



Franklin Square IC III

Fact Sheet
March 31, 2017

Summary

Cumulative Return	Annualized Return	1 Year Total Return	2 Year Avg Return	3 Year Avg Return	Worst Drawdown
17.6%	5.55%	17.77%	5.38%	5.55%	-8.38%

Monthly Performance Net of HWM 1.25% Management Fee

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2017	1.19%	1.09%	0.50%										2.81%
2016	(1.65%)	(0.56%)	0.75%	2.30%	1.30%	2.25%	1.65%	1.80%	2.15%	1.05%	0.69%	0.53%	12.87%
2015	0.50%	1.52%	0.65%	0.50%	0.50%	0.65%	0.50%	(1.51%)	(1.91%)	0.53%	(1.05%)	(2.51%)	(1.73%)
2014				0.46%	0.46%	0.46%	0.60%	0.46%	0.60%	0.46%	0.46%	(0.89%)	3.12%

Administration and Contact Information

Structure:	Business Development Company	Management Fees:	
Liquidity:	Quarterly		
Lock-up Period:	None	FSIC III - 1.75% Management fee	
Termination Fees:	None	20% Incentive Fee	
HWM Minimum Investment:	\$50,000	HWM Management Fee Schedule	
		First \$500,000: 1.25%	
Custodian:	TD Ameritrade	Then Next \$500,001 - \$2 million: 1.00%	
Transaction fee:	\$100	Then Amounts Over \$2 million: Negotiable	
Annual custody fee:	\$250		

For more information, please contact one of our Investment Consultants as follows:

- √ Give us a call at **800 348-3601**
- √ Send an email requesting information to info@halbertwealth.com
- √ Visit our website at www.halbertwealth.com and click on the "Contact Us" button at the top of the page.

***See Important Disclosures on Page 2**

***Presentation based upon information and data from FS Investment Corporation.**

CONFIDENTIAL

Important Disclosures

IMPORTANT NOTES: Information contained herein is not a solicitation nor an offer to buy securities, and such solicitation may only be made upon the delivery of the Prospectus to persons who meet the suitability requirements described in the Prospectus. You should also review Halbert Wealth Management's (HWM) ADV Part 2.

Performance reflects the actual aggregated performance (net of fees and expenses) of Franklin Square Investment Company III or "FSIC III" (based on information from Franklin Square), less the deduction of HWM's 1.25% annual fee (deducted monthly). Returns reflect the reinvestment of distributions. See the FSIC III Prospectus and Fact Sheet for details concerning fees and expenses of FSIC III, and more information about how they calculate performance.

THE PERFORMANCE INFORMATION SET FORTH IN THIS PRESENTATION IS BASED UPON AND DERIVED FROM INFORMATION AND DATA PROVIDED BY FRANKLIN SQUARE, A THIRD PARTY INVESTMENT MANAGER. HALBERT WEALTH MANAGEMENT HAS NOT INDEPENDENTLY VERIFIED ANY SUCH INFORMATION AND SHALL HAVE NO LIABILITY OR RESPONSIBILITY FOR ANY INACCURACY OR INADEQUACY THEREOF.

NEITHER HWM NOR ANY OF ITS AGENTS IS INVOLVED IN, SUPERVISES OR HAS ANY RESPONSIBILITY FOR OR CONTROL OVER THE BUSINESS, OPERATIONS, INVESTMENTS, MANAGEMENT OR INVESTMENT DECISIONS WITH RESPECT TO FRANKLIN SQUARE INVESTMENT COMPANY III.

FOR MORE INFORMATION REGARDING THE INVESTMENT PROGRAM OF FSIC III, PLEASE REFER TO THE PROSPECTUS OF FSIC III, A COPY OF WHICH IS AVAILABLE UPON REQUEST. TO BE FULLY INFORMED REGARDING AN INVESTMENT IN FSIC III, EACH PROSPECTIVE INVESTOR SHOULD CAREFULLY REVIEW AND ENSURE THAT IT UNDERSTANDS THE TERMS AND CONDITIONS OF AN INVESTMENT IN FSIC III, AS DESCRIBED IN THE PROSPECTUS. HWM AND ITS AGENTS ARE NOT RESPONSIBLE FOR THE CONTENTS OF THE PROSPECTUS (OR ANY OTHER INFORMATION OR DOCUMENTS RECEIVED FROM OR PREPARED BY FRANKLIN SQUARE), MAKE NO REPRESENTATIONS AS TO THE ACCURACY OR COMPLETENESS OF THE PROSPECTUS AND EXPRESSLY DISCLAIM ANY LIABILITY WHATSOEVER FOR ANY LOSS ARISING FROM OR IN RELIANCE UPON ANY PART OF THE PROSPECTUS OR FROM ANY ACTIONS OF FSIC III OR FRANKLIN SQUARE. THIS PRESENTATION SHALL NOT BE CONSIDERED AN OFFERING OF INTERESTS IN FSIC III. IN ALL CASES, PROSPECTIVE INVESTORS SHOULD CONDUCT THEIR OWN INVESTIGATION AND ANALYSIS OF THE OFFERING AND THE INFORMATION SET FORTH IN THE PROSPECTUS.

NO ASSURANCE CAN BE GIVEN THAT THE INVESTMENT OBJECTIVE OF FSIC III WILL BE ACHIEVED OR THAT AN INVESTMENT IN FSIC III WILL BE PROFITABLE.

In addition, you should be aware that (i) in the FSIC III your principal is not guaranteed and there are risks involved; (ii) the FSIC III performance may be volatile; (iii) Franklin Square will have trading authority over an investor's account and the use of a single advisor could mean lack of diversification and consequently higher risk; (iv) FSIC III's fees and expenses (if any) will reduce an investor's trading profits, or increase any trading losses; and (v) there is limited liquidity which is not guaranteed in FSIC III, so you should take a long-term approach to this investment.

Returns do not include the effect of any custodial, transaction or IRA fees, if applicable, charged by the custodian. No adjustment has been made for income tax liability. Consult your tax advisor. "Annualized" returns take into account compounding of earnings over the course of an investment's actual track record. The results shown are for a limited time period and may not be representative of the results that would be achieved over a full market cycle or in different economic and market environments.

AS OF SEPTEMBER 30, 2016 (unless otherwise noted)

FS INVESTMENT CORPORATION III (FSIC III) is a business development company (BDC) that is only available to the institutional channel.

INSTITUTIONAL OFFERING PRICE¹
(AS OF 11/16/2016)

\$8.55

ANNUALIZED DISTRIBUTION RATE²
(AS OF 11/16/2016)

8.19%

Portfolio composition³

The tables below show FSIC III's current portfolio composition. These percentages may change over time depending on market conditions.

ASSET TYPE	% OF PORTFOLIO ⁴
Senior secured loans—1st lien	67%
Senior secured loans—2nd lien	9%
Senior secured bonds	3%
Subordinated debt	17%
Collateralized securities	<1%
Equity/other	4%

INDUSTRY	% OF PORTFOLIO
Software & Services	15%
Health Care Equipment & Services	13%
Commercial & Professional Services	12%
Capital Goods	10%
Consumer Services	10%
Energy	8%
Diversified Financials	7%
Transportation	6%
Materials	6%
Consumer Durables & Apparel	5%
Media	4%

FLOATING RATE ASSETS	% OF PORTFOLIO ⁴
	74%

CORE INVESTMENT STRATEGIES ⁵	% OF PORTFOLIO
Direct originations	67%
Opportunistic	24%
Total	91%

	% OF PORTFOLIO
Telecommunication Services	1%
Automobiles & Components	1%
Retailing	1%
Food & Staples Retailing	1%
Technology Hardware & Equipment	<1%
Semiconductors & Semiconductor Equipment	<1%
Insurance	<1%
Real Estate	<1%

An investment in FSIC III involves a high degree of risk and may be considered speculative. Investors are advised to consider the investment objectives, risks, and charges and expenses of FSIC III carefully before investing. The prospectus contains this and other information about FSIC III. Investors may obtain a copy of the prospectus free of charge at www.fsinvestments.com or by contacting FS Investments at 201 Rouse Boulevard, Philadelphia, PA 19112 or by phone at 877-372-9880. Investors should read and carefully consider all information found in the prospectus and FSIC III's other reports filed with the U.S. Securities and Exchange Commission (SEC) before investing.

This is neither an offer to sell nor a solicitation of an offer to buy the securities described herein. An offering is made only by a prospectus, which must be made available to you in connection with this offering. No offering is made to New York investors except by a prospectus filed with the Department of Law of the State of New York.

FSIC III may invest in below investment grade securities (commonly referred to as "high yield" securities or "junk bonds"), which may have predominantly speculative characteristics with respect to the issuer's capacity to pay interest and repay principal. Investments in high yield securities should be considered speculative.

This fact sheet is intended as informational only and is not intended as investment advice or for trading purposes. See the attached performance sheet for stockholder returns. For additional information, contact your financial advisor.

Percentages and other numbers in this fact sheet may have been rounded.

Investment objectives

Generate current income and, to a lesser extent, long-term capital appreciation

Investment strategies

FSIC III invests primarily in floating rate, senior secured loans of private U.S. companies. FSIC III has a flexible investment platform, which diversifies its holdings across multiple issuers and industries. FSIC III seeks to invest in a broadly diversified portfolio of companies with:

- Leading, defensible market positions
- Positive cash flows
- Proven management teams
- Private equity sponsorship
- Viable exit strategies

Key facts

INCEPTION DATE

April 2, 2014

REGISTERED SHARES⁶

400 million

TOTAL ASSETS UNDER MANAGEMENT

\$3.5 billion

NUMBER OF PORTFOLIO COMPANIES

118

MINIMUM INITIAL INVESTMENT

\$25,000

NET ASSET VALUE

\$8.47

DISTRIBUTION FREQUENCY⁷

Monthly

TOTAL CASH DISTRIBUTIONS PAID PER SHARE SINCE INCEPTION⁷

\$1.75

DISTRIBUTION REINVESTMENT PRICE

Institutional offering price on date of issuance

LIQUIDITY⁸

Quarterly tender offers at the institutional offering price on the date of repurchase

TAX REPORTING

Form 1099-DIV

Investment managers

ADVISER

FSIC III Advisor, LLC,
an affiliate of FS Investments

SUB-ADVISER

GSO / Blackstone
Debt Funds Management LLC

SPONSOR COMMITMENT⁹

(AS OF 11/1/2016)

\$17.6 million

Top 10 holdings (percentage of portfolio)^{3,10}

TRANSPPLACE TEXAS, LP	Provider of transportation management services	5.4%
AENEAS BUYER CORP.	Provider of pre-payment and post-payment cost containment and recovery services	5.0%
PSKW, LLC	Developer and marketer of co-pay assistance programs for pharmaceutical drugs	4.8%
GLOBAL JET CAPITAL INC.	Provider of leases and lending solutions for private aircrafts	4.3%
SEQUENTIAL BRANDS GROUP, INC.	Owns, promotes, markets and licenses a portfolio of consumer brands	4.2%
PRODUCTION RESOURCE GROUP, LLC	Global provider of entertainment and event technology and production services	4.1%
ROGUE WAVE SOFTWARE, INC.	Provider of cross-platform software development tools and embedded components	3.6%
JMC ACQUISITION MERGER CORP.	Designer and manufacturer of safety products used in the handling and storage of flammable and hazardous liquids	3.3%
ROADRUNNER INTERMEDIATE ACQUISITION CO., LLC	Provider of healthcare staffing services	3.3%
CERIDIAN HCM HOLDING, INC.	Provider of human resources software and services	3.1%

Risk factors

Investing in FSIC III may be considered speculative and involves a high level of risk, including the risk of a substantial loss of investment. The following are some of the risks an investment in FSIC III's common stock involves; however, you should carefully consider all of the information found in the section of FSIC III's prospectus entitled "Risk Factors" before deciding to invest in shares of FSIC III's common stock.

- Because there is no public trading market for shares of FSIC III's common stock and FSIC III is not obligated to effectuate a liquidity event by a specified date, if at all, it is unlikely that you will be able to sell your shares. If you are able to sell your shares before FSIC III completes a liquidity event, it is likely that you will receive less than you paid for them. While FSIC III intends to conduct quarterly tender offers for its shares, only a limited number of shares will be eligible for repurchase and FSIC III may amend, suspend or terminate the share repurchase program at any time. In addition, any such repurchases will be at the current institutional offering price on the date of repurchase.
 - FSIC III intends to invest in securities that are rated below investment grade by rating agencies or that would be rated below investment grade if they were rated. Below investment grade securities, which are often referred to as "junk," have predominantly speculative characteristics with respect to the issuer's capacity to pay interest and repay principal. They may also be difficult to value and illiquid.
 - FSIC III's distributions may be funded from unlimited amounts of offering proceeds or borrowings, which may constitute a return of capital and reduce the amount of capital available to FSIC III for investment. Any capital returned to stockholders through distributions will be distributed after payment of fees and expenses.
 - An investment strategy focused primarily on privately held companies presents certain challenges, including the lack of available information about these companies.
 - Investing in middle market companies involves a number of significant risks, any one of which could have a material adverse effect on FSIC III's operating results.
 - A lack of liquidity in certain of FSIC III's investments may adversely affect its business.
 - FSIC III is subject to financial market risks, including changes in interest rates, which may have a substantial negative impact on its investments.
 - FSIC III has borrowed funds to make investments, which increases the volatility of its investments and may increase the risks of investing in its securities.
 - FSIC III has limited operating history and is subject to the business risks and uncertainties associated with any new business.
 - If FSIC III is unable to raise substantial funds in its ongoing, continuous "best efforts" public offering, then FSIC III will be more limited in the number and type of investments it may make.
 - FSIC III is a long-term investment for persons of adequate financial means who have no need for liquidity in their investment. To invest in FSIC III, an investor must have either (i) a net worth of at least \$70,000 and an annual gross income of at least \$70,000, or (ii) a net worth of at least \$250,000. Some states impose higher suitability standards. Please consult the prospectus for a detailed description of the suitability standards imposed on investors, including heightened standards required by certain states.
 - FSIC III's previous distributions to stockholders were funded in significant part from the reimbursement of certain expenses, including through the waiver of certain investment advisory fees that are subject to repayment to its affiliate, FS Investments, and FSIC III's future distributions may be funded from such waivers and reimbursements. Significant portions of these distributions may not be based on FSIC III's investment performance and such waivers and reimbursements by FS Investments may not continue in the future. If FS Investments were not to reimburse certain of FSIC III's expenses, including through the waiver of certain of its advisory fees, significant portions of these distributions may come from offering proceeds or borrowings. The repayment of any amount owed to FS Investments will reduce the future distributions to which you would otherwise be entitled.
- 1 Represents the institutional offering price of FSIC III's common stock. The institutional offering price is subject to offering expenses of up to 1.5%. FSIC III's total expenses as a percentage of average net assets attributable to common stock was 5.89% for the year ended December 31, 2015. Expenses and fees are described more fully in FSIC III's prospectus. Please consult the prospectus and read it carefully. In February 2016, FSIC III closed its public offering to investors who purchase shares of its common stock through the independent broker-dealer channel.
 - 2 The annualized distribution rate is expressed as a percentage equal to the projected annualized distribution amount per share (which is calculated by annualizing the regular weekly cash distribution per share as of the date indicated above, without compounding), divided by the institutional offering price per share (as described in note 1 above) as of the date indicated above. For the nine months ended September 30, 2016, 100% of FSIC III's distributions were funded through net investment income on a tax basis. No portion of FSIC III's distributions during the nine months ended September 30, 2016 was funded through an expense reimbursement from the fund's sponsor. The determination of the tax attributes of FSIC III's distributions is made annually at the end of FSIC III's fiscal year and a determination made on an interim basis may not be representative of the actual tax attributes of FSIC III's distributions for a full year. The actual tax characteristics of distributions to stockholders are reported to stockholders annually on Form 1099-DIV.
 - 3 Calculated as a percentage of fair value. Fair value is determined by FSIC III's board of directors.
 - 4 Includes investments held by FSIC III and the assets underlying FSIC III's total return swap (TRS) financing arrangement with Citibank, N.A. Excluding investments held under the TRS, floating rate investments comprised 71% of FSIC III's investment portfolio; investment allocations were 64% senior secured loans—1st lien, 9% senior secured loans—2nd lien, 3% senior secured bonds, 19% subordinated debt, <1% collateralized securities and 5% equity/other.
 - 5 FSIC III defines core investment strategies as any investment that is a direct origination or an opportunistic investment. Broadly syndicated/other investments comprised 9% of FSIC III's portfolio.
 - 6 Registered shares means the shares registered on the registration statement relating to FSIC III's initial public offering that was initially declared effective by the SEC on December 31, 2013, as amended.
 - 7 Total cash distributions paid per share since inception are calculated as the total regular cash distributions paid since inception on a per share basis as of September 30, 2016. The payment of future distributions on FSIC III's shares of common stock is subject to the sole discretion of FSIC III's board of directors and applicable legal restrictions and, therefore, there can be no assurance as to the amount or timing of any such future distributions.
 - 8 FSIC III intends to repurchase a limited number of shares pursuant to its share repurchase program. FSIC III may amend, suspend or terminate its share repurchase program at any time. In addition, any such repurchases will be at the institutional offering price on the date of repurchase. See FSIC III's prospectus for more information.
 - 9 "Sponsor Commitment" means proceeds from investors affiliated with FSIC III Advisor, LLC and GSO / Blackstone Debt Funds Management LLC, including members of FSIC III's board of directors.
 - 10 Securities may be an obligation of one or more entities affiliated with the named company. Percentages shown are net of unfunded commitment amounts.

FS Investment Solutions, LLC (FS Investment Solutions), the dealer manager for FSIC III's public offering, is an affiliate of FSIC III's investment adviser and serves or has served as the dealer manager for the public offerings of shares by other non-traded funds sponsored by FS Investments. These relationships may create conflicts in connection with FS Investment Solutions' due diligence obligations under the federal securities laws. Prior to February 2016, FS Investment Solutions was entitled to compensation in connection with this offering, including receiving selling commissions (which were generally reallocated to selling broker-dealers) and dealer manager fees based on the gross offering proceeds of shares sold in the offering. FS Investment Solutions may also be reimbursed for accountable due diligence expenses based on the gross offering proceeds of shares sold in this offering. In addition, FSIC III's investment adviser and its affiliates may face conflicts of interest as a result of compensation arrangements, time constraints and competition for investments, which they will attempt to resolve in a fair and equitable manner.



FS INVESTMENT CORPORATION III PERFORMANCE

INSTITUTIONAL | AS OF NOVEMBER 30, 2016 (unless otherwise noted)

				INSTITUTIONAL STOCKHOLDER RETURNS ¹					
	ANNUALIZED DISTRIBUTION RATE ²	INSTITUTIONAL OFFERING PRICE ³	CUMULATIVE CASH DISTRIBUTIONS PER SHARE since inception ⁴	YTD	1-YEAR	3-YEAR annualized	5-YEAR annualized	SINCE INCEPTION annualized	CUMULATIVE TOTAL RETURN since inception
Business development companies (BDCs)									
FSIC III									
Inception date: 4/2/14	8.19%	\$8.55	\$1.87	13.6%	10.8%	—	—	6.3%	17.6%

Returns shown are historical only and are based on past performance. Past performance is not indicative of future results.

An investment in any fund sponsored by FS Investments ("FS") involves significant costs and investors should review the information regarding fees and expenses associated with an investment contained in the applicable fund's prospectus and other filings with the U.S. Securities and Exchange Commission (the "SEC").

An investment in FSIC III involves a high degree of risk and may be considered speculative. Investors are advised to consider the investment objectives, risks, and charges and expenses of FSIC III carefully before investing. This and other information may be found in FSIC III's prospectus. Investors may obtain a copy of FSIC III's prospectus free of charge at www.fsinvestments.com or by contacting FS Investments at 201 Rouse Boulevard, Philadelphia, PA 19112 or by phone at 877-372-9880. Investors should read and carefully consider all information found in FSIC III's prospectus and other reports filed with the SEC before investing.

This is neither an offer to sell nor a solicitation of an offer to buy the securities described herein. An offering is made only by a prospectus, which must be made available to you in connection with any offering. No offering is made to New York investors except by a prospectus filed with the Department of Law of the State of New York.

RISK FACTORS

An investment in our common stock involves a high degree of risk and may be considered speculative. You should carefully consider the information found in the "Risk Factors" section of our prospectus before deciding to invest in shares of our common stock. The following are some of the risks an investment in our common stock involves:

- Because there is no public trading market for shares of our common stock and we are not obligated to effectuate a liquidity event by a specified date, if at all, it is unlikely that you will be able to sell your shares. If you are able to sell your shares before we complete a liquidity event, it is likely that you will receive less than you paid for them. While we intend to conduct quarterly tender offers for our shares, only a limited number of shares will be eligible for repurchase and we may amend, suspend or terminate the share repurchase program at any time. In addition, any such repurchases will be at the current institutional offering price on the date of repurchase.
- An investment in our shares is not suitable for you if you might need access to the money you invest in the foreseeable future.
- You may not have access to the money you invest for an indefinite period of time.
- We intend to invest in securities that are rated below investment grade by rating agencies or that would be rated below investment grade if they were rated. Below investment grade securities, which are often referred to as "junk," have predominantly speculative characteristics with respect to the issuer's capacity to pay interest and repay principal. They may also be difficult to value and illiquid.
- Our distributions may be funded from unlimited amounts of offering proceeds or borrowings, which may constitute a return of capital and reduce the amount of capital available to us for investment. Any capital returned to stockholders through distributions will be distributed after payment of fees and expenses.
- An investment strategy focused primarily on privately-held companies presents certain challenges, including the lack of available information about these companies.
- Investing in middle-market companies involves a number of significant risks, any one of which could have a material adverse effect on our operating results.
- A lack of liquidity in certain of our investments may adversely affect our business.
- We are subject to financial market risks, including changes in interest rates, which may have a substantial negative impact on our investments.
- We have borrowed funds to make investments, which increases the volatility of our investments and may increase the risks of investing in our securities.
- We have a limited operating history and are subject to the business risks and uncertainties associated with any new business.
- This is a "best efforts" offering and if we are unable to raise substantial funds then we will be more limited in the number and type of investments we may make.
- FSIC III is a long-term investment for persons of adequate financial means who have no need for liquidity in their investment. To invest in us, an investor must have either (i) a net worth of at least \$70,000 and an annual gross income of at least \$70,000, or (ii) a net worth of at least \$250,000. Some states impose higher suitability standards. Please consult the prospectus for a detailed description of the suitability standards imposed on investors, including heightened standards required by certain states.

- 1 Institutional Stockholder Returns are the total returns an investor received for the highlighted period taking into account all distributions paid during such period, compounded monthly. The calculation assumes that the investor purchased shares at FSIC III's institutional offering price at the beginning of the applicable period and reinvested all cash distributions pursuant to FSIC III's distribution reinvestment plan ("DRP"). Valuation as of the end of each period is the redemption price pursuant to FSIC III's share repurchase program on such date. Institutional Stockholder Returns include all fund operating expenses. Upon liquidation or redemption, market conditions may cause the actual values to be more or less than the values shown.
- 2 The annualized distribution rate is expressed as a percentage equal to the projected annualized distribution amount per share (which is calculated by annualizing the regular cash distribution per share as of December 7, 2016 without compounding), divided by the institutional offering price per share (as described in note 3 below), as of December 7, 2016. To date, FSIC III's distribution rate has not included any distributions paid from offering proceeds or borrowings. The distributions described herein were funded in significant part by the reimbursement of certain expenses, including through the waiver of investment advisory fees, subject to repayment to FS Investments, and FSIC III's future distributions may be funded from such waivers and reimbursements. Significant portions of these distributions were not based on FSIC III's investment performance and such waivers and reimbursements by FS Investments may not continue in the future. If FS Investments had not agreed to reimburse certain of FSIC III's expenses, including through the waiver of certain advisory fees, significant portions of these distributions would have come from offering proceeds or borrowings. The repayment of amounts owed to FS Investments will reduce the future distributions to which investors would otherwise be entitled. For the nine months ended September 30, 2016, FSIC III's distributions were sourced entirely from net investment income. The determination of the tax attributes of FSIC III's distributions is made annually as of the end of the fund's fiscal year based upon the fund's taxable income for the full year and distributions paid for the full year. Therefore, a determination made on an interim basis may not be representative of the actual tax attributes of FSIC III's distributions for a full year. The actual tax characteristics of distributions to stockholders are reported to stockholders annually on Form 1099-DIV.
- 3 Institutional offering price as of December 7, 2016. FSIC III closed its offering to new investors investing through independent broker-dealers in February 2016, but continues to offer shares to new investors through the institutional channel at the institutional offering price. FSIC III's shares are no longer subject to a sales load, but are still subject to offering expenses of up to 1.5% of the gross proceeds received in its offering. FSIC III's ratio of total operating expenses, together with excise taxes, to average net assets was 5.89% for the year ended December 31, 2015.
- 4 Cumulative cash distributions per share reflect the total regular cash distributions paid since inception on a per share basis as of November 30, 2016. The payment of future distributions on FSIC III's shares is subject to the sole discretion of FSIC III's board of directors and applicable legal restrictions and, therefore, there can be no assurance as to the amount or timing of any such future distributions.

FS Investment Solutions, LLC ("FS Investment Solutions"), the dealer manager for the public offering, is an affiliate of the investment advisers and serves or has served as the dealer manager for the public offerings of shares by other non-traded funds sponsored by FS Investments. These relationships may create conflicts in connection with FS Investment Solutions' due diligence obligations under the federal securities laws. Prior to February 2016, FS Investment Solutions was entitled to compensation in connection with this offering, including receiving selling commissions (which were generally re-allowed to selling broker-dealers) and dealer manager fees based on the gross offering proceeds of shares sold in the offering. FS Investment Solutions may also be reimbursed for accountable due diligence expenses based on the gross offering proceeds of shares sold in these offerings. In addition, the investment advisers and their affiliates may face conflicts of interest as a result of compensation arrangements, time constraints and competition for investments, which they will attempt to resolve in a fair and equitable manner.