

ADDENDUM #1
DATED NOVEMBER 13, 2025
TO
PRIVATE PLACEMENT MEMORANDUM
DATED JULY 1, 2025
FOR
TEI DIVERSIFIED INCOME & OPPORTUNITY FUND VII, LLC

This Addendum #1 (the “*Addendum*”) is issued as a supplement to the Confidential Private Placement Memorandum dated July 1, 2025 (the “*Memorandum*”) for TEI Diversified Income & Opportunity Fund VII, LLC (the “*Fund*”) and should be reviewed by Members in conjunction with the Memorandum. The terms and conditions outlined in this Addendum amend and supplement the Memorandum as follows. All other terms in the Memorandum remain unchanged unless explicitly amended herein. Terms with initial capitals, not otherwise defined in this Addendum, shall have the meanings set forth in the Memorandum.

The purpose of this Addendum is to modify the clarify the Standard Redemption of Units in the event of a death or Permanent Disability of a Member.

1. DEATH OR PERMANENT DISABILITY DURING STANDARD REDEMPTION PERIOD. Reference to the last paragraph on Page 39 and the first paragraph on Page 105 of the Memorandum (*see* the “**Summary of Offering**” and “**Summary of Operating Agreement**”) shall each be deleted in its entirety and replaced with the following paragraph:
 - a. Notwithstanding the foregoing, in the event of the death or Permanent Disability of a Member, the Manager, the Fund, and/or the Manager’s Affiliates may repurchase the Units owned by the Member for a purchase price equal to the greater of the Redemption Value Per Unit or 88% of the Member’s Unreturned Capital Contributions. There is no guaranty, warranty or representation that the Manager will approve such redemption or repurchase of any such Units, upon death or substantial disability of a Member.