# Investment Policy Change Effective May 2013: Van Eck VIP Unconstrained Emerging Markets Bond Fund *(formerly Van Eck VIP Global Bond Fund)*

On Friday, February 22, 2013, an amendment was filed to the registration statement for the Van Eck VIP Global Bond Fund (the "VIP Fund"). In this filing, the name, principal investment strategies and portfolio managers of the VIP Fund were revised. These revisions will align the VIP Fund with the Van Eck Unconstrained Emerging Markets Bond Fund (the "Retail Fund"), a series of Van Eck Funds. The Retail Fund has a similar investment objective and the same investment strategies, and portfolio managers, as those that will be implemented for the VIP Fund effective May 1, 2013. Please note that the investment objective is fundamental and will not change. As such, the investment objective of the VIP Fund will continue to be to "seek high total return – income plus capital appreciation – by investing globally, primarily in a variety of debt securities".

| | NEW Strategy: Changes Effective May 1, 2013 | Previous Strategy: Prior to May 1, 2013 |
|---|---|---|
| Name | Van Eck VIP Unconstrained Emerging Markets Bond Fund | Van Eck VIP Global Bond Fund |
| Investment Policy | At least 80% in emerging market debt securities; can invest in debt securities that are issued by governments, quasi-government entities or corporations in emerging market countries. These securities may be denominated in any currency, including those of emerging markets. | At least 80% in investment-grade debt securities (rated by Standard & Poor's or Moody's Investors Service). |
| Portfolio Manager(s) | Eric Fine - Mr. Fine has more than 17 years of experience working with emerging market securities. | Charles Cameron and Gregory Krenzer, CFA |
| Benchmark | J.P. Morgan Government Bond Index-Emerging Markets Global Diversified Index (GBI-EM) | Citigroup World Government Bond Index |

### Investment Overview of the NEW strategy for Van Eck VIP Unconstrained Emerging Markets Bond Fund (*effective* May 1, 2013)

- Innovative investment process allows for a blend of emerging market local currency bonds and emerging market hard currency bonds
- Unconstrained mandate allows for exposure to the yield and return potential of a broad opportunity set globally – potential to diversify by geography, currency, credit, maturity, and instrument
- Dedicated management team has a combined 50 years of experience and is led by Eric Fine, who has lived and invested in emerging markets for nearly 20 years, working both as a strategist and portfolio manager

**KNOW YOUR TERMS: Emerging Markets Hard Currency Bonds** refers to bonds denominated in currencies that are generally widely accepted around the world (such as the US Dollar, Euro or Yen). **Emerging Markets Local Currency Bonds** are bonds denominated in the local currency of the issuer. **Emerging Markets Sovereign Bonds** are bonds issued by national governments of emerging countries in order to finance a country's growth. **Emerging Markets Quasi-Sovereign Bonds** are bonds issued by corporations domiciled in emerging countries that are either 100% government owned or whose debts are 100% government guaranteed. **Emerging Markets Corporate Bonds** are bonds issued by non-government owned corporations that are domiciled in emerging countries. A **Supranational** is an international organization, or union, whose members transcend national boundaries and share in the decision-making. Examples of supranationals are: World Bank, IMF, World Trade Organization.



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You can lose money by investing in **Van Eck VIP Global Bond Fund**. Any investment in the Fund should be part of an overall investment program, not a complete program. The Fund is subject to risks associated with its investments in emerging markets securities. Investing in foreign denominated and/or domiciled securities may involve heightened risk due to currency fluctuations, and economic and political risks, which may be enhanced in emerging markets. As the Fund may invest in securities denominated in foreign currencies and some of the income received by the Fund will be in foreign currencies, changes in currency exchange rates may negatively impact the Fund's return. Derivatives may involve certain costs and risks such as liquidity, interest rate, market, credit, management and the risk that a position could not be closed when most advantageous. The Fund may also be subject to credit risk, interest rate risk, sovereign debt risk, tax risk, non-diversification risk and risks associated with non-investment grade securities. Non-investment grade securities may be subject to greater market fluctuations and risk of default or loss of income and principal than securities in higher rating categories.

Please see the prospectus and summary prospectus for information on these and other risk considerations. Bonds and bond funds will decrease in value as interest rates rise.

THE FUND IS ONLY AVAILABLE AS AN OPTION UNDER VARIOUS INSURANCE CONTRACTS ISSUED BY LIFE INSURANCE AND ANNUITY COMPANIES. THESE CONTRACTS OFFER LIFE AND TAX BENEFITS TO THE BENEFICIAL OWNERS OF THE FUND. THE INSURANCE OR ANNUITY COMPANY CHARGES, FEES AND EXPENSES FOR THESE BENEFITS ARE NOT INCLUDED IN FUND PERFORMANCE. A REVIEW OF THE PARTICULAR LIFE AND/OR ANNUITY CONTRACT WILL PROVIDE YOU WITH MUCH GREATER DETAIL REGARDING THESE COSTS AND BENEFITS.

THE FUND IS NOT AVAILABLE DIRECTLY TO THE GENERAL PUBLIC. FOR MORE COMPLETE INFORMATION ON VARIABLE LIFE/ANNUITY PRODUCTS, INCLUDING ALL CHARGES AND EXPENSES, PLEASE OBTAIN A PROSPECTUS FROM A LICENSED INSURANCE AGENT/REGISTERED REPRESENTATIVE. THE PROSPECTUS INCLUDES INFORMATION ABOUT THE INVESTMENT OBJECTIVE, RISKS AND CHARGES AND EXPENSES. PLEASE READ THE PROSPECTUS CAREFULLY BEFORE INVESTING.

**vaneck.com | 800.826.2333**

Van Eck Securities Corporation, Distributor
335 Madison Avenue | New York, NY 10017