



FS Energy &
Power FundSM

NOTICE TO SHAREHOLDERS – SOURCE OF DISTRIBUTIONS

NOTE: The following correspondence is for informational purposes only and is being provided to shareholders in accordance with applicable federal securities laws. The information herein should not be relied upon to project the tax character of distributions for the 2017 calendar year.

Dear Shareholder:

This notice provides shareholders of FS Energy and Power Fund (the “Company”) with important information concerning the Company’s distributions declared for the three month period ended March 31, 2017 (the “Period”). This information is sent to you for informational purposes only and is an estimate of the sources of the Company’s distributions for the Period. This estimate of the source of distributions may change over time based on the Company’s investment activities and changes in the value of the Company’s investments. The actual amounts and sources of such amounts for accounting and tax reporting purposes may be subject to additional adjustments.

Distribution Amount per Common Share for the Period: **\$0.1771**

| | CURRENT DISTRIBUTION AMOUNT | % OF CURRENT DISTRIBUTION |
|---------------------------------------|--------------------------------|------------------------------|
| Net Investment Income | \$0.1740 | 98.2% |
| Net Realized Short-Term Capital Gains | \$0.0000 | 0.0% |
| Net Realized Long-Term Capital Gains | \$0.0000 | 0.0% |
| Other Capital Sources | \$0.0031 | 1.8% |
| Total per Common Share | \$0.1771 | 100.0% |

The determination of the tax attributes of the Company’s distributions is made annually as of the end of the Company’s fiscal year based upon the Company’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 the Company’s distributions for a full year. The actual tax characteristics of distributions to shareholders are reported to shareholders annually on Form 1099-DIV. The payment of future distributions on the Company’s common shares is subject to the sole discretion of the Company’s board of trustees and applicable legal restrictions, and therefore, there can be no assurance as to the amount, timing or nature of any future distributions.