UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): December 16, 2019

FS KKR Capital Corp. II
(Exact name of Registrant as specified in its charter)

Maryland	**814-00926**	**80-0741103**
(State or other jurisdiction of incorporation)	**(Commission File Number)**	**(I.R.S. Employer Identification No.)**

201 Rouse Boulevard **Philadelphia, Pennsylvania** **(Address of principal executive offices)**	**19112** **(Zip Code)**

Registrant's telephone number, including area code: (215) 495-1150

FS Investment Corporation II
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
N/A	**N/A**	**N/A**

Indicate by check mark whether the registrant is an emerging growth company as defined in as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 1.01. Entry into a Material Definitive Agreement.

Amended and Restated Investment Advisory Agreement

At the 2019 annual meeting of stockholders of FS KKR Capital Corp. II (formerly known as FS Investment Corporation II), a Maryland corporation (the "Company"), initially held on November 6, 2019 and adjourned and reconvened on November 22, 2019 (the "2019 Annual Meeting"), the Company received stockholder approval to amend and restate the investment advisory and administrative services agreement, dated April 9, 2018 (the "Original Advisory Agreement"), by and between the Company and FS/KKR Advisor, LLC (the "Advisor").

On December 18, 2019, the Company entered into an amended and restated investment advisory agreement (the "Amended Advisory Agreement") with the Advisor. A description of the Amended Advisory Agreement is set forth in "FSIC II Proposal 12: Approval of Advisory Agreement Amendment Proposal" ("Proposal 12") in the Company's joint proxy statement/prospectus, as amended, filed with the Securities and Exchange Commission (the "SEC") on August 13, 2019 (the "Proxy Statement") and is incorporated herein by reference. As described in Proposal 12, the Original Advisory Agreement was amended to (i) reduce the annual base management fee from 1.5% to 1.0% on all assets financed using leverage over 1.0x debt to equity and exclude cash and cash equivalents from the gross assets on which the annual base management fee is calculated, (ii) amend the hurdle rate applicable to the Company's payment of a subordinated incentive fee on income to be based on net assets rather than adjusted capital, (iii) revise the definition of pre-incentive net investment income to exclude interest expense and dividends paid on certain shares of preferred stock, (iv) introduce a cap on subordinated incentive fees, (v) incorporate in the calculation of the incentive fee on capital gains the historical net realized losses and unrealized depreciation of FS Investment Corporation III ("FSIC III"), Corporate Capital Trust II ("CCT II"), and FS Investment Corporation IV ("FSIC IV") in addition to the Company, (vi) implement certain other revisions to bring the investment advisory agreement of the Company in line with those of other listed business development companies, and (vii) remove all provisions related to administrative services provided by the Advisor to the Company.

Information regarding the material relationships between the Company and the Advisor is set forth in Part I—Item 1. Business—About the Advisor and Part I—Item 13. Certain Relationships and Related Transactions, and Director Independence in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2018, as amended, originally filed with the SEC on March 19, 2019 (the "2018 Form 10-K"), and is incorporated herein by reference.

The foregoing description of the Amended Advisory Agreement, as set forth in this Item 1.01, is a summary only and is qualified in its entirety by reference to the text of the Amended Advisory Agreement which is filed as Exhibit 10.1 and is incorporated herein by reference.

Administration Agreement

On December 18, 2019, the Company entered into an administration agreement (the "Administration Agreement") with the Advisor. Pursuant to the Administration Agreement, the Advisor will provide administrative services necessary for the operation of the Company, including providing general ledger accounting, fund accounting, legal services, investor relations and other administrative services. There will be no separate fee paid by the Company to the Advisor in connection with the services provided under the Administration Agreement, provided, however, that the Company will reimburse the Advisor no less than quarterly for all costs and expenses incurred by the Advisor in performing its obligations and providing personnel and facilities thereunder. The Advisor will allocate the cost of such services to the Company based on factors such as total assets, revenues, time allocations and/or other reasonable metrics. The initial term of the Administration Agreement is two years and

thereafter continues automatically for successive annual periods, provided that such continuance is specifically approved at least annually by: (a) the vote of the Company's board of directors (the "Board"), and (b) the vote or a majority of the Company's directors who are not parties to the Administration Agreement or "interested persons" (as such term is defined in Section 2(a)(19) of the Investment Company Act of 1940, as amended) of any such party. The Administration Agreement may be terminated at any time by either the Company or the Advisor, without the payment of any penalty, upon 60 days' written notice.

Information regarding the material relationships between the Company and the Advisor is set forth in Part I—Item 1. Business—About the Advisor and Part I—Item 13. Certain Relationships and Related Transactions, and Director Independence in the 2018 Form 10-K and is incorporated herein by reference.

The foregoing description of the Administration Agreement, as set forth in this Item 1.01, is a summary only and is qualified in its entirety by reference to the text of the Administration Agreement which is filed as Exhibit 10.2 and is incorporated herein by reference.

Item 2.01. Completion of Acquisition or Disposition of Assets.

On December 18, 2019, the Company completed its previously announced mergers of FSIC III, FSIC IV and CCT II, pursuant to that certain Agreement and Plan of Merger (the "Merger Agreement"), dated as of May 31, 2019, by and among the Company, FSIC III, FSIC IV, CCT II, NT Acquisition 1, Inc., a Delaware corporation and wholly-owned subsidiary of the Company ("Merger Sub 1"), NT Acquisition 2, Inc., a Delaware corporation and wholly-owned subsidiary of the Company ("Merger Sub 2"), NT Acquisition 3, Inc., a Delaware corporation and a wholly-owned subsidiary of the Company ("Merger Sub 3"), and the Advisor.

Pursuant to the Merger Agreement, (i) Merger Sub 1 merged with and into FSIC III, with FSIC III continuing as the surviving company and as a wholly-owned subsidiary of the Company ("Merger 1A"), and, immediately thereafter, FSIC III merged with and into the Company, with the Company continuing as the surviving company (together with the Merger 1A, "Merger 1"), (ii) Merger Sub 2 merged with and into CCT II, with CCT II continuing as the surviving company and as a wholly-owned subsidiary of the Company ("Merger 2A"), and, immediately thereafter, CCT II merged with and into the Company, with the Company continuing as the surviving company (together with the Merger 2A, "Merger 2"), and (iii) Merger Sub 3 merged with and into FSIC IV, with FSIC IV continuing as the surviving company and as a wholly-owned subsidiary of the Company ("Merger 3A"), and, immediately thereafter, FSIC IV merged with and into the Company, with the Company continuing as the surviving company (together with the Merger 3A, "Merger 3" and, together with Merger 1 and Merger 2, the "Mergers").

In accordance with the terms of the Merger Agreement, upon the closing of the transactions contemplated by the Merger Agreement, (i) each outstanding share of FSIC III common stock was converted into the right to receive 0.9804 shares of the Company's common stock, (ii) each outstanding share of beneficial interest of CCT II was converted into the right to receive 1.1319 shares of the Company's common stock and (iii) each outstanding share of FSIC IV common stock was converted into the right to receive 1.3634 shares of the Company's common stock. These exchange ratios were determined based on the closing net asset value ("NAV") per share of $7.36, $7.22, $10.03 and $8.33 for the Company, FSIC III, FSIC IV and CCT II, respectively, as of December 16, 2019, to ensure that the NAV of shares investors will own in FSK II is equal to the NAV of the shares they held in each fund. As a result, the Company will issue an aggregate of approximately 289,084,117 shares of its common stock to former FSIC III stockholders, 14,031,781 shares of its common stock to former CCT II shareholders and 43,668,803 shares of its common stock to former FSIC IV stockholders.

The foregoing description of the Merger Agreement is a summary only and is qualified in its entirety by reference to the full text of the Merger Agreement, a copy of which is attached hereto as Exhibit 2.1 and is incorporated herein by reference.

Item 5.03. Amendments to Articles of Incorporation or Bylaws; Change in Fiscal Year.

Second Articles of Amendment and Restatement

At the 2019 Annual Meeting, the Company received stockholder approval to amend and restate the Company's charter to, among other things, remove certain provisions required by the North American Securities Administrators Association Omnibus Guidelines regarding certain affiliate and roll-up transactions and to conform certain provisions in the Company's charter to provisions in the charters of business development companies whose securities are listed and publicly-traded on a national securities exchange. A summary of the revisions made to the Company's prior charter by the Second Articles of Amendment and Restatement (the "Amended and Restated Charter") can be found in the Proxy Statement in the sections entitled (i) "FSIC II Proposal 3: Approval of a Proposal to Delete a Section of the FSIC II Charter Regarding Limitations on Certain Affiliated Transactions" through "FSIC II Proposal 6: Approval of Proposal to Revise the FSIC II Charter to Provide for a Staggered FSIC II Board," (ii) "FSIC II Proposal 8: Approval of Proposal to Add a New Section to the FSIC II Charter Regarding Procedures for Director Removal" through "FSIC II Proposal 11: Approval of Proposal to Delete a Section of the FSIC II Charter Providing for Restrictions on FSIC II's Ability to Advance Expenses to its Directors and Officers and the Advisor in Accordance with the NASAA Omnibus Guidelines," and (iii) "FSC II Proposal 15: Approval of Proposal to Delete a Section of the FSIC II Charter Regarding Limitations on Indemnification Mandated by the NASAA Omnibus Guidelines," and such summaries are incorporated herein by reference. The Amended and Restated Charter was filed with the Maryland State Department of Assessments and Taxation and became immediately effective on December 16, 2019.

The foregoing description of the Amended and Restated Charter, as set forth in this Item 5.03, is a summary only and is qualified in all respects by the provisions of the Amended and Restated Charter, a copy of which is attached hereto as Exhibit 3.1 and is incorporated herein by reference.

Articles of Amendment – Share Increase

On December 17, 2019, the Board approved an amendment to the Amended and Restated Charter to increase the number of authorized shares of common stock of the Company from 450,000 to 900,000 in connection with the closing of the Mergers (the "Share Increase Amendment"). On December 17, 2019, the Share Increase Amendment was filed with the State Department of Assessments and Taxation of Maryland and became immediately effective.

The Articles of Amendment are attached hereto as Exhibit 3.2.

Articles of Amendment – Name Change

Also on December 17, 2019, the Board approved an amendment to the Amended and Restated Charter to change the name of the Company from "FS Investment Corporation II" to "FS KKR Capital Corp. II" in connection with the closing of the Mergers (the "Name Change Amendment"). On December 18, 2019, following the consummation of the Mergers, the Name Change Amendment was filed with the State Department of Assessments and Taxation of Maryland and became immediately effective.

The Articles of Amendment are attached hereto as Exhibit 3.3.

Item 7.01 Regulation FD.

On December 17, 2019, the Board declared a regular monthly cash distribution in the amount per share set forth below for December 2019. The regular monthly cash distribution will be paid on or about the payment date set forth below to stockholders of record as of the record date set forth below.

Record Date	Payment Date	Distribution Amount
December 17, 2019	December 18, 2019	$ .062833

Certain Information About Distributions

The determination of the tax attributes of the Company's distributions is made annually as of the end of the Company's fiscal year based upon its taxable income and distributions paid, in each case, for the full year. Therefore, a determination as to the tax attributes of the distributions made on a quarterly basis may not be representative of the actual tax attributes for a full year. The Company intends to update stockholders quarterly with an estimated percentage of its distributions that resulted from taxable ordinary income. The actual tax characteristics of distributions to stockholders will be reported to stockholders annually on Form 1099-DIV. The payment of future distributions on the Company's shares of common stock is subject to the sole discretion of the Board and applicable legal restrictions and, therefore, there can be no assurance as to the amount or timing of any such future distributions.

The Company may fund its cash distributions to stockholders from any sources of funds legally available to it, including offering proceeds, borrowings, net investment income from operations, capital gains proceeds from the sale of assets, non-capital gains proceeds from the sale of assets and dividends or other distributions paid to it on account of preferred and common equity investments in portfolio companies. The Company has not established limits on the amount of funds it may use from available sources to make distributions. There can be no assurance that the Company will be able to pay distributions at a specific rate or at all.

On December 18, 2019, the Advisor issued a press release announcing, among other things, the closing of the Mergers. The press release is furnished as Exhibit 99.1 to this Form 8-K.

Forward-Looking Statements

Statements included herein may constitute "forward-looking" statements as that term is defined in Section 27A of the Securities Act, and Section 21E of the Securities Exchange Act of 1934, as amended by the Private Securities Litigation Reform Act of 1995, including statements with regard to future events or the future performance or operations of the Company. Words such as "believes," "expects," "projects," and "future" or similar expressions are intended to identify forward-looking statements. These forward-looking statements are subject to the inherent uncertainties in predicting future results and conditions. Certain factors could cause actual results to differ materially from those projected in these forward-looking statements. Factors that could cause actual results to differ materially include changes in the economy, risks associated with possible disruption to the Company's operations or the economy generally due to terrorism or natural disasters, future changes in laws or regulations and conditions in the Company's operating area, unexpected costs, charges or expenses resulting from the business combination transaction involving the Company, and failure to realize the anticipated benefits of the Mergers. Some of these factors are enumerated in the filings the Company made with the SEC. The inclusion of forward-looking statements should not be regarded as a representation that any plans, estimates or expectations will be achieved. Any forward-looking statements speak only as of the date of this communication. Except as required by federal securities laws, the Company undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Readers are cautioned not to place undue reliance on any of these forward-looking statements.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

Exhibit Number	Description
2.1	Agreement and Plan of Merger, dated as of May 31, 2019, by and among FS Investment Corporation II, Corporate Capital Trust II, FS Investment Corporation III, FS Investment Corporation IV, NT Acquisition 1, Inc., NT Acquisition 2, Inc., NT Acquisition 3, Inc. and FS/KKR Advisor, LLC (*incorporated by reference to Exhibit 2.1 to the Company's Current Report on Form 8-K filed on June 3, 2019*).
3.1	Second Articles of Amendment and Restatement of FS Investment Corporation II.
3.2	Articles of Amendment of FS Investment Corporation II.
3.3	Articles of Amendment of FS Investment Corporation II.
10.1	Amended and Restated Investment Advisory Agreement, dated as of December 18, 2019, by and between FS KKR Capital Corp. II and FS/KKR Advisor, LLC.
10.2	Administration Agreement, dated as of December 18, 2019, by and between FS KKR Capital Corp. II and FS/KKR Advisor, LLC.
99.1	Press Release, dated as of December 18, 2019 (furnished herewith).

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

FS KKR Capital Corp. II

Date: December 18, 2019

By: /s/ Stephen S. Sypherd
Stephen S. Sypherd
General Counsel

Exhibit 3.1

SECOND ARTICLES OF AMENDMENT AND RESTATEMENT
OF
FS INVESTMENT CORPORATION II

FIRST: FS Investment Corporation II (the "Corporation"), a Maryland corporation, desires to amend and restate its charter.

SECOND: The following provisions are all the provisions of the charter of FS Investment Corporation II currently in effect and as hereinafter amended:

ARTICLE I
NAME

The name of the corporation is FS Investment Corporation II.

ARTICLE II
PURPOSE

The purpose for which the Corporation is formed is to engage in any lawful act or activity for which corporations may be organized under the general laws of the State of Maryland as now or hereafter in force, including conducting and carrying on the business of a business development company, subject to making an election therefor under the Investment Company Act of 1940, as amended (the "1940 Act").

ARTICLE III
RESIDENT AGENT AND PRINCIPAL OFFICE

The name and address of the resident agent of the Corporation in Maryland is The Corporation Trust Incorporated, 2405 York Road, Suite 201, Lutherville Timonium, Maryland 21093-2264. The street address of the principal office of the Corporation in the State of Maryland is c/o The Corporation Trust Incorporated, 2405 York Road, Suite 201, Lutherville Timonium, Maryland 21093-2264. The Corporation also may have such other offices or places of businesses within or outside the State of Maryland as the Directors may from time to time determine.

ARTICLE IV
PROVISIONS FOR DEFINING, LIMITING AND REGULATING CERTAIN POWERS
OF THE CORPORATION AND OF THE STOCKHOLDERS AND DIRECTORS

Section 4.1 Number, Term and Election of Directors. The business and affairs of the Corporation shall be managed under the direction of the board of directors. The number of directors of the Corporation is eleven (11), which number may be increased or decreased from time to time by the board of directors pursuant to the bylaws of the Corporation ("Bylaws"). A majority of the board of directors shall be independent directors, except for a period of up to 60 days after the death, removal or resignation of an independent director pending the election of such independent director's successor. A director is considered independent if he or she is not an "interested person" as that term is defined under Section 2(a)(19) of the 1940 Act. The names of the directors currently in office are Barbara Adams, Todd C. Builione, Brian R. Ford, Michael C. Forman, Richard Goldstein, Michael J. Hagan, Jeffrey K. Harrow, Jerel A. Hopkins, James H. Kropp, Osagie Imasogie, and Elizabeth Sandler.

The Corporation elects, at all times that it is eligible to so elect, to be subject to the provisions of Section 3-804(c) of the Maryland General Corporation Law (the "MGCL"), subject to applicable requirements of the 1940 Act and except as may be provided by the board of directors in setting the terms of any class or series of Preferred Stock (as hereinafter defined), in order that any and all vacancies on the board of directors may be filled only by the affirmative vote of a majority of the remaining directors in office, even if the remaining directors do not constitute a quorum, and any director elected to fill a vacancy shall serve for the remainder of the full term of the directorship in which such vacancy occurred and until a successor is duly elected and qualifies.

From and after the date these Second Articles of Amendment and Restatement are accepted for record with State Department of Assessments and Taxation of the State of Maryland ("SDAT"), the directors (other than any director elected solely by holders of one or more classes or series of Preferred Stock) shall be classified, with respect to the terms for which they severally hold office, into three classes, as nearly equal in number as possible as determined by the board of directors, one class to hold office initially for a term expiring at the next succeeding annual meeting of stockholders, another class to hold office initially for a term expiring at the second succeeding annual meeting of stockholders and another class to hold office initially for a term expiring at the third succeeding annual meeting of stockholders, with the members of each class to hold office until their successors are duly elected and qualify. At each annual meeting of the stockholders, the successors to the class of directors whose term expires at such meeting shall be elected to hold office for a term expiring at the annual meeting of stockholders held in the third year following the year of their election and until their successors are duly elected and qualify. Directors may be elected to an unlimited number of successive terms.

Section 4.2 Stockholder Voting. Except as provided in Section 6.2 and Section 11.1, notwithstanding any provision of law requiring an action to be approved by the affirmative vote of the holders of stock entitled to cast a greater number of votes, any such action shall be effective and valid if declared advisable and approved by the board of directors, and approved by the affirmative vote of holders of stock entitled to cast a majority of all the votes entitled to be cast on the matter.

Section 4.3 Authorization by Board of Stock Issuance. The board of directors may authorize the issuance from time to time of stock of the Corporation of any class or series, whether now or hereafter authorized, or securities or rights convertible into stock of any class or series, whether now or hereafter authorized, for such consideration as the board of directors may deem advisable (or without consideration in the case of a stock split or stock dividend), subject to such restrictions or limitations, if any, as may be set forth in the charter or the Bylaws.

Section 4.4 Quorum. The presence in person or by proxy of the holders of stock of the Corporation entitled to cast one-third of the votes entitled to be cast at the meeting shall constitute a quorum at any meeting of stockholders, except with respect to any such matter that, under applicable statutes or regulatory requirements, requires approval by a separate vote of one or more classes of stock, in which case the presence in person or by proxy of the holders of stock entitled to cast one-third of the votes entitled to be cast by each such class on such a matter shall constitute a quorum.

Section 4.5 Preemptive Rights. Except as may be provided by the board of directors in setting the terms of classified or reclassified stock pursuant to Section 5.4 or as may otherwise be provided by contract approved by the board of directors, no holder of stock of the Corporation shall, as such holder, have any preemptive right to purchase or subscribe for any additional stock of the Corporation or any other security of the Corporation which it may issue or sell.

Section 4.6 Appraisal Rights. Except as may be provided by the board of directors in setting the terms of any class or series of Preferred Stock and except as contemplated by Section 3-708 of the MGCL, no stockholder of the Corporation shall be entitled to exercise the rights of an objecting stockholder under Title 3, Subtitle 2 of the MGCL or any successor provision thereto in connection with any transaction.

Section 4.7 Determinations by Board.

(a) The determination as to any of the following matters, made in good faith by or pursuant to the direction of the board of directors consistent with the charter, shall be final and conclusive and shall be binding upon the Corporation and every stockholder: the amount of the net income of the Corporation for any period and the amount of assets at any time legally available for the payment of dividends, redemption of its stock or the payment of other distributions on its stock; the amount of stated capital, capital surplus, net assets, other surplus, annual or other net profit, net assets in excess of capital, undivided profits or excess of profits over losses on sales of assets; the amount, purpose, time of creation, increase or decrease, alteration or cancellation of any reserves or charges and the propriety thereof (whether or not any obligation or liability for which such reserves or charges shall have been created shall have been paid or discharged); any interpretation of the terms, preferences, conversion or other rights, voting powers or rights, restrictions, limitations as to dividends or other distributions, qualifications or terms or conditions of redemption of any class or series of stock of the Corporation; the fair value, or any sale, bid or asked price to be applied in determining the fair value, of any asset owned or held by the Corporation or any stock of the Corporation; the stock of any class of the Corporation; any matter relating to the acquisition, holding and disposition of any assets by the Corporation; any conflict between the MGCL and the provisions set forth in the North American Securities Administrators Association ("NASAA") Omnibus Guidelines; or any other matter relating to the business and affairs of the Corporation or required or permitted by applicable law, the charter or the Bylaws or otherwise to be determined by the board of directors.

(b) Notwithstanding anything to the contrary contained in paragraph (a) above, to the extent the board of directors determines that the MGCL conflicts with the provisions set forth in the NASAA Omnibus Guidelines, the provisions in the NASAA Omnibus Guidelines shall control to the extent such provisions of the MGCL are not mandatory.

Section 4.8 Removal of Directors. Subject to the rights of holders of one or more classes or series of Preferred Stock to elect or remove one or more directors, any director, or the entire board of directors, may be removed from office at any time only for cause and only by the affirmative vote of at least two-thirds of the votes entitled to be cast generally in the election of directors. For the purpose of this paragraph, "cause" shall mean, with respect to any particular director, conviction of a felony or a final judgment of a court of competent jurisdiction holding that such director caused demonstrable, material harm to the Corporation through bad faith or active and deliberate dishonesty.

ARTICLE V
STOCK

Section 5.1 Authorized Stock. The Corporation has authority to issue 500,000,000 shares of stock, of which 450,000,000 shares are classified as common stock, $0.001 par value per share ("Common Stock"), and 50,000,000 shares are classified as preferred stock, $0.001 par value per share ("Preferred Stock"). The aggregate par value of all authorized stock having par value is $500,000. A majority of the entire board of directors without any action by the stockholders of the Corporation, may amend the charter from time to time to increase or decrease the aggregate number of shares of stock or the number of shares of stock of any class or series that the Corporation has authority to issue.

Section 5.2 Common Stock. Each share of Common Stock shall entitle the holder thereof to one vote. Except as otherwise provided in this charter, and subject to the express terms of any class or series of Preferred Stock, holders of Common Stock shall have the exclusive right to vote on all matters as to which a stockholder is entitled to vote pursuant to applicable law at all meetings of stockholders. In the event of any voluntary or involuntary liquidation, dissolution or winding up, the aggregate assets available for distribution to holders of Common Stock shall be determined in accordance with applicable law and the charter. Each holder of Common Stock shall be entitled to receive, ratably with each other holder of Common Stock, that portion of the assets available for distribution as the number of outstanding shares of stock of such class held by such holder bears to the total number of outstanding shares of stock of such class then outstanding. The board of directors may classify or reclassify any unissued shares of Common Stock from time to time, in one or more classes or series of Common Stock or Preferred Stock by setting or changing the preferences, conversion or other rights, voting powers, restrictions, limitations as to dividends, qualifications, or terms or conditions of redemption of the stock.

Section 5.3 Preferred Stock. The board of directors may issue shares of Preferred Stock or classify or reclassify any unissued shares of Preferred Stock from time to time, in one or more classes or series of Preferred Stock by setting or changing the preferences, conversion or other rights, voting powers, restrictions, limitations as to dividends, qualifications, or terms or conditions of redemption of the stock.

Section 5.4 Classified or Reclassified Shares. Prior to issuance of classified or reclassified shares of any class or series, the board of directors by resolution shall: (a) designate that class or series to distinguish it from all other classes and series of stock of the Corporation; (b) specify the number of shares to be included in the class or series; (c) set or change, subject to the express terms of any class or series of stock of the Corporation outstanding at the time, the preferences, conversion or other rights, voting powers, restrictions, limitations as to dividends or other distributions, qualifications and terms and conditions of redemption for each class or series; and (d) cause the Corporation to file articles supplementary with SDAT. Any of the terms of any class or series of stock set or changed pursuant to clause (c) of this Section 5.4 may be made

dependent upon facts or events ascertainable outside the charter (including determinations by the board of directors or other facts or events within the control of the Corporation) and may vary among holders thereof; provided that the manner in which such facts, events or variations shall operate upon the terms of such class or series of stock is clearly and expressly set forth in the articles supplementary filed with SDAT, or other charter document.

Section 5.5 Inspection of Books and Records. A stockholder that is otherwise eligible under applicable law to inspect the Corporation's books of account, stock ledger, or other specified documents of the Corporation shall have no right to make such inspection if the board of directors determines that such stockholder has an improper purpose for requesting such inspection.

Section 5.6 Deferred Payments. The Corporation shall not have authority to make arrangements for deferred payments on account of the purchase price of the Corporation's stock unless all of the following conditions are met: (a) such arrangements are warranted by the Corporation's investment objectives; (b) the period of deferred payments coincides with the anticipated cash needs of the Corporation; (c) the deferred payments shall be evidenced by a promissory note of the stockholder, which note shall be with recourse, shall not be negotiable, shall be assignable only subject to defenses of the maker and shall not contain a provision authorizing a confession of judgment and (d) selling commissions and front end fees paid upon deferred payments are payable when payment is made on the note. The Corporation shall not sell or assign the deferred obligation notes at a discount. In the event of default in the payment of deferred payments by a stockholder, the stockholder may be subjected to a reasonable penalty.

Section 5.7 Charter and Bylaws. All persons who shall acquire stock in the Corporation shall acquire the same subject to the provisions of the charter and the Bylaws. The board of directors of the Corporation shall have the exclusive power to make, alter, amend or repeal the Bylaws.

Section 5.8 Fractional Shares. The Corporation shall have authority to issue fractional shares. Any fractional shares of stock shall carry proportionately all of the rights of a whole share, including, without limitation, the right to vote and the right to receive dividends and other distributions.

ARTICLE VI
AMENDMENTS; CERTAIN EXTRAORDINARY ACTIONS

Section 6.1 Amendments Generally. The Corporation reserves the right from time to time to make any amendment to the charter, now or hereafter authorized by law, including any amendment altering the terms or contract rights, as expressly set forth in the charter, of any shares of outstanding stock. All rights and powers conferred by the charter on stockholders, directors and officers are granted subject to this reservation.

Section 6.2 Approval of Certain Charter Amendments. Except as otherwise required by applicable law and notwithstanding the provisions of Section 6.1 hereof, the affirmative vote of the holders of shares entitled to cast at least two-thirds of all the votes entitled to be cast on the matter shall be necessary to effect:

(a) Any amendment to the charter to make the Common Stock a "redeemable security" or to convert the Corporation, whether by merger or otherwise, from a "closed-end company" to an "open-end company" (as such terms are defined in the 1940 Act); and

(b) Any amendment to Section 4.2, Section 4.7, Section 6.1 or this Section 6.2.

ARTICLE VII
LIMITATION OF LIABILITY; INDEMNIFICATION AND ADVANCE OF EXPENSES

Section 7.1 Limitation of Stockholder Liability. No stockholder shall be liable for any debt, claim, demand, judgment or obligation of any kind of, against or with respect to the Corporation by reason of being a stockholder, nor shall any stockholder be subject to any personal liability whatsoever, in tort, contract or otherwise, to any Person in connection with the Corporation's assets or the affairs of the Corporation by reason of being a stockholder. The term "Person" shall mean an individual, corporation, partnership, estate, trust (including a trust qualified under Sections 401(a) or 501(c)(17) of the Code), a portion of a trust permanently set aside for or to be used exclusively for the purposes described in Section 642(c) of the Code, association, private foundation within the meaning of Section 509(a) of the Code, joint stock company or other entity and also includes a group as that term is used for purposes of Section 13(d)(3) of the Securities Exchange Act of 1934, as amended.

Section 7.2 Limitation of Director and Officer Liability. To the fullest extent permitted by Maryland law, no director or officer of the Corporation shall be liable to the Corporation or its stockholders for money damages. Neither the amendment nor repeal of this Section 7.2, nor the adoption or amendment of any other provision of the charter or Bylaws inconsistent with this Section 7.2, shall apply to or affect in any respect the applicability of the preceding sentence with respect to any act or failure to act which occurred prior to such amendment, repeal or adoption.

Section 7.3 Indemnification. The Corporation shall have the power to indemnify, and pay or reimburse reasonable expenses in advance of final disposition of a proceeding to, (i) any individual who is a present or former director or officer of the Corporation and who is made or threatened to be made a party to a proceeding by reason of his or her service in that capacity, and (ii) any individual who, while a director or officer of the Corporation and at the request of the Corporation, serves or has served as a director, officer, partner, member, manager or trustee of any corporation, partnership, limited liability company, joint venture, trust, employee benefit plan or other enterprise and who is made or threatened to be made a party to a proceeding by reason of his or her service in such capacity and from and against any claim or liability to which such person may become subject or which such person may incur, in each case to the fullest extent permitted by Maryland law. The Corporation may, with the approval of the board of directors or any duly authorized committee thereof, provide such indemnification and advancement of expenses to a Person who served a predecessor of the Corporation in any of the capacities described in (i) or (ii) above and to any employee or agent of the Corporation or a predecessor of the Corporation.

Section 7.4 Express Exculpatory Clauses in Instruments. Neither the stockholders nor the directors, officers, employees or agents of the Corporation shall be liable under any written instrument creating an obligation of the Corporation by reason of their being stockholders, directors, officers, employees or agents of the Corporation, and all Persons shall look solely to the Corporation's net assets for the payment of any claim under or for the performance of that instrument. The omission of the foregoing exculpatory language from any instrument shall not affect the validity or enforceability of such instrument and shall not render any stockholder, director, officer, employee or agent liable thereunder to any third party, nor shall the directors or any officer, employee or agent of the Corporation be liable to anyone as a result of such omission.

Section 7.5 1940 Act. The provisions of this Article VII shall be subject to any applicable limitations of the 1940 Act.

Section 7.6 Amendment or Repeal. Neither the amendment nor repeal of this Article VII, nor the adoption or amendment of any other provision of the charter or Bylaws inconsistent with this Article VII, shall apply to or affect in any respect the applicability of the preceding sections of this Article VII with respect to any act or failure to act which occurred prior to such amendment, repeal or adoption.

Section 7.7 Non-exclusivity. The indemnification and advancement of expenses provided or authorized by this Article VII shall not be deemed exclusive of any other rights, by indemnification or otherwise, to which any director or officer may be entitled under the bylaws, a resolution of stockholders or directors, an agreement or otherwise.

ARTICLE VIII
ADVISER

Section 8.1 Supervision of Adviser.

(i) Subject to the requirements of the 1940 Act, the board of directors may exercise broad discretion in allowing the Adviser to administer and regulate the operations of the Corporation, to act as agent for the Corporation, to execute documents on behalf of the Corporation and to make executive decisions that conform to general policies and principles established by the board of directors. The board of directors shall monitor the Adviser to assure that the administrative procedures, operations and programs of the Corporation are in the best interests of the stockholders and are fulfilled and that (i) the expenses incurred are reasonable in light of the investment performance of the Corporation, its net assets and its net income, (ii) all Front End Fees shall be reasonable and shall not exceed 18% of the gross proceeds of any offering, regardless of the source of payment, and (iii) the percentage of gross proceeds of any offering committed to Investment in Program Assets shall be at least 82%. All items of compensation to underwriters or dealers, including, but not limited to, selling commissions, expenses, rights of first refusal, consulting fees, finders' fees and all other items of compensation of any kind or description paid by the Corporation, directly or indirectly, shall be taken into consideration in computing the amount of allowable Front End Fees.

(ii) The board of directors is responsible for determining that compensation paid to the Adviser is reasonable in relation to the nature and quality of services performed and the investment performance of the Corporation and that the provisions of the investment advisory agreement are being carried out. The board of directors may consider all factors that they deem relevant in making these determinations. So long as the corporation is a business development company under the 1940 Act, compensation to the Adviser shall be considered presumptively reasonable if the incentive fee is limited to the participation in net gains allowed by the 1940 Act.

Section 8.2 Fiduciary Obligations. Any investment advisory agreement with the Adviser shall provide that the Adviser have a fiduciary responsibility and duty to the Corporation and to the stockholders. The chief executive officer and chief investment officer of the Adviser shall have at least three years' relevant experience demonstrating the knowledge and experience to acquire and manage the type of assets being acquired and shall have not less than four years relevant experience in the kind of service being rendered or otherwise must demonstrate sufficient knowledge and experience to perform the services proposed. The board of directors shall determine whether any successor Adviser possesses sufficient qualifications to perform the advisory function for the Corporation and whether the compensation provided for in its contract with the Corporation is justified.

Section 8.3 Termination. The investment advisory agreement shall provide that it is terminable by (a) a majority of the independent directors on not less than 60 days' written notice or (b) the Adviser on not less than 120 days' written notice, in each case without cause or penalty, and in each case the Adviser shall cooperate with the Corporation and the board of directors in making an orderly transition of the advisory function.

Section 8.4 Organization and Offering Expenses Limitation. Unless otherwise provided in any resolution adopted by the board of directors, the Corporation shall reimburse the Adviser and its Affiliates for Organization and Offering Expenses incurred by the Adviser or its Affiliates; provided, however, that the total amount of all Organization and Offering Expenses shall be reasonable, as determined by the board of directors, and shall be included Front End Fees for purposes of the limit on such Front End Fees set forth in Section 8.1.

Section 8.5 Acquisition Fees. Unless otherwise provided in any resolution adopted by the board of directors, the Corporation may pay the Adviser and its Affiliates fees for the review and evaluation of potential investments; provided, however, that the board of directors shall conclude that the total of all Acquisition Fees and Acquisition Expenses shall be reasonable.

Section 8.6 Reimbursement for Expenses. Unless otherwise provided in any resolution adopted by the board of directors, the Corporation may reimburse the Adviser, at the end of each fiscal quarter, for actual cost of goods and services used for or by the Corporation and obtained from Persons other than the Adviser's Affiliates. The Adviser may be reimbursed for the administrative services necessary to the prudent operation of the Corporation; provided, the reimbursement shall be the lower of the Adviser's actual cost or the amount the Corporation would be required to pay Persons other than the Adviser's Affiliates for comparable administrative services in the same geographic location; and provided, further, that such costs are reasonably allocated to the Corporation on the basis of assets, revenues, time records or other method conforming with generally accepted accounting principles.

Section 8.7 Reimbursement Limitations. The Corporation shall not reimburse the Adviser or its Affiliates for services for which the Adviser or its Affiliates are entitled to compensation in the form of a separate fee. Excluded from the allowable reimbursement shall be: (a) rent or depreciation, utilities, capital equipment, other administrative items of the Adviser; and (b) salaries, fringe benefits, travel expenses and other administrative items incurred or allocated to any controlling person of the Adviser. For purposes of this Section 8.7, "controlling person" means persons with responsibilities similar to those of an executive, or a member of the board of directors, or any person who holds more than 10% of the Adviser's equity securities or who has the power to control the Adviser.

ARTICLE IX
INVESTMENT OBJECTIVES AND LIMITATIONS

Section 9.1 Investment Objectives. The Corporation's investment objectives are to generate current income and, to a lesser extent, long-term capital appreciation. The independent directors shall review the investment policies of the Corporation with sufficient frequency (not less often than annually) to determine that the policies being followed by the Corporation are in the best interests of its stockholders. Each such determination and the basis therefor shall be set forth in the minutes of the meetings of the board of directors.

Section 9.2 Investments in Other Programs.

(a) The Corporation shall not invest in general partnerships or joint ventures with non-Affiliates that own and operate specific assets, unless the Corporation, alone or together with any publicly registered Affiliate of the Corporation meeting the requirements of subsection (b) below, acquires a controlling interest in such a general partnership or joint venture, but in no event shall the Adviser be entitled to duplicate fees; provided, however that the foregoing is not intended to prevent the Corporation from carrying out its business of investing and reinvesting its assets in securities of other issuers. For purposes of this Section, "controlling interest" means an equity interest possessing the power to direct or cause the direction of the management and policies of the general partnership or joint venture, including the authority to: (i) review all contracts entered into by the general partnership or joint venture that will have a material effect on its business or assets; (ii) cause a sale or refinancing of the assets or its interest therein subject, in certain cases where required by the partnership or joint venture agreement, to limits as to time, minimum amounts and/or a right of first refusal by the joint venture partner or consent of the joint venture partner; (iii) approve budgets and major capital expenditures, subject to a stated minimum amount; (iv) veto any sale or refinancing of the assets, or alternatively, to receive a specified preference on sale or refinancing proceeds and (v) exercise a right of first refusal on any desired sale or refinancing by the joint venture partner of its interest in the assets, except for transfer to an Affiliate of the joint venture partner.

(b) The Corporation shall have the authority to invest in general partnerships or joint ventures with other publicly registered Affiliates of the Corporation if all of the following conditions are met: (i) the Affiliate and the Corporation have substantially identical investment objectives; (ii) there are no duplicate fees to the Adviser; (iii) the compensation payable by the general partnership or joint venture to the Advisers in each Corporation that invests in such partnership or joint venture is substantially identical; (iv) each of the Corporation and the Affiliate has a right of first refusal to buy if the other party wishes to sell assets held in the joint venture; (v) the investment of each of the Corporation and its Affiliate is on substantially the same terms and conditions and (vi) any prospectus of the Corporation in use or proposed to be used when such

an investment has been made or is contemplated discloses the potential risk of impasse on joint venture decisions since neither the Corporation nor its Affiliate controls the partnership or joint venture, and the potential risk that while a the Corporation or its Affiliate may have the right to buy the assets from the partnership or joint venture, it may not have the resources to do so.

(c) The Corporation shall have the authority to invest in general partnerships or joint ventures with Affiliates other than publicly registered Affiliates of the Corporation only if all of the following conditions are met: (i) the investment is necessary to relieve the Adviser from any commitment to purchase the assets entered into in compliance with Section 10.1 prior to the closing of the offering period of the Corporation; (ii) there are no duplicate fees to the Adviser; (iii) the investment of each entity is on substantially the same terms and conditions; (iv) the Corporation has a right of first refusal to buy if the Adviser wishes to sell assets held in the joint venture and (v) any prospectus of the Corporation in use or proposed to be used when such an investment has been made or is contemplated discloses the potential risk of impasse on joint venture decisions.

(d) The Corporation may be structured to conduct operations through separate single-purpose entities managed by the Adviser (multi-tier arrangements); provided that the terms of any such arrangements do not result in the circumvention of any of the requirements or prohibitions contained herein or under applicable federal or state securities laws. Any agreements regarding such arrangements shall accompany any prospectus of the Corporation, if such agreement is then available, and the terms of such agreement shall contain provisions assuring that all of the following restrictions apply: (i) there will be no duplication or increase in Organization and Offering expenses, fees payable to the Adviser, program expenses or other fees and costs; (ii) there will be no substantive alteration in the fiduciary and contractual relationship between the Adviser, the Corporation and the stockholders and (iii) there will be no diminishment in the voting rights of the stockholders.

(e) Other than as specifically permitted in subsections (b), (c) and (d) above, the Corporation shall not invest in general partnerships or joint ventures with Affiliates.

(f) The Corporation shall be permitted to invest in general partnership interests of limited partnerships only if the Corporation, alone or together with any publicly registered Affiliate of the Corporation meeting the requirements of subsection (b) above, acquires a “controlling interest” as defined in subsection (a) above, the Adviser is not entitled to any duplicate fees, no additional compensation beyond that permitted under applicable law is paid to the Adviser, and the agreement of limited partnership or other applicable agreement complies with this Section 9.2.

Section 9.3 Other Goods or Services.

(a) In addition to the services to be provided under the investment advisory agreement, the Corporation may accept goods or other services provided by the Adviser in connection with the operation of assets, provided that (i) the Adviser, as a fiduciary, determines such self-dealing arrangement is in the best interest of the Corporation; (ii) the terms pursuant to which all such goods or services are provided to the Corporation by the Adviser shall be embodied in a written contract, the material terms of which must be fully disclosed to the stockholders; (iii) the contract may only be modified with approval of holders of a majority of the outstanding voting

securities of the Corporation and (iv) the contract shall contain a clause allowing termination without penalty on 60 days' notice. Without limitation to the foregoing, arrangements to provide such goods or other services must meet all of the following criteria: (x) the Adviser must be independently engaged in the business of providing such goods or services to persons other than its Affiliates and at least 33% of the Adviser's associated gross revenues must come from persons other than its Affiliates; (y) the compensation, price or fee charged for providing such goods or services must be comparable and competitive with the compensation, price or fee charged by persons other than the Adviser and its Affiliates in the same geographic location who provide comparable goods or services which could reasonably be made available to the Corporation; and (z) except in extraordinary circumstances, the compensation and other material terms of the arrangement must be fully disclosed to the stockholders. Extraordinary circumstances are limited to instances when immediate action is required and the goods or services are not immediately available from persons other than the Adviser and its Affiliates.

(b) Notwithstanding anything to the contrary contained in paragraph (a) above, if the Adviser is not engaged in the business to the extent required by such clause, the Adviser may provide to the Corporation other goods and services if all of the following additional conditions are met: (i) the Adviser can demonstrate the capacity and capability to provide such goods or services on a competitive basis; (ii) the goods or services are provided at the lesser of cost or the competitive rate charged by persons other than the Adviser and its Affiliates in the same geographic location who are in the business of providing comparable goods or services; (iii) the cost is limited to the reasonable necessary and actual expenses incurred by the Adviser on behalf of the Corporation in providing such goods or services, exclusive of expenses of the type which may not be reimbursed under applicable federal or state securities laws and (iv) expenses are allocated in accordance with generally accepted accounting principles and are made subject to any special audit required by applicable federal and state securities laws.

ARTICLE X
CONFLICTS OF INTEREST

Section 10.1 Sales and Leases to Corporation. The Corporation shall not purchase or lease assets in which the Adviser or any Affiliate thereof has an interest unless all of the following conditions are met: (a) the transaction is fully disclosed to the stockholders either in a periodic report filed with the SEC or otherwise; and (b) the assets are sold or leased upon terms that are reasonable to the Corporation and at a price not to exceed the lesser of cost or fair market value as determined by an independent expert. Notwithstanding anything to the contrary in this Section 10.1, the Adviser may purchase assets in its own name (and assume loans in connection therewith) and temporarily hold title thereto, for the purposes of facilitating the acquisition of the assets, the borrowing of money, obtaining financing for the Corporation, or the completion of construction of the assets, provided that all of the following conditions are met: (i) the assets are purchased by the Corporation at a price no greater than the cost of the assets to the Adviser; (ii) all income generated by, and the expenses associated with, the assets so acquired shall be treated as belonging to the Corporation and (iii) there are no other benefits arising out of such transaction to the Adviser.

Section 10.2 Sales and Leases to the Adviser, Directors or Affiliates. The Corporation shall not sell assets to the Adviser or any Affiliate thereof unless such sale is duly approved by the holders of a majority of the outstanding voting securities of the Corporation. The Corporation shall not lease assets to the Adviser or any director or Affiliate thereof unless all of the following conditions are met: (a) the transaction is fully disclosed to the stockholders either in a periodic report filed with the SEC or otherwise and (b) the terms of the transaction are fair and reasonable to the Corporation.

Section 10.3 Loans. Except for the advancement of funds pursuant to Sections 7.3 and 7.4, no loans, credit facilities, credit agreements or otherwise shall be made by the Corporation to the Adviser or any Affiliate thereof.

Section 10.4 Commissions on Financing, Refinancing or Reinvestment. The Corporation shall not pay, directly or indirectly, a commission or fee to the Adviser or any Affiliate thereof (except as otherwise specified in this Article X) in connection with the reinvestment of cash flow from operations and available reserves or of the proceeds of the resale, exchange or refinancing of assets.

Section 10.5 Lending Practices. On financing made available to the Corporation by the Adviser, the Adviser may not receive interest in excess of the lesser of the Adviser's cost of funds or the amounts that would be charged by unrelated lending institutions on comparable loans for the same purpose. The Adviser shall not impose a prepayment charge or penalty in connection with such financing and the Adviser shall not receive points or other financing charges. The Adviser shall be prohibited from providing permanent financing for the Corporation. For purposes of this Section 10.5, "permanent financing" shall mean any financing with a term in excess of 12 months.

ARTICLE XI
STOCKHOLDERS

Section 11.1 Additional Voting Rights of Stockholders. Subject to and in addition to the provisions of any class or series of shares then outstanding and the mandatory provisions of any applicable laws or regulations, including the MGCL, or other provisions of this charter, upon a vote by the holders of a majority of the outstanding shares of stock of the Corporation entitled to vote on the matter, stockholders may, without the necessity for concurrence by the Adviser, direct that the Corporation: (a) amend the investment advisory agreement and the charter; (b) remove the Adviser and elect a new Adviser; (c) dissolve the Corporation; or (d) approve or disapprove the sale of all or substantially all of the assets of the Corporation when such sale is to be made other than in the ordinary course of the Corporation's business. Without approval of holders of a majority of shares entitled to vote on the matter, the Corporation shall not permit the Adviser to: (i) amend the investment advisory agreement except for amendments that do not adversely affect the interests of the stockholders; (ii) voluntarily withdraw as the Adviser unless such withdrawal would not affect the tax status of the Corporation and would not materially adversely affect the stockholders; (iii) appoint a new Adviser; (iv) sell all or substantially all of the assets of the Corporation; or (v) cause the merger or other reorganization of the Corporation. With respect to any shares owned by the Adviser, the Adviser may not vote or consent on matters submitted to the stockholders regarding the removal of the Adviser or regarding any transaction between the Corporation and the Adviser. In determining the existence of the requisite percentage of the Corporation's shares entitled to vote on the matter and necessary to approve a matter on which the Adviser may not vote or consent pursuant to this Section 11.1, any shares of the Corporation's stock entitled to vote on the matter and owned by the Adviser shall not be included.

Section 11.2 Voting Limitations on Shares Held by the Adviser, Directors and Affiliates. With respect to shares owned by the Adviser, any director, or any of their Affiliates, the Corporation shall require that the Adviser, such director(s), and any of their Affiliates agree not to vote or consent on matters submitted to the stockholders regarding the removal of the Adviser, such director(s) or any of their Affiliates or any transaction between the Corporation and any of them. In determining the requisite percentage in interest of shares necessary to approve a matter on which the Adviser, such director(s) and any of their Affiliates may not vote or consent, any shares owned by any of them shall not be included.

ARTICLE XII
LISTING

Notwithstanding anything to the contrary, the following articles and sections of this charter shall apply for only so long as a Listing has not occurred: Section 4.7(b), Section 5.6 [Deferred Payments], Article VIII [Adviser], Article IX [Investment Objectives and Limitations], Article X [Conflicts of Interest], Section 11.1 [Voting Rights of Stockholders] and Section 11.2 [Voting Limitations on Shares Held by the Adviser, Directors and Affiliates].

ARTICLE XIII
DEFINITIONS

As used in this charter, the following terms shall have the following meanings unless the context otherwise requires:

Acquisition Expenses. The term "Acquisition Expenses" shall mean any and all expenses incurred by the Corporation, the Adviser, or any Affiliate of either in connection with the initial purchase or acquisition of assets by the Corporation, including, without limitation, legal fees and expenses, travel and communications expenses, accounting fees and expenses, any commission, selection fee, supervision fee, financing fee, non-recurring management fee or any fee of a similar nature, however designated.

Acquisition Fee. The term "Acquisition Fee" shall mean any and all fees and commissions, exclusive of Acquisition Expenses, paid by any Person to any other Person (including any fees or commissions paid by or to any Affiliate of the Corporation or the Adviser) in connection with the initial purchase or acquisition of assets by the Corporation. Included in the computation of such fees or commissions shall be any commission, selection fee, supervision fee, financing fee, non-recurring management fee or any fee of a similar nature, however designated.

Adviser or Advisers. The term "Adviser" or "Advisers" shall mean the Person or Persons, if any, appointed, employed or contracted with or by the Corporation pursuant to an investment advisory agreement to provide investment advisory services to the Corporation and who is registered as an investment adviser under the Investment Advisers Act of 1940, as amended, including any Person to whom the Adviser subcontracts any and all such services pursuant to a sub-advisory agreement and including any successor to an Adviser who enters into an investment advisory agreement with the Corporation or who subcontracts with a successor Adviser.

Affiliate or Affiliated. The term "Affiliate" or "Affiliated" shall mean, with respect to any Person, (i) any Person directly or indirectly owning, controlling or holding, with the power to vote, ten percent or more of the outstanding voting securities of such other Person; (ii) any Person ten percent or more of whose outstanding voting securities are directly or indirectly owned, controlled or held, with the power to vote, by such other Person; (iii) any Person directly or indirectly controlling, controlled by or under common control with such other Person; (iv) any executive officer, director, trustee or general partner of such other Person; and (v) any legal entity for which such Person acts as an executive officer, director, trustee or general partner.

Capital Contributions. The term "Capital Contributions" shall mean the total investment, including the original investment and amounts reinvested pursuant to a distribution reinvestment plan, in the Corporation by a stockholder or by all stockholders, as the case may be. Unless otherwise specified, Capital Contributions shall be deemed to include principal amounts to be received on account of deferred payments.

Code. The term "Code" shall mean the Internal Revenue Code of 1986, as amended.

Front End Fees. The term "Front End Fees" shall mean fees and expenses paid by any party for any services rendered to organize the Corporation and to acquire assets for the Corporation, including Organization and Offering Expenses, Acquisition Fees, Acquisition Expenses, and any other similar fees, however designated by the Adviser.

Investment in Program Assets. The term "Investment in Program Assets" shall mean the amount of Capital Contributions actually paid or allocated to the purchase or development of assets acquired by the Corporation (including working capital reserves allocable thereto, except that working capital reserves in excess of three percent shall not be included) and other cash payments such as interest and taxes, but excluding Front End Fees.

Listing. The term "Listing" shall mean the listing of the Common Stock on a national securities exchange.

Organization and Offering Expenses. The term "Organization and Offering Expenses" shall mean any and all costs and expenses incurred by and to be paid from the assets of the Corporation in connection with the formation, qualification and registration of the Corporation, and the marketing and distribution of stock of the Corporation, including, without limitation, total underwriting and brokerage discounts and commissions (including fees of the underwriters' attorneys), expenses for printing, engraving, amending, supplementing, mailing and distributing costs, salaries of employees while engaged in sales activity, telephone and other telecommunications costs, all advertising and marketing expenses (including the costs related to investor and broker-dealer sales meetings), charges of transfer agents, registrars, trustees, escrow holders, depositories, experts, fees, expenses and taxes related to the filing, registration and qualification of the sale of the stock of the Corporation under federal and state laws, including taxes and fees and accountants' and attorneys' fees.

Person. The term "Person" shall mean an individual, corporation, partnership, estate, trust, joint venture, limited liability company or other entity or association.

THIRD: The amendment and restatement of the charter of the Corporation as hereinabove set forth has been duly advised by the board of directors and approved by the stockholders of the Corporation as required by law.

FOURTH: The name and address of the Corporation's current resident agent and the current address of the principal office of the Corporation are as set forth in Article III of the foregoing amendment and restatement of the charter.

FIFTH: The number of directors of the Corporation and the names of those currently in office are as set forth in Section 4.1 of Article IV of the foregoing amendment and restatement of the charter.

SIXTH: The total number of shares of stock which the Corporation had authority to issue immediately prior to the foregoing amendment and restatement, the number of shares of each class or series thereof, and the aggregate par value of all shares of stock of the Corporation having par value were not changed by the amendments set forth in the foregoing amendment and restatement of the charter of the Corporation.

SEVENTH: The undersigned Chief Executive Officer acknowledges these Second Articles of Amendment and Restatement to be the corporate act of the Corporation and as to all matters or facts required to be verified under oath, the undersigned Chief Executive Officer acknowledges that, to the best of his knowledge, information and belief, these matters and facts are true in all material respects and that this statement is made under the penalties for perjury.

IN WITNESS WHEREOF, the Corporation has caused these Articles of Amendment to be signed in its name and on its behalf by its Chief Executive Officer on December 16, 2019.

ATTEST:

/s/ Stephen S. Sypherd
Stephen S. Sypherd
Secretary

FS INVESTMENT CORPORATION II

By: /s/ Michael C. Forman
Michael C. Forman
Chief Executive Officer

Exhibit 3.2

FS INVESTMENT CORPORATION II
Articles of Amendment

FS Investment Corporation II, a Maryland corporation (the "Corporation"), hereby certifies to the State Department of Assessments and Taxation of the State of Maryland that:

FIRST: The Corporation desires to, and hereby does, amend its charter (the "Charter") as currently in effect as hereinafter set forth.

SECOND: The Charter is hereby amended by deleting the first two sentences from Article V, Section 5.1 and inserting the following in place thereof:

The Corporation has authority to issue 950,000,000 shares of stock, of which 900,000,000 shares are classified as common stock, $0.001 par value per share ("Common Stock"), and 50,000,000 shares are classified as preferred stock, $0.001 par value per share ("Preferred Stock"). The aggregate par value of all authorized stock having par value is $950,000.

THIRD: The amendment to the Charter as set forth above has been approved by a majority of the entire the board of directors of the Corporation, without action by the stockholders, as permitted by Section 2-105(a)(13) of the Maryland General Corporation Law and Article V, Section 5.1 of the Charter.

FOURTH: The total number of shares of stock which the Corporation had authority to issue immediately prior to the foregoing amendment was 500,000,000, consisting of 450,000,000 shares of Common Stock, $0.001 par value per share, and 50,000,000 shares of Preferred Stock, $0.001 par value per share. The aggregate par value of all shares of stock having par value was $500,000.

FIFTH: The total number of shares of stock which the Corporation has authority to issue after giving effect to the foregoing amendment is 950,000,000, consisting of 900,000,000 shares of Common Stock, $0.001 par value per share, and 50,000,000 shares of Preferred Stock, $0.001 par value per share. The aggregate par value of all authorized shares of stock having par value is $950,000.

SIXTH: The undersigned Chief Executive Officer acknowledges these Articles of Amendment to be the corporate act of the Corporation and, as to all matters or facts required to be verified under oath, the undersigned Chief Executive Officer acknowledges that, to the best of his knowledge, information and belief, these matters and facts are true in all material respects and that this statement is made under the penalty for perjury.

IN WITNESS WHEREOF, the Corporation has caused these Articles of Amendment to be signed in its name and on its behalf by its Chief Executive Officer on December 17, 2019.

ATTEST:

/s/ Stephen S. Sypherd
Stephen S. Sypherd
Secretary

FS INVESTMENT CORPORATION II

By: /s/ Michael C. Forman
Michael C. Forman
Chief Executive Officer

Exhibit 3.3

FS INVESTMENT CORPORATION II
Articles of Amendment

FS Investment Corporation II, a Maryland corporation (the "Corporation"), hereby certifies to the State Department of Assessments and Taxation of the State of Maryland that:

FIRST: The Corporation desires to, and hereby does, amend its charter (the "Charter") as currently in effect as hereinafter set forth.

SECOND: The Charter is hereby amended by deleting the text of Article I in its entirety and inserting in place thereof the following:

The name of the Corporation is **FS KKR Capital Corp**. **II**

THIRD: The amendment to the Charter as set forth above has been approved by the board of directors of the Corporation, without action by the stockholders, as permitted by Section 2-605(a)(1) of the Maryland General Corporation Law.

FOURTH: The amendment to the Charter set forth herein does not increase the authorized stock of the Corporation.

FIFTH: The undersigned Chief Executive Officer acknowledges these Articles of Amendment to be the corporate act of the Corporation and, as to all matters or facts required to be verified under oath, the undersigned Chief Executive Officer acknowledges that, to the best of his knowledge, information and belief, these matters and facts are true in all material respects and that this statement is made under the penalty for perjury.

IN WITNESS WHEREOF, the Corporation has caused these Articles of Amendment to be signed in its name and on its behalf by its Chief Executive Officer on December 18, 2019.

ATTEST:

/s/ Stephen S. Sypherd
Stephen S. Sypherd
Secretary

FS INVESTMENT CORPORATION II

By: /s/ Michael C. Forman
Michael C. Forman
Chief Executive Officer

Exhibit 10.1

INVESTMENT ADVISORY AGREEMENT
BETWEEN
FS KKR CAPITAL CORP. II
AND
FS/KKR ADVISOR, LLC

This Investment Advisory Agreement (this "***Agreement***") made this 18th day of December, by and between FS KKR CAPITAL CORP. II, a Maryland corporation (the "***Company***"), and FS/KKR ADVISOR, LLC, a Delaware limited liability company (the "***Adviser***").

WHEREAS, the Company is a non-diversified, closed-end management investment company that has elected to be regulated as a business development company ("***BDC***") under the Investment Company Act of 1940, as amended (the "***Investment Company Act***");

WHEREAS, the Adviser is a newly organized investment adviser that intends to register as an investment adviser under the Investment Advisers Act of 1940, as amended (the "***Advisers Act***"); and

WHEREAS, the Company desires to retain the Adviser to furnish investment advisory services (the "***Investment Advisory Services***") to the Company on the terms and conditions hereinafter set forth, and the Adviser wishes to be retained to provide such services.

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration, the parties hereby agree as follows:

1. Duties of the Adviser.

(a) Retention of the Adviser. The Company hereby appoints the Adviser to act as an investment adviser to the Company and to manage the investment and reinvestment of the assets of the Company, subject to the supervision of the Board of Directors of the Company (the "***Board***"), for the period and upon the terms herein set forth, in accordance with:

(i) the investment objectives, policies and restrictions that are set forth in the Company's filings with the Securities and Exchange Commission (the "***SEC***"), as supplemented, amended or superseded from time to time;

(ii) all other applicable federal and state laws, rules and regulations, and the Company's articles of amendment and restatement (as may be amended from time to time, the "***Articles***") and bylaws (as may be amended from time to time); and

(iii) such investment policies, directives and regulatory restrictions as the Company may from time to time establish or issue and communicate to the Adviser in writing.

(b) Responsibilities of the Adviser. Without limiting the generality of the foregoing, the Adviser shall, during the term and subject to the provisions of this Agreement:

(i) determine the composition and allocation of the Company's investment portfolio, the nature and timing of any changes therein and the manner of implementing such changes;

(ii) identify, evaluate and negotiate the structure of the investments made by the Company;

(iii) execute, monitor and service the Company's investments;

(iv) place orders with respect to, and arrange for, any investment by the Company;

(v) determine the securities and other assets that the Company shall purchase, retain, or sell;

(vi) perform due diligence on prospective portfolio companies; and

(vii) provide the Company with such other investment advisory, research and related services as the Company may, from time to time, reasonably require for the investment of its funds.

(c) Power and Authority. To facilitate the Adviser's performance of these undertakings, but subject to the restrictions contained herein, the Company hereby delegates to the Adviser (which power and authority may be delegated by the Adviser to one or more Sub-Advisers (as defined below)), and the Adviser hereby accepts, the power and authority to act on behalf of the Company to effectuate investment decisions for the Company, including the negotiation, execution and delivery of all documents relating to the Company's investments and the placing of orders for other purchase or sale transactions on behalf of the Company. In the event that the Company determines to acquire debt or other financing (or to refinance existing debt or other financing), the Adviser shall seek to arrange for such financing on the Company's behalf, subject to the oversight and approval of the Board. If it is necessary or appropriate for the Adviser to make investments on behalf of the Company through one or more special purpose vehicles, the Adviser shall have authority to create or arrange for the creation of such special purpose vehicles and to make such investments through such special purpose vehicles in accordance with applicable law. The Company also grants to the Adviser power and authority to engage in all activities and transactions (and anything incidental thereto) that the Adviser deems appropriate, necessary or advisable to carry out its duties pursuant to this Agreement, including the authority to provide, on behalf of the Company, significant managerial assistance to the Company's portfolio companies to the extent required by the Investment Company Act or otherwise deemed appropriate by the Adviser.

(d) Acceptance of Appointment. The Adviser hereby accepts such appointment and agrees during the term hereof to render the services described herein for the compensation provided herein, subject to the limitations contained herein.

(e) Sub-Advisers. The Adviser is hereby authorized to enter into one or more sub-advisory agreements (each, a "***Sub-Advisory Agreement***") with other investment advisers or other service providers (each, a "***Sub-Adviser***") pursuant to which the Adviser may obtain the services of the Sub-Adviser(s) to assist the Adviser in fulfilling its responsibilities hereunder, subject to the oversight of the Adviser and the Company. Specifically, the Adviser may retain a Sub-Adviser to recommend specific securities or other investments based upon the Company's investment objectives, policies and restrictions, and work, along with the Adviser, in sourcing, structuring, negotiating, arranging or effecting the acquisition or disposition of such investments and monitoring investments on behalf of the Company, subject to the oversight of the Adviser and the Company, with the scope of such services and oversight to be set forth in each Sub-Advisory Agreement.

(i) The Adviser and not the Company shall be responsible for any compensation payable to any Sub-Adviser; provided, however, that the Adviser shall have the right to direct the Company to pay directly any Sub-Adviser the amounts due and payable to such Sub-Adviser from the fees and expenses otherwise payable to the Adviser under this Agreement.

(ii) Any Sub-Advisory Agreement entered into by the Adviser shall be in accordance with the requirements of the Investment Company Act, including, without limitation, the requirements relating to the Board and Company stockholder approval thereunder, and other applicable federal and state law.

(iii) Any Sub-Adviser shall be subject to the same fiduciary duties imposed on the Adviser pursuant to this Agreement, the Investment Company Act and the Advisers Act, as well as other applicable federal and state law.

(f) Independent Contractor Status. The Adviser shall, for all purposes herein provided, be deemed to be an independent contractor and, except as expressly provided or authorized herein, shall have no authority to act for or represent the Company in any way or otherwise be deemed an agent of the Company.

(g) Record Retention. Subject to review by, and the overall control of, the Board, the Adviser shall keep and preserve for the period required by the Investment Company Act or the Advisers Act, as applicable, any books and records relevant to the provision of the Investment Advisory Services to the Company and shall specifically

maintain all books and records with respect to the Company's portfolio transactions and shall render to the Board such periodic and special reports as the Board may reasonably request or as may be required under applicable federal and state law, and shall make such records available for inspection by the Board and its authorized agents, at any time and from time to time during normal business hours. The Adviser agrees that all records that it maintains for the Company are the property of the Company and shall surrender promptly to the Company any such records upon the Company's request and upon termination of this Agreement pursuant to Section 9, provided that the Adviser may retain a copy of such records. The Adviser shall have the right to retain copies, or originals where required by Rule 204-2 promulgated under the Advisers Act, of such records to the extent required by applicable law.

2. Expenses Payable by the Adviser.

All personnel of the Adviser, when and to the extent engaged in providing the Investment Advisory Services herein, and the compensation and routine overhead expenses of such personnel allocable to such services, shall be provided and paid for by the Adviser or its affiliates and not by the Company.

3. Compensation of the Adviser.

The Company agrees to pay, and the Adviser agrees to accept, as compensation for the services provided by the Adviser herein, a base management fee (the "***Base Management Fee***") and an incentive fee (the "***Incentive Fee***") as hereinafter set forth. Any of the fees payable to the Adviser under this Agreement for any partial month or calendar quarter shall be appropriately prorated. The Adviser may agree to temporarily or permanently waive, in whole or in part, the Base Management Fee and/or the Incentive Fee. Prior to the payment of any fee to the Adviser, the Company shall obtain written instructions from the Adviser with respect to any waiver or deferral of any portion of such fees. Any portion of a deferred fee payable to the Adviser and not paid over to the Adviser with respect to any month, calendar quarter or year shall be deferred without interest and may be paid over in any such other month prior to the termination of this Agreement, as the Adviser may determine upon written notice to the Company.

(a) Base Management Fee. The Base Management Fee shall be calculated at an annual rate of 1.50% of the average weekly value of the Company's gross assets (excluding cash and cash equivalents); provided, however, that the Base Management Fee shall be calculated at an annual rate of 1.00% of the average weekly value of the Company's gross assets (excluding cash and cash equivalents) that exceeds the product of (A) 200% and (B) the average weekly value of the Company's net assets. In determining the Company's net assets, shares of preferred stock of the Company created through any reorganization of the Company's common stock or a distribution in-kind to holders of the Company's common stock (the "***Recapitalization Preferred Stock***") shall be treated as equity valued at the liquidation preference of such shares of Recapitalization Preferred Stock as set forth in the applicable certificates of designation. The Base Management Fee shall be payable quarterly in arrears, and shall be calculated based on the average weekly value of the Company's gross assets during the most recently completed calendar quarter. All or any part of the Base Management Fee not taken as to any quarter shall be deferred without interest and may be taken in such other quarter as the Adviser shall determine.

(b) Incentive Fee. The Incentive Fee shall consist of two parts, as follows:

(i) The first part of the Incentive Fee, referred to as the "Subordinated Incentive Fee on Income," shall be calculated and payable quarterly in arrears based on the Company's "***Pre-Incentive Fee Net Investment Income***" for the immediately preceding quarter. The payment of the Subordinated Incentive Fee on Income shall be subject to a quarterly hurdle rate expressed as a rate of return on the value of the Company's net assets at the end of the most recently completed calendar quarter, of 1.75% (7.0% annualized) (the "***Hurdle Rate***"), subject to a "***catch up***" feature (as described below).

For this purpose, "***Pre-Incentive Fee Net Investment Income***" means interest income, dividend income and any other income (including any other fees, other than fees for providing managerial assistance, such as commitment, origination, structuring, diligence and consulting fees or other fees that the Company receives from portfolio companies) accrued during the calendar quarter, minus the Company's operating expenses for the quarter (including the Base Management Fee, expenses reimbursed to the Adviser under that certain Administration Agreement, dated as of December 18, 2019, as the same may be amended from time to time, whereby the Adviser provides

administrative services necessary for the operation of the Company and any interest expense and dividends paid on any issued and outstanding preferred shares (other than shares of Recapitalization Preferred Stock), but excluding the Incentive Fee). Pre-Incentive Fee Net Investment Income includes, in the case of investments with a deferred interest feature (such as original issue discount debt instruments with payment-in-kind interest and zero coupon securities), accrued income that the Company has not yet received in cash. Pre-Incentive Fee Net Investment Income does not include any realized capital gains, realized capital losses or unrealized capital appreciation or depreciation.

The calculation of the Subordinated Incentive Fee on Income for each quarter is as follows:

(A) No Subordinated Incentive Fee on Income shall be payable to the Adviser in any calendar quarter in which the Company's Pre-Incentive Fee Net Investment Income does not exceed the Hurdle Rate;

(B) 100% of the Company's Pre-Incentive Fee Net Investment Income, if any, that exceeds the Hurdle Rate but is less than or equal to 2.1875% in any calendar quarter (8.75% annualized) shall be payable to the Adviser. This portion of the Company's Subordinated Incentive Fee on Income is referred to as the "catch up" and is intended to provide the Adviser with an incentive fee of 20.0% on all of the Company's Pre-Incentive Fee Net Investment Income when the Company's Pre-Incentive Fee Net Investment Income reaches 2.1875% (8.75% annualized) on net assets in any calendar quarter; and

(C) For any quarter in which the Company's Pre-Incentive Fee Net Investment Income exceeds 2.1875% (8.75% annualized) on net assets, the Subordinated Incentive Fee on Income shall equal 20.0% of the amount of the Company's Pre-Incentive Fee Net Investment Income, as the Hurdle Rate and catch-up will have been achieved;

provided that, commencing with the quarter ended March 31, 2022, the Subordinated Incentive Fee on Income is subject to a cap (the "***Incentive Fee Cap***").

The Incentive Fee Cap is an amount equal to:

(i) 20.0% of the Per Share Pre-Incentive Fee Return for the Current Quarter (as defined below) and the eleven quarters (or such fewer number of quarters) preceding the Current Quarter commencing with the quarter ended March 31, 2020, *less*

(ii) the cumulative Per Share Incentive Fees accrued and/or payable for the eleven calendar quarters (or such fewer number of quarters) preceding the Current Quarter commencing with the quarter ended March 31, 2020.

multiplied by the weighted average number of shares of common stock of the Company outstanding during the calendar quarter (or any portion thereof) for which the Subordinated Incentive Fee on Income is being calculated (the "***Current Quarter***").

For the foregoing purpose, the "Per Share Pre-Incentive Fee Return" for any calendar quarter is an amount equal to:

(i) the sum of the Pre-Incentive Fee Net Investment Income for the calendar quarter, realized gains and losses for the calendar quarter and unrealized appreciation and depreciation of the Company's investments for the calendar quarter, *divided* by

(ii) the weighted average number of shares of common stock of the Company outstanding during such calendar quarter.

For the foregoing purpose, the "***Per Share Incentive Fee***" for any calendar quarter is equal to:

(i) the Incentive Fee accrued and/or payable for such calendar quarter, *divided* by

(ii) the weighted average number of shares of common stock of the Company outstanding during such calendar quarter.

If the Incentive Fee Cap is zero or a negative value, the Company shall pay no Subordinated Incentive Fee on Income to the Adviser for the Current Quarter.

If the Incentive Fee Cap is a positive value but is less than the Subordinated Incentive Fee on Income calculated in accordance with Section 3(b)(i) above, the Company shall pay the Adviser the Incentive Fee Cap for the Current Quarter.

If the Incentive Fee Cap is equal to or greater than the Subordinated Incentive Fee on Income calculated in accordance with Section 3(b)(i) above, the Company shall pay the Adviser the Subordinated Incentive Fee on Income for the Current Quarter.

(ii) The second part of the Incentive Fee, referred to as the "***Incentive Fee on Capital Gains***," shall be determined and payable in arrears as of the end of each calendar year (or upon termination of this Agreement). This fee shall equal 20.0% of the Company's incentive fee capital gains, which shall equal the realized capital gains (without duplication) of Corporate Capital Trust II ("CCT II"), FS Investment Corporation III ("FSIC III"), FS Investment Corporation IV ("FSIC IV") and the Company on a cumulative basis from inception, calculated as of the end of each calendar year, computed net of all realized capital losses and unrealized capital depreciation (without duplication) on a cumulative basis, less the aggregate amount of any capital gain incentive fees previously paid by CCT II, FSIC III, FSIC IV and the Company.

4. Covenants of the Adviser.

The Adviser is registered as an investment adviser under the Advisers Act and covenants that it will maintain such registration. The Adviser agrees that its activities will at all times be in compliance in all material respects with all applicable federal and state laws governing its operations and investments.

5. Brokerage Commissions.

The Adviser is hereby authorized, to the fullest extent now or hereafter permitted by law, to cause the Company to pay a member of a national securities exchange, broker or dealer an amount of commission for effecting a securities transaction in excess of the amount of commission another member of such exchange, broker or dealer would have charged for effecting that transaction, if the Adviser determines in good faith, taking into account such factors as price (including the applicable brokerage commission or dealer spread), size of order, difficulty of execution, and operational facilities of the firm and the firm's risk and skill in positioning blocks of securities, that such amount of commission is reasonable in relation to the value of the brokerage and/or research services provided by such member, broker or dealer, viewed in terms of either that particular transaction or its overall responsibilities with respect to the Company's portfolio, and is consistent with the Adviser's duty to seek the best execution on behalf of the Company.

6. Other Activities of the Adviser.

The services provided by the Adviser to the Company are not exclusive, and the Adviser may engage in any other business or render similar or different services to others including, without limitation, the direct or indirect sponsorship or management of other investment based accounts or commingled pools of capital, however structured, having investment objectives similar to those of the Company, so long as its services to the Company hereunder are not impaired thereby, and nothing in this Agreement shall limit or restrict the right of any manager, partner, member (including its members and the owners of its members), officer or employee of the Adviser to engage in any other business or to devote his or her time and attention in part to any other business, whether of a similar or dissimilar nature, or to receive any fees or compensation in connection therewith (including fees for serving as a director of, or providing consulting services to, one or more of the Company's portfolio companies, subject to applicable law). The Adviser assumes no responsibility under this Agreement other than to render the services called for hereunder. It is understood that directors, officers, employees and stockholders of the Company are or may become interested in the Adviser and its affiliates, as directors, officers, employees, partners, stockholders, members, managers or otherwise, and that the Adviser and directors, officers, employees, partners, stockholders, members and managers of the Adviser and its affiliates are or may become similarly interested in the Company as stockholders or otherwise.

7. Responsibility of Dual Directors, Officers and/or Employees.

If any person who is a manager, partner, member, officer or employee of the Adviser is or becomes a director, officer and/or employee of the Company and acts as such in any business of the Company, then such manager, partner, member, officer and/or employee of the Adviser shall be deemed to be acting in such capacity solely for the Company, and not as a manager, partner, member, officer or employee of the Adviser or under the control or direction of the Adviser, even if paid by the Adviser.

8. Indemnification.

The Adviser and any Sub-Adviser (and their officers, managers, partners, members (and their members, including the owners of their members), agents, employees, controlling persons (as defined in the Investment Company Act) and any other person or entity affiliated with, or acting on behalf of, the Adviser or Sub-Adviser) (each, an "***Indemnified Party***" and, collectively, the "***Indemnified Parties***"), shall not be liable to the Company for any action taken or omitted to be taken by any such Indemnified Party in connection with the performance of any of its duties or obligations under this Agreement or otherwise as an investment adviser of the Company (except to the extent specified in Section 36(b) of the Investment Company Act concerning loss resulting from a breach of fiduciary duty (as the same is finally determined by judicial proceedings) with respect to the receipt of compensation for services), and the Company shall indemnify, defend and protect the Indemnified Parties (each of whom shall be deemed a third party beneficiary hereof) and hold them harmless from and against all damages, liabilities, costs and expenses (including reasonable attorneys' fees and amounts reasonably paid in settlement) ("***Losses***") incurred by the Indemnified Parties in or by reason of any pending, threatened or completed action, suit, investigation or other proceeding (including an action or suit by or in the right of the Company or its security holders) arising out of or otherwise based upon the performance of any of the Indemnified Parties' duties or obligations under this Agreement, any Sub-Advisory Agreement, or otherwise as an investment adviser of the Company, to the extent such Losses are not fully reimbursed by insurance, and to the extent that such indemnification would not be inconsistent with the Articles, the laws of the State of Maryland, the Investment Company Act or other applicable law, including, as applicable prior to a listing of shares of the Company's common stock on a national securities exchange (a "Listing"), Section II.G of the Omnibus Guidelines published by the North American Securities Administrators Association on March 29, 1992 (the "NASAA Guidelines"), as it may be amended from time to time. Notwithstanding the preceding sentence of this Section 8 to the contrary, nothing contained herein shall protect or be deemed to protect the Indemnified Parties against or entitle or be deemed to entitle the Indemnified Parties to indemnification in respect of, any Losses to the Company or its stockholders to which the Indemnified Parties would otherwise be subject by reason of willful misfeasance, bad faith or gross negligence in the performance of the Adviser's duties or by reason of the reckless disregard of the Adviser's duties and obligations under this Agreement (to the extent applicable, as the same shall be determined in accordance with the Investment Company Act and any interpretations or guidance by the SEC or its staff thereunder). In addition, notwithstanding any of the foregoing to the contrary, the provisions of this Section 8 shall not be construed so as to provide for the indemnification of any Indemnified Party for any liability (including liability under federal securities laws which, under certain circumstances, impose liability even on persons that act in good faith), to the extent (but only to the extent) that such indemnification would be in violation of applicable law, but shall be construed so as to effectuate the provisions of this Section 8 to the fullest extent permitted by law.

9. Duration and Termination of Agreement.

(a) Term. This Agreement shall remain in effect for two (2) years commencing on the date hereof, and thereafter shall continue automatically for successive annual periods, provided that such continuance is specifically approved at least annually by (i) the vote of the Board, or by the vote of a majority of the outstanding voting securities of the Company and (ii) the vote of a majority of the Company's directors who are not parties to this Agreement or "***interested persons***" (as such term is defined in Section 2(a)(19) of the Investment Company Act) of any such party, in accordance with the requirements of the Investment Company Act.

(b) Termination. This Agreement may be terminated at any time, without the payment of any penalty, upon sixty (60) days' written notice (i) by the Company to the Adviser, (x) upon vote of a majority of the outstanding voting securities of the Company (within the meaning of Section 2(a)(42) of the Investment Company Act), or (y) by the

vote of the Board, or (ii) by the Adviser to the Company. This Agreement shall automatically terminate in the event of its "***assignment***" (as such term is defined for purposes of Section 15(a)(4) of the Investment Company Act). Further, notwithstanding the termination or nonrenewal of this Agreement as aforesaid, the Adviser shall be entitled to any amounts owed to it under Section 3 through the date of termination or nonrenewal, the provisions of Section 8 of this Agreement shall remain in full force and effect, and the Adviser shall remain entitled to the benefits thereof.

(c) Payments to and Duties of Adviser Upon Termination.

(i) After the termination of this Agreement, the Adviser shall not be entitled to compensation or reimbursement for further services provided hereunder, except that it shall be entitled to receive from the Company within thirty (30) days after the effective date of such termination all unpaid reimbursements and all earned but unpaid fees payable to the Adviser prior to termination of this Agreement.

(ii) The Adviser shall promptly upon termination:

(A) Deliver to the Board a full accounting, including a statement showing all payments collected by it and a statement of all money held by it, covering the period following the date of the last accounting furnished to the Board;

(B) Deliver to the Board all assets and documents of the Company then in custody of the Adviser; and

(C) Cooperate with the Company to provide an orderly management transition.

10. Proxy Voting.

The Adviser will exercise voting rights on any assets held in the portfolio securities of portfolio companies. The Adviser is obligated to furnish to the Company, in a timely manner, a record of all proxies voted in such form and format that complies with applicable federal statutes and regulations.

11. Notices.

Any notice under this Agreement shall be given in writing, addressed and delivered or mailed, postage prepaid, to the other party at its principal office.

12. Amendments.

This Agreement may be amended by mutual consent but the consent of the Company must be obtained in conformity with the requirements of the Investment Company Act.

13. Entire Agreement; Governing Law.

This Agreement contains the entire agreement of the parties and supersedes all prior agreements, understandings and arrangements with respect to the subject matter hereof. Notwithstanding the place where this Agreement may be executed by any of the parties hereto, this Agreement shall be construed in accordance with the laws of the State of New York. For so long as the Company is regulated as a BDC under the Investment Company Act, this Agreement shall also be construed in accordance with the applicable provisions of the Investment Company Act. In such case, to the extent the applicable laws of the State of New York, or any of the provisions herein, conflict with the provisions of the Investment Company Act, the latter shall control.

14. Severability.

If any provision of this Agreement shall be declared illegal, invalid, or unenforceable in any jurisdiction, then such provision shall be deemed to be severable from this Agreement (to the extent permitted by law) and in any event such illegality, invalidity or unenforceability shall not affect the remainder hereof.

15. Counterparts.

This Agreement may be executed in counterparts, each of which shall be deemed to be an original copy and all of which together shall constitute one and the same instrument binding on all parties hereto, notwithstanding that all parties shall not have signed the same counterpart.

16. Third Party Beneficiaries.

Except for any Sub-Adviser (with respect to Section 8) and any Indemnified Party, such Sub-Adviser and the Indemnified Parties each being an intended beneficiary of this Agreement, this Agreement is for the sole benefit of the parties hereto and their permitted assigns and nothing herein express or implied shall give or be construed to give to any person, other than the parties hereto and such assigns, any legal or equitable rights hereunder.

17. Survival.

The provisions of Sections 8, 9(b), 9(c), 13, 16 and this Section 17 shall survive termination of this Agreement.

18. Insurance.

Subject to the requirements of Rule 17d-1(d)(7) under the Investment Company Act, the Company shall acquire and maintain a directors and officers liability insurance policy or similar insurance policy, which may name the Adviser and any Sub-Adviser each as an additional insured party (each an "***Additional Insured Party***" and collectively the "***Additional Insured Parties***"). Such insurance policy shall include reasonable coverage from a reputable insurer. The Company shall make all premium payments required to maintain such policy in full force and effect; provided, however, each Additional Insured Party, if any, shall pay to the Company, in advance of the due date of such premium, its allocated share of the premium. Irrespective of whether the Adviser and any Sub-Adviser is a named Additional Insured Party on such policy, the Company shall provide the Adviser and any Sub-Adviser with written notice upon receipt of any notice of: (a) any default under such policy; (b) any pending or threatened termination, cancellation or non-renewal of such policy or (c) any coverage limitation or reduction with respect to such policy. The foregoing provisions of this Section 18 notwithstanding, the Company shall not be required to acquire or maintain any insurance policy to the extent that the same is not available upon commercially reasonable pricing terms or at all, as determined in good faith by the required majority (as defined in Section 57(o) of the Investment Company Act) of the Board.

19. Brand Usage

The Adviser conducts its investment advisory business under, and owns all rights to, the trademark "FS/KKR Advisor" and the "FS/KKR Advisor" design (collectively, the "***Brand***"). In connection with the Company's (a) public filings; (b) requests for information from state and federal regulators; (c) offering materials and advertising materials; and (d) investor communications, the Company may state in such materials that investment advisory services are being provided by the Adviser to the Company under the terms of this Agreement. The Adviser hereby grants a non-exclusive, non-transferable, non-sublicensable and royalty-free license (the "***License***") to the Company for the use of the Brand solely as permitted in the foregoing sentence. Prior to using the Brand in any manner, the Company shall submit all proposed uses to the Adviser for prior written approval solely to the extent the Company's use of the Brand or any combination or derivation thereof has materially changed from the Company's use of the Brand previously approved by the Adviser. The Adviser reserves the right to terminate the License immediately upon written notice for any reason, including if the usage is not in compliance with its standards and policies. Notwithstanding the foregoing, the term of the License granted under this Section 19 shall be for the term of this Agreement only, including renewals and extensions, and the right to use the Brand as provided herein shall terminate immediately upon the termination of this Agreement. The Company agrees that the Adviser is the sole owner of the Brand, and any and all goodwill in the Brand arising from the Company's use shall inure solely to the benefit of the Adviser. Without limiting the foregoing, the License shall have no effect on the Company's ownership rights of the works within which the Brand shall be used.

20. Listing

The provisions set forth in Exhibit A to this Agreement shall apply prior to a Listing. Following a Listing, the Company may restate this Agreement to remove this Section 20, Exhibit A and any reference to Exhibit A or the NASAA Guidelines in this Agreement without any further action by the Board or the Company's stockholders.

[Remainder of page left intentionally blank]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed on the date above written.

FS KKR CAPITAL CORP. II

By: /s/ Stephen Sypherd
Name: Stephen Sypherd
Title: General Counsel and Secretary

FS/KKR ADVISOR, LLC

By: /s/ Stephen Sypherd
Name: Stephen Sypherd
Title: General Counsel and Secretary

EXHIBIT A

Capitalized terms used but not defined shall have the meanings ascribed to such terms in the Investment Advisory Agreement, dated as of December 18, 2019 (the "Agreement"), between FS KKR Capital Corp. II and FS/KKR Advisor, LLC.

1. Duties of the Advisor.

(a) Administrator. The Adviser shall, upon request by an official or agency administering the securities laws of a state, province or commonwealth (an "*Administrator*"), submit to such Administrator the reports and statements required to be distributed to the Company's stockholders pursuant to the Agreement, the Company's then effective Registration Statement on Form N-2, if any (as amended from time to time, the "*Registration Statement*") and applicable federal and state law.

(b) Fiduciary Duty. It is acknowledged that the Adviser shall have a fiduciary responsibility for the safekeeping and use of all funds and assets of the Company, whether or not in the Adviser's immediate possession or control. The Adviser shall not employ, or permit another to employ, such funds or assets in any manner except for the exclusive benefit of the Company. The Adviser shall not, by entry into an agreement with any stockholder of the Company or otherwise, contract away the fiduciary obligation owed to the Company and the Company's stockholders under common law.

2. Base Management Fee and Incentive Fee Calculations.

Appendix A sets forth examples of how the Base Management Fee and the Incentive Fee are calculated.

3. Covenants of the Advisor.

(a) Reports to Stockholders. The Adviser shall prepare or shall cause to be prepared and distributed to stockholders during each year the following reports of the Company (either included in a periodic report filed with the SEC or distributed in a separate report):

(i) Quarterly Reports. Within sixty (60) days of the end of each calendar quarter, a report containing the same financial information contained in the Company's Quarterly Report on Form 10-Q filed by the Company under the Securities Exchange Act of 1934, as amended.

(ii) Annual Report. Within one hundred and twenty (120) days after the end of the Company's fiscal year, an annual report containing:

(A) A balance sheet as of the end of each fiscal year and statements of income, equity, and cash flow, for the year then ended, all of which shall be prepared in accordance with generally accepted accounting principles and accompanied by an auditor's report containing an opinion of an independent certified public accountant;

(B) A report of the activities of the Company during the period covered by the report;

(C) Where forecasts have been provided to the Company's stockholders, a table comparing the forecasts previously provided with the actual results during the period covered by the report; and

(D) A report setting forth distributions by the Company for the period covered thereby and separately identifying distributions from (i) cash flow from operations during the period; (ii) cash flow from operations during a prior period which have been held as reserves; and (iii) proceeds from disposition of the Company's assets.

(b) Reserves. In performing its duties under the Agreement, the Adviser shall cause the Company to provide for adequate reserves for normal replacements and contingencies (but not for payment of fees payable to the Adviser under the Agreement) by causing the Company to retain a reasonable percentage of proceeds from offerings and revenues.

(c) Recommendations Regarding Reviews. From time to time and not less than quarterly, the Adviser must review the Company's accounts to determine whether cash distributions are appropriate. The Company may, subject to authorization by the Board, distribute pro rata to the stockholders funds received by the Company which the Adviser deems unnecessary to retain in the Company.

(d) Temporary Investments. The Adviser shall, in its sole discretion, temporarily place proceeds from offerings by the Company into short term, highly liquid investments which, in its reasonable judgment, afford appropriate safety of principal during such time as it is determining the composition and allocation of the portfolio of the Company and the nature, timing and implementation of any changes thereto pursuant to Section 1(b) of the Agreement; provided however, that the Adviser shall be under no fiduciary obligation to select any such short-term, highly liquid investment based solely on any yield or return of such investment. The Adviser shall cause any proceeds of the offering of the Company's securities not committed for investment within the later of two (2) years from the initial date of effectiveness of the Registration Statement or one year from termination of the offering, unless a longer period is permitted by the applicable Administrator, to be paid as a distribution to the stockholders of the Company as a return of capital without deduction of Front End Fees (as defined below).

4. Limitations on Front End Fees. Notwithstanding anything in the Agreement to the contrary:

(a) All fees and expenses paid by any party for any services rendered to organize the Company and to acquire assets for the Company ("*Front End Fees*") shall be reasonable and shall not exceed 15% of the gross offering proceeds, regardless of the source of payment. Any reimbursement to the Adviser or any other person for deferred organizational and offering costs, including any interest thereon, if any, will be included within this 15% limitation.

(b) The Adviser shall commit at least eighty-two percent (82%) of the gross offering proceeds towards the investment or reinvestment of assets and reserves as set forth in Section 3(b) of this Exhibit A above on behalf of the Company. The remaining proceeds may be used to pay Front End Fees.

5. Limitations on Indemnification.

(a) Limitations on Indemnification. Notwithstanding Section 8 to the contrary, the Company shall not provide for indemnification of the Indemnified Parties for any Loss suffered by the Indemnified Parties, nor shall the Company provide that any of the Indemnified Parties be held harmless for any Loss suffered by the Company, unless all of the following conditions are met:

(i) the Indemnified Party has determined, in good faith, that the course of conduct which caused the Loss was in the best interests of the Company;

(ii) the Indemnified Party was acting on behalf of or performing services for the Company;

(iii) such Loss was not the result of negligence or misconduct by the Indemnified Party; and

(iv) such indemnification or agreement to hold harmless is recoverable only out of the Company's net assets and not from stockholders.

Furthermore, the Indemnified Party shall not be indemnified for any Losses arising from or out of an alleged violation of federal or state securities laws unless one or more of the following conditions are met:

(i) there has been a successful adjudication on the merits of each count involving alleged securities law violations;

(ii) such claims have been dismissed with prejudice on the merits by a court of competent jurisdiction; or

(iii) a court of competent jurisdiction approves a settlement of the claims against a particular indemnitee and finds that indemnification of the settlement and related costs should be made, and the court of law considering the request for indemnification has been advised of the position of the SEC and the published position of any state securities regulatory authority in which securities of the Company were offered or sold as to indemnification for violations of securities laws.

(b) Advancement of Funds. The Company shall be permitted to advance funds to the Indemnified Party for legal expenses and other costs incurred as a result of any legal action for which indemnification is being sought and will do so if:

(i) the proceeding relates to acts or omissions with respect to the performance of duties or services on behalf of the Company;

(ii) the Indemnified Party provides the Company with written affirmation of his or her good faith belief that the standard of conduct necessary for indemnification by the Company has been met;

(iii) the legal proceeding was initiated by a third party who is not a stockholder or, if by a stockholder of the Company acting in his or her capacity as such, a court of competent jurisdiction approves such advancement; and

(iv) the Indemnified Party provides the Company with a written agreement to repay the amount paid or reimbursed by the Company, together with the applicable legal rate of interest thereon, in cases in which such Indemnified Party is found not to be entitled to indemnification.

6. Other Matters. Without the approval of holders of a majority of the shares of common stock of the Company entitled to vote on the matter, the Adviser shall not: (i) amend the Agreement except for amendments that do not adversely affect the interests of the stockholders; (ii) voluntarily withdraw as the Adviser unless such withdrawal would not affect the tax status of the Company and would not materially adversely affect the stockholders; (iii) appoint a new Adviser; (iv) sell all or substantially all of the Company's assets other than in the ordinary course of the Company's business; or (v) cause the merger or other reorganization of the Company. In the event that the Adviser should withdraw pursuant to (ii) above, the withdrawing Adviser shall pay all expenses incurred as a result of its withdrawal. The Company may terminate the Adviser's interest in the Company's revenues, expenses, income, losses, distributions and capital by payment of an amount equal to the then present fair market value of the terminated Adviser's interest, determined by agreement of the terminated Adviser and the Company. If the Company and the Adviser cannot agree upon such amount, then such amount will be determined in accordance with the then current rules of the American Arbitration Association. The expenses of such arbitration shall be borne equally by the terminated Adviser and the Company. The method of payment to the terminated Adviser must be fair and must protect the solvency and liquidity of the Company.

7. Conflicts of Interest and Prohibited Activities

(a) No Exclusive Agreement. The Adviser is not hereby granted or entitled to an exclusive right to sell or exclusive employment to sell assets for the Company.

(b) Rebates, Kickbacks and Reciprocal Arrangements.

The Adviser agrees that it shall not (A) receive or accept any rebate, give-up or similar arrangement that is prohibited under applicable federal or state securities laws, (B) participate in any reciprocal business arrangement that would circumvent provisions of applicable federal or state securities laws governing conflicts of interest or investment restrictions, or (C) enter into any agreement, arrangement or understanding that would circumvent the restrictions against dealing with affiliates or promoters under applicable federal or state securities laws.

The Adviser agrees that it shall not directly or indirectly pay or award any fees or commissions or other compensation to any person or entity engaged to sell the Company's Common Stock or give investment advice to a potential stockholder; provided, however, that this subsection shall not prohibit the payment to a registered broker-dealer or other properly licensed agent of sales commissions for selling or distributing the Company's Common Stock.

(c) Commingling. The Adviser covenants that it shall not permit or cause to be permitted the Company's funds to be commingled with the funds of any other entity. Nothing in this Exhibit A, Section 7(c) shall prohibit the Adviser from establishing a master fiduciary account pursuant to which separate sub-trust accounts are established for the benefit of affiliated programs, provided that the Company's funds are protected from the claims of other programs and creditors of such programs.

Appendix A

NOTE: All percentages herein refer to net assets.

Example 1: Subordinated Incentive Fee on Income for Each Calendar Quarter*

Scenario 1

Assumptions

Investment income (including interest, dividends, fees, etc.) = 1.25%
Hurdle Rate[1] = 1.75%
Base Management Fee[2] = 0.375%
Other expenses (legal, accounting, custodian, transfer agent, etc.)[3] = 0.2%
Pre-Incentive Fee Net Investment Income
(investment income – (Base Management Fee + other expenses)) = 0.675%

Pre-Incentive Fee Net Investment Income does not exceed the Hurdle Rate, therefore there is no Subordinated Incentive Fee on Income payable.

Scenario 2

Assumptions

Investment income (including interest, dividends, fees, etc.) = 2.675%
Hurdle Rate[1] = 1.75%
Base Management Fee[2] = 0.375%
Other expenses (legal, accounting, custodian, transfer agent, etc.)[3] = 0.2%
Pre-Incentive Fee Net Investment Income
(investment income – (Base Management Fee + other expenses)) = 2.1%

Subordinated Incentive Fee on Income = 100% × Pre-Incentive Fee Net Investment Income (subject to "***catch-up***")[4]

= 100% x (2.1% – 1.75%)

= 0.35%

Pre-Incentive Fee Net Investment Income exceeds the Hurdle Rate, but does not fully satisfy the "***catch-up***" provision, therefore the Subordinated Incentive Fee on Income is 0.35%.

Scenario 3

Assumptions

Investment income (including interest, dividends, fees, etc.) = 3.5%
Hurdle Rate[1] = 1.75%
Base Management Fee[2] = 0.375%

Other expenses (legal, accounting, custodian, transfer agent, etc.)[3] = 0.2%
Pre-Incentive Fee Net Investment Income
(investment income – (Base Management Fee + other expenses)) = 2.925%

Catch up = 100% × Pre-Incentive Fee Net Investment Income (subject to "***catch-up***")[4]

Subordinated Incentive Fee on Income = 100% × "catch-up" + (20.0% × (Pre-Incentive Fee Net Investment Income – 2.1875%))

Catch-up = 2.1875% –1.75%
= 0.4375%

Subordinated Incentive Fee on Income = (100% × 0.4375%) + (20.0% × (2.925% – 2.1875%))

= 0.4375% + (20.0% × 0.7375%)
= 0.4375% + 0.1475%
= 0.585%

Pre-Incentive Fee Net Investment Income exceeds the Hurdle Rate and fully satisfies the "***catch-up***" provision, therefore the Subordinated Incentive Fee on Income is 0.585%.

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(1) Represents 7.0% annualized Hurdle Rate.
(2) Represents 1.5% annualized Base Management Fee on average weekly gross assets.
(3) Excludes organizational and offering costs.
(4) The "catch-up" provision is intended to provide the Adviser with an Incentive Fee of 20.0% on all Pre-Incentive Fee Net Investment Income when the Corporation's net investment income exceeds 2.1875% in any calendar quarter.

Example 2: Incentive Fee on Capital Gains*

Scenario 1:

Assumptions

Year 1: $20 million investment made in Company A ("***Investment A***"), and $30 million investment made in Company B ("***Investment B***")

Year 2: Investment A sold for $50 million and fair market value ("***FMV***") of Investment B determined to be $32 million

Year 3: FMV of Investment B determined to be $25 million

Year 4: Investment B sold for $31 million

The Incentive Fee on Capital Gains would be:

Year 1: None

Year 2: Incentive Fee on Capital Gains of $6 million ($30 million realized capital gains on sale of Investment A multiplied by 20.0%)

Year 3: None, because $5 million (20.0% multiplied by ($30 million cumulative capital gains less $5 million cumulative capital depreciation)) less $6 million (previous capital gain incentive fee paid to the Adviser in Year 2) is less than $0

Year 4: Incentive Fee on Capital Gains of $200,000, because $6.2 million ($31 million cumulative realized capital gains multiplied by 20.0%) less $6 million (previous capital gain incentive fee paid to the Adviser in Year 2) is $200,000

Scenario 2

Assumptions

Year 1: $20 million investment made in Company A ("***Investment A***"), $30 million investment made in Company B ("***Investment B***") and $25 million investment made in Company C ("***Investment C***")

Year 2: Investment A sold for $50 million, FMV of Investment B determined to be $25 million and FMV of Investment C determined to be $25 million

Year 3: FMV of Investment B determined to be $27 million and Investment C sold for $30 million

Year 4: FMV of Investment B determined to be $35 million

Year 5: Investment B sold for $20 million

The Incentive Fee on Capital Gains, if any, would be:

Year 1: None

Year 2: $5 million Incentive Fee on Capital Gains, because 20.0% multiplied by $25 million ($30 million realized capital gains on Investment A less unrealized capital depreciation on Investment B) is $5 million

Year 3: $1.4 million Incentive Fee on Capital Gains, because $6.4 million (20.0% multiplied by $32 million ($35 million cumulative realized capital gains less $3 million unrealized capital depreciation)) less $5 million capital gain incentive fee paid to the Adviser in Year 2 is $1.4 million

Year 4: None

Year 5: None, because $5 million (20.0% multiplied by $25 million (cumulative realized capital gains of $35 million less realized capital losses of $10 million)) less $6.4 million cumulative capital gain incentive fee paid to the Adviser in Year 2 and Year 3 is less than $0

* The returns shown are for illustrative purposes only. No Subordinated Incentive Fee on Income is payable to the Adviser in any calendar quarter in which the Corporation's Pre-Incentive Fee Net Investment Income does not exceed the Hurdle Rate. Positive returns are shown to demonstrate the fee structure and there is no guarantee that positive returns will be realized. Actual returns may vary from those shown in the examples above.

Exhibit 10.2

ADMINISTRATION AGREEMENT
BETWEEN
FS KKR CAPITAL CORP. II
AND
FS/KKR ADVISOR, LLC

This Administration Agreement (this "***Agreement***") is made this 18th day of December, 2019, by and between FS KKR CAPITAL CORP. II, a Maryland corporation (the "***Company***"), and FS/KKR ADVISOR, LLC, a Delaware limited liability company (the "***Administrator***").

WHEREAS, the Company is a non-diversified, closed-end management investment company that has elected to be regulated as a business development company under the Investment Company Act of 1940, as amended (the "***Investment Company Act***");

WHEREAS, simultaneously with the execution of this Agreement, the Company and the Administrator (in such capacity, the "***Adviser***") have entered into that investment advisory agreement (the "***Investment Advisory Agreement***") whereby the Adviser will furnish investment advisory services (the "***Investment Advisory Services***") on the terms and conditions set forth therein; and

WHEREAS, the Company desires to retain the Administrator to furnish administrative services (the "***Administrative Services***") to the Company on the terms and conditions hereinafter set forth, and the Administrator wishes to be retained to provide such services.

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration, the parties hereby agree as follows:

1. Duties of the Administrator.

(a) Retention of Administrator. The Company hereby appoints the Administrator to furnish, or arrange for others to furnish, the administrative services, personnel and facilities described below, subject to the supervision, direction and control of the board of directors of the Company (the "***Board***"), the provisions of the Company's articles of amendment and restatement (as may be amended from time to time, the "***Articles***") and bylaws (as may be amended from time to time, the "***Bylaws***"), and applicable federal and state law.

(b) Responsibilities of Administrator. The Administrator shall perform (or oversee, or arrange for, the performance of) the administrative services necessary for the operation of the Company, including providing general ledger accounting, fund accounting, legal services, government relations, investor relations and other administrative services. Without limiting the generality of the foregoing, the Administrator shall:

(i) provide the Company with office facilities and equipment, and provide clerical, bookkeeping, accounting and recordkeeping services, legal services, and shall provide all such other administrative services as the Administrator shall from time to time determine to be necessary or appropriate to perform its obligations under this Agreement;

(ii) on behalf of the Company, enter into agreements and/or conduct relations with custodians, depositories, transfer agents, distribution disbursing agents, distribution reinvestment plan administrators, shareholder servicing agents, accountants, auditors, tax consultants, advisers and experts, investment advisers, compliance officers, escrow agents, attorneys, dealer managers, underwriters, brokers and dealers, investor custody and share transaction clearing platforms, marketing, sales and advertising materials contractors, public relations firms, investor communication agents, printers, insurers, banks, third-party pricing or valuation firms, and such other persons in any such other capacity deemed to be necessary or desirable by the Administrator and the Company;

(iii) have the authority to enter into one or more sub-administration agreements (each, a "***Sub-Administration Agreement***") with other service providers (each, a "***Sub-Administrator***") pursuant to which the Administrator may obtain the services of service providers in fulfilling its responsibilities hereunder. Any such Sub-Administration Agreements shall be in accordance with the requirements of the Investment Company Act and other applicable federal and state law and shall contain a provision requiring the Sub-Administrator to comply with Sections 1(e) and 2 below as if it were the Administrator. The Administrator and not the Company shall be responsible for any compensation payable to any Sub-Administrator;

(iv) as may be requested, make reports to the Board of its performance of obligations hereunder;

(v) furnish advice and recommendations with respect to such other aspects of the business and affairs of the Company as the Administrator reasonably shall determine to be desirable;

(vi) assist the Company in the preparation of and maintaining the financial and other records that the Company is required to maintain and the preparation, printing and dissemination of reports that the Company is required to furnish to stockholders, and reports and other materials filed with the Securities and Exchange Commission (the "***SEC***"), any securities exchange or other regulatory authority;

(vii) provide on the Company's behalf managerial assistance to those portfolio companies to which the Company is required to provide such assistance to the extent such portfolio companies request such assistance;

(viii) assist the Company in determining and publishing the Company's net asset value, oversee the preparation and filing of the Company's tax returns, and generally oversee and monitor the payment of the Company's expenses; and

(ix) oversee the performance of administrative and other professional services rendered to the Company by others.

(c) Acceptance of Appointment. The Administrator hereby accepts such appointment and agrees during the term hereof to render the services described herein, subject to the reimbursement of costs and expenses provided for below, and subject to the limitations contained herein.

(d) Independent Contractor Status. The Administrator, and any others with whom the Administrator subcontracts to provide the services set forth herein, shall, for all purposes herein provided, be deemed to be independent contractors and, except as expressly provided or authorized herein or by other written agreement of the Company and the Administrator, shall have no authority to act for or represent the Company in any way or otherwise be deemed agents of the Company.

(e) Record Retention. Subject to review by, and the overall control of, the Board, the Administrator shall maintain and keep all books, accounts and other records of the Company that relate to the Administrative Services performed by the Administrator hereunder as required under the Investment Company Act or the Advisers Act, as applicable. The Administrator shall render to the Board such periodic and special reports as the Board may reasonably request or as may be required under applicable federal and state law, and shall make such records available for inspection by the Board and its authorized agents, at any time and from time to time during normal business hours. The Administrator agrees that all records that it maintains for the Company are the property of the Company and shall surrender promptly to the Company any such records upon the Company's request and upon termination of this Agreement pursuant to Section 7, *provided* that the Administrator may retain a copy of such records. The Administrator further agrees that the records which it maintains for the Company will be preserved in the manner and for the periods prescribed by the Investment Company Act and the Advisers Act, as applicable, unless any such records are earlier surrendered as provided above.

2. The Company's Responsibilities and Expenses Payable by the Company.

Subject to Exhibit A, the Company, either directly or through reimbursement to the Administrator, shall bear all costs and expenses of its operations and transactions not specifically assumed by the Adviser pursuant to the Investment Advisory Agreement, including (without limitation): organizational and offering expenses; corporate and organizational expenses relating to offerings of the Company's stock; the cost of calculating the Company's net asset value for each share class, as applicable, including the cost of any third-party pricing or valuation services; the cost of effecting sales and repurchases of shares of the Company's common stock and other securities; fees payable to third parties including, without limitation, agents, consultants or other advisors, relating to, or associated with,

making investments, monitoring investments and valuing investments, including fees and expenses associated with performing due diligence reviews of prospective investments; interest payments on the Company's debt or related obligations; transfer agent and custodial fees; research and market data (including news and quotation equipment and services, and any computer hardware and connectivity hardware (e.g., telephone and fiber optic lines) incorporated into the cost of obtaining such research and market data); fees and expenses associated with marketing efforts; federal and state registration or notification fees; federal, state and local taxes; fees and expenses of directors not also serving in an executive officer capacity for the Company or the Administrator; costs of proxy statements, stockholders' reports, notices and other filings; fidelity bond, directors and officers errors and omissions liability insurance and other insurance premiums; direct costs such as printing, mailing, long distance telephone and staff costs; fees and expenses associated with accounting, corporate governance, independent audits and outside legal costs; costs associated with the Company's reporting and compliance obligations under the Investment Company Act and applicable federal and state securities laws, including compliance with the Sarbanes-Oxley Act of 2002, as amended; all costs of registration and listing the Company's common stock or other securities on any securities exchange; brokerage commissions for the Company's investments; all other expenses incurred by the Administrator, any Sub-Administrator or the Company in connection with administering the Company's business, including expenses incurred by the Administrator or any Sub-Administrator in performing the Administrative Services for the Company and administrative personnel paid by the Administrator or any Sub-Administrator; and any expenses incurred outside of the ordinary course of business, including, without limitation, costs incurred in connection with any claim, litigation, arbitration, mediation, government investigation or similar proceeding and indemnification expenses as provided for in the Articles or Bylaws.

3. No Fee; Reimbursement of Expenses.

(a) In full consideration for the provisions of the services provided by the Administrator under this Agreement, the parties acknowledge that there shall be no separate fee paid in connection with the services provided, notwithstanding that the Company shall reimburse the Administrator no less than quarterly for all costs and expenses incurred by the Administrator in performing its obligations and providing personnel and facilities hereunder, subject to Exhibit A.

(b) The Administrator shall allocate the cost of such services to the Company based on factors such as total assets, revenues, time allocations and/or other reasonable metrics consistent with past practice (but solely to the extent such past practice is not inconsistent with the policies of the Administrator).

4. Other Activities of the Administrator.

The services provided by the Administrator to the Company are not exclusive, and the Administrator may engage in any other business or render similar or different services to others, so long as its services to the Company hereunder are not impaired thereby, and nothing in this Agreement shall limit or restrict the right of any manager, partner, member (including its members and the owners of its members), officer or employee of the Administrator to engage in any other business or to devote his or her time and attention in part to any other business, whether of a similar or dissimilar nature, or to receive any fees or compensation in connection therewith (including fees for serving as a director or trustee of, or providing consulting services to, one or more of the Company's portfolio companies, subject to applicable law). The Administrator assumes no responsibility under this Agreement other than to render the services called for hereunder. It is understood that directors, officers, employees and stockholders of the Company are or may become interested in the Administrator and its affiliates, as directors, officers, employees, partners, interestholders, members, managers or otherwise, and that the Administrator and directors, officers, employees, partners, interestholders, members and managers of the Administrator and its affiliates are or may become similarly interested in the Company as stockholders or otherwise.

5. Responsibility of Dual Directors, Officers and/or Employees.

If any person who is a manager, partner, member, officer or employee of the Administrator is or becomes a director, officer and/or employee of the Company and acts as such in any business of the Company, then such manager, partner, member, officer and/or employee of the Administrator shall be deemed to be acting in such capacity solely for the Company, and not as a manager, partner, member, officer or employee of the Administrator or under the control or direction of the Administrator, even if paid by the Administrator.

6. Indemnification.

The Administrator and any Sub-Administrator (and their officers, managers, partners, members (and their members, including the owners of their members), agents, employees, controlling persons (as defined in the Investment Company Act) and any other person or entity affiliated with, or acting on behalf of, the Administrator or Sub-Administrator) (each, an "***Indemnified Party***" and, collectively, the "***Indemnified Parties***"), shall not be liable to the Company for any action taken or omitted to be taken by any such Indemnified Party in connection with the performance of any of its duties or obligations under this Agreement or otherwise as the administrator of the Company, and the Company shall indemnify, defend and protect the Indemnified Parties (each of whom shall be deemed a third party beneficiary hereof) and hold them harmless from and against all damages, liabilities, costs and expenses (including reasonable attorneys' fees and amounts reasonably paid in settlement) ("***Losses***") incurred by the Indemnified Parties in or by reason of any pending, threatened or completed action, suit, investigation or other proceeding (including an action or suit by or in the right of the Company or its security holders) arising out of or otherwise based upon the performance of any of the Indemnified Parties' duties or obligations under this Agreement, any Sub-Administration Agreement or otherwise as the administrator of the Company, to the extent such Losses are not fully reimbursed by insurance, and to the extent that such indemnification would not be inconsistent with the Articles, the laws of the State of Maryland, the Investment Company Act or other applicable law. Notwithstanding the preceding sentence of this Section 6 to the contrary, nothing contained herein shall protect or be deemed to protect the Indemnified Parties against or entitle or be deemed to entitle the Indemnified Parties to indemnification in respect of, any Losses to the Company or its stockholders to which the Indemnified Parties would otherwise be subject by reason of willful misfeasance, bad faith or gross negligence in the performance of the Administrator's duties or by reason of the reckless disregard of the Administrator's duties and obligations under this Agreement (to the extent applicable, as the same shall be determined in accordance with the Investment Company Act and any interpretations or guidance by the SEC or its staff thereunder). In addition, notwithstanding any of the foregoing to the contrary, the provisions of this Section 6 shall not be construed so as to provide for the indemnification of any Indemnified Party for any liability (including liability under federal securities laws which, under certain circumstances, impose liability even on persons that act in good faith), to the extent (but only to the extent) that such indemnification would be in violation of applicable law, but shall be construed so as to effectuate the provisions of this Section 6 to the fullest extent permitted by law.

7. Duration and Termination of Agreement.

(a) Term. This Agreement shall remain in effect with respect to the Company for two (2) years commencing on the date hereof, and thereafter shall continue automatically for successive annual periods until terminated in accordance herewith.

(b) Termination. This Agreement may be terminated at any time, without the payment of any penalty, upon sixty (60) days' written notice to the other party. This Agreement and the rights and duties of a party hereunder may not be assigned, including by operation of law, by a party without the prior consent of the other party. The provisions of Section 6 of this Agreement shall remain in full force and effect, and the Administrator shall remain entitled to the benefits thereof, notwithstanding any termination of this Agreement.

(c) Payments to and Duties of Administrator Upon Termination.

(i) After the termination of this Agreement, the Administrator shall not be entitled to reimbursement for further services provided hereunder, except that it shall be entitled to receive from the Company within thirty (30) days after the effective date of such termination all unpaid reimbursements due and payable to the Administrator prior to termination of this Agreement.

(ii) The Administrator shall promptly upon termination:

(A) deliver to the Board a full accounting, including a statement showing all payments collected by it and a statement of all money held by it, covering the period following the date of the last accounting furnished to the Board;

(B) deliver to the Board all assets and documents of the Company then in custody of the Administrator; and

(C) cooperate with the Company to provide an orderly transition of the Administrative Services.

8. Notices.

Any notice under this Agreement shall be given in writing, addressed and delivered or mailed, postage prepaid, to the other party at its principal office.

9. Amendments.

This Agreement may be amended in writing by mutual consent of the parties hereto, subject to the provisions of the Investment Company Act.

10. Entire Agreement; Governing Law.

This Agreement contains the entire agreement of the parties and supersedes all prior agreements, understandings and arrangements with respect to the subject matter hereof.

Notwithstanding the place where this Agreement may be executed by any of the parties hereto, this Agreement shall be construed in accordance with the laws of the State of New York. For so long as the Company is regulated as a business development company under the Investment Company Act, this Agreement shall also be construed in accordance with the applicable provisions of the Investment Company Act, and any other then-current regulatory interpretations thereunder. To the extent the applicable laws of the State of New York, or any of the provisions herein, conflict with the provisions of the Investment Company Act, the latter shall control.

11. Severability.

If any provision of this Agreement shall be declared illegal, invalid, or unenforceable in any jurisdiction, then such provision shall be deemed to be severable from this Agreement (to the extent permitted by law) and in any event such illegality, invalidity or unenforceability shall not affect the remainder hereof.

12. Counterparts.

This Agreement may be executed in counterparts, each of which shall be deemed to be an original copy and all of which together shall constitute one and the same instrument binding on all parties hereto, notwithstanding that all parties shall not have signed the same counterpart.

13. Third Party Beneficiaries.

Except for any Sub-Administrator (with respect to Section 6) and any Indemnified Party, such Sub-Administrator and Indemnified Party, each being an intended beneficiary of this Agreement, this Agreement is for the sole benefit of the parties hereto and their permitted assigns and nothing herein express or implied shall give or be construed to give to any person, other than the parties hereto and such assigns, any legal or equitable rights hereunder.

14. Survival.

The provisions of Sections 6, 7(b), 7(c), 10, 13 and this Section 14 shall survive termination of this Agreement.

15. Listing

The provisions set forth in Exhibit A to this Agreement shall apply prior to a Listing. Following a Listing, the Company may restate this Agreement to remove this Section 15, Exhibit A and any reference to Exhibit A in this Agreement without any further action by the Board or the Company's stockholders.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed on the date above written.

FS KKR CAPITAL CORP. II

By: /s/ Stephen Sypherd
Name: Stephen Sypherd
Title: General Counsel and Secretary

FS/KKR ADVISOR, LLC

By: /s/ Stephen Sypherd
Name: Stephen Sypherd
Title: General Counsel and Secretary

EXHIBIT A

Capitalized terms used but not defined shall have the meanings ascribed to such terms in the Administration Agreement, dated as of December 18, 2019 (the "Agreement"), between FS KKR Capital Corp. II and FS/KKR Advisor, LLC

1. Limitations on Reimbursement of Expenses. Excluded from the allowable reimbursement shall be:

(a) rent or depreciation, utilities, capital equipment, and other administrative items of the Administrator; and

(b) salaries, fringe benefits, travel expenses and other administrative items incurred by or allocated to any controlling person (as defined in the Investment Company Act) of the Administrator (or any individual performing such services) or a holder of 10% or greater equity interest in the Administrator (or any person having the power to direct or cause the direction of the Administrator, whether by ownership of voting securities, by contract or otherwise).

2. Covenants of the Administrators

(a) Reports to Stockholders

(i) Previous Reimbursement Reports. The Administrator shall prepare or shall cause to be prepared a report, prepared in accordance with the American Institute of Certified Public Accountants United States Auditing Standards relating to special reports, and distributed to stockholders not less than annually, containing an itemized list of the costs reimbursed to the Adviser pursuant to Section 3 of the Agreement for the previous fiscal year. The special report shall at a minimum provide:

(A) A review of the time allocations of individual employees, the costs of whose services were reimbursed; and

(B) A review of the specific nature of the work performed by each such employee.

(b) Proposed Reimbursement Reports. The Administrator shall prepare or shall cause to be prepared a report containing an itemized estimate of all proposed expenses for which it shall receive reimbursements pursuant to Section 3 of the Agreement for the next fiscal year, together with a breakdown by year of such expenses reimbursed in each of the last five public programs formed by the Administrator.

(c) Reports to State Officials. The Adviser shall, upon written request of any official or agency administering the securities laws of a state, province or commonwealth, submit any of the reports and statements to be prepared and distributed by it pursuant to this Exhibit A, Section 2 to such official or agency.

Exhibit 99.1

FS/KKR Closes $9.5 Billion Merger Creating Second Largest Business Development Company

Philadelphia and New York, December 18, 2019 – FS/KKR Advisor, LLC (FS/KKR), a partnership between FS Investments and KKR Credit Advisors (US) LLC, today announced the closing of the mergers of four non-traded business development companies (BDCs): FS Investment Corporation II (FSIC II), FS Investment Corporation III (FSIC III), FS Investment Corporation IV (FSIC IV) and Corporate Capital Trust II (CCT II). The combined entity, which is named "FS KKR Capital Corp. II" (FSK II), becomes the second largest BDC with over $9.5 billion in assets and, as of September 30, 2019, 210 portfolio companies across 21 industries.

"As we explained in June when we announced our intention to merge these BDCs, we believe the scale, diversification, operating efficiencies and capital structure flexibility of the combined entity will drive shareholder value," said Michael Forman, Chairman and CEO of FSK II. "The mergers also represent a major milestone in our plan to list FSK II in 2020."

The mergers are also expected to reduce annual operating expenses through the elimination of duplicative legal, administrative, printing and other expenses.

Based on the merger exchange ratios, FSIC III, FSIC IV and CCT II shareholders will receive 0.9804, 1.3634 and 1.1319 FSK II shares, respectively, for each share of FSIC III, FSIC IV and CCT II held. These exchange ratios were determined based on the closing net asset value (NAV) per share of $7.36, $7.22, $10.03 and $8.33 for FSIC II, FSIC III, FSIC IV and CCT II, respectively, as of December 16, 2019, and ensure that the NAV of shares investors will own in FSK II will be equal to the NAV of the shares they held in each fund.

The company intends to list its common stock on the New York Stock Exchange during 2020, subject to market conditions and board approval. Prior to the listing, FSK II intends to issue 5.50% perpetual preferred shares equivalent to approximately 20% of FSK II's NAV, pro rata to all holders of FSK II common stock, subject to final board approval. FSK II's board of directors anticipates paying distributions on the company's common stock on a quarterly basis, with the first distribution expected to be declared in March 2020 and paid in early April 2020.

The mergers announced pursuant to this press release do not impact FS KKR Capital Corp. (NYSE: FSK), which also is advised by FS/KKR and trades on the New York Stock Exchange.

About FS/KKR Capital Corp. II

FSK II is a non-traded BDC focused on providing customized credit solutions to private middle market U.S. companies. FSK II seeks to invest primarily in the senior secured debt and, to a lesser extent, the subordinated debt of private middle market companies. FSK II is advised by FS/KKR Advisor, LLC.

About FS/KKR Advisor, LLC

FS/KKR is a partnership between FS Investments and KKR Credit that serves as the investment adviser to BDCs with approximately $17 billion in assets under management as of September 30, 2019. The BDCs managed by FS/KKR are FS KKR Capital Corp. and FS KKR Capital Corp. II.

FS Investments is a leading asset manager dedicated to helping individuals, financial professionals and institutions design better portfolios. The firm provides access to alternative sources of income and growth, and focuses on setting industry standards for investor protection, education and transparency. FS Investments is headquartered in Philadelphia, PA with offices in New York, NY, Orlando, FL and Washington, DC. Visit www.fsinvestments.com to learn more.

KKR Credit is a subsidiary of KKR & Co. Inc., a leading global investment firm that manages multiple alternative asset classes, including private equity, energy, infrastructure, real estate and credit, with strategic manager partnerships that manage hedge funds. KKR aims to generate attractive investment returns for its fund investors by following a patient and disciplined investment approach, employing world-class people, and driving growth and value creation with KKR portfolio companies. KKR invests its own capital alongside the capital it manages for fund investors and provides financing solutions and investment opportunities through its capital markets business. References to KKR's investments may include the activities of its sponsored funds. For additional information about KKR & Co. Inc. (NYSE: KKR), please visit KKR's website at www.kkr.com and on Twitter @KKR_Co.

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