



COMPENSATION COMMITTEE CHARTER

I. Mission Statement

The Compensation Committee (the "Committee") is established by the Board of Directors (the "Board") of Hercules Capital, Inc. (the "Company"). The purpose of the Committee is to assist the Board in fulfilling its oversight responsibilities related to the Company's compensation structure and compensation, including equity compensation, paid by the Company.

II. Membership and Qualifications

Membership: The members of the Committee shall be appointed by the Board and will serve at the discretion of the Board in accordance with the Company's bylaws. The Committee shall consist of not less than three (3) independent members of the Board. Each Committee member shall serve for a term of one (1) year or until the successor shall be duly elected and shall be elected annually by the Board.

Qualifications: Each member of the Committee may not be an "interested person" of the Company, as that term is defined in Section 2(a)(19) of the Investment Company Act of 1940, as amended (the "1940 Act"), and members of the Committee shall not have participated in the preparation of the financial statements of the Company or any of its subsidiaries at any time during the preceding three years. Each member of the Committee shall qualify as an "outside director" within the meaning of Section 162(m) of the Internal Revenue Code, shall be a "non-employee director" within the meaning of Rule 16b-3 under the Securities Exchange Act of 1934, shall comply with the director independence requirements of the New York Stock Exchange (the "NYSE") as such requirements are interpreted by the Board in its business judgment, and the Board shall annually review the Committee's compliance with such requirements.

Chairman: One member of the Committee shall be appointed by the Board as Committee Chairman.

Resignation, Removal and Replacement: Any member of the Committee may resign from the Committee at any time upon notice of such resignation to the Company. The Board shall have the power at any time to remove a member of the Committee with or without cause, to fill all vacancies, and to designate alternate members, upon the recommendation of the Committee, to replace any absent or disqualified members, so long as the Committee shall at all times have at least three (3) members and be composed solely of independent directors.

III. Meetings and Other Actions

The Committee shall meet at least once a year and at such additional times as may be necessary and appropriate to carry out its responsibilities. All meetings and other actions by the Committee shall be organized and governed as follows:



- A. Action may be taken by the Committee upon the affirmative vote of a majority of the members present at a meeting if a quorum of Committee members is present, as defined in the Company's bylaws;
- B. Any two members, the Chairman of the Committee or the Chairman of the Board and/or the Chief Executive Officer of the Company (the "CEO") may call a meeting of the Committee whenever deemed necessary;
- C. Action may be taken by the Committee without a meeting if all of the members of the Committee indicate their approval thereof in writing or by electronic transmission;
- D. The Committee may invite any member of the Board who is not a member of the Committee, officer, employee, counsel, or representatives of service providers or other persons to attend meetings and provide information to the Committee as appropriate;
- E. Members of the Committee may participate in a meeting by means of a conference telephone or similar communications equipment if all persons participating can hear each other at the same time. Participation in a meeting by these means constitutes presence in person at the meeting;
- F. The Committee shall keep regular minutes of its meetings and records of decisions taken without a meeting and cause them to be recorded in the Company's minute book; and
- G. Notice of Committee meetings shall be given in accordance with the Company's bylaws.

IV. Goals, Responsibilities and Authority

The following are the general responsibilities of the Committee and are set forth only for its guidance. The Committee may assume such other responsibilities as it deems necessary or appropriate in carrying out its purpose as set forth herein or as otherwise required by applicable law.

Nothing in this Compensation Committee Charter shall be interpreted as diminishing or derogating from the responsibilities of the Board of Directors.

In carrying out its mission, the Committee shall have direct responsibility and authority to perform the following duties:

Executive Position, Compensation and Remunerations

- A. Annually, review and approve corporate goals and objectives relevant to the CEO and other executive officer's total compensation, evaluate the CEO's and other executive officers' performance (in light of those goals and objectives) establish and review the Company's compensation philosophy and practices, generally, and, together with the Company's CEO, evaluate and approve the compensation of the Company's other executive officers; the Committee or its designee may engage in shareholder outreach



- to ascertain the views of the Company's shareholders on compensation matters and take such views into consideration in satisfying the Committee's duties hereunder with respect to determinations on compensation for all of the Company's executive officers;
- B. Annually, recommend to the Board the compensation to be paid to the Company's CEO (for the approval of such compensation by a majority of the independent directors required for purposes of the 1940 Act), and approve other non-CEO executive compensation including any long-term incentive component of each executive officer's compensation (and the Committee is permitted to take into account numerate and qualitative factors with respect to corporate and individual performance in recommending and/or approving compensation); provided, however, that any awards given to any employee under any equity plan shall be approved by the required majority (as such term is defined in the 1940 Act) of the Company's directors;
 - C. Annually, review the corporation's compensation practices and the relationship among risk, risk management and compensation in light of the corporation's objectives, including its safety and soundness and the avoidance of practices that would encourage excessive risk;
 - D. Periodically, review the Company's incentive compensation plans and perquisites, if any, to ensure such plans are consistent with the Company's goals and objectives and appropriately aligning executive officers' interests with those of the Company's shareholders, make recommendations to the Board regarding the adoption of new employee incentive compensation plans and equity-based plans, and administer the Company's existing incentive compensation plans and equity-based plans; provided, that, all incentive compensation plans, equity plans and perquisites shall conform to any applicable requirements of the 1940 Act; and
 - E. Annually, evaluate the compensation of directors, including compensation for service on Board Committees, and make recommendations to the Board regarding adjustments to such compensation.

Other

- A. Prepare the Compensation Committee Report on executive compensation for inclusion in the Company's annual report on Form 10-K or the Company's proxy statement for the annual meeting of shareholders in accordance with Item 407(e)(5) of Regulation S-K;
- B. Annually review and discuss with Company management the executive compensation disclosure to be included in the Company's annual report on Form 10-K or the Company's proxy statement for the annual meeting of shareholders, including the Compensation Discussion and Analysis ("CD&A") required by Item 402 of Regulation S-K;
- C. Subsequent to such review and discussion determine whether to recommend to the Board that such disclosure be included in the Company's annual report on Form 10-K or the Company's proxy statement for the annual meeting of shareholders;



- D. Consider the results of prior advisory proposals on named executive officer compensation submitted to shareholders in connection with assessment of executive compensation;
- E. Review, approve, amend and terminate compensation arrangements between the Company and any executive officer of the Company, including employment agreements, bonus arrangements, severance agreements and similar arrangements for such persons, and provide general oversight for, and periodically making recommendations regarding, any compensation arrangements with non-executive officer employees of the Company;
- F. Periodically, review and assess the adequacy of this Compensation Committee Charter and submit any changes to the Board for approval;
- G. Report recommendations to the Board on a regular basis and annually perform, or participate in, an evaluation of the Committee (and of its performance), the results of which shall be presented to the Board;
- H. Review such other matters as the Board or the Committee shall deem appropriate.

The Committee shall oversee the Company's compliance with the Securities and Exchange Commission's rules and regulations regarding shareholder approval of certain executive compensation matters, including advisory votes on executive compensation and the frequency of such votes, and the requirement under NYSE rules that, with limited exceptions, shareholders approve equity compensation plans.

The Committee shall receive periodic reports on the Company's compensation programs as they affect all employees.

In discharging its duties hereunder, the Committee shall have the sole authority, to the extent it deems necessary or appropriate, to retain, oversee and compensate a compensation consultant, independent legal, accounting or other advisors. The Committee shall be directly responsible for the appointment, compensation and oversight of the work of any compensation consultant, independent legal counsel or other advisor retained by the Committee. The Company shall provide for appropriate funding, as determined by the Committee, for payment of reasonable compensation to any advisors employed by the Committee, and for ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties. In retaining compensation advisors, the Committee shall consider the independence requirements for such compensation advisors as set forth by the NYSE, as such requirements are interpreted by the Board in its business judgment. Such consideration shall include the following factors:

- i. the provision of other services to the Company by the person that employs the compensation consultant, legal counsel or other adviser;
- ii. the amount of fees received from the Company by the person that employs the compensation consultant, legal counsel or other adviser, as a percentage of the total revenue of the person that employs the compensation consultant, legal counsel or other adviser;



- iii. the policies and procedures of the person that employs the compensation consultant, legal counsel or other adviser that are designed to prevent conflicts of interest;
- iv. any business or personal relationship of the compensation consultant, legal counsel or other adviser with a member of the compensation committee;
- v. any stock of the Company owned by the compensation consultant, legal counsel or other adviser; and
- vi. any business or personal relationship of the compensation consultant, legal counsel, other adviser or the person employing the adviser with an executive officer of the Company.

The Committee shall not be required to implement or act consistently with the advice of any compensation consultant, independent legal counsel or other advisor retained by the Committee.

The Committee may form subcommittees from among the Committee members, but the subcommittee shall only make recommendations to the Committee and shall not have the authority to take actions of its own.

V. Disclosure of Charter

This charter will be made available on the Company's website at www.htgc.com.

Amended and restated on October 12, 2016.