



News Release

For more information, contact:

Gregg T. Abella, Co-Principal

Ph: 732-205-0391

Email: gabella@investmentpartners.com

FOR IMMEDIATE RELEASE

INVESTMENT PARTNERS ASSET MANAGEMENT WRITES LETTER TO THE BOARD OF FIFTH STREET SENIOR FLOATING RATE CORP

Metuchen, NJ, August 18, 2014 -- Investment Partners Asset Management (IPAM), announced today that it sent a letter to the board of Fifth Street Floating Rate Corp ("FSFR") criticizing its board and management for issuing common equity at a substantial discount to its recently-stated net-asset value (NAV).

Specifically, IPAM questions FSFR's board and management's decision to issue stock at \$12.91 per share when FSFR disclosed only two days prior that net-asset value was \$15.13 per share as of June 30, 2014.

Gregg Abella, Co-principal of Investment Partners Asset Management stated, "In my opinion, the practice of business-development companies and closed-end funds issuing stock at substantial discounts to stated net-asset value is a blight on the investment-management industry. To me, such tactics reflect poorly of the corporate-governance principles of the boards, managements, and corporate counsels that condone and permit such practices. Dilutive offerings of shares of an investment company, by their very nature, harm existing investors and, in my opinion, primarily serve to benefit the fund managers from the larger fees they can potentially receive from increasing assets under management. The fallout from FSFR's recent capital raise serves as a prime example of the need for reform to place restrictions on capital-raising practices which damage existing shareholders of entities which are covered by the Investment Company Act of 1940."

IPAM's letter asks for three things:

- 1) An immediate meeting with the Chairman of the Board of FSFR
- 2) A written representation that FSFR will no longer issue equity at a discount to net-asset value
- 3) A plan from FSFR and its manager to redress the harm to pre-existing shareholders from the recent dilutive offering

Gregg Abella continued, "Dilutive offerings of business development companies and closed-end funds confiscate net-asset value from existing shareholders and transfer it to new investors. I believe it is time for managers, boards, and counsels to cease the practice altogether."

Accounts and funds managed by IPAM and its affiliates own shares of Fifth Street Senior Floating Rate Corporation.

About Investment Partners Asset Management

IPAM is an investment management firm, which adheres to a combination of value investing, special situation participation, as well as seeking to exploit inefficiencies created by fluctuations and volatility of securities prices to obtain long-term investment gains. Founded in 1995, IPAM manages investments for individuals and families, businesses, and in non-profit organizations applying their comprehensive approach balanced with research and insight. For more information about IPAM, please visit their website at www.investmentpartners.com.