

Tax Status of Dividends and Distributions for 2014

The tax character of the dividends and distributions paid by Stellus Capital Investment Corporation (the "Company") during 2014 is set forth below. For tax purposes, the Company is a regulated investment company and is designating the tax character of dividends and distributions you received as a stockholder for fiscal year 2014 in accordance with Subchapter M of the Internal Revenue Code of 1986, as amended.

Declaration Date	Record Date	Payable Date	Amount Per Share	Qualified Dividend Amount Per Share	Non-Qualified Dividend Amount Per Share	Long Term Capital Gains Amount Per Share	Return of Capital Amount Per Share
2014							
12/27/13	01/15/14	01/24/14	\$ 0.0650	\$ -	\$ 0.0650	\$ -	\$ -
01/20/14	01/31/14	02/14/14	\$ 0.1133	\$ -	\$ 0.1133	\$ -	\$ -
01/20/14	02/28/14	03/14/14	\$ 0.1133	\$ -	\$ 0.1133	\$ -	\$ -
01/20/14	03/31/14	04/15/14	\$ 0.1133	\$ -	\$ 0.1133	\$ -	\$ -
04/17/14	04/30/14	05/15/14	\$ 0.1133	\$ -	\$ 0.1133	\$ -	\$ -
04/17/14	05/30/14	06/16/14	\$ 0.1133	\$ -	\$ 0.1133	\$ -	\$ -
04/17/14	06/30/14	07/15/14	\$ 0.1133	\$ -	\$ 0.1133	\$ -	\$ -
07/07/14	07/31/14	08/15/14	\$ 0.1133	\$ -	\$ 0.1133	\$ -	\$ -
07/07/14	08/29/14	09/15/14	\$ 0.1133	\$ -	\$ 0.1133	\$ -	\$ -
07/07/14	09/30/14	10/15/14	\$ 0.1133	\$ -	\$ 0.1133	\$ -	\$ -
10/15/14	10/31/14	11/14/14	\$ 0.1133	\$ -	\$ 0.1133	\$ -	\$ -
10/15/14	11/28/14	12/15/14	\$ 0.1133	\$ -	\$ 0.1133	\$ -	\$ -
10/15/14	12/31/14	01/15/14	\$ 0.1133	\$ -	\$ 0.0804	\$ 0.0329	\$ -

This notice is not intended to constitute tax, legal, investment or other professional advice. Stockholders should be aware that tax treatment is subject to change by law in the future or retroactively. This is general information and should not be relied upon without consulting your tax advisor.