

INVESTOR RELATIONS

Tax Characterization of 2018 Distributions

Information on distributions paid by Oxford Square Capital Corp. (NasdaqGS: OXSQ) for 2018 is provided below.

<u>Record Date</u>	<u>Payment Date</u>	<u>Total Paid Per Share</u>	<u>Ordinary Income Per Share</u>		<u>Long Term Capital Gains Per Share (2)</u>	<u>Return of Capital (3)</u>
			<u>Non-qualified</u>	<u>Qualified (1)</u>		
3/16/2018	3/30/2018	\$0.20	\$ 0.1246	\$ -	\$ -	\$ 0.0754
6/15/2018	6/29/2018	\$0.20	\$ 0.1246	\$ -	\$ -	\$ 0.0754
9/14/2018	9/28/2018	\$0.20	\$ 0.1246	\$ -	\$ -	\$ 0.0754
12/17/2018	12/31/2018	<u>\$0.20</u>	<u>\$ 0.1246</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 0.0754</u>
Total		\$0.80	\$ 0.4984	\$ -	\$ -	\$ 0.3016
% of Total Distributions Paid Per Share		100.00%	62.30%	0.00%	0.00%	37.70%

- (1) The Company hereby designates these distributions as amounts eligible for treatment as qualified dividend income in accordance with IRC Section 854(b) as well as eligible for the dividends received deduction available to certain U.S. domestic corporations.
- (2) The Company hereby designates these distributions as amounts eligible for treatment as capital gain dividends in accordance with IRC Sections 852(b)(3) and 854(a).
- (3) The Company hereby designates these distributions as return of capital. Return of capital refers to amounts reported as non-taxable distributions. To the extent that the total amount of distributions exceed taxable earnings, the excess is considered a return of capital for tax purposes.

OXSQ's 2018 estimated distributions included approximately \$0.50 per share as a distribution of ordinary income.

OXSQ reports the actual tax characteristics of each year's dividends annually to stockholders on Form 1099-DIV.