

**Market-Linked Product**

# Dual Directional Market-Linked Note strategies

---

Market-Linked Products are considered complex investments and may not be suitable for all investors, so its important to review the relevant offering documents.

# What if...

---

you are concerned about the impact a market downturn could have on your portfolio, but want to stay invested in long-term growth opportunities?

Or, if you could earn returns in a moderate market decline in exchange for some potential market upside and still protect a portion of your investment from losses?

---

**Dual Directional Market-Linked Notes, which are considered complex investments, may be suitable for you if you are:**

- Aiming to stay invested through market swings or declines
- Looking to protect your initial investment up to a predetermined level<sup>1</sup>
- Willing to trade-off potential limits on strong market performance in exchange for potential positive returns in moderately down markets
- Prepared to potentially lose principal if market returns are below your predetermined downside protection level<sup>1</sup>

<sup>1</sup> 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. Any applicable downside protection will be realized only at maturity. Return at maturity could be less than the original amount invested.

# You have choices

---

Dual Directional Market-Linked Notes provide a unique feature that may provide positive growth opportunities in both up and down markets, up to a predetermined downside protection level. Before investing you should ask yourself some important questions.

---



## Underlier

### Where do you want market exposure?

Dual Directional Market-Linked Notes are linked to the performance of at least one or more underlying assets (“underliers”). Examples of typical underliers include indices such as the S&P 500®, Dow Jones Industrial Average® (DJIA), Russell 2000®, and EuroSTOXX50®, or asset allocation strategies.



## Downside protection

### How much of your principal do you want to protect?

Dual Directional Market-Linked Notes provide varying levels of principal protection at maturity, subject to the credit risk of the issuer. Levels can range from full principal protection to some or no downside protection at all.<sup>1</sup>



## Maturity

### What is your investment time horizon?

Dual Directional Market-Linked Notes have investment time periods that commonly range up to 5 years. They are intended to be buy and hold investments that are held to maturity. At maturity, there is the potential for positive returns plus full, partial, or no principal protection on the initial investment. If sold prior to maturity, the value of the investment may be worth less than the principal amount.



## Upside potential

### What is your desired level of growth?

Dual Directional Market-Linked Notes provide the opportunity to participate in some, all, or more of the growth of the underlier.<sup>1</sup> There may be a cap on the maximum return. The return of the underlier is measured point-to-point, meaning the difference between the initial value and the ending value of the underlier at maturity. The “dual” feature offers participation in the potential positive performance of the underlier, which may be subject to a cap or maximum return.<sup>1</sup> If the performance of the underlier is negative, but above the downside protection level, the negative performance becomes positive at maturity. It is important to understand that negative returns below the predetermined protection level will result in a loss of some or all principal at maturity.

<sup>1</sup> 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. Any applicable downside protection will be realized only at maturity. Return at maturity could be less than the original amount invested.

# Understanding your downside protection

Dual Directional Market-Linked Notes have two types of features that determine what, if any, principal is returned at maturity.

A **buffer** absorbs the full loss of principal up to a predetermined level at maturity. If, at maturity, the value of the underlier declines more than the buffer, you will incur an incremental loss.<sup>1</sup>

A **barrier** also provides protection from loss of principal up to a predetermined level at maturity. However with a barrier, if at maturity the price of the underlier drops below the barrier level, the investor is fully exposed with a 1:1 loss of the initial principal.<sup>1</sup>

## Hypothetical example of how Dual Directional Market-Linked Notes work



### It is important to note:

- Dividends paid on the underlier are not passed through to the Dual Directional Market-Linked Note and if the underlier meets the predetermined thresholds at maturity, you will not receive similar growth in the form of capital appreciation from your investment.
- Dual Directional Market-Linked Notes are designed as buy and hold investments and there may not be a liquid secondary market. The value of the investment may be worth less than the principal amount if sold prior to maturity.
- To understand the specific terms that may impact the performance of a particular Dual Directional Market-Linked Note, you should review the relevant offering documents.

<sup>1</sup> 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. Any applicable downside protection will be realized only at maturity. Return at maturity could be less than the original amount invested.

# What should you expect at maturity?

## Buffered Dual Directional Market-Linked Notes

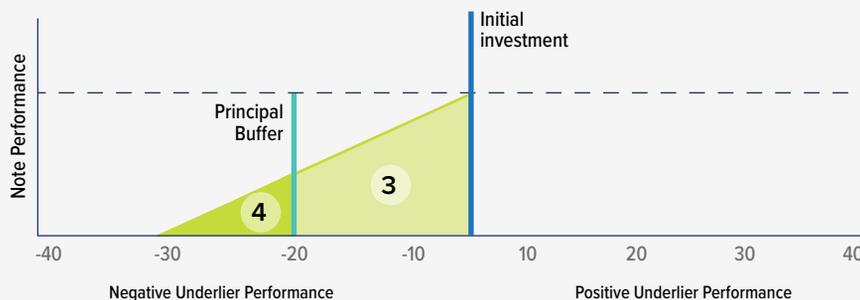
### Hypothetical Terms

Participation of the underlier: 100%		Maximum return (Cap) 40%		Buffer level: 20%	
Performance of underlier at maturity	Investment return	Payment at maturity	Outcomes at maturity		
60%	40%	\$1,400	<b>You will receive full principal + a capped positive return</b> Maximum return is achieved and there is no further upside participation of the underlier.		
50%	40%	\$1,400			
40%	40%	\$1,400			
30%	30%	\$1,300	<b>You will receive a positive return + full principal</b> At or above the initial level, there is full participation in the appreciation of the index, up to the cap, and initial principal is returned.		
20%	20%	\$1,200			
10%	10%	\$1,100			
Initial Level	0%	\$1,000			
-10%	+10%	\$1,100	<b>You will receive a positive return + full principal</b> The performance of the underlier falls below its initial level. However, since the performance of the underlier is negative, but above the downside protection level, the negative performance becomes positive and is returned along with the initial principal at maturity.		
-20%	+20%	\$1,200			
-30%	-10%	\$900	<b>You will have a loss of principal at maturity</b> Since the performance of the underlier falls below the buffer level, the investor incurs an incremental loss at maturity. With a buffer lever of 20%, your loss of principal will be the percentage decline less the 20% buffer. An underlier decline of 30% would result in a 10% loss of principal.		
-40%	-20%	\$800			
-50%	-30%	\$700			
-60%	-40%	\$600			

The table above is a hypothetical example for illustrative purposes only.

### Negative Performance at Maturity

Breached Buffer at Maturity



- 3 Buffer will absorb underlier declines up to the principal buffer level.
- 4 Once the underlier breaches the 20% buffer, incremental principal losses will begin. For example a 30% decline will result in a 10% loss of principal.

The chart above is a hypothetical example for illustrative purposes.

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. Any applicable downside protection will be realized only at maturity. Return at maturity could be less than the original amount invested.

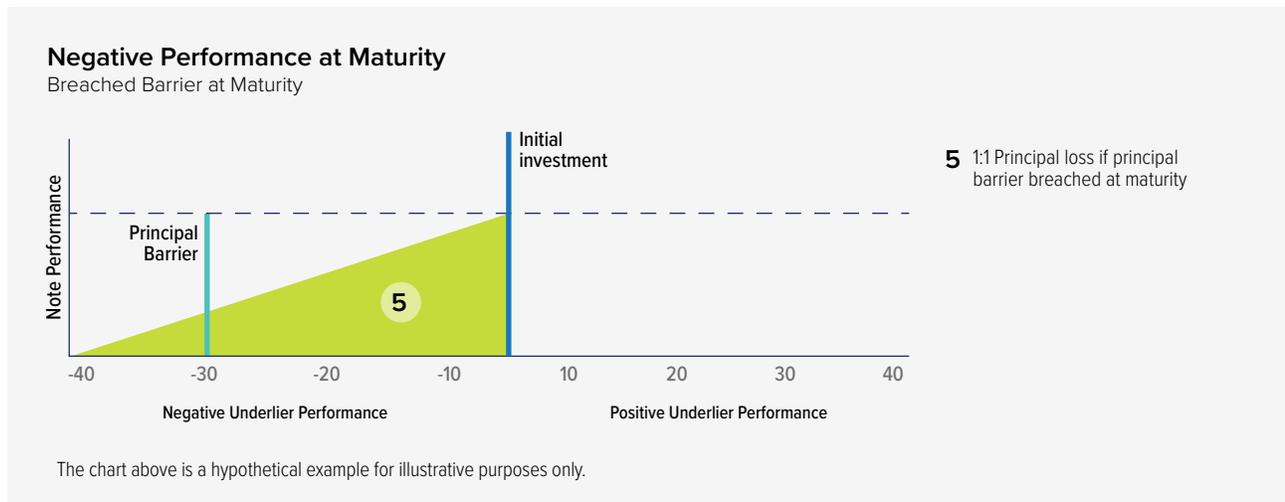
# Principal Barrier Dual Directional Market-Linked Notes

## Hypothetical Terms

Participation of the underlier: 100%	Maximum return (Cap) 40%	Barrier level: 70% (contingent barrier 30%)
--------------------------------------	--------------------------	---

Performance of underlier at maturity	Investment return	Payment at maturity	Outcomes at maturity
60%	40%	\$1,400	<b>You will receive full principal + a capped positive return</b> Maximum return is achieved and there is no further upside participation of the underlier.
50%	40%	\$1,400	
40%	40%	\$1,400	
30%	30%	\$1,300	<b>You will receive a positive return + full principal</b> At or above the initial level, there is full participation in the appreciation of the index, up to the cap, and initial principal is returned.
20%	20%	\$1,200	
10%	10%	\$1,100	
Initial Level	0%	\$1,000	
-10%	+10%	\$1,100	<b>You will receive a positive return + full principal</b> The performance of the underlier falls below its initial level. However, since the performance of the underlier is negative, but above the principal barrier level, the negative performance becomes positive and is returned along with the initial principal at maturity.
-20%	+20%	\$1,200	
-30%	+30%	\$1,300	
-40%	-40%	\$600	<b>You will have a loss of principal at maturity</b> Since the performance of the underlier falls below the barrier level, the investor loses the contingent protection from the barrier and is exposed to a 1:1 loss of principal at maturity.
-50%	-60%	\$500	
-60%	-60%	\$400	

The table above is a hypothetical example for illustrative purposes only.



6 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. Any applicable downside protection will be realized only at maturity. Return at maturity could be less than the original amount invested.

# What you should know before investing in Dual Directional Market-Linked Notes

---

Speak with your financial professional about the risks and suitability of Dual Directional Market-Linked Notes in your portfolio.

---

## **Credit risk**

Dual Directional Market-Linked Notes represent senior unsecured debt that is subject to the credit risk of the issuer. If the issuer goes into default, any return of principal and gains generated could be at risk of loss.

## **Fees**

Market-Linked Products are subject to fees and costs, including a possible commission paid to your financial professional, structuring and development costs, and offering expenses. There are also trading costs, including costs to hedge the product. Any sales prior to maturity will be reduced by the cost of all the associated fees and costs. Please refer to the offering documents for a full list of fees.

## **Liquidity risk**

Market-Linked Products are intended to be held until maturity, and there is no formal secondary market for the product, which may make early redemptions difficult and subject to a variety of market-related factors. In the event that you are able to redeem Market-Linked Products prior to maturity, the redemption proceeds may be less or more than the amount you invested due to fluctuations in the underlying assets and other market-related factors.

## **Market risk**

Market-Linked Products are linked to the performance of the underlying assets. The return on Market-Linked Products can be adversely impacted if the underlying assets perform poorly. Depending on the performance of underlying assets, the payment you receive at maturity could result in no return above the principal amount invested.

## **Performance risk**

The Market-Linked Product pays a return based upon the performance of an underlying asset as outlined in the offering documents. These terms may include interim caps, averaging, and the rates of participation in the underlying asset. Market-Linked Products do not pay dividends. If dividends are declared on the underlying asset, they will be excluded when calculating Market-Linked Product performance.

## **Principal risk**

Some Market-Linked Products are not structured to repay your full principal amount on the stated maturity date. For these Market-Linked Products, depending on the performance of the market measure, the payment you receive at maturity may be less than the original offering price of the Market-Linked Products.

## **Tax implications**

The tax treatment of Market-Linked Products is complicated, varies depending on the structure, and in some cases is uncertain. Before purchasing any Market-Linked Product, please consult with a tax advisor. You should read the applicable tax risk disclosures in the offering documents when considering the purchase of Market-Linked Products.



insperex.com®

---

InspereX LLC and its affiliates explicitly disclaim any responsibility for product suitability or suitability determinations related to individual investors. This information should not be regarded by recipients as a substitute for the exercise of their own independent judgment, and the information provided herein is not an offer, solicitation or a recommendation to buy, sell, or hold any security or investment strategy. There can be no assurance that the investments shown herein were or will be profitable, and this material does not take into account any investor's particular investment objectives, financial situation, particular needs, strategies, tax status, or time horizon.

The investment products discussed herein are considered complex investment products. Such products contain unique features, risks, terms, conditions, fees, charges, and expenses specific to each product. The overall performance of the product is dependent on the performance of an underlying or linked derivative financial instrument, formula, or strategy. Return of principal is not guaranteed and is subject to the credit risk of the issuer. Investments in complex products are subject to the risks of the underlying reference asset classes to which the product may be linked, which include, but are not limited to, market risk, liquidity risk, call risk, income risk, reinvestment risk, as well as other risks associated with foreign, developing, or emerging markets, such as currency, political, and economic risks. Depending upon the particular complex product, participation in any underlying asset ("underlier") is subject to certain caps and restrictions. Any investment product with leverage associated may work for or against the investor. Market-Linked Products are subject to the credit risk of the issuer. Investors who sell complex products or Market-Linked Products prior to maturity are subject to the risk of loss of principal, as there may not be an active secondary market. You should not purchase a complex investment product until you have read the specific offering documentation and understand the specific investment terms, features, risks, fees, charges, and expenses of such investment.

**The information contained herein does not constitute an offer to sell or a solicitation of an offer to buy securities. Investment products described herein may not be offered for sale in any state or jurisdiction in which such as offer, solicitation, or sale would be unlawful or prohibited by the specific offering documentation.**

©2024 InspereX. All rights reserved. Securities offered through InspereX LLC, Member FINRA/SIPC. Technology services provided by InspereX Technologies LLC. InspereX LLC and InspereX Technologies LLC are affiliates. InspereX and insperex.com are trademarks of InspereX Holdings LLC.

For all Market-Linked Products, excluding Market-Linked CDs, the following applies:

**Not FDIC insured // Not bank guaranteed // May lose value // Not a bank deposit // Not insured by any government agency**