

2018 Citi Financial Innovation Application Competition

User manual for investors



Title : Li Jin--A REITs platform for securitization
of housing lease assets

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User manual for investors

Respected investors:

Hello! Welcome to use the gold - housing rental assets securitization REITs platform investors (hereinafter referred to as the gold platform investors). A platform investor side, is for the vast number of individual investors to create a financial service port, platform to meet the financial needs of investors, and fill the domestic investment REITs fund field blank. In the A platform investor client, investors can choose their own REITs funds to invest according to their own risk preferences and platform disclosure information.

The investor side of the platform realizes the whole process of order management, from investor's understanding of enterprise risk assessment to financial product exhibition to purchase. The function of the investor side of the platform is analyzed. The port is divided into five modules: user login, platform home page, fund purchase, project introduction and personal center. We will be detailed from the following parts to be introduced: platform login, platform profiles, project information, fund purchase, related news, personal center, rights and interests protection.

1. User registration and login

First of all, open the home page of the Li Jin Platform website; you can see the features of the platform, operation process, market quotations and common problems on the home page. Click "learn more", you can see the login registration page shown in Figure 1-2.



Figure 1-1 home page of Li Jin platform

Investors who first use this platform need to click "register immediately", and the registration page is shown in Figure 1-2 below.

Figure 1-2 investor registration interface of Li Jin platform

Investors need to follow the tips above to fill in, and seriously read the "Investor Service Agreement Terms" and click "Registration" is successful.

After the first registration, the next time you enter the website again, you need to log in to the website. The login interface is shown in Figure 1-3. After you fill in the user name and password, click "login" to enter the investor side of the platform.

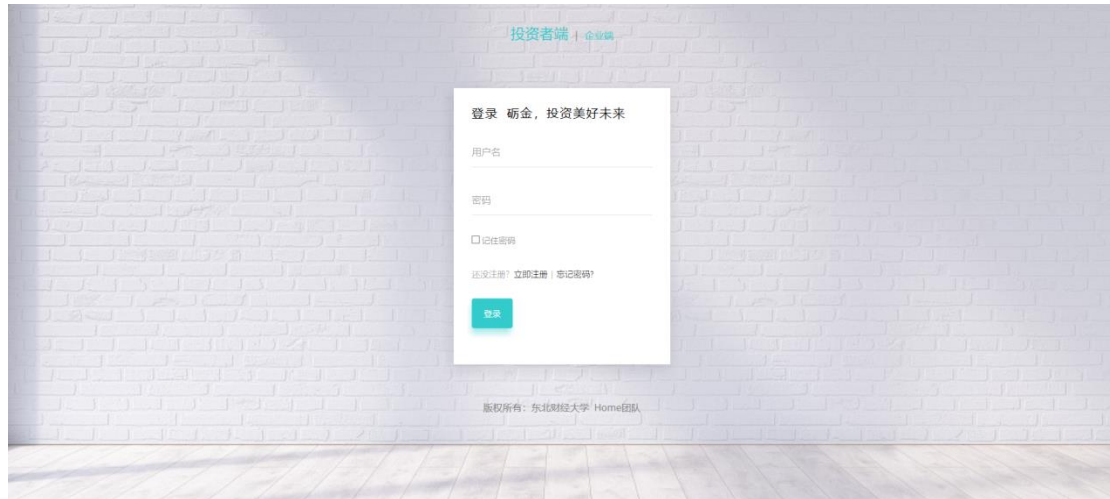


Figure 1-3 login interface of Li Jin platform

2. Investor port

After login to the investor side, you can see the following interface, that is, the investor's home page. The investor's front page of the platform introduces the service purpose of the platform, the innovative risk assessment system, and the investor's rights and interests protection system composed of four credit enhancement methods. In addition, investors can also view the investment process through the drop-down page. The investor's front page of the platform also shows the investors the four service tenets of the platform, and provides investors with professional, safe, transparent and fast service characteristics to gain profits. At the bottom of the investor's front page is the news module, where investors can view the news about the companies that are launching special projects on the platform. The protection of rights and interests and the news module will be introduced below.





Figure 1-4 investor platform home page

3. Protection of rights and interests

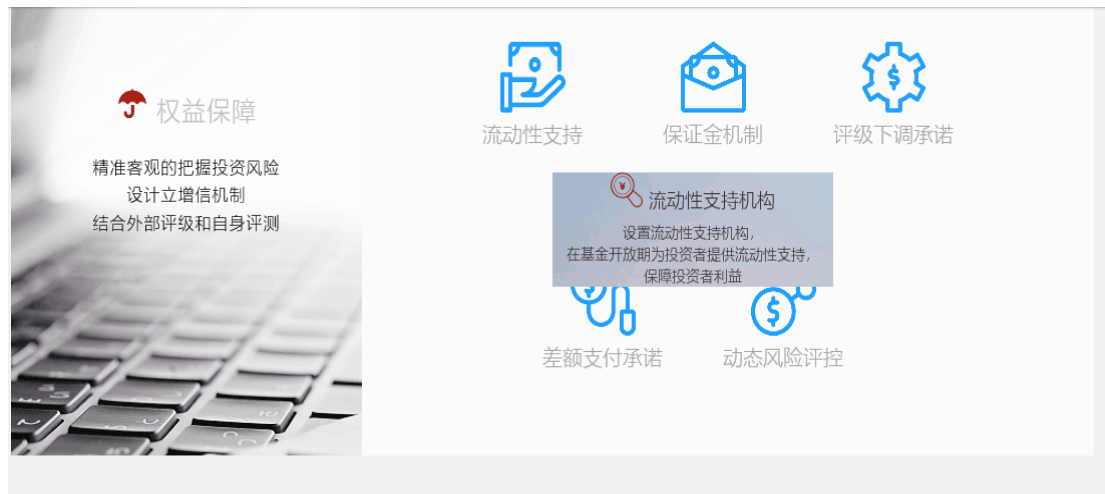


Figure 1-5 Li Jin platform - rights and interests protection

The platform home page shows investors a brief sketch of their rights and interests. Based on the principle of protecting investors' rights and interests and preventing systemic financial risks, the platform combines the application of large data technology and innovative dynamic risk assessment technology to set up a series of credit enhancement mechanisms, such as liquidity support, margin mechanism, rating downgrade commitment and balance payment commitment, to maximize the protection of investors' rights and interests.

Investors can move the cursor to the icons of liquidity support, margin mechanism, rating downgrade commitment, balance payment commitment, dynamic risk assessment and so on, and get the corresponding detailed introduction to answer the investors' doubts.

Note: The four measures of credit enhancement - liquidity support, margin mechanism, rating downgrade commitment, and balance payment commitment will be explained in detail in the appendix, and the right of interpretation belongs to the HOME team of Northeast University of Finance and Economics.

4. News Republic



Figure 1-6 Li Jin platform – News

Investors can click the "news" button at the top of the home page to jump to the bottom of the home page news information area, but also through the drop-down home page to the news column. The platform strives to create a professional, personalized and high-quality financial services platform for investors as the original intention, select the platform REITs issue-related financial hot issues for investors to browse, obtain first-hand advice, create a good customer stickiness.

5. Project information

Financiers can click on the project to jump to the project information interface. As shown in the figure:



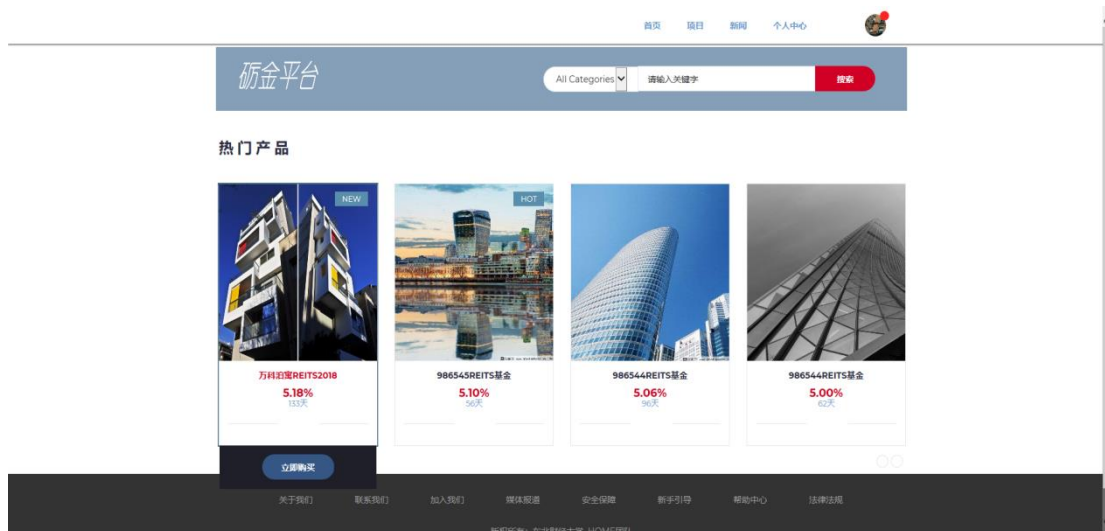


Figure 1-7 investor platform – Project

Investors can browse the project information on the project page. For low-risk and high-yield high-quality fund projects, the platform will select them and put them in the hot product column. Investors can adjust to the project introduction page by clicking on the picture or clicking "Buy Now" to facilitate investors to understand the basic information of the project.

After clicking "buy immediately", investors can enter the project details page. By clicking on the "basic information of the project", investors can view the basic information of the project code, abbreviation, issuance period and so on. When the investors decide to apply for the REITs fund, they can fill in the selected REITs shares in the quantity, and check in the purchase box to complete the bidding operation.



Figure 1-8 Li Jin platform - Project - project basic information

Investors can also click on the "dynamic risk control index" button to browse the dynamic risk index of project enterprises:



Figure 1-9 Li Jin platform - project dynamic risk index

Dynamic risk index is the platform based on financial risk assessment model, "crawler" and other data mining technology, combined with the impact of China's long-term rental apartments, commercial real estate and other business environment factors, designed the financial risk index, default risk index and environmental analysis index of three major risk prediction index. These three risk prediction indices constitute a three-dimensional perfect risk assessment system, accurately monitor the risk of REITs funds, real-time update to protect the interests of investors.

Note: Financial Risk Index, Environmental Risk Index and KMV, the three indicators of dynamic risk index, will be explained in detail in Appendix 1. The right of explanation belongs to the HOME team of Northeast University of Finance and Economics.

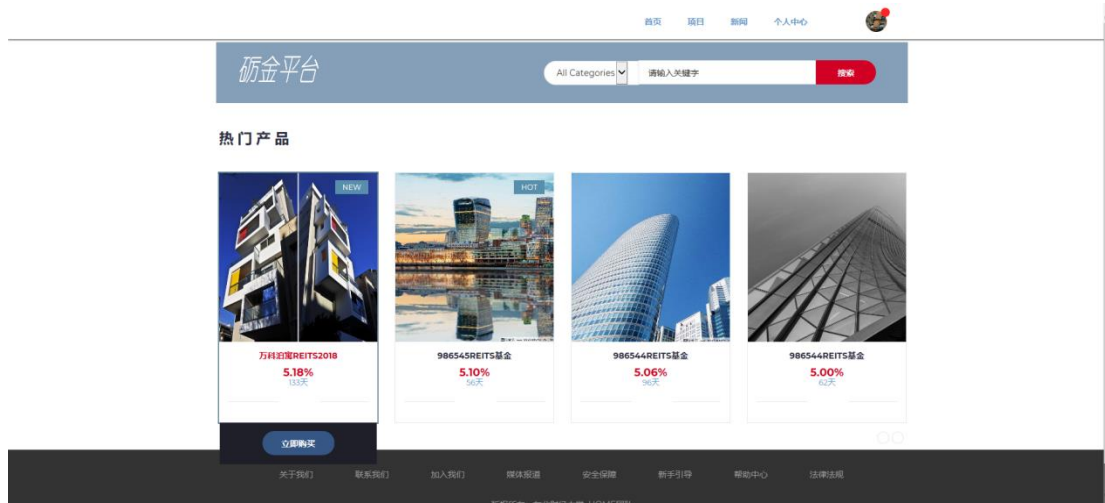


Figure 1-10 Li Jin platform - Project - Search Bar

Investors can search the platform's existing REITs products directly in the search column at the top of the project information. It is convenient for investors to understand project related information quickly and meet individual needs of investors.

6. Personal Center



Figure 1-11 Li Jin platform - personal centre - holding fund

Investors can click on the top of the home page "personal center" or their own head,

you can jump to the personal center page. First, go to the "holding funds" page, click on the "purchased" above, investors can browse the basic situation of the REITS funds they have held, click on the "concerned" above, investors can browse the REITS funds that they are concerned about.

At the same time, there are recently corresponding REITs news for browsing. For the issued REITs funds, the platform carries out the whole process of wind control tracking and a series of credit enhancement mechanisms, and real-time release of REITs announcement. Investors can also get information on this page and protect investors' rights and interests in an all-round way.



Figure 1-12 Li Jin platform - personal Center - historical record

In the personal center page, investors can click on "historical records" to browse historical information. Check the serial number, fund code, fund name, holding amount, fund value, issuing status of the REITs fund.

个人中心					
个人中心	序号	日期	类型	内容	状态
-持有基金	001	2016-08-06	系统公告	恭喜您，您的薪金账号已成功开通，请尽...	已读
-历史纪录	002	2018-09-02	分红提醒	您的编号为DAT511682的REITs基金到期...	已读
-信息提醒	003	2018-09-05	分红提醒	您的编号为GFA029238的REITs基金到期...	已读
	004	2018-09-10	分红提醒	您的编号为XDS264276的REITs基金到期...	已读
个人设置	005	2016-08-06	申购提醒	您关注薪金的2018年8月优先01REITs...	已读
-基本资料	006	2016-08-05	申购提醒	您关注薪金的2018年7月优先01REITs...	未读
-安全中心	007	2016-08-04	申购提醒	您关注的薪金2018年7月优先02REITs...	已读

Figure 1-13 Li Jin platform - personal Center - information reminder

In the personal center page, investors can click on "message reminder" to get the information received. Investors can receive dividend reminders, application reminders and system announcements and other information, and can obtain the corresponding information status.

Figure 1-14 Li Jin platform - personal centre - basic information

On the personal settings page, investors can view and modify the basic information by clicking the "basic information". After the basic information input is correct, click the "save settings" below to save the modified basic information.

The screenshot displays the '个人中心' (Personal Center) interface. On the left, a sidebar lists navigation options: '个人中心' (Personal Center), '持有基金' (Held Funds), '历史纪录' (History Record), '信息提醒' (Information Reminder), '个人设置' (Personal Settings), '基本资料' (Basic Information), and '安全中心' (Safety Center), which is highlighted with a red arrow. The main content area is titled '安全中心' (Safety Center) and contains three sections: '1. 登陆密码' (Login Password), '2. 支付密码' (Payment Password), and '3. 安全中心' (Safety Center). The '1. 登陆密码' section is active, showing input fields for '旧密码' (Old Password), '新密码' (New Password), and '确认密码' (Confirm Password). Below these fields is a password strength indicator with three bars labeled '弱' (Weak), '中' (Medium), and '强' (Strong). A red '保存设置' (Save Settings) button is located at the bottom of the form.

Figure 1-15 Li Jin platform - personal Center - Safety Center

On the personal settings page, investors click on the "security center" to jump to the security center page. Investors can modify login password, pay password and so on. When the original password is correct, you can enter a new password in the corresponding input box, and enter a new password again in the confirmation box to ensure that the input is correct. After the modification is completed, click the save settings to save the new password.

After clicking the "security center", it will jump to the account information maintenance page. As shown in the figure:

Figure 1-16 Li Jin platform - personal Center - Safety Center

Enter the account password, you can set up the secret protection problem, to protect account security. At the same time, click the verification code box and enter the corresponding verification code. Finally click "Save Settings" to complete the operation.

Appendix1: explanation of dynamic risk index -- financial risk index, environmental risk index and KMV

1. Financial risk index

By comparing the enterprise index and threshold value calculated by analyzing the possibility of enterprise financial situation forecasting the risk in capital operation, the enterprise can be divided into three categories: financial health, gray zone and financial crisis.

Note: Z-score is the financial risk index.

$$Z - \text{score 修正模型判别区间} \begin{cases} Z > 0.747048 & \text{财务健康} \\ -0.74173 < Z < 0.747048 & \text{灰色地带} \\ Z < -0.74173 & \text{财务危机} \end{cases}$$

2. Environmental analysis index

By analyzing the environmental changes around the enterprise (such as average rental house prices, traffic conditions, entertainment facilities) to predict the possibility of the risk of macro-environmental impacts, the index takes its changing trend as the standard, and judges the risk situation through longitudinal ratio.

3. Default risk index

By analyzing the fluctuation of enterprise market value, the possibility of default is forecasted, and the default rate is used to measure the risk of default.

Appendix 2: Interpretation of Five Measures for Credit Enhancement: Liquidity Support, Margin Mechanism, Rating Downgrade Commitment and Balance Payment Commitment

1. Liquidity support

Liquidity support: Set up liquidity support institutions to provide liquidity support for investors in the fund opening period and protect the interests of investors.

2. Margin mechanism

Set up a margin mechanism for REITs funds, according to risk assessment and control, real-time supervise and urge enterprises to adjust the scale of margin to protect the interests of investors.

3. Downgraded commitment

When the share rating of priority REITs is downgraded, enterprises are required to purchase all priority asset-backed securities to protect the interests of investors.

4. Differential commitment

When the corporate income is less than the fixed dividend, the company pays the difference between dividends and earnings to investors.