

UNITED STATES OF AMERICA
BEFORE THE
SECURITIES AND EXCHANGE COMMISSION

INVESTMENT COMPANY ACT OF 1940

Release No. 32787 / August 22, 2017

In the Matter of :
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 :
Capital Southwest Corporation :
5400 Lyndon B Johnson Freeway, Suite 1300 :
Dallas, Texas 75240 :
 :
(812-14740) :
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ORDER UNDER SECTION 23(c)(3) OF THE INVESTMENT COMPANY ACT OF 1940

Capital Southwest Corporation (“Company”) filed an application on January 30, 2017, and amendments to the application on May 23, 2017, June 19, 2017 and July 19, 2017, requesting an order under section 23(c)(3) of the Investment Company Act of 1940 (“Act”) granting an exemption from section 23(c) of the Act. This order amends a prior order (Investment Company Act Release Nos. 29450 (September 29, 2010) (notice) and 29491 (October 26, 2010) (order) (the “Prior Order”) that permits the Company to issue Restricted Stock, as defined in the Prior Order, to the Company’s Participants, as defined in the Prior Order, under the terms of its 2010 Restricted Stock Award Plan, as amended on January 25, 2017 (the “Incentive Plan”). This order permits the Company, pursuant to the Incentive Plan and its 2009 Stock Incentive Plan, as amended on May 23, 2017, to engage in certain transactions that may constitute purchases by the Company of its own securities within the meaning of section 23(c) of the Act.

On July 25, 2017, a notice of the filing of the application was issued (Investment Company Act Release No. 32742). The notice gave interested persons an opportunity to request a hearing and stated that an order disposing of the application would be issued unless a hearing was ordered. No request for a hearing has been filed, and the Commission has not ordered a hearing.

The matter has been considered and it is found, on the basis of the information set forth in the application, as amended, that the proposed repurchases will be made in a manner which does not unfairly discriminate against any holders of the class or classes of securities to be purchased.

Accordingly,

IT IS ORDERED, under section 23(c)(3) of the Act, that the exemption requested by Capital Southwest Corporation (File No. 812-14740) is granted, effective immediately, subject to the conditions contained in the application, as amended.

For the Commission, by the Division of Investment Management, under delegated authority.

Eduardo A. Aleman
Assistant Secretary