

**EXPLANATION TO THE AMENDMENTS OF THE PROSPECTUS OF FMO PRIVIUM IMPACT FUND
DATED APRIL 2018**

This document constitutes an explanation to the amendments to the prospectus of FMO Privium Impact Fund (the “**Fund**”) dated April 2018, as amended from time to time (the “**Prospectus**”).

The amendments to the Prospectus and the Terms and Conditions are published on the website of the Fund Manager (the “**Amendments**”). The Amendments are made in connection with the following:

- Introduction of one new Unit Class (Class B-A);
- Introduction of a guarantee. Here FMO Bank has issued a guarantee to ABN AMRO Clearing Bank N.V. ("AACB") covering payment obligations of the Fund in relation to FX hedging transactions entered into by the Fund. As a result of this guarantee, the Fund can reduce the amount of security granted or transferred to AACB and increase the amount of Fund Assets available for Impact Investments by the Fund;
- The removal of a minimum loan size limit per individual loan. Here the following loan size limit is removed:

“Each loan participation will have a minimum size of EUR 1 million or the equivalent thereof in USD.”

After an internal review by the Fund Manager we found out that this risk limit has been breached since the risk limit was interpreted as follows: Each loan participation will have a minimum size of EUR 1 million or USD 1 million. This interpretation took place since all underlying loans are currently denominated in USD. As a result of this interpretation the Fund has three loans with a size of less than EUR 1 million. This breach didn't harm any of the Unitholders, their rights or their security. As the background of this restriction was purely administrative, removal of this risk limit will not harm any of the Unitholders, their rights or their security

According to article 23.4 of the Terms and Conditions, an amendment of the Prospectus or the Terms and Conditions causing a reduction in Unitholders' rights or security, imposing costs on the Unitholders or causing a change to the Investment Strategy does not become effective in relation to the Unitholders until one (1) month following the date on which such notification has been published on the Fund Manager's website. Unitholders have the right to redeem their Units within this period following the date on which such notification has been disclosed. Since there is no reduction in Unitholders' rights or security, imposing costs on the Unitholders or causing a change to the Investment Strategy article 23.4 of the Terms of Conditions is not applicable.

The Amendments will become effective with immediate effect.

Amsterdam, 30 July 2019

Privium Fund Management B.V.
The Fund Manager