duETS

Down / Up Equity Trust Securities

Expanding the Toolbox for Real Estate Investing

The real estate market is cyclical by nature: neither regular nor predictable. Your real estate portfolio doesn't have to be.

duETS U.S. Commercial Property

GLOBAL INDEX GROUP

The Real Estate Paradigm

Real Estate is one of the world's largest asset classes and is relatively illiquid; with limited risk management tools for investors compared to other asset classes. This is particularly true when it comes to hedging and broad private market exposure. The duETS design allows investors to effectively and efficiently manage real estate portfolio strategies and risk.

What are duETS…and how do they work?

Down/Up Equity Trust Securities (duETS) enable investors to quickly and easily gain exposure to commercial real estate returns of the leading private commercial real estate index, the NCREIF NPI Market Value Index (Cap Weighted MVI). duETS are issued in matched pairs of equity securities - Down and Up – linked to the changes in the MVI over a two calendar Measurement Period. The duETS Securities employ a 2X multiplier when issued at par value. At the end of each 2-year period – the Valuation Date - by formula, the dollar gains in the Down Securities are mirrored by losses in the Up Securities, and vice versa

The first series of duETS enable distinctive investment opportunities for hedging portfolios of real estate funds, mortgages or physical property against potential declines in market prices. Conversely, duETS offer faster and more cost-effective ways to gain long exposure to commercial real estate, without property or fund specific risk.

The Next Generation Tool in real estate

duETS are developed and sponsored by Global Index Group Inc. ("GIG"), led by industry veterans with more than 60 years of combined experience in indexing, investment product development, financial analytics and distribution. GIG's executive team has studied other products with similar characteristics and designed a new, patent-pending structure for duETS that is both flexible and durable.

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duETS Real Estate Series

duETS are synthetic securities issued for U.S. Qualified Institutional Buyers (QIBs) and offshore investors through a continuous unregistered private offering, and may be traded under Rule 144A and Regulation S for non-U.S. persons.

Trading and Transparency

duETS are distributed and marketed by CBRE Capital Advisors ("CBRE"), the FINRA registered broker/dealer of CBRE Inc., the world's largest commercial real estate services company, acting as the exclusive broker-agent. The firm offers full investment banking capability and structuring expertise through a dedicated Global Real Estate Secondaries Advisory Team.

CBRE will:

- Arrange for new unit creations to meet market demand
- Source secondary pricing to enable existing shareholders to sell their positions
- Support all product pricing inquiries including mark-to-market valuations
- Facilitate rollovers at the end of each two-year Valuation Period.

Custodial Bank: BNY/Mellon   Fund Administration: DST/ALPS   Transfer Agent: ComputerShare

Benefits of Adding duETS to Real Estate Investment Strategies.

duETS offer real estate investors benefits previously difficult to that aren't easy to find or integrate into institutional portfolios. As open-end securities, they create new options for moving faster and more fluidly to establish Down or Up exposure. They are designed to be the next-generation of tools for Real Estate

1. **Broad Market Exposure.** Exposure to the core US commercial real estate market without having to transact in the underlying assets.
2. **Risk management/Hedging**. New risk management tools to provide beta-driven exposure to commercial real estate values. The first viable hedging security, Downs.
3. **Capital appreciation potential.** duETS provide returns tied to the index changes as well as the ability to take advantage of market sentiment in the secondary market.
4. **Liquidity potential**. duETS help to turn one of the world's largest illiquid asset classes, U.S. commercial real estate (CRE), into securities with standard liquidity and trading potential. duETS Securities created through a broker-agent (CBRE) with other Qualified Institutional Buyers (QIBs), can then be traded on the secondary market.
5. **Flexibility.** The ability to actively control market exposure when some funds or investment positions aren't open or able to provide exit liquidity.
6. **Reduced costs**. duETS are a cost-effective way to obtain down or up exposure to real estate with competitive management fees
7. **Multiplier Effect**. A 2X-Multipler at par value of securities reduces the cost of hedging and capital and enhances the effectiveness of the product.
8. **Minimal counterparty risk**. The collateral backing Down and Up securities are U.S. Treasury bills and notes held in trust by a custodian bank. Treasury yield is included in NAV and securities value and assists in defraying fees.
9. **Tax-efficiency**. At each Valuation Date, Securities' values are aligned with the index through a combination of cash and a reverse split. For foreign non-pensions, duETS are not subject to the withholding requirements of FIRPTA.

"The ability to initiate downside protection, linked to the benchmark index, enable hedging strategies previously difficult to construct. These synthetic securities represent a significant step forward for the US Capital Markets."

Robert J. Shiller
Sterling Professor of Economics, Yale University
Nobel Price Recipient in Economics
NY Times July, 2015

NOT ALL INDEX INVESTMENTS ARE THE SAME. WITH CREATIVE THINKING, DIFFERENCES CAN OPEN NEW OPPORTUNITIES TO ILLIQUID ASSET CLASSES, LIKE REAL ESTATE.

Linked to Indexes that Define Real Estate Trends: NCREIF NPI/MVI.

At the core of duETS innovative design is an index. Specifically, it is a well-known index with a history that institutional investors know, understand and trust.

	duETS U.S. Commercial Property
Underlying index	NCREIF Market Value Index (Cap Weighted MVI)
Index measures	National change in the market value of U.S. commercial real estate
Index publication frequency	Quarterly
Index inception	1977
Index methodology	Appraisals and repeat sales
duETS valuation dates	Every two years

duETS FAQ.

To which investment category do duETS belong?

duETS are private alternative investments for U.S. Qualified Institutional Buyers (QIBs) and offshore investors through a continuous unregistered private offering. Currently, duETS are not publicly listed for trading, but they may be traded under Rule 144A and Regulation S for non-U.S. persons.

Is a fixed quantity of duETS shares issued per series?

No. duETS are open-end and can create or redeem securities to meet demand. To create new securities, the Securities Agent exchanges cash-for-securities in baskets consisting of 5,000 Down and 5,000 Up securities.

The redemption process is the opposite, securities - for-cash — baskets of 5,000 Down and 5,000 Up securities are redeemed for cash.

How liquid are duETS?

duETS are traded ONLY by Qualified Institutional Buyers (QIBs) or offshore investors to other QIBs or offshore investors, in OTC markets, without restriction. CBRE Capital Advisors acts as the transaction agent and secondary market intermediary for sourcing and placement of trades. They can be purchased individual and traded daily based on the needs of the QIB.

Does the NAV of duETS fluctuate?

Yes, but it remains relatively stable over time. NAV is calculated as the value of assets held—U.S. Treasury bills/notes and interest on them—less expenses and any accrued taxes. At Valuation Dates, NAV is allocated by formula between Down and Up securities, based on the index level on that date. (Any gains in Down securities are mirrored by losses in Up securities, and vice versa.)

How does the allocation of NAV between Down and Up securities work at Valuation Dates?

First, NAV is allocated by a fixed, transparent formula with built-in leverage, as follows:

Index Value of Up securities	=	NAV	x	50% + % change in index over measuring period
Index Value of Down securities	=	NAV	x	50% – % change in index over measuring period

Example: If both Down and Up securities are purchased at $20, a 1% increase in the index value creates approximately a 2% increase in the value of the Up securities and a 2% decrease in the value of the Down securities.

Also, GIG has developed a patent-pending design for converting duETS of one measurement period to the next, allowing investors to maintain their exposure to real estate over extended periods. At the investor's discretion, values can be maintained by a combination of converted duETS securities and cash.

TO LEARN MORE ABOUT GLOBAL INDEX GROUP AND DUETS, PLEASE VISIT OUR WEBSITE AT: GLOBALINDEXGROUP.COM OR CALL US AT 253-514-6524