
Apollo Supreme – Information

1. What is the „Apollo Supreme“?

- ➔ Apollo Supreme is a unit-linked life insurance with benefit in case of death and in case of survival, with annual or single premium payment in USD currency.
- ➔ The term is minimum 15 years, maximum 20 years.
- ➔ The entry age is minimum 18 years, maximum 60 years, age at the end of contract is maximum 75 years.
- ➔ The minimum premium for annual payment is USD 1.500, maximum USD 10.000, the premium range for single premiums starts at USD 3.000 and goes up to USD 100.000 maximum.
- ➔ In case of annual premium payment, two premiums are due at beginning of contract.
- ➔ This rate can be concluded in USD only.

2. What is the special feature of this rate?

- ➔ Rate Apollo Supreme is available with or without security option.
- ➔ At the beginning of the contract the client decides, whether he wants to include the security option or not.
- ➔ The customer profits from the fund development. In addition, the funds distribute dividends which are reinvested annually, thereby additionally increasing the customer's profit margin. These distributions cannot be paid out.
- ➔ The asset management company guarantees the payment of the units of the fund units due at the time. .

3. What is the security option?

- ➔ Without security option all of invested premium during the whole term of contract will be invested into Fund Apollo 14 (or equivalent fund).
- ➔ The security option provides a combination of high yield at the earlier phase of contract with increasing security as the contract comes closer to expiry date.
- ➔ The security option makes sure that the invested premium in the first half of contract term will be invested into the share-based fund Apollo 14 and afterwards into the bond-based Apollo 17 (cf. also table as below).
- ➔ If the security option is included, the asset management company additionally provides an active expiry management during the last six years of the contract.

4. What is the proper date to decide about inclusion of security option?

- ➔ The inclusion of security option is possible ONLY at start of contract.
- ➔ A later inclusion or exclusion is NOT possible.

5. How are the available funds characterized?

- ➔ Apollo 14 is a share-based fund with high potential gain accompanied by a higher possible volatility of market price.
- ➔ Apollo 17 is a bond-based fund, with an optimum combination of highest possible yield at lowest possible risk.

➔ Regarding those funds it is possible that in favour of the client similar other funds are used for investment. For the sake of convenience they are called Apollo 14 and Apollo 17 within this information.

6. What if there is NO security option included?

- ➔ If NO security option is included all investment premiums are used to buy Apollo 14 units only and there is NO expiry management with shifting of fund units.
- ➔ The investment premium of contract is 1:1 linked to the market price development of Apollo 14 until the end of contract, therefore the interest rate shall be considerably higher than with security option.

7. How is the procedure of buying fund units if security option is included?

➔ If security option is included the buying of units is made according to scheme as below:

| Buying of units depending on term in years | | |
|--|-------------------------|-------------------------|
| | Apollo 14 | Apollo 17 |
| Total Term in years | phase 1 – lasts x years | phase 2 – lasts y years |
| 15 | 7 | 8 |
| 16 | 8 | 8 |
| 17 | 8 | 9 |
| 18 | 9 | 9 |
| 19 | 9 | 10 |
| 20 | 10 | 10 |

Explanation: If total term of contract is 15 years: the new investment premiums in first 7 years of the 15 years are used to invest into Apollo 14, the following 8 years until end of contract the new investment premiums go to Apollo 17.

➔ In the case of a single premium payment, the entire premium is invested in Apollo 14 at the beginning of the contract, therefore phase 2 of buying units as stated in table above does not apply (regardless of whether the contract was concluded with or without a security option).

8. What does active expiry management mean?

- ➔ If security option is included, the asset management company provides an active expiry management during last six years of contract.
- ➔ The fraction of shares will be permanently reduced and shifted in favour of a higher fraction of bonds.
- ➔ As a result, possible market price fluctuations of share fraction during last contract years are absorbed and diminished in an optimal way.

| Management of contract maturity in the last 6 years | | | |
|---|----------------------|------------------------|------------------------|
| Rest term in years | Goal quota for share | Minimum share fraction | Maximum share fraction |
| 6 | 60% | 50% | 70% |
| 5 | 50% | 42% | 58% |
| 4 | 40% | 34% | 46% |
| 3 | 30% | 26% | 34% |
| 2 | 20% | 18% | 22% |
| 1 | 10% | 8% | 12% |

- ➔ If one assumes a rest term of 4 years: the asset management company cares for the reduction of share quota to a minimum of 34% and a maximum of 46% of all contractual invested assets, depending on the development on the financial markets and whether it is in favour of the client.
- ➔ At the end of term the share quota is therefore between 8% and 12%.
- ➔ In case of single premium contract with security option:
The total invested premium shall be used to buy units for Apollo 14 at start of the contract, the last 6 contract years are subject to active expiry management as stated above.

9. What is the advantage of security option?

- ➔ The value of the contract during the last 6 contract years is protected from share market price fluctuations through active expiry management.
- ➔ The combination of high yield savings accumulation period and a security oriented expiry phase is an optimal investment strategy.

10. What about insurance coverage?

- ➔ Expiry value (annual and single payment): When the contract expires the amount of the whole fund (all available assets) is paid to the policy holder. This amounts to the unit price at the end of contract multiplied by the number of units in the portfolio.
- ➔ Payment in case of death (annual premium): In case of death of the insured person during the policy's term there is a minimum guaranteed sum which will be paid.
This "sum insured in case of death" is 5% of the total premium sum (=annual premium multiplied with term) agreed upon at the beginning of contract. That is the "Minimum death benefit" as printed on the policy. That is the amount the beneficiary will get in any case, irrespective of the current value of the fund. Based on the value of the fund at that time there are two scenarios:
In case the value of the fund is below the sum insured, the entire insured sum in case of death will be paid.
In all other cases, which is when the fund's value exceeds the insured sum, all available assets PLUS 10 % of the sum insured in case of death are paid.
- ➔ Payment in case of death (single premium payment): If the insured person dies during the policy term, and at this time the value of the fund falls below the sum insured in the case of death, the entire amount insured in the case of death, that is 100 % of the paid premium, will be returned. If the value of the fund at the time the insured event occurs, exceeds the amount insured, the presently available assets plus 5 % of the death benefit are payable.

11. What about Pay Account?

- ➔ Pay Account is available for this rate with the same options as for all other contracts with annual premium payment (cf. Infosheet „Pay Account“).

12. Is it allowed to take a policy loan?

- ➔ Due to calculation of this product and the investment in fund units, there is no option for policy loan.

13. Examples for calculation - Apollo Supreme

- ➔ Man/Woman, age at the beginning of contract: 30 years, term 15 years, annual premium USD 3.000,--

Example - Unit Linked Life Insurance - rate Apollo Supreme

Man/Woman, aged 30 years - annual premium USD 3.000,00 - term 15 years,
amount insured, USD 45.000,00, death benefit sum USD 2.250,00

| Years past | Surrender value* in USD with a supposed performance** of | | | Mortality charge per year in USD |
|------------|--|-----------|------------|----------------------------------|
| | 8% | 11% | 14% | |
| 2 years | 3.168,-- | 3.328,-- | 3.491,-- | 1,17 |
| 5 years | 12.768,-- | 13.828,-- | 14.965,-- | 1,26 |
| 8 years | 25.291,-- | 28.652,-- | 32.467,-- | 1,50 |
| 10 years | 35.397,-- | 41.541,-- | 48.600,-- | 1,71 |
| 12** years | 49.668,-- | 60.232,-- | 73.227,-- | 1,98 |
| 15** years | 72.255,-- | 92.626,-- | 119.323,-- | - |

Example - Unit Linked Life Insurance - rate Apollo Supreme single premium

Man/Woman, aged 30 years – single premium USD 30.000,00 - term 15 years,
amount insured, USD 30.000,00, death benefit sum USD 30.000,00

| Years past | Surrender value* in USD with a supposed performance** of | | | Mortality charge per year in USD |
|------------|--|------------|------------|----------------------------------|
| | 8% | 11% | 14% | |
| 2 years | 31.454,-- | 33.228,-- | 35.052,-- | 7,78 |
| 5 years | 39.509,-- | 45.325,-- | 51.806,-- | 8,39 |
| 8 years | 49.616,-- | 61.825,-- | 76.581,-- | 10,00 |
| 10 years | 57.770,-- | 76.068,-- | 99.413,-- | 11,39 |
| 12** years | 70.819,-- | 98.541,-- | 135.877,-- | 13,17 |
| 15** years | 89.030,-- | 134.576,-- | 201.105,-- | - |

* There shall be no surrender value for the policy before the end of the second contract year. The projected surrender values are calculated without any charges; only the amount of the premium which is invested in a linked fund is considered. The risks of investing in funds are depending on the pre-specified investment policy and the general market development. A loss cannot be excluded. Despite a redemption possible at any-time investment funds are investment products, which are economical meaningful typically only after holding the investment for a longer period. Experience has shown that a long term of insurance helps to minimize the risk of fluctuations in the return of an investment fund. In the case of premature termination of the contract the policyholder is obliged to pay a fee of 20 per cent of the annual premium in case of rate Apollo Supreme and 20 per cent of single premium in case of rate Apollo Supreme Single premium, but not less than 30,00 USD and not more than 3.000,00 USD.

** The Security Option is not reflected in the performance table.