

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

SCHEDULE 14A
(Rule 14a-101)

Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934 (Amendment No.)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to 240.14a-12

180 DEGREE CAPITAL CORP.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
 - (1) Title of each class of securities to which transaction applies: _____
 - (2) Aggregate number of securities to which transaction applies: _____
 - (3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined): _____
 - (4) Proposed maximum aggregate value of transaction: _____
 - (5) Total fee paid: _____
- Fee paid previously with preliminary materials.
- Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.
 - (1) Amount Previously Paid: _____
 - (2) Form, Schedule or Registration Statement No.: _____
 - (3) Filing Party: _____
 - (4) Date Filed: _____



NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

TO BE HELD ON MAY 14, 2020

To the Shareholders of 180 Degree Capital Corp.:

NOTICE IS HEREBY GIVEN that the 2020 Annual Meeting of Shareholders (the "Annual Meeting") of 180 Degree Capital Corp. (the "Company") will be held on Thursday, May 14, 2020, at 10:00 a.m., local time, at the offices of Schulte, Roth & Zabel, LLP, 919 Third Avenue, New York, New York 10022. This meeting has been called by the Board of Directors of the Company, and this notice is being issued at its direction. It has called this meeting for the following purposes:

1. To elect five directors of the Company to hold office until the next annual meeting of shareholders or until their respective successors have been duly elected and qualified;
2. To approve an amendment to the Company's restated certificate of incorporation to effect a reverse stock split of the Company's common stock, by a ratio of not less than 1-for-2 and not more than 1-for-4, and a proportionate reduction in the number of authorized shares of common stock (the stock split together with the reduction are referred to herein as the "Reverse Stock Split"), such ratio and the implementation and timing of such Reverse Stock Split to be determined in the discretion of the Board of Directors of the Company;
3. To ratify, confirm and approve the Audit Committee's selection of PricewaterhouseCoopers LLP as the independent registered public accountant for the fiscal year ending December 31, 2020;
4. To transact such other business as may properly come before the Annual Meeting or any postponements or adjournments thereof.

We encourage you to contact us at 973-746-4500, from 9:00 a.m. to 5:00 p.m. EDT, if you have any questions.

Our proxy statement is available at: <https://ir.180degreecapital.com/sec-filings>

Our annual report is available at: <https://ir.180degreecapital.com/financial-results>

Holders of record of the Company's common stock as of the close of business on [March 16, 2020], will be entitled to vote at the Annual Meeting.

Whether or not you expect to be present in person at the Annual Meeting, please sign and date the accompanying proxy card and return it promptly in the enclosed business reply envelope, which requires no postage if mailed in the United States, so you will be represented at the Annual Meeting. Even if you vote your shares prior to the Annual Meeting, you may attend and vote your shares in person.

By Order of the Board of Directors,

Kevin M. Rendino
Chairman and Chief Executive Officer

[•]
Montclair, New Jersey

**IMPORTANT: PLEASE MAIL YOUR PROXY CARD PROMPTLY IN THE ENCLOSED ENVELOPE.
THE MEETING DATE IS MAY 14, 2020.**

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7 N. Willow Street, Suite 4B
Montclair, NJ 07042
(973) 746-4500

**PROXY STATEMENT
FOR THE
ANNUAL MEETING OF SHAREHOLDERS
TO BE HELD ON MAY 14, 2020**

This proxy statement is being furnished in connection with the solicitation of proxies by the board of directors (the "Board") of 180 Degree Capital Corp. (the "Company," "180", "we," "us" or "our") for use at our upcoming 2020 Annual Meeting of Shareholders (the "Annual Meeting"), which will be held on Thursday, May 14, 2020, at 10:00 a.m., local time, at the offices of Schulte, Roth & Zabel, LLP, 919 Third Avenue, New York, New York 10022, and at any postponements or adjournments thereof. We are mailing this proxy statement and the accompanying notice and proxy card, to the Company's shareholders entitled to vote at the Annual Meeting on or about [•].

ABOUT THE MEETING

What is the purpose of the Annual Meeting?

At the Annual Meeting, you will be asked to vote on the following proposals:

1. To elect five directors of the Company to hold office until the next annual meeting of shareholders or until their respective successors have been duly elected and qualified ("Election of Directors Proposal");
2. To approve an amendment to the Company's restated certificate of incorporation to effect a reverse stock split of the Company's common stock, by a ratio of not less than 1-for-2 and not more than 1-for-4, and a proportionate reduction in the number of authorized shares of common stock (the stock split together with the reduction are referred to herein as the "Reverse Stock Split"), such ratio and the implementation and timing of such Reverse Stock Split to be determined in the discretion of the Board of Directors of the Company ("Reverse Stock Split Proposal");
3. To ratify, confirm and approve the Audit Committee's selection of PricewaterhouseCoopers LLP as the independent registered public accountant for the fiscal year ending December 31, 2020 ("Selection of Independent Registered Public Accountant Proposal"); and
4. To transact such other business as may properly come before the meeting or any postponements or adjournments thereof.

We are not aware of any other matter that will be presented for your vote at the Annual Meeting.

Who is entitled to vote?

Only shareholders of record at the close of business on the Record Date, [March 16, 2020], are entitled to receive notice of and to vote the shares of our common stock that they held on the Record Date at the Annual Meeting, or any postponements or adjournments thereof. Each outstanding share of common stock, as of the Record Date, entitles its holder as of the Record Date to cast one vote on each matter acted upon at the Annual Meeting. As of the Record Date, there were 31,121,562 shares of our common stock outstanding. If your shares are held for your account by a broker, bank or other institution or nominee, you may vote such shares at the Annual Meeting only if you obtain proper written authority from your institution or nominee that you present at the Annual Meeting.

How is a quorum determined?

A quorum of our shareholders must be represented at the Annual Meeting for any business to be conducted. Our Bylaws provide that a majority of the shareholders entitled to vote, present in person or by proxy, is necessary to constitute a quorum for the transaction of business at the Annual Meeting. Abstentions and Broker Non-Votes will be counted as shares represented at the Annual Meeting for purposes of determining the existence of a quorum. A "Broker Non-Vote" occurs when a broker holding shares for a beneficial owner does not vote on a particular proposal because the broker does not have discretionary voting power for that particular item and has not received instructions from the beneficial owner or other persons entitled to vote.

How can I vote?

We encourage you to vote your shares, either by voting in person at the Annual Meeting or by granting a proxy (i.e., authorizing someone to vote your shares). If you properly sign and date the accompanying proxy card and the Company receives it prior to the Annual Meeting, the persons named as proxies will vote the shares registered directly in your name in the manner that you specified. If you are a stockholder of record (i.e., you hold shares directly in your name), you may revoke a proxy at any time before it is exercised by written notification delivered to our Secretary, by voting in person at the Annual Meeting, or by executing another proxy bearing a later date. **If you give no instructions on the proxy card, the shares covered by the proxy card will be voted "FOR" each of the matters listed in this proxy statement. If any other matters properly come before the Annual Meeting, the persons named on the proxies will vote upon such matters at their discretion.**

What does it mean if I receive more than one proxy card?

If you receive more than one proxy card, your shares are registered in more than one name or are registered in different accounts. Please complete, sign and return each proxy card to ensure that all of your shares are voted.

What vote is required to approve each proposal?

Election of Directors. For the Election of Directors Proposal, the directors will be elected by a plurality of the votes cast at the Annual Meeting. Broker Non-Votes will not be included in determining the number of votes cast and, as a result, will have no effect on this proposal.

Reverse Stock Split. For the Reverse Stock Split Proposal, approval requires the affirmative vote of the holders of a majority of the outstanding common stock of 180 entitled to vote on the matter at the Annual Meeting (meaning that of the shares of common stock outstanding on the record date for the Annual Meeting, a majority of them must be voted "FOR" the Reverse Stock Split Proposal for it to be approved). For purposes of the vote on this Reverse Stock Split Proposal, an abstention, a broker non-vote or a failure to submit a proxy card or vote by telephone, over the Internet or in person at the Annual Meeting will have the same effect as voting "AGAINST" the Reverse Stock Split Proposal. Under NYSE rules, the Reverse Stock Split Proposal is considered a "discretionary" item. Consequently, a broker who is a member of the NYSE will have discretion to vote your shares and, therefore, may vote your shares with respect to the Reverse Stock Split Proposal if you do not provide your broker with instructions on such proposal and so we do not anticipate any broker non-votes with respect to the Reverse Stock Split Proposal.

Selection of Independent Registered Public Accountant. For the Selection of Independent Registered Public Accountant Proposal, the proposal will be approved if a majority of the votes cast are cast in favor. Abstentions will not be included in determining the number of votes cast and, as a result, will have no effect on this proposal. Because brokers will have discretionary authority to vote for the ratification of the appointment of the Company's independent registered public accounting firm in the event that they do not receive voting instructions from the beneficial owner of the shares, your broker will be permitted to vote your shares for this proposal.

Other Matters. All other matters being submitted to a shareholder vote pursuant to the Notice of Annual Meeting will be approved if a majority of the votes cast on a particular matter are cast in favor of that matter.

Why is 180 seeking to have its shareholders approve an amendment to 180's restated certificate of incorporation to effect a Reverse Stock Split?

The Board of Directors believes that the Reverse Stock Split, if implemented, will make the Company's common stock more attractive to a broader range of institutional and other investors, as the Board of Directors believes that the current market price of the Company's common stock may affect its acceptability to certain institutional investors, professional investors and other members of the investing public.

What are Broker Non-Votes?

Generally, Broker Non-Votes occur when shares held by a broker, bank or other nominee in "street name" for a beneficial owner are not voted with respect to a particular proposal because the broker, bank or other nominee has not received voting instructions from the beneficial owner and lacks discretionary voting power to vote those shares with respect to that particular proposal. If your shares are held in the name of a brokerage firm, and the brokerage firm has not received your voting instructions with respect to that proposal, the brokerage firm cannot vote the shares on that proposal unless it is a "routine" matter. The Election of Directors Proposal and the Reverse Stock Split Proposal are not considered a "routine" matters.

What happens if a quorum is not present at the Annual Meeting?

If a quorum is not present at the scheduled time of the Annual Meeting, we may adjourn the meeting, either with or without the vote of shareholders. If we propose to have the shareholders vote whether to adjourn the Annual Meeting, the proxy holders will vote all shares for which they have authority in favor of the adjournment. We may also adjourn the Annual Meeting if for any reason we believe that additional time should be allowed for the solicitation of proxies. An adjournment will have no effect on the business that may be conducted at the Annual Meeting.

Who will bear the costs of this solicitation?

The Company will bear the costs of this solicitation. Proxies are being solicited by Broadridge Financial Solutions, Inc., pursuant to its standard contract as proxy solicitor, the cost of which will be borne by us and is estimated to be approximately \$25,000 plus out-of-pocket expenses. We will pay the cost of this solicitation of proxies by mail. Our officers and regular employees may also solicit proxies in person or by telephone without additional compensation. We will make arrangements with brokerage houses, custodians, nominees and other fiduciaries to send proxy materials to their principals, and we will reimburse these persons for related postage and clerical expenses. It is estimated that those costs will be approximately \$10,000.

May I revoke my vote?

Any proxy given pursuant to this solicitation may be revoked by a shareholder at any time, before it is exercised, by written notification delivered to our Secretary, by voting in person at the Annual Meeting, or by executing another proxy bearing a later date.

What are the deadlines to nominate directors or to propose other business for consideration at the 2021 Annual Meeting of Shareholders?

Under Securities and Exchange Commission (“SEC”) rules, any shareholder proposals intended to be considered or presented for inclusion in our proxy statement and form of proxy for the 2021 Annual Meeting of Shareholders must be received in writing by the Secretary of the Company at 180 Degree Capital Corp., 7 N. Willow Street, Suite 4B, Montclair, NJ 07042, no later than January 1, 2021. In the event that the date of the 2021 Annual Meeting of Shareholders is changed by more than 30 days from the date of this year's meeting, we will announce the deadline for submitting shareholder proposals. Such deadline will be a reasonable time before the company begins to print and mail its proxy materials.

Under our Bylaws, nominations for directors may be made only by the Board, by the Nominating Committee, or by a shareholder entitled to vote who has delivered written notice to our Secretary (containing certain information specified in the Bylaws) not less than 90 days or more than 120 days prior to the anniversary of the date of the immediately preceding Annual Meeting of Shareholders (i.e., between January 15, 2020, and February 14, 2020); provided, however, that in the event that the Annual Meeting is called for a date that is not within 30 days before or after such anniversary date, notice by the shareholder in order to be timely must be so received not later than the close of business on the 10th day following the day on which notice of the date of the Annual Meeting was mailed or such public disclosure of the date of the Annual Meeting was made, whichever first occurs. Proposals must also comply with the other requirements contained in the Company's Bylaws. Submission of a proposal does not guarantee inclusion in the proxy statement, as the requirements of certain federal laws and regulations must be met by such proposals.

Rule 14a-4 of the SEC's proxy rules allows us to use discretionary voting authority to vote on matters coming before an annual meeting of shareholders when we do not have notice of the matter at least 45 days before the anniversary of the date on which we first mailed the proxy materials for the prior year's annual meeting of shareholders or the date specified by the advance notice provision in our Bylaws. Our Bylaws contain such an advance notice provision as described above. For our 2021 Annual Meeting of Shareholders, expected to be held in May 2021, shareholders must submit such written notice to our Secretary in accordance with the advance notice provision, as described above.

A copy of the provisions in the Bylaws discussed above may be obtained by submitting a written request to our Secretary.

How many shares do the Company's principal shareholders, directors and executive officers own?

Set forth below is information, as of [March 16, 2020], with respect to the beneficial ownership of our common stock by (i) each person who is known by us to be the beneficial owner of more than five percent of the outstanding shares of our common stock, (ii) each of our directors and nominees, (iii) each of our executive officers (as defined below) and (iv) all of our directors and executive officers as a group. Except as otherwise indicated, to our knowledge, all shares are beneficially owned and investment and voting power is held by the persons named as owners. None of the shares owned by directors or officers have been pledged. Some of the information in the table below is from publicly available information that may be as of dates earlier than [March 16, 2020]. The percentage of ownership is based on 31,121,562 shares of common stock outstanding as of [March 16, 2020], together with the exercisable options and/or shares of restricted stock for such shareholder, as applicable. In computing the percentage ownership of a shareholder, shares that can be acquired upon the exercise of outstanding options or shares of restricted stock are not deemed outstanding for purposes of computing the percentage ownership of any other person. Unless otherwise provided, the address of each holder is c/o 180 Degree Capital Corp., 7 N. Willow Street, Suite 4B, Montclair, NJ 07042.

Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership ⁽¹⁾	Percentage of Outstanding Common Shares Owned
Independent Directors:		
Stacy R. Brandom	[56,116]	*
Charles E. Ramsey	[100,302]	*
Richard P. Shanley	[82,729]	*
Parker A. Weil	[33,100]	*
Interested Directors⁽²⁾:		
Kevin M. Rendino	[755,401]	[2.4]
Daniel B. Wolf ⁽³⁾	[310,000]	*
Executive Officers:		
Robert E. Bigelow, III	[177,450]	*
Alicia M. Gift	[49,799]	*
All directors and executive officers as a group (8 persons)	[1,564,897]	[5.0]
Five Percent Shareholders:		
Ariel Investments, LLC ⁽⁴⁾ 200 E. Randolph Drive, Suite 2900 Chicago, IL 60601	[2,978,818]	[9.6]
Financial Consulate, Inc. ⁽⁵⁾ 201 International Circle, Suite 520 Hunt Valley, MD 21030	[2,171,342]	[7.0]

* Less than 1 percent.

(1) Beneficial ownership has been determined in accordance with Rule 13d-3 of the Securities Exchange Act of 1934 (the "1934 Act").

(2) Denotes an individual who is an "interested person" as defined in the Investment Company Act of 1940 (the "1940 Act").

(3) Includes 11,150 shares owned jointly with wife.

(4) Based on information obtained in a Schedule 13F filed on February 14, 2020, Ariel Investments, LLC has sole dispositive and voting power for these shares.

(5) Based on information obtained in a Schedule 13F filed on January 22, 2020, Financial Consulate, Inc. has sole dispositive and voting power for these shares.

Set forth below is the dollar range of equity securities beneficially owned by each director or nominee as of [March 16, 2020].

Name of Director or Nominee	Dollar Range of Equity Securities Beneficially Owned ⁽¹⁾⁽²⁾⁽³⁾
Independent Directors:	
Stacy R. Brandom	[Over \$100,000]
Charles E. Ramsey	[Over \$100,000]
Richard P. Shanley	[Over \$100,000]
Parker A. Weil	[\$50,001-\$100,000]
Interested Directors⁽⁴⁾:	
Kevin M. Rendino	[Over \$100,000]
Daniel B. Wolfe	[Over \$100,000]

⁽¹⁾ Beneficial ownership has been determined in accordance with Rule 16a-1(a)(2) under the 1934 Act.

⁽²⁾ The dollar ranges are: none, \$1-\$10,000, \$10,001-\$50,000, \$50,001-\$100,000 and over \$100,000.

⁽³⁾ The dollar ranges are based on the price of the equity securities as of [March 16, 2020].

⁽⁴⁾ Denotes an individual who is an “interested person” as defined in the Investment Company Act of 1940 (the “1940 Act”).

While the Company does not currently have any formal share ownership guidelines, in 2019 and through the record date, the executive officers and directors increased their ownership in the Company by [373,639] shares by buying in the open market.

Do dissenting shareholders have appraisal rights?

Shareholders do not have any appraisal rights in connection with the Election of Directors Proposal, the Reverse Stock Split Proposal or the Selection of Independent Registered Public Accountant Proposal.

ELECTION OF DIRECTORS

(Proposal No. 1)

The five nominees listed below have been nominated to serve as our directors until the next annual meeting or until their respective successors are duly elected and qualified. The Board currently consists of five members with no vacancies. All five of the director nominees currently serve as directors. Mr. Charles E. Ramsey, who currently serves on the Board is retiring from the Board and is not standing for election at this Meeting. Although it is not anticipated that any of the nominees will be unable or unwilling to serve, in the unexpected event that any such nominees should become unable or decline to serve, it is intended that votes will be cast for substitute nominees designated by our present Board.

THE BOARD RECOMMENDS THAT YOU VOTE “FOR” ALL OF THE NOMINEES.

Nominees

Certain information, as of [March 16, 2020], with respect to each of the five nominees for election at the Annual Meeting is set forth below, including their names, ages and a brief description of their recent business experience and qualifications, including principal occupations for the past five years, certain directorships held by each and the year in which each became a director of the Company. All of the nominees have agreed to serve for a one-year term if elected and consent to being referred to in this proxy statement. The nominees for election as directors of the Company have been divided into two groups -- interested directors and independent directors. Interested directors are “interested persons” as defined in the 1940 Act. We do not currently have an advisory board.

Interested Directors

Kevin M. Rendino. Mr. Rendino, age 53, has served as Chairman, Chief Executive Officer and Portfolio Manager of the Company since March 2017. He has served as a member of the Company's Board since June 2016. Mr. Rendino is a financial services leader with three decades of Wall Street experience in capital markets, value investing and global equity markets. For over twenty years, Mr. Rendino worked on one fund, Basic Value Fund, with a consistent Graham and Dodd focus, at the same firm, BlackRock/Merrill Lynch. He was the value team leader, overseeing 11 funds and \$13 billion in assets, a member of BlackRock's Leadership Committee and a frequent contributor to CNBC, Bloomberg TV, Fox Business, The New York Times and The Wall Street Journal. For the entirety of his money management career, Mr. Rendino ranked in top quartile and beat competitor average and SPX by over 100 basis points. He received numerous Lipper awards for Investment Excellence during his tenure. Since March 2019, Mr. Rendino has served as a member of the Board of Directors of Synacor, Inc., a portfolio company in which we have an investment. From November 2017 to August 2019, Mr. Rendino served as a member of the Board of Directors of TheStreet, Inc., a portfolio company in which we had an investment. From May 2016 to February 2018, Mr. Rendino served on the board of directors of Rentech Inc. Mr. Rendino graduated from the Carroll School of Management at Boston College (B.S.). We believe that Mr. Rendino is qualified to serve on our Board because of his extensive experience in the financial services industry.

Daniel B. Wolfe. Mr. Wolfe, age 43, has served as President since January 2009, as Chief Financial Officer and Chief Compliance Officer of the Company since July 2016, and as Portfolio Manager and a member of the Company's Board since March 2017. He served in varying other positions within the Company since 2004. He is a member of the board of directors of Black Silicon Holdings, Inc., a privately held portfolio company in which we have an investment. From March 2017 through June 2019, he served as a member of the board of directors of NGX Bio, Inc., a privately held portfolio company in which we had an investment. From March 2016 to June 2019, he served as a member of the board of Produced Water Absorbents, Inc., a privately held portfolio company in which we have an investment. Prior to joining the Company, he served as a consultant to Nanosys, Inc., CW Group and to Bioscale, Inc. He graduated from Rice University (B.A.), where his honors included the Zevi and Bertha Salsburg Memorial Award in Chemistry and the Presidential Honor Roll, and from Harvard University (A.M., Ph.D., Chemistry), where he was a NSF Predoctoral Fellow. We believe Mr. Wolfe is qualified to serve on our Board because of his intimate knowledge of our operations through his day-to-day leadership as President and Chief

Financial Officer of the Company along with his comprehensive experience on the boards of directors of many of our portfolio companies.

Independent Directors

Stacy R. Brandom. Ms. Brandom, age 62, has served as a member of the Company's Board since January 2014. From June 2015 until her retirement in March 2019, she was Chief Financial Officer of Save the Children U.S., a not-for-profit serving the needs of children globally. Prior to joining Save the Children, Ms. Brandom was an Executive Vice President and Chief Financial Officer of Trinity Wall Street, an historic Anglican church in lower Manhattan, N.Y. from October 2009 to June 2015. She was a Managing Advisor of Brandom Advisors, from 2008 to 2009. Ms. Brandom served as Chief Financial Officer and Managing Director of Citi Smith Barney from 2005 to 2007. She held various positions at JPMorgan Chase and its predecessor firms from 1984 to 2005, including Chief Financial Officer of JP Morgan Chase Corporate Sector and Chase Commercial Banking Group; Head of Strategy and Administration, Corporate Business Service of JP Morgan Chase; Head of Strategy and Administration and Managing Director, Global Investment Banking (Chase); Head of Strategy and Managing Director, Global Bank (Chemical Bank, pre-Chase merger). She graduated from the University of North Texas (B.B.A.) and the Kellogg School of Business at Northwestern University (M.B.A.). Ms. Brandom has been a Director of Apple Financial Holdings, Inc., a privately held company, since October 2018. She is the former chair of the board of directors of Bridges to Community, a non-governmental organization dedicated to sustainable development in Nicaragua and the Dominican Republic. We believe Ms. Brandom's financial and compliance experience qualifies her for her role as a Board member and the Chairperson of the Audit Committee.

Richard P. Shanley. Mr. Shanley, age 73, has served as a member of our Board since March 2007. He has also served as our Lead Independent Director since May 2013. From February 2001 until his retirement in December 31, 2006, he was a partner of Deloitte & Touche LLP. During his over 30 years of public accounting experience, he served as lead audit partner on numerous audit engagements for public and private companies and companies making public stock offerings. He served as lead audit partner primarily for biotechnology, pharmaceutical and high-tech companies. Since March 2017, Mr. Shanley has served as a member of the Board of Directors of HALE.life Corporation, a portfolio company in which we have an investment. From January 2018 to January 2020, Mr. Shanley served as a Managing Director of Great Eastern Behavioral Partners, LLC, a privately held company. He is an active member of the New York State Society of Certified Public Accountants and the American Institute of Certified Public Accountants. He is a licensed Certified Public Accountant in New York. He graduated from Fordham University (B.S.) and Long Island University (M.B.A.). We believe Mr. Shanley is qualified to serve on our Board because of his extensive prior financial, valuation and accounting experience. Mr. Shanley's knowledge of the financial, valuation and accounting areas, further qualifies him to be our Lead Independent Director and Chairman of our Valuation Committee.

Parker A. Weil. Mr. Weil, age 54, has served as a member of our Board since July 2017. Since August 2018, Mr. Weil has served as Vice Chairman of Investment Banking at Cowen and Company. Cowen Inc. (NASDAQ:COWN) is a diversified financial services firm that operates through Cowen and Company, a broker dealer, and an investment management division. In addition to Investment Banking, Cowen and Company also offers equity and credit research, sales and trading, and a wide array of institutional services capabilities. From June 2012 to April 2018, Mr. Weil served as Managing Director of investment banking for Stifel Financial Corp. During his almost 30+ years in investment banking, he has served as an advisor, underwriter and placement agent on numerous initial public offerings, add-on financings and merger and acquisition transactions. He has worked with companies in a wide range of industries including Energy, Power, Industrials, Telecommunications and Business Services. Mr. Weil has served on the board of trustees of the Ridgewood Lacrosse Association, Maroons Soccer Club and Ridgewood Education Foundation. Mr. Weil graduated from the University of Pennsylvania (B.A.) and the Kellogg Graduate School of Management at Northwestern University (M.B.A.). Mr. Weil is qualified to serve on our Board because of his extensive financial and investment banking experience. His experience as a senior manager in finance-related businesses further qualifies him to be the Chairman of our Compensation Committee.

Board and Committees

In 2019, there were five meetings of the Board. No director attended fewer than 75 percent of the total Board and committee meetings on which he or she served in 2019.

Board Leadership Structure

The Board does not require the separation of the offices of the Chairman of the Board and the Chief Executive Officer. The Board believes it should be free to choose its Chairman of the Board in any way that it deems best for the Company at any given point in time. Mr. Rendino, the current Chairman of the Board and Chief Executive Officer, is an “interested person” of the Company (as defined in Section 2(a)(19) of the 1940 Act). At present, the Board believes that Mr. Rendino's service as both Chairman of the Board and Chief Executive Officer is in the best interest of the Company and its shareholders. Mr. Rendino possesses detailed and in-depth knowledge of the day-to-day and overall issues, opportunities and challenges facing the Company and its business and is thus best positioned to develop agendas that ensure that the Board's time and attention are focused on the most critical matters.

Mr. Rendino's combined role enables decisive leadership, ensures clear accountability, and enhances the Company's ability to communicate its message and strategy clearly and consistently to the Company's shareholders, employees, and portfolio companies. The Board also believes that combining the Chairman of the Board and Chief Executive Officer roles is appropriate given our current asset size.

The Board members also believe that the Lead Independent Director plays an important role and fulfills most of the benefits to the Company of having an independent Chairman without the full expense of hiring an independent Chairman. The Lead Independent Director's duties include acting as a liaison between the independent directors and the Chairman regarding any specific feedback or issues, providing the Chairman with input regarding agenda items for Board and committee meetings, coordinating with the Chairman to provide information to the independent directors regarding their duties, coordinating the activities of the independent directors, including performing the role of Chairman of the Independent Directors Committee, coordinating the agenda for and moderating sessions of the Board's independent directors and other non-employee directors, and facilitating communications between the other members of the Board, between the Board and senior management, and between the Chief Compliance Officer and the Board. The Board believes that this approach appropriately and effectively complements the combined Chief Executive Officer/Chairman structure.

In addition, three of the five Directors, other than Mr. Rendino and Mr. Wolfe, are independent, and the Board believes that the independent directors provide effective oversight of management. Moreover, in addition to feedback provided during the course of Board meetings, the independent directors have regular executive sessions. Additionally, the independent directors serve as the chairpersons for all Board committees and meet on a quarterly basis in executive session with the Chief Compliance Officer.

Board's Role in Risk Oversight

The Board as a whole, under the direction of the Lead Independent Director, has responsibility for risk oversight, with reviews of certain areas being conducted by the relevant Board committees that report on their deliberations to the Board. The oversight responsibility of the Board and its committees is enabled by management reporting processes that are designed to provide visibility to the Board about the identification, assessment and management of critical risks and the controls that management uses to mitigate those risks. Members of the senior management team meet annually to review the current risks for the Company's business, and to ensure that the compliance policies and procedures are revised along with changes to the current risks. The risks and the amended policies and procedures are presented to the Board for its review and input at least annually. In addition, members of the senior management team meet quarterly to review strategic risks and report to the Board about these discussions as appropriate.

Additionally, the Board committees assist the full Board in risk assessment. The Independent Directors Committee meets regularly in executive session, with and without the Chief Compliance Officer, and oversees compliance and strategic risks of the Company. It also oversees the compliance policies and procedures of the Company and its service providers. The Audit Committee oversees compliance by the Company with legal and regulatory requirements. Specifically, the Audit Committee discusses with the Company's management and independent registered public accountants the integrity of the Company's financial reporting processes and controls, particularly the controls in areas representing significant financial and business risks, and reviews the Company's compliance with certain regulatory requirements.

The Audit Committee Chairman meets independently with the registered public accountants and the other outside accounting firms. The Compensation Committee reviews risks related to compensation policies and procedures. The Nominating and Management Development Committee considers risk assessment skills when considering nominees for the Board. The Board has appointed all independent members of the Board to the Valuation Committee to have oversight of valuation risk.

Communications with the Board

Shareholders and other interested parties may contact the Board, our Lead Independent Director, or any member of the Board by mail. To communicate with the Board, the Lead Independent Director or any member of the Board, correspondence should be addressed to the Board or the Board members with whom you wish to communicate, by either name or title. All such correspondence should be sent c/o 180 Degree Capital Corp., 7 N. Willow Street, Suite 4B, Montclair, NJ 07042. Such correspondence will be forwarded to the appropriate Board member or members after screening to eliminate marketing and junk mail.

Board Committees

The Company's Board had five committees comprised of the following members in 2019, all of whom were independent under the rules of the Nasdaq Global Market and not "interested" directors for the purposes of the 1940 Act:

<u>Audit</u>	<u>Compensation</u>	<u>Nominating</u>
Stacy R. Brandom ⁽¹⁾ Richard P. Shanley Parker A. Weil	Parker A. Weil ⁽¹⁾ Charles E. Ramsey Richard P. Shanley	Charles E. Ramsey ⁽¹⁾ Stacy R. Brandom Richard P. Shanley
<u>Valuation</u>	<u>Independent Directors</u>	
Richard P. Shanley ⁽¹⁾ Stacy R. Brandom Charles E. Ramsey Parker A. Weil	Richard P. Shanley ⁽¹⁾ Stacy R. Brandom Charles E. Ramsey Parker A. Weil	

⁽¹⁾ Denotes the Chairperson of the Committee.

Audit Committee. The Audit Committee (i) oversees all material aspects of our accounting and financial reporting processes, internal control and audit functions; (ii) monitors the independence and performance of our independent registered public accountants; (iii) provides a means for open communication among our independent registered public accountants, financial and senior management, and the Board; and (iv) oversees compliance by us with legal and regulatory requirements.

The Audit Committee operates pursuant to a written charter approved by our Board. A current copy of the Audit Committee Charter of the Company is available on our website (<https://ir.180degreecapital.com/corporate-governance>). The Audit Committee Charter sets out the responsibilities, authority and duties of the Audit Committee. The Audit Committee met five times and did not act by unanimous written consent in 2019. The Audit Committee has selected, and a majority of the Board has ratified, PricewaterhouseCoopers LLP ("PwC") as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2020, subject to shareholder approval.

Audit Committee's Pre-Approval Policies

In 2019, the Audit Committee pre-approved all audit and non-audit services provided to us by PwC. The Audit Committee's Pre-Approval Policies and Procedures provide that the Audit Committee (or the Chairman pursuant to delegated authority) must pre-approve all auditing services and permitted non-audit services and that all such requests to provide services must be submitted to the Audit Committee or the Chairman, as the case may be, by both the independent auditor and the Chief Financial Officer.

The Audit Committee has determined that the provision of non-audit services that were provided during 2019 is compatible with maintaining PwC's independence in performing audit services for the Company.

Audit Committee Report

Our Audit Committee presents the following report:

The Audit Committee has performed the following functions: (i) the Audit Committee reviewed and discussed the audited financial statements of the Company with management; (ii) the Audit Committee discussed with the independent auditors the matters required to be discussed by the statement on Auditing Standards No. 61, as amended (AICPA Professional Standards, Vol. 1. AU section 380), as adopted by the Public Company Accounting Oversight Board in Rule 3200T; (iii) the Audit Committee received the written disclosures and the letter from the independent auditors required by applicable requirements of the Public Company Accounting Oversight Board regarding the independent auditor's communications with the Audit Committee concerning independence, and has discussed with the auditors the auditors' independence; and (iv) based on the review and discussions, the Audit Committee recommended to the Board of the Company that the audited financial statements be included in the Company's Annual Report on Form N-CSR for the last fiscal year for filing with the SEC.

Respectfully,

Members of the Audit Committee

Stacy R. Brandom (Chairperson)
Richard P. Shanley
Parker A. Weil

Compensation Committee. The Compensation Committee annually reviews and approves corporate goals and objectives relevant to total compensation -- that is, changes in components of total compensation, including base salary, bonus and equity incentive plan compensation -- of the Chief Executive Officer and other executive officers, evaluates their performance against these goals and objectives, and, based on its evaluation, sets their total compensation. The Compensation Committee is composed entirely of directors who are independent under the rules of the Nasdaq Global Market and not "interested" directors as defined in the 1940 Act. Each of the Compensation Committee members is also a "non-employee director" as defined in Section 16 of the 1934 Act, and is an "outside director," as defined by Section 162(m) of the Internal Revenue Code of 1986 (the "Code"). In addition, all Compensation Committee members meet the independence criteria prescribed by the Nasdaq Global Market for compensation committee membership. The Compensation Committee also annually reviews benefits for all employees. The details of the processes and procedures involved in the establishment of executive compensation and benefits are described in the Compensation Discussion & Analysis ("CD&A") beginning on page 21. The Compensation Committee met three times and did not act by unanimous written consent in 2019.

The full Board, including a majority of the non-interested directors (as defined in Section 2(a)(19) of the 1940 Act), ultimately makes the final decisions regarding the Chief Compliance Officer's compensation and approves grants under the Company's equity incentive plan made by the Compensation Committee for all employees as required by the 1940 Act.

The Compensation Committee Charter is available on the Company's website (<https://ir.180degreecapital.com/corporate-governance>).

Compensation Committee Interlocks and Insider Participation

There were no Compensation Committee interlocks or insider participation on the Compensation Committee in 2019.

All members of the Compensation Committee are independent directors and none of the members is a present or past employee of the Company. No member of the Compensation Committee: (i) has had any relationship with us requiring disclosure under Item 404 of Regulation S-K of the 1934 Act; or (ii) is an executive officer of another entity at which one of our executive officers serves on the board of directors.

Nominating and Management Development Committee. The Nominating and Management Development Committee (the “Nominating Committee”) acts as an advisory committee to the Board by identifying individuals qualified to serve on the Board as directors and on committees of the Board, and to recommend that the Board select the Board nominees for the next annual meeting of shareholders. Additionally, the Nominating Committee supports the development of the Company’s management. The Nominating Committee met once and did not act by unanimous written consent in 2019.

The Nominating Committee annually reviews the requisite skills and characteristics of Board members, as well as the composition of the Board as a whole. This assessment includes a consideration of independence, potential conflicts of interest, diversity, age, skills, including risk assessment skills and specific past experience or particular expertise that would be useful to the Company, and industry backgrounds and knowledge in the context of the needs of the Board and the Company. The Nominating Committee also considers the ability of current and prospective directors to devote sufficient time to performing their duties in an effective manner. Directors are expected to exemplify the highest standards of personal and professional integrity and to constructively challenge management through their active participation in meetings. In particular, the Nominating Committee seeks directors with established strong professional reputations and expertise in areas relevant to the strategy and operations of the Company’s business.

While the Company’s Corporate Governance Guidelines do not prescribe diversity standards, as a matter of practice, the Nominating Committee considers diversity in the context of the Board as a whole and takes into account the personal characteristics (gender, ethnicity, age) and experience (skills, industry, professional, public service) of current and prospective directors to facilitate Board deliberations that reflect a broad range of perspectives. The Board believes that director nominees should not be chosen nor excluded solely or largely because of age, race, color, gender, national origin or sexual orientation or identity. Most importantly, the Board believes that diversity of experience is an important factor to consider when evaluating nominees because of the breadth of our business as a publicly traded, venture capital firm, operating as a business development company in many different industries relating to life sciences.

The Nominating Committee evaluates all candidates for the Board based on the above qualifications, regardless of whether the candidate was nominated by an officer, Board member or shareholder. The Nominating Committee also conducts annual reviews of current directors whose terms are nearing expiration, but who may be proposed for re-election, by reviewing the considerations described above and past contributions to the Board.

The Nominating Committee will consider director candidates recommended by shareholders. In considering candidates submitted by shareholders, the Nominating Committee will take into consideration the needs of the Board and the qualifications of the candidate. The Nominating Committee may also take into consideration the number of shares held by the recommending shareholder and the length of time that such shares have been held. To have a candidate considered by the Nominating Committee, a shareholder must submit the recommendation in writing and must include:

- The name of the shareholder and evidence of the person's ownership of shares of the Company, including the number of shares owned and the length of time of ownership;

- The name of the candidate, the candidate's resume or a listing of his or her qualifications to be a director of the Company and the person's consent to be named as a director if selected by the Nominating Committee and nominated by the Board; and
- If requested by the Nominating Committee, a completed and signed directors' questionnaire.

The shareholder recommendation and information described above must be sent to the Company's Secretary, c/o 180 Degree Capital Corp., 7 N. Willow Street, Suite 4B, Montclair, NJ 07042, and must be received by the Secretary not less than 120 days prior to the anniversary date of the Company's most recent annual meeting of shareholders or, if the meeting has moved by more than 30 days, a reasonable amount of time before the meeting. See "What Are the Deadlines to Nominate Directors or to Propose Other Business for Consideration at the 2021 Annual Meeting of Shareholders?" above for more information about shareholder nominations.

Preliminary interviews of director candidates may be conducted by the Chairman of the Nominating Committee or, at his request, any other member of the Nominating Committee or Board, the Lead Independent Director and the Chairman of the Board. Background material pertaining to director candidates is distributed to the members of the Nominating Committee for their review. Director candidates who the Nominating Committee determines merit further consideration are interviewed by the Chairman of the Nominating Committee and such other Nominating Committee members, directors and key senior management personnel as determined by the Chairman of the Nominating Committee. The results of these interviews are considered by the Nominating Committee in its deliberations. We do not currently pay any third party a fee to assist in the process of identifying and evaluating candidates.

The Nominating Committee operates pursuant to a written charter approved by our Board. The Nominating and Management Development Committee Charter sets out the responsibilities, authority and duties of the Nominating Committee. The Nominating and Management Development Committee Charter is available on our website (<https://ir.180degreecapital.com/corporate-governance>).

Valuation Committee. The Valuation Committee has the full power and authority of the Board in reviewing and approving the valuation of our securities for reporting purposes pursuant to our Valuation Procedures that were established and approved by the Board. The Valuation Committee met four times and did not act by unanimous written consent in 2019.

Independent Directors Committee. The Independent Directors Committee has the responsibility of proposing corporate governance and long-term planning matters to the Board, overseeing compliance and making the required determinations pursuant to the 1940 Act. All of the independent directors are members of the Independent Directors Committee. The Independent Directors Committee met four times and did not act by unanimous written consent in 2019.

Executive Officers

Our executive officers who are not nominees for directors are set forth below. Information relating to our executive officers who are nominees for directors is set forth under "Election of Directors – Nominees." Our executive officers are elected to serve until they resign or are removed, or are otherwise disqualified to serve, or until their successors are elected and qualified.

Robert E. Bigelow, III. Mr. Bigelow, age 52, has served as Vice President, Head of Fund Development since October 2017. He also serves as Chief Executive Officer and Chief Compliance Officer of 180 Degree Capital BD, LLC, the Company's wholly owned broker dealer subsidiary since December 2017. He was the founder of Blue River Asset Management ("BRAM"). At its peak, BRAM managed \$1.7 billion in capital. Mr. Bigelow was responsible for raising a substantial portion of that capital in conjunction with also developing the proprietary trading strategies and techniques utilized by the fund. Prior to forming BRAM in 2000, Mr. Bigelow was a Managing Director at Bear Stearns where he was head of the Municipal Derivative Products Group from 1995 to 1998. Mr. Bigelow began the Municipal Derivative Product Group at Bear Stearns after leaving Credit Suisse Financial Products, where he was one of two founding members of a municipal derivative joint venture with Credit

Suisse First Boston in 1993. From 1990 to 1993, he was a member of Lehman Brothers Derivative Products and Public Finance Departments. Mr. Bigelow was graduated from Yale University in 1990.

Alicia M. Gift. Ms. Gift, age 43, has served as Senior Controller since June 2016 and Secretary and Treasurer since April 2017. From 2007 to 2015 she served as Controller at RNK Capital LLC. From 2002 to 2007 she was a Senior Associate at PricewaterhouseCoopers, LLP, in its financial services group. She was graduated Cum Laude from Baruch College (B.B.A). She is a Certified Public Accountant and a Certified Fraud Examiner. She is an active member of the American Institute of Certified Public Accountants and Association of Certified Fraud Examiners. Ms. Gift became an Executive Officer of the Company with her appointment as its Treasurer in April 2017.

Related Party Transactions

The Company receives fees for managerial assistance to and/or in connection with members of our management or directors serving as members of the board of certain of our portfolio companies. No employee or director receives cash fees or compensation from our portfolio companies. Any economic, voting or other benefit from equity awards issued in connection with board service are assigned to the Company. During the year ended December 31, 2019, we received cash fees totaling \$89,239 and non-cash fees totaling \$86,962.

In order to ensure that the Company does not engage in any prohibited transactions with any persons affiliated with the Company, the Company has implemented written procedures, which are set forth in the Company's Compliance Manual. Our Audit Committee must review in advance any "related-party" transaction, or series of similar transactions, to which the Company or any of its subsidiaries was or is to be a party, in which the amount involved exceeds \$120,000 and in which such related party had, or will have, a direct or indirect material interest. The Board reviews these procedures on an annual basis.

In addition, the Company's Code of Conduct for Directors and Employees ("Code of Conduct"), which is signed by all employees and directors on an annual basis, requires that all employees and directors avoid any conflict, or the appearance of a conflict, between an individual's personal interests and the interests of the Company. Pursuant to the Code of Conduct, which is available on our website (<https://ir.180degreecapital.com/corporate-governance>), each employee and director must disclose any conflicts of interest, or actions or relationships that might give rise to a conflict, to the Chief Compliance Officer. The Independent Directors Committee is charged with monitoring and making recommendations to the Board regarding policies and practices relating to corporate governance. If there were any actions or relationships that might give rise to a conflict of interest, such actions or relationships would be reviewed and approved by the Board.

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the 1934 Act requires our officers and directors, and persons who own more than 10 percent of our common stock, to file reports (including a year-end report) of ownership and changes in ownership with the SEC and to furnish the Company with copies of all reports filed.

Based solely on a review of the forms furnished to us, or written representations from certain reporting persons, we believe that all persons who were subject to Section 16(a) in 2019 complied with the filing requirements.

DIRECTOR AND OFFICER COMPENSATION PROGRAM

The principal elements of our officer compensation program for 2019 are base salary, bonus, equity incentive stock awards, and severance benefits. The Compensation Committee of the Board believes that each element is essential to achieve the Company's objectives.

Base Salaries. We recognize the need to pay our officers, and other employees, a competitive annual base salary. We review base salaries for our officers annually.

Cash Bonuses. The Company provides annual bonuses at the discretion of the Committee derived from a number of quantitative and qualitative inputs including, but not limited to:

- Performance against individual and corporate targets and goals;
- Performance as compared to indices and other observable entities that track or invest in microcapitalization publicly traded companies;
- Full year actual versus estimated expenses and expenses as a percentage of assets;
- Changes in the price per share of the Company's stock, including dividends, if any;
- Changes in the net asset value of the Company, including dividends, if any; and
- The importance of retaining employees.

The weighting of these inputs in the Committee's determinations of bonuses are adjusted based on a retrospective full analysis of individual and corporate achievements and challenges during the year under consideration.

The following table sets forth for each of the persons named below the aggregate compensation received from the Company during the fiscal year ended December 31, 2019, for services in all capacities:

Executive Officers	Position	Aggregate Compensation from the Company	Pension or Retirement Benefits Accrued as Part of Fund Expenses	Total Compensation from the Company and Fund Complex Paid to Directors
Kevin M. Rendino ⁽¹⁾	Chairman, Chief Executive Officer and Portfolio Manager	\$ 1,814,970	\$ 0	N/A
Daniel B. Wolfe ⁽²⁾	President, Portfolio Manager, Chief Financial Officer and Chief Compliance Officer	1,467,900	0	N/A
Alicia M. Gift ⁽³⁾	Senior Controller, Secretary and Treasurer	535,163	0	N/A
Robert E. Bigelow, III ⁽⁴⁾	Vice President, Head of Fund Development and Chief Executive Officer of 180 Degree Capital BD, LLC	309,000	0	N/A
Independent Directors				
Stacy R. Brandom	Director	\$ 62,500	N/A	\$ 62,500
Charles E. Ramsey	Director	60,000	N/A	60,000
Richard P. Shanley	Director	92,500	N/A	92,500
Parker A. Weil	Director	62,500	N/A	62,500

⁽¹⁾ Mr. Rendino's base salary in 2019 was \$415,000, and he was awarded a bonus of \$1,322,818. Of this bonus amount, \$436,530 was deferred for payment over the succeeding two years only upon achievement of certain metrics defined by the Compensation Committee. In 2019, Mr. Rendino also received \$99,000 of his deferred bonus from 2017. Mr. Rendino received benefits in aggregate of \$77,152.

(2) Mr. Wolfe's base salary in 2019 was \$415,000, and he was awarded a bonus of \$992,113. Of this bonus amount, \$327,397 was deferred for payment over the succeeding two years only upon achievement of certain metrics defined by the Compensation Committee. In 2019, Mr. Wolfe received \$74,250 of his deferred bonus from 2017. Mr. Wolfe received benefits in aggregate of \$60,787.

(3) Ms. Gift's base salary in 2019 was \$202,500. Ms. Gift received a bonus for 2019 of \$300,000. Ms. Gift received benefits in aggregate of \$32,663.

(4) Mr. Bigelow's base salary in 2019 was \$84,000. Mr. Bigelow received a bonus for 2019 of \$200,000. Mr. Bigelow received benefits in aggregate of \$25,000.

Clawback Policy (Recoupment). If the Board determines that an executive officer has engaged in fraud, willful misconduct or a violation of Company policy that caused or otherwise contributed to the need for a material restatement of the Company's financial results, the Committee will review all performance-based compensation awarded to or earned by that executive officer on the basis of performance during fiscal periods materially affected by the restatement. This would include annual cash incentive/bonus awards. If, in the Committee's view, the performance-based compensation would have been materially lower if it had been based on the restated results, the Committee will, to the extent permitted by applicable law, seek recoupment from that executive officer of any portion of such performance-based compensation as it deems appropriate after a review of all relevant facts and circumstances.

In determining whether to recover a payment, the Committee shall take into account such considerations as it deems appropriate, including whether the assertion of a claim may violate applicable law or prejudice the interests of the Company in any related proceeding or investigation. The Committee shall have sole discretion in determining whether an executive officer's conduct has or has not met any particular standard of conduct under law or Company policy.

Severance Benefits. To further incentivize and retain Messrs. Rendino and Wolfe, we have entered into an Executive Severance Agreement with each executive.

Each of the Executive Severance Agreements provides that the executive will receive the following severance benefits in the event that an executive's employment is terminated by us other than for "cause" or an executive resigns for "good reason."

- Twelve months of base salary to be paid in cash periodically in accordance with the Company's normal payroll policies;
- a portion of executive's incentive compensation in cash for the fiscal year in which executive's employment terminates, pro-rated based on time employed during the fiscal year, only to be paid to the extent that performance metrics in the plan are achieved and at the same time as payments to other executives in the applicable incentive compensation plan are paid; and
- Twelve months of COBRA premiums.

Further, under the terms of each Executive Severance Agreement, in the event an executive's employment is terminated other than for "cause" or an executive resigns for "good reason" within the period commencing three months prior to a change in control and ending 12 months after a change in control, the severance will consist of:

- Twelve months of base salary to be paid in a single cash lump-sum;
- a portion of an executive's incentive compensation in cash for the fiscal year in which executive's employment terminates, pro-rated based on time employed during the fiscal year; and
- Twelve months of COBRA premiums.

For purposes of the Executive Severance Agreements, "cause" generally means:

- an act of dishonesty made in connection with the executive's responsibilities as an employee;
- conviction of, or plea of nolo contendere to, a felony or any crime involving fraud or embezzlement;
- gross misconduct;

- unauthorized use or disclosure of any proprietary information or trade secrets;
- willful breach of any obligations under any written agreement or covenant with the Company;
- failure to cooperate in good faith with a governmental or internal investigation; or
- continued failure to perform duties after receiving a written demand of performance.

For purposes of the Executive Severance Agreements, "good reason" generally means a voluntary termination following the occurrence of one or more of the following, without the executive's consent that is not cured within 30 days of notice to the Company:

- a material reduction of responsibilities;
- a material reduction in base salary; or;
- a material change (at least 50 miles) in the geographic location of Executive's primary work facility or location.

We have also entered into a severance agreement with Ms. Gift that in the event her employment is terminated other than for "cause" or an executive resigns for "good reason" within the period commencing three months prior to a change in control and ending 12 months after a change in control, provides severance consisting of:

- Twelve months of base salary to be paid in a single cash lump-sum;
- a portion of an executive's incentive compensation in cash for the fiscal year in which executive's employment terminates, pro-rated based on time employed during the fiscal year; and
- Twelve months of COBRA premiums.

REVERSE STOCK SPLIT

(Proposal No. 2)

The Company is asking shareholders to approve an amendment to the Company's Articles of Incorporation, the full text of which is attached as Appendix A to this proxy statement (the "Split Articles Amendment"), to effect a reverse stock split of the Company's common stock at a reverse stock split ratio of not less than 1-for-2 and not more than 1-for-4, and a proportional reduction in the number of authorized shares of common stock (the split together with the reduction are referred to herein as the "Reverse Stock Split"). The Board of Directors believes that the Reverse Stock Split, if implemented, will make the Company's common stock more attractive to a broader range of institutional and other investors, as the Board of Directors believes that the current market price of the Company's common stock may affect its acceptability to certain institutional investors, professional investors and other members of the investing public.

The Board of Directors recommends that shareholders approve the Reverse Stock Split in this Proposal Two. The form of the amendment to our restated certificate of incorporation to effect the Reverse Stock Split is attached as Appendix A to this proxy statement. Approval of the proposal would permit (but not require) the Board of Directors to effect the Reverse Stock Split by a ratio of not less than 1-for-2 and not more than 1-for-4 with the exact ratio to be set within this range as determined by the Board of Directors in its sole discretion, provided that the Sale closes, the Board of Directors must determine to effect the Reverse Stock Split and such amendment must be filed with the Secretary of State of the State of New York no later than December 31, 2020. The exact ratio of the Reverse Stock Split will be determined by the Board of Directors prior to the effective time of the Reverse Stock Split and will be publicly announced by us prior to such effective time. We believe that enabling the Board of Directors to set the ratio of the Reverse Stock Split within the stated range will provide us with the flexibility to implement the Reverse Stock Split in a manner designed to maximize the anticipated benefits for our shareholders. In determining a ratio of the Reverse Stock Split, if any, following the receipt of stockholder approval, the Board of Directors may consider, among other things, factors such as:

- the historical trading prices and trading volume of our common stock;
- the number of shares of our common stock outstanding;
- the then-prevailing trading price and trading volume of our common stock and the anticipated or actual effect of the Reverse Stock Split on the trading price and trading volume for our common stock; and
- prevailing general market and economic conditions.

The Board of Directors reserves the right to elect to not effect a Reverse Stock Split, including any or all proposed ratios for the Reverse Stock Split, if it determines, in its sole discretion, that the Reverse Stock Split is no longer in the best interests of 180 and our shareholders.

The Reverse Stock Split would also proportionately reduce the number of authorized shares of common stock. The Reverse Stock Split will not change the number of authorized shares of preferred stock. The Reverse Stock Split will not change the par value of the common stock or the preferred stock.

Reasons for the Reverse Stock Split Proposal

In evaluating the Reverse Stock Split, the Board of Directors considered that the implementation of the Reverse Stock Split is likely to increase the trading price for the Company's common stock as a result of the reduction in the number of shares outstanding. The Board of Directors also believes that the increased trading price of the Company's common stock that is expected as a result of the Reverse Stock Split may improve marketability and liquidity of the Company's common stock which may facilitate trading in the Company's common stock.

The Board of Directors believes that the Reverse Stock Split, if implemented, will make the Company's common stock more attractive to a broader range of institutional and other investors, as the Board of Directors believes that the current market price of the Company's common stock may affect its acceptability to certain institutional investors, professional investors and other members of the investing public. Many brokerage houses and institutional investors have internal policies and practices that either prohibit them from investing in low-priced

stocks or tend to discourage individual brokers from recommending low-priced stocks to their customers. In addition, some of those policies and practices may function to make the processing of trades in low-priced stocks economically unattractive to brokers. Moreover, because brokers' commissions on low-priced stocks generally represent a higher percentage of the stock price than commissions on higher-priced stocks, the current average price per share of the Company's common stock can result in individual shareholders paying transaction costs representing a higher percentage of their total share value than would be the case if the share price were higher. The Board of Directors believes that, if approved and implemented by the Board of Directors, the Reverse Stock Split will make the Company's common stock a more attractive and cost-effective investment for many investors, which will enhance the liquidity of the holders of the Company's common stock.

Procedure for Implementing the Reverse Stock Split

The Reverse Stock Split would become effective upon the filing of a certificate of amendment to our restated certificate of incorporation with the Secretary of State of the State of New York. The exact timing of the filing of the certificate of amendment that will effect the Reverse Stock Split will be determined by the Board of Directors, in its sole discretion, provided that in no event shall the filing of the certificate of amendment effecting the Reverse Stock Split occur after December 31, 2020.

Reservation of Right to Abandon Reverse Stock Split

The Board of Directors reserves the right, notwithstanding stockholder approval of this Reverse Stock Split Proposal and without further action by the shareholders, to elect not to proceed with the Reverse Stock Split if, at any time prior to filing the amendment to our restated certificate of incorporation to effect the Reverse Stock Split, or, in the event that the amendment is not effective until a later time, such later time, the Board of Directors, in its sole discretion, determines that it is no longer in 180's best interests and the best interests of our shareholders to proceed with the Reverse Stock Split. If a certificate of amendment effecting the Reverse Stock Split has not been filed with the Secretary of State of the State of New York on or before December 31, 2020, the Board of Directors will be deemed to have abandoned the Reverse Stock Split.

Effect of the Reverse Stock Split on Holders of Outstanding Common Stock

Depending on the ratio for the Reverse Stock Split determined by the Board of Directors, a minimum of every 2 and a maximum of every 4 shares of issued common stock will be combined into one new share of common stock. Based on 31,121,562 shares of common stock outstanding as of [March 16, 2020], the record date for the Annual Meeting, immediately following the Reverse Stock Split we would have approximately 15,560,781 shares of common stock issued and outstanding if the ratio for the Reverse Stock Split is 1-for-2, and approximately 7,780,390 shares of common stock issued and outstanding if the ratio for the Reverse Stock Split is 1-for-4. Any other ratio selected within such range would result in a number of shares of common stock outstanding of between 7,780,390 and 15,560,781 shares.

The Reverse Stock Split would also proportionately reduce the number of shares of common stock that the Board of Directors is authorized to issue under our restated certificate of incorporation. If the Reverse Stock Split is effected, it will reduce the total number of shares of common stock that the Board of Directors is authorized to issue from the current 45,000,000 authorized shares of common stock to 22,500,000 shares of common stock if the ratio for the Reverse Stock Split is 1-for-2, and 11,250,000 shares of common stock if the ratio for the Reverse Stock Split is 1-for-4. Any other ratio for the Reverse Stock Split selected within such range would result in a number of authorized shares of common stock of between 11,250,000 and 22,500,000 shares.

The actual number of shares authorized, issued and outstanding after giving effect to the Reverse Stock Split, if implemented, will depend on the ratio for the Reverse Stock Split that is ultimately determined by the Board of Directors.

The Reverse Stock Split will affect all holders of our common stock uniformly and will not affect any stockholder's percentage ownership interest in 180, except that, as described below under "—Fractional Shares," record holders of common stock otherwise entitled to a fractional share as a result of the Reverse Stock Split will receive cash in lieu of such fractional share. In addition, the Reverse Stock Split will not affect any stockholder's proportionate voting power (subject to the treatment of fractional shares).

The Reverse Stock Split may result in some shareholders owning "odd lots" of less than 100 shares of common stock. Odd lot shares may be more difficult to sell, and brokerage commissions and other costs of transactions in odd lots may be higher than the costs of transactions in "round lots" of even multiples of 100 shares.

After the effective time of the Reverse Stock Split, our common stock will have a new Committee on Uniform Securities Identification Procedures ("CUSIP") number, which is a number used to identify our equity securities, and stock certificates with the older CUSIP number will need to be exchanged for stock certificates with the new CUSIP number by following the procedures described below. After the Reverse Stock Split, we will continue to be subject to the periodic reporting and other requirements of the Exchange Act.

Beneficial Holders of Common Stock (i.e., shareholders who hold in street name)

For purposes of implementing the Reverse Stock Split, we intend to treat shares held by shareholders through a bank, broker, custodian or other nominee in the same manner as registered shareholders whose shares are registered in their names. Banks, brokers, custodians or other nominees will be instructed to effect the Reverse Stock Split for their beneficial holders holding our common stock in street name. However, these banks, brokers, custodians or other nominees may have different procedures than registered shareholders for processing the Reverse Stock Split. Shareholders who hold shares of our common stock with a bank, broker, custodian or other nominee and who have any questions in this regard are encouraged to contact their banks, brokers, custodians or other nominees.

Registered "Book-Entry" Holders of Common Stock (i.e., shareholders that are registered on the transfer agent's books and records but do not hold stock certificates)

Certain of our registered holders of common stock may hold some or all of their shares electronically in book-entry form with our transfer agent. These shareholders do not have stock certificates evidencing their ownership of the common stock. They are, however, provided with a periodic statement reflecting the number of shares registered in their accounts.

Shareholders who hold shares electronically in book-entry form with our transfer agent will not need to take further action to receive whole shares of post-Reverse Stock Split common stock, because the exchange will be automatic.

Exchange of Stock Certificates

If the Reverse Stock Split is effected, shareholders holding certificated shares (i.e., shares represented by one or more physical stock certificates) will be requested to exchange their old stock certificates ("Old Certificates") for shares held in book-entry form through the Depository Trust Company's Direct Registration System representing the appropriate number of whole shares of our common stock resulting from the Reverse Stock Split. Shareholders of record upon the effective time of the Reverse Stock Split will be furnished the necessary materials and instructions for the surrender and exchange of their Old Certificates at the appropriate time by our transfer agent, American Stock Transfer & Trust Company, LLC. Shareholders will not have to pay any transfer fee or other fee in connection with such exchange. As soon as practicable after the effective time of the Reverse Stock Split, our transfer agent will send a transmittal letter to each stockholder advising such holder of the procedure for surrendering Old Certificates in exchange for new shares held in book-entry form. Your Old Certificates representing pre-split shares cannot be used for either transfers or deliveries. Accordingly, you must exchange any Old Certificates in order to effect transfers or deliveries of your shares.

YOU SHOULD NOT SEND YOUR OLD CERTIFICATES NOW. YOU SHOULD SEND THEM ONLY AFTER YOU RECEIVE A LETTER OF TRANSMITTAL FROM OUR TRANSFER AGENT.

As soon as practicable after the surrender to our transfer agent of any Old Certificates, together with a properly completed and duly executed transmittal letter and any other documents our transfer agent may specify, our transfer agent will have its records adjusted to reflect that the shares represented by such Old Certificates are held in book-entry form in the name of such person.

Until surrendered as contemplated herein, a stockholder's Old Certificates shall be deemed at and after the effective time of the Reverse Stock Split to represent the number of whole shares of our common stock resulting from the Reverse Stock Split.

Any stockholder whose Old Certificates have been lost, destroyed or stolen will be entitled to new shares in book-entry form only after complying with the requirements that we and our transfer agent, customarily apply in connection with lost, stolen or destroyed certificates.

No service charges, brokerage commissions or transfer taxes shall be payable by any holder of any Old Certificate, except that if any book-entry shares are to be issued in a name other than that in which the Old Certificate is registered, it will be a condition of such issuance that (1) the person requesting such issuance must pay to us any applicable transfer taxes or establish to our satisfaction that such taxes have been paid or are not payable, (2) the transfer complies with all applicable federal and state securities laws and (3) the surrendered Old Certificate is properly endorsed and otherwise in proper form for transfer.

Any stockholder who wants to continue holding certificated shares may request new certificates from our transfer agent.

Fractional Shares

Fractional shares will not be issued in connection with the Reverse Stock Split. Shareholders of record and shareholders who hold their shares through a bank, broker, custodian or other nominee who would otherwise hold fractional shares of our common stock as a result of the Reverse Stock Split will be entitled to receive cash (without interest and subject to applicable withholding taxes) in lieu of such fractional shares. Each such stockholder will be entitled to receive an amount in cash equal to the fraction of one share to which such stockholder would otherwise be entitled multiplied by the closing price of our common stock on the date immediately preceding the effective time of the Reverse Stock Split as reported on the Nasdaq Capital Market.

Shareholders should be aware that, under the escheat laws of the various jurisdictions where shareholders reside, where we are domiciled and where the funds will be deposited, sums due for fractional interests resulting from the Reverse Stock Split that are not timely claimed after the effective time in accordance with applicable law may be required to be paid to the designated agent for each such jurisdiction. Thereafter, shareholders otherwise entitled to receive such funds may have to seek to obtain them directly from the state to which they were paid.

Accounting Matters

The amendment to our restated certificate of incorporation will not affect the par value of our common stock per share, which will remain \$0.01 par value per share. As a result, as of the effective time of the Reverse Stock Split, the stated capital attributable to common stock and the additional paid-in capital on our balance sheet will, in total, not change due to the Reverse Stock Split. However, the allocation between the stated capital attributable to common stock and the additional paid-in capital on our balance sheet will change because there will be fewer shares of common stock outstanding. The stated capital attributable to common stock will decrease and, in turn, the stated capital attributable to additional paid-in capital will increase. Further, reported per share net income or loss will be higher because there will be fewer shares of common stock outstanding.

Material U.S. Federal Income Tax Consequences of the Reverse Stock Split

The following discussion is a general summary of the anticipated material U.S. federal income tax consequences of the proposed Reverse Stock Split to U.S. Holders of our common stock. The following discussion is based upon the Code its legislative history, currently applicable and proposed Treasury Regulations under the Code and published rulings and decisions, all as currently in effect as of the date of this proxy statement, and all of

which are subject to change, possibly with retroactive effect. Tax consequences under state, local and non-U.S. laws, or federal laws other than those pertaining to income tax, are not addressed in this proxy statement. No rulings have been requested or received from the IRS as to the tax consequences of the proposed Reverse Stock Split and there is no intent to seek any such ruling. Accordingly, no assurance can be given that the IRS or a court will not take a contrary position to that discussed below regarding the tax consequences of the proposed Reverse Stock Split.

For purposes of this discussion, a “U.S. Holder” is a beneficial owner of our common stock that, for U.S. federal income tax purposes, is or is treated as:

- an individual who is a citizen or resident of the United States;
- a corporation (or any other entity or arrangement treated as a corporation for U.S. federal income tax purposes) created or organized under the laws of the United States, any state thereof, or the District of Columbia;
- an estate, the income of which is subject to U.S. federal income tax regardless of its source; or
- a trust if (1) its administration is subject to the primary supervision of a court within the United States and all of its substantial decisions are subject to the control of one or more “United States persons” (within the meaning of Section 7701(a)(30) of the Code), or (2) it has a valid election in effect under applicable U.S. Treasury Regulations to be treated as a United States person.

This discussion is limited to U.S. Holders who hold our common stock as a “capital asset” within the meaning of Section 1221 of the Code (generally, property held for investment). This discussion does not address all U.S. federal income tax consequences relevant to the particular circumstances of a U.S. Holder. In addition, it does not address consequences relevant to U.S. Holders that are subject to special rules, including, without limitation:

- financial institutions;
- insurance companies;
- real estate investment trusts;
- regulated investment companies;
- grantor trusts;
- tax-exempt organizations;
- dealers or traders in securities or currencies;
- shareholders who hold common stock as part of a position in a straddle or as part of a hedging, conversion or integrated transaction for U.S. federal income tax purposes or U.S. Holders that have a functional currency other than the U.S. dollar; or
- shareholders who actually or constructively own 10% or more of our voting stock.

If a partnership (or other entity treated as a partnership for U.S. federal income tax purposes) is the beneficial owner of our common stock, the U.S. federal income tax treatment of a partner in the partnership will generally depend on the status of the partner and the activities of the partnership. Accordingly, partnerships (and other entities treated as partnerships for U.S. federal income tax purposes) holding our common stock and the partners in such entities should consult their own tax advisors regarding the U.S. federal income tax consequences of the proposed Reverse Stock Split to them.

In addition, the following discussion does not address the U.S. federal estate and gift tax or state, local and non-U.S. tax law consequences of the proposed Reverse Stock Split. Furthermore, the following discussion does not address any tax consequences of transactions effectuated before, after or at the same time as the proposed Reverse Stock Split, whether or not they are in connection with the proposed Reverse Stock Split.

SHAREHOLDERS SHOULD CONSULT THEIR TAX ADVISORS WITH RESPECT TO THE APPLICATION OF THE U.S. FEDERAL INCOME TAX LAWS TO THEIR PARTICULAR SITUATIONS AS WELL AS ANY TAX CONSEQUENCES OF THE PROPOSED REVERSE STOCK SPLIT ARISING UNDER THE U.S. FEDERAL ESTATE OR GIFT TAX LAWS OR UNDER THE LAWS OF ANY STATE, LOCAL OR NON-U.S. TAXING JURISDICTION OR UNDER ANY APPLICABLE INCOME TAX TREATY.

The proposed Reverse Stock Split should constitute a “recapitalization” for U.S. federal income tax purposes pursuant to Section 368(a)(1)(E) of the Code. As a result, a U.S. Holder generally should not recognize gain or loss upon the proposed Reverse Stock Split for U.S. federal income tax purposes, except with respect to cash received in lieu of a fractional share of our common stock, as discussed below. A U.S. Holder’s aggregate adjusted tax basis in the shares of our common stock held immediately after the proposed Reverse Stock Split should equal the aggregate adjusted tax basis of the shares of our common stock held immediately before the Reverse Stock Split (reduced by the amount of such basis that is allocated to any fractional share of our common stock). The U.S. Holder’s holding period in the shares of our common stock held immediately after the Reverse Stock Split should include the holding period in the shares of our common stock held immediately before the Reverse Stock Split. U.S. Treasury Regulations provide detailed rules for allocating the tax basis and holding period among shares of common stock which were acquired by a stockholder on different dates and at different prices. U.S. Holders of shares of our common stock acquired on different dates and at different prices should consult their tax advisors regarding the allocation of the tax basis and holding period among such shares.

A U.S. Holder that, pursuant to the proposed Reverse Stock Split, receives cash in lieu of a fractional share of our common stock should recognize capital gain or loss in an amount equal to the difference, if any, between the amount of cash received and the portion of the U.S. Holder’s aggregate adjusted tax basis in the shares of our common stock surrendered that is allocated to such fractional share. Such capital gain or loss will be short term if the pre-reverse split shares were held for one year or less at the effective time of the Reverse Stock Split and long term if held for more than one year.

Payments of cash made in lieu of a fractional share of our common stock may, under certain circumstances, be subject to information reporting and backup withholding. To avoid backup withholding, each holder of our common stock that does not otherwise establish an exemption should furnish, on applicable IRS form, its taxpayer identification number and comply with the applicable certification procedures. Backup withholding is not an additional tax and amounts withheld will be allowed as a credit against the holder’s U.S. federal income tax liability and may entitle such holder to a refund, provided the required information is timely furnished to the IRS. Holders of our common stock should consult their own tax advisors regarding the application of the information reporting and backup withholding rules to them.

Required Vote; Recommendation of the Board of Directors

Approval of the Reverse Stock Split Proposal requires the affirmative vote of the holders of a majority of the outstanding common stock of 180 entitled to vote on the matter at the Special Meeting (meaning that of the shares of common stock outstanding on the record date for the Special Meeting, a majority of them must be voted “FOR” the Reverse Stock Split Proposal for it to be approved). For purposes of the vote on this Reverse Stock Split Proposal, an abstention, a broker non-vote or a failure to submit a proxy card or vote by telephone, over the Internet or in person at the Special Meeting will have the same effect as voting “AGAINST” the Reverse Stock Split Proposal. Under NYSE rules, the Reverse Stock Split Proposal is considered a “discretionary” item. Consequently, a broker who is a member of the NYSE will have discretion to vote your shares and, therefore, may vote your shares with respect to the Reverse Stock Split Proposal if you do not provide your broker with instructions on such proposal and so we do not anticipate any broker non-votes with respect to the Reverse Stock Split Proposal.

THE BOARD RECOMMENDS THAT YOU VOTE “FOR” THIS PROPOSAL.

SELECTION OF INDEPENDENT REGISTERED PUBLIC ACCOUNTANT

(Proposal No. 3)

PricewaterhouseCoopers LLP (“PwC”) has been selected as the independent registered public accounting firm by our Audit Committee and ratified by a majority of our Board, including a majority of the independent directors by vote cast in person, to audit the accounts of the Company for and during the Company’s fiscal year ending December 31, 2020. This selection is subject to ratification or rejection by the shareholders of the Company. The Company knows of no direct or indirect financial interest of PwC in the Company.

Representatives of PwC will not attend the Annual Meeting in person but will have the opportunity to make a statement if they desire to do so and will be available to respond to questions by telephone.

Fees Paid to PwC for 2019 and 2018

PwC performed various audit and other services for us during 2019 and 2018. The following table presents a summary of the 2019 and 2018 fees billed by PwC:

	Fiscal Year Ended December 31, 2019	Fiscal Year Ended December 31, 2018
Audit Fees	\$ 245,000	\$ 217,490
Tax Fees	43,000	62,500
All Other Fees	[0]	2,009
Total Fees	[\$ 288,000]	\$ 281,999

Audit Fees

Audit fees include fees for professional services rendered by PwC in connection with its annual audit of the Company’s consolidated financial statements and assistance with and review of documents filed with the SEC.

Audit-Related Fees

Audit-related fees consist of fees billed for assurance and related services that are reasonably related to the performance of the audit or review of the Company’s consolidated financial statements and are not reported under “Audit Fees.” This includes fees billed for issuances of consents for Registration Statements and consultation regarding financial accounting standards and reporting standards.

Tax Fees

Tax fees consist of fees billed for professional services for corporate and subsidiary tax compliance, tax advice and tax planning. These services included assistance regarding federal, state, local and international tax compliance.

All Other Fees

All other fees would include fees for products and services other than the services reported above. In 2018 and 2019, these services included an accounting research tool licensed from PwC.

The Audit Committee has determined that the provision of non-audit services that were provided during 2019 is compatible with maintaining PwC’s independence in performing audit services for the Company.

Unless marked to the contrary, the shares represented by the enclosed proxy card will be voted “FOR” ratification of the appointment of PwC as the independent registered public accounting firm of the Company.

THE BOARD RECOMMENDS THAT YOU VOTE “FOR” THIS PROPOSAL.

OTHER MATTERS

The Board does not intend to bring any other matters before the Annual Meeting and, at the date of mailing of this Proxy Statement, has not been informed of any matter that others may bring before the Annual Meeting. However, if any other matters properly come before the Annual Meeting, it is the intention of the persons named in the accompanying proxy to vote such proxy in accordance with their judgment on such matters.

Annual Report on Form N-CSR

Our Annual Report on Form N-CSR, as filed with the SEC, is available on our website at <https://ir.180degreecapital.com/financial-results>.

We undertake to provide, without charge, to each shareholder as of [March 16, 2020], upon the written request of such shareholder, a copy of our Annual Report on Form N-CSR. Any shareholder who would like to request a copy of our most recent Annual Report on Form N-CSR or any of our other SEC filings may do so by calling Alicia M. Gift, Secretary, toll-free at 833-293-1769 or submitting a written request to the following address, which shall contain a representation in good faith that such shareholder was a beneficial owner, as of [March 16, 2020], of our securities, entitled to vote:

Investor Relations
180 Degree Capital Corp.
7 N. Willow Street, Suite 4B
Montclair, NJ 07042

By Order of the Board of Directors,



Kevin M. Rendino
Chairman and Chief Executive Officer

[*]
Montclair, New Jersey

Appendix A

CERTIFICATE OF AMENDMENT
OF THE
CERTIFICATE OF INCORPORATION
OF
180 Degree Capital Corp.

Under Section 805 of the Business Corporation Law

FIRST: The current name of the corporation is: 180 Degree Capital Corp.

The name under which it was originally formed is: Sovereign Thoroughbreders, Inc.

SECOND: The date of filing of the certificate of incorporation with the Department of State is: 08/19/1981

THIRD: The amendment effected by this certificate of amendment is as follows:

Article 4 of the certificate of incorporation, which sets forth the authorized shares of capital stock of the corporation, is hereby amended to effect a reclassification of the shares of common stock, par value \$.01 per share (the "Common Stock"), currently issued (the "Old Shares") so that every [*] shares of Common Stock issued immediately prior to the date of such amendment shall, effective as of the date of such amendment, be reclassified and changed into one validly issued, fully paid and non-assessable share of Common Stock (the "New Shares"). No fractional shares shall be issued as a result of the foregoing reclassification. In lieu of issuing fractional shares, the corporation shall pay cash to any shareholder who otherwise would have been entitled to receive a fractional share as a result of the foregoing reclassification at the closing price of the Old Shares on the date immediately preceding the effective time of the reclassification as reported on the Nasdaq Capital Market.

Immediately prior to the reclassification, the corporation had issued [*] Old Shares, including [*] treasury shares. Upon the effectiveness of the reclassification, and disregarding the cash-out of any fractional shares resulting from the reclassification, there will be [*] New Shares outstanding. Immediately prior to the reclassification, the number of authorized but unissued shares of the corporation's Common Stock was [*]. Upon the effectiveness of the reclassification, and disregarding the cash-out of any fractional shares resulting from the reclassification, there will be [*] authorized but unissued shares of the corporation's Common Stock.

As a result of the reclassification, the stated capital of the corporation will be reduced in proportion to the exchange ratio of one New Share for every [*] Old Shares, and the corporation's additional paid-in capital will be credited with the amount by which stated capital is reduced. Neither the number of authorized shares of the corporation's preferred stock nor the par value of the corporation's preferred stock will change as a result of the foregoing reclassification.

4. This Certificate of Amendment of the Certificate of Incorporation was authorized by a vote of the holders of a majority of all outstanding shares of the corporation entitled to vote thereon, at a meeting of the shareholders duly called, noticed and held on the 14th day of May, 2020, pursuant to authorization by a vote of the directors at a meeting of the Board of Directors duly called and held on the 20th day of February, 2020.

IN WITNESS WHEREOF, the Corporation has caused this Certificate of Amendment of Restated Certificate of Incorporation to be executed on its behalf by a duly authorized officer this [*] day of [*], 2020.

(Signature)

(Name of Signer)

(Title of Signer)

PROXY TABULATOR
 P.O. BOX 9112
 FARMININGDALE, NY 11735



To vote by Internet

- 1) Read the Proxy Statement and have the proxy card below at hand.
- 2) Go to website **www.proxyvote.com**
- 3) Follow the instructions provided on the website.



To vote by Telephone

- 1) Read the Proxy Statement and have the proxy card below at hand.
- 2) Call **1-800-690-6903**
- 3) Follow the instructions.



To vote by Mail

- 1) Read the Proxy Statement.
- 2) Check the appropriate boxes on the proxy card below.
- 3) Sign and date the proxy card.
- 4) Return the proxy card in the envelope provided.

TO VOTE, MARK BLOCKS BELOW IN BLUE OR BLACK INK AS FOLLOWS.

E96608-P37089

KEEP THIS PORTION FOR YOUR RECORDS
 DETACH AND RETURN THIS PORTION ONLY

THE BOARD OF DIRECTORS RECOMMENDS A VOTE "FOR" THE ELECTION OF DIRECTORS.

1. Election of Directors

Nominees

- 01) STACY R. BRANDOM
- 02) KEVIN M. RENDINO
- 03) RICHARD P. SHANLEY
- 04) PARKER A. WEIL
- 05) DANIEL B. WOLFE

For All **Withhold All** **For All Except**

To withhold authority to vote for any individual nominee(s), mark "For All Except" and write the name(s) of the nominee(s) on the line below.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE "FOR" PROPOSALS 2 AND 3.

2. To approve an amendment to the Company's restated certificate of incorporation to effect a reverse stock split of the Company's common stock, by a ratio of not less than 1-for-2 and not more than 1-for-4, and a proportionate reduction in the number of authorized shares of common stock, such ratio and the implementation and timing of such Reverse Stock Split to be determined in the discretion of the Board of Directors of the Company.
3. To ratify, confirm and approve the Audit Committee's selection of PricewaterhouseCoopers LLP as the independent registered public accountant for the fiscal year ending December 31, 2020.

For **Against** **Abstain**

At their discretion, the Proxies are authorized to vote upon such other business, including postponements or adjournments, as may properly come before the meeting or any postponements or adjournments thereof.

Sign, Date and Return the Proxy Card Promptly Using the Enclosed Envelope.

NOTE: Please sign exactly as your name or names appear(s) on this Proxy. When shares are held jointly, each holder should sign. When signing as executor, administrator, attorney, trustee or guardian, please give full title as such. If the signer is a corporation, please sign full corporation name by duly authorized officer, giving full title as such. If a partnership, please sign in partnership name by authorized person.

Signature [PLEASE SIGN WITHIN BOX] Date

Signature [Joint Owners] Date

ANNUAL MEETING OF SHAREHOLDERS OF

180 Degree Capital Corp.

MAY 14, 2020

NOTICE OF INTERNET AVAILABILITY OF PROXY MATERIAL:

The Notice of Meeting, Proxy Statement and Proxy Card are available at <https://ir.180degreecapital.com/sec-filings>

**Please sign, date and mail
your proxy card in the
envelope provided as soon
as possible.**

Please detach along perforated line and mail in the envelope provided.

E96609-P37089

**180 DEGREE CAPITAL CORP.
7 N. Willow Street, Suite 4B
Montclair, NJ 07042
THIS PROXY IS SOLICITED ON BEHALF OF THE BOARD OF DIRECTORS**

The undersigned hereby appoints KEVIN M. RENDINO and DANIEL B. WOLFE and each of them, with full power of substitution, as proxies to vote at the Annual Meeting of Shareholders to be held on May 14, 2020, or at any postponements or adjournments thereof, to represent and to vote all the shares of common stock of 180 Degree Capital Corp. that the undersigned is entitled to vote with all powers the undersigned would have if personally present, on the matters as designated on the reverse side and in their discretion with respect to such other business as may properly come before the meeting or any postponements or adjournments thereof.

The Board of Directors recommends a vote "FOR" all the nominees listed in Item 1 and "FOR" Items 2 and 3.

When properly executed, this proxy will be voted as specified and in accordance with the accompanying proxy statement. If no instruction is indicated, this proxy will be voted "FOR" the nominees listed in Item 1 and "FOR" Items 2 and 3.

(Continued and to be dated and signed on the reverse side.)