

Advanced Markets

Snowball Autocall Market Linked Certificate Of Deposit (MLCDs)

Autocall MLCDs are designed to provide investors with a preset, fixed payment (Call Premium) if the underlier reaches a specified level of performance (Call Level), at indicated observation dates. The structure is automatically called if Call Level is achieved. In which case, the investor is entitled to a full return of his/her initial investment plus a fixed return equal to the Call Premium. As a MLCD, the structure also offers full principal protection (when/if held to maturity), FDIC insurance and an Estate Feature to prevent assets from entering probate.¹

Observing Underlier Performance To Determine Payoff

- 1 The initial index level is determined on the trade date. That level is used to track underlier performance.
 - 2 The index level is evaluated at the end of each observation period.
 - 3 If the index has grown to a value at or above (meeting or exceeding) the Call Level, the structure is automatically called.
- or**
- 4 If the index has not reached the indicated Call Level, in relation to its initial level, the structure would remain intact until at least the next observation date.
 - 5 The Snowball feature freezes the Call Level at its initial value, for all observation periods, while the Call Premium increases for each interval.

or

If not called, at maturity, a stated level of participation is applied to any underlier growth.¹

Proceeds If Called
100% Of Principal + Call Premium

Hypothetical Example²		
Observation Date (Annual)	Call Level (% of initial index level)	Call Premium (% of principal investment)
1	101.0%	7%
2	101.0%	14%
3	101.0%	21%
4	101.0%	28%
5	101.0%	35%
6	101.0%	42%
7	Maturity	Participation

Minimum Value At Maturity = 100% Of Principal

² Hypothetical MLCD terms offer 1% initial and subsequent call levels in years 1-6 along with 7% initial call premium increasing by 7% increments during same timeframe. The MLCD matures in year 7 and offers defined participation in any underlier growth from its initial level along with full principal protection, if held to maturity.

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It's Important to Note...

1 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 and terms of the offering documents, which could include participation rates, interim caps and various risks. Dividends paid on the underlying assets are not passed through to the market-linked product. There is no guarantee that a Market-Linked Product will generate a positive return. Any applicable downside protection will be realized only at maturity. For Market-Linked CDs, the Federal Deposit Insurance Corporation (FDIC) insures principal amounts up to applicable limits in the event the issuer becomes insolvent. 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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