

Alterna's MarketTracer Term Deposit Canadian Financial Services Guaranteed Return

An investment that gives you the best of both worlds! *Alterna's MarketTracer Term Deposit – Canadian Financial Services Guaranteed Return* is similar to a regular term deposit, but the return is based on the market performance of eight major Canadian financial institutions. That means you can participate in the performance of the Canadian financial services market while guaranteeing 100% of your principal investment. Plus, you receive a guaranteed minimum return!

Great benefits, just for you

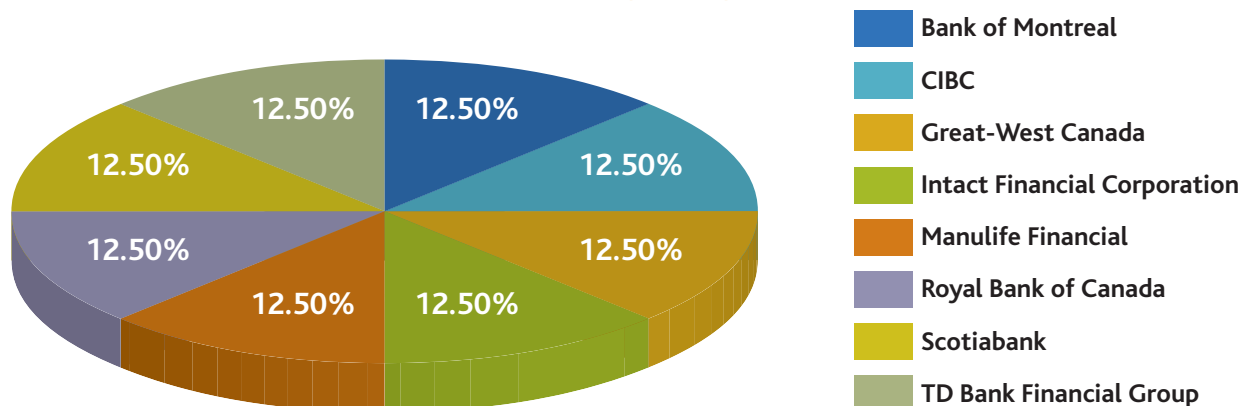
- **Guaranteed Minimum Return:** No matter what happens in the market you'll receive a minimum return paid annually on the anniversary of your term, guaranteed!
- **Growth Potential:** Higher return potential based on the performance of some of the largest financial institutions in Canada
- **Diversification:** Participation in the performance of eight Canadian financial institutions
- **Peace of mind:** Guaranteed principal, no risk to your initial investment

Alterna's MarketTracer Term Deposit - Canadian Financial Services Guaranteed Return at a glance

Sales Period: November 24, 2020 to January 25, 2021

Index	Equal weighting of eight major Canadian financial institutions
Term (non-redeemable)	5 Year
Minimum Investment	\$500
Principal Guaranteed	Yes
Guaranteed Annual Return	0.40%
Guaranteed Cumulative Appreciation	2.00%
Maximum Cumulative Appreciation	15.00%
Market Participation	100%
Plan Eligibility	RRSP and TFSA
DICO Eligible	Yes

Eight Canadian Financial Institutions and Weightings



Your Return

Alterna calculates return by taking the starting index level: Prior to the issue date, we determine the starting value of the index - this is usually a week before the issue date. We take the average of the 3 closing levels and use this in the final calculation. The final return will be the difference between the average closing levels and the starting index levels.

Your return is based on the performance of eight major Canadian financial institutions. The exact formulas are as follows:

$$\text{Interest} = \text{Principal} \times \text{Cumulative return} \times 100\%$$
$$\text{Cumulative return} = \left[\left(\frac{\text{CP}^2 \text{ for } S_1}{\text{CP}^1} + \frac{\text{CP}^2 \text{ for } S_2}{\text{CP}^1} + \dots \frac{\text{CP}^2 \text{ for } S_8}{\text{CP}^1} \right) \times 1/8 \right] - 1$$

Definitions

Principal	=	The amount of the Initial Deposit
CP ²	=	Prior to the maturity date, we determine the closing values of the index on 3 specific days - usually 60, 30 and 5 days prior to maturity. We take the average of the 3 closing levels and use this in the final calculation
CP ¹	=	The price of each security at closing, typically one week before issue date (or the following business day if no reading takes place on this security on this date).
S ₁ to S ₈	=	Each one of the eight (8) securities.
100 %	=	The rate of participation in the growth of the basket of securities.

Is the Alterna MarketTracer Term Deposit - Canadian Financial Services Guaranteed Return right for you?

This term deposit may be a suitable investment option if you:

- ✓ are looking for the potential to earn higher returns associated with the performance of eight major Canadian financial institutions
- ✓ want to diversify your investment portfolio
- ✓ want peace of mind knowing your principal is protected
- ✓ will not need access to your funds during the term of the investment

For more information or to invest in the *Alterna MarketTracer Term Deposit - Canadian Financial Services Guaranteed Return*, visit your nearest Alterna branch, call 1.877.560.0100 or visit our website at alterna.ca

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