

UTMOST LUXEMBOURG S.A.



## BFWM WEALTH PLANNING PORTFOLIO

Cyprus

01.11.2025

### PRODUCT INFORMATION

|                               |   |
|-------------------------------|---|
| INSURER                       | Utmost Luxembourg S.A.  |
| BRIEF DESCRIPTION             | A single premium, unit-linked life assurance policy, governed by English law  |
| DURATION                      | Whole of Life   |
| POLICYHOLDER                  | One or more physical (natural) person(s) (between 18 and 85 years old) or a legal entity  |
| LIFE ASSURED                  | One or more physical person(s) not more than 85 years old (if an Enhanced Death Benefit has been agreed, not less than 16 or more than 85 years old)  |
| BENEFICIARIES                 | Can be appointed on the beneficiary nomination form   |
| CONTRACT CURRENCY             | EUR & GBP (other currencies upon request)   |
| PREMIUM PAYMENTS              | Single premium by bank transfer. Transfer in kind is not permitted without express prior approval of the Insurer.   |
| MINIMUM INITIAL PAYMENT       | GBP 250,000 (or equivalent in another currency)<br>For family cases, the minimum premium of GBP 250,000 (or equivalent in another currency) will apply to the total premiums of all policies underlying the family case and not on each individual policy. The minimum premium for each family policy is GBP 125,000 (or equivalent in another currency). |
| ADDITIONAL PAYMENTS           | Minimum GBP 10,000 (or equivalent in another currency)  |
| PARTIAL SURRENDER             | Possible at any time. Minimum withdrawal GBP 500 (or equivalent in another currency).   |
| FULL SURRENDER                | Possible at any time. Penalty fee may apply during initial period.  |
| CANCELLATION                  | Possible for 30 days after policy issuance. Cancellation results in a refund of policy value, net of any initial advice fee paid to an intermediary.  |
| INVESTMENT SUPPORTS AVAILABLE | <ul style="list-style-type: none"><li>&gt; Discretionary mandate following strategy selected by policyholder</li><li>&gt; Fund selection based on a list of approved funds maintained by the Insurer.</li></ul>   |

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|--------------------------|--|
| PAYMENT IN CASE OF DEATH | The policy value in the event of the death of the last surviving life assured plus the death cover.  |
| DEATH COVER              | <ul style="list-style-type: none"> <li>&gt; Standard death cover of 1% of NAV capped at GBP 5,000 (or EUR 8,000, if applicable)</li> <li>&gt; Enhanced death benefit may be requested</li> </ul> |
| CONTRACT PLEDGE          | Possible   |

## PRODUCT COSTS

For standard business, the maximum charges applicable to the policy are defined below.

- > Potential initial fee, on each premium payment, of maximum 3.5% (for the Distributor)
- > During the life of the policy, on the policy value, deducted on a quarterly basis:
  - > Annual administration charge (to be split between Utmost Luxembourg S.A. and the distributor):

| PREMIUM RANGE<br>EUR AND GBP | ANNUAL CHARGE |
|------------------------------|---------------|
| 125,000 – 249,999            | 1.55%         |
| 250,000 – 999,999            | 1.55%         |
| 1,000,000 – 1,499,999        | 1.50%         |
| 1,500,000 – 2,499,999        | 1.45%         |
| 2,500,000 – 4,999,999        | 1.35%         |
| 5,000,000 – 10,000,000       | 1.25%         |

- > For premium below GBP 250,000/EUR 250,000, a policy fee of GBP 666/EUR 1,082 (for 2025).  
The policy fee will be indexed annually at 1 January each year. The rate of indexation will be less than 2% above the reference index but never less than 0%. The reference index is the 12- monthly IPCH (Indice des Prix à la Consommation Harmonisé (Harmonised consumer price index)) rate, as published by STATEC (Service central de la statistique et des études économiques – the Luxembourg State Statistics Department) on 30 November.
- > In the event of a total surrender before expiry of each initial period, a surrender charge of 0.2% per annum of the aggregate value of the policy will be deducted from the surrendered amount in respect of the period remaining to the expiry of such initial period and corresponding to the premium(s) for which the initial period has not expired.

- › There are also third-party fees including, but not limited to, custodian bank fees, investment manager fees and, if applicable, fund administrator fees which will be charged on the relevant Fund.

In case of enhanced death benefit, mortality costs can be charged quarterly on the policy value for the additional death cover. Mortality costs will vary according to the age and health of the youngest life assured as well as the sum at risk.

The inclusion of non-traditional assets as underlying assets is subject to the prior consent of Utmost Luxembourg S.A. and to additional charges, with the mark-up ranging between 25% of the administration charge with a minimum of EUR 750 (or the equivalent in the policy currency) and 100% of the administration charge with a minimum of EUR 3,000 (or the equivalent in the policy currency), depending on the non-traditional asset and assessed on a case-by-case basis.

Each distributor needs to factor in their own costs of intermediation in order to provide fair value, in particular where the client has a defensive or moderate investment strategy/risk profile.

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## CONFLICTS OF INTEREST

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Regarding the promotion, intermediation and conclusion of the policy, Utmost Luxembourg S.A. is not in a situation of conflict of interest.

Nevertheless, there could be situations on occasion which might present an unavoidable situation of conflict of interest. In these situations, if all organisational and administrative provisions that have been taken are not sufficient to ensure that risks of damage to policyholder interests will be prevented, Utmost Luxembourg S.A. will provide the concerned policyholder with a specific description of the conflict of interest. This communication will disclose the general nature and where applicable, the source of such conflict of interest, as well as the risks that arise as a result and steps undertaken to mitigate these risks. Utmost Luxembourg S.A. will also clearly state that the organisational and administrative arrangements established by the insurer to prevent or manage the conflict of interest are not sufficient to ensure, with reasonable confidence, that risks of damage to the interests of the customer will be prevented.

Examples of these situations may include the execution of a variety of activities, including (i) investment activity, divestment of eligible assets, and/or (ii) connected activities such as deposit or management.

These activities could arise, for example, when the issuer of eligible assets, the investment managers, or the custodian bank are bound to Utmost Luxembourg S.A. by business relations or make part of the same group.

Utmost Luxembourg S.A. has defined a procedure to identify, prevent and manage those situations of conflict of interest. In particular, this procedure is designed to:

- › identify the situations of conflict of interest;
- › prevent and manage potential conflicts of interest;
- › inform Policyholder about potential situations of conflict of interest that might harm their interests;
- › register conflicts of interest.

The Distributor and the Policyholder can request and obtain from Utmost Luxembourg S.A. additional information about the procedure related to conflicts of interest and obtain a copy of the document that lays out the procedure.

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## PRODUCT APPROVAL PROCESS

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The product approval process applies the right balance of control, depth of detail in documentation and challenge depending on the risk assessment of the product and market at stake. The process is made up of several stages and each stage has a set of activities and decisions associated.

## IDEA GENERATION AND SCREENING

This stage of the process is to develop an understanding of client, commercial and/or compliance needs and to start to develop a concept that meets these needs.

Based on the information acquired, a formal decision is made on that basis whether the requested development is being taken to the next stage.

## SCOPE AND PLANNING

Should the idea succeed to the screening stage, the project plan will be drafted with a number of specific development steps to go through to build the product/service. It will be shared with all stakeholders asking them to approve deadlines and resource needs.

The results of this preliminary analysis and recommendations will be presented to the Product Lifecycle Management Committee, who will decide whether the requested development will be taken to the next stage of development.

In this framework, the Target Market, compatible with the product under development is identified and a Product Testing is performed.

## DEVELOPMENT AND DELIVERY

Following the Product Lifecycle Management Committee's agreement to develop the product, the product development team will proceed with the development phase, which includes, but is not limited to: setting up the products, system integration testing and risk mitigations actions on the identified risks.

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## RISKS FOR POLICYHOLDERS

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Utmost Luxembourg S.A. is subject to Luxembourg legislation governing the protection of insurance-linked assets. The underlying assets of its policies are segregated from the Insurer's own assets and liabilities and are deposited with an independent credit institution with the approval of the insurance regulator, the Commissariat aux Assurances. All such assets, other than cash deposits, are required to be held off-balance sheet at the credit institution.

In the unlikely event of the failure of Utmost Luxembourg S.A., policyholders have a super-preferential right over the value of underlying assets. Furthermore, policyholders have a preferential right, which overrides any other right, except those defined by law, over the assets of the Insurer in the event that the segregated pool of underlying assets is not sufficient to cover all insurance claims. The above asset protection regime is neither a compensation scheme nor a guarantee scheme. Investment risk in the underlying assets, including from the failure of an asset issuer or other investment counterparty, is borne by the policyholder.

The Policyholder bears the risk associated with the negative performance of the assets underlying the units of the funds linked to the policy, the "Fund".

The typical financial investment risks to which the Policyholder is exposed can be summarised as follows:

- › **Specific risk and systematic risk:** this risk is typical of the equity securities (e.g. shares) in which the Fund invests, and is linked to the variability of their prices, which reflect both the market outlook regarding the issuer's economic performance (specific risk) and fluctuations in the markets on which the instruments are traded (generic risk);
- › **Credit risk:** this risk is typical of the debt securities (e.g. bonds) in which the Fund invests, and is linked to the possibility that the issuer may be unable to pay the interest or repay the principal; the value of the security, and therefore of the respective Fund, reflects this risk by fluctuating as the issuer's credit conditions change;

- › **Interest risk:** this risk is also typical of the debt securities in which the Fund invests, and is linked to the variability of their prices due to fluctuations in market interest rates; the longer these fluctuations last, the more pronounced the impact on the prices of the securities and therefore, on the yields, especially in the case of fixed-income securities - a rise in market rates will cause a fall in the price of the security, and therefore of the respective Fund, and vice versa.
- › **Counterparty risk:** the risk that the issuer or counterparties will be unable to meet their obligations;
- › **Liquidity risk:** the risk that the securities in which the Fund invests may not be readily convertible into cash without a loss of value, when necessary. This depends primarily on the characteristics of the market on which the security is traded;
- › **Exchange risk:** the risk of fluctuations in the exchange rate of the policy currency, namely EUR, against the Fund currency and any other currency of denomination of the assets in which the Funds' assets are denominated;
- › **Country risk:** the risk linked to investments in foreign markets, particularly emerging markets, where the political and/or economic situation of the issuer's country or the relevant regulations may offer lower levels of guarantee and protection for the Policyholder;
- › **Derivative investment risk:** this risk is typical of the derivatives in which the Funds may invest, and is linked to the variability of their prices due to (i) the leverage associated with them, (ii) the creditworthiness of the counterparties involved, and/or (iii) the potential illiquidity of the markets on which they are traded (particularly in the case of instruments not traded on regulated markets or "over the counter"). Where derivatives are used for hedging purposes, the investment risk is linked to price variability arising from insufficient correlation with the value of the underlying asset or of the hedged position.

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## CLIENT VULNERABILITY

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The Target Market of the product may include clients with vulnerabilities or who may develop vulnerabilities over the course of their investment in the product. Such vulnerabilities may affect a client's judgement and/or decision-making capabilities. Therefore, it is important that these vulnerabilities are assessed and taken into account during the advice process both at the initial sale and over the lifetime of a policy.

Vulnerabilities may be exhibited more frequently by clients with the following characteristics:

- › The language of the client differs from the language of the product,
- › Elderly,
- › Young/Minor,
- › Dependency (poor digital skills or no digital access),
- › Incapacity (curatorship).

Utmost Luxembourg S.A. has a defined procedure to support fair treatment and positive outcomes for clients who may have specific needs. These include the appointment of an internal vulnerability champion who ensures ongoing staff training and awareness and provides specific support when needed.

Distributors who seek additional guidance or support to identify or serve vulnerable clients may contact Utmost Luxembourg S.A. for assistance.

## TARGET MARKET

### PRODUCT COMPLEXITY

Utmost Luxembourg S.A. assesses the degree of a product's complexity in the range of a scale from low, medium to high, depending on the death cover and investment options available.

This product has a medium complexity when considering that it only offers a standard death cover and investments from a pre-defined list of funds. When the investment option is discretionary managed, the product would be assessed as having a higher complexity should the client accept the possibility of investments into complex assets which are characterised by higher risk.

### TYPE OF CLIENT

The product is designed for natural persons resident in Cyprus or corporate entities with registered office in Cyprus. Natural persons or corporate entities may be classified as retail or professional clients as defined in the Directive 2014/65/EU. Clients must be aged 85 or below and lives assured of at least 16 years old with a maximum age of 85 years at policy inception.

### KNOWLEDGE AND/OR EXPERIENCE OF THE CLIENT

The product is aimed at clients:

- › who have an average level of knowledge of, or investment experience in, packaged retail and insurance-based investment products or financial markets or asset classes permitted in the product, or
- › who have financial industry experience, acquired personally or through professional advice.

### RISK TOLERANCE AND ABILITY TO BEAR LOSSES

The product is intended for clients who are able to bear investment losses. Clients who are able to withstand the risk associated with downward fluctuations from limited to very high and losses over the short, medium, or long term, as defined in the suitability assessment process associated to the Target Market profile.

| TARGET MARKET PROFILE | RISK                   | VOLATILITY  | DESIRED RETURN |
|-----------------------|------------------------|-------------|----------------|
| PROFILE 3 ADVISORY    | Low                    | Low         | Conservative   |
| PROFILE 4 ADVISORY    | Lowest medium          | Medium-low  | Moderate       |
| PROFILE 5 ADVISORY    | Medium                 | Medium      | Medium         |
| PROFILE 6 ADVISORY    | High medium            | Medium high | Medium high    |
| PROFILE 7-10 ADVISORY | Highest medium to high | High        | High           |

In accordance with PRIIPS Regulation 1286/2014, the summary risk indicator has classified the product risk level as 2 to 3 from a scale of 1 to 7. This indicates how likely the product will lose money because of market movements or the insurer's inability to pay out. The level of risk varies according to the investment strategy associated to the underlying investment supports or their asset allocation.

## PERSONAL AND FINANCIAL SITUATION OF THE CLIENT

This product is suitable for clients with at least a minimum amount transferable wealth of EUR 250,000 and a minimum amount of GBP 250,000\* (or the equivalent in another currency) to be invested. It is for clients with a longer-term planning horizon, with anticipated low liquidity in the short or medium term, even if they have the option of withdrawal or total surrender at any time.

\* For family cases, the minimum amount of GBP 250,000 (or the equivalent in another currency) will apply to the total amount of all policies underlying the family case and not on each individual policy. The minimum amount to be invested for each family policy is GBP 125,000 (or equivalent in another currency).

## OBJECTIVES AND NEEDS OF THE CLIENT

The product is intended for clients seeking a medium to long term investment. Therefore, the recommended holding period is 10 years.

Insurance objectives

This is a whole of life insurance-based investment product, which in return for a single initial premium paid, provides an insurance benefit upon the death of the relevant life assured. It is intended for clients whose goal is medium to long term investment.

It is designed for clients looking for generational succession, wealth planning, beneficiary protection and/or the Luxembourg regime of asset protection. The product offers investment flexibility and the option to withdraw all or part of the investment at any time.

The product can satisfy one or more sustainability preferences being expressed by the client in the appropriate questionnaire, depending on the characteristics of the investment options offered. Therefore, the product only takes into account the sustainability factors considered by the fund management company and investment manager in relation to the investment options offered from time to time. The clients targeted by the product vary on the basis of each underlying investment options (potentially envisaging sustainability factors) and their characteristics.

The investment objectives differ according to the investment profiles of the identified target market:

› **Profile 3 advisory** is suitable for clients who have been rated as risk profile 3 on a risk scale of 10 risk profiles. This indicates a 'low' attitude to accepting risk that is below average in how much risk is taken when investing in normal economic and market conditions. When the fund selection investment option has been chosen, investments will be limited to those made available by Utmost Luxembourg S.A. The objective shall be mainly achieved from recurring income and some capital growth.

**Asset allocation** to meet the needs and objectives of this group would mainly invest in bonds/bonds-type and money market instruments with a small proportion in equity/equity-type instruments representing maximum 30% of the policy. No alternative investments are allowed except for the purposes of efficient portfolio management and/or hedging.

› **Profile 4 advisory** is suitable for clients who have been rated as risk profile 4 on a risk scale of 10 risk profiles. This indicates a 'lowest medium' attitude to accepting risk and is below average in how much risk is taken when investing in normal economic and market conditions. When the fund selection investment option has been chosen, investments will be limited to those made available by Utmost Luxembourg S.A. The objective shall be mainly achieved from recurring income and, to a lower extent, from capital gains.

**Asset allocation** to meet the needs and objectives of this group would allow investment in more volatile financial instruments such as shares and alternative investments representing a maximum 50% of the policy.

- › **Profile 5 advisory** is suitable for clients who have been rated as risk profile 5 on a risk scale of 10 risk profiles. This indicates a 'medium' attitude to accepting risk and is about average in how much risk is taken when investing in normal economic and market conditions. When the fund selection investment option has been chosen, investments will be limited to those made available by Utmost Luxembourg S.A. The objective shall be mainly achieved from recurring income and capital gains.

**Asset allocation** to meet the needs and objectives of this group would allow a maximum portion of 65% invested in equity/equity-type and/or alternative investments. The rest will be invested in bonds/bonds-type and/or money market instruments.

- › **Profile 6 advisory** is suitable for clients who have been rated as risk profile 6 on a risk scale of 10 risk profiles. This indicates a 'high medium' and is about average in how much risk is taken when investing in normal economic and market conditions. When the fund selection investment option has been chosen, investments will be limited to those made available by Utmost Luxembourg S.A. The objective shall be mainly achieved from recurring income and capital gains.

**Asset allocation** to meet the needs and objectives of this group would allow investment into equity/equity-type instruments and alternative investments up to 80% of the policy.

- › **Profile 7-10 advisory** is suitable for clients who have been rated as risk profile 7-10 on a risk scale of 10 risk profiles. This indicates a 'highest medium' to 'highest' and is about average in how much risk is taken when investing in normal economic and market conditions. When the fund selection investment option has been chosen, investments will be limited to those made available by Utmost Luxembourg S.A. The objective shall be mainly achieved from capital gains and, to a lower extent, from current income.

**Asset allocation** to meet the needs and objectives of this group would allow 100% of policy be invested in equity/equity-type and/or alternative investments.

Each distributor needs to ensure that the type of client's profile matches the client's investment strategy, which term includes the selected funds allocation.

## DISTRIBUTION STRATEGY

The product is distributed through Blevins Franks Wealth Management Limited. The assessment of suitability, which includes sustainability preferences of a client, is a mandatory requirement when the product, given its complexity, is sold to a client with advice. The insurer does not offer its products without advice. Before providing advice to clients, the distributor must obtain relevant information from clients regarding their personal financial situation, knowledge and experience, risk tolerance, objectives and needs in order to provide appropriate advice.

The requirements of clients, compiled from their financial position, investment horizon, investment objectives and their knowledge and experience of financial investments results in their investment profile. The distributor needs to collect this information before clients subscribe to the policy or in "other" circumstances, such as a change in the client's situation which might have an influence on their investment profile.

The distributor must inform a client if a periodic assessment of suitability is recommended and agree whether this service will be carried out on a regular basis. Where the distributor and the client have agreed to the service being carried out on a regular basis, the suitability assessment would need to be reviewed at least annually. The insurer does not currently provide periodic assessments on a systematic basis. However, where the contract is distributed directly by the employees of the insurer, further assessments of suitability may be performed at the clients request and/or upon certain transactions.



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## NEGATIVE TARGET MARKET

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This product is not suitable for clients who are:

- › looking for a guaranteed return product;
- › looking for a product with a capital guarantee;
- › unable to bear any investment lost, however minimal.

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[www.utmostinternational.com](http://www.utmostinternational.com)

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Utmost Wealth Solutions is registered in Luxembourg as a business name of Utmost Luxembourg S.A.