



Market-Linked Products

Risk management solutions with defined outcomes

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

Are you...

Worried about losing your principal?

Concerned about volatility and equity
market declines?

Unsatisfied with the yield on most
conservative investments?

Seeking opportunities to meet or
exceed certain benchmarks?



What if...

you could receive some level of downside protection while capturing market growth or income opportunities?

- ▶ **Market-Linked Products**, also known as Structured Products, aim to meet the needs of many of today's investors in ways that traditional investments cannot. They can help control a portfolio's exposure to market performance, rather than allow market performance to control the portfolio.

Distinguishing features



Combine fixed income characteristics and exposure to equity-like performance



Offer the potential for varying degrees of growth, income, and/or downside protection¹



Can provide access to strategies predominantly used by high-net-worth and institutional investors



Can enhance diversification across geographic markets, asset classes, time horizons, and performance outcomes

Types of Market-Linked Products

MLCD

Market-Linked Certificates of Deposit

Similar to traditional CDs, Market-Linked CDs are issued by banks and offer full principal back at maturity.¹ They also carry FDIC insurance up to applicable limits and an estate feature.^{1,2} Unlike traditional CDs, any potential gain and/or income generated is linked to the performance of one or more underlying assets.

PPN

Principal Protected Notes

Principal Protected Notes offer full principal back at maturity.¹ Any potential gain and/or income generated is linked to the performance of one or more underlying assets. These senior unsecured debt instruments are issued by financial institutions and carry credit risk similar to corporate bonds.

MLN

Market-Linked Notes

Market-Linked Notes offer varying degrees of principal protection at maturity.¹ Any potential gain and/or income generated is linked to the performance of one or more underlying assets. These senior unsecured debt instruments are issued by financial institutions and carry credit risk similar to corporate bonds.

► **Market-Linked Products** are complex investments and may not be suitable for all investors, yet they offer defined outcomes and characteristics that may be attractive to you.

¹ Any return of principal, as well as interest and gains generated are 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 asset 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, which may range up to 10 years. For certain Market-Linked Notes, return at maturity could be less than the original amount invested. Regarding Market-Linked CDs, the Federal Deposit Insurance Corporation (FDIC) insures principal amounts up to applicable limits in the event the issuer becomes insolvent.

² Market-Linked CDs may have an estate feature that, upon death or adjudication of incompetency, allows beneficiaries to redeem Market-Linked CDs for at least their principal value, without interest, prior to maturity. Certain restrictions apply, and redemptions may be limited. Please refer to the investment's offering documents for details.

Terms to know

Underlying asset (“Underlier”)

Market-Linked Products are linked to the performance of one or more underlying assets. Common underliers include individual stocks, equity indices, or indices that provide asset class diversification or exposure to popular themes.

Participation rate

Participation rate is the degree to which your investment participates in the potential growth or appreciation of the underlier.¹ A participation rate can be in excess of 100% (1.0x). If you desire a higher participation rate, you must be willing to accept the potential for a longer time to maturity, or less downside protection.

Cap

A cap represents the highest level of growth, or maximum return, you can receive from the investment, regardless of the actual return of the underlier. Not all Market-Linked Products have caps.

Buffer

A buffer is the amount of principal that is protected from loss. It’s typically measured down from the initial level and serves as a cushion against declines in the underlier by absorbing a predetermined percentage of negative returns at maturity.

Barrier

A barrier is a contingent protection that shields a percentage of loss based on the performance of the underlier at maturity. If the underlier declines below the barrier level, the protection may disappear, and you would participate fully in the loss of the underlier.

► It is important to note...

Market-Linked Products 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. Any return of principal, interest and gains generated is subject to the credit risk of the issuer. Dividends paid on the underlier are not passed through to the Market-Linked Product.

¹ Any return of principal, as well as interest and gains generated are 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 asset 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, which may range up to 10 years. For certain Market-Linked Notes, return at maturity could be less than the original amount invested. Regarding Market-Linked CDs, the Federal Deposit Insurance Corporation (FDIC) insures principal amounts up to applicable limits in the event the issuer becomes insolvent.

The Market-Linked Product spectrum

		Market-Linked CD	Principal Protected Note	Market-Linked Note
Downside protection		HIGHER	←	→ LOWER
What degree of protection are you looking for?	100% principal protection (backed by issuer) ¹ + FDIC Insurance ¹ + Estate Feature ²	MLCD		
	100% principal protection (backed by issuer) ¹		PPN	
	Varying degrees of protection (backed by issuer) ¹			MLN
Upside potential		LOWER	←	→ HIGHER
What is your desired level of growth and/or income?	100% or more participation in the growth of the underlier, excluding dividends, subject to a potential cap on maximum return ¹	MLCD	PPN	MLN
	Fixed or contingent coupons if the underlier meets certain performance thresholds at predetermined times (annual coupons typically range up to 10%) ¹	MLCD	PPN	MLN
Maturity		LONGER	←	→ SHORTER
What is your investment time horizon?	Between 1-5 years ¹			MLN
	Between 3-7 years ¹	MLCD	PPN	
Underlying asset				
Where do you want market exposure?	Individual stocks or equity indices with exposure to: domestic/international markets, small-, mid-, or large-cap companies and/or industry sectors	MLCD	PPN	MLN
	Indices employing asset allocation or thematic strategies	MLCD	PPN	MLN

- You can use **Market-Linked Products** to target a predefined level of risk and return that aligns with your market outlook and investment objectives. Select pre-built offerings, or customize your own.

¹ Any return of principal, as well as interest and gains generated are 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 asset 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, which may range up to 10 years. For certain Market-Linked Notes, return at maturity could be less than the original amount invested. Regarding Market-Linked CDs, the Federal Deposit Insurance Corporation (FDIC) insures principal amounts up to applicable limits in the event the issuer becomes insolvent.

² Market-Linked CDs may have an estate feature that, upon death or adjudication of incompetency, allows beneficiaries to redeem Market-Linked CDs for at least their principal value, without interest, prior to maturity. Certain restrictions apply, and redemptions may be limited. Please refer to the investment's offering documents for details.

What you should know before investing in Market-Linked Products...

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

Call risk

Some Market-Linked Products (MLPs) are callable or redeemable, solely at the option of the issuer. The issuer is not obligated to redeem a callable note, and will typically call a Note when it is most advantageous for them to do so. If the Note is called, it is possible that you may be unable to reinvest in a Note with similar or better terms.

Credit risk

For a Market-Linked CD, any investment above the FDIC allowable limit is subject to the credit risk of the issuer, as are any market-linked returns. A Market Linked Note or Principal Protected Notes represents a senior unsecured debt that is subject to the credit risk of the issuer. If the issuer goes into default, any return of principal, interest and gains generated could be at risk of loss.

Fees

MLPs are subject to fees and costs, including 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 all associated fees and costs, which are detailed in the offering documents.

Liquidity risk

MLPs are intended to be held until maturity and there is no formal secondary market for the product, which makes early redemptions difficult and subject to a variety of market-related factors. If you are able to redeem MLPs prior to maturity, the redemption proceeds may be less than the amount you invested due to fluctuations in the underlying assets and other market-related factors.

Performance risk

MLPs pay a return based upon the performance of an underlying asset as outlined in the offering documents. These terms could include interim caps, averaging, and rates of participation in the underlying asset. MLPs do not pay dividends. If dividends are declared on the underlying asset, they will be excluded when calculating the performance. There are a variety of factors that may influence the performance of the underlying asset such as volatility, interest rate moves, and time to maturity. Additionally, potential fees charged on the underlying asset may reduce or eliminate any positive return in that underlying asset, thereby reducing the return on the MLP.

Tax implications

The tax treatment and timing of tax payments for a Market-Linked Product vary depending on the structure and type of account it resides in. For Market-Linked CDs and Principal Protected Notes in non-retirement accounts, you may be required to pay ordinary income tax on the Original Issue Discount (OID) amount calculated by the issuer each year, even if you do not receive interest payments during the life of the investment. Your brokerage firm or account custodian should provide the applicable 1099 forms for tax purposes. For specific terms, please refer to the offering documents or consult a tax professional. For additional information, please refer to the offering documents.

Volatility

Volatility refers to the amount of uncertainty or risk in a investment's value, and the size of changes in that value. Higher volatility indicates that the price of the investment has the potential to change dramatically over a short period of time, in either direction. Volatility, the degree of positive and negative swings in the index, may increase or decrease. Uncertainty in the market can have a negative effect on statement values.



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.

©2025 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