

Advanced Markets

Solving the Retirement Dilemma – Living vs Leaving

While investors tend to have distinct financial goals based on age, experience, risk tolerance and other factors, there are a few concerns that are common to most. One that typically arises for retirees is how to balance what they need for retirement income and their desire to leave assets to heirs.



Some **Income** Market-Linked CDs provide coupon payments based on whether the underlier meets certain performance thresholds at predetermined times throughout the life of the investment. These coupon payments could be monthly, quarterly, or annually, as outlined in the offering documents.



Some **Growth** Market-Linked CDs provide the potential for capital appreciation, or growth at maturity based on a participation rate, which is the degree to which you can participate in the potential growth of the underlier¹.

Retirement Strategy

The unique features of a hybrid Market-Linked CD (MLCD) can provide a path to addressing both objectives, with the added benefits of 100% principal protection² and FDIC³ coverage.

What to Live On – The investor receives periodic payments aimed at satisfying income needs. Additionally, he/she participates in any positive performance of the underlier at maturity adding the potential for further gain.

What to Leave to Heirs - MLCDs contain an Estate Feature that allows investors to designate beneficiaries. In the event of the investment owner's death, prior to maturity, beneficiaries have the option to redeem the MLCD for the original investment amount, at minimum⁴.

This retirement strategy delivers an effective and unique opportunity for investors to:

- ✓ Generate Income – Periodic payments
- ✓ Safeguard Principal – Regardless of performance at maturity
- ✓ Potentially Increase Assets – Participation in underlier growth
- ✓ Safely Transfer Assets – Estate feature triggered by heir(s)

¹ There may be a cap on maximum return, regardless of the actual return of the underlier.

² If held to maturity

³ Principal amounts are FDIC-insured up to applicable limits in the event the issuer become insolvent.

⁴ Without interest, prior to maturity. Certain restrictions apply, and redemptions may be limited.

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Scan here to access and bookmark the current digital copy of our FINRA-reviewed Market-Linked CD brochure

It's Important to Note...

Market-linked products are intended to be buy and hold investments. There may not be a liquid secondary market and if sold prior to maturity, principal may be at risk. Any return of principal, interest and gains generated is subject to the credit risk of the issuer. For market-linked CDs, the FDIC insures principal amounts up to applicable limits in the event the issuer defaults. Dividends paid on the underlying index are not passed through to the market-linked product. To understand the specific terms that may impact the performance of a particular MLCD, you should review the relevant offering documents.

Questions?

Contact InspereX at **888.849.5732** or **advisorsupport@insperex.com**

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