

# Get Fit Financially with an Index-Linked Term Deposit

## Calculating your return:

To better understand how your return is calculated for your Index-Linked Term Deposit, an example of a three year term is below.

**Our participation rates have improved!**

**NEW 2019 RATES: 3 year – 75% | 5 year – 125%**

## 3 YEAR TERM Calculation and Example: The following formula is based on 75% participate rate:

**STEP 1** 
$$\frac{\text{Average Of Monthly Closing Values Over Term}}{36} = \text{Average Value}$$

**STEP 2** 
$$\frac{\text{Average Value - Opening Value}}{\text{Opening Value (Value first day of ILTD)}} \times 100 = \text{Return Value \%}$$

**STEP 3** 
$$\text{Return Value \%} \times 75\% \text{ Participation Rate} = \text{Return \% to Member}$$

**STEP 4** 
$$\text{Return \% to Member} \times \text{Original Investment} = \$ \text{Amount Member Receives (plus original investment amount)}$$

**Member invested: \$1,000**  
**Index Starting value: 517.50**  
**Participation rate is 125%**

**STEP 1** 
$$\frac{\text{Average Of Monthly Closing Values Over Term}}{36} = 517.50$$

**STEP 2** 
$$\frac{517.50 - 450}{450} = 20.33\%$$

**STEP 3** 
$$15.00\% \times 0.75 = 11.25\%$$

**STEP 4** 
$$11.25\% \times \$1,000 = \$112.50 + \$1000 = \$1,112.50$$

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## 5 YEAR TERM Calculation and Example: The following formula is based on 125% participate rate:

$$\text{STEP 1} \quad \frac{\text{Average Of Monthly Closing Values Over Term}}{60} = \text{Average Value}$$

$$\text{STEP 2} \quad \frac{\text{Average Value - Opening Value}}{\text{Opening Value}} \times 100 = \text{Return Value \%}$$

(Value first day of ILTD)

$$\text{STEP 3} \quad \frac{\text{Return Value \%}}{125\% \text{ Participation Rate}} = \text{Return \% to Member}$$

$$\text{STEP 4} \quad \frac{\text{Return \% to Member}}{X} = \$ \text{ Amount Member Receives (plus original investment amount)}$$

**Member invested: \$1,000**  
**Index Starting value: 562.50**  
**Participation rate is 125%**

$$\text{STEP 1} \quad \frac{\text{Average Of Monthly Closing Values Over Term}}{60} = 562.50$$

$$\text{STEP 2} \quad \frac{562.50 - 450}{450} = 25.00\%$$

$$\text{STEP 3} \quad 25.00\% \times 1.25 = 31.25\%$$

$$\text{STEP 4} \quad 31.25\% \times \$1,000 = \$312.50 + \$1000 = \$1,312.50$$