
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM N-2
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

Pre-Effective Amendment No.
 Post-Effective Amendment No. 1

Gladstone Investment Corporation

(Exact name of registrant as specified in its charter)

Delaware
(State of Incorporation)

83-0423116
(I.R.S. Employer Identification No.)

1521 WESTBRANCH DRIVE, SUITE 200
MCLEAN, VIRGINIA 22101
(Address and telephone number, including area code, of principal executive offices)

DAVID GLADSTONE
CHAIRMAN AND CHIEF EXECUTIVE OFFICER
GLADSTONE INVESTMENT CORPORATION
1521 WESTBRANCH DRIVE, SUITE 200
MCLEAN, VIRGINIA 22101
(NAME AND ADDRESS OF AGENT FOR SERVICE)

COPIES OF INFORMATION TO:
THOMAS R. SALLEY, ESQ.
DARREN K. DESTEFANO, ESQ.
CHRISTINA L. NOVAK, ESQ.
COOLEY GODWARD KRONISH LLP
ONE FREEDOM SQUARE
RESTON TOWN CENTER
11951 FREEDOM DRIVE
RESTON, VIRGINIA 20190
(703) 456-8000
(703) 456-8100 (facsimile)

Approximate Date of Proposed Public Offering: From time to time after the effective date of the Registration Statement.

If any securities being registered on this form will be offered on a delayed or continuous basis in reliance on Rule 415 under the Securities Act of 1933, other than securities offered in connection with a dividend reinvestment plan, check the following box.

The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933, as amended, or until this registration statement shall become effective on such date as the Commission, acting pursuant to Section 8(a), may determine.

EXPLANATORY NOTE

This Post-Effective Amendment No. 1 to the Registration Statement on Form N-2 (File No. 333-147185) of Gladstone Investment Corporation (the "**Registration Statement**") is being filed pursuant to Rule 462(d) under the Securities Act of 1933, as amended (the "**Securities Act**"), solely for the purpose of filing exhibits to the Registration Statement. Accordingly, this Post-Effective Amendment No. 1 consists only of a facing page, this explanatory note, and Part C of the Registration Statement on Form N-2 setting forth the exhibits to the Registration Statement. This Post-Effective Amendment No. 1 does not modify any other part of the Registration Statement. Pursuant to Rule 462(d) under the Securities Act, this Post-Effective Amendment No. 1 shall become effective immediately upon filing with the Securities and Exchange Commission. The contents of the Registration Statement are hereby incorporated by reference.

PART C—OTHER INFORMATION

Item 25. Financial Statements and Exhibits

1. Financial Statements

The following financial statements of Gladstone Investment Corporation (the "Company" or the "Registrant") are included in the Registration Statement in "Part A: Information Required in a Prospectus:"

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2. Exhibits

Exhibit Number	Description
2.a	Amended and Restated Certificate of Incorporation, incorporated by reference to Exhibit a.2 to Pre-Effective Amendment No. 1 to the Registration Statement on Form N-2 (File No. 333-123699), filed May 13, 2005.
2.b.1	Amended and Restated Bylaws, incorporated by reference to Exhibit b.2 to Pre-Effective Amendment No. 3 to the Registration Statement on Form N-2 (File No. 333-123699), filed June 21, 2005.
2.b.2	First Amendment to Amended and Restated Bylaws, incorporated by reference to Exhibit 99.1 to the Current Report on Form 8-K filed July 10, 2007.
2.c	Not applicable.
2.d.1	Specimen Stock Certificate, incorporated by reference to Exhibit 99.d to Pre-Effective Amendment No. 3 to the Registration Statement on Form N-2 (File No. 333-123699), filed June 21, 2005.
2.d.2	Form of Senior indenture, incorporated by reference to Exhibit 2.d.2 to the Registration Statement on Form N-2 (File No. 333-138008), filed on October 16, 2006.
2.d.3	Form of Subordinated indenture, incorporated by reference to Exhibit 2.d.3 to the Registration Statement on Form N-2 (File No. 333-138008), filed on October 16, 2006.
2.d.4	Instructions as to Use of Subscription Certificates.
2.d.5	Form of Subscription Certificate.
2.d.6	Form of Notice to Record Stockholders.
2.d.7	Form of Notice to Brokers, Banks, and Other Nominees.
2.d.8	Beneficial Owner Election Form.
2.d.9	Form of Notice to Beneficial Stockholders.
2.d.10	Notice of Guaranteed Delivery.
2.d.11	Nominee Holder Over-Subscription Form.
2.e	Dividend Reinvestment Plan, incorporated by reference to Exhibit 99.e to Pre-Effective Amendment No. 3 to the Registration Statement on Form N-2 (File No. 333-123699), filed June 21, 2005.
2.f	Not applicable.
2.g	Investment Advisory and Management Agreement between the Registrant and Gladstone Management Corporation, incorporated by reference to Exhibit 10.1 to the Annual Report on Form 10-K filed June 14, 2006.
2.h	Form of Soliciting Dealer Agreement.
2.i	Joint Directors Nonqualified Excess Plan of Gladstone Commercial Corporation, Gladstone Capital Corporation and Gladstone Investment Corporation, incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K filed July 12, 2006.
2.j	Custody Agreement between the Registrant and The Bank of New York, incorporated by reference to Exhibit 99.j to Pre-Effective Amendment No. 3 to the Registration Statement on Form N-2 (File No. 333-123699), filed June 21, 2005.

- 2.k.1 Administration Agreement between the Registrant and Gladstone Administration, LLC, incorporated by reference to Exhibit 10.2 to the Annual Report on Form 10-K filed June 14, 2006.
- 2.k.2 Stock Transfer Agency Agreement between the Registrant and The Bank of New York, incorporated by reference to Exhibit k.1 to Amendment No. 1 to the Registration Statement on Form N-2 (File No. 333-123699), filed May 13, 2005.
- 2.k.3 Trademark License Agreement between the Registrant and Gladstone Management Corporation, incorporated by reference to Exhibit k.3 to the Registration Statement on Form N-2 (File No. 333-123699), filed March 31, 2005.
- 2.k.4 Credit Agreement by and among Gladstone Business Investment LLC, Deutsche Bank AG and certain other parties, dated as of October 19, 2006, incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K filed October 23, 2006.
- 2.k.5 Amendment No. 1 to the Credit Agreement by and among Gladstone Business Investment, LLC and Deutsche Bank AG, dated as of March 29, 2007, incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K filed March 30, 2007.
- 2.k.5 Amendment No. 2 to the Credit Agreement by and among Gladstone Business Investment, LLC and Deutsche Bank AG, dated as of July 25, 2007, incorporated by reference to Exhibit 10.1 to the Quarterly Report on Form 10-Q, filed on October 31, 2007.
- 2.k.6 Amendment No. 3 to the Credit Agreement by and among Gladstone Business Investment, LLC and Deutsche Bank AG, dated as of October 18, 2007, incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K (File No. 814-00704), filed on October 22, 2007.
- 2.k.7 Form of Rights Agency Agreement between the Registrant and The Bank of New York.
- 2.k.8 Form of Information Agent Agreement between the Registrant and Georgeson Inc.
- 2.l Opinion of Cooley Godward Kronish LLP.
- 2.m Not applicable.
- 2.n.1 Consent of Cooley Godward Kronish LLP (included in Exhibit 2.1).
- 2.n.2 Consent of PricewaterhouseCoopers LLP.
- 2.n.3* Report of PricewaterhouseCoopers LLP, independent registered public accounting firm, regarding "Senior securities data" contained herein.
- 2.o Not applicable.
- 2.p Founder Stock Purchase Agreement between the Registrant and David Gladstone, incorporated by reference to Exhibit p to the Registration Statement on Form N-2 (File No. 333-123699), filed March 31, 2005.
- 2.q Not applicable.
- 2.r Code of Ethics and Business Conduct, incorporated by reference to Exhibit 14.1 to the Current Report on Form 8-K filed October 12, 2005.
- 2.s.1* Power of Attorney.
- 2.s.2 Power of Attorney.

* Previously filed.

Item 26. Marketing Arrangements

The information contained under the heading "Plan of Distribution" on page 92 of the prospectus is incorporated herein by reference, and any information concerning any underwriters will be contained in the accompanying prospectus supplement, if any.

Item 27. Other Expenses of Issuance and Distribution

Commission registration fee	\$	16,840
FINRA fee		30,500
Nasdaq Global Select Market additional listing fee		1,000
Accounting fees and expenses		24,000*
Legal fees and expenses		450,000*
Printing and engraving		50,500*
Miscellaneous fees and expenses		160,000*
		<hr/>
Total	\$	732,840*
		<hr/>

* These amounts are estimates.

All of the expenses set forth above shall be borne by the Registrant.

Item 28. Persons Controlled by or Under Common Control

Gladstone Investment Advisers, Inc., a Delaware corporation and wholly-owned subsidiary of the Registrant.

Cavert Wire Holding, Inc., a Delaware corporation, controlled by the Registrant through 63% ownership of issued and outstanding voting securities.

Noble Logistics, Inc., a Delaware corporation, an affiliated investment with 12.7% ownership by the Registrant.

Danco Acquisition Corporation, a Delaware corporation, controlled by the Registrant through 42% ownership.

A. Stucki Company, a Delaware corporation, controlled by the Registrant through 55% ownership.

ACME Cryogenics Inc., a Pennsylvania corporation controlled by the Registrant.

Gladstone Acquisition-4 Corporation, a Delaware corporation and wholly-owned subsidiary of the Registrant.

Chase II Holdings Corp., a Delaware corporation controlled by the Registrant through 59% ownership of issued and outstanding voting securities.

ASH Holdings Corp., a Delaware corporation and wholly-owned subsidiary of the Registrant.

Quench Holdings Corp., a Delaware corporation and wholly-owned subsidiary of the Registrant.

Gladstone Business Investment, LLC, a Delaware limited liability company and wholly-owned subsidiary of the Registrant.

Gladstone Capital Corporation, a Maryland corporation controlled by the Registrant's officers and directors.

Gladstone Capital Advisers, Inc., a Delaware corporation and wholly-owned subsidiary of Gladstone Capital Corporation.

Gladstone Business Loan, LLC, a Delaware limited liability company and wholly-owned subsidiary of Gladstone Capital Corporation.

Gladstone SSBIC Corporation, a Delaware corporation and wholly-owned subsidiary of Gladstone Capital Corporation.

BERTL, Inc., a Delaware corporation and wholly-owned subsidiary of Gladstone Capital Corporation.

Gladstone Commercial Corporation, a Maryland corporation controlled by the Registrant's officers and directors.

GCLP Business Trust I, a Massachusetts business trust controlled by Gladstone Commercial Corporation.

Gladstone Commercial Partners, LLC, a Delaware limited liability company and wholly-owned subsidiary of Gladstone Commercial Corporation.

GCLP Business Trust II, a Massachusetts business trust controlled by Gladstone Commercial Partners, LLC.

Gladstone Commercial Advisers, Inc., a Delaware corporation and wholly-owned subsidiary of Gladstone Commercial Corporation.

GCC Coco, Inc., a Delaware corporation and wholly-owned subsidiary of Gladstone Commercial Corporation.

First Park Ten COCO San Antonio GP LLC, a Delaware limited liability company controlled by its manager, Gladstone Commercial Limited Partnership.

First Park Ten COCO San Antonio LP, a Delaware limited partnership controlled by its general partner, First Park Ten COCO San Antonio GP LLC.

COCO04 Austin TX GP LLC, a Delaware limited liability company controlled by its manager, Gladstone Commercial Limited Partnership.

COCO04 Austin TX LP, a Delaware limited partnership controlled by its general partner, COCO04 Austin TX GP LLC.

Pocono PA GCC, LP, a Delaware limited partnership controlled by its general partner, Pocono PA GCC GP LLC.

Gladstone Commercial Limited Partnership, a Delaware limited partnership controlled by its general partner GCLP Business Trust II.

GCC Acquisition Holdings LLC, a Delaware limited liability company controlled by its manager, Gladstone Commercial Limited Partnership.

SLEE Grand Prairie LP, a Delaware limited partnership controlled by its general partner, GCC Acquisition Holdings, Inc.

EE 208 South Rogers Lane, Raleigh, NC LLC, a Delaware limited liability company controlled by its manager, Gladstone Commercial Limited Partnership.

Gladstone Lending LLC, a Delaware limited liability company controlled by its manager, Gladstone Commercial Limited Partnership.

260 Springside Drive Akron OH LLC, a Delaware limited liability company controlled by its manager, Gladstone Commercial Limited Partnership.

Little Arch04 Charlotte NC Member LLC, a Delaware limited liability company controlled by its manager, Gladstone Commercial Limited Partnership.

Little Arch Charlotte NC LLC, a Delaware limited liability company controlled by its sole member, Little Arch04 Charlotte NC Member LLC.

CMI04 Canton NC LLC, a Delaware limited liability company controlled by its manager, Gladstone Commercial Limited Partnership.

OB Midway NC Gladstone Commercial LLC, a Delaware limited liability company controlled by its manager, Gladstone Commercial Limited Partnership.

GCC Granby LLC, a Delaware limited liability company controlled by its manager, Gladstone Commercial Limited Partnership.

Granby Property Trust, a Delaware statutory trust controlled by its grantor, GCC Granby LLC.

GCC Dorval LLC, a Delaware limited liability company controlled by its manager, Gladstone Commercial Limited Partnership.

Dorval Property Trust, a Delaware statutory trust controlled by its grantor, GCC Dorval LLC.

3094174 Nova Scotia Company, a Nova Scotia corporation controlled by its sole stockholder, Gladstone Commercial Limited Partnership.

3094175 Nova Scotia Company, a Nova Scotia corporation controlled by its sole stockholder, Gladstone Commercial Limited Partnership.

GCC Norfolk LLC, a Delaware limited liability company controlled by its manager, Gladstone Commercial Limited Partnership.

WMI05 Columbus OH LLC, a Delaware limited liability company controlled by its manager, Gladstone Commercial Limited Partnership.

2525 N Woodlawn Vstrm Wichita KS LLC, a Delaware limited liability company controlled by its manager, Gladstone Commercial Limited Partnership.

Coming Big Flats LLC, a Delaware limited liability company controlled by its manager, Gladstone Commercial Limited Partnership.

OB Crenshaw SPE GP LLC, a Delaware limited liability company controlled by its manager, Gladstone Commercial Limited Partnership.

OB Crenshaw GCC LP, a Delaware limited partnership controlled by its general partner, OB Crenshaw SPE GP LLC.

HMBF05 Newburyport MA LLC, a Delaware limited liability company controlled by its manager, Gladstone Commercial Limited Partnership.

YorkTC05 Eatontown NJ LLC, a Delaware limited liability company controlled by its manager, Gladstone Commercial Limited Partnership.

STI05 Franklin NJ LLC, a Delaware limited liability company controlled by its manager, Gladstone Commercial Limited Partnership.

AFL05 Duncan SC Member LLC, a Delaware limited liability company controlled by its manager, Gladstone Commercial Limited Partnership.

AFL05 Duncan SC LLC, a Delaware limited liability company controlled by its sole member, AFL05 Duncan SC Member LLC.

MSI05-3 LLC, a Delaware limited liability company controlled by its manager, Gladstone Commercial Limited Partnership.

WMI05 Hazelwood MO LLC, a Delaware limited liability company controlled by its manager, Gladstone Commercial Limited Partnership.

CI05 Clintonville WI LLC, a Delaware limited liability company controlled by its manager, Gladstone Commercial Limited Partnership.

PZ05 Maple Heights OH LLC, a Delaware limited liability company controlled by its manager, Gladstone Commercial Limited Partnership.

YCC06 South Hadley MA LLC, a Delaware limited liability company controlled by its manager, Gladstone Commercial Limited Partnership.

NW05 Richmond VA LLC, a Delaware limited liability company controlled by its manager, Gladstone Commercial Limited Partnership.

SVMCM05 Toledo OH LLC, a Delaware limited liability company controlled by its manager, Gladstone Commercial Limited Partnership.

ACI06 Champaign IL LLC, a Delaware limited liability company controlled by its manager, Gladstone Commercial Limited Partnership.

UC06 Roseville MN LLC, a Delaware limited liability company controlled by its manager, Gladstone Commercial Limited Partnership.

TCI06 Burnsville MN LLC, a Delaware limited liability company controlled by its manager, Gladstone Commercial Limited Partnership.

RC06 Menomonee Falls WI LLC, a Delaware limited liability company controlled by its manager, Gladstone Commercial Limited Partnership.

SJMH06 Baytown TX GP LLC, a Delaware limited liability company controlled by its manager, Gladstone Commercial Limited Partnership.

SJMH06 Baytown TX LP, a Delaware limited partnership controlled by its general partner, SJMH06 Baytown TX GP LLC.

NJT06 Sterling Heights MI LLC, a Delaware limited liability company controlled by its manager, Gladstone Commercial Limited Partnership.

CMS06-3 LLC, a Delaware limited liability company controlled by its manager, Gladstone Commercial Limited Partnership.

MPI06 Mason OH LLC, a Delaware limited liability company, controlled by its manager, Gladstone Commercial Limited Partnership.

GCC Chicago Holdings, LLC, a Delaware limited liability company, controlled by its manager, Gladstone Commercial Limited Partnership.

AC07 Lawrenceville GA LLC, a Delaware limited liability company, controlled by its manager, Gladstone Commercial Limited Partnership.

EE07 Raleigh NC GP LLC, a Delaware limited liability company, controlled by its manager, Gladstone Commercial Limited Partnership.

EE07 Raleigh NC, L.P., a Delaware limited partnership, controlled by its general partner, EE07 Raleigh NC GP LLC.

WPI07 Tulsa OK LLC, a Delaware limited liability company, controlled by its manager, Gladstone Commercial Limited Partnership.

APML07 Hiialeah FL LLC, a Delaware limited liability company, controlled by its manager, Gladstone Commercial Limited Partnership.

EI07 Tewksbury MA LLC, a Delaware limited liability company, controlled by its manager, Gladstone Commercial Limited Partnership.

GBI07 Syracuse NY LLC, a Delaware limited liability company, controlled by its manager, Gladstone Commercial Limited Partnership.

CDLCI07 Mason OH LLC, a Delaware limited liability company, controlled by its manager, Gladstone Commercial Limited Partnership.

Gladstone Land Corporation, a Delaware corporation controlled by David Gladstone through indirect 100% stock ownership.

Gladstone Land Partners, LLC, a Delaware limited liability company controlled by its manager, Gladstone Land Corporation.

SC Land, Inc., a California corporation and wholly-owned subsidiary of Gladstone Land Limited Partnership.

Gladstone Land Limited Partnership, a Delaware limited partnership controlled by its general partner, Gladstone Land Partners, LLC.

San Andreas Road Watsonville LLC, a California limited liability company controlled by its manager, Gladstone Land Limited Partnership.

West Gonzales Road Oxnard LLC, a California limited liability company controlled by its manager, Gladstone Land Limited Partnership.

Coastal Farming Corporation, a California corporation controlled by David Gladstone through 100% indirect stock ownership.

Gladstone Management Corporation, a Delaware corporation controlled by David Gladstone through 100% indirect stock ownership.

Gladstone Administration, LLC, a Delaware limited liability company and wholly-owned subsidiary of Gladstone Management Corporation.

Gladstone General Partner, LLC, a Delaware limited liability company controlled by its manager, Gladstone Management Corporation.

Gladstone Participation Fund LLC, a Delaware limited liability company controlled by Gladstone General Partner, LLC.

Gladstone Partners Fund, LP, a Delaware limited partnership controlled by its general partner, Gladstone Management Corporation.

FTCH107 Grand Rapids MI LLC, a Delaware limited liability company, controlled by its manager, Gladstone Commercial Limited Partnership.

DBP107 Bolingbrook IL LLC, a Delaware limited liability company, controlled by its manager, Gladstone Commercial Limited Partnership.

Pocono PA GCC GP LLC, a Delaware limited liability company, controlled by its manager, Gladstone Commercial Limited Partnership.

RCOG07 Georgia LLC, a Delaware limited liability company, controlled by its manager Gladstone Commercial Limited Partnership.

Item 29. Number of Holders of Securities

The following table sets forth the approximate number of record holders of our common stock at November 30, 2007.

Title of Class	Number of Record Holders
Common Stock, par value \$0.001 per share	29

Item 30. Indemnification

Subject to the Investment Company Act of 1940 as amended (the "1940 Act") or any valid rule, regulation or order of the Securities and Exchange Commission ("SEC") thereunder, our amended and restated certificate of incorporation and bylaws provide that we will indemnify any person who was or is a party or is threatened to be made a party to any threatened action, suit or proceeding whether civil, criminal, administrative or investigative, by reason of the fact that he is or was our director or officer, or is or was serving at our request as a director, officer, partner or trustee of another corporation, real estate investment trust, partnership, joint venture, trust, employee benefit plan or other enterprise to the maximum extent permitted by Section 145 of the Delaware General Corporation Law. The 1940 Act provides that a company may not indemnify any director or officer against liability to it or its security holders to which he or she might otherwise be subject by reason of his or her willful misfeasance, bad faith, gross negligence or reckless disregard of the duties involved in the conduct of his or her office unless a determination is made by final decision of a court, by vote of a majority of a quorum of directors who are disinterested, non-party directors or by independent legal counsel that the liability for which indemnification is sought did not arise out of the foregoing conduct. In addition to any indemnification to which our directors and officers are entitled pursuant to our certificate of incorporation and bylaws and the Delaware General Corporation Law, our certificate of incorporation and bylaws permit us to indemnify our other employees and agents to the fullest extent permitted by the Delaware General Corporation Law, whether such employees or agents are serving us or, at our request, any other entity.

In addition, the investment advisory and management agreement between us and our investment adviser, Gladstone Management Corporation (the "Adviser"), as well as the administration agreement between us and our administrator, Gladstone Administration, LLC (the "Administrator"), each provide that, absent willful misfeasance, bad faith, or gross negligence in the performance of their respective duties or by reason of the reckless disregard of their respective duties and obligations, our Adviser and our Administrator, as applicable, and their respective officers, managers, partners, agents, employees, controlling persons, members, and any other person or entity affiliated with them are entitled to indemnification from us for any damages, liabilities, costs, and expenses (including reasonable attorneys' fees and amounts reasonably paid in settlement) arising from the rendering of our Adviser's services under the investment advisory and management agreement or otherwise as our investment adviser, or the rendering of our Administrator's services under the administration agreement, or otherwise as an administrator for us, as applicable.

Item 31. Business and Other Connections of Investment Adviser

A description of any other business, profession, vocation or employment of a substantial nature in which our Adviser, and each director or executive officer of our Adviser, is or has been during the past two fiscal years, engaged in for his or her own account or in the capacity of director, officer, employee, partner or trustee, is set forth in Part A of this Registration Statement in the section entitled "Management." Additional information regarding our Adviser and its officers and directors is set forth in its Form ADV, as filed with the SEC, and is incorporated herein by reference.

Item 32. Location of Accounts and Records

All accounts, books or other documents required to be maintained by Section 31(a) of the 1940 Act and the rules thereunder are maintained at the offices of:

- (1) the Registrant, Gladstone Investment Corporation, 1521 Westbranch Drive, Suite 200, McLean, VA 22102;
- (2) the Transfer Agent, The Bank of New York, 101 Barclay Street, Suite 11E, New York, NY 10286;
- (3) the Adviser, Gladstone Management Corporation, 1521 Westbranch Drive, Suite 200, McLean, VA 22102;
- (4) the Custodian, The Bank of New York, 30 Broad Street, New York, NY 10005; and
- (5) the Collateral Custodian, The Bank of New York Trust Company, N.A., 2 North LaSalle St., Suite 1020, Chicago, IL 60602.

Item 33. Management Services

Not Applicable.

Item 34. Undertakings

1. We hereby undertake to suspend the offering of shares until the prospectus is amended if, subsequent to the effective date of this registration statement, our net asset value declines more than ten percent from our net asset value as of the effective date of this registration statement.
2. We hereby undertake:
 - (a) to file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:
 - (i) to include any prospectus required by Section 10(a) (3) of the Securities Act of 1933, as amended (the "Securities Act");
 - (ii) to reflect in the prospectus any facts or events arising after the effective date of this registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement; and
 - (iii) to include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement.
 - (b) that, for the purpose of determining any liability under the Securities Act, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of those securities at that time shall be deemed to be the initial bona fide offering thereof;
 - (c) to remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering; and
 - (d) that, for the purpose of determining liability under the Securities Act to any purchaser, if the Registrant is subject to Rule 430C: Each prospectus filed pursuant to Rule 497(b), (c), (d) or (e) under the Securities Act as part of a registration statement relating to an offering, other than prospectuses filed in reliance on Rule 430A under the Securities Act,

shall be deemed to be part of and included in the registration statement as of the date it is first used after effectiveness.

Provided, however, that no statement made in a registration statement or prospectus that is part of the registration statement or made in a document incorporated or deemed incorporated by reference into the registration statement or prospectus that is part of the registration statement will, as to a purchaser with a time of contract of sale prior to such first use, supersede or modify any statement that was made in the registration statement or prospectus that was part of the registration statement or made in any such document immediately prior to such date of first use;

- (e) that for the purpose of determining liability of the Registrant under the Securities Act to any purchaser in the initial distribution of securities: The undersigned Registrant undertakes that in a primary offering of securities of the undersigned Registrant pursuant to this registration statement, regardless of the underwriting method used to sell the securities to the purchaser, if the securities are offered or sold to such purchaser by means of any of the following communications, the undersigned Registrant will be a seller to the purchaser and will be considered to offer or sell such securities to the purchaser:
 - (i) any preliminary prospectus or prospectus of the undersigned Registrant relating to the offering required to be filed pursuant to Rule 497 under the Securities Act;
 - (ii) the portion of any advertisement pursuant to Rule 482 under the Securities Act relating to the offering containing material information about the undersigned Registrant or its securities provided by or on behalf of the undersigned Registrant; and
 - (iii) any other communication that is an offer in the offering made by the undersigned Registrant to the purchaser.

3. We hereby undertake that:

- (a) for the purpose of determining any liability under the Securities Act, the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by us under Rule 497(h) under the Securities Act shall be deemed to be part of this registration statement as of the time it was declared effective; and
- (b) for the purpose of determining any liability under the Securities Act, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of the securities at that time shall be deemed to be the initial bona fide offering thereof.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, and the Investment Company Act of 1940, as amended, the Registrant has duly caused this Post-Effective Amendment No. 1 to Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of McLean and Commonwealth of Virginia, on the 31st day of March, 2008.

GLADSTONE INVESTMENT CORPORATION

By: /s/ David Gladstone

David Gladstone
Chairman of the Board and Chief Executive Officer

Pursuant to the requirements of the Securities Act of 1933, as amended, this Post-Effective Amendment No. 1 to the Registration Statement has been signed below by the following persons in the capacities indicated on March 31, 2008:

By: *

David Gladstone
Chief Executive Officer and Chairman of the
Board of Directors (principal executive officer)

By: *

Terry L. Brubaker
Vice Chairman, Chief Operating Officer,
Secretary and Director

By: /s/ Mark Perrigo

Mark Perrigo
Chief Financial Officer (principal financial and
accounting officer)

By: *

George Stelljes III
President, Chief Investment Officer and Director

By: *

David A.R. Dullum
Director

By: *

Anthony W. Parker
Director

By: *

Michela A. English
Director

By: *

Paul W. Adelgren
Director

By: *

Maurice W. Coulon
Director

By: *

John H. Outland
Director

By: *

Gerard Mead
Director

*By: /s/ DAVID GLADSTONE

David Gladstone
(attorney-in-fact)

EXHIBIT LIST

Exhibit Number	Description
2.a	Amended and Restated Certificate of Incorporation, incorporated by reference to Exhibit a.2 to Pre-Effective Amendment No. 1 to the Registration Statement on Form N-2 (File No. 333-123699), filed May 13, 2005.
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2.d.8	Beneficial Owner Election Form.
2.d.9	Form of Notice to Beneficial Stockholders.
2.d.10	Notice of Guaranteed Delivery.
2.d.11	Nominee Holder Over-Subscription Form.
2.e	Dividend Reinvestment Plan, incorporated by reference to Exhibit 99.e to Pre-Effective Amendment No. 3 to the Registration Statement on Form N-2 (File No. 333-123699), filed June 21, 2005.
2.f	Not applicable.
2.g	Investment Advisory and Management Agreement between the Registrant and Gladstone Management Corporation, incorporated by reference to Exhibit 10.1 to the Annual Report on Form 10-K filed June 14, 2006.
2.h	Form of Soliciting Dealer Agreement.
2.i	Joint Directors Nonqualified Excess Plan of Gladstone Commercial Corporation, Gladstone Capital Corporation and Gladstone Investment Corporation, incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K filed July 12, 2006.
2.j	Custody Agreement between the Registrant and The Bank of New York, incorporated by reference to Exhibit 99.j to Pre-Effective Amendment No. 3 to the Registration Statement on Form N-2 (File No. 333-123699), filed June 21, 2005.
2.k.1	Administration Agreement between the Registrant and Gladstone Administration, LLC, incorporated by reference to Exhibit 10.2 to the Annual Report on Form 10-K filed June 14, 2006.

- 2.k.2 Stock Transfer Agency Agreement between the Registrant and The Bank of New York, incorporated by reference to Exhibit k.1 to Amendment No. 1 to the Registration Statement on Form N-2 (File No. 333-123699), filed May 13, 2005.
- 2.k.3 Trademark License Agreement between the Registrant and Gladstone Management Corporation, incorporated by reference to Exhibit k.3 to the Registration Statement on Form N-2 (File No. 333-123699), filed March 31, 2005.
- 2.k.4 Credit Agreement by and among Gladstone Business Investment LLC, Deutsche Bank AG and certain other parties, dated as of October 19, 2006, incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K filed October 23, 2006.
- 2.k.5 Amendment No. 1 to the Credit Agreement by and among Gladstone Business Investment, LLC and Deutsche Bank AG, dated as of March 29, 2007, incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K filed March 30, 2007.
- 2.k.5 Amendment No. 2 to the Credit Agreement by and among Gladstone Business Investment, LLC and Deutsche Bank AG, dated as of July 25, 2007, incorporated by reference to Exhibit 10.1 to the Quarterly Report on Form 10-Q, filed on October 31, 2007.
- 2.k.6 Amendment No. 3 to the Credit Agreement by and among Gladstone Business Investment, LLC and Deutsche Bank AG, dated as of October 18, 2007, incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K (File No. 814-00704), filed on October 22, 2007.
- 2.k.7 Form of Rights Agency Agreement between the Registrant and The Bank of New York.
- 2.k.8 Form of Information Agent Agreement between the Registrant and Georgeson Inc.
- 2.l Opinion of Cooley Godward Kronish LLP.
- 2.m Not applicable.
- 2.n.1 Consent of Cooley Godward Kronish LLP (included in Exhibit 2.1).
- 2.n.2 Consent of PricewaterhouseCoopers LLP.
- 2.n.3* Report of PricewaterhouseCoopers LLP, independent registered public accounting firm, regarding "Senior securities data" contained herein.
- 2.o Not applicable.
- 2.p Founder Stock Purchase Agreement between the Registrant and David Gladstone, incorporated by reference to Exhibit p to the Registration Statement on Form N-2 (File No. 333-123699), filed March 31, 2005.
- 2.q Not applicable.
- 2.r Code of Ethics and Business Conduct, incorporated by reference to Exhibit 14.1 to the Current Report on Form 8-K filed October 12, 2005.
- 2.s.1* Power of Attorney.
- 2.s.2 Power of Attorney.

* Previously filed.

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GLADSTONE INVESTMENT CORPORATION

TRANSFERABLE RIGHTS OFFERING

INSTRUCTIONS AS TO USE OF SUBSCRIPTION CERTIFICATES

Please Consult the Information Agent or Your Bank or Broker, as to Any Questions

The following instructions relate to a rights offering by Gladstone Investment Corporation, a Delaware corporation (the "Company"), to all holders of record of the Company's common stock at the close of business on March 31, 2008, which we refer to as "Record Date Stockholders," as described in the Company's prospectus dated January 14, 2008, as supplemented by the prospectus supplements dated March 24, 2008 and March 31, 2008, which we refer to collectively as the "Prospectus." Record Date Stockholders, are receiving transferable subscription rights, which we refer to as the "Rights," to subscribe for and purchase shares of the Company's common stock, par value \$0.001 per share. Unless defined herein, all capitalized terms have the meanings given in the Prospectus.

A total of 5,520,033 shares are being offered in this Rights offering. The Rights are transferable and will be listed for trading on the NASDAQ Global Select Market under the symbol "GAINR" during the course of the Rights offering.

As described in the accompanying Prospectus, each Record Date Stockholder will receive one Right for every three (3) shares of the Company's common stock recorded on the books of the transfer agent as of the Record Date. For every Right held, you will be able to subscribe for one share of common stock. This is your Basic Subscription Right. The Subscription Price per share will be ninety three percent (93%) of the volume-weighted average of the sales prices of our common stock on the NASDAQ Global Select Market for the five (5) consecutive trading days ending on the Expiration Date.

The Estimated Subscription Price is \$9.02 per share. Because the Subscription Price will be determined on the Expiration Date, Rights holders who decide to acquire shares pursuant to their Basic Subscription Rights or pursuant to the Over-Subscription Privilege will not know the actual Subscription Price when they make that decision. If the actual Subscription Price is lower, excess payments will be refunded (without interest), and if the actual Subscription Price is higher, Rights holders exercising their Rights will be required to make an additional payment.

In addition, pursuant to the Over-Subscription Privilege, if all of the Rights initially issued are not exercised by Record Date Stockholders pursuant to the Basic Subscription Rights as of the Expiration Date, any unsubscribed shares will be offered to other Record Date Stockholders who have exercised all or a portion of their Rights as well as to Rights Purchasers who wish to acquire additional Shares. These Excess Shares will be available for purchase pursuant to the Over-Subscription Privilege only to the extent that any of the shares are not subscribed for by other holders of Rights pursuant to their Basic Subscription Rights. Excess Shares will be allocated first to Record Date Stockholders who have exercised all or a portion of their Rights in accordance with their over-subscription request, pro rata based on the number of Rights exercised up to the maximum number of over-subscribed shares indicated by the subscriber on his or her subscription certificate. Any Excess Shares remaining after satisfying all over-subscription requests by such Record Date Stockholders will be allocated among Rights Purchasers who over-subscribe pro rata based on the number of Rights exercised up to the maximum number of over-subscribed shares indicated by the subscriber on his or her subscription certificate. See "The Rights Offering—Over-Subscription Privilege" in the prospectus supplement dated March 31, 2008.

The number of Rights to which you are entitled is printed on your Subscription Certificate. You should indicate your wishes with regard to the exercise of your Rights by completing the reverse side of

your Subscription Certificate and returning the Subscription Certificate to the Subscription Agent in the envelope provided. No fractional Rights will be issued, and no fractional shares of common stock will be issued pursuant to the exercise of the Rights.

YOUR SUBSCRIPTION CERTIFICATE AND ESTIMATED SUBSCRIPTION PRICE PAYMENT MUST BE RECEIVED BY THE SUBSCRIPTION AGENT, ON OR BEFORE 5:00 P.M., NEW YORK TIME, ON APRIL 21, 2008, THE EXPIRATION DATE. The Expiration Date may be extended by the Company to a date not later than May 5, 2008. Once a Record Date Stockholder or Rights Purchaser has exercised Basic Subscription Rights or the Over-Subscription Privilege, such exercise may not be revoked. Rights not exercised prior to the Expiration Date will be null and void. The Company will not be obligated to honor any purported exercise of Rights received by its Subscription Agent, The Bank of New York, after 5:00 p.m., New York City time, on the Expiration Date, regardless of when the documents relating to such exercise were sent.

1. Method of Subscription—Exercise of Rights

To exercise Rights, complete the Subscription Certificate and send the properly completed and executed Subscription Certificate evidencing such Rights, together with payment in full of the Estimated Subscription Price for each share subscribed for pursuant to the Basic Subscription Rights and the Over-Subscription Privilege, to the Subscription Agent, on or prior to 5:00 p.m., New York time, on the Expiration Date. All payments must be made in United States dollars either (i) by certified check, bank draft, money order, or check and drawn on a bank located in the United States, or (ii) by wire transfer of same day funds to the account maintained by the Subscription Agent for this purpose at Mellon Bank, N.A., ABA No. 043-000-261, Mellon Investor Services LLC, Reorg Acct No. 011-8518, Reference: GLADSTONE, Attn: Michael Eguia (201) 680-3560 (telephone). Payments will be deemed to have been received by the Subscription Agent only upon (i) the clearance of any uncertified check, (ii) the receipt by the Subscription Agent of any certified check, bank draft or money order, or (iii) the receipt of same day funds in the Subscription Agent's account designated above.

The Subscription Certificate and payment of the Estimated Subscription Price by money order or check must be delivered to the Subscription Agent by first class mail, by hand or by overnight courier to the following address:

If by First Class Mail:

The Bank of New York
Reorganization Services
P.O. Box 3301
South Hackensack, NJ 07606

If by Overnight Carrier:

The Bank of New York
Reorganization Services, 27th Floor
480 Washington Boulevard
Jersey City, NJ 07310

If by Hand:

The Bank of New York
Reorganization Services, 27th Floor
480 Washington Boulevard
Jersey City, NJ 07310

DELIVERY OF THIS INSTRUMENT TO AN ADDRESS OTHER THAN AS SET FORTH ABOVE DOES NOT CONSTITUTE VALID DELIVERY.

Banks, brokers and other nominee holders of Rights who exercise the Basic Subscription Rights and the Over-Subscription Privilege on behalf of beneficial owners of Rights will be required to certify to the Subscription Agent and to the Company, in connection with the exercise of the

Over-Subscription Privilege, as to the number of Rights held on behalf of each beneficial owner as of the Expiration Date, the aggregate number of Rights (whether received as a Record Date Stockholder or purchased on the NASDAQ Global Select Market) that have been exercised, and the number of shares that are being subscribed for pursuant to the Over-Subscription Privilege, by each beneficial owner of Rights (including such nominee itself) on whose behalf such nominee holder is acting. If more Excess Shares are subscribed for pursuant to Over-Subscription Privileges than are available for sale, such shares will be allocated pro rata, first to Record Date Stockholders who have exercised all or a portion of their Rights, and then to Rights Purchasers who over-subscribe, each based on the number of Rights exercised up to the maximum number of over-subscribed shares indicated by the subscriber on his or her subscription certificate.

If the aggregate Estimated Subscription Price paid by you is insufficient to purchase the number of shares subscribed for, or if you do not specify the number of shares to be purchased, then you will be deemed to have exercised your Basic Subscription Rights to purchase shares to the full extent of the payment tendered. If the aggregate Estimated Subscription Price paid by you exceeds the amount necessary to purchase the number of Shares under your Basic Subscription Rights (such excess being the "Subscription Excess") and you do not indicate the number of shares being exercised, then you will be deemed to have exercised the Over-Subscription Privilege to the full extent of the excess payment tendered, to purchase, to the extent available, that number of whole shares of common stock equal to the quotient obtained by dividing the Subscription Excess by the Estimated Subscription Price. Any remaining amount shall be returned to you by mail without interest or deduction as soon as practicable after the Expiration Date and after all prorations and adjustments contemplated by the terms of the Rights offering have been effected.

If the actual Subscription Price is lower than the Estimated Subscription Price, excess payments will be refunded (without interest) by us, and if the actual Subscription Price is higher than the Estimated Subscription Price, rights holders exercising their rights must make an additional payment.

2. Issuance of Common Stock.

Unless requested otherwise, stock certificates will not be issued for shares of our common stock offered in this Rights offering. Stockholders who are record owners will have the shares they acquire credited to their account with our transfer agent. Stockholders whose common stock is held by a nominee will have the shares they acquire credited to the account of such nominee holder.

Following the Expiration Date, a DRS advice will be sent by the Subscription Agent to each Record Date Stockholder or Rights Purchaser (or, if shares are held by a nominee, on the Record Date, to such nominee) showing the number of shares acquired through the Basic Subscription Rights and the Over-Subscription Privilege together with excess payments, if any, to be refunded (without interest) by us to the stockholder. If the Subscription Price is higher than the Estimated Subscription price, a due bill will be sent by the Subscription Agent to each Record Date Stockholder or Rights Purchaser (or, if shares are held by a nominee, on the Record Date, to such nominee) showing the number of shares acquired through the Basic Subscription Rights and the Over-Subscription Privilege together with an invoice showing any additional payments required to be paid by the stockholder.

3. Transfer of Rights.

All Rights received by you in this Rights offering are transferable. The Rights will be listed for trading on the NASDAQ Global Select Market under the symbol "GAINR" during the course of the Rights Offering. See "The Rights Offering—Sale and Transfer of Rights" in the prospectus supplement dated March 31, 2008. In addition, the shares of our common stock issued through this Rights offering will be listed and admitted for trading on the NASDAQ Global Select Market.

4. Execution.

- (a) *Execution by Registered Holder.* The signature on the Subscription Certificate must correspond with the name of the registered holder exactly as it appears on the face of the Subscription Certificate without any alteration or change whatsoever. Persons who sign the Subscription Certificate in a representative or other fiduciary capacity must indicate their capacity when signing and, unless waived by the Subscription Agent in its sole and absolute discretion, must present to the Subscription Agent satisfactory evidence of their authority to so act.
- (b) *Execution by Person Other than Registered Holder.* If the Subscription Certificate is executed by a person other than the holder named on the face of the Subscription Certificate, proper evidence of authority of the person executing the Subscription Certificate must accompany the same unless, for good cause, the Subscription Agent dispenses with proof of authority.
- (c) *Signature Guarantees.* If you wish for the common stock underlying the Rights, a certificate representing unexercised Rights, or the proceeds of any sale of Rights, to be delivered to an address different from that shown on the face of this Subscription Certificate, your signature must be guaranteed by a member firm of a registered national securities exchange or a member of the Financial Industry Regulatory Authority, or by a commercial bank or trust company having an office or correspondent in the United States or by a bank, stockbroker, savings and loan association or credit union with membership in an approved signature guarantee medallion program, pursuant to Rule 17Ad-15 of the Securities Exchange Act of 1934. A notarization is not acceptable.

5. Method of Delivery.

The method of delivery of Subscription Certificates and payment of the Estimated Subscription Price to the Subscription Agent will be at the election and risk of the Rights holder, but, if sent by mail, it is recommended that such certificates and payments be sent by registered mail, properly insured, with return receipt requested or via an overnight courier service with delivery confirmation, and that a sufficient number of days be allowed to ensure delivery to the Subscription Agent prior to 5:00 p.m., New York time, on the Expiration Date.

QuickLinks

[Exhibit 2.d.4](#)

[GLADSTONE INVESTMENT CORPORATION TRANSFERABLE RIGHTS OFFERING INSTRUCTIONS AS TO USE OF SUBSCRIPTION CERTIFICATES Please Consult the Information Agent or Your Bank or Broker, as to Any Questions](#)

GLADSTONE INVESTMENT CORPORATION - SUBSCRIPTION FORM

THIS SUBSCRIPTION FORM, INCLUDING THE ACCOMPANYING INSTRUCTIONS, SHOULD BE READ CAREFULLY BEFORE THIS SUBSCRIPTION FORM IS COMPLETED.

THIS CERTIFIES THAT the registered owner whose name is inscribed hereon is the owner of the number of transferable subscription rights, which we refer to as the "Rights," set forth below. Under the "Basic Subscription Rights," each Right entitles the holder thereof to subscribe for and purchase one share of common stock, with a par value of \$0.001 per share, of Gladstone Investment Corporation, a Delaware corporation (the "Company"), at an Estimated Subscription Price of \$9.02 per share, on the terms and subject to the conditions for this rights offering set forth in the prospectus supplement dated March 31, 2008 accompanying this Subscription Certificate (the "Prospectus Supplement"). Pursuant to the "Over-Subscription Privilege," if any shares of common stock available for purchase in the rights offering are not purchased by other holders of Rights pursuant to the exercise of their Basic Subscription Rights, any unsubscribed shares will be offered to other Record Date Stockholders who have exercised all or a portion of their Rights as well as to subscribing purchasers of Rights ("Rights Purchasers") who wish to acquire additional shares pursuant to the terms and conditions of the rights offering, subject to availability, proration and allocation preferences, as described in the Prospectus Supplement. Unless defined herein, all capitalized terms have the meaning given in the Prospectus Supplement.

The Rights represented by this Subscription Certificate may be exercised by completing Forms 1 and 3 and any other appropriate forms on the reverse side hereof and by returning the full payment of the subscription price for each share of common stock in accordance with the Prospectus Supplement. If a Notice of Guaranteed Delivery is used and accompanied by full payment, a properly completed and executed Subscription Certificate must be received by the Subscription Agent no later than the close of business on the third (3rd) business day following the Expiration Date, or April 24, 2008, unless the offering is extended to a date not later than May 5, 2008, as described in the Prospectus Supplement. Please see "The Rights Offering - Payment for Shares" in the Prospectus Supplement for additional information.

This Subscription Certificate is transferable and may be combined or divided (but only into Subscription Certificates evidencing full Rights) at the office of the Subscription Agent. Such Rights may be transferred in the same manner and with the same effect as with a negotiable instrument payable to specific persons, by duly completing this Subscription Certificate.

Stock certificates will not be issued for shares of the Company's common stock offered in the offering. You will have the shares of the Company's stock acquired in this offering credited to your account with the Company's transfer agent. See "The Rights Offering - Delivery of tShares" in the Prospectus Supplement dated March 31, 2008 for additional information.

1 *Signature:* This form **must** be signed by the registered holder(s) exactly as their name(s) appears on the certificate(s) or by person(s) authorized to sign on behalf of the registered holder(s) by documents transmitted herewith.

X	_____	_____	_____
Signature of Stockholder	Date	Daytime Telephone #	
X	_____	_____	_____
Signature of Stockholder	Date	Daytime Telephone #	

SEE INSTRUCTIONS ON THE REVERSE SIDE

2 **BASIC SHARES TO SUBSCRIBE** | | | | | | | | | |
WHOLE SHARES

3 **OVER SUBSCRIPTION FOR SHARES** | | | | | | | | | |
WHOLE SHARES

4 **RIGHTS OFFERED FOR SALE** | | | | | | | | | |
WHOLE SHARES

ENCLOSED IS MY CHECK FOR \$ _____

5

<p>Subscriptions</p> <p>Please complete the back if you would like to transfer ownership or request special mailing.</p>	<p>376546 115 CUSIP NUMBER</p>
<p>SUBSCRIPTION CERTIFICATE NUMBER</p> <p>_____</p>	
<p>BASIC SHARES TO SUBSCRIBE</p> <p>_____</p>	<p>RIGHTS</p> <p>_____</p>
<p>GLADSTONE INVESTMENT CORPORATION SUBSCRIPTION CERTIFICATE FOR RIGHTS OFFERING</p>	
<p>FORM 1-EXERCISE OF SUBSCRIPTION RIGHTS</p> <p>To subscribe for shares pursuant to your Basic Subscription Rights, please complete lines (a) and (c) and sign under Form 3 below. To subscribe for shares pursuant to your Over-Subscription Privilege, please also complete line (b) and sign under Form 3 below.</p>	
<p>(a) EXERCISE OF BASIC SUBSCRIPTION RIGHTS:</p> <p>I apply for _____ shares x \$ <u>9.02</u> = \$ _____ (no. of new shares) (est. subscription price) (payment)</p>	
<p>(b) EXERCISE OF OVER-SUBSCRIPTION PRIVILEGE</p> <p>There is no limit as to the number of shares of the Company's common stock you may subscribe for pursuant to the Over-Subscription Privilege. If there are insufficient shares of common stock to fully honor all over-subscription requests, the remaining shares will be allocated first to Record Date Stockholders who have exercised all or a portion of their Rights and who over-subscribe, pro-rata based on the number of Rights exercised. Any shares remaining after satisfying all over-subscription requests by such Record Date Stockholders will be allocated pro-rata among Rights Purchasers who over-subscribe based on the number of Rights exercised.</p> <p>I apply for _____ shares x \$ <u>9.02</u> = \$ _____ (no. of new shares) (est. subscription price) (payment)</p> <p>Total Amount of Payment Enclosed = \$ _____</p>	
<p>(c) METHOD OF PAYMENT (CHECK ONE)</p> <p><input type="checkbox"/> Check, money order, or bank draft drawn on a U.S. bank, or postal, telegraphic or express money order payable to "The Bank of New York, as Subscription Agent — Gladstone Investment Corp." Funds paid by an uncertified check may take at least five (5) business days to clear.</p> <p><input type="checkbox"/> Wire transfer of same day funds to the account maintained by The Bank of New York as Subscription Agent, for purposes of accepting subscriptions in this rights offering at Mellon Bank NA, ABA No. 043-000-261, Mellon Investor Services LLC, Reorg Acct No. 011-8518, Ref: GLADSTONE, attn: Michael Eguia (T) 201-680-3560.</p>	
<p>(d) SALE OF UNEXERCISED RIGHTS</p> <p><input type="checkbox"/> If you want the Subscription Agent to attempt to sell your unexercised subscription rights check this box, sign under Form 3, and have your signature guaranteed under Form 4.</p>	

(e) SALE OR TRANSFER TO DESIGNATED TRANSFEREE OR THROUGH A BANK OR BROKER

To sell or transfer your subscription rights to another person, complete this form and have your signature guaranteed under Form 4. To sell your subscription rights through your bank or broker, sign below and have your signature guaranteed under Form 4, but leave the rest of this Form 1(e) blank.

For value received _____ of the subscription rights represented by this Subscription Certificate are assigned to:

_____	_____
(Print Full Name of Assignee)	(Print Full Address)
_____	_____
Capacity (Full Title)	
_____	_____
(Tax ID or Social Security No.)	Signature(s)*

THE TERMS AND CONDITIONS OF THE RIGHTS OFFERING ARE SET FORTH IN THE COMPANY'S PROSPECTUS DATED JANUARY 14, 2008, AS SUPPLEMENTED BY THE PROSPECTUS SUPPLEMENTS DATED MARCH 24, 2008 AND MARCH 31, 2008, WHICH WE REFER TO COLLECTIVELY AS THE "PROSPECTUS," AND ARE INCORPORATED HEREIN BY REFERENCE. COPIES OF THE PROSPECTUS ARE AVAILABLE UPON REQUEST FROM THE INFORMATION AGENT, GEORGESON INC.

GLADSTONE INVESTMENT CORPORATION
Incorporated under the Laws of the State of Delaware

TRANSFERABLE SUBSCRIPTION CERTIFICATE
Evidencing Transferable Subscription Rights to Purchase Shares of Common Stock of Gladstone Investment Corporation

Estimated Subscription Price: \$ 9.02 per Share

**THE SUBSCRIPTION RIGHTS WILL EXPIRE IF NOT EXERCISED ON OR BEFORE 5:00 P.M., NEW YORK TIME,
ON APRIL 21, 2008, UNLESS EXTENDED BY US TO A DATE NOT LATER THAN MAY 5, 2008.**

FORM 2-DELIVERY TO DIFFERENT ADDRESS

If you wish for the common stock underlying your subscription rights, a certificate representing unexercised subscription rights, or the proceeds of any sale of subscription rights to be delivered to an address different from that shown on the face of this Subscription Certificate, please enter the alternate address below, sign under Form 3 and have your signature guaranteed under Form 4.

FORM 3-SIGNATURE

TO SUBSCRIBE: I acknowledge that I have received the Prospectus for this offering and I hereby irrevocably subscribe for the number of shares of common stock indicated above on the terms and conditions specified in the Prospectus.

TO SELL: If I have completed Form 3, I authorize the sale by the Subscription Agent, according to the procedures described in the Prospectus, of any subscription rights represented by this Subscription Certificate but not exercised hereby.

I hereby agree that if I fail to pay in full for the shares of common stock for which I have subscribed, the Company may exercise any of the remedies provided for in the Prospectus.

Signature(s)*

If signature is by trustee(s), executor(s), administrators(s), guardian(s), attorney(s)-in-fact, agent(s), officer(s) of a corporation or another acting in a fiduciary or representative capacity, please provide the following information (please print).

Name(s): _____

Capacity (Full Title): _____

Taxpayer ID # or Social Security #: _____

FORM 4-SIGNATURE GUARANTEE

This form must be completed if you have completed Form 2, or if you wish to sell or transfer unexercised subscription rights pursuant to Form 1(d) or 1(e).

Signature Guaranteed: _____
(Name of Bank or Firm)

By: _____

Signature of Officer**

*IMPORTANT: The signature(s) must correspond with the name(s) as printed on the reverse of this Subscription Certificate in every particular, without alteration or enlargement, or any other change whatsoever.

**IMPORTANT: The signature(s) should be guaranteed by an eligible guarantor institution (bank, stock broker, savings & loan association or credit union) with membership in an approved signature guarantee medallion program pursuant to Securities and Exchange Commission Rule 17Ad-15.

In order to exercise your subscription rights, you must either (a) complete and sign this Subscription Certificate and return it together with payment of the Estimated Subscription Price for the shares of the Company's common stock, or (b) present a properly completed Notice of Guaranteed Delivery together with payment of the Estimated Subscription Price for the shares of the Company's common stock, in either case to the Subscription Agent, The Bank of New York, before 5:00 p.m., New York time, on April 21, 2008, the Expiration Date, unless extended by the Company to a date not later than May 5, 2008. Delivery to an address other than the address listed below will not constitute valid delivery.

If by First Class Mail: The Bank of New York, Reorganization Services, P.O. Box 3301, South Hackensack, NJ 07606.

If by Overnight Carrier: The Bank of New York, Reorganization Services, 480 Washington Boulevard, 27th Floor, Jersey City, NJ 07310.

If by Hand: The Bank of New York, Reorganization Services, 480 Washington Boulevard, 27th Floor, Jersey City, NJ 07310.

FOR INSTRUCTIONS ON THE USE OF GLADSTONE INVESTMENT CORPORATION'S SUBSCRIPTION CERTIFICATES, CONSULT GEORGESON INC., THE INFORMATION AGENT, AT (866) 828-4303, AND BANKS AND BROKERS MAY CALL GEORGESON AT (212) 440-9800.

GLADSTONE INVESTMENT CORPORATION

TRANSFERABLE RIGHTS OFFERING

NOTICE TO RECORD STOCKHOLDERS

5,520,033 Shares of Common Stock

March 31, 2008

This notice is being distributed by Gladstone Investment Corporation (the "Company") to all holders of record of the Company's common stock at the close of business on March 31, 2008, the "Record Date," in connection with a distribution of transferable subscription rights, which we refer to as the "Rights," to subscribe for and purchase shares of the Company's common stock, par value \$0.001 per share. The Rights and common stock are described in the Company's prospectus dated January 14, 2008, as supplemented by the prospectus supplements dated March 24, 2008 and March 31, 2008, which we refer to collectively as the "Prospectus." Unless defined herein, all capitalized terms have the meanings given in the Prospectus.

The Company is offering an aggregate of 5,520,033 shares of its common stock, as described in the Prospectus. The Rights are transferable and will be listed for trading on the NASDAQ Global Select Market under the symbol "GAINR" during the course of this offering.

The Rights will expire, if not exercised, at 5:00 p.m., New York time, on April 21, 2008, the Expiration Date, unless extended by the Company to a date not later than May 5, 2008. No fractional Rights will be issued, and no fractional shares of common stock will be issued pursuant to the exercise of the Rights.

As described in the Prospectus, you will receive one Right for every three (3) shares of the Company's common stock recorded on the books of the transfer agent as of the Record Date. For every Right held, you will be able to subscribe for one share of common stock. This is your Basic Subscription Right. The Estimated Subscription Price per share will be ninety three percent (93%) of the volume-weighted average of the sales prices of our common stock on the NASDAQ Global Select Market for the five (5) consecutive trading days ending on the Expiration Date.

The Estimated Subscription Price is \$9.02 per share. Because the Subscription Price will be determined on the Expiration Date, rights holders who decide to acquire shares pursuant to their Basic Subscription Rights or pursuant to the Over-Subscription Privilege will not know the actual Subscription Price when they make that decision. If the actual Subscription Price is lower, excess payments will be refunded (without interest), and if the actual Subscription Price is higher, Rights holders exercising their Rights will be required to make an additional payment.

In addition, pursuant to the Over-Subscription Privilege, if all of the Rights initially issued are not exercised by Record Date Stockholders and Rights Purchasers pursuant to the Basic Subscription Rights as of the Expiration Date, any unsubscribed Shares will be offered to other Record Date Stockholders who have exercised all or a portion of their Rights as well as to Rights Purchasers who wish to acquire additional Shares—subject to availability, allocation preferences, and proration. See "The Rights Offering—Over-Subscription Privilege" in the prospectus supplement dated March 31, 2008. The Company is requiring that you deliver the Estimated Subscription Price in connection with the exercise of your Over-Subscription Privilege.

The Rights will be evidenced by Subscription Certificates.

Enclosed are copies of the following documents:

1. A copy of the Prospectus;
2. A Subscription Certificate;

3. Instructions as to Use of Subscription Certificates; and
4. A return envelope addressed to The Bank of New York, the Subscription Agent.

If you have questions or need additional copies of the enclosed materials, please contact the Information Agent, Georgeson Inc. The Information Agent's toll-free telephone number is: (866) 828-4303.

Your prompt action is requested. To exercise Rights, you should properly complete and sign the Subscription Certificate and forward it, with payment of the Estimated Subscription Price in full for each share of common stock subscribed for pursuant to your Basic Subscription Rights and Over-Subscription Privilege, to the Subscription Agent, as indicated in the Prospectus. The Subscription Agent must receive the Subscription Certificate with payment of the Estimated Subscription Price prior to 5:00 p.m., New York time, on the Expiration Date. A Rights holder cannot revoke the exercise of his or her Rights. Rights not exercised prior to the Expiration Date will expire.

Sincerely,

A handwritten signature in black ink, appearing to read "David Gladstone". The signature is written in a cursive, flowing style.

David Gladstone
Chairman and Chief Executive Officer

QuickLinks

[Exhibit 2.d.6](#)

[GLADSTONE INVESTMENT CORPORATION TRANSFERABLE RIGHTS OFFERING NOTICE TO RECORD STOCKHOLDERS 5,520,033 Shares of Common Stock
March 31, 2008](#)

GLADSTONE INVESTMENT CORPORATION
TRANSFERABLE RIGHTS OFFERING
NOTICE TO BROKERS, BANKS AND OTHER NOMINEES

5,520,033 Shares of Common Stock

March 31, 2008

This letter is being distributed to brokers, banks and other nominees in connection with the rights offering by Gladstone Investment Corporation (the "Company") of shares of its common stock, par value \$0.001 per share, pursuant to transferable subscription rights, which we refer to as the "Rights," distributed to all holders of record of the Company's common stock, at the close of business on March 31, 2008, the "Record Date." The Rights and common stock are described in the Company's prospectus dated January 14, 2008, as supplemented by the prospectus supplements dated March 24, 2008 and March 31, 2008, which we refer to collectively as the "Prospectus." Unless defined herein, all capitalized terms have the meanings given in the Prospectus.

The Company is offering an aggregate of 5,520,033 shares of its common stock, as described in the Prospectus. The Rights are transferable and will be listed for trading on the NASDAQ Global Select Market under the symbol "GAINR" during the course of the Rights offering.

The Rights will expire, if not exercised, at 5:00 p.m., New York time, on April 21, 2008, the Expiration Date, unless extended by the Company to a date not later than May 5, 2008. No fractional Rights will be issued, and no fractional shares of common stock will be issued pursuant to the exercise of the Rights.

Under the Basic Subscription Rights, for every Right held, the holder will be able to subscribe for one share of common stock. The Subscription Price per share will be ninety three percent (93%) of the volume-weighted average of the sales prices of our common stock on the NASDAQ Global Select Market for the five (5) consecutive trading days ending on the Expiration Date.

The Estimated Subscription Price is \$9.02 per share. Because the Subscription Price will be determined on the Expiration Date, Rights holders who decide to acquire shares pursuant to their Basic Subscription Rights or pursuant to the Over-Subscription Privilege will not know the actual Subscription Price when they make that decision. If the actual Subscription Price is lower, excess payments will be refunded (without interest), and if the actual Subscription Price is higher, Rights holders exercising their Rights will be required to make an additional payment.

In addition, pursuant to the Over-Subscription Privilege, if all of the Rights initially issued are not exercised by Record Date Stockholders and Rights Purchasers pursuant to the Basic Subscription Rights as of the Expiration Date, any unsubscribed shares will be offered to other Record Date Stockholders who have exercised all or a portion of their Rights as well as to Rights Purchasers who wish to acquire additional shares—subject to availability, allocation preferences, and proration. See "The Rights Offering—Over-Subscription Privilege" in the prospectus supplement dated March 31, 2008. The Company is requiring that the Rights holder deliver the Estimated Subscription Price in connection with the exercise of the Over-Subscription Privilege.

The Rights are evidenced by a Subscription Certificate registered in your name or the name of your nominee. Each beneficial owner of shares of the Company's common stock registered in your name or the name of your nominee is entitled to one Right for every three (3) shares of common stock owned by such beneficial owner as of the close of business on the Record Date.

We are asking persons who hold shares of the Company's common stock beneficially and who have received the Rights distributable with respect to those shares through a broker, bank or other nominee, to contact the appropriate institution or nominee and request it to effect the transactions for them.

If you exercise the Over-Subscription Privilege on behalf of beneficial owners of Rights, you will be required to certify to the Subscription Agent and to the Company, in connection with the exercise of the Over-Subscription Privilege, as to the number of Rights held on behalf of each beneficial owner as of the Expiration Date, the aggregate number of Rights (whether received by a Record Date Stockholder or purchased on the NASDAQ Global Select Market) that have been exercised, and the number of shares that are being subscribed for pursuant to the Over-Subscription Privilege, by each beneficial owner of Rights (including such nominee itself) on whose behalf such nominee holder is acting.

Enclosed are copies of the following documents:

1. The Prospectus;
2. A Subscription Certificate;
3. Instructions as to Use of Subscription Certificates;
4. A form of letter which may be sent to your clients for whose accounts you hold shares of the Company's common stock registered in your name or the name of your nominee, with Beneficial Owner Election Form;
5. A Notice of Guaranteed Delivery Form; and
6. A return envelope addressed to The Bank of New York, the Subscription Agent.

If you have questions or need additional copies of the enclosed materials, please contact the Information Agent, Georgeson Inc. The Information Agent's toll-free telephone number is: (866) 828-4303.

Your prompt action is requested. To exercise Rights, you should deliver the properly completed and signed Subscription Certificate with payment of the Estimated Subscription Price in full for each share of common stock subscribed for, to the Subscription Agent, as indicated in the Prospectus. The Subscription Agent must receive the Subscription Certificate with payment of the Estimated Subscription Price prior to 5:00 p.m., New York time, on the Expiration Date. A Rights holder cannot revoke the exercise of its Rights. Rights not exercised prior to the Expiration Date will expire.

Sincerely,



David Gladstone
Chairman and Chief Executive Officer

NOTHING HEREIN OR IN THE ENCLOSED DOCUMENTS SHALL MAKE YOU OR ANY PERSON AN AGENT OF GLADSTONE INVESTMENT CORPORATION, THE SUBSCRIPTION AGENT, OR ANY OTHER PERSON MAKING OR DEEMED TO BE MAKING OFFERS OF THE SECURITIES ISSUABLE UPON VALID EXERCISE OF THE RIGHTS, OR AUTHORIZE YOU OR ANY OTHER PERSON TO MAKE ANY STATEMENTS ON BEHALF OF ANY OF THEM WITH RESPECT TO THE OFFERING EXCEPT FOR STATEMENTS MADE IN THE PROSPECTUS.

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[Exhibit 2.d.7](#)

[GLADSTONE INVESTMENT CORPORATION TRANSFERABLE RIGHTS OFFERING NOTICE TO BROKERS, BANKS AND OTHER NOMINEES](#)

**GLADSTONE INVESTMENT CORPORATION
TRANSFERABLE RIGHTS OFFERING
BENEFICIAL OWNER ELECTION FORM**

The undersigned beneficial owner acknowledges receipt of your letter and the enclosed materials referred to therein relating to the rights offering of shares of common stock of Gladstone Investment Corporation (the "Company").

Through this form, the undersigned hereby instructs you whether or not to exercise subscription rights to purchase shares of the Company's common stock distributed with respect to the Company's common stock held by you for the account of the undersigned, pursuant to the terms and subject to the conditions set forth in the Company's prospectus dated January 14, 2008, as supplemented by the prospectus supplements dated March 24, 2008 and March 31, 2008, and the related "Instructions as to Use of Subscription Certificates."

Box 1. Please DO NOT EXERCISE RIGHTS for shares of common stock.
 Box 2. Please EXERCISE RIGHTS for shares of common stock as set forth below.

	Number of Rights		Estimated Subscription Price		Subscription Payment	
Basic Subscription Rights:		\$	\$9.02	\$		(Line 1)

For every three (3) shares the Company's common stock you own as of the Record Date, you are entitled to one right.

Over-Subscription Privilege:		\$	\$9.02	\$		(Line 2)
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There is no limit as to the number of shares of the Company's common stock you may subscribe for pursuant to the Over-Subscription Privilege; however, issuance is subject to availability, allocation preferences, and proration.

Total Payment Required = \$ _____ (Sum of Lines 1 and 2; must equal total of amounts in Box 3.)

Box 3. Payment in the following amount is enclosed \$_____.
 Box 4. Please deduct payment from the following account maintained by you as follows:

Type of Account	Account No.
Amount to be Deducted	
Signature	Date
Print name	
Title, if entity	

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[Exhibit 2.d.8](#)

[GLADSTONE INVESTMENT CORPORATION TRANSFERABLE RIGHTS OFFERING BENEFICIAL OWNER ELECTION FORM](#)

GLADSTONE INVESTMENT CORPORATION
TRANSFERABLE RIGHTS OFFERING
NOTICE TO BENEFICIAL STOCKHOLDERS

5,520,033 Shares of Common stock

March 31, 2008

This letter is being distributed to the clients of brokers, banks and other nominees in connection with the rights offering by Gladstone Investment Corporation (the "Company") of its common stock, par value \$0.001 per share, pursuant to transferable subscription rights, which we refer to as the "Rights," distributed to all holders of record of the Company's common stock at the close of business on March 31, 2008, the "Record Date." The Rights and common stock are described in the Company's prospectus dated January 14, 2008, as supplemented by the prospectus supplements dated March 24, 2008 and March 31, 2008, which we refer to collectively as the "Prospectus." Unless defined herein, all capitalized terms have the meanings given in the Prospectus.

The Company is offering an aggregate of 5,520,033 shares of its common stock, as described in the Prospectus. The Rights are transferable and will be listed for trading on the NASDAQ Global Select Market under the symbol "GAINR" during the course of the Rights offering.

The Rights will expire, if not exercised, at 5:00 p.m., New York time, on April 21, 2008, the Expiration Date, unless extended by the Company to a date not later than May 5, 2008. No fractional Rights will be issued, and no fractional shares of common stock will be issued pursuant to the exercise of the Rights.

As described in the accompanying Prospectus, you will receive one Right for every three shares of the Company's common stock recorded on the books of the transfer agent as of the Record Date. For every Right held, you will be able to subscribe for one share of common stock. This is your Basic Subscription Right. The Subscription Price per share will be ninety three percent (93%) of the volume-weighted average of the sales prices of our common stock on the NASDAQ Global Select Market for the five (5) consecutive trading days ending on the Expiration Date. The Rights will be evidenced by Subscription Certificates.

The Estimated Subscription Price is \$9.02 per share. Because the Subscription Price will be determined on the Expiration Date, Rights holders who decide to acquire shares pursuant to their Basic Subscription Rights or pursuant to the Over-Subscription Privilege will not know the actual Subscription Price when they make that decision. If the actual Subscription Price is lower, excess payments will be refunded (without interest), and if the actual Subscription Price is higher, Rights holders exercising their rights will be required to make an additional payment.

In addition, pursuant to the Over-Subscription Privilege, if all of the Rights initially issued are not exercised by Record Date Stockholders and Rights Purchasers pursuant to the Basic Subscription Rights as of the Expiration Date, any unsubscribed Shares will be offered to other Record Date Stockholders who have exercised all or a portion of their Rights as well as to Rights Purchasers who wish to acquire additional Shares—subject to availability, allocation preferences, and proration. See "The Rights Offering—Over-Subscription Privilege" in the prospectus supplement dated March 31, 2008. The Company is requiring that you deliver the Estimated Subscription Price in connection with the exercise of your Over-Subscription Privilege.

Enclosed are copies of the following documents:

1. The Prospectus;
2. Instructions as to Use of Subscription Certificates; and
3. A Beneficial Owner Election Form.

THE MATERIALS ENCLOSED ARE BEING FORWARDED TO YOU AS THE BENEFICIAL OWNER OF THE COMPANY'S COMMON STOCK CARRIED BY US IN YOUR ACCOUNT BUT NOT REGISTERED IN YOUR NAME. EXERCISES OF RIGHTS MAY BE MADE BY ONLY US AS THE RECORD OWNER AND PURSUANT TO YOUR INSTRUCTIONS.

Accordingly, we request instructions as to whether you wish us to elect to subscribe for any shares of common stock to which you are entitled pursuant to the terms and subject to the conditions set forth in the enclosed Prospectus. However, we urge you to read the document carefully before instructing us to exercise the Rights.

Your instructions to us should be forwarded as promptly as possible in order to permit us to exercise the Rights on your behalf in accordance with the provisions of the Rights offering. The Rights offering will expire at 5:00 p.m., New York time, on the Expiration Date. Once you have exercised your Basic Subscription Rights or the Over-Subscription Privilege, such exercise may not be revoked.

If you wish to have us, on your behalf, exercise the Rights for any shares of common stock to which you are entitled, please so instruct us by completing, executing and returning to us the election form included with this letter.

ANY QUESTIONS OR REQUESTS FOR ASSISTANCE CONCERNING THE RIGHTS OFFERING SHOULD BE DIRECTED TO GEORGESON INC., THE INFORMATION AGENT, BY CALLING TOLL-FREE THE FOLLOWING TELEPHONE NUMBER: (866) 828-4303.

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[Exhibit 2.d.9](#)

[GLADSTONE INVESTMENT CORPORATION TRANSFERABLE RIGHTS OFFERING NOTICE TO BENEFICIAL STOCKHOLDERS 5,520,033 Shares of Common stock
March 31, 2008](#)

**GLADSTONE INVESTMENT CORPORATION
TRANSFERABLE RIGHTS OFFERING**

**NOTICE OF GUARANTEED DELIVERY
FOR SHARES OF COMMON STOCK
SUBSCRIBED FOR PURSUANT TO THE BASIC SUBSCRIPTION RIGHT
AND THE OVER-SUBSCRIPTION PRIVILEGE**

As set forth in the prospectus dated January 14, 2008, as supplemented by the prospectus supplements dated March 24, 2008 and March 31, 2008, which we refer to collectively as the "Prospectus," of Gladstone Investment Corporation (the "Company"), the form on the following page, or one substantially equivalent hereto, must be used as a means of effecting the subscription for all shares of the Company's common stock subscribed for under the Basic Subscription Rights and Over-Subscription Privilege of the Rights offering. Such form must be delivered by hand or sent by facsimile transmission, first class mail, or overnight courier to the Subscription Agent listed below, and must be received by the Subscription Agent at or prior to 5:00 p.m., New York time, on April 21, 2008, the Expiration Date of this Rights offering. The Expiration Date may be extended by the Company to a date not later than May 5, 2008. See "The Rights Offering—Notice of Guaranteed Delivery" in the prospectus supplement dated March 31, 2008. Unless defined herein, all capitalized terms have the meanings given in the Prospectus.

The Subscription Agent is: The Bank of New York

<i>If by First Class Mail:</i>	The Bank of New York Reorganization Services P.O. Box 3301 South Hackensack, NJ 07606
<i>If by Overnight Carrier:</i>	The Bank of New York Reorganization Services, 27th Floor 480 Washington Boulevard Jersey City, NJ 07310
<i>If by Hand:</i>	The Bank of New York Reorganization Services, 27th Floor 480 Washington Boulevard Jersey City, NJ 07310
<i>If by Facsimile:</i>	(201) 680-4626

Telephone number for confirmation: (201) 680-4860

DELIVERY OF THIS INSTRUMENT TO AN ADDRESS, OR TRANSMISSION OF INSTRUCTIONS VIA FACSIMILE NUMBER, OTHER THAN AS SET FORTH ABOVE, DOES NOT CONSTITUTE A VALID DELIVERY.

The member firm of a registered national securities exchange or a member of the Financial Industry Regulatory Authority, or a commercial bank or trust company, having an office or correspondent in the United States that completes this form must communicate the guarantee, and state the name of the Record Date Stockholder or Rights Purchaser, the number of Rights held, the number of shares being subscribed for (separately disclosed as to the Basic Subscription Rights and the Over-Subscription Privilege) to the Subscription Agent, and must deliver this Notice of Guaranteed Delivery—accompanied by full payment of the Estimated Subscription Price—guaranteeing delivery of a properly completed and signed copy of the Subscription Certificate to the Subscription Agent on or prior to 5:00 P.M., New York time, on April 21, 2008, the Expiration Date, unless extended by the Company. Failure to do so will result in a forfeiture of the Rights.

GUARANTEE

The undersigned, a member firm of a registered national securities exchange or a member of the Financial Industry Regulatory Authority, or a commercial bank or trust company having an office or correspondent in the United States, guarantees delivery to the Subscription Agent a properly completed and executed Subscription Certificate on or prior to 5:00 P.M., New York time, on April 24, 2008, or, if the Expiration Date is extended, three (3) business days following the Expiration Date.

1. **Name of Record Date Stockholder or Rights Purchaser:** _____
2. **Number of Record Date Shares Owned (if any):** _____
3. **Number of Rights Awarded (if any):** _____ = Shares owned divided by three (3) (disregard fractional rights)
4. **Number of Rights Purchased on NASDAQ (if any):** _____
5. **Basic Subscription Rights:**
 - a. **Number of Rights Exercised:** _____ (including Rights purchased on NASDAQ)

Number of shares of common stock subscribed for pursuant to the Basic Subscription Rights, and accompanied by full payment, for which you are guaranteeing delivery of the Subscription Certificate:
 - b. _____ Rights Exercised = _____ shares of common stock
6. **Over-Subscription Privilege:**
Number of shares of common stock requested pursuant to the Over-Subscription Privilege, and accompanied by full payment, for which you are guaranteeing delivery of the Subscription Certificate:

_____ Shares Requested = _____ shares of common stock
7. **Total:**
Total number of shares of common stock subscribed for, and accompanied by full payment, for which you are guaranteeing delivery of the Subscription Certificate (sum of 5(b) and 6):

_____ Total shares of common stock (disregard fractional shares)
8. **Method of Delivery (Check one):**
 Through the Depository Trust Company, or DTC
 Direct to The Bank of New York, as the Subscription Agent

Please assign above a unique control number for each guarantee submitted. This number needs to be referenced on any direct delivery or any delivery through DTC. In addition, please note that if you are guaranteeing shares of common stock subscribed for pursuant to the Over-Subscription Privilege and are a DTC participant, you must also execute and forward to The Bank of New York a Nominee Holder Over-Subscription Exercise Form.

Name of Firm

Authorized Signature

DTC Participant Number

Title

Address

Name (please type or print)

Zip Code

Phone Number

QuickLinks

[Exhibit 2.d.10](#)

[The Subscription Agent is: The Bank of New York
GUARANTEE](#)

GLADSTONE INVESTMENT CORPORATION

TRANSFERABLE RIGHTS OFFERING

NOMINEE HOLDER OVER-SUBSCRIPTION EXERCISE FORM

Please complete all applicable information. The form on the following page is to be used only by nominees to exercise the Over-Subscription Privilege for the accounts of persons whose Rights have been exercised and delivered in connection with the Basic Subscription Rights through the facilities of a common depository. All other exercises of the Over-Subscription Privilege must be effected by the delivery of the Subscription Certificate. Unless defined herein, all capitalized terms have the meanings given in the Prospectus (as defined below).

The terms and conditions of the Rights offering are set forth in the prospectus dated January 14, 2008, as supplemented by the prospectus supplements dated March 24, 2008 and March 31, 2008, which we refer to collectively as the "Prospectus," and are incorporated herein by reference. Copies of the Prospectus are available upon request from the Information Agent, Georgeson Inc. by calling toll-free at (866) 828-4303, or by sending a request.

THIS FORM IS VOID AND WITHOUT EFFECT UNLESS IT IS RECEIVED BY THE BANK OF NEW YORK, THE SUBSCRIPTION AGENT, BY 5:00 P.M., NEW YORK TIME, ON APRIL 21, 2008, THE EXPIRATION DATE, UNLESS THE EXPIRATION DATE IS EXTENDED BY THE COMPANY AND UNLESS PRECEDED BY A NOTICE OF GUARANTEED DELIVERY. THE EXPIRATION DATE MAY BE EXTENDED BY THE COMPANY TO A DATE NOT LATER THAN MAY 5, 2008.

Please complete all applicable information and deliver by hand or send by first class mail, or overnight courier to The Bank of New York:

If by First Class Mail: The Bank of New York
Reorganization Services
P.O. Box 3301
South Hackensack, NJ 07606

If by Overnight Carrier: The Bank of New York
Reorganization Services, 27th Floor
480 Washington Boulevard
Jersey City, NJ 07310

If by Hand: The Bank of New York
Reorganization Services, 27th Floor
480 Washington Boulevard
Jersey City, NJ 07310

DELIVERY OF THIS INSTRUMENT TO AN ADDRESS OTHER THAN AS SET FORTH ABOVE DOES NOT CONSTITUTE A VALID DELIVERY.

1. The undersigned hereby certifies to the Company and the Subscription Agent that it is a participant in The Depository Trust Company, or "DTC," and that it has either (i) exercised all or a portion of the Basic Subscription Rights and delivered a Subscription Certificate and payment to the Subscription Agent by means of transfer to the DTC account of the Subscription Agent, or (ii) delivered to the Subscription Agent a Notice of Guaranteed Delivery and payment in respect of the exercise of the Basic Subscription Rights and will deliver the Subscription Certificate called for in such Notice of Guaranteed Delivery to the Subscription Agent by means of transfer to such depository account of the Subscription Agent.
2. The undersigned hereby exercises the Over-Subscription Privilege to purchase, to the extent available, _____ shares of the Company's common stock and certifies to the Company and the Subscription Agent that such Over-Subscription Privilege is being exercised for the account or accounts of persons (which may include the undersigned) on whose behalf Basic Subscription Rights have been exercised.
3. The undersigned understands that payment of the Estimated Subscription Price per share for all shares of common stock subscribed for pursuant to the Over-Subscription Privilege must be received by the Subscription Agent at or before 5:00 P.M., New York time, on the Expiration Date, and hereby represents that (check appropriate box):
 - payment of the Estimated Subscription Price in the aggregate amount of \$ _____ is being delivered to the Subscription Agent herewith and is delivered in the manner set forth in the Prospectus; or
 - payment of the Estimated Subscription Price in the aggregate amount of \$ _____ has been delivered separately to the Subscription Agent and was delivered in the manner set forth in the Prospectus.

Rights Certificate No.	Date	Certified TIN
Name of DTC Participant	Authorized Signature	
DTC Participant Number	Title	
Address (1)	Name (please print)	
Address (2)	Phone Number	

PLEASE NOTE: THIS FORM SHALL NOT BE ACCEPTED AS VALID UNLESS THE FOLLOWING INFORMATION IS PROVIDED FOR THE ALLOCATION OF OVER-SUBSCRIPTION SHARES.

The positions below pertain to those persons on whose behalf the Over-Subscription Privilege is being exercised:

Number of Rights Received by Record Date Stockholder (if any)	Number of Rights Purchased by Rights Purchaser (if any)	Total Number of Rights Being Exercised
2		

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[Exhibit 2.d.11](#)

[GLADSTONE INVESTMENT CORPORATION TRANSFERABLE RIGHTS OFFERING NOMINEE HOLDER OVER-SUBSCRIPTION EXERCISE FORM](#)

GLADSTONE INVESTMENT CORPORATION

5,520,033 Shares of Common Stock
Issuable Upon Exercise of Transferable Rights
to Subscribe for Such Shares

SOLICITING DEALER AGREEMENT

THE OFFER WILL EXPIRE AT 5:00 P.M., EASTERN TIME,
APRIL 21, 2008, UNLESS EXTENDED.

To Securities Brokers and Dealers:

Gladstone Investment Corporation (the "**Company**") is issuing to its stockholders of record ("**Record Date Stockholders**") as of the close of business on March 31, 2008 (the "**Record Date**") transferable rights (the "**Rights**") to subscribe for an aggregate of up to 5,520,033 shares share (the "**Shares**") of the Company's common stock, par value \$0.001 per share (the "**Common Stock**") upon the terms and subject to the conditions set forth in the Company's Prospectus dated January 14, 2008, as supplemented by the prospectus supplements dated March 24, 2008 and March 31, 2008 (collectively, the "**Prospectus**") (the "**Offer**"). Unless defined herein, all capitalized terms have the meanings given in the prospectus supplement dated March 24, 2008. Pursuant to the terms of the Offer, the Company is issuing each Record Date Stockholder one Right for every three shares of Common Stock owned by such Record Date Stockholder on the Record Date. Such Rights entitle their holders to acquire at the Subscription Price (as hereinafter defined) one share of Common Stock for each Right held. No fractional Rights will be issued. Any Record Date Stockholder who exercises all or a portion of the Rights initially issued to such Record Date Stockholder on the Record Date will be entitled to subscribe for any remaining, unsubscribed Shares (the "**Over-Subscription Privilege**") on the terms and conditions set forth in the Prospectus, which includes a description of limitations based on availability, proration and allocation preferences. Any Shares which are available after satisfying Over-Subscription Privilege requests by such Record Date Stockholders will be allocated among purchasers of Rights (and their transferees) who otherwise acquire Rights to purchase Shares pursuant to this Offer. The Rights are transferable and are expected to be listed for trading on the Nasdaq Global Select Market ("**Nasdaq**"). The subscription price per share will be ninety three percent (93%) of the volume-weighted average of the sales prices of the Common Stock on Nasdaq for the five (5) consecutive trading days ending on the expiration date of the Offer (the "**Subscription Price**"). The subscription period commences on March 31, 2008 and ends at 5:00 p.m., Eastern Time, on April 21, 2008 (the "**Expiration Date**"), unless and until the Company shall, in its sole discretion, have extended the period for which the Offer is open, in which event the term "Expiration Date" with respect to the offer will mean the latest time and date on which the Offer, as so extended by the Company, will expire.

The Company will pay Soliciting Fees (as hereinafter defined) to any qualified broker or dealer who solicits the exercise of Rights and the Over-Subscription Privilege in connection with the Offer and who complies with the procedures described below (each such broker or dealer, a "**Soliciting Dealer**"). Upon timely delivery to The Bank of New York Mellon, the Company's subscription agent for the Offer (the "**Subscription Agent**") of payment for Shares purchased pursuant to the exercise of Rights and the Over-Subscription Privilege and of properly completed and executed documentation as set forth in this Soliciting Dealer Agreement, a Soliciting Dealer hereunder will be entitled to receive a fee (the "**Soliciting Fee**") equal to one and one-half percent (1.5%) of the Subscription Price per Share purchased pursuant to exercise of the Rights and the Over-Subscription Privilege by such Soliciting Dealer's customers; provided, however that no payment shall be due with respect to the issuance of Shares until payment therefor is actually received. A qualified broker or dealer is a broker or dealer that is a member of a registered national securities exchange in the United States or the Financial Industry Regulatory Authority ("**FINRA**") or otherwise eligible to participate under FINRA rules.

The Company hereby agrees to pay the Soliciting Fee payable to the undersigned Soliciting Dealer. Solicitation and other activities by Soliciting Dealers may be undertaken only in accordance with the applicable rules and regulations of the Securities and Exchange Commission and FINRA including, but

not limited to, the rules pertaining to Business Conduct included in the FINRA Manual (the "**Business Conduct Rules**"), or any other applicable self-regulatory organization and only in those states and other jurisdictions where those solicitations and other activities may lawfully be undertaken and in accordance with the laws thereof. Compensation will not be paid for solicitations in any state or other jurisdiction in which, in the opinion of counsel to the Company, such compensation may not lawfully be paid. No Soliciting Dealer will be paid Soliciting Fees with respect to Shares purchased pursuant to an exercise of Rights for its own account or for the account of any affiliate of the Soliciting Dealer. No Soliciting Dealer or any other person is authorized by the Company to give any information or make any representations in connection with the Offer other than those contained in the Prospectus and other authorized solicitation material furnished by the Company through the Company's information agent. No Soliciting Dealer is authorized to act as agent of the Company in any connection or transaction. In addition, nothing contained in this Soliciting Dealer Agreement will cause the Soliciting Dealer to become a partner with the Company or create any other association between the Soliciting Dealer and the Company, or will render the Company liable for the obligations of any Soliciting Dealer. The Company will be under no liability to make any payment to any Soliciting Dealer except as otherwise set forth herein.

In order for a Soliciting Dealer to receive Soliciting Fees, the Subscription Agent must have received from such Soliciting Dealer, no later than 5:00 p.m., Eastern Time, on the Expiration Date either (i) a properly completed and duly executed Subscription Certificate with respect to Shares purchased pursuant to the exercise of Rights and the Over-Subscription Privilege and full payment for such Shares or (ii) a Notice of Guaranteed Delivery guaranteeing delivery to the Subscription Agent by close of business on the third business day after the Expiration Date of (a) full payment for such Shares and (b) a properly completed and duly executed Subscription Certificate with respect to Shares purchased pursuant to the Rights and the Over-Subscription Privilege. Soliciting Fees will only be paid after receipt by the Subscription Agent of a properly completed and duly executed Soliciting Dealer Agreement and a Subscription Certificate designating the Soliciting Dealer in the applicable portion thereof. In the case of a Notice of Guaranteed Delivery, Soliciting Fees will only be paid after delivery in accordance with such Notice of Guaranteed Delivery has been effected. Soliciting Fees will be paid by the Company (through the Subscription Agent) to the Soliciting Dealer by check to an address designated by the Soliciting Dealer below by the tenth business day following the day the Company issues Shares after the Expiration Date.

All questions as to the form, validity and eligibility (including time of receipt) of this Soliciting Dealer Agreement will be determined by the Subscription Agent, in its sole discretion, which determination will be final and binding. Unless waived, any irregularities in connection with a Soliciting Dealer Agreement or delivery thereof must be cured within such time as the Company may determine. None of the Company, the Subscription Agent, the information agent for the Offer or any other person will be under any duty to give notification of any defects or irregularities in any Soliciting Dealer Agreement or incur any liability for failure to give such notification.

Execution and delivery of this Soliciting Dealer Agreement and the acceptance of Soliciting Fees from the Company by the undersigned Soliciting Dealer shall constitute a representation and warranty by such Soliciting Dealer to the Company that: (i) it has received and reviewed the Prospectus; (ii) in soliciting purchases of Shares pursuant to the exercise of the Rights and the Over-Subscription Privilege, it has complied with the applicable requirements of the Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), the applicable rules and regulations thereunder, any applicable securities laws of any state or other jurisdiction where such solicitations were made, and the applicable rules and regulations of any self-regulatory organization or registered national securities exchange; (iii) in soliciting purchases of Shares pursuant to the exercise of the Rights and the Over-Subscription Privilege, it has not published, circulated or used any soliciting materials other than the Prospectus and any other authorized solicitation material furnished by the Company through the information agent;(iv)

it has not purported to act as agent of the Company in any connection or transaction relating the Offer; (v) the information contained in this Soliciting Dealer Agreement is, to its best knowledge, true and complete; (vi) it is not affiliated with the Company; (vii) the Soliciting Fees being paid are not being paid with respect to Shares purchased by it or an affiliate pursuant to an exercise of Rights and the Over-Subscription Privilege for its own or the affiliate's account; (viii) it will not remit, directly or indirectly, any part of the Soliciting Fees paid by the Company pursuant to the terms of this Soliciting Dealer Agreement to any beneficial owner of Shares purchased pursuant to the Offer; and (ix) it has agreed to the amount of the Soliciting Fees and the terms and conditions set forth herein with respect to receiving such Soliciting Fees. By returning a Soliciting Dealer Agreement and accepting Soliciting Fees, a Soliciting Dealer will be deemed to have agreed to indemnify the Company against losses, claims, damages and liabilities to which the Company may become subject as a result of the breach of such Soliciting Dealer's representations and warranties made herein and described above. In making the foregoing representations and warranties, Soliciting Dealers are reminded of the possible applicability of the anti-manipulation rules under the Exchange Act if they have bought, sold, dealt in or traded in any Shares for their own account since the commencement of the Offer.

The Company agrees to indemnify and hold harmless each of the Soliciting Dealers and each person, if any, who controls a Soliciting Dealer within the meaning of either Section 15 of the Securities Act of 1933, as amended (the "*Securities Act*"), or Section 20 of the Exchange Act (a "controlling person") from and against any and all losses, claims, damages and liabilities (including, without limitation, any legal or other expenses reasonably incurred by such Soliciting Dealer or any such controlling person in connection with defending or investigating any such action or claim) caused by any untrue statement of a material fact contained in the Company's Registration Statement on Form N-2 (File No. 333- 147185) under the Securities Act covering the Shares or any amendment thereof or the Prospectus (as amended or supplemented if the Company has furnished any amendments or supplements thereto), or any other soliciting materials furnished by the Company through its information agent, or caused by any omission to state therein a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances in which such statements were made, not misleading.

Upon expiration of the Offer, no Solicitation Fees will be payable to Soliciting Dealers with respect to Shares purchased thereafter.

This Soliciting Dealer Agreement may be signed in two or more counterparts, each of which will be an original, with the same effect as if the signatures were upon the same instrument.

This Soliciting Dealer Agreement will be governed by the internal laws of the Commonwealth of Virginia.

Please execute this Soliciting Dealer Agreement below, accepting the terms and conditions set forth in this Soliciting Dealer Agreement and confirming that you are a member firm of a registered national securities exchange or of FINRA or a foreign broker or dealer not eligible for membership who has conformed to the Business Conduct Rules in making solicitations of the type being undertaken pursuant to the Offer in the United States to the same extent as if you were a member thereof, and certifying that you have solicited the purchase of the Shares pursuant to exercise of the Rights, all as described above, in accordance with the terms and conditions set forth in this Soliciting Dealer Agreement. Please forward two executed copies of this Soliciting Dealer Agreement to: The Bank of New York, Reorganization Services, 480 Washington Boulevard, 27th Floor, Jersey City, NJ 07310, Attn: Ray Vargas.

A signed copy of this Soliciting Dealer Agreement will be promptly returned to the Soliciting Dealer at the address set forth below.

GLADSTONE INVESTMENT CORPORATION

By: /s/ DAVID GLADSTONE

Name: David Gladstone

Title: Chairman and Chief Executive Officer

PLEASE COMPLETE THE INFORMATION BELOW:

Printed Firm Name

Address

Contact at Soliciting Dealer

Authorized Signature

Telephone Number

Name and Title

Facsimile Number

Dated:

QuickLinks

[Exhibit 2.h](#)

RIGHTS AGENCY AGREEMENT

The Bank of New York
Reorganization Services
480 Washington Boulevard
Jersey City, NJ 07310

Ladies and Gentlemen:

RIGHTS AGENCY AGREEMENT (the "Agreement"), dated as of March 28, 2008, between Gladstone Investment Corporation (the "Company"), incorporated under the laws of Delaware, and The Bank of New York, a New York banking corporation (the "Rights Agent").

WHEREAS, the Company will grant to existing holders of shares of the Company's common stock ("Common Stock") that are registered on the books of the transfer agent, or their transferees (the "Holders") as of March 31, 2008 (the "Record Date"), the right to purchase additional Common Stock at the subscription price defined in the Prospectus (as defined below) (the "Rights Offer").

WHEREAS, the Rights Offer is expected to be commenced on or about March 31, 2008. The Rights Offer will be made to each of the Holders by means of the prospectus dated March 31, 2008, and the prospectus supplements dated March 21, 2008 and March 31, 2008, and any amendments thereto (collectively, the "Prospectus"), which will be accompanied by a Subscription Form containing instructions with respect to the number of shares Common Stock that may be purchased, the method for subscribing and the delivery of payment (the "Subscription Form" or "Subscription Certificate"). The section of the Subscription Form entitled *Exercise of Subscription Rights* is to be used by the Holders to subscribe for additional Common Stock in the Rights Offer (the "Holder's Instructions").

NOW, THEREFORE, in consideration of the premises and mutual agreements herein, the Company and the Rights Agent hereby agree as follows:

ARTICLE I—APPOINTMENT OF THE RIGHTS AGENT

The Company hereby appoints The Bank of New York as the Rights Agent of the Company in connection with the Rights Offer in accordance with the terms and conditions of this Agreement and The Bank of New York hereby accepts such appointment and agrees to be bound by the terms and conditions of this Agreement upon execution of this Agreement.

ARTICLE II—TERMS OF RIGHTS OFFER

1. The subscription period will commence on or about March 31, 2008 (the "Commencement Date") and will end on April 21, 2008, unless extended to a date no later than
-

May 5, 2008 (the "Expiration Date"). The Commencement Date through 5:00 p.m. New York time on the Expiration Date will constitute the subscription period (the "Subscription Period").

2. Per the terms of the Prospectus, the Company may extend the Expiration Date, thus extending the Subscription Period through such later Expiration Date. In such event the Company will give the Rights Agent one day's prior written notice of its intent to extend the Subscription Period.

3. Holders holding Common Stock as of the Record Date may purchase Common Stock pursuant to the Rights Offer at the subscription price per share defined in the Prospectus (the "Subscription Price").

ARTICLE III—DELIVERY OF RIGHTS OFFER MATERIAL

1. On or the Commencement Date, the Company will deliver to the Rights Agent sufficient copies of the Rights Offer Material (as defined below) and the addresses of each Holder.

2. Unless otherwise instructed in writing by the Company, within three business days of the Record Date the Rights Agent shall send or cause to be sent to each Holder as of the Record Date (i) a Prospectus, (ii) a Subscription Certificate, (iii) Instructions as Use of Subscription Certificates, (iv) Notice to Record Holders, (v) Notice to Brokers, Banks and Other Nominees, (vi) Notice to Beneficial Stockholders, (vii) a Beneficial Ownership Election Form, (viii) Form of Notice of Guaranteed Delivery, (ix) a Nominee Holder Over-Subscription Form, (x) Soliciting Dealer Agreement, and (xi) a return envelope addressed to the Rights Agent for use by such Holder (such material, collectively, the "Rights Offer Material"); provided, however, that the Rights Agent shall have no duty or obligation to verify or confirm whether such Rights Offer Material complies with any federal or state securities laws.

3. In the event that the Rights Offer Material is returned to the Rights Agent for any reason and a proper delivery thereof cannot be effected to a Holder, the Rights Agent shall hold such Rights Offer Material and the related Holder's right to purchase Common Stock under the Rights Offer will be treated as unexercised. The Rights Agent shall supply the Company with such information as the Company may request with respect to any Rights Offer Material that cannot be delivered to a Holder.

4. In the event that, prior to the Expiration Date, any Holder notifies the Rights Agent that the Rights Offer Material to which such Holder is entitled has not been delivered, or has been lost, stolen or destroyed, the Rights Agent will furnish to such Holder a copy of the Rights Offer Material. The Company agrees to supply the Rights Agent with sufficient copies of the Rights Offer Materials for such purposes.

ARTICLE IV—ACCEPTANCE OF SUBSCRIPTIONS

1. The Rights Agent is hereby authorized and directed to receive subscriptions for Common Stock on behalf of the Company throughout the Subscription Period. Any funds that the Rights Agent receives during the Subscription Period from Holders in respect of payments for Common Stock shall be deposited in an account at the Rights Agent that the Rights Agent designates solely for such purpose (the "Deposit Account") and such funds shall remain in the Deposit Account until they are distributed to the Company in accordance with Article VI, paragraph 1 hereof.

As promptly as practicable after the Rights Agent receives each Holder's Instruction, the Rights Agent shall determine whether the Holder sending such Holder's Instruction has properly completed and executed such forms and will confirm with the Company that the Holder has submitted the correct payment for the Common Stock. If such form is not properly completed, is unexecuted or, if such Holder did not send the correct payment amount then the Rights Agent will send a notice to such Holder instructing such Holder to amend its Holder's Instruction or submit the proper payment amount, as the case may be. Except as set forth in paragraph 3 of this Article IV, if such Holder does not amend its Holder's Instruction or submit the proper payment amount, as the case may be, by the Expiration Date, such Holder's right to purchase Common Stock in the Rights Offer shall be deemed to be unexercised.

Notwithstanding the foregoing, without further authorization from the Company, except where otherwise specified or as otherwise notified in writing by the Company prior to the Expiration Date, the following Holder's Instructions shall be deemed to be properly completed:

- (a) any subscription with respect to which a Holder has failed to execute a Holder's Instruction in the manner provided by the terms thereof, provided that (1) the Holder has indicated on such Holder's Instruction or by written communication, the manner in which the Holder wishes to subscribe and (2) proper payment has been made by such Holder;
- (b) any subscription by an individual (and not by a corporation, partnership or fiduciary) which is accompanied by a check drawn by an individual (and not by a corporation, partnership or fiduciary) other than the Holder, provided that (1) the Holder's Instruction submitted therewith has been duly executed by the Holder, (2) the Holder is the Holder to which such Holder's Instruction relates, (3) the check tendered in payment of such subscription is drawn for the proper amount and to the order of The Bank of New York and is otherwise in order, and (4) there is no evidence actually known to the Rights Agent indicating that such check was delivered to the Holder by the drawer thereof for any purpose other than the payment of the accompanying subscription;
- (c) any subscription by a custodian on behalf of a minor which is accompanied by a check drawn by an individual (and not by a corporation, partnership or fiduciary) other than the Holder, if the provisos set forth in clause (b) above are satisfied; or

(d) any subscription by an individual (and not by a corporation, partnership or fiduciary) which is accompanied by a check drawn by a corporation, partnership or fiduciary other than the Holder, if the provisos set forth in clause (b) above are satisfied.

2. The Rights Agent is hereby authorized to accept subscriptions for shares of Common Stock on behalf of the Company (i) on the Expiration Date, (ii) after determining the total number of shares that a holder is entitled to purchase in the Rights Offer, pursuant to Article VI hereof, and (iii) upon the proper completion and execution of the Holder's Instruction, in accordance with the terms thereof and hereof.

3. The Rights Agent is authorized to waive proof of authority to sign (including the right to waive signatures of co-fiduciaries and proof of appointment or authority of any fiduciary or other person acting in a representative capacity) in connection with any subscription with respect to which:

(a) the shares to which the Holder's Instruction relates are registered in the name of an executor, administrator, trustee, custodian for a minor or other fiduciary and has been executed by such Holder provided that the shares purchased are to be issued in the name of such Holder;

(b) the shares to which the Holder's Instructions relates are registered in the name of a corporation and the Holder's Instruction has been executed by an officer of such corporation, provided that the shares purchased are to be issued in the name of such corporation;

(c) the Holder's Instruction has been executed by a bank, trust company, broker or other nominee as agent for the Holder to which such Holder's Instruction relates, provided that the shares purchased are to be issued in the name of such Holder; or

(d) the shares to which such Holder's Instructions relates are registered in the name of a decedent and the Holder's Instruction has been executed by a person who purports to act as the executor or administrator of such decedent's estate, provided that (1) the shares are to be issued in the name of such person as executor or administrator of such decedent's estate, (2) the check tendered in payment of such subscription is drawn for the proper amount and to the order of The Bank of New York and is otherwise in order, and (3) there is no evidence actually known to the Rights Agent indicating that such person is not the duly authorized representative which such person purports to be.

***ARTICLE V—COORDINATION OF
PAYMENTS TO SOLICITING DEALERS***

The Rights Agent will perform all duties assigned to it in the Soliciting Dealer Agreements in the form as filed with Post-Effective Amendment No. 1 to the Registration Statement on Form N-2 (File No. 333-147185) (the "SDAs"), including but not limited to:

1. Collection of SDAs executed by qualified brokers or dealers who solicit subscriptions for the shares of Common Stock and who comply with the procedures described in the SDAs (collectively, "Participating Brokers and Dealers");
2. Determination, in the sole discretion of the Rights Agent, of all questions as to the form, validity and eligibility (including time of receipt) of SDAs from Participating Brokers and Dealers; and
3. Payment, pursuant to Article VII hereof, of Soliciting Fees (as defined in the SDA) to Participating Brokers and Dealers who have executed valid and eligible SDAs in connection with the Offer.

The Rights Agent will not be responsible for any obligations imposed upon it as a result of any amendment or changes to the form of SDAs referenced above.

ARTICLE VI—REPORTS BY THE RIGHTS AGENT

1. The Rights Agent will advise the Company by facsimile transmission (i) on the Commencement Date as to the total number of Holders and the total number of Common Stock outstanding; and (ii) daily during the Subscription Period as to (1) the total number of subscriptions for Common Stock pursuant to the Rights Offer that the Rights Agent has received (which have been properly completed and executed and for which the correct payment amount was received), (2) the aggregate amount of funds received by the Rights Agent in payment of such subscriptions and (3) the total number of Holders which the Rights Agent has notified pursuant to Article IV, paragraph 1 hereof that their Holder's Instruction was not properly completed or that the correct payment amount for the shares was not received.

2. Not later than 5 p.m. (New York City time) on the Expiration Date, the Rights Agent will advise the Company by facsimile transmission as to (i) the total number of shares subscribed for in the Rights Offer and the total number of shares represented thereby and (ii) the aggregate amount of funds received by the Rights Agent in payment of such subscriptions.

ARTICLE VII—PAYMENTS; SUBSCRIPTION PRICE AMOUNT

1. Promptly after the Expiration Date, the Company will deposit the shares underlying the Common Stock with its transfer agent, The Bank of New York, and will request that the transfer agent confirm such deposit with the Rights Agent. Once the Rights Agent receives confirmation that the shares have been deposited, the Rights Agent shall a) remit to Participating Brokers and Dealers all Solicitation Fees due under valid and eligible SDAs submitted to the Rights Agent (the "Aggregate Solicitation Fees"); and b) remit to the Company the remaining aggregate amount of funds held in the Deposit Account representing the Subscription Price for the Common Stock, less the Aggregate Solicitation Fees, via wire transfer according to the instructions provided on *Annex A* hereto.

ARTICLE VIII—ISSUANCE AND DELIVERY OF SHARES

1. Promptly after the Expiration Date, the Rights Agent will mail or deliver a statement indicating a book-entry interest relating to such shares subscribed for to each Holder and will use reasonable efforts to cause the book-entry interests to be recorded on the share register maintained by the Company's transfer agent.

ARTICLE IX—LIMITATIONS OF DUTIES

1. The Rights Agent shall have no duties or obligations other than those specifically set forth herein, including any duties or obligations under any other agreement, and no implied duties or obligations shall be read into this Agreement or the SDAs against the Rights Agent.

2. The Rights Agent makes no, and will not be deemed to have made, any representations with respect to, and shall have no duties, responsibilities or obligations with respect to determining, the validity, sufficiency, value or genuineness of any shares, Subscription Forms or other documents deposited with or delivered to it or any signature or endorsement set forth on or in connection with such documents.

3. The Rights Agent may rely on and shall be fully authorized and protected in acting or failing to act upon any certificate, instrument, opinion, notice, letter, telegram, telex, facsimile transmission or other document or security delivered to the Rights Agent in connection with this Agreement or the SDAs and believed by it to be genuine and to have been signed by the proper party or parties.

4. The Rights Agent may rely on and shall be fully authorized and protected in acting or failing to act upon the written, telephonic or oral instructions of officers of the Company with respect to any matter relating to the Rights Agent covered by this Agreement (or supplementing or qualifying any such actions) or the SDA.

5. The Rights Agent shall not be obligated to take any legal action under this Agreement or the SDAs which might in the Rights Agent's judgment involve any expense or liability, unless the Rights Agent shall have been furnished with indemnity satisfactory to the Rights Agent.

6. The Rights Agent shall not be liable for or by reason of any of the statements of fact or recitals contained in this Agreement, the SDA, the Subscription Form or any other Rights Offer Materials or be required to verify the same; and may rely upon and comply with, and shall be fully indemnified and held harmless for relying upon and complying with, any Subscription Form or other Rights Offer Material, certificate, instrument, opinion of counsel, notice, letter, telegram, records, or other document or security delivered to it in connection with this Agreement or the SDA.

7. The Rights Agent may consult with legal counsel for the Company or its own counsel (which may be in-house counsel) and rely upon any opinion of such counsel, and shall have no liability in respect of any action taken, omitted or suffered by the Rights Agent under this Agreement or the SDAs in reliance upon, and in accordance with, any such opinion.

8. The Rights Agent is hereby authorized and directed to accept instructions with respect to the performance of its duties under this Agreement or the SDAs from the Company, and to apply to the Company for advice or instructions in connection with its duties, and it shall not be liable for any action taken, suffered or omitted to be taken by it in good faith in accordance with instructions of any such officer or for any delay in acting while waiting for those instructions. Any application by the Rights Agent for written instructions from the Company may, at the option of the Rights Agent, set forth in writing any action proposed to be taken, suffered or omitted to be taken by the Rights Agent under this Agreement or the SDAs and the date on/or after which such action shall be taken or such omission shall be effective. The Rights Agent shall not be liable for any action taken by, or omission of, the Rights Agent in accordance with a proposal included in such application on or after the date specified in such application (which date shall not be less than three business days after the date the Company actually receives such application, unless the Company shall have consented in writing to any earlier date) unless prior to taking, suffering or omitting to take any such action (or the effective date in the case of an omission), the Rights Agent shall have received written instructions in response to such application specifying the action to be taken, suffered or omitted to be taken. In the event the Rights Agent believes any ambiguity or uncertainty exists hereunder or in any notice, instruction, direction, request or other communication, paper or documents received by the Rights Agent in connection with this Agreement or the SDA, the Rights Agent may, in its sole discretion, refrain from taking any action, and shall be fully protected and shall not be liable in any way to the Company or any Holder or other person or entity for refraining from taking such action unless the Rights Agent receives written instructions signed by the Company which eliminates such ambiguity or uncertainty to the reasonable satisfaction of the Rights Agent, provided that the Rights Agent provides prior written notice to the Company of such ambiguity or uncertainty and its intention to refrain from taking such action.

9. The Rights Agent shall escheat any property held by the Rights Agent in accordance with applicable law.

10. In connection with the provision of services under this Agreement and the SDA, the Customer may direct the Rights Agent to release information, including non-public personal information ("NPPI"), as defined in Title V of the Gramm Leach Bliley Act and the regulations issued thereunder, including but not limited to Regulation P of the Board of Governors of the Federal Reserve, to agents or other third party service providers, including, without limitation, broker/dealers, custodians, and depositories. In addition to the foregoing, Customer consents to the release of information, including NPPI, to one or more providers of escheatment services for the purpose of escheatment of unclaimed funds in accordance with the laws of the various states. The Rights Agent shall not incur any liability for the release of information in accordance with the foregoing provisions; and to the extent the Rights Agent incurs any liability as a result of such

release of information, the Customer shall indemnify and hold the Rights Agent harmless in accordance with Article XI, Paragraph 2, it being understood that the release of such information shall not constitute gross negligence or willful misconduct.

ARTICLE X—COMPENSATION; PAYMENT OF EXPENSES

1. In consideration for the services rendered herein, the Company agrees to pay to the Rights Agent such compensation as shall be agreed in writing between the Company and the Rights Agent for all services rendered by it in connection with this Agreement or the SDAs and, from time to time, on demand of the Rights Agent, its reasonable other service expenses and counsel fees and other reasonable disbursements incurred in the administration and execution of this Agreement and the exercise and performance of its duties under this Agreement and the SDA.

2. No provision of this Agreement shall require the Rights Agent to expend or risk the Rights Agent's own funds or otherwise incur any financial liability in the performance of any of the Rights Agent's duties under this Agreement or the SDAs or in the exercise of the Rights Agent's rights.

ARTICLE XI—TERMINATION OF AGENCY

1. Unless terminated earlier by the parties hereto, this Agreement shall terminate ten (10) business days after the Closing Date (the "Termination Date"), written notice of which shall be provided to the Rights Agent. On the business day following the Termination Date, the Rights Agent shall deliver to the Company any Rights Offer entitlements, if any, held by the Rights Agent under this Agreement. The Rights Agent's right to be reimbursed for fees, charges and other service expenses as provided in Article X paragraph 1 above and the indemnification provisions of Article XI below shall survive the termination of this Agreement or the resignation, removal or replacement of the Rights Agent under the terms hereof.

ARTICLE XII—LIMITATION OF LIABILITY; INDEMNIFICATION

1. The Rights Agent shall not be liable for any Losses (as defined below) or action taken, suffered or omitted to be taken or for any loss or injury resulting from its actions or performance or lack of performance of its duties under this Agreement or the SDAs in the absence of gross negligence or willful misconduct on its part (each as determined by a final nonappealable order of a court of competent jurisdiction). In no event shall the Rights Agent be liable for (i) acting in accordance with the instructions from the Company, (ii) special, punitive, indirect, consequential or incidental loss or damage of any kind whatsoever (including but not limited to lost profits), even if the Rights Agent has been advised of the likelihood of such loss or damage, or (iii) any Losses due to forces beyond the control of the Rights Agent, including without limitation, strikes, work stoppages, acts of war or terrorism, insurrection, revolution, nuclear or natural catastrophes or acts of God, and interruptions, loss or malfunctions of utilities, communications or computer (software and hardware) services. Any liability of the Rights

Agent under this Agreement or the SDAs will be limited to the amount of annual fees paid by the Company to the Rights Agent.

2. The Company shall be liable for and shall indemnify and hold harmless the Rights Agent, its directors, employees, agents and affiliates against any and all claims, losses, liabilities, damages, expenses or judgments (including attorney's fees and expenses) (collectively referred to herein as "Losses") arising from or in connection with this Agreement or the SDAs or the performance of the Rights Agent's duties under this Agreement or the SDA, the enforcement of this Agreement or the SDAs and disputes between the parties hereto and thereto; *provided, however*, that nothing contained herein shall require that the Rights Agent be indemnified for its gross negligence, bad faith or willful misconduct (each as determined by a final nonappealable order of a court of competent jurisdiction). The provisions of this Article XII shall survive termination of this Agreement or the resignation, removal or replacement of the Rights Agent under the terms hereof.

ARTICLE XIII—MISCELLANEOUS

1. **Notices.** All reports, notices and other communications required or permitted to be given hereunder shall be addressed to the following on behalf of the respective parties hereto and delivered by hand, by courier or by first-class mail, postage prepaid, or by telecopy promptly confirmed in writing, as follows or to such other address as may be specified in writing from time to time:

To the Company:

Gladstone Investment Corporation
1521 Westbranch Drive, Suite 200
McLean, VA 22102
Attn: Kevin Cheetham

To the Rights Agent:

The Bank of New York
Reorganization Services
480 Washington Boulevard
Jersey City, NJ 07310
Attn: Stephen Gilbert

2. **Confidentiality.** All information as to the Rights Offer shall be held by the Rights Agent and its offices, employees, representatives and agents in strict confidence and shall be disclosed only as required by law, regulation or any judicial, regulatory or administrative authority, including, for the avoidance of doubt, any banking or regulatory agency with jurisdiction over the Rights Agent.

3. **Customer Identification Program.** Customer acknowledges that the Rights Agent is subject to the customer identification program ("Customer Identification Program") requirements under the USA PATRIOT Act and its implementing regulations, and that the Rights Agent must obtain, verify and record information that allows the Rights Agent to identify Customer. Accordingly, prior to opening an account hereunder the Rights Agent may request information (including but not limited to the Customer's name, physical address, tax identification number and other information) that will help the Rights Agent to identify the organization such as organizational documents, certificate of good standing, license to do business, or any other information that will allow the Rights Agent to identify Customer. Customer agrees that the Rights Agent cannot open an account hereunder unless and until the Rights Agent verifies Customer's identity in accordance with its Customer Identification Program.

4. **Assignment.** This Agreement shall extend to and shall be binding upon the parties hereto and their respective successors and assigns; provided, however, that this Agreement shall not be assignable by either party without the prior written consent of the other party; and provided, further, that (a) the foregoing proviso shall not apply to assignments by the Rights Agent to an affiliate or subsidiary of the Rights Agent and (b) any reorganization, merger, consolidation, sale of assets or other form of business combination by the Rights Agent shall not be deemed to constitute an assignment of this Agreement.

5. **Headings.** The Article and Paragraph headings contained herein are for convenience and reference only and are not intended to define or limit the scope of any provision of this Agreement.

6. **Entire Agreement; Amendment.** This Agreement shall constitute the entire agreement of the parties with respect to the subject matter and supersedes all prior oral or written agreements in regard thereto. References to any other document or agreement shall not incorporate by reference such other document or agreement into this Agreement and shall not impose any duties or responsibilities, obligations or liabilities on the Rights Agent under such other document or agreement. Except as otherwise specifically provided herein, this Agreement may be amended only by an instrument in writing duly executed by both parties hereto.

7. **Governing Law; Jurisdiction; Certain Waivers.**

(a) This Agreement and the Rights Agent's duties under the SDAs shall be interpreted and construed in accordance with the internal substantive laws (and not the choice of law rules) of the State of New York. All actions and proceedings brought by the Rights Agent relating to or arising from, directly or indirectly, this Agreement or the SDAs may be litigated in courts located within the State of New York. The Company hereby submits to the personal jurisdiction of such courts; hereby waives personal service of process and consents that any such service of process may be made by certified or registered mail, return receipt requested, directed to the Company at its address last specified for notices hereunder; and hereby waives the right to a trial by jury in

any action or proceeding with the Rights Agent. All actions and proceedings brought by the Company against the Rights Agent relating to or arising from, directly or indirectly, this Agreement or the SDAs shall be litigated only in courts located within the State of New York.

(b) The invalidity, illegality or unenforceability of any provision of this Agreement shall in no way affect the validity, legality or enforceability of any other provision; and if any provision is held to be unenforceable as a matter of law, the other provisions shall not be affected thereby and shall remain in full force and effect.

8. **Rights and Remedies.** The rights and remedies conferred upon the parties hereto shall be cumulative, and the exercise or waiver of any such right or remedy shall not preclude or inhibit the exercise of any additional rights or remedies. The waiver of any right or remedy hereunder shall not preclude or inhibit the subsequent exercise of such right or remedy.

9. **Representations and Warranties.** The Company hereby represents, warrants and covenants that:

(a) The Company is a corporation duly organized and validly existing under the laws of the State of Delaware.

(b) This Agreement has been duly authorized, executed and delivered on its behalf and constitutes the legal, valid and binding obligation of the Company. The execution, delivery and performance of this Agreement by the Company does not and will not violate any applicable law or regulation and does not require the consent of any governmental or other regulatory body except for such consents and approvals as have been obtained and are in full force and effect. For the avoidance of doubt, all rights and Common Stock to be issued and delivered hereunder have been registered with the Securities and Exchange Commission and all transactions contemplated by this Agreement are in compliance with, and not in violation of, the Securities Act of 1933, as amended, and the Securities Exchange Act of 1934, as amended.

10. **Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, GLADSTONE INVESTMENT CORPORATION and THE BANK OF NEW YORK have duly executed this agreement as of the day and year first set forth above.

GLADSTONE INVESTMENT CORPORATION

By: /s/ MARK PERRIGO

THE BANK OF NEW YORK,
as Rights Agent

By: /s/ STEPHEN GILBERT

Annex A

Wire Transfer Instructions for the Account of Gladstone Investment Corporation

Bank: The Bank of New York
Account #: 294308
ABA #: 021-000-018
Account Name: Gladstone Investment Corporation

Contacts for Confirmation of Receipt of Funds:

Mark Perrigo
Chief Financial Officer
(703) 287-5860
mark.perrigo@gladstonecompanies.com

Gary Gerson
Treasurer
(703) 287-5855
gary.gerson@gladstonecompanies.com

QuickLinks

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[RIGHTS AGENCY AGREEMENT](#)

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Exhibit 2.k.8

[GEORGESON LOGO]

Georgeson Inc.
199 Water Street, 26th Floor
New York, NY 10038
T 212 440 9800
F 212 440 9009
www.georgeson.com

March 27, 2008

Gladstone Investment Corporation
1521 Westbranch Drive
Suite 200
McLean, VA 22102

Re: *Letter of Agreement*

Gentlemen:

This Letter of Agreement, including the Appendix attached hereto (collectively, this "Agreement"), sets forth the terms and conditions of the engagement of Georgeson Inc. ("Georgeson") by Gladstone Investment Corporation (the "Company") to act as Information Agent in connection with its Rights Offer (the "Offer"). The term of the Agreement shall be the term of the Offer, including any extensions thereof.

- (a) *Services.* Georgeson shall perform the services described in the Fees & Services Schedule attached hereto as Appendix I (collectively, the "Services").
 - (b) *Fees.* In consideration of Georgeson's performance of the Services, the Company shall pay Georgeson the amounts, and pursuant to the terms, set forth on the Fees & Services Schedule attached hereto as Appendix I.
 - (c) *Expenses.* In connection with Georgeson's performance of the Services, and in addition to the fees and charges discussed in paragraphs (b) and (d) hereof, the Company agrees that it shall be solely responsible for the following costs and expenses, and that the Company shall, at Georgeson's sole discretion, (i) reimburse Georgeson for such costs and expenses actually incurred by Georgeson, (ii) pay such costs and expenses directly and/or (iii) advance sufficient funds to Georgeson for payment of such costs and expenses:
 - expenses incidental to the Offer, including postage and freight charges incurred in delivering Offer materials;
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- expenses incurred by Georgeson in working with its agents or other parties involved in the Offer, including charges for bank threshold lists, data processing, telephone directory assistance, facsimile transmissions or other forms of electronic communication;
 - expenses incurred by Georgeson at the Company's request or for the Company's convenience, including copying expenses, expenses relating to the printing of additional and/or supplemental material and travel expenses of Georgeson's executives;
 - any other fees and expenses authorized by the Company and resulting from extraordinary contingencies which arise during the course of the Offer, including fees and expenses for advertising (including production and posting), media relations, stock watch and analytical services.
- (d) *Custodial Charges.* Georgeson agrees to check, itemize and pay on the Company's behalf the charges of brokers and banks, with the exception of Broadridge Financial Solutions Inc. which will bill the Company directly, for forwarding the Company's offering material to beneficial owners. The Company agrees to provide Georgeson, prior to the commencement of the initial distribution of offering materials to such brokers and banks, with a preliminary payment equal to 75% of Georgeson's good faith estimate of the charges which shall be assessed by such brokers and banks for two distributions of such materials. The Company shall pay Georgeson an administrative fee of five dollars (\$5.00) for each broker and bank invoice paid by Georgeson on the Company's behalf. If the Company prefers to pay these bills directly, please strike out and initial this clause before returning the executed Agreement.
- (e) *Compliance with Applicable Laws.* The Company and Georgeson hereby represent to one another that each shall use its best efforts to comply with all applicable laws relating to the Offer, including, without limitation, the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.
- (f) *Indemnification.* The Company agrees to indemnify and hold harmless Georgeson and its stockholders, officers, directors, employees, agents and affiliates against any and all claims, costs, damages, liabilities, judgments and expenses, including the fees, costs and expenses of counsel retained by Georgeson, which result from claims, actions, suits, subpoenas, demands or other proceedings brought against or involving Georgeson which directly relate to or arise out of Georgeson's performance of the Services (except for costs, damages, liabilities, judgments or expenses which shall have been determined by a court of law pursuant to a final and nonappealable judgment to have directly resulted from Georgeson's gross negligence or intentional misconduct). In addition, the prevailing party shall be entitled to reasonable attorneys' fees and court costs in any action between the parties to enforce the provisions of this Agreement, including the indemnification
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rights contained in this paragraph. The indemnity obligations set forth in this paragraph shall survive the termination of this Agreement.

- (g) *Governing Law.* This Agreement shall be governed by the substantive laws of the State of New York without regard to its principles of conflicts of laws, and shall not be modified in any way, unless pursuant to a written agreement which has been executed by each of the parties hereto. The parties agree that any and all disputes, controversies or claims arising out of or relating to this Agreement (including any breach hereof) shall be subject to the jurisdiction of the federal and state courts in New York County, New York and the parties hereby waive any defenses on the grounds of lack of personal jurisdiction of such courts, improper venue or *forum non conveniens*.
 - (h) *Exclusivity.* The Company agrees and acknowledges that Georgeson shall be the sole Information Agent retained by the Company in connection with the Offer, and that the Company shall refrain from engaging any other Information Agent to render any Services, in a consultative capacity or otherwise, in relation to the Offer.
 - (i) *Additional Services.* In addition to the Services, the Company may from time to time request that Georgeson provide it with certain additional consulting or other services. The Company agrees that Georgeson's provision of such additional services shall be governed by the terms of a separate agreement to be entered into by the parties at such time or times, and that the fees charged in connection therewith shall be at Georgeson's then-current rates.
 - (j) *Confidentiality.* Georgeson agrees to preserve the confidentiality of (i) all material non-public information provided by the Company or its agents for Georgeson's use in fulfilling its obligations hereunder and (ii) any information developed by Georgeson based upon such material non-public information (collectively, "Confidential Information"). For purposes of this Agreement, Confidential Information shall not be deemed to include any information which (w) is or becomes generally available to the public in accordance with law other than as a result of a disclosure by Georgeson or any of its officers, directors, employees, agents or affiliates; (x) was available to Georgeson on a nonconfidential basis and in accordance with law prior to its disclosure to Georgeson by the Company; (y) becomes available to Georgeson on a nonconfidential basis and in accordance with law from a person other than the Company or any of its officers, directors, employees, agents or affiliates who is not otherwise bound by a confidentiality agreement with the Company or is not otherwise prohibited from transmitting such information to a third party; or (z) was independently and lawfully developed by Georgeson based on information described in clauses (w), (x) or (y) of this paragraph. The Company agrees that all reports, documents and other work product provided to the Company by Georgeson pursuant to the terms of this Agreement are
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for the exclusive use of the Company and may not be disclosed to any other person or entity without the prior written consent of Georgeson. The confidentiality obligations set forth in this paragraph shall survive the termination of this Agreement.

- (k) *Entire Agreement; Appendix.* This Agreement constitutes the entire agreement and supersedes all prior agreements and understandings, both written and oral, among the parties hereto with respect to the subject matter hereof. The Appendix to this Agreement shall be deemed to be incorporated herein by reference as if fully set forth herein. This Agreement shall be binding upon all successors to the Company (by operation of law or otherwise).

If the above is agreed to by you, please execute and return the enclosed duplicate of this Agreement to Georgeson Inc., 199 Water Street—2nd Floor, New York, New York 10038, Attention: Marcy Roth, Contract Administrator.

Sincerely,

GEORGESON INC.

By: /s/ FOSTER J. BARTKO

Title: Foster J. Bartko
Managing Director

Agreed to and accepted as of
the date first set forth above:

GLADSTONE INVESTMENT CORPORATION

By: /s/ MARK PERRIGO

Title: Chief Financial Officer

FEES & SERVICES SCHEDULE

BASE SERVICES	\$ 10,000
<ul style="list-style-type: none"> • Advance review of Offer documents • Strategic advice relating to the Offer • Assistance in preparation of advertisements and news releases • Dissemination of Offer documents to bank and broker community • Communication with bank and broker community during Offer period 	
ADDITIONAL SERVICES	
<ul style="list-style-type: none"> • Direct telephone communication with retail (i.e., registered and NOBO shareholders) 	TBD
<ul style="list-style-type: none"> • \$5.00 per completed call (incoming and outgoing) 	

NOTE: The foregoing fees are *exclusive* of reimbursable expenses and custodial charges as described in paragraphs (c) and (d) of this Agreement. In addition, the Company will be charged a fee of \$1,000 if the Offer is extended for any reason.

FEE PAYMENT INSTRUCTIONS

The Company shall pay Georgeson as follows:

- Upon execution of this Agreement, the Company shall pay Georgeson \$10,000, which amount is in consideration of Georgeson's commitment to represent the Company and is non-refundable;
- If applicable, immediately prior to the commencement of the mailing, the Company shall advance to Georgeson a portion of anticipated custodial charges; and
- Upon completion of the Offer, the Company shall pay Georgeson the sum of (i) any variable fees for Additional Services (e.g., telephone calls) which shall have accrued over the course of the Offer, and (ii) all reimbursable expenses.

Georgeson will send the Company an invoice for each of the foregoing payments.

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[Exhibit 2.k.8](#)

[Georgeson Inc. 199 Water Street, 26th Floor New York, NY 10038 T 212 440 9800 F 212 440 9009 www.georgeson.com](#)

[APPENDIX I](#)

[FEES & SERVICES SCHEDULE](#)
[FEE PAYMENT INSTRUCTIONS](#)

DARREN K. DESTEFANO
(703) 456-8034
ddestefano@cooley.com

March 31, 2008

Gladstone Investment Corporation
1521 Westbranch Drive, Suite 200
McLean, VA 22102

Ladies and Gentlemen:

You have requested our opinion with respect to certain matters in connection with the issuance by Gladstone Investment Corporation, a Delaware corporation (the "**Company**"), of transferable subscription rights (the "**Subscription Rights**") to purchase up to 5,520,033 shares of the Company's common stock, par value \$0.001 per share (the "**Shares**"), pursuant to a Registration Statement on Form N-2 (Registration No. 333-147185) (the "**Registration Statement**"), the related prospectus dated January 14, 2008 (the "**Base Prospectus**"), as supplemented by the Rule 497 prospectus supplements dated March 24, 2008 and March 31 (collectively with the Base Prospectus, the "**Prospectus**"), each as filed with the Securities and Exchange Commission (the "**Commission**"). All of the Subscription Rights are to be distributed and all of the Shares are to be sold by the Company as described in the Registration Statement and the Prospectus.

In connection with this opinion, we have examined and relied upon the originals or copies certified to our satisfaction of (i) the Registration Statement and the Prospectus, substantially in the form transmitted to the Commission under the Securities Act of 1933, as amended, (ii) the Company's Amended and Restated Certificate of Incorporation and Amended and Restated Bylaws, as amended through the date hereof, (iii) the form of subscription certificate evidencing the Subscription Rights, (iv) copies of certain resolutions of the board of directors of the Company relating to the authorization of the filing of the Registration Statement and any amendments or supplements thereto, the issuance of the Subscription Rights and the Shares, and other related matters, and (v) such other records, documents, certificates, memoranda and other instruments as we deem necessary or appropriate to enable us to render the opinion expressed below. As to certain factual matters, we have relied upon a certificates an officer of the Company and have not independently sought to verify such matters.

In rendering this opinion, we have assumed the genuineness and authenticity of all signatures on original documents; the authenticity of all documents submitted to us as originals; the conformity to originals of all documents submitted, or to be submitted, to us as copies; the accuracy, completeness and authenticity of certificates of public officials; and the due authorization, execution and delivery of all documents where authorization, execution and delivery are prerequisites to the effectiveness of such documents.

Our opinion herein is expressed solely with respect to the federal laws of the United States and the Delaware General Corporation Law. Our opinion is based on these laws as in effect on the date hereof. We express no opinion as to whether the laws of any jurisdiction are applicable to the subject matter hereof. We are not rendering any opinion as to compliance with any federal or state law, rule or regulation relating to securities, or to the sale or issuance thereof.

On the basis of the foregoing, and in reliance thereon and with the foregoing qualifications, we are of the opinion that:

- (a) the Subscription Rights, when issued as contemplated in the Registration Statement and the Prospectus, will be valid and legally binding obligations of the Company, enforceable against the Company in accordance with their terms, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws relating to or affecting creditors' rights generally and by general equitable principles (regardless of whether such enforceability is considered in a proceeding at law or in equity); and
- (b) the Shares, when issued and sold against payment of the consideration set forth in the Registration Statement and the Prospectus upon exercise of the Subscription Rights in accordance with their terms, will be validly issued, fully paid and nonassessable.

We hereby consent to the filing of this opinion as an exhibit to the Registration Statement and to the reference to our firm under the caption "Legal Matters" in the Prospectus which forms part of the Registration Statement. This opinion is expressed as of the date hereof, and we disclaim any undertaking to advise you of any subsequent changes in the facts stated or assumed herein or of any subsequent changes in applicable law.

Very truly yours,

Cooley Godward Kronish LLP

By: /s/ DARREN K. DESTEFANO

Darren K. DeStefano

ONE FREEDOM SQUARE, RESTON TOWN CENTER, 11951 FREEDOM DRIVE, RESTON, VA 20190-5656 T: (703) 456-8000 F: (703) 456-8100 WWW.COOLEY.COM

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[Exhibit 2.1](#)

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Exhibit 2.n.2

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the use in this Post-effective Amendment No. 1 to this Registration Statement on Form N-2 of our report dated May 31, 2007 relating to the financial statements, management's assessment of the effectiveness of internal control over financial reporting and the effectiveness of internal control over financial reporting of Gladstone Investment Corporation, which appears in such Post-effective Amendment No. 1 to the Registration Statement. We also consent to the reference to us under heading "Experts" in such Post-effective Amendment No. 1 to the Registration Statement.

/s/ PRICEWATERHOUSECOOPERS LLP

McLean, Virginia
March 31, 2008

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[Exhibit 2.n.2](#)

[CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM](#)

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENT, the undersigned hereby constitutes and appoints David Gladstone and Terry Brubaker and each of them, his true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him and in his name, place, and stead, in any and all capacities, to sign any and all amendments to the Registration Statement on Form N-2 (Registration No. 333-147185) filed by Gladstone Investment Corporation and any registration statement filed pursuant to Rule 462(b) under the Securities Act of 1933, as amended, and to file the same, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or their substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

/s/ Mark Perrigo

Mark Perrigo
Chief Financial Officer, Gladstone Investment Corporation
Date: March 31, 2008

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[EXHIBIT 2.s.2](#)

[POWER OF ATTORNEY](#)