



Index Guidelines relating to the

Mez Capital Index

ISIN: DE000A2G9QV9

Bloomberg Code: LIXXMEZC

(“Index Guidelines“)

Version 1.1 dated 02.01.2019

Important Information

The general principles of the Mez Capital Index (the "**Index**") as of 02.01.2019 are set out below.

It should be noted that the general principles of the Index may be updated or amended from time to time. In managing the Index, the Index Administrator will, employ the methodology described herein and its application of such methodology shall be conclusive and binding. No assurance can be given that fiscal, market, regulatory, juridical, financial or other circumstances will not arise that would, in the view of the Index Administrator, necessitate or make desirable a modification of or change to such methodology and the Index Administrator shall be entitled to make any such modification or change any of the provisions of the Index as set out in the general rules of the Index as it deems fit. The Index Administrator may also make modifications to the terms of the Index in any manner that it may deem necessary or desirable, including (but not limited to) to correct any manifest or proven error to cure, correct or supplement any ambiguity or defective provision contained in this description of the Index. Any such modification or change will take effect accordingly and will be deemed to update these general rules of the Index from its effective date.

This document is communicated by the Index Administrator. All information provided herein is for information purposes only and no warranty is made as to its fitness for purpose, satisfactory quality or otherwise. Every effort has been made to ensure that all information given is accurate, but no responsibility or liability (including in negligence) can be accepted by the Index Administrator for errors or omissions or for any losses arising from the use of this information.

The information presented herein has been prepared on the basis of the publicly available information, internally developed data or other third party sources believed to be reliable. All opinions and views constitute judgments as of the date of the writing and are subject to change at any time without notice.

This document is not an invitation to make an investment in a product based upon the Index (an "**Index Linked Product**") nor does the information, recommendations or opinions expressed herein constitute an offer for sale of an Index Linked Product.

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INTRODUCTION

This document contains the underlying principles and regulations regarding the structure and the operations of the Index. The Index is the sole property of the Index Sponsor. LIXX as the Index Administrator and Index Calculation Agent strives to the best of its ability to ensure the correctness of its mechanism and calculation. There is no obligation for LIXX – irrespective of possible obligations to issuers – to advise third parties, including investors and/or financial intermediaries, of any errors in the Index. This document is to be used as a guideline with regard to the composition, calculation and management of the Index. Any changes made to the guideline are initiated by the Index Administrator.

The calculation and publication of the Index by LIXX is no recommendation for capital investment and does not contain any assurance or opinion regarding a possible investment in a financial instrument based on this Index. The Index is designed as an investable Index and therefore adjusted for performance deviations while replicating the Index.

1. INDEX DESCRIPTION

1.1 Summary of Index Specifications

Reference Market	Objective
Mezzanine capital financing for real estate projects and holdings in Germany, Austria, Switzerland and Luxembourg.	The objective of the Index is to reflect the performance an investor can achieve through financing instruments intermediated by Finanzmanagement Buchner GmbH and transacted between investors and real estate project companies. In order to reflect the economic reality given by factors such as availability of instruments, re-investments of maturing instruments and portfolio size, Index Components may be amended and their weighting adjusted over time.
Administration of Index and regulatory status The Index is calculated, maintained, rebalanced and published by the Index Administrator and sponsored by the Index Sponsor. The Index is maintained and rebalanced following recommendations provided by the Index Allocator.	

For the time being the Index is considered a "non-significant benchmark" within the meaning of Article 3 para 1 (27) Regulation (EU) 2016/2011 of the European Parliament and the Council of 8 June 2016 ("**Benchmark Regulation**"). The Index is administrated in accordance with the applicable provisions of the Benchmark Regulation and the applicable delegated regulations. The Index Administrator may, at its own discretion, choose not to apply some or all non-mandatory, waivable obligations in accordance with Article 26 Benchmark Regulation.

Universe of Index Components

Project bonds issued by real estate project companies situated in Germany, Austria, Luxembourg and Switzerland.

Index Components and their selection

The selection of index components is defined by pre-set requirement criteria regarding the underlying bonds ("**Selection Criteria**") and the real estate project companies ("**Eligibility Criteria**"), both described in detail in Section 2 of this document. Only such bonds are part of the Index which meet the Selection Criteria and the real estate project company deemed eligible as defined by Eligibility Criteria.

Allocation of Index Components

The weights of the Index Components are executed by the Index Administrator within the diversification and concentration criteria described herein upon recommendation of the Index Allocator pursuant to the terms of an index allocation agreement ("**Index Allocation Agreement**").

Methodology

The methodology of the Index is set out in Section 2 (*Index Methodology*).

Technical Specifications

The reference currency of the Index is EUR, the Index is calculated on a monthly basis, always on the first business day of each month. In addition, each User of the Index can request the calculation of one Index Value per calendar year.

The Index will not use leverage.

The Index is a Total Return Index, i.e. dividends or coupon payments will be reinvested in the index.

Data Providers

Identification of Index Components and their weightings are based on recommendation by the Index Allocator.

Official Valuations and details on the Reference Account are delivered by the Index Valuation Agent.
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1.2 Name and ISIN

The name of the Index is Mez Capital Index. The Index is distributed under ISIN DE000A2G9QV9 and in Bloomberg under LIXXMEZC.

1.3 Initial Index Value

The Index was established on 02 October 2017 ("**Index Start Date**") with an initial level of 10.538,80 index points ("**Initial Index Value**").

1.4 Distribution

The Index Value is published by LIXX under a subpage of lixxinnovation.com as of each Index Valuation Date, no later than twenty-five Business Days following the respective Index Valuation Date.

1.5 Prices and Calculation Frequency

The Index is calculated on a monthly basis each first Business Day of a month until 13:00 am (Düsseldorf time) (each an "**Index Valuation Date**"). In addition, each user of the index can request the calculation of one Index Value per calendar year. In case a scheduled Index Valuation Date is no Business Day, the Index Valuation Date is the next Business Day. The Index calculation is based on the Official Valuation of the respective Index Components. The Index Administrator will take appropriate steps to avoid a disruption to the process of the provision of the Index. However, in the event that relevant data cannot be obtained from the Valuation Agent or other sources, the Index Administrator will not publish the Index.

1.6 Index Administrator and external service providers

Generally, the Index Administrator appoints the Index Calculation Agent, the Index Allocator and the Valuation Agent.

Adjustments to the Index Value are determined by the Index Calculation Agent under the supervision of the Index Administrator.

In performing its duties, the Index Administrator follows the business principles published on its web page and in accordance with the applicable provisions of the Benchmark Regulation and its delegated regulations.

In order to reflect the economics of the reference market and the objective of the Index as described above, the Index Allocator identifies suitable Index Components and recommends the allocation and

weighting of the Index Components within the diversification and concentration criteria described herein. The Index Administrator allocates Index Components based on the Index Allocator's recommendations.

In managing the Index, the Index Administrator will, employ the methodology described herein and its application of such methodology shall be conclusive and binding. No assurance can be given that fiscal, market, regulatory, juridical, financial or other circumstances will not arise that would, in the view of the Index Administrator, necessitate or make desirable a modification of or change to such methodology and the Index Administrator shall be entitled to make any such modification or change any of the provisions of the Index as set out in the general rules of the Index as it deems fit. The Index Administrator may also make modifications to the terms of the Index in any manner that it may deem necessary or desirable, including (but not limited to) to correct any manifest or proven error to cure, correct or supplement any ambiguity or defective provision contained in this description of the Index. Any such modification or change will take effect accordingly and will be deemed to update these general rules of the Index from its effective date.

1.7 Publication

Specifications and information relevant for calculating the index will be made available on the web page <http://www.lixxinnovation.com> and sub-pages.

1.8 Historical data

Historical data will be recorded in accordance with Article 8 of the Benchmark Regulation when applicable. This means that all input data and the methodology will be recorded for a minimum of five years.

1.9 Licensing

Licences to use the Index as benchmark for derivative instruments are issued to stock exchanges, banks, financial services providers and investment houses by the Index Sponsor.

2. INDEX METHODOLOGY

The Index Allocator recommends to the Index Administrator Index Components from the Universe of Index Components and the weightings of the Index Components in order to reflect the reference market and the objective of the Index accurately. As such, the recommendations of the Index Allocator are considered input data and the Index Allocator is considered a contributor of input data in accordance with Article 11 of the Benchmark Regulation when applicable.

When executing the recommendation, the Index Administrator ensures that the (i) selection of the Index Components and (ii) the weightings are in line with the guidelines.

After its initial composition, the Index Allocator will review the composition of the Index on an ongoing basis. Index Components may be added from the Universe of Index Components by the Index Administrator upon recommendation of the Index Allocator to the Index if they have satisfied the Selection Criteria and the Eligibility Criteria or their weights may be adjusted upon recommendation of the Index Allocator. The number of Index Components can change over time.

The Index value will be determined on basis of (i) the Official Valuation to be obtained from the Valuation Agent and (ii) the value of the Reference Account which reflects the composition of the Index and which is obtained from the Valuation Agent as follows:

- In case both, (i) a theoretical calculation of the Index based on the Official Valuation from the Valuation Agent combined with the notional/ units derived from the Index Allocator and (ii) the value of the Reference account is available and a difference between the theoretical calculation and the value of the Reference Account exists, the Index Administrator will adjust the Index in order to reflect the actual value of the Reference Account. Should either the value or the notional / units of the Index Components in the Reference Account based on the discretion of the Index Administrator not reflect the economic reality, the value of one or all Index Components may be readjusted to the Official Valuation provided by the Valuation Agent, or the notional / units of one or all Index Components may be readjusted to the amounts derived from the Index Allocator (cf. Section 3.5).
- In case solely the value of the Reference Account is available the Index will be determined on basis of the value of the Reference Account only as substitute of the Official Valuation.
- In case solely the Official Valuation is available, the Index will be determined on basis of the Official Valuation only.

Further, the nominal investment amount in the Reference Account, being the cash components paid into the Reference Account minus the cash components released from the Reference Account for other use than acquisition of instruments which are Index Components ("**Index Notional**"), if any, will be provided by the Valuation Agent.

2.1 Universe of Index Components

The instruments which may be part of the Index are set out in **Annex 2.1** to these Index Guidelines ("**Universe of Index Components**").

2.2 Index Components and their selection

Out of the Universe of Index Components individual financial instruments can only be used as an Index Component for inclusion in the Index if they meet the **Selection Criteria** and **Eligibility Criteria** set out in **Annex 2.2** to these Index Guidelines

2.3 Allocation of Index Components

The weighting of eligible Index Components is executed by the Index Administrator upon recommendation by the Index Allocator within the objective Diversification and Concentration Criteria set out in **Annex 2.3**. The allocation of Index Components is, within the described framework, within the discretion of the Index Allocator as contributor of input data.

2.4 Changes to Index Components

An Index Component may be removed from the index if it does not meet the Index selection criteria or generally ceases to qualify for inclusion in the Index. Index Components can also be removed from the Index in order to ensure that, at all times, the Index continues to meet its Index objective or composition restrictions. Once the allocation of removed Index components is determined, the respective allocation of some or all of the remaining Index components may be adjusted accordingly. If an Index Component is removed from the Index a replacement Index Component may become eligible for inclusion and may be added to the Index. However, it is not necessary for an existing Index Component to be removed in order for a newly eligible Index Component to be added.

An Index Component may be added to the Index if it qualifies for inclusion in the Index. Index Components can be added to the Index in order to ensure that, at all times, the Index continues to meet its Index objective and composition restrictions. Once the allocation of newly added Index components is determined, the respective allocation of some or all of the Index Components existing prior to the additions may be adjusted accordingly.

3. CALCULATION OF THE INDEX

3.1 Index Formula

On each Index Valuation Date, the Index Calculation Agent calculates the Index's official closing value. This calculation is based on the Official Valuation of the Index Components. The Valuation Agent has discretion in terms of choosing an appropriate pricing model as well as choosing model parameters.

The Index Calculation Agent will use the following formula to calculate the Index Value:

$$Index_t = \frac{\sum_{ii} (W_{ii} x P_{ii}) - A_t - F_t}{D_t}$$

$$D_t = \frac{\sum_{ii} (W_{ii} x P_{ii}) - A_t - F_t}{10,000}$$

Whereas:

$Index_t$	is the Index at time t.
W_{ii}	is the number of units respectively notional of an Index Component (being the acquisition cost) in the Index at time t.
P_{ii}	is the Official Valuation of each Index Component at time $t > 0$.
A_t	is the Adjustment Factor, which is determined at the reasonable discretion of the Index Calculation Agent at the time t with reference to adjustments during the lifetime of the Index which may become necessary due to Adjustments described in 3.3
F_t	is the amount of the accrued index fees until t of up to 40.5 basis points / days per month x $Index_{t-1}$, plus the performance fee, which is 20% of a positive performance per month, plus a handling fee of 0,05% per change of an Index Component, as specified in 2.4
i	is representing an individual Index Component.
D_t	Divisor at time t

3.2 Accuracy

The value of the Index will be rounded to two decimal places.

3.3 Adjustments to the Divisor

Indices need to be adjusted for the Index Notional they represent. This requires the Divisor to be calculated on an ex-ante basis.

$$D_t = \frac{\sum_{ii} (W_{ii} \times P_{ii}) - A_t - F_t}{Index_t}$$

Parameters as defined in 3.1

Other Changes

If necessary, the Index Calculation Agent may at its reasonable discretion amend these Index Rules in order to ensure achievement of the objective of the Index as defined in these Guidelines or to address any errors, omission or ambiguities. Such amendments may include changes to the eligibility requirements or the rules with respect to the composition, calculation and weighting of the Index.

3.4 Adjustments to systematic changes

3.4.1 Dividends, Interest and other Distributions will be allocated to the Index as cash in the currency of the Reference Account held with a credit institution in the European Union or the European Economic Area.

3.4.2. In case of a corporate action on an Index Component, the Index Calculation Agent will assess whether such corporate action has a dilutive or any other effect on the price of the Index Component. In such a case, the Index Calculator will make required adjustments and determine the date on which this adjustment will be effective. Amongst other things the Index Calculation Agent can consider adjustments executed by an Affiliated Exchange as a result of the corporate action concerning option and futures.

3.4.3 An inflow of cash to the Reference Account increases the money market account correspondingly.

3.5 Adjustments to the Reference Portfolio

Adjustments will be made in terms of the difference between the theoretical Index value as calculated by the Index Administrator on basis of the Official Valuation and the account balance of the Reference Account. In case no value for the Reference Account can be obtained, the Index may be readjusted to the theoretical Index value based on the Official Valuation.

3.6 Rebalancing

Adjustments to the Index according to Sections 2.3 and 2.4 of these guidelines will be executed by the Index Administrator in a timely manner after receipt of the recommendation from the Index Allocator. Only in instances where such recommendation is not in line with the Index Objective it will be neglected by the Index Administrator. Any such adjustments will be based on prices of comparable transactions observed on or around the time of the execution of the adjustment based on the discretion of the Index Administrator.

3.7 Data Provider

Official Valuations will be delivered by the Valuation Agent in accordance with Article 11 of the Benchmark Regulation.

3.8 Index Continuity

In case of missing, insufficient, inaccurate or unreliable input data or non-compliance with the standards as set out below, for any of the required data to calculate the Index, the Index Administrator may not calculate and publish the Index. The decision will be taken on discretion of the Index Administrator. In case the standards as set out are not fulfilled for a considerable time, the Index Administrator, to protect users of the Index, will publish such information either by amending the Index Guidelines, or on its website. Where appropriate, the Index Administrator will consult experts to make the decision.

The minimum requirements for the quantity of input data are:

- A price for each Index Component; and
- The current composition, including weights
- A calculated Fee level

The minimum standards for the quality of input data with regards to calculation of the Index Value are:

- Data must be reliable and consistent;
- Data must be robust;
- Data must be verifiable;

The minimum standards for the quality of input data with regards to the Rebalancing are:

- Data must be reliable and consistent;
- Data must be robust;
- Data must be verifiable;

3.9 Internal Review and Approval of Methodology

After the preparation of Index related documentation, a review round with regards to whether the requirements of the Benchmark Regulation are reflected and whether there is an operational feasibility for implementation takes place. Following, a revision and further coordination with relevant parties takes place, including a dedicated LIXX checklist to ensure compliance with the Benchmark Regulation. The checklist includes, among other things, documentation requirements of the Benchmark Regulation. After the named steps have been successfully completed, the management of LIXX has discretion to sign-off of an Index. The methodology is reviewed annually.

3.10 Consulting Procedures and Material Changes

In the event of a proposed material change in methodology, it is the responsibility of a relevant party to contact LIXX and notify the relevant request. Such notification must in any case be made in writing or by email. LIXX will subsequently review the case regarding the reasons given.

Significant Changes

1. Significant changes are defined as changes which, at the time of the conversion, lead to a change in the Index Value of > 3% compared to the Index Value without the change on the last Index Valuation Day.
2. Also, significant changes are methodological adjustments that lead to significant changes of the Index Values in the longer term. The determination of significance at this stage is within the discretion of LIXX, which must take into account the interests of the Index Sponsor and users at all times.

Information for Users

In case of significant changes, LIXX will provides updated Index Guidelines on its homepage. In addition, should there be licensees of the Index, the licensee will be informed by LIXX about the change.

4. CONTACT DATA

Information regarding the Index

LIXX GmbH
Bilker Allee 176 C
40217 Düsseldorf

Definitions

Business Day	Days on which there is no public holiday in Dusseldorf, Germany. In case a Business Day is a public holiday, the next following day which is no public holiday in Dusseldorf, Germany, is applicable.
Data Provider	A contributor of data to maintain or calculate the Index in accordance with Article 11 of the Benchmark Regulation
Index	Mez Capital Index
Index Administrator	LIXX
Index Allocator	Financial Marketing Advisors GmbH, a GmbH under swiss law, registered at the local court of canton Schwyz under CH-130.4.017.030-5 and principal place of business Industriestr. 9, 6300 Zug, Switzerland
Index Calculation Agent	LIXX
Index Component	A certain financial instrument selected from the Universe of Index Components, becoming a Constituent of the Index
Index Sponsor	Financial Marketing Advisors GmbH, a GmbH under swiss law, registered at the local court of canton Schwyz under CH-130.4.017.030-5 and principal place of business at Industriestr. 9, 6300 Zug, Switzerland
Index-linked Product	Any investment product based upon the Index
Index Value	Value of the Index on the Index Valuation Date
Index Valuation Date	Date at which the Index is valued
LIXX	LIXX GmbH, a limited liability company (<i>Gesellschaft mit beschränkter Haftung</i>) under German law, registered with the commercial register (<i>Handelsregister</i>) of the local court (<i>Amtsgericht</i>) of Düsseldorf under HRB 81816 and principal place of business at Bilker Allee 176c, 40217 Düsseldorf, Germany

Official Valuation	The Net Asset Value of an Index Component per close of business of the previous trading day in EUR as provided <ul style="list-style-type: none"> ○ by the Valuation Agent
Reference Account	Account0049982002 at Baader Bank AG, where the Index is replicated, if available, or specified by the Valuation Agent any time after the launch of the Index.
Total Return Index payments	Index calculated on the basis of reinvested dividend or coupon payments
Universe of Index Components	Instruments which may be part of the Index
Valuation Agent	Pegasus Vermoegensmanagement AG, an AG under German law, registered with the register court Munich under HRB 231849 and principal place of business at Christophstraße 39, 86956 Schongau
User	A licensee of the index, as agreed between the licensee and LIXX GmbH

Annex 2.1: Universe of Index Components

- Real estate project related bonds for financing of real estate and/or secured with real estate related collateral in Germany, Austria, Luxembourg or Switzerland
- cash in EUR held with credit institutions in the European Union or the European Economic Area

Annex 2.2: Selection Criteria and Eligibility Criteria

Selection Criteria:

- Issuer situated in Germany, Austria, Luxembourg or Switzerland
- Central Custody by Clearstream Banking Frankfurt or Luxembourg
- Paying Agent of the Bond a European Financial Institution
- Purchase via Paying Agent as counterpart possible
- Maturity of Bond between 3 and 24 months, callable structures allowed
- Residual term of Bond Minimum 3 months
- No delayed payment in the Bond
- Currency EUR
- Issue Size between EUR 500.000 and EUR 10.000.000 or if exceeding, maximum of 15% of the sum, consisting of the total nominal of all project bonds plus the Cash Component
- Regional allocation of issuer in one of the following regions possible: Baden-Wuerttemberg, Bavaria, Berlin, Brandenburg, Bremen, Hamburg, Hesse, Mecklenburg-Western Pomerania, Lower Saxony, NRW, Rhineland-Palatinate, Saarland, Saxony, Saxony-Anhalt, Schleswig-Holstein, Thuringia, Switzerland, Austria, Luxembourg

Eligibility Criteria:

The project company must meet the following criteria:

- Advisor of the project company in finance related questions: Financial Marketing Advisors GmbH, Switzerland
- Equity ratio of minimum 10% of the project volume, and / or additional collateral
- Eligible project entities have to be based in one of the following regions: Baden-Wuerttemberg, Bavaria, Berlin, Brandenburg, Bremen, Hamburg, Hesse, Mecklenburg-Western Pomerania, Lower Saxony, NRW, Rhineland-Palatinate, Saarland, Saxony, Saxony-Anhalt, Schleswig-Holstein, Thuringia, Switzerland, Austria, Luxembourg, Switzerland
- Beneficial Owner is not part of the PEP list

The Real estate project, must meet the following criteria:

- Allocation of real estate projects into one of the following criteria:
 - Housebuilding
 - Commercial
 - Mix of commercial / non-commercial
 - Hotel
 - Short term real estate backed capital issuance
 - Pre financing of revenue from real estate sales
- Mezzanine-Volume between 0.5 to 10 Mio. Euro
- The project must, including all cost (covering finance- and sales expenses), have a Return on investment (% on cost) of minimum 10%, according to a business plan which was developed by an advisor of an eligible project entity
- The LTV does not exceed 90%. For calculation purposes any item which serves as collateral is included
- Completeness of all documents is, in case of a newly developed building, validated by an architect or expert

Cash describes in any case an eligible Index Component.

Annex 2.3: Diversification and Concentration Criteria; Initial Index Composition

Diversification and Concentration Criteria:

- Notional of one Bond max 15% of the sum, consisting of the total nominal of all project bonds plus the Cash Component
- Total notional of all project bonds of one issuer maximum 30% with respect to the sum of the total notional of all project bonds plus the Cash Component
- Regional threshold of 45% with respect to total notional of all project bonds, categorized among the following regions: Baden-Wuerttemberg, Bavaria, Berlin, Brandenburg, Bremen, Hamburg, Hesse, Mecklenburg-Western Pomerania, Lower Saxony, NRW, Rhineland-Palatinate, Saarland, Saxony, Saxony-Anhalt, Schleswig-Holstein, Thuringia, Switzerland, Austria, Luxembourg
- Topic wise threshold as follows:
Residential property development, including special areas as e.g. students, care homes – maximum of 100%
Commercial property development – maximum of 50%
Mix of Residential- / Commercial property development – maximum of 50%
Land development and urban development projects – maximum of 100%
Hotel development – maximum of 30%
Short-term loan collateralized with real estate – maximum of 30%
- Pre-financing of sales revenues resulting from real estate sales – maximum of 30%

The outlined Diversification and Concentration Criteria are only applicable to new Index Components and in such moments when a change of an Index Component takes place.

The diversification and concentration criteria are applied starting from 1 November 2017, always to new Index Components when a change of an Index Component takes place. Any status, which would not comply with the stated criteria 1 November 2017, is accepted for the time being.

Initial Index Allocation

ISIN	Name	Weight
DE000A2E4NY3	Objektgesellschaft Leipzig-Süd	2.624.000,00
DE000A2E4PJ9	PRIMUS CONCEPT Pflegeimmo Bayern GmbH.	4.145.000,00
DE000A2GS286	PRIMUS Concept Grundbesitz u. Handel GmbH & Co.KG	2.426.000,00
DE000A2GSDR1	Calvelin Bau Verwaltungs GmbH	2.260.000,00
DE000A2GSD01	FAKT AG	646.000,00
DE000A2GSDJ8	APPART NUOVO II	2.954.000,00
DE000A19NX47	MR22-Liegenschaftsverwaltung	5.695.000,00
DE000A2GSMP6	HB Wohnbau GmbH	1.285.000,00
n/a	Cash	1.823.666,46