

Capitala Finance Corp.  
Form 4  
September 16, 2015

**FORM 4** UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
McGlinn John F.

2. Issuer Name and Ticker or Trading Symbol  
Capitala Finance Corp. [CPTA]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)  
09/15/2015

\_\_\_ Director \_\_\_ 10% Owner  
\_X\_ Officer (give title below) \_\_\_ Other (specify below)  
COO, Secretary and Treasurer

C/O CAPITALA FINANCE CORP., 4201 CONGRESS STREET, SUITE 360

(Street)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)  
\_X\_ Form filed by One Reporting Person  
\_\_\_ Form filed by More than One Reporting Person

CHARLOTTE, NC 28209

(City) (State) (Zip)

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
			Code	V	Amount (D) Price		
Common Stock	09/15/2015		M		15,194 (1) (2)	A	(1) 92,004

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474 (9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)**

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1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. Pr Deriv Secur (Instr	
						Date Exercisable	Expiration Date	Title	Amount or Number of Shares
						Code	V	(A)	(D)
Awards	<u>(1)</u> <u>(2)</u>	09/15/2015		M	15,194	<u>(1)</u> <u>(2)</u>	<u>(1)</u> <u>(2)</u>	Common Stock, par value \$0.01 per share	15,194 <u>(1)</u> <u>(2)</u>

Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

McGlenn John F.  
C/O CAPITALA FINANCE CORP.  
4201 CONGRESS STREET, SUITE 360  
CHARLOTTE, NC 28209

COO, Secretary and Treasurer

Signatures

/s/ Richard G. Wheelahan, III,  
attorney-in-fact

09/16/2015

\*\*Signature of Reporting Person

Date

Explanation of Responses:

\* If the form is filed by more than one reporting person, see Instruction 4(b)(v).

\*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) On February 26, 2015, Mr. McGlenn was granted Awards with respect to 125,970 shares of Capitala Finance Corp.'s (the "Issuer") common stock held by Capitala Restricted Shares I, LLC ("CRS"), which is controlled by Joseph B. Alala, III and is an affiliate of Capitala Investment Advisors, LLC, pursuant to CRS's 2015 Equity Compensation Plan, dated February 26, 2015 (the "Plan"). The Plan and this acquisition were previously approved by the Issuer's Board of Directors. On September 15, 2015, CRS distributed to Mr. McGlenn 15,194 shares of the Issuer's common stock in accordance with the vesting schedule under the Plan. Additional Awards under the Plan are scheduled to vest as follows: 10% on September 25, 2016, 30% on September 25, 2017 and 40% on September 25, 2018. Upon settlement, the additional Awards will become payable on a one-for-one basis in shares of the Issuer's common stock.

(2) Pursuant to the SEC staff no-action letter to Babson Capital Management LLC (pub. Avail. Dec. 14, 2006), an employee benefit plans sponsored by an investment adviser (or an affiliated person of an investment adviser) to a closed-end investment company regulated under the Investment Company Act of 1940, as amended, that offers plan participants equity securities of such investment company is considered an "employee benefit plan sponsored by the issuer" for the purposes of Rule 16b-3 under the Securities Exchange Act of 1934, as amended.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.