized Gains/(Losses)	Fair Value at December 31, 2017	Percentage of Net Assets
<i>Social Cognitive Learning</i>									
Declara, Inc.—Preferred shares, Series A	10,716,390	—	4,786,654	—	—	—	(4,403,976)	382,678	0.19%
<i>Education Media Platform</i>									
EdSurge, Inc.—Preferred shares, Series A-1	378,788	—	500,000	—	—	—	—	500,000	0.24%
EdSurge, Inc.—Preferred shares, Series A	494,365	—	588,294	—	—	—	(6,377)	581,917	0.28%
<i>Total Education Media Platform</i>		—	1,088,294	—	—	—	(6,377)	1,081,917	0.52%
<i>Education Technology</i>									
Global Education Learning (Holdings) Ltd.—Preferred shares, Series A** <sup>(9)</sup>	—	—	—	—	—	(675,495)	675,495	—	—%
<i>Knowledge Networks</i>									
Maven Research, Inc.—Preferred shares, Series C	318,979	—	1,999,998	—	—	—	(1,498,758)	501,240	0.24%
Maven Research, Inc.—Preferred shares, Series B	49,505	—	223,763	—	—	—	(173,763)	50,000	0.02%
<i>Total Knowledge Networks</i>		—	2,223,761	—	—	—	(1,672,521)	551,240	0.26%
<i>Digital Media Platform</i>									
OzyMedia, Inc.—Preferred shares, Series B	922,509	—	4,999,999	—	—	—	(2,632,977)	2,367,022	1.16%
OzyMedia, Inc.—Preferred shares, Series A	1,090,909	—	3,000,000	—	—	—	(1,580,190)	1,419,810	0.69%
OzyMedia, Inc.—Preferred shares, Series Seed	500,000	—	610,000	—	—	—	(373,365)	236,635	0.12%
<i>Total Digital Media Platform</i>		—	8,609,999	—	—	—	(4,586,532)	4,023,467	1.97%
<i>Social Media</i>									
AlwaysOn, Inc.—Preferred shares, Series A-1 <sup>(10)</sup>	—	—	—	—	—	(876,023)	876,023	—	—%
AlwaysOn, Inc.—Preferred shares, Series A <sup>(10)</sup>	—	—	—	—	—	(1,027,391)	1,027,391	—	—%
<i>Total Social Media</i>		—	—	—	—	(1,903,414)	1,903,414	—	—%
<b>Total Preferred Stock</b>		\$ —	\$32,867,776	\$ 119,299	\$ (3,000,000)	\$ (4,475,784)	\$ (12,488,239)	\$13,023,052	6.36%
<b>Common Stock</b>									
<i>Big Data Consulting</i>									
Strategic Data Command, LLC—Common shares <sup>(7)</sup>	—	\$ —	\$ 2,052,555	\$ 1,000	\$ (2,514,651)	\$ 1,524,374	\$ (1,063,278)	\$ —	—%
<i>Globally-Focused Private School</i>									
Whittle Schools, LLC—Common shares <sup>(5)</sup>	—	—	1,500,000	59,649	(1,575,000)	(61,746)	77,097	—	—%
<b>Total Common Stock</b>		\$ —	\$ 3,552,555	\$ 60,649	\$ (4,089,651)	\$ 1,462,628	\$ (986,181)	\$ —	—%

**GSV CAPITAL CORP. AND SUBSIDIARIES**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**
**December 31, 2018**
**Schedule of Investments In, and Advances to, Affiliates**

Type/Industry/Portfolio Company/Investment	Principal/Quantity	Interest, Fees, or Dividends Credited in Income	Fair Value at December 31, 2016	Purchases, Capitalized Fees, Interest and Amortization	Sales	Realized Gains/(Losses)	Unrealized Gains/(Losses)	Fair Value at December 31, 2017	Percentage of Net Assets
<b>Warrants</b>									
<i>Sports Analytics</i>									
Circle Media (f/k/a S3 Digital Corp. (d/b/a S3i))—Preferred warrants, \$1.17 Strike Price, Expiration Date 11/18/2022 <sup>(13)</sup>	—	\$ —	\$ —	\$ —	\$ —	\$ (576)	\$ 576	\$ —	—%
Circle Media (f/k/a S3 Digital Corp. (d/b/a S3i))—Preferred warrants, \$1.17 Strike Price, Expiration Date 8/29/2021 <sup>(13)</sup>	—	—	—	—	—	—	—	—	—%
Circle Media (f/k/a S3 Digital Corp. (d/b/a S3i))—Preferred warrants, \$1.17 Strike Price, Expiration Date 6/26/2021 <sup>(13)</sup>	—	—	—	—	—	—	—	—	—%
Circle Media (f/k/a S3 Digital Corp. (d/b/a S3i))—Preferred warrants, \$1.17 Strike Price, Expiration Date 9/30/2020 <sup>(13)</sup>	—	—	—	—	—	—	—	—	—%
Circle Media (f/k/a S3 Digital Corp. (d/b/a S3i))—Preferred warrants, \$1.00 Strike Price, Expiration Date 11/21/2017 <sup>(13)</sup>	—	—	—	—	—	(31,354)	31,354	—	—%
<i>Total Sports Analytics</i>		—	—	—	—	(31,930)	31,930	—	—%
<i>Corporate Education</i>									
CUX, Inc. (d/b/a CorpU) - Preferred warrants, Series D, Strike Price \$4.59, Expiration Date 2/25/2018	16,903	—	4,395	—	—	—	(2,029)	2,366	0.00%
<i>Social Media</i>									
AlwaysOn, Inc.—Preferred Warrants Series A, \$1.00 strike price, expire 1/9/2017 <sup>(10)</sup>	—	—	—	—	—	—	—	—	—%
<b>Total Warrants</b>		\$ —	\$ 4,395	\$ —	\$ —	\$ (31,930)	\$ 29,901	\$ 2,366	0.00%
<b>TOTAL NON-CONTROLLED/AFFILIATE INVESTMENTS<sup>(1)</sup></b>		<b>\$ 59,460</b>	<b>\$42,444,690</b>	<b>\$ 278,069</b>	<b>\$(7,089,651)</b>	<b>\$(3,075,494)</b>	<b>\$(16,084,516)</b>	<b>\$16,473,098</b>	<b>8.04%</b>

\* All portfolio investments are non-income-producing, unless otherwise identified. Equity investments are subject to lock-up restrictions upon their IPO. Unless otherwise noted, all investments were pledged as collateral under the Credit Facility. The Company's and GSV Asset Management's officers and staff, as applicable, may serve on the board of directors of the Company's portfolio investments. All portfolio investments are considered Level 3 and valued using unobservable inputs, unless otherwise noted. All investments are restricted as to resale, unless otherwise noted, and were valued at fair value as determined in good faith by the Company's Board of Directors.

\*\* Indicates assets that GSV Capital Corp. believes do not represent "qualifying assets" under Section 55(a) of the 1940 Act.

**GSV CAPITAL CORP. AND SUBSIDIARIES****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****December 31, 2018**

\*\*\* Investment is income-producing.

- (1) Denotes an Affiliate Investment. "Affiliate Investments" are investments in those companies that are "Affiliated Companies" of GSV Capital Corp., as defined in the 1940 Act. In general, a company is deemed to be an "Affiliate" of GSV Capital Corp. if GSV Capital Corp. owns 5% or more of the voting securities (*i.e.*, securities with the right to elect directors) of such company.
- (2) Denotes a Control Investment. "Control Investments" are investments in those companies that are "Controlled Companies" of GSV Capital Corp., as defined in the 1940 Act. In general, under the 1940 Act, the Company would "Control" a portfolio company if the Company owned more than 25% of its outstanding voting securities (*i.e.*, securities with the right to elect directors) and/or had the power to exercise control over the management or policies of such portfolio company.
- (3) GSV Capital Corp.'s investment in StormWind, LLC is held through its wholly owned subsidiary, GSVC SW Holdings, Inc.
- (4) On May 29, 2017, the maturity date of the unsecured promissory note to NestGSV, Inc. (d/b/a GSV Labs, Inc.) was extended to November 29, 2017 in exchange for 125,000 Series B warrants. For accounting purposes, the extension of the maturity date was treated as an extinguishment of the existing note and creation of a new note. On November 29, 2017, the maturity date of the unsecured promissory note to NestGSV, Inc. (d/b/a GSV Labs, Inc.) was extended to January 15, 2018. On January 12, 2018, the unsecured promissory note to NestGSV, Inc. (d/b/a GSV Labs, Inc.) was repaid, with interest.
- (5) GSV Capital Corp.'s investment in Whittle Schools, LLC is held through its wholly-owned subsidiary, GSVC WS Holdings, Inc. Whittle Schools, LLC is an investment that is collateralized by Avenues Global Holdings, LLC, as well as the personal collateral of Chris Whittle, the former chairman of Avenues Global Holdings, LLC. In November 2017, the Company sold its entire position in Whittle Schools, LLC.
- (6) Interest will accrue daily on the unpaid principal balance of the note. Interest began compounding annually on November 26, 2015. Accrued interest is not payable until the earlier of (a) the closing of a subsequent equity offering by CUX, Inc. (d/b/a CorpU), or (b) the maturity of the note (November 26, 2018).
- (7) GSV Capital Corp.'s investment in Strategic Data Command, LLC is held through its wholly owned subsidiary, GSVC SVDS Holdings, Inc. In November 2017, the Company sold its entire position in Strategic Data Command, LLC.
- (8) On July 1, 2017, the maturity date of the convertible promissory note to Declara, Inc. was extended to December 31, 2017. The convertible promissory note to Declara, Inc. was further extended until January 31, 2018. The maturity date of the convertible promissory note to Declara, Inc. was then subsequently extended an additional three months to April 30, 2018. On January 31, 2018 the interest rate on the convertible promissory note increased to 12% per annum (including 365 days for the purposes of accrual).
- (9) The Company wrote-off its investment in Global Education Learning (Holdings) Ltd. during the three months ended June 30, 2017.
- (10) The Company wrote-off its investment in AlwaysOn, Inc. during the three months ended March 31, 2017.
- (11) In the fourth quarter of 2017, NestGSV, Inc. (d/b/a GSV Labs, Inc.) met certain financing qualifications under the Company's warrant agreement with NestGSV, Inc. (d/b/a GSV Labs, Inc.) and the Company's Series A-4 warrants with a strike price of \$1.33 converted to Series B warrants with a \$2.31 strike price.
- (12) Subsequent to the year-ended December 31, 2017, Ozy Media, Inc.'s obligations under its financing arrangements with the Company became past due. The Company and Ozy Media are in the process of renegotiating the terms of the Company's investment.
- (13) The Company wrote-off its investment in Circle Media (f/k/a S3 Digital Corp. (d/b/a S3i)) during the three months ended December 31, 2017.

**GSV CAPITAL CORP. AND SUBSIDIARIES****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****December 31, 2018****NOTE 5—SHARE REPURCHASE PROGRAM, EQUITY OFFERINGS AND RELATED EXPENSES**

On August 8, 2017, the Company announced a \$5.0 million discretionary open-market share repurchase program of shares of the Company's common stock, \$0.01 par value per share, of up to \$5.0 million until the earlier of (i) August 6, 2018 or (ii) the repurchase of \$5.0 million in aggregate amount of the Company's common stock (the "Share Repurchase Program"). On November 7, 2017, the Company's Board of Directors authorized an extension of, and an increase in the amount of shares of the Company's common stock that may be repurchased under the discretionary Share Repurchase Program until the earlier of (i) November 6, 2018 or (ii) the repurchase of \$10.0 million in aggregate amount of the Company's common stock. On May 3, 2018, the Company's Board of Directors authorized a \$5.0 million increase in the amount of shares of the Company's common stock that may be repurchased under the discretionary Share Repurchase Program until the earlier of (i) November 6, 2018 or (ii) the repurchase of \$15.0 million in aggregate amount of the Company's common stock. The timing and number of shares to be repurchased will depend on a number of factors, including market conditions and alternative investment opportunities. The Share Repurchase Program may be suspended, terminated or modified at any time for any reason and does not obligate the Company to acquire any specific number of shares of its common stock.

On November 1, 2018, our Board of Directors authorized a \$5.0 million increase in the amount of shares of our common stock that may be repurchased under the discretionary Share Repurchase Program until the earlier of (i) October 31, 2019 or (ii) the repurchase of \$20.0 million in aggregate amount of our common stock. Under the Share Repurchase Program, we may repurchase our outstanding common stock in the open market provided that we comply with the prohibitions under our insider trading policies and procedures and the applicable provisions of the 1940 Act and the Securities Exchange Act of 1934, as amended.

During the quarter and year ended December 31, 2018, the Company repurchased 412,308 and 1,483,698 shares, respectively, of the Company's common stock pursuant to the Share Repurchase Program for an average share price of \$6.77 and \$6.93, respectively, or approximately \$2.8 million and \$10.3 million, respectively, in aggregate. As of December 31, 2018, the dollar value of shares that remained available to be purchased by the Company under the Share Repurchase Program was approximately \$4.8 million.

No new shares of the Company's common stock were issued during the year ended December 31, 2018.



GSV CAPITAL CORP. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2018

NOTE 6—NET CHANGE IN NET ASSETS RESULTING FROM OPERATIONS PER COMMON SHARE—BASIC AND DILUTED

The following information sets forth the computation of basic and diluted net increase in net assets resulting from operations per common share, pursuant to ASC 260, for the year ended December 31, 2018 and 2017.

	Year Ended December 31,		
	2018	2017	2016
<b>Earnings/(Loss) per common share—basic:</b>			
Net change in net assets resulting from operations	\$ 891,743	\$ 17,567,933	\$ (74,994,895)
Weighted-average common shares—basic	20,617,890	21,924,490	22,181,003
<b>Earnings/(Loss) per common share—basic</b>	<b>\$ 0.04</b>	<b>\$ 0.80</b>	<b>\$ (3.38)</b>
<b>Earnings/(Loss) per common share—diluted:</b>			
Net change in net assets resulting from operations	\$ 891,743	\$ 17,567,933	\$ (74,994,895)
Adjustment for interest and amortization on 5.25% Convertible Senior Notes due 2018 <sup>(1)</sup>	—	—	—
Adjustment for interest and amortization on 4.75% Convertible Senior Notes due 2023 <sup>(1)</sup>	—	—	—
Net change in net assets resulting from operations, as adjusted	\$ 891,743	\$ 17,567,933	\$ (74,994,895)
Adjustment for dilutive effect of 5.25% Convertible Senior Notes due 2018 <sup>(1)</sup>	—	—	—
Adjustment for dilutive effect of 4.75% Convertible Senior Notes due 2023 <sup>(1)</sup>	—	—	—
Weighted-average common shares outstanding—diluted	20,617,890	21,924,490	22,181,003
<b>Earnings/(Loss) per common share—diluted</b>	<b>\$ 0.04</b>	<b>\$ 0.80</b>	<b>\$ (3.38)</b>

(1) For the years ended December 31, 2018, 2017, and 2016, 6,079,068, 5,751,815, and 5,751,815 potentially dilutive common shares, respectively, were excluded from the weighted-average common shares outstanding for diluted net change in net assets resulting from operations per common share because the effect of these shares would have been anti-dilutive.

NOTE 7—COMMITMENTS AND CONTINGENCIES

In the normal course of business, the Company may enter into investment agreements under which it commits to make an investment in a portfolio company at some future date or over a specified period of time. At December 31, 2018 and December 31, 2017, the Company had not entered into any investment agreements that required it to make a future investment in a portfolio company.

From time to time, the Company may be a party to certain legal proceedings in the ordinary course of business, including proceedings relating to the enforcement of its rights under contracts with its portfolio companies. While the outcome of these legal proceedings cannot be predicted with certainty, the Company does not expect that these proceedings will have a material effect upon its business, financial condition or results of operations.

**GSV CAPITAL CORP. AND SUBSIDIARIES**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**December 31, 2018**
**NOTE 8—FINANCIAL HIGHLIGHTS**

Per Basic Share Data	Year Ended December 31,				
	2018	2017	2016	2015	2014
Net asset value at beginning of the year	\$ 9.64	\$ 8.66	\$ 12.08	\$ 14.80	\$ 14.91
Net investment loss <sup>(1)</sup>	(0.37)	(0.95)	(0.06)	(2.52)	(0.66)
Net realized gain/(loss) on investments <sup>(1)</sup>	(0.36)	0.04	(0.12)	2.80	1.24
Benefit from/(Provision for) taxes on net realized gain/loss of investments <sup>(1)</sup>	—	—	—	0.02	(0.51)
Realized loss on partial repurchase of 5.25% Convertible Senior Notes due 2018 <sup>(1)</sup>	(0.02)	—	—	—	—
Net change in unrealized appreciation/(depreciation) of investments <sup>(1)</sup>	0.47	1.59	(3.30)	(0.69)	(0.30)
Benefit from taxes on unrealized depreciation of investments <sup>(1)</sup>	0.33	0.13	0.10	0.83	0.12
Dividends from realized gain	—	—	(0.04)	(2.76)	—
Repurchase of common stock <sup>(1)</sup>	0.20	0.18	—	—	—
Net asset value at end of year	\$ 9.89	\$ 9.64	\$ 8.66	\$ 12.08	\$ 14.80
Per share market value at end of year	\$ 5.22	\$ 5.45	\$ 5.03	\$ 9.37	\$ 8.63
Total return based on market value <sup>(2)</sup>	(4.22)%	8.35%	(23.29)%	8.57%	(28.62)%
Total return based on net asset value <sup>(2)</sup>	2.59%	11.32%	(27.74)%	(0.27)%	(0.74)%
Shares outstanding at end of year	19,762,647	21,246,345	22,181,003	22,181,003	19,320,100
<b>Ratios/Supplemental Data:</b>					
Net assets at end of year	\$ 195,378,159	\$ 204,762,866	\$ 192,128,810	\$ 268,010,945	\$ 285,903,673
Average net assets	\$ 208,678,731	\$ 199,457,678	\$ 243,577,514	\$ 296,560,393	\$ 284,953,811
Ratio of gross operating expenses to average net assets <sup>(3)</sup>	7.09%	11.25%	0.82%	9.10%	7.64%
Ratio of incentive fee waiver to average net assets	(2.40)%	—%	—%	—%	—%
Ratio of management fee waiver to average net assets	(0.43)%	(0.36)%	—%	—%	—%
Ratio of income tax provisions to average net assets	(3.22)%	(1.38)%	(0.87)%	(1.88)%	(0.50)%
Ratio of net operating expenses to average net assets <sup>(3)</sup>	1.04%	9.51%	(0.05)%	7.22%	7.14%
Ratio of net investment loss to average net assets <sup>(3)</sup>	(3.66)%	(10.47)%	(0.52)%	(16.41)%	(4.48)%
Portfolio Turnover Ratio	5.01%	0.07%	4.46%	8.30%	19.45%

(1) Based on weighted-average number of shares outstanding for the relevant period.

(2) Total return based on market value is based on the change in market price per share between the opening and ending market values per share in the year. Total return based on net asset value is based upon the change in net asset value per share between the opening and ending net asset values per share.

(3) For the year ended December 31, 2018, the Company excluded \$352,667 of non-recurring expenses. For the year ended December 31, 2017, the Company did not incur any non-recurring expenses. Because the ratios are calculated for the Company's common stock taken as a whole, an individual investor's ratios may vary from these ratios.

**NOTE 9—INCOME TAXES**

The Company elected to be treated as a RIC under Subchapter M of the Code beginning with its taxable year ended December 31, 2014, has qualified to be treated as a RIC for subsequent taxable years and expects to continue to operate in a manner so as to qualify for the tax treatment applicable to RICs.

**GSV CAPITAL CORP. AND SUBSIDIARIES****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
December 31, 2018**

Due to the Company's election to be treated as RIC, the associated previously accrued benefits from, and provisions for, taxes from prior periods were reversed for the year ended December 31, 2015. Typically for a taxable entity, a net investment loss would generate a benefit from taxes; however, as a result of our election to be treated as a RIC, we reversed the previously accrued benefits from taxes on net investment loss from prior periods. Typically for a taxable entity, net realized capital gains would generate a provision for taxes; however, as a result of our election to be treated as a RIC, we reversed the previously accrued provisions for taxes on net realized capital gains from prior periods. As a result of our election to be treated as a RIC, we reversed the previously accrued provisions for taxes on unrealized appreciation of investments from prior periods. This reversal resulted in a larger benefit for taxes on unrealized depreciation of investments than would have been accrued solely based on the unrealized depreciation of investments for the year ended December 31, 2015.

As a result of the Company electing to be treated as a RIC for the taxable year ended December 31, 2014 in connection with the filing of its 2014 tax return, it may be required to pay a corporate-level U.S. federal income tax on the amount of the net built-in gains, if any, in its assets (the amount by which the net fair market value of the Company's assets exceeds the net adjusted basis in its assets) as of the date of conversion to a RIC (*i.e.*, the beginning of the first taxable year that the Company qualifies as a RIC, which would be January 1, 2014) to the extent that such gains are recognized by the Company during the applicable recognition period, which is the five-year period beginning on the date of conversion.

Any corporate-level built-in-gains tax is payable at the time the built-in gains are recognized (which generally will be the years in which the assets with the built-in-gains are sold in a taxable transaction). The amount of this tax will vary depending on the assets that are actually sold by the Company in this five-year period, the actual amount of net built-in gain or loss present in those assets as of the date of conversion, and the effective tax rates at such times. The payment of any such corporate-level U.S. federal income tax on built-in gains will be a Company expense that will reduce the amount available for distribution to stockholders. The built-in-gains tax is calculated by determining the RIC's net unrealized built-in gains, if any, by which the fair market value of the assets of the RIC at the beginning of its first RIC year exceeds the aggregate adjusted basis of such assets at that time. As of January 1, 2014, the Company had net unrealized built-in gains. It did not incur a built-in-gains tax for the 2014 tax year due to the fact that there were sufficient net capital loss carryforwards to completely offset recognized built-in gains as well as available net operating losses.

The Company elected to be treated as a RIC for the taxable year ended December 31, 2014 in connection with the filing of its 2014 tax return. As a result, the Company was required to pay a corporate-level U.S. federal income tax on the amount of the net built-in gains in its assets (the amount by which the net fair market value of the Company's assets exceeds the net adjusted basis in its assets) either (1) as of the date it converted to a RIC (*i.e.*, the beginning of the first taxable year that the Company qualifies as a RIC, which would be January 1, 2014), or (2) to the extent that the Company recognized such net built-in gains during the five-year recognition period beginning on the date of conversion. As of January 1, 2014, the Company had net unrealized built-in gains, but did not incur a built-in-gains tax for the 2014 tax year due to the fact that there were sufficient net capital loss carryforwards to completely offset recognized built-in gains as well as available net operating losses. The five-year recognition period ended on December 31, 2018.

As of December 31, 2018 and December 31, 2017, the Company recorded a deferred tax liability of approximately \$0.9 million and \$7.6 million, respectively, of which approximately \$0.0 million and \$6.1 million have been recorded in the event that such gains are recognized by December 31, 2018, and approximately \$0.9 million and \$1.5 million relate to the difference in the book and tax basis of certain equity investments and net tax operating losses held by the GSVC Holdings.

For U.S. federal and state income tax purposes, a portion of the GSVC Holdings' net operating loss carryforwards and basis differences may be subject to limitations on annual utilization in case of a change in ownership, as defined by federal and state law. The amount of such limitations, if any, has not been determined. Accordingly, the amount of such tax attributes available to offset future profits may be significantly less than the actual amounts of the tax attributes.

The Company and the GSVC Holdings identified their major tax jurisdictions as U.S. federal and California and may be subject to the taxing authorities' examination for the tax years 2015–2018 and 2014–2018, respectively. Further, the Company and the GSVC Holdings accrue all interest and penalties related to uncertain tax positions as incurred. As of December 31, 2018, there were no material interest or penalties incurred related to uncertain tax positions.

**GSV CAPITAL CORP. AND SUBSIDIARIES**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**
**December 31, 2018**

Permanent differences between ICTI and net investment income for financial reporting purposes are reclassified among capital accounts in the consolidated 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 and 2017, the Company reclassified for book purposes amounts arising from permanent book/tax differences related as follows:

	Year Ended December 31,	
	2018	2017
Capital in excess of par value	\$ (7,254,108)	\$ (13,729,093)
Accumulated undistributed net investment loss	7,254,108	13,729,093
Accumulated net realized gains from investments	—	—

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

	Year Ended December 31,		
	2018	2017	2016
Ordinary income	\$ —	\$ —	\$ —
Long-term capital gain	—	—	820,753
Return of capital	—	—	66,487
Distributions on a tax basis	—	—	—

For federal income tax purposes, the tax cost of investments owned at December 31, 2018 and 2017, was \$265,015,996 and \$301,600,495, respectively. The gross unrealized appreciation and gross unrealized depreciation on investments owned at December 31, 2018 was \$90,435,707 and \$56,641,871, respectively and on investments owned at December 31, 2017, was \$81,756,208 and \$62,774,210, respectively. The net unrealized appreciation/(depreciation) on investments owned at December 31, 2018 and 2017, was \$33,793,836 and \$18,981,998, respectively.

At December 31, 2018 and 2017 the components of distributable earnings on a tax basis detailed below differ from the amounts reflected in the Company's Consolidated Statements of Assets and Liabilities by temporary and other book/tax differences, primarily relating to the tax treatment of certain investments in partnerships and wholly-owned subsidiary corporations, and organizational expenses, as follows:

	Year Ended December 31,	
	2018	2017
Accumulated net realized losses on investments	\$ (13,821,840)	\$ (819,590)
Unrealized appreciation	32,908,270	11,379,697
Components of distributable earnings at year end	\$ 19,086,430	\$ 10,560,107

**NOTE 10—DEBT CAPITAL ACTIVITIES**
**5.25% Convertible Senior Notes due 2018**

On September 17, 2013, the Company issued \$69.0 million aggregate principal amount of convertible senior notes, which bear interest at a fixed rate of 5.25% per year, payable semi-annually in arrears on March 15 and September 15 of each year. The 5.25% Convertible Senior Notes mature on September 15, 2018 (the "5.25% Convertible Senior Notes due 2018"), unless previously repurchased or converted in accordance with their terms. The Company does not have the right to redeem the 5.25% Convertible Senior Notes due 2018 prior to maturity. The indenture governing the 5.25% Convertible Senior Notes due 2018 contains customary financial reporting requirements and contains certain restrictions on mergers, consolidations, and asset sales. The indenture also contains certain events of default, the occurrence of which may lead to the 5.25% Convertible Senior Notes due 2018 being due

## GSV CAPITAL CORP. AND SUBSIDIARIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2018

and payable before their maturity or immediately. The 5.25% Convertible Senior Notes due 2018 are convertible into shares of the Company's common stock based on a conversion rate of 83.3596 shares of the Company's common stock per \$1,000 of principal amount of the 5.25% Convertible Senior Notes due 2018, which is equivalent to a conversion price of approximately \$12.00 per share of common stock.

On December 15, 2017, the Company announced the commencement of a cash tender offer (the "Tender Offer") to purchase any and all of its \$69.0 million aggregate principal amount of outstanding 5.25% Convertible Senior Notes due 2018. As of the expiration of the Tender Offer on January 17, 2018, approximately \$4.8 million aggregate principal amount of the 5.25% Convertible Senior Notes due 2018, representing approximately 7.0% of the outstanding 5.25% Convertible Senior Notes due 2018, were validly tendered and not validly withdrawn pursuant to the Tender Offer. On March 27, 2018, the Company repurchased an additional \$14.2 million aggregate principal amount of the outstanding 5.25% Convertible Senior Notes due 2018.

The 5.25% Convertible Senior Notes due 2018 matured on September 15, 2018 (the "Maturity Date"). Pursuant to the terms of the 5.25% Convertible Senior Notes due 2018 and the indenture related thereto, we repaid the remaining outstanding aggregate principal amount of the 5.25% Convertible Senior Notes due 2018, including accrued but unpaid interest, on the Maturity Date and the 5.25% Convertible Senior Notes were no longer outstanding as of such date.

The table below shows a reconciliation from the aggregate principal amount of 5.25% Convertible Senior Notes due 2018 to the balance shown on the Consolidated Statements of Assets and Liabilities.

	December 31, 2018	December 31, 2017
Aggregate principal amount of 5.25% Convertible Senior Notes due 2018 <sup>(1)</sup>	\$ 49,982,000	\$ 69,000,000
Unamortized embedded derivative discount	(24,269)	(111,143)
Direct deduction of deferred debt issuance costs	(108,458)	(506,308)
Effect of repayment upon maturity (September 15, 2018)	(49,849,273)	—
<b>5.25% Convertible Senior Notes due 2018 Payable</b>	<b>\$ —</b>	<b>\$ 68,382,549</b>

(1) \$49,982,000 represents the aggregate principal amount of 5.25% Convertible Senior Notes due 2018 following the Tender Offer and note repurchase as described above.

As of December 31, 2017, the principal amount of the 5.25% Convertible Senior Notes due 2018 exceeded the value of the underlying shares multiplied by the per share closing price of the Company's common stock.

The 5.25% Convertible Senior Notes due 2018 were the Company's senior, unsecured obligations and ranked senior in right of payment to any future indebtedness that was expressly subordinated in right of payment to the 5.25% Convertible Senior Notes due 2018, equal in right of payment to the 4.75% Convertible Senior Notes due 2023 (defined below) and any future unsecured indebtedness that was not so subordinated to the 5.25% Convertible Senior Notes due 2018, effectively junior to any existing and future secured indebtedness to the extent of the value of the assets securing such indebtedness, including, without limitation, any borrowings under the Credit Facility (defined below), and structurally junior to all future indebtedness (including trade payables) incurred by the Company's subsidiaries.

The 5.25% Convertible Senior Notes due 2018 contained an interest make-whole payment provision pursuant to which holders who converted their notes prior to September 15, 2016, would receive, in addition to a number of shares of the Company's common stock calculated at the applicable conversion rate for the principal amount of 5.25% Convertible Senior Notes due 2018 being converted, the cash proceeds from the sale by the escrow agent of the portion of the U.S. Treasury strips in the escrow account that were remaining with respect to any of the first six interest payments that had not been made on the 5.25% Convertible Senior Notes due 2018 being converted. Under FASB ASC 815-10-15-74(a), the interest make-whole payment was considered an embedded derivative and was separated from the host contract, the 5.25% Convertible Senior Notes due 2018, and carried at fair value. The interest make-whole payment provision expired on September 15, 2016 rendering the embedded derivative with no value; however the original value of the embedded derivative of \$0.7 million continued to be amortized over the life of the 5.25% Convertible Senior Notes due 2018.

## GSV CAPITAL CORP. AND SUBSIDIARIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2018

**4.75% Convertible Senior Notes due 2023**

On March 28, 2018, the Company issued \$40.0 million aggregate principal amount of convertible senior notes, which bear interest at a fixed rate of 4.75% per year, payable semi-annually in arrears on March 31 and September 30 of each year, commencing on September 30, 2018. The 4.75% Convertible Senior Notes mature on March 28, 2023 (the "4.75% Convertible Senior Notes due 2023"), unless previously repurchased or converted in accordance with their terms. The Company does not have the right to redeem the 4.75% Convertible Senior Notes due 2023 prior to March 27, 2021. On or after March 27, 2021, the Company may redeem the 4.75% Convertible Senior Notes due 2023 for cash, in whole or from time to time in part, at the Company's option if (i) the closing sale price of the Company's common stock for at least 15 trading days (whether or not consecutive) during the period of any 20 consecutive trading days is greater than or equal to 150% of the conversion price on each applicable trading day, (ii) no public announcement of a pending, proposed or intended fundamental change has occurred which has not been abandoned, terminated or consummated, and (iii) no event of default under the indenture governing the 4.75% Convertible Senior Notes due 2023, and no event that with the passage of time or giving of notice would constitute an event of default under such indenture, has occurred or exists.

The initial conversion rate for the 4.75% Convertible Senior Notes due 2023 is 93.2836 shares of the Company's common stock for each \$1,000 principal amount of 4.75% Convertible Senior Notes due 2023, which represents an initial conversion price of approximately \$10.72 per share. Following certain corporate transactions that occur on or prior to the stated maturity date, the Company will, in certain circumstances, increase the conversion rate for a holder that elects to convert its 4.75% Convertible Senior Notes due 2023 in connection with such a corporate transaction. If a fundamental change, as defined in the indenture governing the 4.75% Convertible Senior Notes due 2023, occurs prior to the stated maturity date, holders may require the Company to purchase for cash all or any portion of their 4.75% Convertible Senior Notes due 2023 at a fundamental change purchase price equal to 100% of the principal amount of the Notes to be purchased, plus accrued and unpaid interest to, but excluding, the fundamental change purchase date.

The indenture governing the 4.75% Convertible Senior Notes due 2023 contains customary financial reporting requirements and contains certain restrictions on mergers, consolidations, and asset sales. The indenture also contains certain events of default, the occurrence of which may lead to the 4.75% Convertible Senior Notes due 2023 being due and payable before their maturity or immediately.

The table below shows a reconciliation from the aggregate principal amount of 4.75% Convertible Senior Notes due 2023 to the balance shown on the Consolidated Statements of Assets and Liabilities.

	December 31, 2018	December 31, 2017
Aggregate principal amount of 4.75% Convertible Senior Notes due 2023	\$ 40,000,000	\$ —
Direct deduction of deferred debt issuance costs	\$ (1,565,489)	\$ —
<b>4.75% Convertible Senior Notes due 2023 Payable</b>	<b>\$ 38,434,511</b>	<b>\$ —</b>

As of December 31, 2018 the principal amount of the 4.75% Convertible Senior Notes due 2023 exceeded the value of the underlying shares multiplied by the per share closing price of the Company's common stock.

The 4.75% Convertible Senior Notes due 2023 are the Company's general, unsecured, senior obligations and rank senior in right of payment to any future indebtedness that is expressly subordinated in right of payment to the 4.75% Convertible Senior Notes due 2023, equal in right of payment to any existing and future unsecured indebtedness that is not so subordinated to the 4.75% Convertible Senior Notes due 2023, including, without limitation, the 5.25% Convertible Senior Notes due 2018, effectively junior to any future secured indebtedness to the extent of the value of the assets securing such indebtedness, including, without limitation, any borrowings under the Credit Facility (defined below), and structurally junior to all future indebtedness (including trade payables) incurred by the Company's subsidiaries. For the period from the initial issuance of the 4.75% Convertible Senior Notes due 2023 to, and including, March 27, 2019, the Company has agreed not to incur any indebtedness other than certain permitted debt, including, without limitation, up to \$12.0 million in borrowings under the Credit Facility.

## GSV CAPITAL CORP. AND SUBSIDIARIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2018

In connection with the issuance of the 4.75% Convertible Senior Notes due 2023, the Company is required under the terms of the Credit Facility to deposit any proceeds from the 4.75% Convertible Senior Notes due 2023 offering into an account at Western Alliance Bank and is required to maintain at least \$65.0 million (or such lesser amount to the extent such funds are used to repay or repurchase a portion of the outstanding 5.25% Convertible Senior Notes due 2018 prior to their maturity and repayment in full) in an account at Western Alliance Bank until such time as the 5.25% Convertible Senior Notes due 2018 are repaid in full.

**Western Alliance Bank Credit Facility**

The Company entered into a Loan and Security Agreement, effective May 31, 2017 and as amended on March 22, 2018 (the “Loan Agreement”), with Western Alliance Bank, pursuant to which Western Alliance Bank agreed to provide the Company with a \$12.0 million senior secured revolving credit facility (the “Credit Facility”).

The Credit Facility, among other things, matures on May 31, 2019 and bears interest at a per annum rate equal to the prime rate plus 3.50%. In addition, a facility fee of \$60,000 was charged upon closing of the Credit Facility, and the Loan Agreement requires payment of a fee for unused amounts during the revolving period in an amount equal to 0.50% per annum of the average unused portion of the Credit Facility payable quarterly in arrears.

Under the Loan Agreement, the Company has made certain customary representations and warranties and is required to comply with various affirmative and negative covenants, reporting requirements, and other customary requirements for similar credit facilities, including, without limitation, restrictions on incurring additional indebtedness (with unsecured longer-term indebtedness limited to \$111.0 million in the aggregate through maturity of the 5.25% Convertible Senior Notes due 2018 on September 15, 2018, and \$70.0 million in the aggregate thereafter), compliance with the asset coverage requirements under the 1940 Act, a minimum net asset value requirement of at least the greater of \$60.0 million or five times the amount of the Credit Facility, a limitation on the Company’s net asset value being reduced by more than 15% of its net asset value at December 31, 2016, and maintenance of RIC and business development company status. The Loan Agreement includes usual and customary events of default for credit facilities of this nature, including, without limitation, nonpayment, misrepresentation of representations and warranties in a material respect, breach of covenant, cross-default to certain other indebtedness, bankruptcy, the cessation of the Investment Advisory Agreement, and the occurrence of a material adverse effect. As of December 31, 2018, the Company was in compliance with all covenants of the Credit Facility.

The Credit Facility is secured by substantially all of the Company’s property and assets. As of December 31, 2018, the Company had no borrowings outstanding under the Credit Facility.

For the year ended December 31, 2018, the Company had average borrowings outstanding under the Credit Facility of \$0. For the year ended December 31, 2017 the Company had average borrowings outstanding of \$460,274.

**NOTE 11—SUBSEQUENT EVENTS****Portfolio Activity**

From January 1, 2019 through April 17, 2019, the Company closed on investment purchases of \$10,000,000 (not including capitalized transaction costs) as shown in the following table.

<b>Portfolio Company</b>	<b>Investment</b>	<b>Transaction Date</b>	<b>Gross Payments</b>
Neutron Holdings, Inc. (d/b/a Lime)	Preferred shares, Series D	1/25/2019	\$ 10,000,000
Total			\$ 10,000,000

**GSV CAPITAL CORP. AND SUBSIDIARIES**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**December 31, 2018**

From January 1, 2019 through April 17, 2019, the Company sold investments of \$16,550,240, net of transaction costs, as shown in the following table:

Portfolio Company	Transaction Date	Shares Sold	Average Net Share Price (1)	Net Proceeds	Realized Gain/(Loss) <sup>(2)</sup>
Declara, Inc. <sup>(3)</sup>	3/11/2019	10,716,390	\$ —	\$ —	\$ (9,999,999)
Declara, Inc. <sup>(3)</sup>	3/11/2019	N/A	N/A	—	(2,334,152)
Spotify Technology S.A.	3/21/2019	35,000	143.06	5,007,136	3,520,353
Spotify Technology S.A.	3/25/2019	25,000	140.22	3,505,504	2,443,004
Spotify Technology S.A.	3/27/2019	10,000	134.13	1,341,283	916,283
Spotify Technology S.A.	3/28/2019	15,000	134.49	2,017,423	1,379,923
Spotify Technology S.A.	4/2/2019	26,664	143.08	3,815,041	2,681,821
Spotify Technology S.A. <sup>(4)</sup>	4/3/2019	6,016	143.59	863,853	608,173
		117,680	\$ 140.64	16,550,240	11,549,557
				<b>\$ 16,550,240</b>	<b>\$ (784,594)</b>

(1) The average net share price is the net share price realized after deducting all commissions and fees on the sale(s), if applicable.

(2) Realized gain/(loss) does not include amounts held in escrow or any realized gain/(loss) incurred on the maturity of our U.S. Treasury investments.

(3) On March 11, 2019, Declara, Inc. entered into a definitive agreement to be acquired by Declara Holdings, Inc., a subsidiary of Futuryng, Inc. Despite the existence of an earn-out provision, as a result of the transaction, the Company does not expect to receive any proceeds.

(4) As of April 17, 2019, we held 117,680 remaining shares of Spotify Technology S.A..

On March 29, 2019, Lyft, Inc. priced its initial public offering for 32,500,000 Class A common shares at a price of \$72.00 per share. The Company's 176,266 Series D preferred shares and 128,563 Series E preferred shares of Lyft, Inc. automatically converted to Class A common shares immediately prior to the close of the offering and are subject to a 180-day lock-up provision.

The Company is frequently in negotiations with various private companies with respect to investments in such companies. Investments in private companies are generally subject to satisfaction of applicable closing conditions. In the case of secondary market transactions, such closing conditions may include approval of the issuer, waiver or failure to exercise rights of first refusal by the issuer and/or its stockholders and termination rights by the seller or the Company. Equity investments made through the secondary market may involve making deposits in escrow accounts until the applicable closing conditions are satisfied, at which time the escrow accounts will close and such equity investments will be effectuated.

**Internalization of Company's Operating Structure**

On and effective March 12, 2019 (the "Effective Date"), our Board of Directors approved internalizing our operating structure (our "Internalization") and we began operating as an internally managed non-diversified closed-end management investment company that has elected to be regulated as a BDC under the 1940 Act, as of the Effective Date, and the following occurred.

The accounting implications and related controls associated with the Internalization are currently being analyzed and updated for fiscal year 2019.

**Termination of Investment Advisory Agreement**

On and effective March 12, 2019, the Investment Advisory Agreement was terminated by mutual agreement of GSV Asset Management and us in connection with our Internalization.

Prior to our Internalization, GSV Asset Management served as our external investment adviser pursuant to the Investment Advisory Agreement. Pursuant to the terms of the Investment Advisory Agreement, we paid GSV Asset Management a fee for its services consisting of two components - a base management fee and an incentive fee. The base management fee was calculated at an annual rate of 2.00% of our gross assets (our total assets as reflected on our balance sheet with no deduction for liabilities).



**GSV CAPITAL CORP. AND SUBSIDIARIES****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****December 31, 2018**

The incentive fee was determined and payable in arrears as of the end of each calendar year (or upon termination of the Investment Advisory Agreement, as of the termination date), and equaled the lesser of (i) 20% of our realized capital gains during such calendar year, if any, calculated on an investment-by-investment basis, subject to a non-compounded preferred return, or “hurdle” of 8.00% per year, and a “catch-up” feature, and (ii) 20% of our realized capital gains, if any, on a cumulative basis from inception through the end of each calendar year, computed net of all realized capital losses and unrealized capital depreciation on a cumulative basis, less the aggregate amount of any previously paid incentive fees. See “Investment Advisory Agreement” in Part I, Item 1A of this Form 10-K.

***Termination of Administration Agreement***

On and effective March 12, 2019, the Administration Agreement was terminated by mutual agreement of GSV Capital Service Company and us in connection with our Internalization.

Prior to our Internalization, GSV Capital Service Company served as our external administrator and provided administrative services necessary for our operations, including but not limited to, furnishing us with office facilities, equipment and clerical, bookkeeping and record keeping services at such facilities, as well as providing us with certain other administrative services, including, but not limited to, assisting us with determining and publishing our net asset value, overseeing the preparation and filing of our tax returns and the printing and dissemination of reports to our stockholders.

Under the Administration Agreement, we did not pay any fees to GSV Capital Service Company but reimbursed GSV Capital Service Company for our allocable portion of overhead and other expenses incurred by GSV Capital Service Company in performing its services under the Administration Agreement, including, but not limited to, fees and expenses associated with performing compliance functions and our allocable portion of rent and compensation of our President, Chief Financial Officer, Chief Compliance Officer and other staff providing administrative services. There were \$1,702,047, \$1,874,839, and \$2,545,316 in such costs incurred under the Administration Agreement for the years ended December 31, 2018, 2017, and 2016, respectively. See “Administration Agreement” in Part I, Item 1A of this Form 10-K.

***Departure of Director and Reduction of Number of Directors***

On and effective March 12, 2019, Michael T. Moe resigned from our Board of Directors in connection with our Internalization. As a result of Mr. Moe’s resignation, our Board of Directors reduced the number of directors that constitute our full Board of Directors to five directors from six directors in accordance with our bylaws. Mr. Moe will continue to provide services to us pursuant to the Consulting Agreement (as defined below). See “—Consulting Agreement.”

***Consulting Agreement***

On and effective March 12, 2019, we entered into a Consulting Agreement (the “Consulting Agreement”) with Michael T. Moe, the former Chairman of our Board of Directors and the Chief Executive Officer and Chief Investment Officer of GSV Asset Management, for the purpose of assisting us with certain transition services following the termination of the Investment Advisory Agreement and our Internalization. Pursuant to the Consulting Agreement, Mr. Moe will provide certain transition services to us related to our existing portfolio investments for which Mr. Moe previously had oversight in his role as the Chief Executive Officer and Chief Investment Officer of GSV Asset Management. Such transition services will include providing information to us regarding such portfolio companies, including as a member of a portfolio company’s board of directors, assisting with the transition of portfolio company board seats as requested by us, making appropriate introductions to representatives of portfolio companies, and providing other similar types of services that we may reasonably request.

The term of the Consulting Agreement commenced on March 12, 2019 and will continue for eighteen months, unless the parties thereto mutually agree to extend the Consulting Agreement for an additional period. Pursuant to the Consulting Agreement, we will pay Mr. Moe a total amount equal to \$1,250,000.

**GSV CAPITAL CORP. AND SUBSIDIARIES**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**December 31, 2018**

***Amended and Restated Trademark License Agreement***

On and effective March 12, 2019, we entered into an Amended and Restated Trademark License Agreement (the “Amended and Restated License Agreement”) with GSV Asset Management in connection with termination of the Investment Advisory Agreement. See “—Termination of Investment Advisory Agreement.”

GSV Asset Management is the owner of the trade name “GSV”, and other state or unregistered “GSV” marks, including the trading symbol “GSVC” (collectively, the “Licensed Marks”). Pursuant to the Amended and Restated License Agreement, GSV Asset Management granted us a non-transferable, non-sublicensable, and non-exclusive right and license to use the Licensed Marks, solely in connection with the operation of our existing business.

The term of the Amended and Restated License Agreement commenced on March 12, 2019 and will continue for eighteen months, unless the parties thereto mutually agree to extend the Amended and Restated License Agreement for an additional period. Pursuant to the Amended and Restated License Agreement, we will pay GSV Asset Management a total amount equal to \$1,250,000.

**Delayed Filing of 2018 Annual Report on Form 10-K**

As previously reported, the Company was unable to file this Annual Report on Form 10-K within the prescribed time period without unreasonable effort or expense because the Company’s independent directors retained independent counsel to conduct a review of certain operational and administrative activities (the “Internal Review”). The Internal Review is now complete and no material issues were found. The results of the Internal Review did not change the Company’s financial statements or results of operations that were reported in its earnings release on March 14, 2019.

**Appointment of Chief Financial Officer**

On April 17, 2019, our Board of Directors appointed Allison Green to serve as our Chief Financial Officer, effective as of such date. Ms. Green currently serves, and will continue to serve, as our Treasurer, Controller and Secretary, and will no longer serve as our Senior Vice President of Finance as of such date.

**Share Repurchase Program**

From January 1, 2019 through April 17, 2019, the Company did not repurchase any additional shares under the Share Repurchase Program. Please refer to "Note 5—Share Repurchase Program, Equity Offerings and Related Expenses" for additional information on the Share Repurchase Program.

**GSV CAPITAL CORP. AND SUBSIDIARIES**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**December 31, 2018**
**NOTE 12—SELECTED QUARTERLY FINANCIAL DATA**

	Quarter Ended			
	December 31, 2018	September 30, 2018	June 30, 2018	March 31, 2018
Total Investment Income	\$ 530,076	\$ 246,352	\$ 592,073	\$ 249,335
Total Operating Expenses	(1,152,869)	4,556,625	6,344,272	5,396,806
Management Fee Waiver	—	(402,074)	(335,403)	(154,944)
Incentive Fee Waiver	—	—	—	(5,000,000)
Net Investment Gain/(Loss)	1,682,945	(3,908,199)	(5,416,796)	7,473
Net Realized Gain/(Loss) on Investments	99,544	(10,119,771)	3,363,333	(776,725)
Loss on Extinguishment of Debt	—	—	—	(397,846)
Net Change in Unrealized Appreciation/(Depreciation) of Investments	(22,507,314)	14,142,375	9,872,595	8,133,394
Benefit from Taxes on Unrealized Depreciation of Investments	5,491,460	214,404	1,010,871	—
Net Increase/(Decrease) in Net Assets Resulting from Operations	\$ (15,233,365)	\$ 328,809	\$ 8,830,003	\$ 6,966,296
Net Increase/(Decrease) in Net Assets from Operations per Common Share:				
Basic	\$ (0.77)	\$ 0.02	\$ 0.42	\$ 0.33
Diluted	\$ (0.77)	\$ 0.02	\$ 0.35	\$ 0.30
Weighted Average Common Shares Outstanding—Basic	19,904,807	20,462,626	20,968,850	21,150,662
Weighted Average Common Shares Outstanding—Diluted	19,904,807	20,462,626	28,866,674	26,713,656

	Quarter Ended			
	December 31, 2017	September 30, 2017	June 30, 2017	March 31, 2017
Total Investment Income/(Reversal of Investment Income)	\$ (31,196)	\$ 174,912	\$ 370,593	\$ 338,459
Total Operating Expenses	3,712,391	6,975,539	6,423,452	5,328,473
Management Fee Waiver	(181,906)	(174,666)	(169,898)	(181,802)
Net Investment Loss	(3,561,681)	(6,625,961)	(5,882,961)	(4,808,212)
Net Realized Gain/(Loss) on Investments	25,241,064	1,033,577	(671,492)	(24,689,167)
Net Change in Unrealized Appreciation/(Depreciation) of Investments	(26,893,780)	15,636,683	12,752,528	33,280,265
Benefit from Taxes on Unrealized Depreciation of Investments	2,730,365	26,705	—	—
Net Increase/(Decrease) in Net Assets Resulting from Operations	\$ (2,484,032)	\$ 10,071,004	\$ 6,198,075	\$ 3,782,886
Net Increase/(Decrease) in Net Assets from Operations per Common Share:				
Basic	\$ (0.11)	\$ 0.46	\$ 0.28	\$ 0.17
Diluted	\$ (0.11)	\$ 0.40	\$ 0.26	\$ 0.17
Weighted Average Common Shares Outstanding—Basic	21,343,746	22,000,571	22,181,003	22,181,003
Weighted Average Common Shares Outstanding—Diluted	21,343,746	27,752,386	27,932,818	22,181,003

**GSV CAPITAL CORP. AND SUBSIDIARIES**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**
**December 31, 2018**

	Quarter Ended			
	December 31, 2016	September 30, 2016	June 30, 2016	March 31, 2016
Total Investment Income/(Reversal of Investment Income)	\$ 601,102	\$ 86,648	\$ (54,119)	\$ 102,652
Total Operating Expenses	(3,262,224)	4,308,303	1,397,922	(444,355)
Net Investment Income/(Loss)	3,863,326	(4,221,655)	(1,452,041)	547,007
Net Realized Gain/(Loss) on Investments	(322,477)	2,658,715	1,104,361	(6,075,070)
Net Change in Unrealized Depreciation of Investments	(36,597,249)	(1,261,709)	(15,933,886)	(19,421,001)
Benefit from Taxes on Unrealized Depreciation of Investments	1,565,474	551,310	—	—
Net Decrease in Net Assets Resulting from Operations	\$ (31,490,926)	\$ (2,273,339)	\$ (16,281,566)	\$ (24,949,064)
Net Decrease in Net Assets from Operations per Common Share:				
Basic	\$ (1.42)	\$ (0.10)	\$ (0.74)	\$ (1.12)
Diluted	\$ (1.42)	\$ (0.10)	\$ (0.74)	\$ (1.12)
Weighted Average Common Shares Outstanding—Basic	22,181,003	22,181,003	22,181,003	22,181,003
Weighted Average Common Shares Outstanding—Diluted	22,181,003	22,181,003	22,181,003	22,181,003

**NOTE 13—SUPPLEMENTAL FINANCIAL DATA**
**Summarized Financial Information of Unconsolidated Subsidiaries**

In accordance with the SEC’s Regulation S-X and GAAP, the Company is not permitted to consolidate any subsidiary or other entity that is not an investment company, including those in which the Company has a controlling interest; however, the Company must disclose certain financial information related to any subsidiaries or other entities that are considered to be “significant subsidiaries” under the applicable rules of Regulation S-X. As of December 31, 2018, the Company had investments in at least one portfolio company considered to be a significant subsidiary under SEC Regulation S-X Rule 10-01(b)(1) and Regulation S-X Rule 4-08(g). Below is summarized, unaudited, comparative financial information for the Company’s unconsolidated significant subsidiaries.

Balance Sheet Data as of:	December 31, 2018	December 31, 2017
Current assets	\$ 9,343,138	\$ 9,539,621
Noncurrent assets	6,411,138	4,152,428
Current liabilities	21,748,571	18,898,899
Noncurrent liabilities	7,685,923	7,975,651
Non-controlling interest	—	—

Income Statement Data for the Year Ended:	December 31, 2018	December 31, 2017	December 31, 2016
Revenue	\$ 21,143,859	\$ 23,668,762	\$ 21,585,521
Gross profit	15,323,694	19,176,169	17,652,505
Loss from operations	(7,958,029)	(4,258,110)	(4,727,446)
Total net loss including net loss attributable to non-controlling interest	(7,958,029)	(4,258,110)	(5,301,605)
Net loss attributable to non-controlling interest	—	—	—

**Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure**

Not applicable.

**Item 9A. Controls and Procedures****(a) Evaluation of Disclosure Controls and Procedures**

As of December 31, 2018, our management, 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 Rules 13a-15(e) and 15d-15(e) under the Exchange Act). Based on that evaluation, 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 SEC filings is recorded, processed, summarized and reported within the time periods specified by the SEC and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow for timely decisions regarding required disclosure. However, in evaluating the disclosure controls and procedures, management recognizes 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 is required to apply its judgment in evaluating the cost-benefit relationship of such possible controls and procedures.

**(b) Management’s Report on Internal Control Over Financial Reporting**

Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Rule 13a-15(f) of the Exchange Act, and for performing an assessment of the effectiveness of internal control over financial reporting as of December 31, 2018. Internal control over financial reporting is a process designed by, or under the supervision of, our principal executive and principal financial officers, or persons performing similar functions, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated 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 the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of our assets; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures are being made only in accordance with authorizations of our management and directors, as applicable; 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 consolidated financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation.

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

The effectiveness of our internal control over financial reporting as of December 31, 2018 has been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their report which appears herein.

**(c) Report of the Independent Registered Public Accounting Firm**

Deloitte & Touche LLP, our independent registered public accounting firm, has issued a report on the effectiveness of our internal control over financial reporting, which appears on page 72 of this annual report on Form 10-K.

**(d) Changes in Internal Control Over Financial Reporting**

There have been no changes in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) that occurred during the fiscal quarter ended December 31, 2018 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

**Item 9B. Other Information**

Not applicable.

**PART III****Item 10. Directors, Executive Officers and Corporate Governance**

The information required by Item 10 will be contained in the 2019 Proxy Statement, to be filed with the SEC within 120 days after December 31, 2018, and is incorporated herein by reference. There have been no material changes to the procedures by which stockholders may recommend nominees to our Board of Directors.

We have adopted a Code of Business Conduct and Ethics for our employees and directors, including, specifically, our Chief Executive Officer, our Chief Financial Officer, and our other executive officers. Our Code of Business Conduct and Ethics satisfies the requirements for a “code of ethics” within the meaning of SEC rules. A copy of the Code of Business Conduct and Ethics is posted on our website at <http://investors.gsvcap.com/governance>. We intend to disclose any changes in, or waivers from, the Code of Business Conduct and Ethics by posting such information on the same website or by filing a Form 8-K, in each case to the extent such disclosure is required by rules of the SEC or NASDAQ.

**Item 11. Executive Compensation**

The information required by Item 11 will be contained in the 2019 Proxy Statement, to be filed with the SEC within 120 days after December 31, 2018, and is incorporated herein by reference.

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

The information required by Item 12 will be contained in the 2019 Proxy Statement, to be filed with the SEC within 120 days after December 31, 2018, and is incorporated herein by reference.

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

The information required by Item 13 will be contained in the 2019 Proxy Statement, to be filed with the SEC within 120 days after December 31, 2018, and is incorporated herein by reference.

**Item 14. Principal Accountant Fees and Services**

The information required by Item 14 will be contained in the 2019 Proxy Statement, to be filed with the SEC within 120 days after December 31, 2018, and is incorporated herein by reference.

## PART IV

**Item 15. Exhibits and Financial Statement Schedules**

The following documents are filed or incorporated by reference as part of this annual report on Form 10-K:

- (1) Financial Statements—Refer to Part II, Item 8 of this Form 10-K, which are incorporated herein by reference.

	<b>Page</b>
<a href="#">Report of Independent Registered Public Accounting Firm</a>	<a href="#">71</a>
<a href="#">Report of Independent Registered Public Accounting Firm on Internal Control over Financial Reporting</a>	<a href="#">72</a>
<a href="#">Consolidated Statements of Assets and Liabilities as of December 31, 2018 and 2017</a>	<a href="#">73</a>
<a href="#">Consolidated Statements of Operations for the years ended December 31, 2018, 2017 and 2016</a>	<a href="#">74</a>
<a href="#">Consolidated Statements of Changes in Net Assets for the years ended December 31, 2018, 2017 and 2016</a>	<a href="#">75</a>
<a href="#">Consolidated Statements of Cash Flows for the years ended December 31, 2018, 2017 and 2016</a>	<a href="#">76</a>
<a href="#">Consolidated Schedule of Investments as of December 31, 2018</a>	<a href="#">77</a>
<a href="#">Consolidated Schedule of Investments as of December 31, 2017</a>	<a href="#">82</a>
<a href="#">Notes to Consolidated Financial Statements</a>	<a href="#">86</a>

- (2) Financial Statement Schedules—None. We have omitted financial statement schedules because they are not required or are not applicable, or the required information is shown in the financial statements or notes to the financial statements.

- (3) Exhibits

The following exhibits are filed as part of this report or hereby incorporated by reference to exhibits previously filed with the SEC:

- 3.1 [Articles of Amendment and Restatement](#)<sup>(1)</sup>
- 3.2 [Articles of Amendment](#)<sup>(2)</sup>
- 3.3 [Bylaws](#)<sup>(1)</sup>
- 4.1 [Form of Common Stock Certificate](#)<sup>(6)</sup>
- 4.2 [Indenture, dated September 17, 2013, relating to the 5.25% Convertible Senior Notes due 2018, by and between the Company and the U.S. Bank National Association, as trustee](#)<sup>(4)</sup>
- 4.3 [Form of 5.25% Convertible Senior Note due 2018 \(incorporated by reference to Exhibit 4.2\)](#)<sup>(4)</sup>
- 4.4 [First Supplemental Indenture, dated March 27, 2018, relating to the 4.75% Convertible Senior Notes due 2023, by and between the Company and U.S. Bank National Association, as trustee](#)<sup>(11)</sup>
- 4.5 [Form of 4.75% Convertible Senior Note due 2023 \(incorporated by reference to Exhibit 4.4\)](#)<sup>(11)</sup>
- 10.1 [Dividend Reinvestment Plan](#)<sup>(1)</sup>
- 10.2 [Amended and Restated Investment Advisory Agreement by and between the Company and GSV Asset Management, LLC](#)<sup>(3)</sup>
- 10.3 [Second Amended and Restated Administration Agreement by and between the Company and GSV Capital Service Company, LLC](#)<sup>(8)</sup>
- 10.4 [Form of Indemnification Agreement by and between the Company and each of its directors](#)<sup>(1)</sup>
- 10.5 [Custody Agreement by and between the Company and U.S. Bank National Association](#)<sup>(7)</sup>
- 10.6 [Form of Trademark License Agreement by and between the Company and GSV Asset Management, LLC](#)<sup>(2)</sup>
- 10.7 [Amended and Restated Trademark License Agreement by and between the Company and GSV Asset Management, LLC](#)<sup>(12)</sup>
- 10.8 [Loan and Security Agreement between GSV Capital Corp. and Western Alliance Bank, dated as of May 31, 2017](#)<sup>(5)</sup>
- 10.9 [First Amendment and Consent to Loan and Security Agreement between GSV Capital Corp. and Western Alliance Bank, dated March 22, 2018](#)<sup>(11)</sup>
- 10.10 [Waiver Agreement Letter from GSV Asset Management, LLC to the Registrant, dated February 2, 2018](#)<sup>(9)</sup>
- 10.11 [Consulting Agreement by and between the Company and Michael T. Moe](#)<sup>(12)</sup>



- 14.1 [Code of Ethics](#)<sup>(10)</sup>
- 21.1 List of Subsidiaries (Included in the notes to the consolidated financial statements contained in this report)\*
- 31.1 [Certification of Chief Executive Officer pursuant to Rule 13a-14 of the Securities Exchange Act of 1934, as amended\\*](#)
- 31.2 [Certification of Chief Financial Officer pursuant to Rule 13a-14 of the Securities Exchange Act of 1934, as amended\\*](#)
- 32.1 [Certification of Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002\\*](#)
- 32.2 [Certification of Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002\\*](#)

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- (1) Previously filed in connection with Pre-Effective Amendment No. 2 to the Registrant’s Registration Statement on Form N-2 (File No. 333-171578) filed on March 30, 2011, and incorporated by reference herein.
  - (2) Previously filed in connection with the Registrant’s Current Report on Form 8-K (File No. 814-00852) filed on June 1, 2011, and incorporated by reference herein.
  - (3) Previously filed in connection with the Registrant’s Annual Report on Form 10-K (File No. 814-00852) filed on March 14, 2013, and incorporated by reference herein.
  - (4) Previously filed in connection with the Registrant’s Current Report on Form 8-K (File No. 814-00852), filed on September 18, 2013, and incorporated by reference herein.
  - (5) Previously filed in connection with the Registrant’s Current Report on Form 8-K (File No. 814-00852) filed on June 1, 2017, and incorporated by reference herein.
  - (6) Previously filed in connection with Pre-Effective Amendment No. 3 to the Registrant’s Registration Statement on Form N-2 (File No. 333-175655) filed on September 20, 2011, and incorporated by reference herein.
  - (7) Previously filed in connection with Pre-Effective Amendment No. 3 to the Registrant’s Registration Statement on Form N-2 (File No. 333-171578) filed on April 15, 2011, and incorporated by reference herein.
  - (8) Previously filed in connection with the Registrant’s Quarterly Report on Form 10-Q (File No. 814-00852) filed on August 9, 2017, and incorporated by reference herein.
  - (9) Previously filed in connection with the Registrant’s Current Report on Form 8-K (File No. 814-00852) filed on February 5, 2018, and incorporated by reference herein.
  - (10) Previously filed in connection with the Pre-Effective Amendment No. 5 to the Registrant’s Registration Statement on Form N-2 (File No. 333-191307) filed on July 21, 2016, and incorporated by reference herein.
  - (11) Previously filed in connection with Post-Effective Amendment No. 3 to the Registrant’s Registration Statement on Form N-2 (File No. 333-191307) filed on March 28, 2018, and incorporated herein by reference.
  - (12) Previously filed in connection with the Registrant’s Current Report on Form 8-K (File No. 814-00852) filed on March 14, 2019, and incorporated by reference herein.

\* Filed herewith.

## SIGNATURES

Pursuant to the requirements 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.

## GSV CAPITAL CORP.

Date: April 18, 2019

By: /s/ Mark D. Klein

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**Mark D. Klein**  
President and Chief Executive Officer  
(Principal Executive Officer)

Date: April 18, 2019

By: /s/ Allison Green

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**Allison Green**  
Chief Financial Officer, Controller, Treasurer and Secretary  
(Principal Financial and Accounting 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.

Date: April 18, 2019

By: /s/ Mark D. Klein

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**Mark D. Klein**  
President and Chief Executive Officer  
(Principal Executive Officer)

Date: April 18, 2019

By: /s/ Allison Green

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**Allison Green**  
Chief Financial Officer, Controller, Treasurer and Secretary  
(Principal Financial and Accounting Officer)

Date: April 18, 2019

By: /s/ Leonard A. Potter

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**Leonard A. Potter**  
Director

Date: April 18, 2019

By: /s/ Ronald M. Lott

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**Ronald M. Lott**  
Director

Date: April 18, 2019

By: /s/ Marc Mazur

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**Marc Mazur**  
Director

Date: April 18, 2019

By: /s/ David S. Pottruck

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**David S. Pottruck**  
Director

**Certification of Chief Executive Officer of GSV Capital Corp.  
pursuant to Rule 13a-14(a) under the Exchange Act,  
as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002**

I, Mark D. Klein, certify that:

1. I have reviewed this annual report on Form 10-K of GSV Capital Corp.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15(d)-15(f)) for the registrant and have:
  - (a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, 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;
  - (c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's Board of Directors (or persons performing the equivalent functions):
  - (a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated this 18th day of April, 2019.

By: /s/ Mark Klein

**Mark D. Klein**

**Chief Executive Officer**

**Certification of Chief Financial Officer of GSV Capital Corp.  
pursuant to Rule 13a-14(a) under the Exchange Act,  
as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002**

I, Allison Green, certify that:

1. I have reviewed this annual report on Form 10-K of GSV Capital Corp.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15(d)-15(f)) for the registrant and have:
  - (a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, 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;
  - (c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's Board of Directors (or persons performing the equivalent functions):
  - (a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated this 18th day of April, 2019.

By: /s/ Allison Green

**Allison Green**

**Chief Financial Officer**

**Certification of Chief Executive Officer**  
**Pursuant to**  
**Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. 1350)**

In connection with the annual report on Form 10-K for the year ended December 31, 2018 (the "Report") of GSV Capital Corp. (the "Registrant"), as filed with the Securities and Exchange Commission on the date hereof, I, Mark D. Klein, the Chief Executive Officer of the Registrant, hereby certify, to the best of my knowledge, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Registrant.

/s/ Mark D. Klein

**Name: Mark D. Klein**

Date: April 18, 2019

**Certification of Chief Financial Officer  
Pursuant to  
Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. 1350)**

In connection with the annual report on Form 10-K for the year ended December 31, 2018 (the "Report") of GSV Capital Corp. (the "Registrant"), as filed with the Securities and Exchange Commission on the date hereof, I, Allison Green, the Chief Financial Officer of the Registrant, hereby certify, to the best of my knowledge, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Registrant.

/s/ Allison Green

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**Name: Allison Green**

Date: April 18, 2019