

1 - OCT. 2019

NOTICE OF CLASS ACTION MEMORANDUM

DATE: September 09, 2019

SECURITY DESCRIPTION: FIFTH STREET FINANCE CORPORATION

ISIN: US31678A1034

HEARING DATE: N/A

EXCLUSION DATE: N/A

PROOF OF CLAIM DEADLINE: November 29, 2019

Enclosed for your consideration is a Notice of Pendency of Class Action, Proposed Settlement of Class Action, and Proof of Claim involving the above-mentioned Security. Kindly note that if you wish to participate in the settlement please complete the enclosed Proof of Claim and forward it together with any supporting documentation if required, postmarked no later than, November 29, 2019: to the following address:

CLAIMS ADMINISTRATOR:

Fifth Street Fair Fund

Fund Administrator

Post Office Box 6659

Portland, OR 97228-6659

Telephone Number: 855-424-7675

Email: info@FifthStreetFairFund.com

Website: www.FifthStreetFairFund.com

Kindly Contact your account representative if you require additional information relating to activity within your account during the class action period.

Kind Regards,
Corporate Actions/ Reorganization Department

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

ADMINISTRATIVE PROCEEDING
File No. 3-18909

In the Matter of

Fifth Street Management, LLC

Respondent,

PLAN NOTICE OF FIFTH STREET FAIR FUND

TO: Individuals and entities who invested in the common stock of Fifth Street Management, LLC's ("Fifth Street") former business development company ("BDC") clients: Fifth Street Finance Corp. ("FSC") and Fifth Street Senior Floating Rate Corp. ("FSFR") (collectively, the "BDC Clients") and held common stock of FSC during the period April 1, 2013 through December 31, 2014, inclusive, and/or held common stock of FSFR during the period September 1, 2013 through December 31, 2014, inclusive (the "Investment Period").

If you held common stock of the BDC Clients (the "Investment") during the Investment Period, you must submit a completed Claim Form with the necessary documentation so that it is postmarked or, if not sent by U.S. Mail, received by November 29, 2019 (the "Claim Deadline") to be considered for eligibility to receive a Distribution Payment from the Fifth Street Fair Fund.

I. Purpose of this Plan Notice.

The purpose of this Plan Notice is to inform you that you may be entitled to share in the proceeds of the Fifth Street Fair Fund described herein. To be potentially eligible to share in the Fifth Street Fair Fund, you must file a Claim Form in accordance with the steps set forth in this Plan Notice and in the Claim Form. Claim Forms, together with this Plan Notice, are being mailed to all known Potential Claimants¹ who held the Investment during the Investment Period and who are identified as Potential Claimants by the Commission-appointed Fund Administrator ("Fund Administrator"), Epiq Class Action and Claims Solutions, Inc. ("Epiq").² Copies of the Commission Approved Plan of Distribution (the "Plan"), this Plan Notice, and the Claim Form are available on the Fifth Street Fair Fund website at www.FifthStreetFairFund.com. You may also obtain a copy of the Plan on the Securities and Exchange Commission's (the "Commission") website at www.SEC.gov/divisions/enforce/claims/fifth-street-management.htm. Certain persons are excluded from eligibility under the Plan; these exclusions are summarized in Section III below.

Please Note: Receipt of this Plan Notice does not mean you are an Eligible Claimant as that term is defined in the Plan.

SPECIAL NOTICE TO SECURITIES BROKERS AND OTHER NOMINEE PURCHASERS: If you held common stock of FSC and/or FSFR during the Investment Period as a nominee for a beneficial owner, then within fourteen (14) days after you receive this Plan Notice, you must either: (a) send a copy of this Plan Notice and the accompanying Claim Form by First Class Mail to all such beneficial owners; or (b) provide a list of the names and addresses of such beneficial owners to the Fund Administrator at the address listed in Part VI of this Plan Notice.

¹ Capitalized terms herein not otherwise defined are defined in the Plan.

² On April 18, 2019, the Commission appointed Epiq Class Action & Claims Solutions, Inc. ("Epiq") as the Fund Administrator.

PLEASE READ THIS PLAN NOTICE CAREFULLY AND IN ITS ENTIRETY. IF YOU SATISFY THE ELIGIBILITY CRITERIA DESCRIBED BELOW, YOU MAY BE ENTITLED TO A DISTRIBUTION PAYMENT FROM THE FIFTH STREET FAIR FUND. THIS PLAN NOTICE CONTAINS IMPORTANT INFORMATION REGARDING YOUR POSSIBLE ELIGIBILITY TO SHARE IN THE FIFTH STREET FAIR FUND.

II. Background.

On December 3, 2018, the Commission issued an Order Instituting Administrative and Cease-and-Desist Proceedings Pursuant to Section 8A of the Securities Act of 1933, Section 21C of the Securities Exchange Act of 1934, Sections 203(e) and 203(k) of the Investment Advisers Act of 1940, and Section 9(f) of the Investment Company Act of 1940, Making Findings, and Imposing Remedial Sanctions and a Cease-and-Desist Order (the "Order") against Fifth Street. The Commission determined, in relevant part, that, in 2013 and 2014, Fifth Street improperly allocated to Fifth Street's former BDC Clients rent and other overhead expenses, and certain compensation expenses that Fifth Street should have paid. The Commission ordered Fifth Street to pay disgorgement of \$1,999,115.86, prejudgment interest of \$334,545.65, and a civil money penalty of \$1,650,000, and created a Fair Fund pursuant to Section 308(a) of the Sarbanes-Oxley Act of 2002 for the ordered monetary relief (the "Fair Fund" or "Fifth Street Fair Fund"). Fifth Street has since paid in full, and the Fair Fund currently holds approximately \$4 million, comprised of disgorgement, prejudgment interest, civil money penalty, and accrued interest.

The Fair Fund is deposited in an interest-bearing account at the United States Treasury Department's ("Treasury") Bureau of the Fiscal Service ("BFS"). All BFS fees will be paid by the Fair Fund in accordance with the Plan. Any additional funds timely received will be added to the Fair Fund for disbursement to Eligible Claimants pursuant to the Plan. The assets of the Fair Fund are subject to the continuing jurisdiction and control of the Commission. The Plan has been approved by the Commission, and the Commission retains jurisdiction over implementation of the Plan.

III. Eligibility Criteria and the Distribution Methodology.

To qualify for a payment from the Fifth Street Fair Fund, you must have held an investment in the common stock of the BDC Clients during the Investment Period and satisfy other criteria set forth in the Plan.

If you held common stock of FSC during the period April 1, 2013 through December 31, 2014, inclusive and/or held common stock of FSFR during the period September 1, 2013 through December 31, 2014, inclusive; are not an Excluded Party as defined in the Plan; and suffered a loss according to the Plan; you may be eligible for a Distribution Payment from the Fifth Street Fair Fund. Distribution Payments will be subject to a \$10.00 Minimum Distribution Amount.

Excluded Parties are defined as Fifth Street Management, LLC, its affiliates, assigns, subsidiaries, successors-in-interest, and any firm, trust, corporation, or other entity in which Respondent has or had a controlling interest during the Investment Period, and the Fund Administrator (Epiq), its employees, and those persons assisting the Fund Administrator in its role as Fund Administrator.

The Eligible Loss Amount incurred by an Eligible Claimant shall be determined as set forth in the Plan. The methodology used to determine eligibility and calculate Distribution Payments are set forth in Paragraphs 31-37 of the Plan, which is available on the Fifth Street Fair Fund website at www.FifthStreetFairFund.com.

IV. Claim Forms.

A CLAIM FORM IS BEING MAILED TOGETHER WITH THIS NOTICE TO ALL POTENTIALLY ELIGIBLE CLAIMANTS KNOWN TO THE FUND ADMINISTRATOR. IF YOU DO NOT RECEIVE A CLAIM FORM IN THE MAIL OR REQUIRE ADDITIONAL CLAIM FORMS, SEE THE INSTRUCTIONS BELOW UNDER "OBTAINING A PLAN OF DISTRIBUTION AND ADDITIONAL INFORMATION" FOR OBTAINING CLAIM FORMS.

THE DEADLINE TO SUBMIT A CLAIM FORM AT THE ADDRESS BELOW IS NOVEMBER 29, 2019. IF YOU FAIL TO SUBMIT A COMPLETED CLAIM FORM POSTMARKED OR, IF NOT SENT BY U.S. MAIL, RECEIVED ON OR BEFORE NOVEMBER 29, 2019, YOU WILL BE BARRED FROM RECEIVING A PAYMENT FROM THE FIFTH STREET FAIR FUND. THE CLAIM FORM MUST BE ACCOMPANIED BY APPROPRIATE SUPPORTING DOCUMENTS FOR EACH TRANSACTION LISTED IN PARTS II-III OF THE CLAIM FORM.

If you submit a Claim Form that fails to provide all required information, or is otherwise deficient, you may receive a Deficiency Notice advising you of the reason(s) why the claim is deficient and of the opportunity to cure such deficiencies.

V. **Claim Determinations.**

The Fund Administrator will mail a notice advising each Potential Claimant that submitted a Claim Form of the determination concerning such claim. If a claim is denied in whole or in part, the Fund Administrator will state the reason for such denial.

All determinations of the Fund Administrator that are made in accordance with the Plan shall be final and not subject to appeal.

VI. **Instructions for Submitting a Claim Form.**

YOU MUST COMPLETE AND SIGN THE CLAIM FORM AND SUBMIT IT TO THE FUND ADMINISTRATOR SO THAT IT IS POSTMARKED OR, IF NOT SENT BY U.S. MAIL, RECEIVED NO LATER THAN NOVEMBER 29, 2019 AT THE ADDRESS LISTED BELOW IN ORDER TO BE CONSIDERED FOR ELIGIBILITY TO RECEIVE A DISTRIBUTION PAYMENT FROM THE FIFTH STREET FAIR FUND:

**Fifth Street Fair Fund
Fund Administrator
P.O. Box 6659
Portland, OR 97228-6659**

VII. **Obtaining a Plan of Distribution and Additional Information.**

You can get a copy of the Plan and additional information concerning the Fifth Street Fair Fund at www.FifthStreetFairFund.com and <https://www.sec.gov/divisions/enforce/claims/fifth-street-management.htm>. You can also obtain a copy of the Plan and additional information by calling the Fund Administrator toll-free 855-424-7675, emailing info@FifthStreetFairFund.com, or writing to the address above.

Additional Claim Forms and Plan Notices may also be downloaded at the Fifth Street Fair Fund's website.

PLEASE CHECK THE WEBSITE WWW.FIFTHSTREETFAIRFUND.COM FREQUENTLY FOR UPDATES.

Fifth Street Fair Fund
Fund Administrator
P.O. Box 6659
Portland, OR 97228-6659

Website: www.FifthStreetFairFund.com
Email: info@FifthStreetFairFund.com
Telephone: 855-424-7675

CLAIM FORM

This claim is being solicited pursuant to a Plan of Distribution approved by the Securities and Exchange Commission (the "Plan") in the administrative proceeding *Fifth Street Management, LLC*, Admin. Proc. File No. 3-18909 (the "Administrative Proceeding"). You can obtain a copy of the Plan at www.FifthStreetFairFund.com, by emailing info@FifthStreetFairFund.com, or by calling the Fund Administrator toll-free at 855-424-7675. Claims may be made by individuals and entities who held an investment in the common stock of Fifth Street Finance Corp. ("FSC") during the period April 1, 2013 through December 31, 2014, inclusive and/or in the common stock of Fifth Street Senior Floating Rate Corp. ("FSFR") during the period September 1, 2013 through December 31, 2014, inclusive (the "Investment Period").

Any and all claims must be asserted via this Claim Form. Any prior or alternative communications with the Court, the Securities and Exchange Commission (the "Commission"), the Fund Administrator, or any other person or entity, do not constitute a claim.

YOU MUST COMPLETE AND MAIL THIS CLAIM FORM POSTMARKED OR, IF NOT SENT BY U.S. MAIL, RECEIVED BY **NOVEMBER 29, 2019**, TO BE CONSIDERED FOR ELIGIBILITY TO SHARE IN THE FIFTH STREET FAIR FUND.

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PART I:

CLAIMANT IDENTIFICATION

| | | |
|--|--|---------------------------------|
| Beneficial Owner's First Name | MI | Beneficial Owner's Last Name |
| <input type="text"/> | <input type="text"/> | <input type="text"/> |
| Co-Beneficial Owner's First Name | MI | Co-Beneficial Owner's Last Name |
| <input type="text"/> | <input type="text"/> | <input type="text"/> |
| Entity Name (if claimant is not an individual) | | |
| <input type="text"/> | | |
| Representative or Custodian Name (if different from Beneficial Owner[s] listed above) | | |
| <input type="text"/> | | |
| Address (street name and number) | | |
| <input type="text"/> | | |
| Address (apartment, unit, or box number) | | |
| <input type="text"/> | | |
| City | State | ZIP Code |
| <input type="text"/> | <input type="text"/> | <input type="text"/> |
| Country (if not USA) | | |
| <input type="text"/> | | |
| Social Security Number | Taxpayer Identification Number | |
| <input type="text"/> - <input type="text"/> - <input type="text"/> | OR <input type="text"/> - <input type="text"/> | |
| Telephone Number (home) | Telephone Number (work) | |
| <input type="text"/> - <input type="text"/> - <input type="text"/> | <input type="text"/> - <input type="text"/> - <input type="text"/> | |
| Exemption Codes (See Instructions to IRS Form W-9 available at www.irs.gov/forms-instructions): | | |
| Exemption from FATCA reporting code (if any) | <input type="text"/> | Exempt Payee Code (if any) |
| Email Address | | |
| <input type="text"/> | | |
| Account Number (if filing for multiple accounts, file a separate Claim Form for each account) | | |
| <input type="text"/> | | |

Claimant Account Type (check appropriate box):

- | | | |
|--|--|--|
| <input type="checkbox"/> Individual (includes joint owner accounts) | <input type="checkbox"/> C Corporation | <input type="checkbox"/> S Corporation |
| <input type="checkbox"/> Trust/Estate | <input type="checkbox"/> Partnership | |
| <input type="checkbox"/> Other _____ (please specify) | | |
| <input type="checkbox"/> Limited Liability Company – choose tax classification | | |
| <input type="checkbox"/> C Corporation | <input type="checkbox"/> S Corporation | <input type="checkbox"/> Partnership |

Beginning Holdings:

[illegible]

B. List (in chronological order) all purchases, receipts, or transactions that increased your holdings of FSC shares from the opening of trading on April 1, 2013 through the close of trading on December 31, 2014. Please provide all data and list each trade separately (must be documented).

| Trade Date (MMDDYY) | Number of Shares Purchased or Acquired | Purchase Price per Share | Total Purchase Price* | Transaction Type (P/R)** |
|------------------------|---|-----------------------------|-----------------------|--------------------------------|
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** P=Purchase, R=Receipt (transfer in)

C. List (in chronological order) all sales, deliveries, or transactions that decreased your holdings of FSC shares from the opening of trading on April 1, 2013, through the close of trading on December 31, 2014. Please provide all data and list each trade separately (must be documented).

| Trade Date (MMDDYY) | Number of Shares Sold or Delivered | Sale Price per Share | Total Sale Price* | Transaction Type (S/D)** |
|------------------------|---------------------------------------|----------------------|-------------------|--------------------------------|
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** S=Sale, D=Delivery (transfer out or other transactions that decreased your holdings)

[illegible]

IF YOU NEED ADDITIONAL SPACE TO LIST YOUR TRANSACTIONS, PLEASE PHOTOCOPY THIS PAGE, WRITE YOUR NAME ON THE COPY, AND CHECK THIS BOX: ☐

PART IV: CERTIFICATION

The undersigned represents and certifies UNDER PENALTY OF PERJURY that:

1. I am NOT:

- a) Fifth Street Management, LLC, its affiliates, assigns, subsidiaries, successors-in-interest, and any firm, trust, corporation, or other entity in which Respondent has or had a controlling interest during the Investment Period;
- b) Any Affiliate, assign, creditor, heir, distributee, spouse, parent, child, or controlled entity of any of the foregoing Persons or entities described in (a) above;
- c) Any purchaser or assignee of another Person's right to obtain a Distribution Payment from the Fair Fund, provided, however, that this provision shall not be construed to exclude those Persons who obtained such a right by gift, inheritance, devise, or operation of law; and/or
- d) Epiq (the "Fund Administrator"), its employee, or a Person assisting the Fund Administrator in its role as the Fund Administrator;

2. I understand that the Fund Administrator may require additional information from me in order to validate or pay my claim, and I agree to provide any information requested by the Fund Administrator for those purposes;

3. I agree that under no circumstances shall the Fund Administrator or its agents incur any liability to me or to any other Person if it makes a distribution in accordance with the Plan and that I am enjoined from taking any action in contravention of this provision;

4. If I am a custodian, trustee, or professional investing on behalf of and representing more than one claimant in a pooled investment fund or entity, I also attest that any distribution received will be allocated for the benefit of current or former pooled investors and not for the benefit of management; and

5. Under penalties of perjury, I certify that:

(a) The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and

(b) I am not subject to backup withholding because: (i) I am exempt from backup withholding; or (ii) I have not been notified by the Internal Revenue Service ("IRS") that I am subject to backup withholding as a result of a failure to report all interest or dividends; or (iii) the IRS has notified me that I am no longer subject to backup withholding (NOTE: If you have been notified by the IRS that you are subject to backup withholding, you must cross out this item); and

(c) I am a U.S. citizen or other U.S. Person (including a U.S. resident alien); and

(d) The Foreign Account Tax Compliance Act ("FATCA") code(s) entered on the Claimant Identification section on page 2 of this Claim Form (if any) indicating that I am exempt from FATCA reporting is correct.

Note: If you are not a U.S. citizen or other U.S. Person, you should cross out the box at line 5, above, and instead complete and submit IRS Form W-8BEN, W-8BEN-E, W-8ECI, or W-8IMY. You may download these forms from the IRS website: www.irs.gov/forms-instructions.

I (We) declare under penalty of perjury under the laws of the United States of America that the foregoing information supplied by the undersigned is true and correct.

Note: The Internal Revenue Service does not require your consent to any provision of this document other than the certifications required to avoid backup withholding.

Executed this _____ day of _____, in _____, _____.
(Day) (Month/Year) (City) (State/Country)

Date:

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Signature of Claimant

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Print Name of Claimant

Date:

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Signature of Joint Claimant, if any

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Print Name of Joint Claimant, if any

PART V: CLAIM FORM INSTRUCTIONS

A. This Claim Form has been sent to you because you may be a Potential Claimant¹ in this matter. In order to participate, you must complete and sign this Claim Form and provide supporting documents for any eligible transactions you claim. If you fail to timely submit a properly addressed Claim Form and supporting documents, your claim may be rejected, and you may be determined to be ineligible for any payment in this matter.

B. Submission of this Claim Form does not assure that you will share in the proceeds of the Fair Fund created in this matter. A Potential Claimant's eligibility for a Distribution Payment under the Plan will be determined by the Fund Administrator in accordance with the Plan. Distribution Payments will be subject to a \$10.00 Minimum Distribution Amount.

C. **YOU MUST COMPLETE AND SUBMIT YOUR CLAIM FORM BY MAIL ADDRESSED TO THE FUND ADMINISTRATOR AT THE ADDRESS SET FORTH BELOW, SO THAT IT IS POSTMARKED OR, IF NOT SENT BY U.S. MAIL, RECEIVED ON OR BEFORE NOVEMBER 29, 2019.**

D. If you are NOT a Potential Claimant, as defined in the Plan, DO NOT submit a Claim Form.

E. Use the section of this form entitled "Claimant Identification" to identify each owner of record. **THIS CLAIM MUST BE FILED BY THE ACTUAL BENEFICIAL OWNER(S), OR THE LEGAL REPRESENTATIVE OF SUCH OWNER(S) OF COMMON STOCK UPON WHICH THIS CLAIM IS BASED.**

F. Use the sections of this form entitled "Schedule of Transactions" (Sections II and III) to supply all required details of your transaction(s). If you need more space or additional schedules, attach separate sheets giving all of the required information in substantially the same form. Sign and print or type your name on each additional sheet.

G. Complete a separate Claim Form for each account holding investments in FSC and/or FSFR during the Investment Period.

H. Provide all of the requested information with respect to the common stock that you acquired or disposed of at any time during the Investment Period, whether such transactions resulted in a profit or a loss. Failure to report all such transactions may result in the rejection of your claim.

I. List each transaction in the Investment Period in chronological order, by trade date, beginning with the earliest. You must accurately provide the month, day and year of each transaction you list.

J. Documentation of your transactions in the common stock of FSC and/or FSFR must be attached to your claim. Failure to provide this documentation could delay verification of your claim or result in rejection of your claim.

K. The above requests are designed to provide the minimum amount of information necessary to process the simplest claims. The Fund Administrator may request additional information as required to efficiently and reliably calculate your losses. For a detailed explanation regarding how your losses will be calculated, please refer to the Distribution Methodology set forth in Plan, which can be found online at the website listed at the top of this Claim Form.

Claim Forms must be postmarked or, if not sent by U.S. Mail, received no later than November 29, 2019, and mailed to Fifth Street Fair Fund, Fund Administrator, P.O. Box 6659, Portland, OR 97228-6659.

ATTENTION NOMINEES AND BROKERAGE FIRMS: If you are filing claim(s) electronically on behalf of beneficial owners, detailed instructions are available on the website at www.FifthStreetFairFund.com along with the formatted electronic filing template. You may also send an email to info@FifthStreetFairFund.com requesting this information.

Reminder Checklist

1. Sign the Certification section of the Claim Form on page 6.
2. Remember to attach supporting documentation.
3. Do not send original documents.
4. Keep a copy of your Claim Form and all documents submitted, for your records.
5. If you desire an acknowledgment of receipt of your Claim Form, send your Claim Form by Certified Mail, Return Receipt Requested.
6. If you move, please promptly send the Fund Administrator your new address and contact information.

ACCURATE CLAIMS PROCESSING CAN TAKE A SIGNIFICANT
AMOUNT OF TIME. THANK YOU FOR YOUR PATIENCE.

¹ Capitalized terms herein not otherwise defined are defined in the Plan.