Oxford Lane Capital Corp.
Form 497
August 10, 2018

Filed pursuant to Rule 497
File No. 333-225462

PROSPECTUS SUPPLEMENT
(to Prospectus dated August 2, 2018)

Oxford Lane Capital Corp.

$300,000,000
Common Stock

We are a non-diversified, closed-end management investment company that has registered as an investment company under the Investment Company Act of 1940, or the 1940 Act. Our investment objective is to maximize our portfolio s risk-adjusted total return. We have implemented our investment objective by purchasing portions of equity and junior debt tranches of collateralized loan obligation (CLO) vehicles. Structurally, CLO vehicles are entities formed to originate and manage a portfolio of loans.

An investment in our securities is subject to significant risks and involves a heightened risk of total loss of investment. The price of shares of our common stock may be highly volatile and our common stock may frequently trade at a discount to our net asset value. In addition, the residual interests of the CLO securities in which we invest are subject to a high degree of special risks, including: CLO structures are highly complicated and may be subject to disadvantageous tax treatment; CLO vehicles are highly levered and are made up of below investment grade loans in which we typically have a residual interest that is much riskier than the loans that make up the CLO vehicle; and the market price for CLO vehicles may fluctuate dramatically (including dramatic declines during certain periods in 2015 and 2016), which may make portfolio valuations unreliable and negatively impact our net asset value and our ability to make distributions to our stockholders. See Risk Factors beginning on page 19 of the accompanying prospectus to read about factors you should consider, including the risk of leverage, before investing in our securities.

We have entered into an amended and restated equity distribution agreement, dated August 10, 2018, with Ladenburg Thalmann & Co. Inc. relating to the shares of common stock offered by this prospectus supplement and the accompanying prospectus.

The equity distribution agreement provides that we may offer and sell shares of our common stock having an aggregate offering price of up to $300,000,000 from time to time through Ladenburg Thalmann & Co. Inc., as our sales agent. Sales of our common stock, if any, under this prospectus supplement and the accompanying prospectus may be made in negotiated transactions or transactions that are deemed to be at the market, as defined in Rule 415 under the Securities Act of 1933, as amended, including sales made directly on the NASDAQ Global Select Market or similar securities exchange or sales made to or through a market maker other than on an exchange, at prices related to the prevailing market prices or at negotiated prices.

Ladenburg Thalmann & Co. Inc. will receive a commission from us up to 2.0% of the gross sales price of any shares of our common stock sold through Ladenburg Thalmann & Co. Inc. under the equity distribution agreement. Ladenburg Thalmann & Co. Inc. is not required to sell any specific number or dollar amount of common stock, but will use its commercially reasonable efforts consistent with its sales and trading practices to sell the shares of our common stock offered by this prospectus supplement and the accompanying prospectus. See Plan of Distribution beginning on page S-21 of this prospectus supplement. The sales price per share of our common stock offered by this prospectus supplement and the accompanying prospectus, less Ladenburg Thalmann & Co. Inc. s commission, will not be less than the net asset value per share of our common stock at the time of such sale.

From March 7, 2016 to August 7, 2018, we sold a total of 13,813,244 shares of common stock pursuant to this at the market offering pursuant to our prior registration statement on Form N-2 (File No 333-205405). The total amount of capital raised as a result of these sales of common stock was approximately $147.6 million and net proceeds were approximately $144.5 million after deducting the sales agent s commissions and offering expenses.

Our common stock is traded on the NASDAQ Global Select Market under the symbol OXLC. On August 7, 2018, the last reported sales price on the NASDAQ Global Select Market for our common stock was $11.42 per share, which was at a premium of 14.4% to the net asset value per share of our common stock as of June 30, 2018. We are required to determine the net asset value per share of our common stock on a quarterly basis. Our net asset value per share of our common stock as of June 30, 2018 was $9.98.

Please read this prospectus supplement and the accompanying prospectus before investing in our securities and keep each for future reference. This prospectus supplement and the accompanying prospectus contain important information about us that a prospective investor should know before investing in our securities. We are required to file annual, semi-annual and quarterly reports, proxy statements and other information about us with the Securities and Exchange Commission, or the SEC. This information is available free of charge by contacting us by mail at 8 Sound Shore Drive, Suite 255, Greenwich, CT 06830, by telephone at (203) 983-5275 or on our website at *http://www.oxfordlanecapital.com*. The SEC also maintains a website at *http://www.sec.gov* that contains such information. Information contained on our website is not incorporated by reference into this prospectus supplement or the accompanying prospectus, and you should not consider that information to be part of this prospectus supplement or the accompanying prospectus.

Neither the SEC nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

Ladenburg Thalmann

Prospectus Supplement dated August 10, 2018.

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PROSPECTUS SUPPLEMENT

PROSPECTUS

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ABOUT THIS PROSPECTUS SUPPLEMENT

We have filed with the SEC a registration statement on Form N-2 (File Nos. 333-225462 and 811-22432) utilizing a shelf registration process relating to the securities described in this prospectus supplement, which registration statement was declared effective on August 2, 2018. This document is in two parts. The first part is the prospectus supplement, which describes the terms of this offering of common stock and also adds to and updates information contained in the accompanying prospectus. The second part is the accompanying prospectus, which gives more general information and disclosure. To the extent the information contained in this prospectus supplement differs from or is additional to the information contained in the accompanying prospectus, you should rely only on the information contained in this prospectus supplement. Please carefully read this prospectus supplement and the accompanying prospectus together with the additional information described under the headings Available Information and Risk Factors included in the accompanying prospectus, respectively, before investing in our common stock.

Neither we nor Ladenburg Thalmann & Co. Inc. has authorized any dealer, salesman or other person to give any information or to make any representation other than those contained in this prospectus supplement or the accompanying prospectus. If anyone provides you with different or inconsistent information, you should not rely on it. This prospectus supplement and the accompanying prospectus do not constitute an offer to sell or a solicitation of any offer to buy any security other than the registered securities to which they relate, nor do they constitute an offer to sell or a solicitation of an offer to buy any securities in any jurisdiction or to any person to whom it is unlawful to make such an offer or solicitation in such jurisdiction. The information contained in this prospectus supplement and the accompanying prospectus is accurate as of the dates on their respective covers. Our financial condition, results of operations and prospects may have changed since those dates. To the extent required by law, we will amend or supplement the information contained in this prospectus supplement and the accompanying prospectus to reflect any material changes subsequent to the date of this prospectus supplement and the accompanying prospectus and prior to the completion of any offering pursuant to this prospectus supplement and the accompanying prospectus.

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SUMMARY

The following summary contains basic information about the offering of shares of our common stock pursuant to this prospectus supplement and the accompanying prospectus. It is not complete and may not contain all the information that is important to you. For a more complete understanding of the offering of shares of our common stock pursuant to this prospectus supplement, we encourage you to read this entire prospectus supplement and the accompanying prospectus, and the documents to which we have referred in this prospectus supplement and the accompanying prospectus. Together, these documents describe the specific terms of the shares we are offering. You should carefully read the sections entitled Risk Factors and Business and our financial statements included in the accompanying prospectus.

Except where the context requires otherwise, the terms Oxford Lane Capital, the Company, the Fund, we, us and our refer to Oxford Lane Capital Corp.; Oxford Lane Management and investment adviser refer to Oxford Lane Management, LLC; Oxford Funds and administrator refer to Oxford Funds, LLC (formerly known as BDC Partners, LLC); and Alaric and Alaric Compliance Services refer to Alaric Compliance Services, LLC.

Overview

We are a non-diversified closed-end management investment company that has registered as an investment company under the 1940 Act. Our investment strategy is to maximize our portfolio s risk-adjusted total return.

We have implemented our investment objective by purchasing portions of equity and junior debt tranches of CLO vehicles. Our investment strategy also includes warehouse facilities, which are financing structures intended to aggregate loans that may be used to form the basis of a CLO vehicle. Substantially all of the CLO vehicles in which we may invest would be deemed to be investment companies under the 1940 Act but for the exceptions set forth in section 3(c)(1) or section 3(c)(7). Structurally, CLO vehicles are entities formed to originate and manage a portfolio of loans. The loans within the CLO vehicle are limited to loans which meet established credit criteria and are subject to concentration limitations in order to limit a CLO vehicle s exposure to a single credit. A CLO vehicle is formed by raising various classes or tranches of debt (with the most senior tranches being rated AAA to the most junior tranches typically being rated BB or B) and equity. The CLO vehicles which we focus on are collateralized primarily by senior secured loans made to companies whose debt is unrated or is rated below investment grade, or Senior Loans, and generally have very little or no exposure to real estate, mortgage loans or to pools of consumer-based debt, such as credit card receivables or auto loans. Below investment grade securities are often referred to as junk. We may also invest, on an opportunistic basis, in other corporate credits of a variety of types. We expect that each of our investments will range in size from $5 million to $50 million, although the investment size may vary consistent with the size of our overall portfolio. Oxford Lane Management manages our investments and its affiliate arranges for the performance of the administrative services necessary for us to operate.

CLO vehicles, due to their high leverage, are more complicated to evaluate than direct investments in Senior Loans. Since we invest in the residual interests of CLO securities, our investments are riskier than the profile of the Senior Loans by which such CLO vehicles are collateralized. Our investments in CLO vehicles are riskier and less transparent to us and our stockholders than direct investments in the underlying Senior Loans. Our portfolio of investments may lack diversification among CLO vehicles which would subject us to a risk of significant loss if one or more of these CLO vehicles experience a high level of defaults on its underlying Senior Loans. The CLO vehicles in which we invest have debt that ranks senior to our investment. The market price for CLO vehicles may fluctuate dramatically, which would make portfolio valuations unreliable and negatively impact our net asset value and our ability to make distributions to our stockholders. Our financial results may be affected adversely if one or more of our significant equity or junior debt investments in such CLO vehicles defaults on its payment obligations or fails to perform as we expect.

Our investments in CLO vehicles may be subject to special anti-deferral provisions that could result in us incurring tax or recognizing income prior to receiving cash distributions related to such income. Specifically, the CLO vehicles in which we invest generally constitute passive foreign investment companies , or PFICs. Because we acquire investments in PFICs (including equity tranche investments in CLO vehicles that are PFICs), we may be subject to U.S. federal income tax on a portion of any excess distribution or

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gain from the disposition of such investments even if such income is distributed as a taxable dividend by us to our stockholders. See Risk Factors Risks Related to Our Investments beginning on page 19 in the accompanying prospectus to read about factors you should consider before investing in our securities.

For the fiscal year ended March 31, 2018 and the quarter ended June 30, 2018, our total return based on market value was 6.41% and 6.86%, respectively. Total return based on market value is calculated assuming that shares of the Fund s common stock were purchased at the market price as of the beginning of the period, and that distribution, capital gains and other distributions were reinvested as provided for in the Fund s distribution reinvestment plan, excluding any discounts, and that the total number of shares were sold at the closing market price per share on the last day of the period. The computation does not reflect any sales commission investors may incur in purchasing or selling shares of the Fund. For the fiscal year ended March 31, 2018, our total return based on net asset value was 18.53%. Total return based on net asset value is the change in ending net asset value per share plus distributions per share paid during the period assuming participation in the Company's dividend reinvestment plan divided by the beginning net asset value per share. The total return based on net asset value does not reflect any sales commission investors may incur in purchasing or selling shares of the Company. Our total return figures are subject to change and, in the future, may be greater or less than the rates set forth above.

Distributions

In order to be subject to pass-through tax treatment as a regulated investment company, or RIC, and to eliminate our liability for corporate-level U.S. federal income tax on the income we distribute to our stockholders, we are required, under Subchapter M of the Internal Revenue Code of 1986, as amended, or the Code, to distribute to our stockholders on an annual basis 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.

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The following table reflects the cash distributions, including distributions reinvested and returns of capital, if any, per share that we have declared on our common stock in the last five fiscal years and the current fiscal year, as well as our per share net investment income and distributions in excess of net investment income:

Months Ended	Record Date	Payment Date	**Distributions**[1]	GAAP Net Investment Income [3]	Distributions (in excess of) / Less than Net Investment Income [3]
Fiscal 2019					
October 31, 2018	October 24, 2018	October 31, 2018	$ 0.135	N/A	N/A
November 30, 2018	November 23, 2018	November 30, 2018	0.135	N/A	N/A
December 31, 2018	December 24, 2018	December 31, 2018	0.135	N/A	N/A
Sub-total for the quarter ended December 31, 2018			$ 0.405	— (4)	— (4)
September 30, 2018	September 20, 2018	September 28, 2018	0.135	N/A	N/A
August 31, 2018	August 23, 2018	August 31, 2018	0.135	N/A	N/A
July 31, 2018	July 23, 2018	July 31, 2018	0.135	N/A	N/A
Sub-total for the quarter ended September 30, 2018			0.405	— (4)	— (4)
June 30, 2018	June 21, 2018	June 29, 2018	0.135	N/A	N/A
May 31, 2018	May 23, 2018	May 31, 2018	0.135	N/A	N/A
April 30, 2018	April 20, 2018	April 30, 2018	0.135	N/A	N/A
Sub-total for the quarter ended June 30, 2018			0.405	$ 0.39	$ (0.015)
Fiscal 2018[5]					
March 31, 2018	March 22, 2018	March 30, 2018	0.135	N/A	N/A
February 28, 2018	February 20, 2018	February 28, 2018	0.135	N/A	N/A
January 31, 2018	January 23, 2018	January 31, 2018	0.135	N/A	N/A
Sub-total for the quarter ended March 31, 2018			0.405	0.40	(0.005)
December 31, 2017	December 15, 2017	December 29, 2017	0.40	0.41	0.01
September 30, 2017	September 15, 2017	September 29, 2017	0.40	0.37	(0.03)
June 30, 2017	June 16, 2017	June 30, 2017	0.40	0.42	0.02
Total Fiscal 2018			1.605	1.60	(0.005)
Fiscal 2017					
March 31, 2017	March 16, 2017	March 31, 2017	0.60	0.46	(0.14)
December 31, 2016	December 16, 2016	December 30, 2016	0.60	0.38	(0.22)
September 30, 2016	September 16, 2016	September 30, 2016	0.60	0.37	(0.23)
June 30, 2016	June 16, 2016	June 30, 2016	0.60	0.30	(0.30)
Total Fiscal 2017			2.40	1.51	(0.89)
Fiscal 2016					
March 31, 2016	March 16, 2016	March 31, 2016	0.60	0.36	(0.24)
December 31, 2015	December 16, 2015	December 31, 2015	0.60	0.46	(0.14)
September 30, 2015	September 30, 2015	October 30, 2015	0.60	0.33	(0.27)
June 30, 2015	June 16, 2015	June 30, 2015	0.60	0.44	(0.16)

Total Fiscal 2016			2.40		1.59	(0.81)
Fiscal 2015						
March 31, 2015	March 17, 2015	March 31, 2015	0.60		0.41	(0.19)
December 31, 2014	December 17, 2014	December 31, 2014	0.60		0.29	(0.31)
September 30, 2014	September 16, 2014	September 30, 2014	0.60		0.28	(0.32)
June 30, 2014	June 16, 2014	June 30, 2014	0.60		0.38	(0.22)
Total Fiscal 2015			2.40		1.36	(1.04)
Fiscal 2014						
March 31, 2014	March 17, 2014	March 31, 2014	0.60		0.29	(0.31)
	March 17, 2014	March 31, 2014	0.10	(2)	—	—
December 31, 2013	December 17, 2013	December 31, 2013	0.55		0.32	(0.23)
September 30, 2013	September 16, 2013	September 30, 2013	0.55		0.35	(0.20)
June 30, 2013	June 14, 2013	June 28, 2013	0.55		0.28	(0.27)
Total Fiscal 2014			2.35		1.24	(1.11)
			$ 11.16		$ 7.30	$ (3.86)

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(1) All of our cash distributions in the table above were funded from taxable income except for the fiscal year ended March 31, 2017. Cash distributions for the fiscal year ended March 31, 2017 include a tax return of capital of approximately $0.44 per share for tax purposes. The ultimate tax character of the Fund's earnings cannot be determined until tax returns are prepared after the end of the fiscal year, consequently, the tax characterization of cash distributions for the fiscal years ended March 31, 2018 and 2019 will not be known until the tax returns for those years are finalized.

(2) Represents a special dividend for the fiscal year ended March 31, 2014.

(3) Investment income is determined on a quarterly basis.

(4) We have not yet reported investment income for this period.

(5) Beginning January 1, 2018, the Board began to declare monthly distributions in lieu of quarterly distributions.

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For the fiscal year ended March 31, 2018, we paid distributions totaling $6,780,002, $1,174,249 and $3,671,916 on the Series 2023 Term Preferred Shares, 8.125% Series 2024 Term Preferred Shares and 6.75% Series 2024 Term Preferred Shares, respectively. For the fiscal year ended March 31, 2017, we paid dividends totaling $5,844,609 and $4,102,473 on the Series 2023 Term Preferred Shares and the 8.125% Series 2024 Term Preferred Shares, respectively. For the fiscal year ended March 31, 2016, we paid distributions totaling $421,888, $7,383,791 and $4,862,802 on the 8.50% Series 2017 Term Preferred Shares, or the Series 2017 Term Preferred Shares, the Series 2023 Term Preferred Shares and the 8.125% Series 2024 Term Preferred Shares, respectively. For the fiscal year ended March 31, 2015, we paid $1,344,083, $5,286,287 and $2,912,844 on the Series 2017 Term Preferred Shares, the Series 2023 Term Preferred Shares and the 8.125% Series 2024 Term Preferred Shares, respectively. For the fiscal year ended March 31, 2014, we paid $1,344,083 and $2,638,151 in preferred dividends on the Series 2017 Term Preferred Shares and the Series 2023 Term Preferred Shares, respectively. The 2017 Term Preferred Shares were fully redeemed in July 2015 and the 8.125% Series 2024 Term Preferred Shares were fully redeemed in July 2017.

For accounting purposes the distributions declared on our common stock for the fiscal years ended March 31, 2018, 2017, 2016, 2015, 2014 and 2013 were in excess of the reported earnings under Generally Accepted Accounting Principles, or GAAP. However, as a RIC, earnings and distributions are determined on a tax basis. Furthermore, taxable earnings are determined according to tax regulations and differ from reported income for accounting purposes under GAAP. Therefore, the tax characterization of distributions for federal income tax purposes may differ from the characterization for GAAP. For the fiscal years ended March 31, 2016, 2015, 2014, 2013 and 2012, taxable earnings exceeded our distributions, and there was no tax return of capital for these years. For the fiscal year ended March 31, 2017, there was a tax return of capital of approximately $0.44 per share for federal income tax purposes.

The tax characterization of distributions for the year ended March 31, 2018, will not be known until the tax return is finalized. To the extent that taxable earnings for any fiscal year are less than the amount of the distributions paid during the year, there would be a tax return of capital to shareholders. Distributions in excess of current and accumulated taxable earnings and profits will generally not be taxable to the shareholders, because a tax return of capital represents a return of a portion of a shareholder s original investment in our common stock, net of fund fees and expenses, to the extent of a shareholder s basis in our stock. Generally, a tax return of capital will reduce an investor s basis in our stock for federal tax purposes, which will result in the shareholder recognizing additional gain (or less loss) when the stock is sold. Assuming that a shareholder holds our stock as a capital asset, any such additional gain would be a capital gain. Shareholders should not assume that the source of all distributions is from our net profits and shareholders may periodically receive the payment of a distribution consisting of a return of capital. The tax character of any distributions will be determined after the end of the fiscal year. Tax matters are very complicated and the tax consequences to an investor of an investment in our shares will depend on the facts of its particular situation. We encourage investors to consult their own tax advisors 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.

We have elected to be treated, and intend to continue to qualify annually, as a RIC under Subchapter M of the Code beginning with our 2011 taxable year. 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. In order to avoid certain U.S. federal 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) 100% of any ordinary income and net capital gains for preceding years that were not distributed during such years and on which we paid no U.S. federal income tax. In addition, although we currently intend to distribute realized net capital gains (i.e., net long term capital gains in excess of short term capital losses), if any, at least annually, we may in the future decide to retain such capital gains for investment and elect to treat such gains as deemed distributions to you. If this happens, you will be treated as if you had received an actual distribution of the capital gains we retain and reinvested the net after tax proceeds in us. In this situation, you would be eligible to claim a tax credit (or, in certain circumstances, a tax refund) equal to your allocable share of the tax we paid on the capital gains deemed distributed to you. See Material U.S. Federal Income Tax Considerations in the accompanying prospectus. 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

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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.

We may make distributions by issuing additional shares of our common stock under our distribution reinvestment plan, unless you elect to receive your dividends and/or long-term capital gains distributions in cash. We reserve the right to purchase shares in the open market in connection with our implementation of the distribution reinvestment plan. See Distribution Reinvestment Plan in the accompanying prospectus. If you hold shares in the name of a broker or financial intermediary, you should contact the broker or financial intermediary regarding your election to receive distributions in cash. We can offer no assurance that we will achieve results that will permit the payment of any cash distributions and, if 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.

Distribution Policy

Oxford Lane is subject to significant and variable differences between its accounting income under GAAP and its taxable income particularly as it relates to our CLO equity investments. We invest in CLO entities which generally constitute PFICs and which are subject to complex tax rules; the calculation of taxable income attributed to a CLO equity investment can be dramatically different from the calculation of income for financial reporting purposes under GAAP. Taxable income is based upon the distributable share of earnings as determined under tax regulations for each CLO equity investment, which may be consistent with the cash flows generated by those investments (although significant differences are possible), while accounting income is currently based upon an effective yield calculation (this requires the calculation of a yield to expected redemption date based upon an estimation of the amount and timing of future cash flows, including recurring cash flows as well as future principal repayments). The Fund s final taxable earnings for the fiscal year ended March 31, 2018 will not be known until our tax returns are filed but our experience has been that cash flows from CLO equity investments have historically represented a generally reasonable estimate of taxable earnings; however, we can offer no assurance that will be the case in the future, particularly during periods of market disruption and volatility. There may be significant differences between Oxford Lane Capital s GAAP earnings and its taxable earnings, particularly related to CLO equity investments where its taxable earnings are based upon the taxable reported earnings provided by the CLO equity positions in which we invest, while GAAP earnings are based are upon an effective yield calculation. In general, the Fund currently expects its taxable earnings to be higher than its reportable GAAP earnings. However, under certain circumstances we may be required to take into account income for tax purposes no later than when such income is taken into account for GAAP purposes.

While reportable GAAP income from our CLO equity investments for the year ended March 31, 2018 was approximately $71.1 million, we received or were entitled to receive approximately $108.6 million in distributions from our CLO equity investments. In general, we currently expect our annual taxable income to be higher than our GAAP earnings on the basis of the difference between cash distributions from CLO equity investments actually received or entitled to be received and the effective yield income calculated under GAAP. Our distribution policy is based upon our estimate of our taxable net investment income.

Oxford Lane Management

Our investment activities are managed by Oxford Lane Management, which is an investment adviser that has registered under the Investment Advisers Act of 1940, or the Advisers Act. Under our investment advisory agreement with Oxford Lane Management, which we refer to as our Investment Advisory Agreement, we have agreed to pay

Oxford Lane Management an annual base management fee based on our gross assets, as well as an incentive fee based on our performance. See Investment Advisory Agreement in the accompanying prospectus.

We expect to benefit from the ability of our investment adviser s team to identify attractive opportunities, conduct diligence on and value prospective investments, negotiate terms where appropriate, and manage and monitor a diversified portfolio although we do not intend to operate as a diversified investment company within the meaning of the 1940 Act. Our investment adviser s senior investment team members have broad investment backgrounds, with prior experience at investment banks, commercial banks, unregistered

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investment funds and other financial services companies, and have collectively developed a broad network of contacts to provide us with our principal source of investment opportunities.

Our investment adviser is led by Jonathan H. Cohen, our Chief Executive Officer, and Saul B. Rosenthal, our President. Messrs. Cohen and Rosenthal are assisted by Darryl M. Monasebian, Executive Vice President, and Debdeep Maji, who serves as Senior Managing Director for Oxford Lane Management. We consider Messrs. Cohen, Rosenthal, Monasebian and Maji to be Oxford Lane Management s senior investment team.

Messrs. Cohen, Rosenthal, Monasebian and Maji together with the other members of Oxford Lane Management s investment team, have developed an infrastructure that we believe provides Oxford Lane Capital with a competitive advantage in locating and acquiring attractive CLO investments.

Charles M. Royce is a non-managing member of Oxford Lane Management. Mr. Royce serves as Chairman of the Board of Managers of Royce & Associates, LLC, or Royce & Associates. From 1972 until 2017, Mr. Royce served as Chief Executive Officer of Royce & Associates. He also manages or co-manages eight of Royce & Associates open- and closed-end registered funds. Mr. Royce currently serves on the Board of Trustees of The Royce Funds and Board of Directors of Oxford Square Capital Corp. Mr. Royce is also a non-managing member of Oxford Square Management, LLC, the investment adviser for Oxford Square Capital Corp. Mr. Royce, as a non-managing member of Oxford Lane Management, does not take part in the management or participate in the operations of Oxford Lane Management.

We will reimburse Oxford Funds, an affiliate of Oxford Lane Management, our allocable portion of overhead and other expenses incurred by Oxford Funds in performing its obligations under an administration agreement by and among us and Oxford Funds, or the Administration Agreement, including rent, the fees and expenses associated with performing administrative functions, and our allocable portion of the compensation of our Chief Financial Officer and any administrative support staff, including accounting personnel. We will also pay indirectly the costs associated with the functions performed by our Chief Compliance Officer under the terms of an agreement between us and Alaric Compliance Services, a compliance consulting firm. These arrangements could create conflicts of interest that our Board of Directors must monitor.

Investment Focus

Our investment objective is to maximize our portfolio s risk-adjusted total return. Our current focus is to seek that return by investing in structured finance investments, specifically the equity and junior debt tranches of CLO vehicles, which are collateralized primarily by a diverse portfolio of Senior Loans, and which generally have very little or no exposure to real estate loans, or mortgage loans or to pools of consumer-based debt, such as credit card receivables or auto loans. Our investment strategy also includes investing in warehouse facilities, which are financing structures intended to aggregate Senior Loans that may be used to form the basis of a CLO vehicle. As of June 30, 2018, we held debt investments in four different CLO structures and equity investments in approximately 87 different CLO structures and three investments in warehouse facilities. We may also invest, on an opportunistic basis, in a variety of other types of corporate credits.

The CLO investments we currently hold in our portfolio generally represent either a residual economic interest, in the case of an equity tranche, or a debt investment collateralized by a portfolio of Senior Loans. The value of our CLO investments generally depend on both the quality and nature of the underlying portfolio it references and also on the specific structural characteristics of the CLO itself.

CLO Structural Elements

Structurally, CLO vehicles are entities formed to originate and manage a portfolio of loans. The loans within the CLO vehicle are generally limited to loans which meet established credit criteria and are subject to concentration limitations in order to limit a CLO vehicle s exposure to a single credit.

A CLO vehicle is formed by raising multiple tranches of debt (with the most senior tranches being rated AAA to the most junior tranches typically being rated BB or B) and equity. As interest payments are received the CLO vehicle makes contractual interest payments to each tranche of debt based on their seniority. If there are funds remaining after each tranche of debt receives its contractual interest rate and the CLO vehicle meets or exceeds required collateral coverage levels (or other similar covenants) the remaining funds may be paid to the equity tranche. The contractual provisions setting out this order of payments are set out in detail in the CLO vehicle s indenture. These provisions are referred to as the priority of payments or the waterfall and determine any other obligations that may be required to be paid ahead of payments of interest and principal on the securities issued by a CLO vehicle. In addition, for payments to be made to each tranche, after the most senior tranche of debt, there are various tests which must be complied with, which are different for each CLO vehicle.

CLO indentures typically provide for adjustments to the priority of payments in the event that certain cashflow or collateral requirements are not maintained. The collateral quality tests that may divert cashflows in the priority of payments are predominantly determined by reference to the par values of the underlying loans, rather than their current market values. Accordingly, we believe that CLO equity and junior debt investments allow investors to gain exposure to the Senior Loan market on a levered basis without being structurally subject to mark-to-market price fluctuations of the underlying loans. As such, although the current valuations of CLO equity and junior debt tranches are expected to fluctuate based on price changes within the loan market, interest rate movements and other macroeconomic factors, those tranches will generally be expected to continue to receive distributions from the CLO vehicle periodically so long as the underlying portfolio does not suffer defaults, realized losses or other covenant violations sufficient to trigger changes in the waterfall allocations. We therefore believe that an investment portfolio consisting of CLO equity and junior debt investments of this type has the ability to provide attractive risk-adjusted rates of return.

The diagram below is for illustrative purposes only. The CLO structure highlighted below is illustrative only and depicts structures among CLO vehicles in which we may invest may vary substantially from the illustrative example set forth below.

We typically invest in the equity tranches, which are not rated, and to a lesser extent the B and BB tranches of CLO vehicles. As of June 30, 2018, 98% of our portfolio on a fair value basis was invested in the equity tranches of CLO vehicles.

The Syndicated Senior Loan Market

We believe that while the syndicated leveraged corporate loan market is relatively large, with Standard and Poor s estimating the total par value outstanding at approximately $1.1 trillion as of August 7, 2018, this market remains largely inaccessible to a significant portion of investors that are not lenders or approved institutions. The CLO market permits wider exposure to syndicated Senior Loans, but this market is almost exclusively private and predominantly institutional.

The Senior Loan market is characterized by various factors, including:

Floating rate instruments. A Senior Loan typically contains a floating versus a fixed interest rate, which we believe provides some measure of protection against the risk of interest rate fluctuation. However, all of our CLO investments have many Senior Loans which are subject to interest rate floors and since interest rates on Senior Loans may only reset periodically and the amount of the

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increase following an interest rate reset may be below the interest rate floors of such Senior Loans, our ability to benefit from rate resets following an increase in interest rates may be limited.

Frequency of interest payments. A Senior Loan typically provides for scheduled interest payments no less frequently than quarterly.

Investment Opportunity

We believe that the market for CLO-related assets continues to provide us with opportunities to generate attractive risk-adjusted returns over the long term. We believe that a number of factors support this conclusion, including:

The long-term and relatively low-cost capital that many CLO vehicles have secured, compared with current asset spreads, have created opportunities to purchase certain CLO equity and junior debt instruments that may produce attractive risk-adjusted returns. Additionally, given that the CLO vehicles we invest in are cash flow-based vehicles, this term financing may be extremely beneficial in periods of market volatility.

The market to invest in warehouse facilities, which are short and medium-term loan facilities that are generally expected to form the basis of CLO vehicles (which the Fund may participate in or be repaid by), has created additional attractive risk-adjusted investment opportunities for us.

Investing in CLO securities, and CLO equity instruments and warehouse facilities in particular, requires a high level of research and analysis. We believe that transactions in this market can only be adequately conducted by knowledgeable market participants as this market and these structures tend to be highly specialized.

The U.S. CLO market is relatively large with total assets under management of approximately $495 billion.(1) We estimate that the notional amount outstanding of the junior-most debt tranches (specifically the tranches originally rated BB and B) is approximately $24 billion and the notional amount outstanding of the equity tranches is approximately $48 billion.(2)

We continue to review a large number of CLO investment opportunities in the current market environment, and we expect that the majority of our portfolio holdings, over the near to intermediate-term, will continue to be comprised of CLO debt and equity securities, with the more significant focus over the near-term likely to be on CLO equity securities and warehouse facilities.

Summary Risk Factors

The value of our assets, as well as the market price of our securities, will fluctuate. Our investments may be risky, and you may lose all or part of your investment in us. Investing in Oxford Lane Capital involves other risks, including the following:

Our portfolio of investments may lack diversification among CLO vehicles which may subject us to a risk of significant loss if one or more of these CLO vehicles experiences a high level of defaults on its underlying Senior Loans;

The Senior Loan portfolios of the CLO vehicles in which we will invest may be concentrated in a limited number of industries, which may subject those vehicles, and in turn us, to a risk of

1. As of December 31, 2017 — Source: Wells Fargo Securities, The CLO Monthly Market Overview, dated May 1, 2018.

2. Oxford Lane has estimated this amount based in part on the Wells Fargo Securities report (noted in footnote 1 above).

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significant loss if there is a downturn in a particular industry in which a number of our CLO vehicles investments are concentrated;

The application of the risk retention rules under Section 941 of the Dodd-Frank Act to CLOs may have broader effects on the CLO and loan markets in general, potentially resulting in fewer or less desirable investment opportunities for the Company.

Our financial results may be affected adversely if one or more of our significant equity or junior debt investments in such CLO vehicles defaults on its payment obligations or fails to perform as we expect;

Investing in CLO vehicles, Senior Loans and other high-yield corporate credits involves a variety of risks, any of which may adversely impact our performance;

The CLO equity market has experienced significant downturns from time to time, which has negatively impacted our net asset value per share and, if those reduced values are realized over time, you may not receive dividends or our dividends may decline or may not grow over time;

We have a limited operating history as a closed-end investment company;

Our investment portfolio is recorded at fair value, with our Board of Directors having final responsibility for overseeing, reviewing and approving, in good faith, its estimate of fair value and, as a result, there will be uncertainty as to the value of our portfolio investments;

We are dependent upon Oxford Lane Management s key personnel for our future success;

Our incentive fee structure and the formula for calculating the fee payable to Oxford Lane Management may incentivize Oxford Lane Management to pursue speculative investments, use leverage when it may be unwise to do so, or refrain from de-levering when it would otherwise be appropriate to do so;

A general increase in interest rates may have the effect of making it easier for our investment adviser to receive incentive fees, without necessarily resulting in an increase in our net earnings;

A disruption or downturn in the capital markets and the credit markets could impair our ability to raise capital and negatively affect our business;

Regulations governing our operation as a registered closed-end management investment company affect our ability to raise additional capital and the way in which we do so. The raising of debt capital may expose us to risks, including the typical risks associated with leverage;

We may borrow money and/or issue preferred stock to leverage our portfolio, which would magnify the potential for gain or loss on amounts invested and will increase the risk of investing in us;

We may experience fluctuations in our quarterly results;

We will be subject to corporate-level U.S. federal income tax if we are unable to maintain our RIC status under Subchapter M of the Code;

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

There is a risk that our stockholders may not receive distributions or that our distributions may not grow or may be reduced over time, including on a per share basis as a result of the dilutive effects of this offering;

Common shares of closed-end management investment companies, including Oxford Lane Capital, have in the past frequently traded at discounts to their net asset values, and we cannot assure you that the market price of shares of our common stock will not decline below our net asset value per share;

Our common stock price may be volatile and may decrease substantially;

Any amounts that we use to service our indebtedness or preferred dividends, or that we use to redeem our preferred stock, will not be available for distributions to our common stockholders;

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Our common stock is subject to a risk of subordination relative to holders of our debt instruments and holders of our preferred stock; and

Holders of our preferred stock have the right to elect two members of our Board of Directors and class voting rights on certain matters.

See Risk Factors beginning on page 19 in the accompanying prospectus, and the other information included in the accompanying prospectus for additional discussion of factors you should carefully consider before investing in our securities.

Operating and Regulatory Structure

Oxford Lane Capital is a Maryland corporation that is a non-diversified closed-end management investment company that has registered as an investment company under the 1940 Act. As a registered closed-end fund, we are required to meet regulatory tests. See Regulation as a Registered Closed-End Management Investment Company in the accompanying prospectus. We may also borrow funds to make investments. In addition, we have elected to be treated for U.S. federal income tax purposes, and intend to qualify annually, as a RIC under Subchapter M of the Code. See Material U.S. Federal Income Tax Considerations in the accompanying prospectus.

Our investment activities are managed by Oxford Lane Management and supervised by our Board of Directors. Oxford Lane Management is an investment adviser that is registered under the Advisers Act. Under our Investment Advisory Agreement, we have agreed to pay Oxford Lane Management an annual base management fee based on our gross assets as well as an incentive fee based on our performance. See Investment Advisory Agreement in the accompanying prospectus. We have also entered into an administration agreement with Oxford Funds, which we refer to as the Administration Agreement, under which we have agreed to reimburse Oxford Funds for our allocable portion of overhead and other expenses incurred by Oxford Funds in performing its obligations under the Administration Agreement, including furnishing us with office facilities, equipment and clerical, bookkeeping and record keeping services at such facilities, as well as providing us with other administrative services. See Administration Agreement in the accompanying prospectus.

Oxford Funds also serves as the managing member of Oxford Lane Management. Messrs. Cohen and Rosenthal, in turn, serve as the managing member and non-managing member, respectively, of Oxford Funds.

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Recent Developments

Financial Results as of June 30, 2018

- Net asset value per share as of June 30, 2018, stood at $9.98 compared with a net asset value per share at March 31, 2018 of $10.08.
- Net investment income ("NII"), calculated in accordance with generally accepted accounting principles ("GAAP"), was approximately $11.5 million, or approximately $0.39 per share, for the quarter ended June 30, 2018.
- Our core net investment income ("Core NII") was approximately $14.6 million, or approximately $0.50 per share, for the quarter ended June 30, 2018.
- Core NII represents net investment income adjusted for additional cash income distributions received, or entitled to be received (if any, in either case), on our collateralized loan obligation ("CLO") equity investments (excluding those cash distributions believed to represent a return of capital). (**See additional information under "Supplemental Information Regarding Core Net Investment Income" below**).
- While our experience has been that cash flow distributions have historically represented useful indicators of our CLO equity investments' annual taxable income during certain periods, we believe that current and future cash flow distributions may represent less accurate indicators of taxable income with respect to our CLO equity investments than they have in the past. Accordingly, our taxable income may be materially different than either NII or Core NII.
- Total investment income, calculated in accordance with GAAP, amounted to approximately $21.2 million for the quarter ended June 30, 2018.
  - For the quarter ended June 30, 2018, we recorded total investment income from our portfolio as follows:
    - approximately $20.5 million from our CLO equity investments, and
    - approximately $0.7 million from our CLO debt investments, and other income.
- As of June 30, 2018, the following metrics applied (note that none of these values represent a total return to shareholders):
  - the weighted average yield of our CLO debt investments at current cost was approximately 11.2%, compared with 10.9% as of March 31, 2018;
  - the weighted average GAAP effective yield of our CLO equity investments at current cost was approximately 16.7%, compared with 17.2% as of March 31, 2018;
- the weighted average cash yield of our CLO equity investments at current cost was approximately 22.4%, compared with 17.3% as of March 31, 2018.
- Net increase in net assets from operations was approximately $8.1 million, or approximately $0.28 per share, for the quarter ended June 30, 2018, including:
  - Net investment income of approximately $11.5 million;
  - Net realized gains of approximately $0.7 million; and
  - Net unrealized depreciation of approximately $4.1 million.
- During the quarter ended June 30, 2018, we made additional CLO investments of approximately $121.7 million and we received approximately $75.9 million from sales and repayments of our CLO investments.

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- During the quarter ended June 30, 2018, we issued a total of 2,542,625 shares of common stock pursuant to an "at-the-market" offering, resulting in net proceeds of approximately $26.5 million after deducting the sales agent's commissions and offering expenses.
- On July 23, 2018, we amended our repurchase transaction with Nomura Securities International, Inc. Under the amended agreement, the term of the facility was extended until April 2, 2019.
- On July 31, 2018, our board of directors declared the following distributions on our common stock:

Month Ending	Record Date	Payment Date	Amount Per Share
October 31, 2018	October 24, 2018	October 31, 2018	$ 0.135
November 30, 2018	November 23, 2018	November 30, 2018	$ 0.135
December 31, 2018	December 24, 2018	December 31, 2018	$ 0.135

Our Board of Directors has also declared the required monthly dividends on our Series 2023 Term Preferred Shares and Series 2024 Term Preferred Shares (each, a "Share"), as follows:

Preferred Shares Type	Per Share Dividend Amount Declared	2018 Record Dates	2018 Payment Dates
Series 2023	$0.156250	September 21, October 24, November 23	September 28, October 31, November 30
Series 2024	$0.140625	September 21, October 24, November 23	September 28, October 31, November 30

In accordance with their terms, each of the Series 2023 Term Preferred Shares and Series 2024 Term Preferred Shares will pay a monthly dividend at a fixed rate of 7.50% and 6.75%, respectively, of the $25.00 per share liquidation preference, or $1.875 and $1.6875 per share per year, respectively. This fixed annual dividend rate is subject to adjustment under certain circumstances, but will not in any case be lower than 7.50% and 6.75% per year, respectively, for each of the Series 2023 Term Preferred Shares and Series 2024 Term Preferred Shares.

Supplemental Information Regarding Core Net Investment Income

On a supplemental basis, we provide information relating to core net investment income, which is a non-GAAP measure. This measure is provided in addition to, but not as a substitute for, net investment income determined in accordance with GAAP. Our non-GAAP measures may differ from similar measures by other companies, even if similar terms are used to identify such measures. Core net investment income represents net investment income adjusted for additional cash income distributions received, or entitled to be received (if any, in either case), on our CLO equity investments.

Income from investments in the "equity" class securities of CLO vehicles, for GAAP purposes, is recorded using the effective interest method based upon an effective yield to the expected redemption utilizing estimated cash flows compared to the cost, resulting in an effective yield for the investment; the difference between the actual cash received or distributions entitled to be received and the effective yield calculation is an adjustment to cost. Accordingly, investment income recognized on CLO equity securities in the GAAP statement of operations differs from the cash distributions actually received by us during the period (referred to below as "CLO equity adjustments").

Further, in order to continue to qualify to be taxed as a regulated investment company, we are required, among other things, to distribute at least 90% of our investment company taxable income annually. Therefore, core net investment income may provide a better indication of estimated taxable income for a reporting period than does GAAP net investment income, although we can offer no assurance that will be the case as the ultimate tax character of our earnings cannot be determined until tax returns are prepared after the end of a fiscal year. We note that these non-GAAP measures may not be useful indicators of taxable earnings, particularly during periods of market disruption and volatility and our taxable income may differ materially from our core net investment income.

The following table provides a reconciliation of NII to Core NII for the three months ended June 30, 2018:

	Three Months Ended June 30, 2018	
	Amount	Per Share Amount
Net investment income	$11,468,995	$ 0.391
CLO equity adjustments	3,094,135	0.106
Core net investment income	$14,563,130	$ 0.497

Our Corporate Information

Our offices are located at 8 Sound Shore Drive, Suite 255, Greenwich, CT 06830, and our telephone number is (203) 983-5275.

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THE OFFERING

Common stock offered by us

Shares of our common stock having an aggregate offering price of up to $300,000,000.

Common stock outstanding as of August 7, 2018

32,284,373 shares

Manner of offering

At the market offering that may be made from time to time through Ladenburg Thalmann & Co. Inc., as sales agent using commercially reasonable efforts. See Plan of Distribution.

Use of proceeds

We intend to use the net proceeds from this offering for acquiring investments in accordance with our investment objective and strategies described in this prospectus supplement, possibly repurchasing our outstanding preferred stock and for general working capital purposes. Pending these uses, we will invest such net proceeds primarily in cash, cash equivalents, and U.S. government securities or other high-quality debt investments that mature in one year or less from the date of investment. The management fee payable by us to our investment adviser will not be reduced while our assets are invested in such securities. See Use of Proceeds.

Distribution

To the extent that we have income available, we intend to distribute monthly distributions to our stockholders. The amount of our distributions, if any, will be determined by our Board of Directors. Any distributions to our stockholders will be declared out of assets legally available for distribution. See Price Range of Common Stock and Distributions in the accompanying prospectus.

Taxation

We have elected to be treated for federal income tax purposes as a RIC under Subchapter M of the Code. As a RIC, we generally do not have to pay corporate-level federal income taxes on any ordinary income or capital gains that we distribute to our stockholders as dividends. To maintain our RIC tax status, we must meet specified source-of-income and asset diversification requirements and distribute annually 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. See Price Range of Common Stock and Distributions in the accompanying prospectus and Material U.S. Federal Income Tax Considerations in the accompanying prospectus.

NASDAQ Global Select Market symbol of common stock

OXLC

Risk factors

An investment in our common stock is subject to risks and involves a heightened risk of total loss of investment. In addition, the companies in which we invest are subject to special risks. See Risk Factors beginning on page 19 of the accompanying prospectus to read about factors you should consider, including the risk of leverage, before investing in our common stock.

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FEES AND EXPENSES

The following table is intended to assist you in understanding the costs and expenses that you will bear directly or indirectly. We caution you that some of the percentages indicated in the table below are estimates and may vary. Except where the context suggests otherwise, whenever this prospectus supplement and the accompanying prospectus contains a reference to fees or expenses paid by us or Oxford Lane Capital, or that we will pay fees or expenses, you will indirectly bear such fees or expenses as an investor in Oxford Lane Capital Corp.

Stockholder transaction expenses:	
Sales load (as a percentage of offering price)	2.00 %(1)
Offering expenses borne by us (as a percentage of offering price)	0.37 %(2)
Distribution reinvestment plan expenses	(3)
Total stockholder transaction expenses (as a percentage of offering price)	2.37 %
Annual expenses (as a percentage of net assets attributable to common stock):	
Base management fee	3.34 %(4)
Incentive fees payable under our investment advisory agreement (20% of net investment income)	3.73 %(5)
Interest payments on borrowed funds	0.64 %(6)
Preferred stock dividend payment	3.60 %(7)
Other expenses (estimated)	1.10 %(8)
Total annual expenses (estimated)	12.41 %(9)

Example

The following example demonstrates the projected dollar amount of total cumulative expenses that would be incurred over various periods with respect to a hypothetical investment in our common stock. In calculating the following expense amounts, we have assumed that our annual operating expenses would remain at the levels set forth in the table above, and that we pay the transaction expenses set forth in the table above, including a sales load of 2.00% paid by you (the commission to be paid by us with respect to common stock sold by us in this offering).

	1 Year	3 Years	5 Years	10 Years
You would pay the following expenses on a $1,000 investment, assuming a 5% annual return	$ 161	$ 396	$ 588	$ 926

The example and the expenses in the tables above should not be considered a representation of our future expenses, and actual expenses may be greater or less than those shown. While the example assumes, as required by the SEC, a 5.0% annual return, our performance will vary and may result in a return greater or less than 5.0%. The incentive fee under the Investment Advisory Agreement, which, assuming a 5.0% annual return, would either not be payable or would have an insignificant impact on the expense amounts shown above, is included in the example. Also, while the example assumes reinvestment of all distributions at net asset value, participants in our distribution reinvestment plan will receive a number of shares of our common stock, determined by dividing the total dollar amount of the distribution payable to a participant by the market price per share of our common stock at the close of trading on the distribution payment date, which may be at, above or below net asset value. See Distribution Reinvestment Plan in the accompanying prospectus for additional information regarding our distribution reinvestment plan.

(1) Represents the commission with respect to the shares of our common stock being sold in this offering, which we will pay to Ladenburg Thalmann & Co. Inc. in connection with sales of shares of our common stock effected by Ladenburg Thalmann & Co. Inc. under the equity distribution agreement. There is no guaranty that there will be any sales of our common stock pursuant to this prospectus supplement and the accompanying prospectus.

(2) The offering expenses of this offering are estimated to be approximately $185,000.

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(3) The expenses of the distribution reinvestment plan are included in other expenses. The plan administrator s fees will be paid by us. We will not charge any brokerage charges or other charges to stockholders who participate in the plan. However, your own broker may impose brokerage charges in connection with your participation in the plan.

(4) Assumes gross assets of $606.4 million and $226.1 million of leverage (which reflects $90.4 million of Series 2023 Term Preferred Shares and $68.2 million of 6.75% Series 2024 Term Preferred Shares issued and outstanding as of June 30, 2018, and adjusted to reflect the issuance of an additional $25 million of preferred stock, as well as $42.5 million under the repurchase transaction with Nomura Securities International, Inc. (the "Nomura Agreement")), and assumes net assets of $363.0 million (which has been adjusted to reflect the issuance of an additional $50.0 million of common stock). The above calculation presents our base management fee as a percentage of our net assets. Our base management fee under the Investment Advisory Agreement, however, is based on our gross assets, which is defined as all the assets of Oxford Lane Capital, including those acquired using borrowings for investment purposes. As a result, to the extent we use additional leverage, it would have the effect of increasing our base management fee as a percentage of our net assets. See Investment Advisory Agreement in the accompanying prospectus for additional information.

(5) Amount reflects the estimated annual incentive fees payable to our investment adviser, Oxford Lane Management, during the fiscal year following this offering. The estimate assumes that the incentive fee earned will be proportional to the fee earned during the quarter year ended June 30, 2018, annualized, and adjusted to include the estimated incentive fee based on the issuance of an additional $50.0 million of common stock and $25.0 million of preferred stock. Based on our current business plan, we anticipate that substantially all of the net proceeds of this offering will be invested within three months depending on the availability of investment opportunities that are consistent with our investment objective and other market conditions. We expect that it will take approximately one to three months to invest all of the proceeds of this offering, in part because equity and junior debt investments in CLO vehicles require substantial due diligence prior to investment.

The incentive fee, which is payable quarterly in arrears, equals 20.0% of the excess, if any, of our Pre-Incentive Fee Net Investment Income that exceeds a 1.75% quarterly (7.0% annualized) hurdle rate, which we refer to as the Hurdle, subject to a catch-up provision measured at the end of each calendar quarter. The incentive fee is computed and paid on income that may include interest that is accrued but not yet received in cash. The operation of the incentive fee for each quarter is as follows:

no incentive fee is payable to our investment adviser in any calendar quarter in which our Pre-Incentive Fee Net Investment Income does not exceed the Hurdle of 1.75%;

100% of our Pre-Incentive Fee Net Investment Income with respect to that portion of such Pre-Incentive Fee Net Investment Income, if any, that exceeds the Hurdle but is less than 2.1875% in any calendar quarter (8.75% annualized) is payable to our investment adviser. We refer to this portion of our Pre-Incentive Fee Net Investment Income (which exceeds the Hurdle but is less than 2.1875%) as the catch-up. The catch-up is meant to provide our investment adviser with 20.0% of our Pre-Incentive Fee Net Investment Income, as if a Hurdle did not apply when our Pre-Incentive Fee Net Investment Income exceeds 2.1875% in any calendar quarter; and

20.0% of the amount of our Pre-Incentive Fee Net Investment Income, if any, that exceeds 2.1875% in any calendar quarter (8.75% annualized) is payable to our investment adviser (once the Hurdle is reached and the catch-up is achieved, 20.0% of all Pre-Incentive Fee Investment Income thereafter is allocated to our investment adviser).

No incentive fee is payable to our investment adviser on realized capital gains. For a more detailed discussion of the calculation of this fee, see Investment Advisory Agreement in the accompanying prospectus.

(6) Assumes that we maintain our current level of borrowings as of June 30, 2018 under the Nomura Agreement of $42.5 million with a rate of 5.46%.

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Assumes that we have an aggregate of (a) $90.4 million of preferred stock with a preferred rate of 7.50% per annum, which was the amount outstanding as of June 30, 2018, (b) $68.2 million of preferred stock with a preferred rate of 6.75% per annum, which was the amount outstanding as of June 30, 2018, and (c) adjusted to reflect the issuance of an additional $25.0 million of preferred stock with a preferred rate of 6.75% per annum.

(7) Annual expense does not reflect our 8.125% Series 2024 Term Preferred Shares, which were redeemed on July 14, 2017. We may issue additional shares of preferred stock pursuant to the registration statement of which this prospectus supplement forms a part. In the event we were to issue additional preferred stock, our borrowing costs, and correspondingly our total annual expenses, including our base management fee as a percentage of our net assets, would increase.

(8) Other expenses ($4.0 million) are estimated for the current fiscal year, which considers the actual expenses for the quarter ended June 30, 2018, annualized, and adjusted for any new and non-recurring expenses on an assumed issuance of an additional $50.0 million of common stock and the amortization of debt offering costs and discount on an assumed issuance of an additional $25.0 million of preferred stock.

(9) Total annual expenses is presented as a percentage of net assets attributable to common stockholders, because the holders of shares of our common stock (and not the holders of our preferred stock or debt securities, if any) bear all of our fees and expenses, all of which are included in this fee table presentation. **The indirect expenses associated with the Company s CLO equity investments are not included in the fee table presentation, but if such expenses were included in the fee table presentation then the Company s total annual expenses would have been 29.7%.**

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This prospectus supplement and the accompanying prospectus contain 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 our company, our current and prospective portfolio investments, our industry, our beliefs, and our assumptions. Words such as anticipates, expects, intends, plans, will, may, believes, seeks, estimates, would, could, should, targets, projects, and variations of these words a expressions are intended to identify forward-looking statements.

The forward-looking statements contained in this prospectus supplement and the accompanying prospectus involve risks and uncertainties, including statements as to:

- our future operating results;
- our business prospects and the prospects of a CLO vehicle s 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 a CLO vehicle s 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 our investments.

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 the ability of a CLO vehicle s portfolio companies to continue to operate, which could lead to the loss of some or all of our investment in such CLO vehicle;
- 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 if we elect to use leverage as part of our investment strategy;
- currency fluctuations could adversely affect the results of our investments in foreign companies, particularly to the extent that we receive payments denominated in foreign currency rather than U.S. dollars; and
- the risks, uncertainties and other factors we identify in Risk Factors in the accompanying prospectus and in our 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 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 prospectus supplement or the accompanying prospectus 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 Risk Factors in the accompanying prospectus and elsewhere in this prospectus supplement and the accompanying prospectus. You should not place undue reliance on these forward-looking statements, which apply only as of the respective dates of this prospectus supplement and the accompanying prospectus.

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However, we will update this prospectus supplement and the accompanying prospectus to reflect any material changes to the information contained herein. The forward-looking statements contained in this prospectus supplement and the accompanying prospectus are excluded from the safe harbor protection provided by Section 27A of the Securities Act of 1933, as amended, or the Securities Act.

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USE OF PROCEEDS

Sales of our common stock, if any, under this prospectus supplement and the accompanying prospectus may be made in negotiated transactions or transactions that are deemed to be at the market, as defined in Rule 415 under the Securities Act, including sales made directly on the NASDAQ Global Select Market or similar securities exchange or sales made to or through a market maker other than on an exchange, at prices related to the prevailing market prices or at negotiated prices. There is no guarantee that there will be any sales of our common stock pursuant to this prospectus supplement and the accompanying prospectus. Actual sales, if any, of our common stock under this prospectus supplement and the accompanying prospectus may be less than the amount set forth in this paragraph depending on, among other things, the market price of our common stock at the time of any such sale. As a result, the actual net proceeds we receive may be more or less than the amount of net proceeds estimated in this prospectus supplement. However, the sales price per share of our common stock offered by this prospectus supplement and the accompanying prospectus, less Ladenburg Thalmann & Co. Inc. s commission, will not be less than the net asset value per share of our common stock at the time of such sale. If we sell shares of our common stock with an aggregate offering price of $300 million, we anticipate that our net proceeds, after deducting sales agent commissions and estimated expenses payable by us, will be approximately $293.8 million.

From March 7, 2016 to August 7, 2018, we sold a total of 13,813,244 shares of common stock pursuant to this at the market offering pursuant to our prior registration statement on Form N-2 (File No 333-205405). The total amount of capital raised as a result of these sales of common stock was approximately $147.6 million and net proceeds were approximately $144.5 million after deducting the sales agent s commissions and offering expenses. See Plan of Distribution.

We intend to use the net proceeds from the sale of our securities pursuant to this prospectus supplement for acquiring investments in accordance with our investment objective and strategies described in this prospectus supplement, possibly repurchasing our outstanding preferred stock and for general working capital purposes. Based on our current business plan, we anticipate that substantially all of the net proceeds of this offering will be invested within three months after completion of this offering depending on the availability of investment opportunities that are consistent with our investment objective and other market conditions. We expect that it will take approximately one to three months to invest all of the proceeds of this offering, in part because equity and junior debt investments in CLO vehicles require substantial due diligence prior to investment. We may also pay operating expenses, including advisory and administrative fees and expenses, and may pay other expenses such as due diligence expenses of potential new investments, from the net proceeds of this offering.

Pending such investments, we will invest the net proceeds primarily in cash, cash equivalents, U.S. government securities and other high-quality investments that mature in one year or less from the date of investment. The management fee payable by us will not be reduced while our assets are invested in such securities. See Regulation as a Closed-End Investment Company Temporary Investments in the accompanying prospectus for additional information about temporary investments we may make while waiting to make longer-term investments in pursuit of our investment objective.

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PLAN OF DISTRIBUTION

Ladenburg Thalmann & Co. Inc. is acting as our sales agent in connection with the offer and sale of shares of our common stock pursuant to this prospectus supplement and the accompanying prospectus. Upon written instructions from us, Ladenburg Thalmann & Co. Inc. will use its commercially reasonable efforts consistent with its sales and trading practices to sell, as our sales agent, our common stock under the terms and subject to the conditions set forth in our amended and restated equity distribution agreement with Ladenburg Thalmann & Co. Inc. dated August 10, 2018. We will instruct Ladenburg Thalmann & Co. Inc. as to the amount of common stock to be sold by it. We may instruct Ladenburg Thalmann & Co. Inc. not to sell common stock if the sales cannot be effected at or above the price designated by us in any instruction. The sales price per share of our common stock offered by this prospectus supplement and the accompanying prospectus, less Ladenburg Thalmann & Co. Inc. s commission, will not be less than the net asset value per share of our common stock at the time of such sale. We or Ladenburg Thalmann & Co. Inc. may suspend the offering of shares of common stock upon proper notice and subject to other conditions.

Sales of our common stock, if any, under this prospectus supplement and the accompanying prospectus may be made in negotiated transactions or transactions that are deemed to be at the market, as defined in Rule 415 under the Securities Act, including sales made directly on the NASDAQ Global Select Market or similar securities exchange or sales made to or through a market maker other than on an exchange at prices related to the prevailing market prices or at negotiated prices.

Ladenburg Thalmann & Co. Inc. will provide written confirmation of a sale to us no later than the opening of the trading day on the NASDAQ Global Select Market following each trading day in which shares of our common stock are sold under the equity distribution agreement. Each confirmation will include the number of shares of common stock sold on the preceding day, the net proceeds to us and the compensation payable by us to Ladenburg Thalmann & Co. Inc. in connection with the sales.

Ladenburg Thalmann & Co. Inc. will receive a commission from us equal to the lesser of (i) 2.0% of the gross sales price per share from such sale and (ii) the difference between the gross sale price per share from such sale and our most recently determined net asset value per share, with respect to any shares of our common stock sold through Ladenburg Thalmann & Co. Inc. under the equity distribution agreement. We estimate that the total expenses for the offering, excluding compensation payable to Ladenburg Thalmann & Co. Inc. under the terms of the amended and restated equity distribution agreement, will be approximately $185,000. In addition to the commission payable to Ladenburg Thalmann & Co. Inc., we have agreed to reimburse Ladenburg Thalmann & Co. Inc. for its reasonable out-of-pocket expenses, including fees and disbursements of counsel, incurred by Ladenburg Thalmann & Co. Inc. in connection with this offering; provided that such reimbursements shall not exceed $50,000.

Settlement for sales of shares of common stock will occur on the second trading day following the date on which such sales are made, or on some other date that is agreed upon by us and Ladenburg Thalmann & Co. in connection with a particular transaction, in return for payment of the net proceeds to us. There is no arrangement for funds to be received in an escrow, trust or similar arrangement.

We will report at least quarterly the number of shares of our common stock sold through Ladenburg Thalmann & Co. Inc. under the equity distribution agreement and the net proceeds to us.

In connection with the sale of the common stock on our behalf, Ladenburg Thalmann & Co. Inc. may be deemed to be an underwriter within the meaning of the Securities Act, and the compensation of Ladenburg Thalmann & Co. Inc.

may be deemed to be underwriting commissions or discounts. We have agreed to provide indemnification and contribution to Ladenburg Thalmann & Co. Inc. against certain civil liabilities, including liabilities under the Securities Act.

The offering of our shares of common stock pursuant to the equity distribution agreement will terminate upon the earlier of (i) the sale of the dollar amount of common stock subject to the equity distribution agreement or (ii) the termination of the equity distribution agreement. The equity distribution agreement may be terminated by us in our sole discretion under the circumstances specified in the equity distribution agreement by giving notice to Ladenburg Thalmann & Co. Inc.. In addition, Ladenburg Thalmann & Co. Inc. may terminate the equity distribution agreement under the circumstances specified in the equity distribution agreement by giving notice to us.

Potential Conflicts of Interest

Ladenburg Thalmann & Co. Inc. and its affiliates have provided, or may in the future provide, various investment banking, commercial banking, financial advisory, brokerage and other services to us and our affiliates for which services they have received, and may in the future receive, customary fees and expense reimbursement. In connection with our initial public offering of common stock, which was consummated on January 25, 2011, Ladenburg Thalmann & Co. Inc. served as the sole book running manager. We paid underwriting discounts and commissions of $2,555,000 to the underwriters. In connection with our rights offering consummated in August 2011, Ladenburg Thalmann & Co. Inc. served as dealer manager, and we paid fees of $355,163 to Ladenburg Thalmann & Co. Inc. In connection with our rights offering consummated in April 2012, Ladenburg Thalmann & Co. Inc. served as co-dealer manager, and we paid fees of an aggregate of $1,379,549 to the co-dealer managers. In connection with our Series 2017 Term Preferred Shares offering consummated in November 2012, Ladenburg Thalmann & Co. Inc. served as joint book-running manager, and we paid fees of an aggregate of $711,506 to the joint book-running managers. In connection with our rights offering consummated in February 2013, Ladenburg Thalmann & Co. Inc. served as dealer manager, and we paid fees of an aggregate of $1,462,805 to the dealer manager. In connection with our preferred stock offering consummated in June 2013, Ladenburg Thalmann & Co. Inc. served as joint book-running manager, and we paid fees of an aggregate of $862,000 to the joint book-running managers. In connection with our 2013 at the market offering, which commenced in August 2013, Ladenburg Thalmann & Co. Inc. served as our sales agent, and we agreed to pay Ladenburg Thalmann & Co. Inc. a commission equal to 2.0% of the gross sales price of any shares of our common stock sold through Ladenburg Thalmann & Co. Inc. pursuant to such offering and to reimburse Ladenburg Thalmann & Co. Inc. up to $50,000 for reasonable out-of-pocket expenses. No sales were made pursuant to our 2013 at the market offering. In connection with our preferred stock offering consummated in November 2013, Ladenburg Thalmann & Co. Inc. served as joint book-running manager, and we paid fees of an aggregate of $1,590,993 to the joint book-running managers. In connection with our rights offering that expired on March 3, 2014, Ladenburg Thalmann & Co. Inc. served as co-dealer manager, and we paid fees of an aggregate of $2,734,534 to the co-dealer managers. In connection with our common stock offering consummated in March 2014, Ladenburg Thalmann & Co. Inc. served as joint book-running manager, and we paid fees of an aggregate of $930,000 to the joint book-running managers. In connection with our preferred stock offering consummated in May 2014, Ladenburg Thalmann & Co. Inc. served as joint book-running manager, and we paid fees of an aggregate of $1,070,000 to the joint book-running managers. In connection with our at the market offering consummated in August 2014, Ladenburg Thalmann & Co. Inc. served as our sales agent, we have agreed to pay Ladenburg Thalmann & Co. Inc. a commission equal to 2.0% of the gross sales price of any shares of our common stock sold through Ladenburg Thalmann & Co. Inc. pursuant to such offering and to reimburse Ladenburg Thalmann & Co. Inc. up to $50,000 for reasonable out-of-pocket expenses. In connection with our preferred stock offering in September 2014, Ladenburg Thalmann & Co. Inc. served as a financial advisor, and we paid fees of an aggregate of $61,250 to Ladenburg Thalmann & Co. Inc. In connection with our preferred stock offering in November 2014, Ladenburg Thalmann & Co. Inc. served as joint book-running manager, and we paid fees of an aggregate of $1,000,000 to the joint book-running managers. In connection with our common stock offering in June 2015, Ladenburg Thalmann & Co. Inc. served as joint book-running manager, and we paid fees of an aggregate of $1,008,000 to the joint book-running managers. In connection with our Series 2023 Term Preferred Shares offering consummated in June 2015, Ladenburg Thalmann & Co. Inc. served as joint book-running manager, and we paid fees of an aggregate of $1,200,000 to the joint book-running managers. In connection with this at the market offering consummated in March 2016, Ladenburg Thalmann & Co. Inc. is serving as our sales agent, we have agreed to pay Ladenburg Thalmann & Co. Inc. a commission equal to 2.0% of the gross sales price of any shares of our common stock sold through Ladenburg Thalmann & Co. Inc. pursuant to such offering and to reimburse Ladenburg Thalmann & Co. Inc. up to $50,000 for reasonable out-of-pocket expenses. In connection with this at the market offering from March 7, 2016 to August 7, 2018 we paid fees of an aggregate of

$2,569,000 to Ladenburg Thalmann & Co. Inc. In connection with a preferred stock at the market offering commenced on March 14, 2017, Ladenburg Thalmann & Co. Inc. is serving as our sales agent, and we have agreed to pay Ladenburg Thalmann & Co. Inc. a commission equal to 2.0% of the gross sales price of any shares of our preferred stock sold through Ladenburg Thalmann & Co. Inc. pursuant to such offering and to reimburse Ladenburg Thalmann & Co. Inc. up to $30,000 for reasonable out-of-pocket expenses. In connection with the preferred stock at the market offering from March 14, 2017 to August 7, 2018 we paid fees of an aggregate of $34,400 to Ladenburg Thalmann & Co. Inc. In connection with our 6.75% Series 2024 Term Preferred Shares offering consummated in June 2017, Ladenburg Thalmann & Co. Inc. served as the lead book-running manager, and we paid fees of an aggregate of $2,132,000 to the underwriters for this offering.

Ladenburg Thalmann & Co. Inc. and its affiliates may, from time to time, engage in transactions with and perform services for us in the ordinary course of their business for which they may receive customary fees and reimbursement of expenses. In the ordinary course of their various business activities, Ladenburg Thalmann & Co. Inc. and its affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers and such investment and securities activities may involve securities and/or instruments of our company. Ladenburg Thalmann & Co. Inc. and its affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or instruments and may at any time hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

The principal business address of Ladenburg Thalmann & Co. Inc. is 277 Park Avenue, 26th Floor, New York, NY 10172.

LEGAL MATTERS

Certain legal matters in connection with the securities offered hereby will be passed upon for us by Eversheds Sutherland (US) LLP, Washington, DC. Certain legal matters in connection with the offering will be passed upon for the sales agent by Blank Rome LLP, New York, New York.

EXPERTS

The financial statements as of March 31, 2018 and for the year ended March 31, 2018 included in the accompanying prospectus have been so included in reliance on the report of PricewaterhouseCoopers LLP, an independent registered public accounting firm, given on the authority of said firm as experts in auditing and accounting.

AVAILABLE INFORMATION

We have filed with the SEC a registration statement on Form N-2 together with all amendments and related exhibits under the Securities Act. The registration statement contains additional information about us and the securities being offered by this prospectus supplement and the accompanying prospectus.

We are required to file with or submit to the SEC annual, semi-annual and quarterly reports, proxy statements and other information meeting the informational requirements of the Exchange Act. You may inspect and copy these reports, proxy statements and other information, as well as the registration statement and related exhibits and schedules, at the Public Reference Room of the SEC at 100 F Street, NE, Washington, D.C. 20549. You may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330. The SEC maintains an Internet site that contains reports, proxy and information statements and other information filed electronically by us with the SEC which are available on the SEC s website at *http://www.sec.gov*. Copies of these reports, proxy and information statements and other information may be obtained, after paying a duplicating fee, by electronic request at the following e-mail address: publicinfo@sec.gov, or by writing to the SEC s Public Reference Section, Washington, D.C. 20549. This information is also available free of charge by contacting us at Oxford Lane Capital Corp., 8 Sound Shore Drive, Suite 255, Greenwich, CT 06830, by telephone at (203) 983-5275, or on our website at *http://www.oxfordlanecapital.com*.

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OXFORD LANE CAPITAL CORP.

SCHEDULE OF INVESTMENTS

JUNE 30, 2018

(Unaudited)

Item 1. Schedule of Investments

COMPANY/INVESTMENT[1][14]	PRINCIPAL AMOUNT	COST	FAIR VALUE[2]	% of Net Assets	
Collateralized Loan Obligation – Debt Investments					
Dryden 42 Senior Loan Fund					
CLO secured notes - Class FR[3][4][6], 9.54% (LIBOR + 7.20%, due July 15, 2030)	$1,371,000	$1,233,900	$ 1,233,900		
KVK 2014-3 Ltd.					
CLO secured notes - Class F[3][4][6], 8.45% (LIBOR + 6.10%, due October 15, 2026)	1,956,522	1,626,694	1,727,413		
Mountain Hawk II CLO, Ltd.					
CLO secured notes - Class E[3][4][6], 7.16% (LIBOR + 4.80%, due July 20, 2024)	6,000,000	5,111,836	5,160,000		
OZLM XXII, Ltd.					
CLO secured notes - Class E[3][4][6], 9.10% (LIBOR + 7.39%, due January 17, 2031)	2,670,000	2,579,108	2,489,241		
Total Structured Finance		$10,551,538	$ 10,610,554	3.39	%
Total Collateralized Loan Obligation – Debt Investments		$10,551,538	$ 10,610,554	3.39	%
Collateralized Loan Obligation – Equity Investments					
Structured Finance					
AMMC CLO XI, Ltd.					
CLO subordinated notes[5][7], (Estimated yield 18.81%, maturity April 30, 2031)	$2,100,000	$1,212,017	$ 1,155,000		
AMMC CLO XII, Ltd.					
CLO subordinated notes[5][7], (Estimated yield 17.52%, maturity April 30, 2031)	11,428,571	5,567,252	4,914,286		
Anchorage Capital CLO 5-R, Ltd.					

CLO subordinated notes(5)(7), (Estimated yield 13.84%, maturity January 15, 2030)	4,000,000	4,091,478	3,746,936
Apidos CLO XXI			
CLO subordinated notes(5)(7), (Estimated yield 20.95%, maturity July 18, 2027)	8,700,000	6,018,666	5,916,000
Apex Credit CLO 2018 Ltd.			
CLO subordinated notes(5)(7)(9)(11), (Estimated yield 22.22%, maturity April 25, 2031)	9,750,000	8,568,011	9,024,600
Apex Credit CLO 2015-II, Ltd. (fka: JFIN CLO 2015-II Ltd.)			
CLO subordinated notes(5)(7), (Estimated yield 28.82%, maturity October 17, 2026)	5,750,000	4,704,179	4,871,712
Ares XL CLO Ltd.			
CLO subordinated notes(5)(7), (Estimated yield 13.07%, maturity October 15, 2027)	5,100,000	4,265,535	3,796,349
Atrium IX CLO			
CLO subordinated notes(5)(7)(12), (Estimated yield 13.13%, maturity February 28, 2024)	2,224,200	1,787,961	1,801,602
Atrium XII CLO			
CLO subordinated notes(5)(7)(12), (Estimated yield 28.61%, maturity April 22, 2027)	34,762,500	24,535,666	33,024,375
Babson CLO Ltd. 2016-III			
CLO subordinated notes(5)(7), (Estimated yield 15.10%, maturity January 15, 2028)	3,750,000	2,596,383	2,587,500
Battalion CLO VI Ltd.			
CLO subordinated notes(5)(7), (Estimated yield 19.43%, maturity October 17, 2026)	5,000,000	1,875,176	1,650,000
Battalion CLO VII Ltd.			
CLO subordinated notes(5)(7), (Estimated yield 8.56%, maturity October 17, 2026)	24,000,000	15,912,984	10,320,000
Benefit Street Partners CLO V Ltd.			
CLO preference shares (5)(7)(11), (Estimated yield 9.93%, maturity October 20, 2026)	11,500,000	1,188,537	1,380,000
Blue Hill CLO, Ltd.			
CLO subordinated notes(5)(7)(11), (Estimated yield 15.33%, maturity January 15, 2026)	15,125,000	1,162,536	207,443
CLO subordinated fee notes(8), (Maturity January 15, 2026)	96,635	17,931	—
B&M CLO 2014-1 LTD			

CLO subordinated notes[5][7], (Estimated yield 3.82%, maturity April 16, 2026)	2,000,000	870,577	580,000

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See Accompanying Notes

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OXFORD LANE CAPITAL CORP.

SCHEDULE OF INVESTMENTS – (continued)

JUNE 30, 2018

(Unaudited)

COMPANY/INVESTMENT[1][14]	PRINCIPAL AMOUNT	COST	FAIR VALUE[2]	% of Net Assets
Collateralized Loan Obligation - Equity Investments - (continued)				
Structured Finance - (continued)				
Bristol Park CLO, Ltd. CLO income notes[5][7], (Estimated yield 11.75%, maturity April 15, 2029)	$7,000,000	$5,733,742	$5,040,000	
Carlyle Global Market Strategies CLO 2013-2, Ltd. CLO subordinated notes[5][7], (Estimated yield 17.40%, maturity April 18, 2025)	16,500,000	10,857,864	11,481,533	
Cathedral Lake CLO 2013, Ltd. CLO subordinated notes[5][7], (Estimated yield 21.02%, maturity October 15, 2029)	5,250,000	2,458,120	2,520,000	
Cathedral Lake II, Ltd. CLO subordinated notes[5][7], (Estimated yield 19.47%, maturity July 16, 2029)	2,875,000	1,965,406	1,955,000	
CIFC Funding 2013-II, Ltd. CLO income notes[5][7], (Estimated yield 20.42%, maturity October 18, 2030)	15,995,000	7,025,331	7,757,575	
CIFC Funding 2014-III, Ltd. CLO income notes[5][7], (Estimated yield 13.03%, maturity July 22, 2026)	11,000,000	6,843,723	6,050,000	
CIFC Funding 2014, Ltd. CLO subordinated notes[5][7], (Estimated yield 16.18%, maturity January 18, 2031)	8,500,000	4,913,964	4,420,000	
Dryden 42 Senior Loan Fund CLO subordinated notes[5][7], (Estimated yield 20.78%, maturity July 15, 2030)	7,000,000	4,909,612	4,777,858	

Dryden 49 Senior Loan Fund CLO subordinated notes(5)(7), (Estimated yield 16.53%, maturity July 18, 2030)	4,925,000	4,117,368	3,798,406
Golub Capital Partners CLO 35(B), Ltd., CLO subordinated notes(5)(7), (Estimated yield 11.19%, maturity July 20, 2029)	5,000,000	4,374,145	3,600,000
Halcyon Loan Advisors Funding 2015-1 Ltd. CLO subordinated notes(5)(7), (Estimated yield 33.25%, maturity April 20, 2027)	7,000,000	3,774,773	3,640,000
Halcyon Loan Advisors Funding 2018-1 Ltd. CLO subordinated notes(5)(7)(9), (Estimated yield 16.52%, maturity July 20, 2031)	11,250,000	10,045,551	9,151,926
Hull Street CLO Ltd. CLO subordinated notes(5)(7), (Estimated yield -19.65%, maturity October 18, 2026)	15,000,000	6,934,884	3,300,000
ICG US CLO 2016-1, Ltd. CLO subordinated notes(5)(7), (Estimated yield 13.23%, maturity July 29, 2028)	4,750,000	4,661,176	4,376,128
Ivy Hill Middle Market Credit VII, Ltd. CLO subordinated notes(5)(7), (Estimated yield 18.14%, maturity October 20, 2029)	5,400,000	4,487,827	3,838,363
Jamestown CLO III, Ltd. CLO subordinated notes(5)(7), (Estimated yield 8.35%, maturity January 15, 2026)	15,575,000	8,149,384	7,008,750
Jamestown CLO IV, Ltd. CLO subordinated notes(5)(7), (Estimated yield 27.73%, maturity July 15, 2026)	9,500,000	3,519,795	2,331,194
Jamestown CLO V, Ltd. CLO subordinated notes(5)(7), (Estimated yield 24.64%, maturity January 17, 2027)	8,500,000	3,248,573	2,635,000
Jamestown CLO VII, Ltd. CLO subordinated notes(5)(7), (Estimated yield 17.16%, maturity July 25, 2027)	7,000,000	4,894,195	4,900,000
Longfellow Place CLO, Ltd. CLO subordinated notes(5)(7), (Estimated yield 23.01%, maturity April 15, 2029)	14,640,000	6,898,683	7,343,378
Madison Park Funding X, Ltd. CLO subordinated notes(5)(7), (Estimated yield 11.14%, maturity January 20, 2025)	3,000,000	2,580,869	2,730,000

Madison Park Funding XI, Ltd. CLO subordinated notes[(5)(7)], (Estimated yield 11.70%, maturity March 10, 2020)	1,236,843	872,556	865,790

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OXFORD LANE CAPITAL CORP.

SCHEDULE OF INVESTMENTS – (continued)

JUNE 30, 2018

(Unaudited)

COMPANY/INVESTMENT[1][14]	PRINCIPAL AMOUNT	COST	FAIR VALUE[2]	% of Net Assets
Collateralized Loan Obligation - Equity Investments - (continued)				
Structured Finance - (continued)				
Madison Park Funding XXIV, Ltd. CLO subordinated notes[5][7], (Estimated yield 11.79%, maturity March 10, 2020)	$892,188	$821,954	$829,735	
Madison Park Funding XXV, Ltd. CLO subordinated notes[5][7], (Estimated yield 14.96%, maturity March 10, 2020)	1,300,000	1,206,472	1,287,000	
Madison Park Funding XXVII, Ltd. CLO subordinated notes[5][7], (Estimated yield 13.99%, maturity March 10, 2020)	1,837,500	1,883,210	2,113,125	
Madison Park Funding XXIX, Ltd. CLO subordinated notes[5][7], (Estimated yield 13.96%, maturity March 10, 2020)	10,125,000	10,125,000	10,125,000	
Madison Park Funding XXX, Ltd. CLO subordinated notes[5][7][9][12], (Estimated yield 15.79%, maturity April 15, 2029)	21,516,750	22,068,642	25,389,765	
Midocean Credit CLO VI CLO income notes[5][7][12], (Estimated yield 11.13%, maturity January 20, 2029)	24,700,000	20,586,666	19,266,000	
Midocean Credit CLO VIII CLO income notes[5][7], (Estimated yield 23.11%, maturity February 20, 2031)	4,500,000	4,299,076	4,050,000	
Mountain Hawk II CLO, Ltd.	25,670,000	7,835,308	3,593,800	

CLO subordinated notes(5)(7), (Estimated yield 18.30%, maturity July 20, 2024)			
North End CLO, Ltd. CLO subordinated notes(5)(7)(11), (Estimated yield 0.00%, maturity July 17, 2025)	8,500,000	29,826	—
Northwoods Capital XI-B, Limited CLO subordinated notes(5)(7)(9), (Estimated yield 19.55%, maturity April 19, 2031)	5,000,000	4,688,604	4,500,000
Octagon Investment Partners XXII, Ltd. CLO subordinated notes(5)(7), (Estimated yield 19.82%, maturity January 22, 2030)	3,168,750	2,031,822	2,028,000
Octagon Investment Partners 27, Ltd. CLO subordinated notes(5)(7), (Estimated yield 20.36%, maturity July 15, 2027)	5,000,000	3,242,397	3,163,901
Octagon Investment Partners 33, Ltd. CLO subordinated notes(5)(7), (Estimated yield 16.32%, maturity January 20, 2031)	10,000,000	9,436,615	9,500,000
OFSI Fund VII, Ltd. CLO subordinated notes(5)(7), (Estimated yield 12.19%, maturity October 18, 2026)	28,840,000	20,903,032	17,304,000
OFSI BSL IX, LTD. CLO preferred shares(5)(7)(9), (Estimated yield 21.67%, maturity July 15, 2031)	11,480,000	9,583,700	9,067,120
OFSI BSL IX, Ltd. CLO preferred warehouse shares(5)(7)(10), (Estimated yield 14.45%, maturity October 17, 2018)	15,000,000	15,000,000	15,000,000
OZLM XII, Ltd. CLO subordinated notes(5)(7), (Estimated yield 13.33%, maturity April 30, 2027)	6,750,000	4,277,253	4,050,000
OZLM XIV, Ltd. CLO subordinated notes(5)(7)(12), (Estimated yield 13.47%, maturity January 15, 2029)	10,000,000	8,269,490	7,445,586
OZLM XIII, Ltd. CLO subordinated notes(5)(7), (Estimated yield 9.22%, maturity July 30, 2027)	4,000,000	3,017,508	2,560,000

(Continued on next page)

See Accompanying Notes

OXFORD LANE CAPITAL CORP.

SCHEDULE OF INVESTMENTS – (continued)

JUNE 30, 2018

(Unaudited)

COMPANY/INVESTMENT[1][14]	PRINCIPAL AMOUNT	COST	FAIR VALUE[2]	% of Net Assets
Collateralized Loan Obligation – Equity Investments - (continued)				
Structured Finance - (continued)				
Regatta III Funding Ltd. CLO subordinated notes[5][7], (Estimated yield 14.03%, maturity April 15, 2026)	$3,750,000	$273,757	$103,833	
Shackleton 2015-VII CLO, Ltd. CLO subordinated notes[5][7], (Estimated yield 19.18%, maturity April 15, 2027)	10,500,000	8,414,508	6,990,271	
Shackelton 2017-X CLO, Ltd. CLO subordinated notes[5][7], (Estimated yield 13.26%, maturity April 20, 2029)	10,000,000	9,114,445	7,900,000	
Shackelton 2017-XI CLO, Ltd. CLO subordinated notes[5][7], (Estimated yield 13.33%, maturity August 15, 2030)	5,000,000	4,867,029	4,100,000	
Sheridan Square CLO, Ltd. CLO subordinated notes[5][7][11], (Estimated yield 0.00%, maturity April 15, 2025)	3,300,000	167,753	49,500	
Sound Point CLO VI, Ltd. CLO subordinated notes[5][7][11], (Estimated yield 13.61%, maturity October 20, 2026)	8,093,378	4,635,673	4,532,292	
Sound Point CLO VIII, Ltd. CLO subordinated fee notes[8], (Maturity April 15, 2027)	224,719	202,247	38,833	
Telos CLO 2013-3, Ltd. CLO subordinated notes[5][7], (Estimated yield 13.90%, maturity July 17, 2026)	14,332,210	9,318,787	7,882,716	

Telos CLO 2013-4, Ltd. CLO subordinated notes(5)(7), (Estimated yield 22.45%, maturity January 17, 2030)	11,350,000	7,399,120	7,660,687
Telos CLO 2014-6, Ltd. CLO subordinated notes(5)(7), (Estimated yield 26.67%, maturity January 17, 2027)	6,250,000	4,053,629	3,701,245
THL Credit Wind River 2014-3 CLO Ltd. CLO subordinated notes(5)(7)(12), (Estimated yield 18.57%, maturity January 22, 2027)	18,530,000	14,142,266	15,426,225
THL Credit Wind River 2017-1 CLO Ltd. CLO subordinated notes(5)(7)(12), (Estimated yield 13.71%, maturity April 18, 2029)	12,000,000	10,283,894	9,000,000
Tralee CLO II, Ltd. CLO subordinated notes(5)(7), (Estimated yield 31.63%, maturity January 20, 2030)	6,300,000	2,373,787	2,772,000
Tralee CLO IV, Ltd. CLO subordinated notes(5)(7), (Estimated yield 20.12%, maturity January 20, 2030)	13,270,000	12,502,562	12,341,100
Venture XIV CLO, Limited CLO subordinated notes(5)(7), (Estimated yield 20.46%, maturity August 28, 2029)	11,000,000	6,426,852	5,940,000
Venture XV CLO, Limited CLO subordinated notes(5)(7), (Estimated yield 12.80%, maturity July 15, 2028)	6,500,000	4,546,727	4,355,000
Venture XVII CLO, Limited CLO subordinated notes(5)(7), (Estimated yield 16.81%, maturity July 15, 2027)	17,000,000	11,860,680	11,091,927
Venture XXI CLO, Limited CLO subordinated notes(5)(7), (Estimated yield 22.40%, maturity July 15, 2027)	20,950,000	15,091,080	15,712,500

(Continued on next page)

See Accompanying Notes

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OXFORD LANE CAPITAL CORP.

SCHEDULE OF INVESTMENTS – (continued)

JUNE 30, 2018

(Unaudited)

COMPANY/INVESTMENT[1][14]	PRINCIPAL AMOUNT	COST	FAIR VALUE[2]	% of Net Assets
Collateralized Loan Obligation - Equity Investments - (continued)				
Structured Finance - (continued)				
Venture XXXIII CLO, Limited				
CLO subordinated warehouse notes[5][7][10], (Estimated yield 12.30%, maturity March 21, 2019)	$20,250,000	$20,250,000	$20,250,000	
Wellfleet 2016-2 CLO, Ltd.				
CLO subordinated notes[5][7], (Estimated yield 15.35%, maturity October 15, 2028)	10,000,000	8,356,142	8,300,000	
Zais CLO 7, Limited				
CLO subordinated notes[5][7], (Estimated yield 20.66%, maturity April 15, 2030)	10,050,000	7,926,209	8,542,500	
Zais CLO 8, Limited				
CLO subordinated notes[5][7], (Estimated yield 24.74%, maturity April 15, 2029)	3,000,000	2,721,981	3,060,000	
Zais CLO 9, Limited				
CLO subordinated notes[5][7][9], (Estimated yield 18.97%, maturity July 20, 2031)	4,000,000	3,582,207	3,560,000	
Other CLO equity related investments				
CLO other[8]		—	3,087,557	
Total Structured Finance		$515,460,340	$496,167,922	158.54%
Total Collateralized Loan Obligation – Equity Investments		$515,460,340	$496,167,922	158.54%
Total Investments		$526,011,878	$506,778,476	161.93%
Cash and Cash Equivalents				
First American Government Obligations Fund[13]		$13,535,193	$13,535,193	
Total Cash Equivalents		$13,535,193	$13,535,193	4.3 %

Total Investments, Cash Equivalents	$539,547,071	$520,313,669	166.2 %
LIABILITIES IN EXCESS OF OTHER ASSETS (excluding cash equivalents)		(207,354,102)	
NET ASSETS (equivalent to $9.98 per share based on 31,357,082 shares of common stock outstanding)		312,959,567	

(1) We do not "control" and are not an "affiliate" of any of our portfolio companies, each as defined in the Investment Company Act of 1940, as amended (the "1940 Act"). In general, under the 1940 Act, we would be presumed to "control" a portfolio company if we owned 25% or more of its voting securities and would be an "affiliate" of a portfolio company if we owned 5% or more of its voting securities.

(2) Fair value is determined in good faith by the Board of Directors of the Fund.

(3) Notes bear interest at variable rates.

(4) Cost value reflects accretion of original issue discount or market discount.

(5) Cost value reflects accretion of effective yield less any cash distributions received or entitled to be received from CLO equity investments.

(6) The CLO secured notes generally bear interest at a rate determined by reference to three-month LIBOR which resets quarterly. For each CLO debt investment, the rate provided is as of June 30, 2018.

(7) The CLO subordinated notes, preferred shares and income notes are considered equity positions in the CLO funds. Equity investments are entitled to recurring distributions which are generally equal to the remaining cash flow of the payments made by the underlying fund's securities less contractual payments to debt holders and fund expenses. The estimated yield indicated is based upon a current projection of the amount and timing of these recurring distributions and the estimated amount of repayment of principal upon termination. Such projections are periodically reviewed and adjusted, and the estimated yield may not ultimately be realized.

(8) Fair value represents discounted cash flows associated with fees earned from CLO equity investments

(9) Investment has not made inaugural distribution for relevant period end. See "Note 4. Investment Income."

(10) The subordinated shares and preferred shares represent an investment in a warehouse facility, which is a financing structure intended to aggregate loans that may be used to form the basis of a CLO vehicle.

(11) The CLO equity investment was optionally redeemed. See "Note 5. Securities Transactions."

(12) Securities held as collateral pursuant to repurchase agreement with Nomura Securities International, Inc. See "Note 2. Investment Valuation."

(13) Represents cash equivalents held in a money market account as of June 30, 2018.

(14) The fair value of the investment was determined using significant unobservable inputs. See "Note 3. Fair Value."

See Accompanying Notes

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OXFORD LANE CAPITAL CORP.

NOTES TO SCHEDULE OF INVESTMENTS

JUNE 30, 2018

(Unaudited)

NOTE 1. UNAUDITED INTERIM FINANCIAL STATEMENTS

Interim financial statements of Oxford Lane Capital Corp. ("OXLC," "we," "us," "our," or the "Fund") are prepared in accordance with generally accepted accounting principles in the United States of America ("GAAP") for interim financial information and pursuant to the requirements for reporting on Form N-Q. Accordingly, certain disclosures accompanying annual and semi-annual financial statements prepared in accordance with GAAP are omitted. In the opinion of management, all adjustments, consisting of normal recurring accruals, necessary for the fair statement of financial results for the interim periods have been omitted. The current period's results of operations are not necessarily indicative of results that may be achieved for the year. The interim financial statements and notes thereto should be read in conjunction with the financial statements and notes thereto included in the Fund's Form N-CSR for the year ended March 31, 2018, as filed with the Securities and Exchange Commission ("SEC").

NOTE 2. INVESTMENT VALUATION

The Fund fair values its investment portfolio in accordance with the provisions of Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 820, *Fair Value Measurement and Disclosure*. Estimates made in the preparation of OXLC's financial statements include the valuation of investments and the related amounts of unrealized appreciation and depreciation of investments recorded. OXLC believes that there is no single definitive method for determining fair value in good faith. As a result, determining fair value requires that judgment be applied to the specific facts and circumstances of each portfolio investment while employing a consistently applied valuation process for the types of investments OXLC makes. OXLC is required to specifically fair value each individual investment on a quarterly basis.

ASC 820-10 clarifies the definition of fair value and requires companies to expand their disclosure about the use of fair value to measure assets and liabilities in interim and annual periods subsequent to initial recognition. ASC 820-10 defines fair value 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. ASC 820-10 also establishes a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value. These tiers include: Level 1, defined as observable inputs such as quoted prices in active markets; Level 2, which includes inputs such as quoted prices for similar securities in active markets and quoted prices for identical securities in markets that are not active; and Level 3, defined as unobservable inputs for which little or no market data exists, therefore requiring an entity to develop its own assumptions. OXLC considers the attributes of current market conditions on an on-going basis and has determined that due to the general illiquidity of the market for its investment portfolio, whereby little or no market data exists.

Collateralized Loan Obligations — Debt and Equity

OXLC has acquired debt and equity positions in Collateralized Loan Obligations (“CLO”) investment vehicles and has purchased CLO warehouse facilities. These investments are special purpose financing vehicles. In valuing such investments, OXLC considers the indicative prices provided by a recognized industry pricing service as a primary source, and the implied yield of such prices, supplemented by actual trades executed in the market at or around period-end, as well as the indicative prices provided by the broker who arranges transactions in such investment vehicles. OXLC also considers those instances in which the record date for an equity distribution payment falls on the last day of the period, and the likelihood that a prospective purchaser would require a downward adjustment to the indicative price representing substantially all of the pending distribution. Additional factors include any available information on other relevant transactions, including firm bids and offers in the market and information resulting from bids-wanted-in-competition. In addition, OXLC considers the operating metrics of the specific investment vehicle, including compliance with collateralization tests, defaulted and restructured securities, and payment defaults, if any. OXLC Management, LLC (“OXLC Management”) or the Fund’s board of directors (the “Board of Directors”) may elect to engage third-party valuation firms to provide assistance to our Valuation Committee and Board of Directors in valuing certain of our investments, including, but not limited to, when requested by the Board of Directors or the Adviser. If a third-party valuation firm is engaged by the Company, it will provide the Board of Directors with a written report with respect to each investment it has reviewed. The Valuation Committee will evaluate the impact of such additional information, and factor it into its consideration of fair value.

Securities Sold Under Agreement to Repurchase

The Fund has entered into an agreement, whereby, it sold securities under agreements to be repurchased at an agreed-upon price and date. In such an agreement, the Fund accounts for this transaction as a collateralized financing transaction and is recorded at its contracted repurchase amount plus interest. The Fund’s securities sold under agreement to repurchase are carried at cost; which approximates fair value. Please Refer to “Note 8. Borrowings Related to Securities Sold Under Agreement to Repurchase” in our most recent Annual Report as of March 31, 2018 for additional information.

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OXFORD LANE CAPITAL CORP.

NOTES TO SCHEDULE OF INVESTMENTS

JUNE 30, 2018

(Unaudited)

NOTE 3. FAIR VALUE

The Fund's assets measured at fair value on a recurring basis subject to the disclosure requirements of ASC 820-10 at June 30, 2018 were as follows:

	Fair Value Measurements at Reporting Date Using			
Assets ($ in millions)	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
CLO debt	$ -	$ -	$ 10.6	$10.6
CLO equity	-	-	496.2	496.2
Total investments at fair value	-	-	506.8	506.8
Cash equivalents	13.5	-	-	13.5
Total assets at fair value	$ 13.5	$ -	$ 506.8	$520.3

Financial Instruments Disclosed, But Not Carried, At Fair Value

The following table presents the carrying value and fair value of the Fund's financial liabilities disclosed, but not carried, at fair value as of June 30, 2018 and the level of each financial liability within the fair value hierarchy:

Carrying	Fair

($ in millions)	Value	Value	Level 1	Level 2	Level 3
7.50% Series 2023 Term Preferred Shares	$ 91.6	$91.6	$ -	$91.6	$ -
6.75% Series 2024 Term Preferred Shares	70.0	70.0	-	70.0	-
Total	$ 161.6	$161.6	$ -	$161.6	$ -

Significant Unobservable Inputs for Level 3 Investments

In accordance with ASC 820-10, the following table provides quantitative information about the Fund's Level 3 fair value measurements as of June 30, 2018. The Fund's valuation policy, as described above, establishes parameters for the sources and types of valuation analysis, as well as the methodologies and inputs that the Fund uses in determining fair value. If the Board of Directors or OXLC Management determines that additional techniques, sources or inputs are appropriate or necessary in a given situation, such additional work may be undertaken. The weighted average calculations in the table below are based on the fair value within each respective valuation techniques and methodologies and asset category.

Assets	Quantitative Information about Level 3 Fair Value Measurements Fair Value as of June 30, 2018 ($ in millions)	Valuation Techniques / Methodologies	Unobservable Input	**Range / Weighted Average[(5)]**	**Impact to Valuation from an Increase in Input[(6)]**
CLO debt	$5.5	Market quotes	NBIP[(1)]	88.3%-93.2% / 90.9%	NA
	5.2	Yield Analysis	NBIP[(1)]	86%[(2)]	NA
CLO equity	405.0	Market quotes	NBIP[(1)]	1.4%-118.0% / 65.0%	NA
	45.2	Recent Transaction	Actual trade[(3)]	48.5%-83.3% / 72.7%	NA
	4.4	Discounted cash flow[(4)]	Discount rate[(4)]	12.8%[(2)]	Decrease
	38.4	Yield Analysis	NBIP[(1)]	22.0%-75.0% / 58.5%	NA
CLO equity - side letters	3.1	Discounted cash flow[(4)]	Discount rate[(4)]	12.1%-18.9% / 16.1%	Decrease
Total Fair Value for Level 3 Investments	$506.8				

OXFORD LANE CAPITAL CORP.

NOTES TO SCHEDULE OF INVESTMENTS

JUNE 30, 2018

(Unaudited)

NOTE 3. FAIR VALUE – (continued)

(1) The Fund generally uses non-binding indicative prices ("NBIP") provided by an independent pricing service or broker on or near the valuation date as the primary basis for the fair value determinations for CLO debt and equity investments, which may be adjusted for pending equity distributions as of the valuation date. These prices are non-binding, and may not be determinative of fair value. Each price is evaluated by the Board of Directors in conjunction with additional information compiled by OXLC Management, including performance and covenant compliance information as provided by the independent trustee.

(2) Represents a single investment fair value position, and therefore the range/weighted average is not applicable.

(3) Prices provided by independent pricing services are evaluated in conjunction with actual trades, and in certain cases, the value represented by actual trades may be more representative of fair value as determined by the Board of Directors.

(4) The Fund will calculate the fair value of certain CLO equity investments based upon the net present value of expected contractual payment streams discounted using estimated market yields for the equity tranche of the respective CLO vehicle. OXLC will also consider those investments in which the record date for an equity distribution payment falls on the last day of the period, and the likelihood that a prospective purchaser would require an adjustment to the transaction price representing substantially all of the pending distribution.

(5) Weighted averages are calculated based on fair value of investments.

(6) The impact on fair value measurement of an increase in each unobservable input is in isolation. The discount rate is the rate used to discount future cash flows in a discounted cash flow calculation. An increase in discount rate, in isolation, would result in a decrease in a fair value measurement. Significant increases or decreases in any of the unobservable inputs in isolation may result in a significantly lower or higher fair value measurement.

NOTE 4. INVESTMENT INCOME

Income from securitization vehicles and equity investments

Income from investments in the equity class securities of CLO vehicles (typically income notes or subordinated notes) is recorded using the effective interest method in accordance with the provisions of ASC 325-40 *Beneficial Interests in Securitized Financial Assets*, based upon an effective yield to the expected redemption utilizing estimated cash flows, including those CLO equity investments that have not made their inaugural distribution for the relevant period end. The Fund monitors the expected residual payments, and effective yield is determined and updated periodically, as needed. Accordingly, investment income recognized on CLO equity securities in the statement of operations presented in accordance with accounting principles generally accepted in the United States of America ("GAAP") differs from both the tax-basis investment income and from the cash distributions actually received by the Fund during the period.

The Fund also records income on its investments in certain securitization vehicles (or "CLO warehouse facilities") based on a stated rate as per the underlying note purchase agreement or, if there is no stated rate, then an estimated rate is calculated using a base case model projecting the timing of the ramp-up of the CLO warehouse facility.

Interest Income – Debt Investments

Interest income is recorded on an accrual basis using the contractual rate applicable to each debt investment and includes the accretion of discounts and amortization of premiums. Discounts from and premiums to par value on securities purchased are accreted/amortized into interest income over the life of the respective security using the effective interest method. The amortized cost of investments represents the original cost adjusted for the accretion of discounts and amortization of premiums, if any.

Generally, if the Fund does not expect the borrower to be able to service its debt and other obligations, the Fund will, on a discretionary basis, place the debt instrument on non-accrual status and will generally cease recognizing interest income on that loan for financial reporting purposes until all principal and interest have been brought current through payment or due to restructuring such that the interest income is deemed to be collectible. The Fund generally restores non-accrual loans to accrual status when past due principal and interest is paid and, in the Fund's judgment, the payments are likely to remain current. As of June 30, 2018, the Fund had no non-accrual assets in its portfolio.

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OXFORD LANE CAPITAL CORP.

NOTES TO SCHEDULE OF INVESTMENTS

JUNE 30, 2018

(Unaudited)

NOTE 4. INVESTMENT INCOME – (continued)

Other Income

Other income includes distributions from fee letters and success fees associated with portfolio investments. Distributions from fee letters are based upon a percentage of the collateral manager's fees, and are recorded as other income when earned. The Fund may also earn success fees associated with its investments in CLO warehouse facilities, which are contingent upon a repayment of the warehouse by a permanent CLO securitization structure; such fees are earned and recognized when the repayment is completed.

NOTE 5. SECURITIES TRANSACTIONS

Securities transactions are recorded on trade date. Realized gains and losses on investments sold are recorded on the basis of specific identification.

An optional redemption ("optionally redeemed") feature of a CLO allows a majority of the holders of the equity securities issued by the CLO issuer, after the end of a specified non-call period, to cause the redemption of the secured notes issued by the CLO with proceeds of either the liquidation of the CLO's assets or through a refinancing with new debt. The optional redemption is effectively a voluntary prepayment of the secured debt issued by the CLO prior to the stated maturity of such debt.

Distributions received on CLO equity investments which were optionally redeemed for which the cost basis has been reduced to zero are recorded as realized gains.

NOTE 6. U.S. FEDERAL INCOME TAXES

The Fund intends to operate so as to continue to qualify to be taxed as a regulated investment company ("RIC") under Subchapter M of the Internal Revenue Code (the "Code") and, as such, to not be subject to U.S. federal income tax on the portion of its taxable income and gains distributed to stockholders. To qualify for RIC tax treatment, OXLC is required to distribute at least 90% of its investment company taxable income, as defined by the Code.

Because U.S. federal income tax regulations differ from GAAP, distributions in accordance with tax regulations may differ from net investment income and realized gains recognized for financial reporting purposes. Differences may be permanent or temporary. Permanent differences are reclassified among capital accounts in the financial statements to reflect their tax character. Temporary differences arise when certain items of income, expense, gain or loss are recognized at some time in the future.

Differences between distributions and net investment income may also result from the treatment of short-term gains as ordinary income for tax purposes. Our distribution policy is based upon our estimate of our distributable net investment income, which includes actual distributions from our CLO equity class investments, with further consideration given to our realized gains or losses on a taxable basis.

As of June 30, 2018, the cost and net unrealized depreciation of securities on a tax basis were as follows:

Cost for federal income tax purposes	$552,187,766
Gross unrealized appreciation	$19,911,709
Gross unrealized depreciation	(65,320,999)
Net unrealized depreciation	$(45,409,290)

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PROSPECTUS

$500,000,000

Oxford Lane Capital Corp.

Common Stock

Preferred Stock

Subscription Rights

Debt Securities

We are a non-diversified, closed-end management investment company that has registered as an investment company under the Investment Company Act of 1940, or the "1940 Act." Our investment objective is to maximize our portfolio's risk-adjusted total return. We have implemented our investment objective by purchasing portions of equity and junior debt tranches of collateralized loan obligation, or "CLO," vehicles. Structurally, CLO vehicles are entities formed to originate and manage a portfolio of loans.

An investment in our securities is subject to significant risks and involves a heightened risk of total loss of investment. The price of shares of our common stock may be highly volatile and our common stock may frequently trade at a discount to our net asset value. In addition, the residual interests of the CLO securities in which we invest are subject to a high degree of special risks, including: CLO structures are highly complicated and may be subject to disadvantageous tax treatment; CLO vehicles are highly levered and are made up of below investment grade loans in which we typically have a residual interest that is much riskier than the loans that make up the CLO vehicle; and the market price for CLO vehicles may fluctuate dramatically (including dramatic declines during certain periods in 2015 and 2016), which may make portfolio valuations unreliable and negatively impact our net asset value and our ability to make distributions to our stockholders. Some instruments issued by CLO vehicles may not be readily marketable and may be subject to restrictions on resale. Securities issued by CLO vehicles are generally not listed on any U.S. national securities exchange and no active trading market may exist for the securities of CLO vehicles in which we may invest. Although a secondary market may exist for our investments in CLO vehicles, the market for our investments in CLO vehicles may be subject to irregular trading activity, wide bid/ask spreads and extended trade settlement periods. As a result, these types of investments may be more difficult to value. See "Risk Factors" beginning on page 19 to read about factors you should consider, including the risk of leverage, before investing in our securities.

We may offer, from time to time, in one or more offerings or series, up to $500,000,000 of our common stock, preferred stock, subscription rights to purchase shares of our common stock or debt securities, which we refer to, collectively, as our "securities." The preferred stock, subscription rights and debt securities offered hereby may be convertible or exchangeable into shares of our common stock. The securities may be offered at prices and on terms to be described in one or more supplements to this prospectus.

In the event we offer common stock, the offering price per share of our common stock less any underwriting discounts or commissions will generally not be less than the net asset value per share of our common stock at the time we make the offering. However, we may issue shares of our common stock pursuant to this prospectus at a price per share that is less than our net asset value per share (i) in connection with a rights offering to our existing stockholders, (ii) with the prior approval of the majority (as defined in the 1940 Act) of our common stockholders or (iii) under such other circumstances as the Securities and Exchange Commission, or the "SEC," may permit.

Our securities may be offered directly to one or more purchasers, or through agents designated from time to time by us, or to or through underwriters or dealers. Each prospectus supplement relating to an offering will identify any agents or underwriters involved in the sale of our securities, and will disclose any applicable purchase price, fee, discount or commissions arrangement between us and our agents or underwriters or among our underwriters or the basis upon which such amount may be calculated. See "Plan of Distribution." We may not sell any of our securities through agents, underwriters or dealers without delivery of this prospectus and a prospectus supplement describing the method and terms of the offering of such securities.

Our common stock is traded on the NASDAQ Global Select Market under the symbol "OXLC." On July 31, 2018, the last reported sales price on the NASDAQ Global Select Market for our common stock was $11.12 per share, which was at a premium of 10.32% to the net asset value per share of our common stock as of March 31, 2018. Our 7.50% Series 2023 Term Preferred Shares, or "Series 2023 Term Preferred Shares," and our 6.75% Series 2024 Term Preferred Shares, or "Series 2024 Term Preferred Shares," are also traded on the NASDAQ Global Select Market under the symbols "OXLCO" and "OXLCM," respectively. On July 31, 2018, the last reported sales prices on the NASDAQ Global Select Market of our Series 2023 Term Preferred Shares and our Series 2024 Term Preferred Shares were $25.345 and $25.4555 per share, respectively. We are required to determine the net asset value per share of our common stock on a quarterly basis. Our net asset value per share of our common stock as of March 31, 2018 was $10.08.

This prospectus and any accompanying prospectus supplement contains important information about us that a prospective investor should know before investing in our securities. Please read this prospectus and any accompanying prospectus supplement before investing and keep it for future reference. We are required to file annual, semi-annual and quarterly reports, proxy statements and other information about us with the SEC. This information is available free of charge by contacting us by mail at 8 Sound Shore Drive, Suite 255, Greenwich, CT 06830, by telephone at (203) 983-5275 or on our website at *http://www.oxfordlanecapital.com*. The SEC also maintains a website at *http://www.sec.gov* that contains such information. Information contained on our website is not incorporated by reference into this prospectus, and you should not consider that information to be part of this prospectus.

Neither the SEC nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

This prospectus may not be used to consummate sales of our securities unless accompanied by a prospectus supplement. This prospectus and any accompanying prospectus supplement will together constitute the prospectus for an offering of the Company's securities.

The date of this prospectus is August 2, 2018.

You should rely only on the information contained, collectively, in this prospectus and any accompanying prospectus supplement. We have not authorized any person to give any information or to make any representation other than those contained in this prospectus or any accompanying prospectus supplement. If anyone provides you with different or inconsistent information, you should not rely on it. This prospectus and any accompanying prospectus do not constitute an offer to sell or a solicitation of any offer to buy any security other than the registered securities to which they relate, nor do they constitute an offer to sell or a solicitation of an offer to buy any securities in any jurisdiction to any person to whom it is unlawful to make such an offer or solicitation in such jurisdiction. The information contained in this prospectus and any accompanying prospectus supplement is accurate as of the dates on their covers; however, the prospectus and any accompanying prospectus supplement will be updated to reflect any material changes.

OXFORD LANE CAPITAL CORP.

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ABOUT THIS PROSPECTUS

This prospectus is part of a registration statement that we have filed with the SEC, using the “shelf” registration process. Under the shelf registration process, we may offer, from time to time, in one or more offerings up to $500,000,000 of our common stock, preferred stock, subscription rights to purchase shares of our common stock or debt securities, on terms to be determined at the time of the offering. The securities may be offered at prices and on terms described in one or more supplements to this prospectus. This prospectus provides you with a general description of the securities that we may offer. Each time we use this prospectus to offer securities, we will provide a prospectus supplement that will contain specific information about the terms of that offering. The prospectus supplement may also add, update or change information contained in this prospectus. If there is any inconsistency between information in this prospectus and any accompanying prospectus supplement, you should rely only on the information contained in the prospectus supplement. Please carefully read this prospectus and any prospectus supplement together with any exhibits and the additional information described under the headings “Available Information” and “Risk Factors” before you make an investment decision.

SUMMARY

The following summary contains basic information about this offering. It may not contain all the information that is important to an investor. For a more complete understanding of this offering, you should read this entire document and the documents to which we have referred.

Except where the context requires otherwise, the terms "Oxford Lane Capital," the "Company," the "Fund," "we," "us" and refer to Oxford Lane Capital Corp.; "Oxford Lane Management" and "investment adviser" refer to Oxford Lane Management, LLC; "Oxford Funds" and "administrator" refer to Oxford Funds, LLC (formerly known as BDC Partners, LLC); and "Alaric" and "Alaric Compliance Services" refer to Alaric Compliance Services, LLC.

Overview

We are a non-diversified closed-end management investment company that has registered as an investment company under the 1940 Act. Our investment objective is to maximize our portfolio's risk-adjusted total return.

We have implemented our investment objective by purchasing portions of equity and junior debt tranches of CLO vehicles. Our investment strategy also includes warehouse facilities, which are financing structures intended to aggregate loans that may be used to form the basis of a CLO vehicle. Substantially all of the CLO vehicles in which we may invest would be deemed to be investment companies under the 1940 Act but for the exceptions set forth in section 3(c)(1) or section 3(c)(7). Structurally, CLO vehicles are entities formed to originate and manage a portfolio of loans. The loans within the CLO vehicle are limited to loans which meet established credit criteria and are subject to concentration limitations in order to limit a CLO vehicle's exposure to a single credit. A CLO vehicle is formed by raising various classes or "tranches" of debt (with the most senior tranches being rated "AAA" to the most junior tranches typically being rated "BB" or "B") and equity. The CLO vehicles which we focus on are collateralized primarily by senior secured loans made to companies whose debt is unrated or is rated below investment grade, or "Senior Loans," and generally have very little or no exposure to real estate, mortgage loans or to pools of consumer-based debt, such as credit card receivables or auto loans. Below investment grade securities are often referred to as "junk." We may also invest, on an opportunistic basis, in other corporate credits of a variety of types. We expect that each of our investments will range in size from $5 million to $50 million, although the investment size may vary consistent with the size of our overall portfolio. Oxford Lane Management manages our investments and its affiliate arranges for the performance of the administrative services necessary for us to operate.

CLO vehicles, due to their high leverage, are more complicated to evaluate than direct investments in Senior Loans. Since we invest in the residual interests of CLO securities, our investments are riskier than the profile of the Senior Loans by which such CLO vehicles are collateralized. Our investments in CLO vehicles are riskier and less transparent to us and our stockholders than direct investments in the underlying Senior Loans. Our portfolio of investments may lack diversification among CLO vehicles which would subject us to a risk of significant loss if one or more of these CLO vehicles experience a high level of defaults on its underlying Senior Loans. The CLO vehicles in which we invest have debt that ranks senior to our investment. The market price for CLO vehicles may fluctuate dramatically, which would make portfolio valuations unreliable and negatively impact our net asset value and our ability to make distributions to our stockholders. Our financial results may be affected adversely if one or more of our significant equity or junior debt investments in such CLO vehicles defaults on its payment obligations or fails to perform as we expect.

Our investments in CLO vehicles may be subject to special anti-deferral provisions that could result in us incurring tax or recognizing income prior to receiving cash distributions related to such income. Specifically, the CLO vehicles in which we invest generally constitute "passive foreign investment companies", or "PFICs." Because we acquire investments in PFICs (including equity tranche investments in CLO vehicles that are PFICs), we may be subject to U.S. federal income tax on a portion of any "excess distribution" or gain from the disposition of such investments even if such income is distributed as a taxable dividend by us to our stockholders. See "Risk Factors — Risks Related to Our

Investments” beginning on page 19 to read about factors you should consider before investing in our securities.

For the fiscal year ended March 31, 2018, our total return based on market value was 6.41%. Total return based on market value is calculated assuming that shares of the Fund’s common stock were purchased at the market price as of the beginning of the period, and that distribution, capital gains and other distributions were reinvested as provided for in the Fund’s distribution reinvestment plan, excluding any discounts, and that the total number of shares were sold at the closing market price per share on the last day of the period. The computation does not reflect any sales commission investors may incur in purchasing or selling shares of the Fund. For the fiscal year ended March 31, 2018, our total return based on net asset value was 18.53%. Total return based on net asset value is the change in ending net asset value per share plus distributions per share paid during the period assuming participation in the Company's dividend reinvestment plan divided by the beginning net asset value per share. The total return based on net asset value does not reflect any sales commission investors may incur in purchasing or selling shares of the Company. Our total return figures are subject to change and, in the future, may be greater or less than the rates set forth above.

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Distributions

In order to be subject to pass-through tax treatment as a regulated investment company, or "RIC," and to eliminate our liability for corporate-level U.S. federal income tax on the income we distribute to our stockholders, we are required, under Subchapter M of the Internal Revenue Code of 1986, as amended, or the "Code," to distribute to our stockholders on an annual basis 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.

The following table reflects the cash distributions, including distributions reinvested and returns of capital, if any, per share that we have declared on our common stock in the last five fiscal years and the current fiscal year, as well as our per share net investment income and distributions in excess of net investment income:

Months Ended	Record Date	Payment Date	**Distributions**[1]	GAAP Net Investment Income (3)	Distributions (in excess of) / Less than Net Investment Income (3)
Fiscal 2019					
September 30, 2018	September 20, 2018	September 28, 2018	$ 0.135	N/A	N/A
August 31, 2018	August 23, 2018	August 31, 2018	0.135	N/A	N/A
July 31, 2018	July 23, 2018	July 31, 2018	0.135	N/A	N/A
Sub-total for the quarter ended September 30, 2018			0.405	— (4)	— (4)
June 30, 2018	June 21, 2018	June 29, 2018	0.135	N/A	N/A
May 31, 2018	May 23, 2018	May 31, 2018	0.135	N/A	N/A
April 30, 2018	April 20, 2018	April 30, 2018	0.135	N/A	N/A
Sub-total for the quarter ended June 30, 2018			0.405	— (4)	— (4)
Fiscal 2018[5]					
March 31, 2018	March 22, 2018	March 30, 2018	0.135	N/A	N/A
February 28, 2018	February 20, 2018	February 28, 2018	0.135	N/A	N/A
January 31, 2018	January 23, 2018	January 31, 2018	0.135	N/A	N/A
Sub-total for the quarter ended March 31, 2018			0.405	$ 0.40	$ (0.005)
December 31, 2017	December 15, 2017	December 29, 2017	0.40	0.41	0.01
September 30, 2017	September 15, 2017	September 29, 2017	0.40	0.37	(0.03)
June 30, 2017	June 16, 2017	June 30, 2017	0.40	0.42	0.02
Total Fiscal 2018			1.605	1.60	$ (0.005)
Fiscal 2017					
March 31, 2017	March 16, 2017	March 31, 2017	0.60	0.46	(0.14)
December 31, 2016	December 16, 2016	December 30, 2016	0.60	0.38	(0.22)
September 30, 2016	September 16, 2016	September 30, 2016	0.60	0.37	(0.23)
June 30, 2016	June 16, 2016	June 30, 2016	0.60	0.30	(0.30)
Total Fiscal 2017			2.40	1.51	(0.89)
Fiscal 2016					
March 31, 2016	March 16, 2016	March 31, 2016	0.60	0.36	(0.24)
December 31, 2015	December 16, 2015	December 31, 2015	0.60	0.46	(0.14)
September 30, 2015	September 30, 2015	October 30, 2015	0.60	0.33	(0.27)

June 30, 2015	June 16, 2015	June 30, 2015	0.60		0.44	(0.16)
Total Fiscal 2016			2.40		1.59	(0.81)
Fiscal 2015						
March 31, 2015	March 17, 2015	March 31, 2015	0.60		0.41	(0.19)
December 31, 2014	December 17, 2014	December 31, 2014	0.60		0.29	(0.31)
September 30, 2014	September 16, 2014	September 30, 2014	0.60		0.28	(0.32)
June 30, 2014	June 16, 2014	June 30, 2014	0.60		0.38	(0.22)
Total Fiscal 2015			2.40		1.36	(1.04)
Fiscal 2014						
March 31, 2014	March 17, 2014	March 31, 2014	0.60		0.29	(0.31)
	March 17, 2014	March 31, 2014	0.10	(2)	—	—
December 31, 2013	December 17, 2013	December 31, 2013	0.55		0.32	(0.23)
September 30, 2013	September 16, 2013	September 30, 2013	0.55		0.35	(0.20)
June 30, 2013	June 14, 2013	June 28, 2013	0.55		0.28	(0.27)
Total Fiscal 2014			2.35		1.24	(1.11)
			$ 11.16		$ 7.30	$ (3.86)

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(1) All of our cash distributions in the table above were funded from taxable income except for the fiscal year ended March 31, 2017. Cash distributions for the fiscal year ended March 31, 2017 include a tax return of capital of approximately $0.44 per share for tax purposes. The ultimate tax character of the Fund's earnings cannot be determined until tax returns are prepared after the end of the fiscal year, consequently, the tax characterization of cash distributions for the fiscal years ended March 31, 2018 and 2019 will not be known until the tax returns for those years are finalized.

(2) Represents a special dividend for the fiscal year ended March 31, 2014.

(3) Investment income is determined on a quarterly basis.

(4) We have not yet reported investment income for this period.

(5) Beginning January 1, 2018, the Board began to declare monthly distributions in lieu of quarterly distributions.

For the fiscal year ended March 31, 2018, we paid distributions totaling $6,780,002, $1,174,249 and $3,671,916 on the Series 2023 Term Preferred Shares, 8.125% Series 2024 Term Preferred Shares and 6.75% Series 2024 Term Preferred Shares, respectively. For the fiscal year ended March 31, 2017, we paid dividends totaling $5,844,609 and $4,102,473 on the Series 2023 Term Preferred Shares and the 8.125% Series 2024 Term Preferred Shares, respectively. For the fiscal year ended March 31, 2016, we paid distributions totaling $421,888, $7,383,791 and $4,862,802 on the 8.50% Series 2017 Term Preferred Shares, or the "Series 2017 Term Preferred Shares," the Series 2023 Term Preferred Shares and the 8.125% Series 2024 Term Preferred Shares, respectively. For the fiscal year ended March 31, 2015, we paid $1,344,083, $5,286,287 and $2,912,844 on the Series 2017 Term Preferred Shares, the Series 2023 Term Preferred Shares and the 8.125% Series 2024 Term Preferred Shares, respectively. For the fiscal year ended March 31, 2014, we paid $1,344,083 and $2,638,151 in preferred dividends on the Series 2017 Term Preferred Shares and the Series 2023 Term Preferred Shares, respectively. The 2017 Term Preferred Shares were fully redeemed in July 2015 and the 8.125% Series 2024 Term Preferred Shares were fully redeemed in July 2017.

For accounting purposes the distributions declared on our common stock for the fiscal years ended March 31, 2018, 2017, 2016, 2015, 2014 and 2013 were in excess of the reported earnings under Generally Accepted Accounting Principles, or "GAAP." However, as a RIC, earnings and distributions are determined on a tax basis. Furthermore, taxable earnings are determined according to tax regulations and differ from reported income for accounting purposes under GAAP. Therefore, the characterization of distributions for federal income tax purposes may differ from the characterization for GAAP. For the fiscal years ended March 31, 2016, 2015, 2014, 2013 and 2012, taxable earnings exceeded our distributions, and there was no tax return of capital for these years. For the fiscal year ended March 31, 2017, there was a tax return of capital of approximately $0.44 per share for federal income tax purposes.

The tax characterization of distributions for the year ended March 31, 2018 will not be known until the tax return is finalized. To the extent that taxable earnings for any fiscal year are less than the amount of the distributions paid during the year, there would be a tax return of capital to shareholders. Distributions in excess of current and accumulated taxable earnings and profits will generally not be taxable to the shareholders, because a tax return of capital represents a return of a portion of a shareholder's original investment in our common stock, net of fund fees and expenses, to the extent of a shareholder's basis in our stock. Generally, a tax return of capital will reduce an investor's basis in our stock for federal tax purposes, which will result in the shareholder recognizing additional gain (or less loss) when the stock is sold. Assuming that a shareholder holds our stock as a capital asset, any such additional gain would be a capital gain. Shareholders should not assume that the source of all distributions is from our net profits and shareholders may periodically receive the payment of a distribution consisting of a return of capital. The tax character of any distributions will be determined after the end of the fiscal year. Tax matters are very complicated and the tax consequences to an investor of an investment in our shares will depend on the facts of its particular situation. We encourage investors to consult their own tax advisors 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.

We have elected to be treated, and intend to continue to qualify annually, as a RIC under Subchapter M of the Code beginning with our 2011 taxable year. 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. In order to avoid certain U.S. federal 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) 100% of any ordinary income and net capital gains for preceding years that were not distributed during such years and on which we paid no U.S. federal income tax. In addition, although we currently intend to distribute realized net capital gains (i.e., net long term capital gains in excess of short term capital losses), if any, at least annually, we may in the future decide to retain such capital gains for investment and elect to treat such gains as deemed distributions to you. If this happens, you will be treated as if you had received an actual distribution of the capital gains we retain and reinvested the net after tax proceeds in us. In this situation, you would be eligible to claim a tax credit (or, in certain circumstances, a tax refund) equal to your allocable share of the tax we paid on the capital gains deemed distributed to you. See "Material U.S. Federal Income

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Tax Considerations." 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.

We may make distributions by issuing additional shares of our common stock under our distribution reinvestment plan, unless you elect to receive your dividends and/or long-term capital gains distributions in cash. We reserve the right to purchase shares in the open market in connection with our implementation of the distribution reinvestment plan. See "Distribution Reinvestment Plan." If you hold shares in the name of a broker or financial intermediary, you should contact the broker or financial intermediary regarding your election to receive distributions in cash. We can offer no assurance that we will achieve results that will permit the payment of any cash distributions and, if 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.

Distribution Policy

Oxford Lane is subject to significant and variable differences between its accounting income under GAAP and its taxable income particularly as it relates to our CLO equity investments. We invest in CLO entities which generally constitute PFICs and which are subject to complex tax rules; the calculation of taxable income attributed to a CLO equity investment can be dramatically different from the calculation of income for financial reporting purposes under GAAP. Taxable income is based upon the distributable share of earnings as determined under tax regulations for each CLO equity investment, which may be consistent with the cash flows generated by those investments (although significant differences are possible), while accounting income is currently based upon an effective yield calculation (this requires the calculation of a yield to expected redemption date based upon an estimation of the amount and timing of future cash flows, including recurring cash flows as well as future principal repayments). The Fund's final taxable earnings for the fiscal year ended March 31, 2018 will not be known until our tax returns are filed but our experience has been that cash flows from CLO equity investments have historically represented a generally reasonable estimate of taxable earnings; however, we can offer no assurance that will be the case in the future, particularly during periods of market disruption and volatility. There may be significant differences between Oxford Lane Capital's GAAP earnings and its taxable earnings, particularly related to CLO equity investments where its taxable earnings are based upon the taxable reported earnings provided by the CLO equity positions in which we invest, while GAAP earnings are based are upon an effective yield calculation. In general, the Fund currently expects its taxable earnings to be higher than its reportable GAAP earnings. However, under certain circumstances we may be required to take into account income for tax purposes no later than when such income is taken into account for GAAP purposes.

While reportable GAAP income from our CLO equity investments for the year ended March 31, 2018 was approximately $71.1 million, we received or were entitled to receive approximately $108.6 million in distributions from our CLO equity investments. While the tax characterization of our distributions for the fiscal year ended March 31, 2018 will not be known until our tax returns are finalized, we expect that our taxable income will exceed our earnings and profits as determined under GAAP for this period. In general, we currently expect our annual taxable income to be higher than our GAAP earnings on the basis of the difference between cash distributions from CLO equity investments actually received or entitled to be received and the effective yield income calculated under GAAP. Our distribution policy is based upon our estimate of our taxable net investment income.

Oxford Lane Management

Our investment activities are managed by Oxford Lane Management, which is an investment adviser that has registered under the Investment Advisers Act of 1940, or the "Advisers Act." Under our investment advisory agreement with Oxford Lane Management, which we refer to as our "Investment Advisory Agreement," we have agreed to pay Oxford Lane Management an annual base management fee based on our gross assets, as well as an incentive fee based on our performance. See "Investment Advisory Agreement."

We expect to benefit from the ability of our investment adviser's team to identify attractive opportunities, conduct diligence on and value prospective investments, negotiate terms where appropriate, and manage and monitor a diversified portfolio although we do not intend to operate as a "diversified" investment company within the meaning of the 1940 Act. Our investment adviser's senior investment team members 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 to provide us with our principal source of investment opportunities.

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Our investment adviser is led by Jonathan H. Cohen, our Chief Executive Officer, and Saul B. Rosenthal, our President. Messrs. Cohen and Rosenthal are assisted by Darryl M. Monasebian, Executive Vice President, and Debdeep Maji, who serves as Senior Managing Director for Oxford Lane Management. We consider Messrs. Cohen, Rosenthal, Monasebian and Maji to be Oxford Lane Management's senior investment team.

Messrs. Cohen, Rosenthal, Monasebian and Maji together with the other members of Oxford Lane Management's investment team, have developed an infrastructure that we believe provides Oxford Lane Capital with a competitive advantage in locating and acquiring attractive CLO investments.

Charles M. Royce is a non-managing member of Oxford Lane Management. Mr. Royce serves as Chairman of the Board of Managers of Royce & Associates, LLC, or "Royce & Associates." From 1972 until 2017, Mr. Royce served as Chief Executive Officer of Royce & Associates. He also manages or co-manages eight of Royce & Associates' open- and closed-end registered funds. Mr. Royce currently serves on the Board of Trustees of The Royce Funds and Board of Directors of Oxford Square Capital Corp. Mr. Royce is also a non-managing member of Oxford Square Management, LLC, the investment adviser for Oxford Square Capital Corp. Mr. Royce, as a non-managing member of Oxford Lane Management, does not take part in the management or participate in the operations of Oxford Lane Management.

We will reimburse Oxford Funds, an affiliate of Oxford Lane Management, our allocable portion of overhead and other expenses incurred by Oxford Funds in performing its obligations under an administration agreement by and among us and Oxford Funds or the "Administration Agreement," including rent, the fees and expenses associated with performing administrative functions, and our allocable portion of the compensation of our Chief Financial Officer and any administrative support staff, including accounting personnel. We will also pay indirectly the costs associated with the functions performed by our Chief Compliance Officer under the terms of an agreement between us and Alaric Compliance Services, a compliance consulting firm. These arrangements could create conflicts of interest that our Board of Directors must monitor.

Investment Focus

Our investment objective is to maximize our portfolio's risk-adjusted total return. Our current focus is to seek that return by investing in structured finance investments, specifically the equity and junior debt tranches of CLO vehicles, which are collateralized primarily by a diverse portfolio of Senior Loans, and which generally have very little or no exposure to real estate loans, or mortgage loans or to pools of consumer-based debt, such as credit card receivables or auto loans. Our investment strategy also includes investing in warehouse facilities, which are financing structures intended to aggregate Senior Loans that may be used to form the basis of a CLO vehicle. As of March 31, 2018, we held debt investments in four different CLO structures and equity investments in approximately 70 different CLO structures and four investments in warehouse facilities. We may also invest, on an opportunistic basis, in a variety of other types of corporate credits.

The CLO investments we currently hold in our portfolio generally represent either a residual economic interest, in the case of an equity tranche, or a debt investment collateralized by a portfolio of Senior Loans. The value of our CLO investments generally depend on both the quality and nature of the underlying portfolio it references and also on the specific structural characteristics of the CLO itself.

CLO Structural Elements

Structurally, CLO vehicles are entities formed to originate and manage a portfolio of loans. The loans within the CLO vehicle are generally limited to loans which meet established credit criteria and are subject to concentration limitations in order to limit a CLO vehicle's exposure to a single credit.

A CLO vehicle is formed by raising multiple “tranches” of debt (with the most senior tranches being rated “AAA” to the most junior tranches typically being rated “BB” or “B”) and equity. As interest payments are received, the CLO vehicle makes contractual interest payments to each tranche of debt based on their seniority. If there are funds remaining after each tranche of debt receives its contractual interest rate and the CLO vehicle meets or exceeds required collateral coverage levels (or other similar covenants) the remaining funds may be paid to the equity tranche. The contractual provisions setting out this order of payments are set out in detail in the CLO vehicle’s indenture. These provisions are referred to as the “priority of payments” or the “waterfall” and determine any other obligations that may be required to be paid ahead of payments of interest and principal on the securities issued by a CLO vehicle. In addition, for payments to be made to each tranche, after the most senior tranche of debt, there are various tests which must be complied with, which are different for each CLO vehicle.

CLO indentures typically provide for adjustments to the priority of payments in the event that certain cashflow or collateral requirements are not maintained. The collateral quality tests that may divert cashflows in the priority of payments are predominantly determined by reference to the par values of the underlying loans, rather than their current market values. Accordingly, we believe that CLO equity and junior debt investments allow investors to gain exposure to the Senior Loan market on a levered basis without being structurally subject to mark-to-market price fluctuations of the underlying loans. As such, although the current valuations of CLO equity and junior debt tranches are expected to fluctuate based on price changes within the loan market, interest rate movements and other macroeconomic factors, those tranches will generally be expected to continue to receive distributions from the CLO vehicle periodically so long as the underlying portfolio does not suffer defaults, realized losses or other covenant violations sufficient to trigger changes in the waterfall allocations. We therefore believe that an investment portfolio consisting of CLO equity and junior debt investments of this type has the ability to provide attractive risk-adjusted rates of return.

The diagram below is for illustrative purposes only. The CLO structure highlighted below is illustrative only and structures among CLO vehicles in which we may invest may vary substantially from the example set forth below.

We typically invest in the equity tranches, which are not rated, and to a lesser extent the “B” and “BB” tranches of CLO vehicles. As of March 31, 2018, 97.4% of our portfolio on a fair value basis was invested in the equity tranches of CLO vehicles.

The Syndicated Senior Loan Market

We believe that while the syndicated leveraged corporate loan market is relatively large, with Standard and Poor’s estimating the total par value outstanding at approximately $1.1 trillion as of July 31, 2018, this market remains largely inaccessible to a significant portion of investors that are not lenders or approved institutions. The CLO market permits wider exposure to syndicated Senior Loans, but this market is almost exclusively private and predominantly institutional.

The Senior Loan market is characterized by various factors, including:

- ***Floating rate instruments.*** A Senior Loan typically contains a floating versus a fixed interest rate, which we believe provides some measure of protection against the risk of interest rate fluctuation. However, all of our CLO investments have many Senior Loans which are subject to interest rate floors and since interest rates on Senior Loans may only reset periodically and the amount of the increase following an interest rate reset may be below the interest rate floors of such Senior Loans, our ability to benefit from rate resets following an increase in interest rates may be limited.

- ***Frequency of interest payments.*** A Senior Loan typically provides for scheduled interest payments no less frequently than quarterly.

Investment Opportunity

We believe that the market for CLO-related assets continues to provide us with opportunities to generate attractive risk-adjusted returns over the long term. We believe that a number of factors support this conclusion, including:

— The long-term and relatively low-cost capital that many CLO vehicles have secured, compared with current asset spreads, and have created opportunities to purchase certain CLO equity and junior debt instruments that may produce attractive risk-adjusted returns. Additionally, given that the CLO vehicles we invest in are cash flow-based vehicles, this term financing may be beneficial in periods of market volatility.

— The market to invest in warehouse facilities, which are short and medium-term facilities that are generally expected to form the basis of CLO vehicles (which the Fund may participate in or be repaid by), has created additional attractive risk-adjusted investment opportunities for us.

— Investing in CLO securities, and CLO equity instruments and warehouse facilities in particular, requires a high level of research and analysis. We believe that transactions in this market can only be adequately conducted by knowledgeable market participants as this market and these structures tend to be highly specialized.

— The U.S. CLO market is relatively large with total assets under management of approximately $495 billion.[1] We estimate that the notional amount outstanding of the junior-most debt tranches (specifically the tranches originally rated "BB" and "B") is approximately $24 billion and the notional amount outstanding of the equity tranches is approximately $48 billion.[2]

We continue to review a large number of CLO investment opportunities in the current market environment, and we expect that the majority of our portfolio holdings, over the near to intermediate-term, will continue to be comprised of CLO debt and equity securities, with the more significant focus over the near-term likely to be on CLO equity securities and warehouse facilities.

Summary Risk Factors

The value of our assets, as well as the market price of our securities, will fluctuate. Our investments may be risky, and you may lose all or part of your investment in us. Investing in Oxford Lane Capital involves other risks, including the following:

- Our portfolio of investments may lack diversification among CLO vehicles which may subject us to a risk of significant loss if one or more of these CLO vehicles experiences a high level of defaults on its underlying Senior Loans;

- The Senior Loan portfolios of the CLO vehicles in which we will invest may be concentrated in a limited number of industries, which may subject those vehicles, and in turn us, to a risk of significant loss if there is a downturn in a particular industry in which a number of our CLO vehicles' investments are concentrated;

- The application of the risk retention rules under Section 941 of the Dodd-Frank Act to CLOs may have broader effects on the CLO and loan markets in general, potentially resulting in fewer or less desirable investment opportunities for the Company.

- Our financial results may be affected adversely if one or more of our significant equity or junior debt investments in such CLO vehicles defaults on its payment obligations or fails to perform as we expect;

- Investing in CLO vehicles, Senior Loans and other high-yield corporate credits involves a variety of risks, any of which may adversely impact our performance;

- The CLO equity market has experienced significant downturns from time to time, which has negatively impacted our net asset value per share and, if those reduced values are realized over time, you may not receive dividends or our dividends may decline or may not grow over time;

- We have a limited operating history as a closed-end investment company;

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[1] As of December 31, 2017 — Source: Wells Fargo Securities, The CLO Monthly Market Overview, dated May 1, 2018.

[2] Oxford Lane has estimated this amount based in part on the Wells Fargo Securities report (noted in footnote 1 above).

- Our investment portfolio is recorded at fair value, with our Board of Directors having final responsibility for overseeing, reviewing and approving, in good faith, its estimate of fair value and, as a result, there will be uncertainty as to the value of our portfolio investments;
- We are dependent upon Oxford Lane Management's key personnel for our future success;
- Our incentive fee structure and the formula for calculating the fee payable to Oxford Lane Management may incentivize Oxford Lane Management to pursue speculative investments, use leverage when it may be unwise to do so, or refrain from de-levering when it would otherwise be appropriate to do so;
- A general increase in interest rates may have the effect of making it easier for our investment adviser to receive incentive fees, without necessarily resulting in an increase in our net earnings;
- A disruption or downturn in the capital markets and the credit markets could impair our ability to raise capital and negatively affect our business;
- Regulations governing our operation as a registered closed-end management investment company affect our ability to raise additional capital and the way in which we do so. The raising of debt capital may expose us to risks, including the typical risks associated with leverage;
- We may borrow money and/or issue preferred stock to leverage our portfolio, which would magnify the potential for gain or loss on amounts invested and will increase the risk of investing in us;
- We may experience fluctuations in our quarterly results;
- We will be subject to corporate-level U.S. federal income tax if we are unable to maintain our RIC tax treatment under Subchapter M of the Code;
- There is a risk that our stockholders may not receive distributions or that our distributions may not grow or may be reduced over time, including on a per share basis as a result of the dilutive effects of this offering;
- We cannot predict how tax reform legislation will affect us, our investments, or our stockholders, and any such legislation could adversely affect our business.
- Common shares of closed-end management investment companies, including Oxford Lane Capital, have in the past frequently traded at discounts to their net asset values, and we cannot assure you that the market price of shares of our common stock will not decline below our net asset value per share;
- Our common stock price may be volatile and may decrease substantially;
- Any amounts that we use to service our indebtedness or preferred dividends, or that we use to redeem our preferred stock, will not be available for distributions to our common stockholders;
- Our common stock is subject to a risk of subordination relative to holders of our debt instruments and holders of our preferred stock; and
- Holders of our preferred stock have the right to elect two members of our Board of Directors and class voting rights on certain matters.

See "Risk Factors" beginning on page 19, and the other information included in this prospectus and any accompanying prospectus supplement, for additional discussion of factors you should carefully consider before investing in our securities.

Operating and Regulatory Structure

Oxford Lane Capital is a Maryland corporation that is a non-diversified closed-end management investment company that has registered as an investment company under the 1940 Act. As a registered closed-end fund, we are required to meet regulatory tests. See “Regulation as a Registered Closed-End Management Investment Company.” We may also borrow funds to make investments. In addition, we have elected to be treated for U.S. federal income tax purposes, and intend to qualify annually, as a RIC under Subchapter M of the Code. See “Material U.S. Federal Income Tax Considerations.”

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Our investment activities are managed by Oxford Lane Management and supervised by our Board of Directors. Oxford Lane Management is an investment adviser that is registered under the Advisers Act. Under our Investment Advisory Agreement, we have agreed to pay Oxford Lane Management an annual base management fee based on our gross assets as well as an incentive fee based on our performance. See "Investment Advisory Agreement." We have also entered into an administration agreement with Oxford Funds, which we refer to as the Administration Agreement, under which we have agreed to reimburse Oxford Funds for our allocable portion of overhead and other expenses incurred by Oxford Funds in performing its obligations under the Administration Agreement, including furnishing us with office facilities, equipment and clerical, bookkeeping and record keeping services at such facilities, as well as providing us with other administrative services. See "Administration Agreement."

Oxford Funds also serves as the managing member of Oxford Lane Management. Messrs. Cohen and Rosenthal, in turn, serve as the managing member and non-managing member, respectively, of Oxford Funds.

FOURTH QUARTER 2018 FINANCIAL HIGHLIGHTS

- Net asset value per share as of March 31, 2018 stood at $10.08 compared with a net asset value per share at December 31, 2017 of $10.02.

- Net investment income ("NII"), calculated in accordance with GAAP, was approximately $11.0 million, or approximately $0.40 per share, for the quarter ended March 31, 2018.

- Our core net investment income ("Core NII") was approximately $8.6 million, or approximately $0.31 per share, for the quarter ended March 31, 2018.

- Core NII represents net investment income adjusted for additional cash income distributions received, or entitled to be received (if any, in either case), CLO equity investments (excluding those cash distributions believed to represent a return of capital). (**See additional information under "Supplemental Information Regarding Core Net Investment Income" below**).

- While our experience has been that cash flow distributions have historically represented useful indicators of our CLO equity investments' annual taxable income during certain periods, we believe that current and future cash flow distributions may represent less accurate indicators of taxable income with respect to our CLO equity investments than they have in the past. Accordingly, our taxable income may be materially different than either NII or Core NII.

- Total investment income, calculated in accordance with GAAP, amounted to approximately $20.4 million for the quarter ended March 31, 2018.

- For the quarter ended March 31, 2018, we recorded total investment income from our portfolio as follows:

- approximately $19.7 million from our CLO equity investments, and

- approximately $0.7 million from our CLO debt investments, and other income.

- As of March 31, 2018, the following weighted average yields (which do not represent the total return to Shareholders) were calculated:

- the weighted average yield of our CLO debt investments at current cost was approximately 10.9%, compared with 10.1% as of December 31, 2017;

- the weighted average (GAAP) effective yield of our CLO equity investments at current cost was approximately 17.2%, compared with 17.1% as of December 31, 2017; and

- the weighted average cash yield of our CLO equity investments at current cost was approximately 17.3%, compared with 20.2% as of December 31, 2017.

- Net increase in net assets from operations was approximately $12.9 million, or approximately $0.47 per share, for the quarter ended March 31, 2018, including:

- Net investment income of approximately $11.0 million;

- Net realized gains of approximately $1.0 million; and

- Net unrealized appreciation of approximately $0.9 million.

- During the quarter ended March 31, 2018, we made additional CLO investments of approximately $136.0 million and we received approximately $86.9 million from sales and repayments of our CLO investments.

- During the quarter ended March 31, 2018, we issued a total of 1,859,343 shares of common stock pursuant to an "at-the-market" offering, resulting in net proceeds of approximately $18.6 million after deducting the sales agent's commissions and offering expenses.

- On January 2, 2018, we announced that we entered into a repurchase transaction with Nomura Securities International, Inc. ("Nomura") pursuant to which we sold CLO securities to Nomura with a market value of approximately \$106.2 million for a sale price of approximately \$42.5 million.

Supplemental Information Regarding Core Net Investment Income

On a supplemental basis, we provide information relating to core net investment income, which is a non-GAAP measure. This measure is provided in addition to, but not as a substitute for, net investment income determined in accordance with GAAP. Our non-GAAP measures may differ from similar measures by other companies, even if similar terms are used to identify such measures. Core net investment income represents net investment income adjusted for additional cash income distributions received, or entitled to be received (if any, in either case), on our CLO equity investments.

Income from investments in the "equity" class securities of CLO vehicles, for GAAP purposes, is recorded using the effective interest method based upon an effective yield to the expected redemption utilizing estimated cash flows compared to the cost, resulting in an effective yield for the investment; the difference between the actual cash received or distributions entitled to be received and the effective yield calculation is an adjustment to cost. Accordingly, investment income recognized on CLO equity securities in the GAAP statement of operations differs from the cash distributions actually received by us during the period (referred to below as "CLO equity adjustments").

Further, in order to continue to qualify to be taxed as a regulated investment company, we are required, among other things, to distribute at least 90% of our investment company taxable income annually. Therefore, core net investment income may provide a better indication of estimated taxable income for a reporting period than does GAAP net investment income, although we can offer no assurance that will be the case as the ultimate tax character of our earnings cannot be determined until tax returns are prepared after the end of a fiscal year. We note that these non-GAAP measures may not be useful indicators of taxable earnings, particularly during periods of market disruption and volatility and our taxable income may differ materially from our core net investment income.

The following table provides a reconciliation of NII to Core NII for the three months and year ended March 31, 2018:

	Three Months Ended March 31, 2018		**Year Ended March 31, 2018**	
	Amount	**Per Share Amounts**	**Amount**	**Per Share Amounts**
Net investment income	\$ 10,964,185	\$ 0.399	\$ 40,353,995	\$ 1.606
CLO equity adjustments	(2,348,103)	(0.085)	(106,802)	(0.004)
Core net investment income	\$ 8,616,082	\$ 0.314	\$ 40,247,193	\$ 1.602

Recent Developments

On May 3, 2018, the Board of Directors declared monthly distributions of \$0.135 per share on its common stock, as follows:

Month Ending	**Record Date**	**Payment Date**
July 31, 2018	July 23, 2018	July 31, 2018
August 31, 2018	August 23, 2018	August 31, 2018
September 30, 2018	September 20, 2018	September 28, 2018

On May 3, 2018, the Board of Directors declared the required monthly dividends on its Series 2023 and Series 2024 Term Preferred Shares (each, a "Share"), as follows:

	Per Share Dividend	**2018 Record Dates**	**2018 Payable Dates**

	Amount Declared			
Series 2023	$	0.15625	June 21, July 23, August 23	June 29, July 31, August 31
Series 2024	$	0.140625	June 21, July 23, August 23	June 29, July 31, August 31

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In accordance with their terms, each of the Series 2023 Shares and Series 2024 Shares will pay a monthly dividend at a fixed rate of 7.50% and 6.75%, respectively, of the $25.00 per share liquidation preference, or $1.875 and $1.6875 per share per year, respectively. This fixed annual dividend rate is subject to adjustment under certain circumstances, but will not in any case be lower than 7.50% and 6.75% per year, respectively, for each of the Series 2023 Shares and Series 2024 Shares.

On April 25, 2018, Oxford Lane Capital Corp. entered into an amended and restated repurchase transaction facility (“Nomura Agreement”) with Nomura. Under this agreement, the term of the facility was extended by 3 months until January 2, 2019. In addition, effective April 2, 2018, the facility pricing rate was reduced from 3-month LIBOR plus 3.35 percent per annum to 3-month LIBOR plus 3.15 percent per annum.

Our Corporate Information

Our offices are located at 8 Sound Shore Drive, Suite 255, Greenwich, CT 06830, and our telephone number is (203) 983-5275.

OFFERINGS

We may offer, from time to time, up to $500,000,000 of our common stock, preferred stock, subscription rights to purchase shares of our common stock or debt securities, on terms to be determined at the time of the offering. We will offer our securities at prices and on terms to be set forth in one or more supplements to this prospectus. The offering price per share of our securities, less any underwriting commissions or discounts, generally will not be less than the net asset value per share of our securities at the time of an offering. However, we may issue shares of our securities pursuant to this prospectus at a price per share that is less than our net asset value per share (i) in connection with a rights offering to our existing stockholders, (ii) with the prior approval of the majority (as defined in the 1940 Act) of our common stockholders or (iii) under such other circumstances as the SEC may permit. Any such issuance of shares of our common stock below net asset value may be dilutive to the net asset value of our common stock. See "Risk Factors — Risks Relating to an Investment in our Common Stock."

Our securities may be offered directly to one or more purchasers, or through agents designated from time to time by us, or to or through underwriters or dealers. The prospectus supplement relating to an offering will identify any agents or underwriters involved in the sale of our securities, and will disclose any applicable purchase price, fee, commission or discount arrangement between us and our agents or underwriters or among our underwriters or the basis upon which such amount may be calculated. See "Plan of Distribution." We may not sell any of our securities through agents, underwriters or dealers without delivery of this prospectus and a prospectus supplement describing the method and terms of the offering of such securities.

Set forth below is additional information regarding offerings of our securities:

Use of Proceeds	We intend to use the net proceeds from the sale of our securities pursuant to this prospectus for acquiring investments in accordance with our investment objective and strategies described in this prospectus and/or for general working capital purposes. Each supplement to this prospectus relating to an offering will more fully identify the use of the proceeds from such offering. See "Use of Proceeds."
NASDAQ Global Select Market symbols	"OXLC" (common stock) "OXLCO" (Series 2023 Term Preferred Shares) "OXLCM" (Series 2024 Term Preferred Shares)
Distributions	To the extent that we have income available, we intend to distribute monthly distributions to our common stockholders. The amount of our distributions, if any, will be determined by our Board of Directors. Any distributions to our stockholders will be declared out of assets legally available for distribution. The specific tax characteristics of our distributions will be reported to shareholders after the end of each calendar year.
Taxation	We have elected to be treated for U.S. federal income tax purposes as a RIC under Subchapter M of the Code. As a RIC, we generally do not have to pay corporate-level U.S. federal income taxes on any ordinary income or capital gains that we distribute to our

stockholders as dividends. To maintain our RIC tax treatment, we must meet specified source-of-income and asset diversification requirements and distribute annually 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. See “Price Range of Common Stock and Distributions” and “Material U.S. Federal Income Tax Considerations.”

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Investment Advisory Fees	We pay Oxford Lane Management a fee for its services under the Investment Advisory Agreement consisting of two components — a base management fee and an incentive fee. The base management fee is calculated at an annual rate of 2.00% of our gross assets, which includes any borrowings for investment purposes. The incentive fee is calculated and payable quarterly in arrears and equals 20.0% of our "pre-incentive fee net investment income" for the immediately preceding quarter, subject to a preferred return, or "hurdle," and a "catch up" feature. No incentive fees are payable to our investment adviser on any realized capital gains. See "Investment Advisory Agreement."
Administration Agreement	We reimburse Oxford Funds for our allocable portion of overhead and other expenses it incurs in performing its obligations under the Administration Agreement, including furnishing us with office facilities, equipment and clerical, bookkeeping and record keeping services at such facilities, as well as providing us with other administrative services. In addition, we reimburse Oxford Funds for our allocable portion of the compensation of our Chief Financial Officer and any administrative support staff, including accounting personnel. See "Administration Agreement." We will also pay indirectly the costs associated with the functions performed by our Chief Compliance Officer under the terms of an agreement between us and Alaric Compliance Services.
Leverage	Other than our currently outstanding preferred stock and amounts due under the Nomura Agreement, each of which is considered a form of leverage, we do not currently anticipate incurring indebtedness on our portfolio or paying any interest during the twelve months following completion of this offering. However, we may issue additional shares of preferred stock pursuant to the registration statement of which this prospectus forms a part. Although we have no current intention to do so, we may borrow funds to make investments. As a result, we may be exposed to the risks of leverage, which may be considered a speculative investment technique. In addition, the CLO vehicles in which we invest will be leveraged, which will indirectly expose us to the risks of leverage. The use of leverage magnifies the potential gain and loss on amounts invested and therefore increases the risks associated with investing in our securities. In addition, the costs associated with our borrowings, including any increase in the management fee payable to our investment adviser, Oxford Lane Management, will be borne by our

common stockholders. Under the 1940 Act, we are only permitted to incur additional indebtedness to the extent our asset coverage, as defined under the 1940 Act, is at least 300% immediately after each such borrowing. In addition, with respect to our outstanding preferred stock, we will generally be required to meet an asset coverage ratio, as defined under the 1940 Act, of at least 200% immediately after each issuance of such preferred stock. See "Regulation as a Registered Closed-End Management Investment Company."

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Trading	Shares of closed-end investment companies frequently trade at a discount to their net asset value. The risk that our shares may trade at a discount to our net asset value is separate and distinct from the risk that our net asset value per share may decline. We cannot predict whether our shares will trade above, at or below net asset value.
Distribution Reinvestment Plan	We have adopted an "opt out" distribution reinvestment plan. If your shares of common stock are registered in your own name, your distributions will automatically be reinvested under our distribution reinvestment plan in additional whole and fractional shares of common stock, unless you "opt out" of our distribution reinvestment plan so as to receive cash distributions by delivering a written notice to our distribution paying agent. If your shares are held in the name of a broker or other nominee, you should contact the broker or nominee for details regarding opting out of our distribution reinvestment plan. Stockholders who receive distributions in the form of stock will be subject to the same federal, state and local tax consequences as stockholders who elect to receive their distributions in cash. See "Distribution Reinvestment Plan."
Certain Anti-Takeover Measures	Our charter and bylaws, as well as certain statutory and regulatory requirements, contain certain provisions that may have the effect of discouraging a third party from making an acquisition proposal for us. These anti-takeover provisions may inhibit a change in control in circumstances that could give the holders of our common stock the opportunity to realize a premium over the market price for our common stock. See "Description of Securities."
Available Information	We are required to file periodic reports, proxy statements and other information with the SEC. This information is available at the SEC's public reference room at 100 F Street, NE, Washington, D.C. 20549 and on the SEC's website at *http://www.sec.gov*. The public may obtain information on the operation of the SEC's public reference room by calling the SEC at (202) 551-8090. This information is available free of charge by contacting us at Oxford Lane Capital Corp., 8 Sound Shore Drive, Suite 255, Greenwich, CT 06830, by telephone at (203) 983-5275, or on our website at *http://www.oxfordlanecapital.com*.

FEES AND EXPENSES

The following table is intended to assist you in understanding the costs and expenses that you will bear directly or indirectly. We caution you that some of the percentages indicated in the table below are estimates and may vary. Except where the context suggests otherwise, whenever this prospectus contains a reference to fees or expenses paid by "us" or "Oxford Lane Capital," or that "we" will pay fees or expenses, you will indirectly bear such fees or expenses as an investor in Oxford Lane Capital Corp.

Stockholder transaction expenses:		
Sales load (as a percentage of offering price)	—	(1)
Offering expenses borne by us (as a percentage of offering price)	—	(2)
Distribution reinvestment plan expenses	—	(3)
Total stockholder transaction expenses (as a percentage of offering price)	—	
Annual expenses (as a percentage of net assets attributable to common stock):		
		%
Base management fee	3.47	(4)
Incentive fees payable under our investment advisory agreement (20% of net investment income)	3.60	