

IMPORTANT NOTICE

The Depository Trust Company



#: 0111-13
Date: January 22, 2013
To: All Participants
Category: Dividends
From: Specialist, Stock Dividend Department
Attention: Dividend Managers, Cashiers, and Reorganization Managers
Subject: Rights: Oxford Lane Capital Corp CUSIP: 691543102; Contra CUSIP: 691543896 R/D: 01/18/2013 Expires: 02/15/2013, 5:00 PM Eastern Standard Time **Rate: One (1) Non-Transferrable Right for each common share held on the record date. Rights are anticipated to allocate January 23, 2013.**

*****WARNING TIME CRITICAL*****

Oxford Lane Capital Corp is issuing to its shareholders of record at the close of business January 18, 2013, one non-transferrable right for each common share held. For every one (1) Right held, a holder thereof is entitled to acquire one (1) Common Share at an exercise price of \$14.50 per Common share prior to 5:00 p.m. on **February 15, 2013.**

THE DIVIDEND POSITION (DPAL) MENU OPTION OF THE PTS/PBS DIVIDEND ANNOUNCEMENTS INQUIRY FUNCTION (DIVA) SHOULD BE USED TO CONFIRM YOUR POSITION HISTORY.

If participants have any questions regarding this Important Notice, they may contact DTC's Customer Help Line at (888) 382-2721.

If participants have any questions regarding the Rights Offering, they may contact the Information Agent, Georgeson Inc., at (888) 856-4733.

Non-Confidential

DTCC is now offering enhanced access to all important notices via a new, Web-based subscription service. The new notification system leverages RSS News feeds, providing significant benefits including real-time updates and customizable delivery. To learn more and to set up your own DTCC RSS alerts, visit http://www.dtcc.com/subscription_form.php.

To remove your name from the former system of email notifications, send a message to unsubscribe@dtcc.com.