



First Puerto Rico Tax-Exempt Target Maturity Fund VII, Inc.

Notice to Shareholders

The Board of Directors of First Puerto Rico Tax-Exempt Target Maturity Fund VII, Inc. (the “Fund”), at a meeting duly held on November 10, 2020 and at a meeting duly held on March 24, 2021, authorized a distribution of net assets to the holders of the Fund’s Class A common stock in complete liquidation of the Fund. This distribution in complete liquidation of the Fund is being carried out because, in the judgment of the Fund’s Board of Directors and of the Fund’s investment adviser, Santander Asset Management, LLC, the Fund will be unable to meet the requirements for registration under the Investment Company Act of 1940, as amended, which registration will be required of Puerto Rico investment companies such as the Fund commencing on May 25, 2021 pursuant to the Economic Growth, Regulatory Relief and Consumer Protection Act.

The distribution of net assets of the Fund’s Class A common stock to the holders thereof will be derived from the totality of the payments received by the Fund by reason of the maturity, prepayment, acceleration, redemption, sale or other disposition of the Fund’s portfolio securities, as well as monies held in a reserve account comprised of accumulated net capital. Only holders of record of the Fund’s Class A common stock as of the close of business on November 10, 2020 will be entitled to receive payment of the distribution amount.

The aggregate cash distribution amount will be \$37,546,251.97, or \$5.088601 per outstanding share of the Fund’s Class A common stock, and will be paid on March 31, 2021, on a pro-rata basis, to shareholders that were holders of record of the Fund’s Class A common stock as of the close of business on November 10, 2020.

The payment of the distribution of net assets of the Fund on March 31, 2021 will result in the complete liquidation of the Fund, and the Fund shall be dissolved as soon as reasonably practicable thereafter. Shares of Class A common stock acquired subsequently to the close of business on November 10, 2020 will not be entitled to receive any distributions from the Fund.

CUSIP Numbers: 33613L103 and 33613L202. For additional information regarding the Fund, please visit <https://fssec.com/first-puerto-rico-family-of-funds/>

March 25, 2021