

OMB APPROVAL	
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**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP**

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

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person* <u>Amall Stephen A.</u>  (Last) (First) (Middle) C/O CAPITALA FINANCE CORP. 4201 CONGRESS STREET, SUITE 360  (Street) CHARLOTTE NC 28209  (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>Capitala Finance Corp. [ CPTA ]</u>	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director 10% Owner <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) <u>Chief Financial Officer</u>
	3. Date of Earliest Transaction (Month/Day/Year) <u>08/10/2017</u>	
	4. If Amendment, Date of Original Filed (Month/Day/Year)	

**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 Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price				
Common Stock	08/10/2017		P		1,100	A	\$9.054	12,010	D		

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

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 Securities Underlying Derivative Security (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V		(A)	(D)	Date Exercisable	Expiration Date				
Awards	(1)(2)						(1)(2)	(1)(2)	Common Stock, par value \$0.01 per share	14,875 <sup>(1)(2)</sup>		14,875	D	

**Explanation of Responses:**

- As of August 10, 2017, Mr. Arnall holds Awards with respect to 14,875 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 is an affiliate of Capital Investment Advisors, LLC, pursuant to CRS's Amended and Restated 2015 Equity Compensation Plan, dated December 18, 2015 (the "Plan"). The Plan was previously approved by the Issuer's Board of Directors, Outstanding Awards under the Plan are scheduled to vest as follows, 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.
- Pursuant to the SEC staff no-action letters to Babson Capital Management LLC (pub. avail. Dec. 14, 2006) and Carlyle GMS Finance, Inc. (pub. avail. Oct. 8, 2015), an employee benefit plan sponsored by an investment advisor (or an affiliated person of an investment advisor) to a registered closed-end investment company or business development company regulated under the Investment Company Act of 1940, as amended, that offers plan participants equity securities of such registered closed-end investment company or business development company is considered an "employee benefit plan sponsored by the issuer" for the purposes of rule 16b-3 under the Securities Exchange of Act of 1934, as amended.

/s/ Stephen A. Arnall

08/14/2017

\*\* Signature of Reporting Person

Date

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

\* 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).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.