DATE: MAY 6, 2020

SUBJECT: BAIN CAPITAL SPECIALTY FINANCE, INC. – RIGHTS DISTRIBUTION
OPTION SYMBOL: BCSF
NEW SYMBOL: BCSF1
DATE: 5/12/20

Bain Capital Specialty Finance, Inc. (BCSF) has declared a Rights distribution to BCSF Common Shareholders, as described below:

RIGHTS: Transferable Rights ("Rights") to purchase 1 Common Share of BCSF per 4 whole Rights at an estimated subscription price of $9.46 per share

PRICE: 92.5% of the volume-weighted average of the market prices of shares of BCSF common stock on the New York Stock Exchange (NYSE) for the five consecutive trading days ending on the expiration date, estimated to be $9.46, as described in the Prospectus dated May 5, 2020

DISTRIBUTION RATIO: One (1) transferrable Right for every BCSF Common Share held

RECORD DATE: May 13, 2020

EXPIRATION: 5:00 p.m., New York City time, on June 5, 2020, unless extended

DEPOSITARY: American Stock Transfer & Trust Company, LLC

GUARANTY PERIOD: Two business days

Bain Capital Specialty Finance, Inc. Rights are anticipated to begin trading on NYSE on when-issued basis on May 11, 2020 under the symbol “BCSF RT WI” and regular-way on May 15, 2020 under the symbol “BCSF RT”.

CONTRACT ADJUSTMENT

EFFECTIVE DATE: May 12, 2020

OPTION SYMBOL: BCSF becomes BCSF1

STRIKE DIVISOR: 1

CONTRACT MULTIPLIER: 1
NEW MULTIPLIER: 100 (e.g., a premium of 1.50 yields $150)

NEW DELIVERABLE PER CONTRACT
1) 100 Bain Capital Specialty Finance, Inc. (BCSF) Common Shares
2) 100 Bain Capital Specialty Finance, Inc. (BCSF RT) Rights (subject to delayed settlement until commencement of regular way trading)

SETTLEMENT ALLOCATION:
BCSF: TBD
BCSF RT: TBD

CUSIPS:
BCSF: 05684B107
BCSF RT: 05684B115

THE ALLOCATION OF THE AGGREGATE STRIKE PRICE AMOUNT IS BEING PROVIDED SOLELY FOR THE PURPOSE OF THE INTERFACE BETWEEN OCC AND THE NATIONAL SECURITIES CLEARING CORPORATION (NSCC), AND IS NOT INTENDED TO BE USED FOR ANY OTHER PURPOSE, TRANSACTION OR CUSTOMER ACCOUNT STATEMENTS.

PRICING
The underlying price for BCSF1 will be determined as follows:

$$BCSF1 = BCSF + BCSF \text{ RT}$$

DELAYED SETTLEMENT
The BCSF component of the BCSF1 exercise/assignment activity will settle through National Securities Clearing Corporation (NSCC). The Rights component of BCSF1 exercise/assignment activity will be subject to delayed settlement until the commencement of regular way trading. Upon commencement of regular way trading, the Rights component of BCSF1 exercise/assignment activity will settle through NSCC.

NOTE: The Rights component of adjusted option BCSF1 will remain part of the BCSF1 deliverable until the Rights have expired. Once the expiration of the Rights has been confirmed, the Rights component will be removed from the BCSF1 deliverable.

FURTHER CONTRACT ADJUSTMENT
When the Rights expire, adjusted BCSF1 options will be further adjusted to no longer call for the delivery of the Rights. **No adjustment will be made to the adjusted contracts to compensate for any in-the-money value the Rights may have at the time of their expiration.**

EXERCISE CONSIDERATIONS
The Rights are to be suspended from trading before the open on June 5, 2020 and are expected to expire at 5:00 p.m., New York City time, on June 5, 2020. Shares for which there is no subscription during the primary subscription will be offered, by means of the over-subscription privilege, first to record date stockholders who fully exercise the rights issued to them pursuant to this offering. Once over-subscription privileges exercised by record date stockholders have been met, any non-record date rights holder who exercises rights is entitled to subscribe for remaining shares that are not otherwise subscribed for by record date stockholders.
Call option holders who wish to exercise their adjusted options to obtain the Rights for subsequent exercise, sale or other purposes bear sole responsibility for determining when to exercise their options as well as complying with all terms and conditions of the Rights offering applicable to Rights exercise or delivery.

DELIVERY SETTLEMENT AND PROTECT PROVISIONS

Option contracts which are exercised, and physically-settled security Futures contracts which mature, will require the settlement of all component securities included in the contract deliverable at the time of the option contract exercise, including rights, warrants, or similar instruments. Additional entitlements (such as due bills, eligibility to participate in tender offers, elections, etc.) may also automatically attach to securities deliverable upon option exercise. Conversely, exercised calls and or matured Futures contracts may be unable to realize the benefit of securities or entitlements not associated to the contract deliverable at the time of the option exercise or Option contract maturity.

Except in unusual cases, securities deliverable as a result of equity option exercises and or Option contract maturity are settled through National Securities Clearing Corporation (NSCC).

Rights and obligations of Members with respect to securities settling at NSCC as a result of an option exercise/assignment are governed by the rules of NSCC. NSCC has its own rules which enable purchasers of securities to protect themselves for value which may be lost if timely delivery is not made to them of securities subject to specific deadlines, such as the expiration of a tender offer, rights offering, election, or similar event. These rules are generally called protect or liability notice procedures, and are intended to protect purchasers by binding the delivering parties to liability if such value is lost because timely delivery is not effected. Purchasers of securities must observe the rules and procedures of NSCC to avail themselves of such protect provisions of NSCC. Questions regarding these provisions should be addressed to NSCC.

SPECIAL RISKS

Call Holders/ Put Writers

As a result of the adjustment described above, the Rights will be part of the adjusted BCSF1 options deliverable, but only until the Rights expire, after which time they will be dropped from the deliverable of the option contract. When the Rights expire and are dropped from the deliverable of the option contract, any value the Rights may have had will no longer be associated with the option contract. As a result, holders of in-the-money calls may be disadvantaged unless they exercise in sufficient time to obtain the Rights. After the Rights expire and are dropped from the deliverable of the option contract, holders of short put positions who are assigned will be required to purchase BCSF stock whose value may have been substantially diminished by the Rights distribution.

Uncovered Short Obligations

Holders of assigned calls or exercised puts, and holders of short positions in physically-settled security Futures at maturity who do not possess the underlying security at the time of assignment or exercise are subject to special risk. Suspension of trading of the underlying security, inability to borrow the security, or similar events may preclude the possibility of effecting timely delivery, thereby exposing persons with an obligation to deliver to liability if timely delivery is not effected (See Delivery Settlement and Protect Provisions above).

DISCLAIMER

This Information Memo provides an unofficial summary of the terms of corporate events affecting listed options or futures prepared for the convenience of market participants. OCC accepts no responsibility for the accuracy or completeness of the summary, particularly for information which may be relevant to
investment decisions. Option or futures investors should independently ascertain and evaluate all information concerning this corporate event(s).

The determination to adjust options and the nature of any adjustment is made by The OCC pursuant to OCC By-Laws, Article VI, Sections 11 and 11A. The determination to adjust futures and the nature of any adjustment is made by OCC pursuant to OCC By-Laws, Article XII, Sections 3, 4, or 4A, as applicable. For both options and futures, each adjustment decision is made on a case by case basis. Adjustment decisions are based on information available at the time and are subject to change as additional information becomes available or if there are material changes to the terms of the corporate event(s) occasioning the adjustment.

ALL CLEARING MEMBERS ARE REQUESTED TO IMMEDIATELY ADVISE ALL BRANCH OFFICES AND CORRESPONDENTS ON THE ABOVE.

For questions regarding this memo, call Investor Services at 1-888-678-4667 or email investorservices@theocc.com. Clearing Members may contact Member Services at 1-800-544-6091 or, within Canada, at 1-800-424-7320, or email memberservices@theocc.com.