SEVEN UCITS

Luxembourg *société d'investissement à capital variable* (open-ended investment company)
Registered office: 5, Allée Scheffer, L-2520
Luxembourg
R.C.S Luxembourg B 196158
(the "SICAV")

Notice to Shareholders of the Sub-funds
SEVEN UCITS – SEVEN ABSOLUTE RETURN FUND (the "Absorbed Sub-fund")
SEVEN UCITS – SEVEN DIVERSIFIED FUND (the "Absorbing Sub-fund")

24 June 2019

The board of directors ("Board of Directors") of the SEVEN UCITS SICAV has decided to merge the Absorbed Sub-fund into the Absorbing Sub-fund with effect from 1 August 2019 (the "Effective Merger Date") or at a later date and time determined by the Board of Directors and notified in writing to the shareholders of the Absorbed Sub-fund and the Absorbing Sub-fund, subject to a delay of thirty (30) calendar days before the merger, and of five (5) additional business days before the date on which the applicable exchange ratio is calculated. Should the Board of Directors approve a later Effective Merger Date, it may also make related changes to other aspects of the merger schedule as it sees fit.

This notice describes the implications of the planned merger on your current holdings of the Absorbed Sub-fund and the Absorbing Sub-fund. Please contact your financial adviser if you have questions on the content of this notice. The merger may affect your tax situation. Shareholders must contact their tax adviser to obtain specific tax advice on the merger.

The Absorbed Sub-fund and the Absorbing Sub-fund, referred to herein as the "Merged Sub-funds", have adopted the common terms of the merger ("Merger Terms") as follows:

1. Background to and reason for the merger

The merger reflects the Board of Directors' intention to streamline its range of Luxembourg investment products. The Board of Directors is pursuing this approach of optimising its range by examining existing products according to investment strategies, fund size, economies of scale, cost, efficiency and investor demands. The aim of the merger is to increase the Absorbing Sub-fund's assets under management by taking advantage of economies of scale, with a focus on international distribution in line with investors' expectations.

2. Summary of the merger

(i) The merger will become effective and final between the Merged Sub-funds and with respect to third parties on the Effective Merger Date.

(ii) The Merged Sub-funds will be merged by the Absorbed Sub-fund being merged into the Absorbing Sub-fund, with the Absorbed Sub-fund's assets and liabilities transferred to the Absorbing Sub-fund through the contribution in kind of all of its assets and liabilities to the Absorbing Sub-fund, in accordance with article 1(20)(a) of the Law of 2010. As a result of the merger, the Absorbed Sub-fund will be dissolved without liquidation on the Effective Merger Date. Shares of the Absorbed Sub-fund will be cancelled on the Effective Merger Date.

(iii) No vote by shareholders of the Absorbing Sub-fund is required to carry out this merger.

(iv) The one-month notice period and right of shareholders to withdraw from the Merged Sub-funds at no cost for 30 calendar days before the merger will be applied (cf. section 5 below).

(v) On the Effective Merger Date, no action is required on the part of shareholders of the Absorbed Sub-fund who accept the merger and wish to receive shares of the Absorbing Sub-fund in exchange for their shares in the Absorbed Sub-fund. Holders of shares in the Absorbed Sub-fund on the Effective Merger Date will automatically receive shares in the corresponding share class of the Absorbing Sub-fund in exchange for their shares in the Absorbed Sub-fund on the basis of the relevant exchange ratio, and will receive a share of the income of the Absorbing Sub-fund as of this date. Shareholders will receive confirmation of their holding in the Absorbing Sub-fund as soon as possible after the Effective Merger Date. Please refer to section 5 below for more information.

(vi) Subscriptions or conversions to shares of the Absorbed Sub-fund will no longer be accepted or processed from the date on which this notice is sent, as mentioned in section 6 below.

(vii) Subscriptions, conversions and redemptions relating to shares of the Absorbing Sub-fund will not be suspended during the merger process, except for a period of five (5) business days before the date on which the relevant exchange ratios are calculated.

(viii) Other procedural aspects of the merger are described in section 6 below.

(ix) The schedule below summarises the key stages of the merger:

Notice sent to shareholders	24/06/2019
Deadline for withdrawal at no cost	24/07/2019
Standstill period of five (5) business days	25/07/2019 to 31/07/2019
Calculation of the exchange ratio	01/08/2019
Effective merger date	01/08/2019

3. Impact of the merger on shareholders of the Merged Sub-funds

a. Absorbed Sub-fund:
For shareholders of the Absorbed Sub-fund, the merger will mean that these shareholders become shareholders of the Absorbing Sub-fund on the Effective Merger Date.

Completion of the merger should not have any significant adverse effect on shareholders of the Absorbed Sub-fund other than a slight increase in charges for the different share classes, while the merger costs will be covered in the manner described in section 7 below.

Instead, the Board of Directors believes that shareholders of the Merged Sub-funds will benefit from the merger as it will increase the Absorbing Sub-fund's investment capabilities and enable the investment manager to allocate the Absorbing Sub-fund's investments more effectively.

The Absorbed Sub-fund's portfolio will be aligned with the criteria and investment guidelines of the Absorbing Sub-fund before the Effective Merger Date so that all assets of the Absorbed Sub-fund's portfolio are in investments eligible for the Absorbing Sub-fund before the Effective Merger Date.

Transaction costs incurred on any restructuring of investments will be covered by the Absorbed Sub-fund.

The Merged Sub-funds are sub-funds of the same entity and will therefore enjoy equivalent investor protection and rights.

Shares in the relevant classes of the Absorbed Sub-fund will be automatically converted into shares of the corresponding class of the Absorbing Sub-fund on the Effective Merger Date.

Shareholders of the Absorbed Sub-fund who still hold their shares in the Absorbed Sub-fund on the Effective Merger Date will become shareholders of the relevant share class of the Absorbing Sub-fund and will thus receive a share of any increase in the net asset value of this share class.

Shareholders of the Absorbed Sub-fund must carefully read the description of the Absorbing Sub-fund in the SEVEN UCITS prospectus and in the KIID of the Absorbing Sub-fund before making a decision on the merger.

No subscription fees will be charged to the Absorbing Sub-fund following the merger.

On the Effective Merger Date, no performance fee will be charged to the Absorbed Sub-fund if the sub-fund and its share classes have not outperformed the benchmark rate as mentioned in the prospectus.

If the Absorbed Sub-fund has outperformed, the performance fee equal to 10% of the outperformance of the class versus the benchmark rate (EONIA) for all units and 10% of the outperformance of the class versus the benchmark rate (EONIA) will not be charged and paid to SEVEN CAPITAL MANAGEMENT.

b. Absorbing Sub-fund:
The merger is not expected to have any foreseeable impact on shareholders of the Absorbing Sub-fund.

When the merger is completed, shareholders of the Absorbing Sub-fund will continue to hold the same shares in the Absorbing Sub-fund as before, and there will be no change in the rights attached to these shares.

Completion of the merger will not affect the fee structure of the Absorbing Sub-fund or have any significant impact on its portfolio or investment policy. Transaction costs incurred on any restructuring of investments will not be covered by the Absorbing

Sub-fund.

This will enable the manager of the Absorbing Sub-fund to take advantage of enhanced investment capabilities to allocate the Absorbing Sub-fund's investments more effectively while potentially improving performance and reducing ongoing charges in the long run.

No change will be made to the performance fee of the Absorbing Sub-fund on the Effective Merger Date. It will continue to be paid and provisions to be made in accordance with the provisions of the prospectus under section "VIII. Costs and expenses".

4. Criteria adopted for valuing assets and liabilities

For the purpose of calculating the exchange ratio, the rules for calculating the net asset value set out in the articles of association and the prospectus of SEVEN UCITS under section "V. Net Asset Value of shares" will apply when determining the value of the Absorbed Sub-fund's assets and liabilities.

Income accrued to the Absorbed Sub-fund, such as loans, accrued interest and other investment-related receivables, will be transferred to the Absorbing Sub-fund as assets and liabilities of the Absorbed Sub-fund. There will be no payment of income accrued to shareholders before the merger.

5. Rights of shareholders in relation to the merger

a. Absorbed Sub-fund:
Shareholders of the Absorbed Sub-fund who hold shares of the Absorbed Sub-fund on the Effective Merger Date will automatically receive, in exchange for their shares in the Absorbed Sub-fund, the number of shares in the Absorbing Sub-fund equivalent to the number of shares held in the relevant share class of the Absorbed Sub-fund multiplied by the relevant exchange ratio, which will be calculated for each share class on 28 June 2019. If the application of the corresponding exchange ratio does not result in the issue of whole shares, shareholders of the Absorbed Sub-fund will receive fractions of shares, up to one thousandth of a share, in the corresponding class of the Absorbing Sub-fund.

No subscription fees will be charged to the Absorbing Sub-fund following the merger.

Shareholders of the Absorbed Sub-fund will receive only registered shares in the Absorbing Sub-fund, in exchange for their shares in the Absorbed Sub-fund, as SEVEN UCITS issues registered shares only.

Shareholders of the Absorbed Sub-fund will have rights as shareholders of the Absorbing Sub-fund from the Effective Merger Date.

Shareholders of the Absorbed Sub-fund who do not agree with the merger have the possibility of redeeming their shares in the Absorbed Sub-fund at any point during a 30-day calendar period starting on the date of this notice, in accordance with and subject to the provisions of the SEVEN UCITS prospectus, at the applicable net asset value without any redemption fees (other than those kept by the Absorbed

Sub-fund to cover disinvestment costs).

b. Absorbing Sub-fund:
Shareholders of the Absorbing Sub-fund who do not agree with the merger have the possibility of redeeming their shares in the Absorbing Sub-fund, or converting their shares in the Absorbing Sub-fund into shares of another SEVEN UCITS sub-fund not involved in the merger, at any point during a 30-day calendar period starting on the date of this notice, in accordance with and subject to the provisions of the SEVEN UCITS prospectus, at the applicable net asset value without any redemption or conversion fees (other than those kept by the Absorbing Sub-fund to cover disinvestment costs).

6. Procedural aspects

6.1 Shareholder approval not required

In virtue of the SEVEN UCITS articles of association, no shareholder vote is required to carry out the merger.

6.2 Suspension of transactions

Subscriptions or conversions to shares of the Absorbed Sub-fund will no longer be accepted or processed from the date on which this notice is sent.

Subscriptions, conversions and redemptions relating to shares of the Absorbing Sub-fund will not be suspended during the merger process, except for a period of five (5) business days before the date on which the relevant exchange ratios are calculated, as indicated in section 2 above.

6.3 Confirmation of the merger

Shareholders of the Absorbed Sub-fund will receive a notice confirming the number of shares and corresponding share class of the Absorbing Sub-fund that they hold after the Effective Merger Date within two business days of the Effective Merger Date.

6.4 Publications

The merger and its Effective Date are published on the central electronic platform of the Grand Duchy of Luxembourg, the *Recueil électronique des sociétés et associations* (RESA) before the Effective Merger Date. Where regulations require, this information must also be made available to the public in other jurisdictions where shares of the Merged Sub-funds are distributed.

7. Merger costs

SEVEN CAPITAL MANAGEMENT will cover the legal, advisory and administrative costs and expenses incurred in preparing and completing the merger.

8. Taxation

The Absorbed Sub-fund's merger into the Absorbing Sub-fund may have tax implications for shareholders. Shareholders should consult their professional advisers regarding the consequences of this merger on their individual tax situation.

9. Further information

9.1 Merger report

Deloitte Audit S.à r.l., designated auditor of SEVEN UCITS for this merger, will prepare the merger report, which will include confirmation of the following:

1) the criteria adopted for valuing the assets and/or liabilities to calculate the exchange ratios;

2) any payment in cash per share;

3) the calculation method for determining the exchange ratios; and

4) the final exchange ratios.

The merger report concerning points 1) to 4) above will be made available at the registered office of SEVEN UCITS on request and free of charge to shareholders of the Absorbing Sub-fund and the CSSF from 1 August 2019.

9.2 Other available documents

In addition to SEVEN UCITS documentation, the following documents are available from the register office of SEVEN UCITS on request and free of charge for shareholders of the Merged Sub-funds from the date of this notice:

(a) the merger terms drawn up by Board of Directors, containing detailed information on the merger including the method for calculating the exchange ratios (the "Merger Terms");

(b) a statement from SEVEN UCITS' depositary confirming that it has checked the compliance of the Merger Terms with the Law of 2010 and SEVEN UCITS' articles of association; and

(c) the SEVEN UCITS prospectus and the KIID of the Absorbing Sub-fund.

Please contact your financial adviser or SEVEN UCITS' registered office if you have questions on this matter.

Signed in Luxembourg on 24 June 2019.

For the Board of Directors

Johann Schwimann

Chairman of the Board of Directors

	Absorbed Sub-fund	Absorbing Sub-fund
	The sub-fund's objective is to deliver an annualised performance above that of the daily **capitalised EONIA** over a minimum investment horizon of three years, allowing for operating expenses and management fees. The aim is to generate an absolute return with annualised volatility of between 5% and 10% in a carefully managed risk environment. The sub-fund's strategy is to construct a portfolio of diversified assets. The sub-fund will invest chiefly in interest rate products via derivatives, but it may also invest directly in transferable securities. Cash balances will be invested in money market instruments, such as TCN short-term negotiable debt instruments. The algorithm used refers to the quantitative management process applied systematically by the Management Company concerning buy and sell signals with regard to the products comprising the portfolio. These signals are momentum, risk level and fundamental indicators. The sub-fund may hold long and short positions in derivatives and may use leverage. The investment process consists of two stages: 1. Allocation: this daily	The sub-fund's objective is to deliver an annualised performance above that of the daily **capitalised EONIA** over a minimum investment horizon of three years, allowing for operating expenses and management fees. The sub-fund's strategy is to construct a portfolio of diversified assets. This is a long only sub-fund which may be completely divested. To achieve its investment objective, the sub-fund will invest chiefly in equities and interest rate products via derivatives, but it may also invest directly in transferable securities. It may also invest up to 10% of its net assets in products having alternative funds as their underlying assets. Cash balances will be invested in money market instruments, such as TCN short-term negotiable debt instruments. The algorithm used refers to the quantitative management process applied systematically by the Management Company concerning buy and sell signals with regard to the products comprising the portfolio. These signals are momentum, risk level and fundamental indicators.

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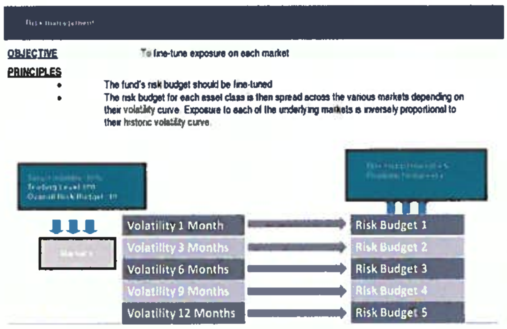
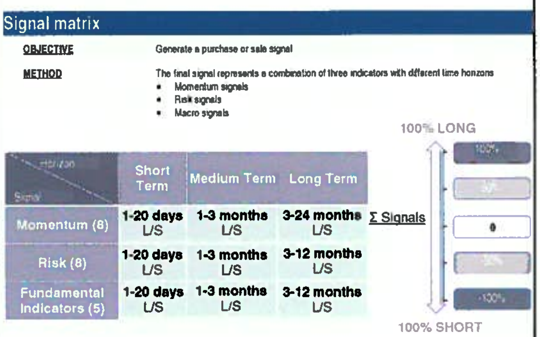
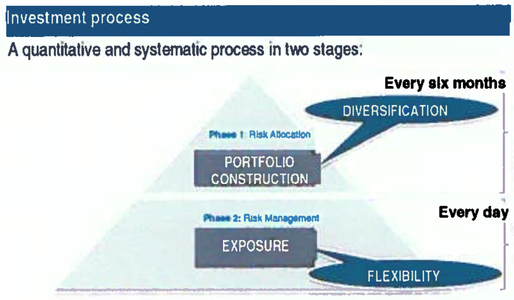
<td>stage determines the maximum allocation that we want per product



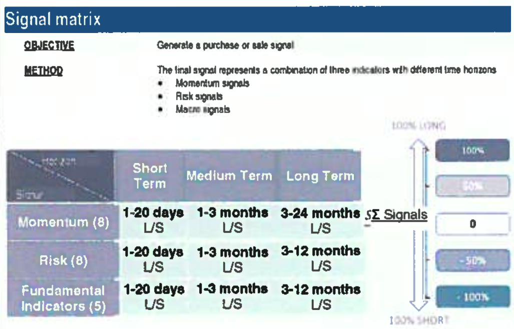
2. Signal: this daily stage determines our directional strategy and convictions for each market. The signal is the aggregation of several signals based on momentum, risk and fundamental indicators.


</td>
<td>The investment process consists of two stages:

1. The six-monthly allocation: this stage determines the maximum allocation that we want per product



2. The daily signal: this stage determines our directional strategy and convictions for each market. The signal is the aggregation of several signals based on momentum, risk and fundamental indicators.



Save in exceptional cases, the historical volatility must remain within a range of between 4% and 10%.</td>
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<tr>
<td>Investor profile</td>
<td>The SEVEN UCITS – SEVEN ABSOLUTE RETURN FUND sub-fund is intended for all categories of investors wanting to take advantage of market opportunities over an investment horizon of more than three</td>
<td>The SEVEN UCITS – SEVEN DIVERSIFIED FUND sub-fund is intended for all categories of investors wanting to take advantage of market opportunities via fixed income management over an investment</td>
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<tr><td></td><td>years. The sub-fund is intended for investors not averse to certain risks.</td><td>horizon of more than three years. The sub-fund is intended for investors not averse to certain risks.</td></tr>
<tr><td>Share classes</td><td>EUR-I (cap)

EUR-R (cap)</td><td>EUR-I (cap)

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<tr><td>Fees</td><td><u>Management Company fees:</u>
<table>
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<tr><td>EUR-R (cap)</td><td>1.5% p.a. (inclusive of tax)</td></tr>
</table>

<u>Performance fee</u>
For each class of shares of the SEVEN UCITS – SEVEN ABSOLUTE RETURN FUND sub-fund, a performance fee (variable management fees) equal to 10% of the outperformance of the class versus the benchmark rate (EONIA) applies.

Performance fees are paid to the fund manager at the year-end. For the first financial year the performance fee will be debited on 31 December 2015. Between reporting dates, the provision for performance fees is adjusted at each net asset value date by making an addition to or a deduction from provisions.

The amounts deducted from the provision cannot exceed the amount accumulated. Additions to provisions are only increased if performance has exceeded the threshold since the end of the last reporting period during which a performance fee was paid (or since the fund's inception).

Performance fees thus follow the "high water mark" principle: no performance fee is paid at the year-end unless performance exceeds the level achieved when the last performance fee was paid. The high water mark principle is used only as a condition for the payment of the performance fee, but does not affect its calculation. Performance is always calculated</td><td><u>Management Company fees:</u>
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<u>Performance fee</u>
For each class of shares of the SEVEN UCITS – SEVEN DIVERSIFIED FUND sub-fund, a performance fee (variable management fees) equal to 10% of the outperformance of the class versus the benchmark rate (EONIA) applies.

Performance fees are paid to the fund manager at the year-end. For the first financial year the performance fee will be debited on 31 December 2015. Between reporting dates, the provision for performance fees is adjusted at each net asset value date by making an addition to or a deduction from provisions.

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	completely and solely on the fund's outperformance versus the benchmark rate. In the event of redemptions, a proportion of the provision for performance fees, recorded in the accounts at the last valuation date, is permanently allocated to a specific third party account in proportion to the number of units redeemed. This proportion of performance fees is paid to the fund manager upon redemption. The basis used for calculation of EONIA will be that of the sub-fund's initial subscription date for the first financial year; thereafter it will be reset to zero at the beginning of each financial year for the following financial years, in the same way as the sub-fund's performance. No underperformance (loss) is carried forward to the following financial year. **<u>Custodian Bank and Paying Agent fees</u>** In consideration for its custodian services provided to the SICAV, the Depositary will receive from the SICAV a variable annual fee, payable monthly in proportion to the assets of each sub-fund, and calculated on the monthly net assets of the structure at a maximum rate of 0.25% with a minimum of EUR 6,500 per month for the structure. The Depositary will in addition charge transaction fees in connection with the purchase and sale of assets. **<u>Domiciliary & Corporate Agent, Administrative Agent and Registrar fees</u>** For keeping the accounts and calculating the Net Asset Value (NAV), the Administrative Agent will receive an annual variable fee applied per sub-fund, payable in twelve instalments at the end of each month, and calculated on the end-of-month net assets of the structure at a	benchmark rate. In the event of redemptions, a proportion of the provision for performance fees, recorded in the accounts at the last valuation date, is permanently allocated to a specific third party account in proportion to the number of units redeemed. This proportion of performance fees is paid to the fund manager upon redemption. The basis used for calculation of EONIA will be that of the sub-fund's initial subscription date for the first financial year; thereafter it will be reset to zero at the beginning of each financial year for the following financial years, in the same way as the sub-fund's performance. No underperformance (loss) is carried forward to the following financial year. **<u>Custodian Bank and Paying Agent fees</u>** In consideration for its custodian services provided to the SICAV, the Depositary will receive from the SICAV a variable annual fee, payable monthly in proportion to the assets of each sub-fund, and calculated on the monthly net assets of the structure at a maximum rate of 0.25% with a minimum of EUR 6,500 per month for the structure. The Depositary will in addition charge transaction fees in connection with the purchase and sale of assets. **<u>Domiciliary & Corporate Agent, Administrative Agent, Registrar and Transfer Agent fees</u>** For keeping the accounts and calculating the Net Asset Value (NAV), the Administrative Agent will receive an annual variable fee applied per sub-fund, payable in twelve instalments at the end of each month, and calculated on the end-of-month net assets of the structure at a maximum rate of 0.25% with a minimum of EUR 650 per month for

	maximum rate of 0.25% with a minimum of EUR 650 per month for the structure. The Domiciliary Agent will receive a variable fee applied for the structure, payable in twelve instalments at the end of the month and calculated on the end-of-month net assets of the structure at a maximum rate of 0.004% with a minimum of EUR 650 per month for the structure. The Registrar and Transfer Agent will receive an annual variable fee applied per sub-fund, payable monthly per sub-fund in proportion to the assets of the structure and calculated on the monthly net assets of the structure at a maximum rate of 0.25% with a minimum of EUR 600 per month for the structure. In addition the Registrar and Transfer Agent will charge transaction costs in connection with the purchase and sale of assets.	the structure. The Domiciliary Agent will receive a variable fee applied for the structure, payable in twelve instalments at the end of the month and calculated on the end-of-month net assets of the structure at a maximum rate of 0.004% with a minimum of EUR 650 per month for the structure. The Registrar and Transfer Agent will receive an annual variable fee applied per sub-fund, payable monthly per sub-fund in proportion to the assets of the structure and calculated on the monthly net assets of the structure at a maximum rate of 0.25% with a minimum of EUR 600 per month for the structure. In addition the Registrar and Transfer Agent will charge transaction costs in connection with the purchase and sale of assets.
RISK AND REWARD PROFILE	4	4