

Priority Income Fund Offering Details



Investment Objective	Primarily to provide investors with current income and, as a secondary objective, long-term capital appreciation.
Investment Adviser	Priority Senior Secured Income Management, LLC
Portfolio Manager	Prospect Capital Management LLC
Distributor	Provasi Capital Partners LP
Offering Size	100 million shares
Securities	Shares of common stock
Share Classes	Class R, Class RIA and Class I shares available ¹
Minimum Investment	\$1,000
Structure	Registered closed-end fund; will operate as a regulated investment company (RIC) in order to minimize taxes. Will not be diversified for purposes of the Investment Company Act of 1940.
Offering Period	Up to eighteen months following the close of the initial offering period ² .
Inception Date	May 9, 2013
Distribution Payment Frequency	Monthly ³
Distribution Reinvestment	Available at a discounted price at the investor's option ⁴ .
Investment Types	The Fund seeks to generate current income and, as a secondary objective, long-term capital appreciation by investing, under normal circumstances, at least 80% of total assets (or net assets plus borrowings) in senior secured loans in the primary or secondary markets and/or investing in collateralized loan obligations (CLOs). CLOs are special-purpose vehicles formed to manage a broad pool of senior secured loans. Such loans will typically be BB or B rated (non-investment grade) and, in limited circumstances, unrated senior secured loans of U.S. borrowers with a first lien on the borrower's assets.
Share Repurchase Program	Yes ⁵
Loan Borrowers	Primarily U.S. corporations across a wide range of industries
Leverage	Regulatory cap of 33% of total assets
Potential Exit Strategies	Potential exit strategies include listing on a national exchange, merger, or sale of assets. Exit strategy is at the sole discretion of the Fund's Board of Directors and may require a shareholder vote.
Form of Tax Reporting	1099

For more information about Priority Income Fund, Inc., please contact your financial advisor or call Provasi Capital Partners LP at 866.655.3600. Additional details about this investment opportunity, including a copy of the current prospectus, are available at priority-incomefund.com.

This material is neither an offer to sell nor the solicitation of an offer to buy any security. Such an offer can be made only by prospectus, which has been filed with the Securities and Exchange Commission and is available at sec.gov, and sold by broker-dealers authorized to do so. This material must be preceded or accompanied by a prospectus for the securities of the issuer described herein. This material must be read in conjunction with the prospectus in order to fully understand the investment objectives, implications, and risks of the offering of securities to which it relates.

Investors should carefully consider the investment objectives, risks, charges, and expenses of the investment company before investing. The prospectus contains this and other information and should be read carefully before investing. For more information about the Fund, please contact your financial advisor. Additional details about this investment opportunity, including a copy of the current prospectus, are available at priority-incomefund.com.

Important Risk Factors To Consider

An investment in shares of Priority Income Fund, Inc. (the "Fund") involves substantial risk and may result in the loss of principal invested. This Fund may not be suitable for all investors. You should carefully read the information found in the Fund's prospectus, including the "Risk Factors" section, before deciding to invest in the Fund's shares. **These risks include:**

- ▲ Absence of a public market for these securities
- ▲ Limited operating history
- ▲ The Adviser's lack of experience managing a registered closed-end fund
- ▲ Limited liquidity and lack of transferability
- ▲ Reinvestment risk
- ▲ Risks related to failing to qualify as a regulated investment company for U.S. federal income tax purposes
- ▲ Exposure to leveraged credit risk
- ▲ Risks associated with lending activities, including underlying borrower fraud
- ▲ Non-investment grade debt involves a greater risk of default and higher price volatility than investment grade debt.
- ▲ Absence of investments identified for acquisition
- ▲ Payment of significant fees to the Fund's Adviser and its affiliates
- ▲ Potential uncertainty as to the value of the Fund's assets
- ▲ Potential conflicts of interest
- ▲ Risk that the net offering price per share will not reflect the Fund's net asset value
- ▲ Risk that the purchase price paid by you may be higher than a prior purchase price per share and therefore you may receive a smaller number of shares
- ▲ Risk of significant leverage within the Fund and collateralized loan obligations ("CLOs")
- ▲ Potential interruption and deferral of cash flow
- ▲ No assurance that distributions will be made or that any particular rate of distribution will be maintained
- ▲ Distributions to stockholders may be funded from expense support payments provided by the Adviser that are subject to repayment to the Adviser if certain conditions are met. Distributions may not be based on investment performance and may not continue in the future. The reimbursement of these payments to the Adviser (if any such reimbursements are made) would reduce the future distributions to which investors would otherwise be entitled.
- ▲ Lack of diversification in assets of the Fund until significant funds have been raised
- ▲ Risk that the Fund's operating results will be affected by economic and regulatory changes that have an adverse impact on the Fund's investments
- ▲ Unforeseen increases in operating and capital expenses
- ▲ Lack of availability of due diligence information
- ▲ Risk related to the fact that the assets of the Fund are intended to be concentrated in senior secured loans and CLOs
- ▲ Risk that the Fund will not achieve its investment objectives if it does not raise sufficient capital
- ▲ The Fund will not be a diversified investment fund for purposes of the 1940 Act.

These and other risks may impact the Fund's financial condition, operating results, returns to its investors, and ability to make distributions as stated in the Fund's prospectus.

This material contains forward-looking statements relating to the business and financial outlook of Priority Income Fund, Inc. that are based on the Fund's current expectations, estimates, forecasts, and projections, and are not guarantees of future performance. Actual results may differ materially from those expressed in these forward-looking statements, and you should not place undue reliance on any such statements. A number of important factors could cause actual results to differ materially from the forward-looking statements contained in this material. Such factors include those listed above and those described in the "Risk Factors" section of the Fund's prospectus. Forward-looking statements in this material speak only as of the date on which such statements were made and the Fund undertakes no obligation to update any such statements that may become untrue because of subsequent events.

NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED ANY OFFERING OF PRIORITY INCOME FUND, INC. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

Principal underwriting and wholesale distribution services are provided by Provasi Capital Partners LP, an affiliated entity of the cosponsor, as dealer manager. This material has been prepared by Provasi Capital Partners LP on behalf of the issuer.

Provasi Capital Partners LP is a member of FINRA/SIPC.

¹The public offering price of the Fund's Class R shares is subject to a sales load of up to 10% (which includes commissions, dealer manager fee, and organization and offering expenses, estimated at 9.5%). Share class prices are subject to periodic adjustments. Estimated annual fund expenses, as a percentage of the average net assets attributable to shares, are 12.03% including, 2.03% management fees, 3.52% incentive fees payable under the Investment Advisory Agreement, 5.03% acquired fund fees and expenses, and 1.45% in other expenses). Expenses and fees are described more fully in the Prospectus. Annual expense ratio is calculated as set forth in the prospectus and is based on the public offering price in effect on such date. Please consult the prospectus and read it carefully.

²The Fund's Board of Directors approved an extension of the Fund's offering period for an additional period of 18 months, extending the public offering to November 2017, unless further extended by the Board of Directors.

³Distributions are not guaranteed. There is no assurance that distributions will be made or that any particular rate of distribution will be maintained.

⁴The full cash distribution purchases shares at a price equal to 95% of the price of shares that are sold in the offering at the closing immediately following the distribution payment date.

⁵The Fund currently has a share repurchase program, but will limit the number of shares that it will offer to repurchase. As a result, a shareholder's ability to sell his or her shares will be limited, and shareholders may not receive a full return of invested capital upon selling their shares. The Fund's Board of Directors may suspend or terminate this program at any time.