

FIDUS INVESTMENT Corp
Form PRE 14A
March 08, 2019
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

SCHEDULE 14A
(RULE 14a-101)
INFORMATION REQUIRED IN PROXY STATEMENT
SCHEDULE 14A INFORMATION
PROXY STATEMENT PURSUANT TO SECTION 14(a) OF THE
SECURITIES EXCHANGE ACT OF 1934

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement.

Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2)).

Definitive Proxy Statement.

Definitive Additional Materials

Soliciting Material Pursuant to Section 240.14a-12

Fidus Investment Corporation

(Name of Registrant as Specified in its Charter)

(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

Fee paid previously with preliminary materials.

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount previously paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

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1603 Orrington Avenue, Suite 1005

Evanston, Illinois, 60201

(847) 859-3940

[], 2019

Dear Stockholder:

You are cordially invited to attend Fidus Investment Corporation's 2019 Annual Meeting of Stockholders to be held on Thursday, June 6, 2019 at 9:00 a.m. Central Time, at the Thompson Chicago Hotel, 21 E. Bellevue Place, Chicago, Illinois 60611.

The Notice of Annual Meeting and proxy statement accompanying this letter provide an outline of the business to be conducted at the meeting. I will also report on the progress of the Company during the past year and answer stockholders' questions.

It is important that your shares be represented at the Annual Meeting. If you are a stockholder of record and are unable to attend the meeting in person, I urge you to vote your shares by completing, dating and signing the enclosed proxy card and promptly returning it in the envelope provided or, alternatively, by calling the toll-free telephone number or using the Internet as described on the proxy card. If a broker or other nominee holds your shares in street name, your broker has enclosed a voting instruction form, which you should use to vote those shares if you are unable to attend the meeting in person. The voting instruction form indicates whether you have the option to vote those shares by telephone or by using the Internet. Your vote is important.

Sincerely yours,

Edward H. Ross
Chairman & Chief Executive Officer

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FIDUS INVESTMENT CORPORATION

1603 Orrington Avenue, Suite 1005

Evanston, Illinois, 60201

(847) 859-3940

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

To Be Held On Thursday, June 6, 2019

To the Stockholders of Fidus Investment Corporation:

The 2019 Annual Meeting of Stockholders of Fidus Investment Corporation (the "Company") will be held at the Thompson Chicago Hotel, 21 E. Bellevue Place, Chicago, Illinois 60611, on Thursday, June 6, 2019, at 9:00 a.m. (Central Time) for the following purposes:

1. To elect two Class II directors to serve until their successors have been duly elected and qualified (Proposal No. 1);
2. To approve a proposal to authorize the Company, subject to the approval of the Company's Board of Directors, to sell or otherwise issue shares of its common stock during the next year at a price below the Company's then current net asset value per share, subject to certain conditions as set forth in this proxy statement (including that the cumulative number of shares sold pursuant to such authority does not exceed 25% of its then outstanding common stock immediately prior to each such sale) (Proposal No. 2); and
3. To transact such other business as may properly come before the meeting, or any adjournments or postponements thereof.

You have the right to receive notice of and to vote at the meeting if you were a stockholder of record at the close of business on March 15, 2019. Whether or not you expect to be present in person at the meeting, please vote by signing the enclosed proxy card and returning it promptly in the self-addressed envelope provided or, alternatively, by calling the toll-free telephone number or using the Internet as described on the proxy card. If a broker or other nominee holds your shares in street name, your broker has enclosed a voting instruction form, which you should use to vote those shares. The voting instruction form indicates whether you have the option to vote those shares by telephone or by using the Internet. In the event there are not sufficient votes for a quorum or to approve or ratify any of the foregoing proposals at the time of the Annual Meeting, the Annual Meeting may be adjourned in order to permit further solicitation of proxies by the Company.

By order of the Board of Directors,

Shelby E. Sherard
Chief Financial Officer, Chief Compliance Officer and
Corporate Secretary

Evanston, Illinois

[], 2019

This is an important meeting. To ensure proper representation at the meeting, please indicate your vote as to the matters to be acted on at the meeting by following the instructions provided in the enclosed proxy card or voting instruction form. Even if you vote your shares prior to the meeting, you still may attend the meeting and vote your shares in person.

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FIDUS INVESTMENT CORPORATION

1603 Orrington Avenue, Suite 1005

Evanston, Illinois, 60201

(847) 859-3940

PROXY STATEMENT

2019 Annual Meeting of Stockholders

This proxy statement is furnished in connection with the solicitation of proxies by the Board of Directors of Fidus Investment Corporation (the Company, Fidus, we, us or our) for use at our 2019 Annual Meeting of Stockholders to be held on Thursday, June 6, 2019, at 9:00 a.m. (Central Time) at the Thompson Chicago Hotel, 21 E. Bellevue Place, Chicago, Illinois 60611, and at any adjournments thereof (the Annual Meeting). The Notice of Annual Meeting, this proxy statement, the accompanying proxy card and our Annual Report for the fiscal year ended December 31, 2018 are first being sent to stockholders on or about April 5, 2019.

We encourage you to vote your shares, either by voting in person at the meeting or by granting a proxy (i.e., authorizing someone else to vote your shares). If you vote by mail, Internet or telephone as described in the instructions on the proxy card or voting instruction form, and we receive your vote in time for the meeting, the persons named as proxies will vote the shares registered directly in your name in the manner that you specified. **If you give no instructions on the proxy card, the shares covered by the proxy card will be voted FOR the election of the director nominees and FOR the other matters listed in the accompanying Notice of Annual Meeting of Stockholders.**

YOUR VOTE IS IMPORTANT. WHETHER OR NOT YOU PLAN TO ATTEND THE MEETING, PLEASE PROMPTLY VOTE YOUR SHARES EITHER BY MAIL, INTERNET OR TELEPHONE.

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE ANNUAL STOCKHOLDER MEETING TO BE HELD ON JUNE 6, 2019:

The Notice of Annual Meeting, proxy statement, and our Annual Report for the fiscal year ended December 31, 2018 are available at the following Internet address: www.viewproxy.com/fidusinv/2019/.

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INFORMATION ABOUT THE MEETING

When is the Annual Meeting?

The Annual Meeting will be held on Thursday, June 6, 2019, at 9:00 a.m. (Central Time).

Where will the Annual Meeting be held?

The Annual Meeting will be held at the Thompson Chicago Hotel, 21 E. Bellevue Place, Chicago, Illinois 60611.

What items will be voted on at the Annual Meeting?

There are two matters scheduled for a vote:

1. To elect two Class II directors to serve until their successors have been duly elected and qualified (Proposal No. 1); and
2. To approve a proposal to authorize the Company, subject to the approval of the Company's Board of Directors, to sell or otherwise issue shares of its common stock during the next year at a price below the Company's then current net asset value per share, subject to certain conditions as set forth in this proxy statement (including that the cumulative number of shares sold pursuant to such authority does not exceed 25% of its then outstanding common stock immediately prior to each such sale) (Proposal No. 2).

As of the date of this proxy statement, we are not aware of any other matters that will be presented for consideration at the Annual Meeting.

What are the Board of Directors' recommendations?

Our Board of Directors recommends that you vote:

FOR the election of the two Class II director nominees named herein to serve on the Board of Directors; and

FOR the proposal to authorize the Company, subject to the approval of the Company's Board of Directors, to sell or otherwise issue shares of its common stock during the next year at a price below the Company's then current net asset value per share, subject to certain conditions as set forth in this proxy statement (including that the cumulative number of shares sold pursuant to such authority does not exceed 25% of its then outstanding common stock immediately prior to each such sale).

Will Fidus' directors be in attendance at the Annual Meeting?

Fidus encourages, but does not require, its directors to attend annual meetings of stockholders. However, Fidus anticipates that all of its directors will attend the 2019 Annual Meeting.

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INFORMATION ABOUT VOTING

Who is entitled to vote at the Annual Meeting?

Only stockholders of record at the close of business on the record date, March 15, 2019, are entitled to receive notice of the Annual Meeting and to vote the shares for which they were stockholders of record on that date at the Annual Meeting, or any postponement or adjournment of the Annual Meeting. As of the close of business on March 15, 2019, we had [] shares of common stock outstanding.

How do I vote?

With respect to Proposal No. 1, you may either vote **FOR** each Class II nominee to the Board of Directors, or you may vote **WITHHOLD AUTHORITY** for each nominee. For Proposal No. 2, you may vote **FOR** or **AGAINST**, or abstain from voting altogether. The procedures for voting are fairly simple:

Stockholders of Record: Shares Registered in Your Name. If on March 15, 2019, your shares were registered directly in your name with Fidus transfer agent, American Stock Transfer & Trust Company, LLC, then you are a stockholder of record. If you are a stockholder of record, you may vote in person at the Annual Meeting or vote by giving us your proxy. You may give us your proxy by completing the enclosed proxy card and returning it in the enclosed postage-prepaid envelope, or by calling a toll-free telephone number or using the Internet as further described below and on the enclosed proxy card. **Whether or not you plan to attend the Annual Meeting, we urge you to sign and return the enclosed proxy card or to otherwise give your proxy authorization by telephone or Internet, as specified on the proxy card, to ensure your vote is counted.** You may still attend the Annual Meeting and vote in person if you have already signed and returned your proxy card.

IN PERSON: To vote in person, come to the Annual Meeting, and we will give you a ballot when you arrive.

BY MAIL: To vote using the enclosed proxy card, simply complete, sign and date the enclosed proxy card and return it promptly in the postage paid envelope provided. If you return your signed proxy card to us before the Annual Meeting, we will vote your shares as you direct, unless, after returning your signed proxy card, you attend the Annual Meeting and vote in person or otherwise revoke your proxy as set forth under the heading **Can I change my vote after submitting my proxy card?** below.

BY INTERNET: To vote by Internet, go to www.cesvote.com to transmit your voting instructions **until** 11:59 p.m. Eastern Time on June 5, 2019. Have your proxy card available when you access the website and then follow the instructions.

BY TELEPHONE: To vote by telephone, call 1-888-693-8683 and use any touch-tone telephone to transmit your voting instructions **until** 11:59 p.m. Eastern Time on June 5, 2019. Have your proxy card available when you call the phone number above and then follow the instructions.

Beneficial Owners: Shares Registered in the Name of a Broker or Bank. If on March 15, 2019, your shares were held in an account at a brokerage firm, bank, dealer or other similar organization, then you are the beneficial owner of shares held in street name, and these proxy materials are being forwarded to you by that organization. If you are a beneficial owner of shares registered in the name of your broker, bank or other agent, you should have received from that organization rather than from Fidus, a proxy card and voting instructions with these proxy materials. Simply complete and mail the proxy card to ensure that your vote is counted. Alternatively, you may be able to vote by telephone or over the Internet if permitted by your broker or bank. To vote in person at the Annual Meeting, you must obtain a valid proxy from your broker, bank or other agent. Follow the voting instruction form from your broker or bank included with these proxy materials, or contact your broker or bank to request a proxy card.

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How many votes do I have?

On each matter to be voted upon, you have one vote for each share of common stock for which you were the stockholder of record as of March 15, 2019.

What does it mean if I receive more than one proxy card?

If you receive more than one proxy card, your shares are registered in more than one name or are registered in different accounts. Please provide a response (by telephone, Internet or mail as provided for on the proxy card accompanying this proxy statement or on the voting instruction form from your broker or bank) for each proxy card you receive to ensure that all of your shares are voted.

What if I return a proxy card but do not make specific choices?

If you return a signed and dated proxy card without marking any voting selections, your shares will be voted: FOR the election of each nominee named herein to serve as a Class II director on the Board of Directors and FOR the proposal to authorize the Company, subject to the approval of the Company's Board of Directors, to sell or otherwise issue shares of its common stock during the next year at a price below the Company's then current net asset value per share, subject to certain conditions as set forth in this proxy statement (including that the cumulative number of shares sold pursuant to such authority does not exceed 25% of its then outstanding common stock immediately prior to each such sale).

If any other matter is properly presented at the meeting, your proxy (one of the individuals named on your proxy card) will vote your shares as recommended by the Board of Directors or, if no recommendation is given, will vote your shares using his or her discretion.

Can I change my vote after submitting my proxy card?

Yes. You can revoke your proxy at any time before the final vote at the Annual Meeting. If you are the stockholder of record of your shares, you may revoke your proxy in any one of three ways:

You may change your vote using the same method that you first used to vote your shares (by telephone, Internet or mail);

You may send a written notice that you are revoking your proxy to Fidus Investment Corporation, 1603 Orrington Avenue, Suite 1005, Evanston, Illinois 60201, Attention: Shelby E. Sherard, Corporate Secretary; or

You may attend the Annual Meeting and notify the election officials at the Annual Meeting that you wish to revoke your proxy and vote in person. Simply attending the Annual Meeting, however, will not, by itself, revoke your proxy.

If your shares are held by your broker or bank as a nominee or agent, you should follow the instructions on the voting instruction form provided by your broker or bank.

How are votes counted?

Votes will be counted by the inspector of election appointed for the Annual Meeting, who will separately count each vote marked FOR or WITHHOLD AUTHORITY for each nominee for Class II director identified in Proposal No. 1 and, with respect to Proposal No. 2, will separately count each vote marked FOR, AGAINST or ABSTAIN. Abstentions and broker non-votes will be deemed to be present for the purpose of determining a quorum for the Annual Meeting. However, abstentions and broker non-votes are not counted as votes cast. A broker non-vote with respect to a matter occurs when a broker, bank or other institution or nominee holding shares on behalf of a beneficial owner has not received voting instructions from the beneficial

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owner on a particular proposal and does not have, or chooses not to exercise, discretionary authority to vote the shares on such proposals. Notwithstanding the foregoing, the Company does not expect many, if any, broker non-votes at the Annual Meeting because there are no routine proposals to be voted on at the Annual Meeting.

How many votes are needed to approve each proposal?

For Proposal No. 1, the two nominees receiving a plurality of the vote will be elected. In other words, the two nominees receiving the most FOR votes among votes properly cast in person or by proxy at the Annual Meeting will be elected. If you vote WITHHOLD AUTHORITY with respect to one or more nominees, your shares will not be included in determining the number of votes cast and, as a result, will have no effect on this proposal.

Proposal No. 2 must be approved by (1) a majority of the outstanding shares of common stock entitled to vote at the Annual Meeting, and (2) a majority of the outstanding shares of common stock entitled to vote at the Annual Meeting that are not held by affiliated persons of the Company, which includes directors, officers, employees, and 5% stockholders. For purposes of Proposal No. 2 only, a majority of the outstanding shares is defined in section 2(a)(42) of the Investment Company Act of 1940, as amended (the 1940 Act), to be the lesser of: (1) 67% or more of the common stock of the Company present or represented by proxy at the Annual Meeting, if the holders of more than 50% of the Company's common stock are present or represented by proxy; or (2) more than 50% of the outstanding common stock of the Company (the voting requirements in (1) and (2), a 1940 Act Majority). For purposes of the vote on this proposal, abstentions and broker non-votes will have the effect of votes against the proposal, although they will be considered present for purposes of determining the presence of a quorum.

How many shares must be present to constitute a quorum for the Annual Meeting?

A quorum of stockholders is necessary to hold a valid meeting. A quorum will be present if at least a simple majority (*i.e.*, greater than 50%) of the outstanding shares entitled to vote are represented at the Annual Meeting either in person or by proxy. On March 15, 2019, the record date, there were [] shares outstanding and entitled to vote. Thus [] shares must be represented at the Annual Meeting either in person or by proxy to constitute a quorum.

Your shares will be counted towards the quorum only if you submit a valid proxy by mail, Internet or telephone (or one is submitted on your behalf by your broker, bank or other nominee) or if you vote in person at the Annual Meeting. Abstentions will be counted towards the quorum requirement.

If a quorum is not present at the Annual Meeting, or if a quorum is present but there are not enough votes to approve one or more of the proposals, the person named as chairman of the Annual Meeting may adjourn the meeting to permit further solicitation of proxies. A stockholder vote may be taken on one or more of the proposals in this proxy statement prior to any such adjournment if there are sufficient votes for approval on such proposal(s).

How can I find out the results of the voting at the Annual Meeting?

Preliminary voting results will be announced at the Annual Meeting and filed on Form 8-K within four business days of the Annual Meeting. Final results, if different from the preliminary results, will be published on an amended Form 8-K within four days after the final voting results are established.

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ADDITIONAL INFORMATION

How and when may I submit a stockholder proposal for Fidus 2020 Annual Meeting?

We will consider for inclusion in our proxy materials for the 2020 Annual Meeting of Stockholders, stockholder proposals that are received at our executive offices, in writing, no earlier than October 8, 2019 and no later than 5:00 p.m. (Eastern Time) on December 7, 2019, and that comply with our bylaws and all applicable requirements of Rule 14a-8 promulgated under the Securities Exchange Act of 1934, as amended (the Exchange Act). Proposals must be sent to our Corporate Secretary at Fidus Investment Corporation, 1603 Orrington Avenue, Suite 1005, Evanston, Illinois 60201.

Pursuant to our bylaws, stockholders wishing to nominate persons for election as directors or to introduce an item of business at an annual meeting that are not to be included in our proxy materials must have given timely notice thereof in writing to our Corporate Secretary. To be timely for the 2020 Annual Meeting of Stockholders, you must notify our Corporate Secretary, in writing, no earlier than October 8, 2019, and no later than 5:00 p.m. (Eastern Time) on December 7, 2019. We also advise you to review our bylaws, which contain additional requirements about advance notice of stockholder proposals and director nominations, including the different notice submission date requirements in the event that our 2020 Annual Meeting of Stockholders is held more than 30 days before or after the first anniversary of the date the notice for the 2019 annual meeting is mailed. In accordance with our bylaws, the chairman of the 2020 Annual Meeting of Stockholders may determine, if the facts warrant, that a matter has not been properly brought before the meeting and, therefore, may not be considered at the meeting.

Pursuant to the Company s bylaws, among other things, a stockholder s notice shall set forth as to each individual whom the stockholder proposes to nominate for election or reelection as a director:

the name, age, business address and residence address of such individual;

the class, series and number of any shares of stock of the Company that are beneficially owned by such individual;

the date such shares were acquired and the investment intent of such acquisition;

whether such stockholder believes any such individual is or is not an interested person of the Company, as defined in section 2(a)(19) of the 1940 Act and the rules promulgated thereunder and information regarding such individual that is sufficient, in the discretion of the Board of Directors or any committee thereof or any authorized officer of the Company, to make either such determination; and

all other information relating to such individual that is required to be disclosed in solicitations of proxies for election of directors in an election contest (even if an election contest is not involved), or is otherwise required, in each case pursuant to Regulation 14A under the Exchange Act and the rules thereunder (including such individual s written consent to being named in the proxy statement as a nominee and to serving as a director if elected).

The above procedures summarize the stockholder nomination procedures contained in our bylaws, and any stockholder desiring to submit a nominee should consult our bylaws regarding these requirements.

All nominees properly submitted to the Company (or which the nominating and corporate governance committee (Nominating Committee) otherwise elects to consider) will be evaluated and considered by the members of the Nominating Committee using the same criteria as nominees identified by the Nominating Committee itself.

How can I obtain the Company s Annual Report on Form 10-K?

A copy of our Annual Report on Form 10-K for the fiscal year ended December 31, 2018 is being mailed with this proxy statement. Our Annual Report is not incorporated into this proxy statement and shall not be considered proxy solicitation material.

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We will also mail to you, without charge and upon your written request, a copy of any specifically requested exhibit to our Annual Report on Form 10-K for the fiscal year ended December 31, 2018.

Requests should be sent to: Corporate Secretary, Fidus Investment Corporation, 1603 Orrington Avenue, Suite 1005, Evanston, Illinois 60201. A copy of our Annual Report on Form 10-K has also been filed with the Securities and Exchange Commission, or the SEC, and may be accessed from the SEC's homepage (<http://www.sec.gov>).

Who is paying for this proxy solicitation?

Fidus will pay for the entire cost of soliciting proxies. We estimate that we will pay Alliance Advisors, LLC, our proxy solicitor, a fee of approximately \$200,000, plus reimbursement for out of pocket expenses, to solicit proxies, though the costs of this proxy solicitation process could be lower or higher than our estimate. In addition to these written proxy materials, our proxy solicitor, directors, officers and employees of Fidus Investment Advisors, LLC, the Company's investment adviser and administrator (our Investment Advisor), may also solicit proxies in person, by telephone or by other means of communication; however, our directors, officers and employees of our Investment Advisor will not be paid any additional compensation for soliciting proxies. In addition to the solicitation of proxies by the use of the mail, proxies may be solicited in person and/or by telephone or facsimile transmission by our proxy solicitor, directors, officers or employees of our Investment Advisor. Our Investment Advisor is located at 1603 Orrington Avenue, Suite 1005, Evanston, Illinois 60201.

We may also reimburse brokerage firms, banks and other agents for the cost of forwarding proxy materials to beneficial owners and obtaining your voting instructions.

How many copies should I receive if I share an address with another stockholder?

The SEC has adopted rules that permit companies and intermediaries, such as brokers, to satisfy the delivery requirements for proxy statements and annual reports with respect to two or more stockholders sharing the same address by delivering a single proxy statement addressed to those stockholders. This process, which is commonly referred to as "householding," potentially provides extra convenience for stockholders and cost savings for companies.

Brokers may be householding our proxy materials by delivering a single proxy statement and Annual Report to multiple stockholders sharing an address unless contrary instructions have been received from the affected stockholders. Once you have received notice from your broker that they will be householding materials to your address, householding will continue until you are notified otherwise or until you revoke your consent. If you did not respond that you did not want to participate in householding, you were deemed to have consented to the process. If at any time you no longer wish to participate in householding and would prefer to receive a separate proxy statement and Annual Report, or if you are receiving multiple copies of the proxy statement and Annual Report and wish to receive only one, please notify your broker if your shares are held in a brokerage account or us if you are a stockholder of record. You can notify us by sending a written request to: Shelby E. Sherard, Corporate Secretary, Fidus Investment Corporation, 1603 Orrington Avenue, Suite 1005, Evanston, Illinois 60201, or by calling (847) 859-3940. In addition, Fidus will promptly deliver, upon written or oral request to the address or telephone number above, a separate copy of the Annual Report and proxy statement to a stockholder at a shared address to which a single copy of the documents was delivered.

Whom should I contact if I have any questions?

If you have any questions about the Annual Meeting, these proxy materials or your ownership of our common stock, please contact Shelby E. Sherard c/o Fidus Investment Corporation, 1603 Orrington Avenue, Suite 1005, Evanston, Illinois 60201, Telephone (847) 859-3940, or Fax: (847) 859-3953.

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PROPOSAL NO. 1

ELECTION OF CLASS II DIRECTORS

Our Board of Directors is divided into three classes. Each class has a three-year term. Each director holds office for the term to which he or she is elected and until his or her successor is duly elected and qualified. Vacancies on the Board of Directors may be filled by persons elected by a majority of the remaining directors. A director elected by the Board of Directors to fill a vacancy in a class, including any vacancies created by an increase in the number of directors, shall serve for the remainder of the full term of that class or until the director's successor is duly elected and qualified.

On March 7, 2019, Mr. Mazzarino informed the Board of Directors of his intention to resign from the Board of Directors, effective March 7, 2019. The Board of Directors accepted Mr. Mazzarino's resignation and appointed Mr. Edward X. Tune to serve for the remainder of Mr. Mazzarino's term as a Class II director.

The Board of Directors has five members. There are two members of the class of directors whose term expires in 2019 (Class II), Messrs. Lauer and Tune. If elected at the Annual Meeting, each nominee will serve until the 2022 Annual Meeting of Stockholders or until his successor is elected and qualified or, if sooner, until his death, resignation or removal. Messrs. Lauer and Tune are not being nominated for election, nor has any director, executive officer or other listed officer of the Company been selected as a director, executive officer or other officer pursuant to any agreement or understanding with the Company or any other person. Messrs. Lauer and Tune have indicated their willingness to continue to serve if elected and have consented to be named as nominees. Due to his relationship with our Investment Advisor, as discussed in more detail below, Mr. Lauer is an interested person of the Company as defined in section 2 (a)(19) of the 1940 Act. Mr. Tune is not an interested person of the Company as defined in the 1940 Act.

A stockholder can vote for or withhold his or her vote for each nominee. **In the absence of instructions to the contrary, it is the intention of the persons named as proxies to vote each such proxy for the election of the nominees named below. If either of the nominees should decline or be unable to serve as a director, it is intended that the proxy will be voted for the election of such person(s) who is nominated as a replacement. The Board of Directors has no reason to believe that the Class II director nominees named will be unable or unwilling to serve.**

Certain of our directors who are also officers of the Company may serve as directors of, or on the boards of managers of, certain of our portfolio companies. In addition, the Board of Directors of Fidus Mezzanine Capital, L.P., or Fund I, a wholly-owned consolidated subsidiary licensed by the U.S. Small Business Administration as a small business investment company (an SBIC) that has elected to be treated as a business development company (BDC) under the 1940 Act, is composed of all of the Company's directors.

The business address of each nominee and director listed below is 1603 Orrington Avenue, Suite 1005, Evanston, Illinois 60201.

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Certain information as of March 15, 2019, with respect to each Class II director nominee is set forth below.

Nominees for Class II Directors

Interested Director

Name	Age	Background Information
Thomas C. Lauer	51	Mr. Lauer has served as our director and as a member of our Investment Advisor's investment committees since our initial public offering in June 2011 and as our President since September 2016. Additionally, Mr. Lauer is a manager of our Investment Advisor. Mr. Lauer is an interested director due to his position with the Investment Advisor. Mr. Lauer has more than 25 years of experience investing debt and equity capital in lower middle-market companies. Mr. Lauer was a managing partner of Fidus Partners, LLC, an investment banking firm, from 2008 to June 2011. From 2004 to 2008, Mr. Lauer was a managing director of Allied Capital Corporation, a publicly-traded business development company, and member of that firm's Management Committee from 2006 to 2008, Private Finance Investment Committee from 2005 to 2008, and Senior Debt Fund Investment Committee from 2007 to 2008. Prior to joining Allied Capital Corporation, Mr. Lauer worked with the Global Sponsor Finance Group of GE Capital, the financial services unit of General Electric, the Leveraged Capital Group at Wachovia Securities and its predecessor, First Union Securities, Inc., a retail brokerage and institutional capital markets and investment banking firm, and the Platform Components Division of Intel Corporation. Mr. Lauer earned a bachelor of business administration from the University of Notre Dame and master of business administration from the University of Notre Dame's Mendoza College of Business.

Independent Director

Name	Age	Background Information
Edward X. Tune	49	Mr. Tune is a Partner of Brown Advisory, an investment management firm with offices in North America and Europe. Prior to joining Brown Advisory, Mr. Tune was a Managing Director at Brown Brothers Harriman (BBH) where for 14 years he served in a variety of client-facing and leadership roles in Charlotte and Chicago including Chief Operating Officer and Chief Financial Officer for BBH's wealth management unit. Prior to that, Mr. Tune served as a Vice President and investment advisor with Stein Roe & Farnham in Chicago for 8 years. Mr. Tune brings to the Company's Board extensive investment management experience.

The Board of Directors recommends a vote for the Class II director nominees named above.

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Certain information as of March 15, 2019, with respect to each Class III and Class I director is set forth below.

Class III Directors continuing in office until the 2020 Annual Meeting of Stockholders

Interested Director

Name	Age	Background Information
Edward H. Ross	53	Mr. Ross has served as chairman of our board of directors and our chief executive officer, and as chairman of our Investment Advisor's investment committees, since our initial public offering in June 2011. Additionally, Mr. Ross is the chief executive officer and a manager of our Investment Advisor. Mr. Ross is an interested director due to his positions with the Company and our Investment Advisor. Mr. Ross has more than 25 years of debt and equity capital investing experience with lower middle-market companies. Mr. Ross co-founded Fidus Capital, LLC, the predecessor firm to our Investment Advisor, in 2005. From February 2007 to June 2011, Mr. Ross served as a member of the investment committee of Fidus Mezzanine Capital GP, LLC, Fund I's former general partner. From 2002 to 2005, Mr. Ross was a managing director and the head of the Chicago office for Allied Capital Corporation, a publicly-traded business development company, where he focused on making debt and equity investments in middle-market companies. Prior to joining Allied Capital Corporation, Mr. Ross co-founded Middle Market Capital, a merchant banking group of Wachovia Securities and its predecessor, First Union Securities, Inc., a retail brokerage and institutional capital markets and investment banking firm. Mr. Ross earned a bachelor of arts from Southern Methodist University and a master of business administration from the University of Notre Dame's Mendoza College of Business. Mr. Ross is the brother of John J. Ross, II, a manager of our Investment Advisor and a member of its investment committee.

Independent Director

Name	Age	Background Information
Raymond L. Anstiss, Jr.	52	Mr. Anstiss has served on our Board of Directors since September 2011 and is the chairman of our Audit Committee and a member of our Nominating Committee. Mr. Anstiss is the President of Anstiss & Co., an accounting, audit, tax and financial consulting firm headquartered in Lowell, Massachusetts. Prior to joining Anstiss & Co. in 1993, Mr. Anstiss served on the audit staff of KPMG Peat Marwick from 1988 to 1992. Mr. Anstiss has served on the board of directors for several not-for-profit companies.

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Class I Director continuing in office until the 2021 Annual Meeting of Stockholders

Independent Director

Name	Age	Background Information
Charles D. Hyman	60	Mr. Hyman has served on our Board of Directors since our initial public offering in June 2011 and is the chairman of our Nominating Committee and a member of our Audit Committee. Mr. Hyman is the founder and chief executive officer of Charles D. Hyman & Co., a private, registered investment management firm located in Ponte Vedra Beach, Florida. Prior to forming Charles D. Hyman & Co. in 1994, Mr. Hyman served as a senior vice president of St. Johns Investment Management Company. Mr. Hyman has served on the board of directors for several not-for-profit companies and currently serves on the board of Patriot Transportation Holding, Inc. (NASDAQ: PATI).

Qualifications of Directors

When considering whether our director nominees have the experience, qualifications, attributes and skills, taken as a whole, to enable our Board of Directors to satisfy its oversight responsibilities effectively in light of our operational and organizational structure, the Nominating Committee and the Board of Directors focused primarily on the information discussed in each of the director nominee's individual biographies set forth above and on the following particular attributes:

Interested Directors

Mr. Ross: The Nominating Committee and the Board of Directors considered his familiarity with the Fidus investment platform, his significant experience with investing debt and equity capital in middle-market companies, and his broad experience with the day-to-day management and operation of other investment funds, which provides our Board of Directors with valuable investment and management experience, insight and perspective.

Mr. Lauer: The Nominating Committee and the Board of Directors considered his experience with investing debt and equity capital in middle-market companies, which provides our Board of Directors with valuable investment knowledge, experience and insight.

Independent Directors

Mr. Anstiss: The Nominating Committee and the Board of Directors considered his extensive experience in the accounting industry. In addition, Mr. Anstiss' accounting background was instrumental in his appointment to the chairmanship of our Audit Committee.

Mr. Hyman: The Nominating Committee and the Board of Directors considered his extensive experience in the investment analysis, management, and advisory industries.

Mr. Tune: The Nominating Committee and the Board of Directors considered his extensive experience in the investment analysis, management, and advisory industries.

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INFORMATION ABOUT EXECUTIVE OFFICER WHO IS NOT A DIRECTOR

The following is a brief biography of our executive officer, Shelby E. Sherard, who is not a director of the Company.

Name	Age	Background Information
Shelby E. Sherard	48	<p>Shelby E. Sherard has served as our chief financial officer and secretary since joining the Company on June 2, 2014 and chief compliance officer since August 11, 2014. Ms. Sherard has more than 25 years of finance experience most recently as a financial officer at Prologis, Inc., a leading owner, operator and developer of industrial real estate, first serving as Chief Financial Officer, Americas, and then overseeing the U.S. tax department. Previously, she served as the Finance Director for Chicago Union Station Development Company, LLC, a real estate development company. From 2005 through 2006, Ms. Sherard served as Executive Vice President and Chief Financial Officer of Grubb & Ellis Company, a publicly-traded real estate services company. From 2002 through 2005, Ms. Sherard was the Chief Financial Officer and Senior Vice President of SiteStuff, Inc., a procurement solutions provider for the commercial real estate industry. Ms. Sherard is a CPA and earned a bachelor's degree from Northwestern University, a master of business administration from the University of Pennsylvania's Wharton School and a master's degree in tax from the University of Illinois.</p>

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CORPORATE GOVERNANCE

Director Independence

The Board of Directors has a majority of directors who are independent under the listing standards of the Nasdaq Global Select Market, or Nasdaq. The Nasdaq Marketplace Rules provide that a director of a BDC shall be considered to be independent if he or she is not an interested person of the Company, as defined in Section 2(a)(19) of the 1940 Act. Section 2(a)(19) of the 1940 Act defines an interested person to include, among other things, any person who has, or within the last two years had, a material business or professional relationship with the Company.

The Board of Directors has determined that the following directors are independent: Messrs. Anstiss, Hyman and Tune. Messrs. Ross and Lauer are interested persons due to their positions with the Company and/or our Investment Advisor, as discussed in their respective biographies. Based upon information requested and received from each director concerning their respective background, employment and affiliations, the Board of Directors has affirmatively determined that none of the independent directors has a material business or professional relationship with the Company, other than in his capacity as a member of the Board of Directors or any committee thereof.

Meetings of the Board Committees

The Board of Directors has established the Audit Committee and Nominating Committee. The Company does not have a separate compensation committee because its executive officers do not receive any direct compensation from the Company; however, the Audit Committee has been charged with carrying out the duties that would typically be addressed by a compensation committee. During 2018, the Board of Directors held seven meetings, the Audit Committee held nine meetings and the Nominating Committee held two meetings. The Company encourages, but does not require, the directors to attend the Company's annual meeting of its stockholders. During 2018, all of our current directors attended 100% of the aggregate number of meetings of the Board of Directors and of the respective committees on which they served. All of our directors attended the 2018 annual meeting.

Board Leadership Structure

The Board of Directors monitors and performs an oversight role with respect to the business and affairs of the Company. Among other things, the Board of Directors approves the appointment of our Investment Advisor, administrator and officers, reviews and monitors the services and activities performed by our Investment Advisor, administrator and officers, approves annually the renewal of any investment advisory agreement with our Investment Advisor and approves the engagement, and reviews the performance of, the Company's independent registered public accounting firm.

Under the bylaws, the Board of Directors may designate a chairman to preside over the meetings of the Board of Directors and meetings of the stockholders and to perform such other duties as may be assigned to him by the Board of Directors. The Company does not have a fixed policy as to whether the chairman of the Board of Directors should be an independent director and believes that its flexibility to select its chairman and reorganize its leadership structure from time to time is in the best interests of the Company and its stockholders.

Presently, Mr. Ross serves as the chairman of the Board of Directors. Mr. Ross is an interested director because he is the Chief Executive Officer of the Company, serves on our Investment Advisor's investment committee and is a manager of our Investment Advisor. The Company believes that Mr. Ross's history with the Company, familiarity with the Fidus investment platform and extensive experience in the management of private equity and debt investments qualifies him to serve as chairman of the Board of Directors. Moreover, our Board of Directors believes that it is in the best interests of our stockholders for Mr. Ross to lead our Board of Directors because of his broad experience with the day-to-day management and operation of other investment funds and his significant background in the financial services industry, as described above.

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Our Board of Directors does not have a lead independent director. We are aware of the potential conflicts that may arise when a non-independent director is Chairman of the Board, but believe these potential conflicts are offset by our strong corporate governance practices. Our corporate governance practices include regular meetings of the independent directors in executive session without the presence of interested directors and management, the establishment of an Audit and Compensation Committee and a Nominating and Corporate Governance Committee, each of which is comprised solely of independent directors, and the appointment of a Chief Compliance Officer, with whom the independent directors meet without the presence of interested directors and other members of management, for administering our compliance policies and procedures. Additionally, Mr. Anstiss, an independent director and the chairman of the Audit Committee, acts as a liaison between the independent directors and management between meetings of our Board of Directors and presides over regular executive sessions of the Board. Our Board of Directors believes that its leadership structure is appropriate in light of the Company's characteristics and circumstances because the structure allocates areas of responsibility among the individual directors and the committees in a manner that encourages effective oversight. Specifically, the Board believes that the relationship of Messrs. Ross and Lauer with our Adviser provides an effective bridge between the Board and management, and encourages an open dialogue between management and our Board, ensuring that these groups act with a common purpose. The members of our Board of Directors also believe that its small size creates a highly efficient governance structure that provides ample opportunity for direct communication and interaction between both the members of management and our Investment Advisor and our Board of Directors.

Board Role in Risk Oversight

The Board of Directors performs its risk oversight function primarily through (a) its two standing committees, which report to the entire Board of Directors and are comprised solely of independent directors and (b) monitoring by the Company's Chief Compliance Officer in accordance with its compliance policies and procedures.

As described below in more detail under "Audit and Compensation Committee" and "Nominating and Corporate Governance Committee," the Audit Committee and the Nominating Committee assist the Board of Directors in fulfilling its risk oversight responsibilities. The Audit Committee's risk oversight responsibilities include overseeing the Company's accounting and financial reporting processes, the Company's systems of internal controls regarding finance and accounting and audits of the Company's financial statements and discussing with management the Company's major financial risk exposures and the steps management has taken to monitor and control such exposures, including the Company's risk assessment and risk management policies. The Nominating Committee's risk oversight responsibilities include selecting, researching and nominating directors for election by the Company's stockholders, developing and recommending to the Board of Directors a set of corporate governance principles and overseeing the evaluation of the Board of Directors and its committees. Both the Audit Committee and the Nominating Committee consist solely of independent directors.

The Board of Directors is assisted in its risk oversight responsibilities by the Chief Compliance Officer. The Company's Chief Compliance Officer prepares a written report annually discussing the adequacy and effectiveness of the compliance policies and procedures of the Company and certain of its service providers. The Chief Compliance Officer's report, which is reviewed by the Board of Directors, addresses at a minimum (a) the operation of the compliance policies and procedures of the Company and certain of its service providers since the last report; (b) any material changes to such policies and procedures since the last report; (c) any recommendations for material changes to such policies and procedures as a result of the Chief Compliance Officer's annual review; and (d) any compliance matter that has occurred since the date of the last report about which the Board of Directors would reasonably need to know to oversee the Company's compliance activities and risks. In addition, the Chief Compliance Officer meets separately in executive session with the independent directors periodically, but in no event less than once each year.

The Company believes that the Board of Directors' role in risk oversight is effective and appropriate given the extensive regulation to which it is already subject as a BDC. Specifically, as a BDC, the Company must

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comply with certain regulatory requirements that control the levels of risk in its business and operations. For example, the Company's ability to incur indebtedness is limited such that its asset coverage must equal at least 200% immediately after each time it incurs indebtedness and the Company generally has to invest at least 70% of its total assets in qualifying assets as described in section 55 of the 1940 Act. In addition, the Company has elected to be treated as a regulated investment company, or RIC, under Subchapter M of the Internal Revenue Code of 1986, as amended. As a RIC, the Company must, among other things, meet certain income source and asset diversification requirements.

The Company believes that the Board of Directors' existing role in risk oversight is appropriate. However, the Company re-examines the manner in which the Board of Directors administers its oversight function on an ongoing basis to ensure that it continues to meet the Company's needs.

Audit and Compensation Committee

The members of the Audit Committee are Messrs. Anstiss, Hyman and Tune, each of whom is not an interested person and is otherwise independent for purposes of the 1940 Act and Nasdaq's corporate governance regulations. Since September 2011, Mr. Anstiss has served as chairman of the Audit Committee. Our board of directors has adopted a charter for the Audit Committee, which is available on our website at <http://investor.fidus.com/governance.cfm>.

The Audit Committee is responsible for approving our independent accountants and recommending them to the board of directors (including a majority of the independent directors) for approval and submission to the board of directors for ratification, reviewing with our independent accountants the plans and results of the audit engagement, approving professional services provided by our accountants, reviewing the independence of our independent accountants and reviewing the adequacy of our internal accounting controls.

The Audit Committee is also responsible for aiding the board of directors in determining the fair value of debt and equity securities that are not publicly traded or for which current market values are not readily available. The Audit Committee also currently receives input from independent valuation firms that have been engaged at the direction of the board of directors to value certain portfolio investments. In addition, the Audit Committee is responsible for discussing with management our major financial risk exposures and the steps management has taken to monitor and control such exposures, including our risk assessment and risk management policies.

The board of directors has determined that Mr. Anstiss is an audit committee financial expert within the meaning of the rules of the SEC. Mr. Anstiss acquired his financial expertise from his education and experience as a public accountant, his experience actively supervising financial officers of public companies and in his supervisory role at a public accounting firm and from his experience overseeing and assessing the performance of public accountants with respect to the preparation, auditing and evaluation of financial statements. Mr. Anstiss has consented to be named as an audit committee financial expert.

Because the Audit Committee is charged with approving our related-party transactions, the board of directors has determined not to create a separate compensation committee and instead has charged the Audit Committee with overseeing amounts payable to our advisor pursuant to the Advisory Agreement and the Administration Agreement, and making a recommendation to the board of directors with respect to the board's approval (including the approval of a majority of the directors who are not interested persons) of the Company within the meaning of Section 2(a)(19) of the 1940 Act, as amended) of the ren