**UNITED STATES OF AMERICA**
**Before the**
**SECURITIES AND EXCHANGE COMMISSION**

**SECURITIES EXCHANGE ACT OF 1934**
**Release No. 86190 / June 24, 2019**

**ADMINISTRATIVE PROCEEDING**
**File No. 3-18909**

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| **In the Matter of**<br><br>**FIFTH STREET MANAGEMENT, LLC,**<br><br>**Respondent.** | **NOTICE OF PROPOSED PLAN OF DISTRIBUTION AND OPPORTUNITY TO COMMENT** |

Notice is hereby given, pursuant to Rule 1103 of the United States Securities and Exchange Commission's ("Commission") Rules on Fair Fund and Disgorgement Plans, 17 C.F.R. § 201.1103, that the Division of Enforcement has submitted to the Commission a proposed plan of distribution (the "Plan") for the distribution of monies paid by Fifth Street Management, LLC (the "Respondent") in settlement of the above-captioned administrative proceeding.

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")[1] against the Respondent. The Commission determined, in relevant part, that, in 2013 and 2014, the Respondent improperly allocated to its former business development clients -- Fifth Street Finance Corp. and Fifth Street Senior Floating Rate Corp. (collectively, the "BDC clients") -- rent and other overhead expenses, and certain compensation expenses that the Respondent should have paid. The Commission ordered the Respondent to pay disgorgement of $1,999,115.86, prejudgment interest of $334,545.65, and a civil money penalty of $1,650,000.00 to the Commission. In the Order, the Commission also created a Fair Fund, pursuant to Section 308(a) of the Sarbanes-Oxley Act of 2002, so the penalty, along with the disgorgement and prejudgment interest, collected can be distributed to those harmed by the Respondent's conduct described in the Order (the "Fair Fund"). The Respondent has paid in full, and the Fair Fund holds $3,983,661.51 plus accrued interest.

[1] Securities Act Rel. No. 10581 (Dec. 3, 2018).

By Order dated April 18, 2019, the Commission appointed Epiq Class Action & Claims Solutions, Inc. as the Fund Administrator of the Fair Fund.[2]

## OPPORTUNITY FOR COMMENT

Pursuant to this Notice, all interested persons are advised that they may obtain a copy of the Plan from the Commission's public website at http://www.sec.gov/litigation/fairfundlist.htm. Interested persons may also obtain a written copy of the Plan by submitting a written request to Catherine E. Pappas, Esq., United States Securities and Exchange Commission, One Penn Center, 1617 JFK Blvd., Ste. 520, Philadelphia, PA 19103. All persons who desire to comment on the Plan may submit their comments, in writing, no later than thirty (30) days from the date of this Notice:

1. to the Office of the Secretary, United States Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549-1090;

2. by using the Commission's Internet comment form (http://www.sec.gov/litigation/admin.shtml); or

3. by sending an e-mail to rule-comments@sec.gov.

Comments submitted should include "Administrative Proceeding File No. 3-18909" in the subject line. Comments received will be publicly available. Persons should submit only information that they wish to make publicly available.

## THE PLAN

The Fair Fund holds approximately $4 million, comprised of the disgorgement, prejudgment interest, and a civil money penalty paid by the Respondent, plus accrued interest. The Plan proposes to distribute the funds currently in the Fair Fund, less taxes, fees, and expenses, to compensate investors in the common stock of the BDC clients during the relevant period for the Respondent's misallocation of expenses.

For the Commission, by its Secretary, pursuant to delegated authority

Vanessa A. Countryman
Secretary

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[2] Order Appointing Fund Administrator and Setting Administrator Bond Amount, Exchange Act Rel. No. 85684 (Apr. 18, 2019).