

KEY INFORMATION
DOCUMENT

HAACK PERFORMANCE ASSET BACKED ETI

EXCHANGE TRADED INSTRUMENTS (ETIs) ISSUED BY
Delta1 Securities PLC

This document provides you with key information about this investment product. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products.

MALTA – This Key Information Document is accurate at 31st January 2018

YOU ARE ABOUT TO PURCHASE A PRODUCT THAT IS NOT SIMPLE AND MAY BE DIFFICULT TO UNDERSTAND

Details on the PRIIP and of the Product

PRIIP

The PRIIP is Haack Performance Asset Backed ETI having Argentarius Securities & Investment Business Company as the PRIIP manufacturer. The PRIIP manufacturer may be contacted on 0013459474167 or at 45, Market Street, Suite 3B-1E1, P.O. Box 31243, Grand Cayman KY1-1205, Cayman Islands, for more information. Argentarius Securities & Investment Business Company is a business is incorporated in the Cayman Islands as a limited liability company with registration number CY-313690. The PRIIP manufacturer which is based in Cayman Islands and its status as an investment business company does not have a competent authority which is responsible for supervision in respect of this KID.

THE PRODUCT

The PRIIP is a packaged retail investment product. Delta1 Securities PLC (on behalf of compartment 10) has issued exchange traded instruments (ETIs) bearing the name Haack Performance Asset Backed ETI and having ISIN MT0000871286. The ETIs constitute direct, secured (by virtue of a privilege over the collateral which shall rank prior to all other claims at law except for other securitization creditors who enjoy a prior ranking granted to them with the consent or knowledge of investors) and unsubordinated obligations of Delta1 Securities PLC and rank equally among themselves and with all other outstanding secured and unsubordinated obligations of Delta 1 Securities PLC with respect to the collateral comprised in compartment 10, unless mandatory legal provisions require otherwise. Claims against compartment 10 by investors of this ETI will be limited to the collateral comprised in this compartment and the privilege shall not extend over assets of other segregated compartments of Delta1 Securities PLC.

Objectives: The net proceeds from the issue of ETIs will be used to acquire performance linked bonds (the “**Underlying Investment**”) issued by Global Portfolio Inc (the “**Collateral Obligor**”). The objective shall be achieved via an indirect exposure via the Underlying Investment. The Underlying Investment shall, through PP Asset Management GmbH, its investment manager, manage the assets by

investing in an actively managed portfolio having the investment objective of achieving superior returns in all market conditions, while at the same time, protecting capital. The investment strategy shall be that of investing in stocks admitted to trading at a regulated market as well as in structured financial instruments either listed at the open markets operated by Frankfurt Stock Exchange or Stuttgart Stock Exchange. The investment can also include derivatives as an investment. Leverage and short selling will be employed in endeavoring to achieve the investment objective. For liquidity reasons and / or the investment of temporary liquidity surpluses and in the exclusive discretion of Delta1 Securities PLC on behalf of compartment 10, invest in cash held in one or more bank accounts with credit institutions with the EEA and / or money market funds and / or asset backed securities having a maturity of less than one year and principal protection.

The retail investor is an investor who does not qualify as a professional investor in accordance with Directive 2014/65/EU.

An investor in this ETI must be able to bear the risk of investment loss and to retain investment in the ETI for a period of at least five (5) years. The ETI has no maturity date and may be redeemed by the investor on the last Business Day of every quarter, subject to five (5) Business Days’ prior notification. Investors’ attention is brought to the fact that should redemption requests at a given Redemption Valuation Day exceed in aggregate 10% of the total number of ETIs in issue, the Directors are entitled to reduce the requests rateably and pro rata amongst all Investors seeking to redeem ETIs on the relevant Redemption Valuation Day and carry out only sufficient redemptions which, in aggregate, amount to ten percent (10%) of the ETIs then in issue. Delta1 Securities PLC (on behalf of compartment 10) shall be entitled to terminate all outstanding Securities on any Redemption Valuation Day by giving at least one month’s notice to Investors. The Board of Directors of the Issuer may redeem the units in cash or in kind.

What are the risks and What could I get in return ?

RISK INDICATOR

Investment in this ETI is graded as **medium to high** due to the investment strategy and exposure to the underlying equities and industry sector, in addition to the fact that there is no capital guarantee.



Lower risk

Higher risk

1	2	3	4	5	6	7
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IT IS RECOMMENDED THAT THE INVESTOR RETAINS THE INVESTMENT FOR A PERIOD OF AT LEAST 5 YEARS. ATTENTION IS BROUGHT TO THE INVESTMENT THAT THIS ETI IS CONSIDERED ILLIQUID AND THEREFORE THE INVESTOR MUST BE ABLE TO BEAR THE RISK OF INVESTMENT LOSS.

Haack Performance Asset Backed ETI can be exposed to a broad range of asset classes and risk factors such as equity, currency, fixed income (including in investment grade bonds), and volatility of the value of its

underlying instruments. For more information on the specific risks please revert to the full Registration Document and the applicable Securities Note.

What does this indicator mean?

- The ETI targets a range of asset classes and is therefore exposed to a wide span of risks including but not limited to the risk of default, exchange rate fluctuations and emerging market risks among others. More information on the risks which may affect your investment are given in the Registration Document and applicable Securities Note.
- This risk indicator may not be a reliable indicator of the ETI's future risk profile and does not constitute a target or a guarantee of performance. The risk profile of the ETI may shift over time and the risk factors described in the Registration Document, Securities Note and this document are not intended to constitute an exhaustive list of all the risks to which the ETI's investment may be exposed. No

guarantee is given as to the recovery of your initial investment.

- The underlying portfolio invests in derivative securities issued by financial institutions and/or their SPVs. Although these financial institutions bear an investment grade rating, the portfolio bears not only the market risk but also the credit risk of such issuers
- Although settlement within the major clearing systems is available there is no independent market maker for the securities and thus they are considered illiquid securities.

The investor may risk losing all the invested capital.

PERFORMANCE SCENARIOS

Taking into account the historic performance of the Underlying Investment in addition certain risk profile and risks taken which were carried forward, the below constitute the best estimates:

Investment:		1 year	3 years	5 years
Un-favourable scenario	What you might get back after costs (average return each year)	-10.14%	-4.62%	5.54%
Moderate scenario	What you might get back after costs (average return each year)	10.2%	30.64%	51.07%
Favourable scenario	What you might get back after costs (average return each year)	30.59%	65.94%	96.64%

The Underlying Investment itself has a multi-year history.

The tax legislation of the retail investor's home Member State may have an impact on the actual payout.

What happens if Haack Performance Asset Backed ETI is unable to pay out ?

Investors' attention is brought to the fact that in case Delta1 Securities PLC (in respect of compartment 10) is unable to fulfill its payment obligations under the ETI an investor related loss is not covered by an investor compensation or guarantee scheme. Also, no trustee has been appointed on the ETI. By acquiring the ETI an investor expressly acknowledges and accepts that Delta1

Securities PLC (i) acts in compliance with the Securitisation Act (Chapter 484 of the laws of Malta) and (ii) has created a specific compartment (i.e. compartment 10) in respect of the securities to which all assets, rights, claims and agreements relating to the ETI will be allocated.

What are the costs ?

Charges paid by investors are used to pay the costs of running the ETI, including but not limited to the costs of marketing and distributing the ETI. Investors' attention is drawn to the fact that charges may reduce the potential growth of the investment.

Costs over time:				
Investment Scenarios	(€ 10,000)	If you cash in after 1 years	If you cash in after 3 years	If you cash in after 5 years
Total costs		€ 578	€ 536	€ 528
Impact on return (RIY) per year		5.78%	5.36%	5.28%

The Reduction in Yield (RIY) shows what impact the total costs you pay will have on the investment return you might get. The total costs take into account one-off, ongoing and incidental costs. The amounts shown here are the cumulative costs of the product itself, for three different holding periods. They include potential early exit penalties. The figures assume you invest € 10,000. The figures are estimates and may change in the future.

The person selling you or advising you about this product may charge you other costs. If so, this person will provide you with information about these costs, and show you the impact that all costs will have on your investment over time.

Composition of Costs:

One-off costs taken before or after you invest

One-off Entry Costs	Up to 0.625% of the subscription amount	This is the maximum that might be taken out of your money before it is invested (Entry charges), which costs includes any sales commissions, structuring costs, hedging costs, legal fees, costs for the creation of the security and any implicit premium paid to the Company.
One-off Exist Costs	Up to 0.63% of the redeeming amount	This is the maximum that might be taken out of your money before it is paid out to you (Exit charges), which costs includes proportional fees; bid-mid spread to sell the product and any explicit costs or penalties for early exist applicable.
Contract-for-different (CFD) Costs	None	This fee includes any commissions charged by CFD providers and any CFD trading such as bid-ask spreads, daily and overnight financing costs, account management fees and taxes.

Charges taken from the ETI over each year (Ongoing Costs)

Portfolio transaction costs	1.25%	The ongoing charges figure is based on the expenses over each year ending 31 December. It excludes performance fees, if any and portfolio transaction costs.
Other ongoing costs	2.1%	The impact of the costs that will be taken each year for managing your investments.
• Implicit / Incidental Costs		
Performance Fees	15% of the performance of the Underlying Investment	We take these from your investment if the product outperformance of the high watermark i.e. the net asset value after deduction of any Ongoing Costs
Carried interest	None	Taken when the investment has performed better than the high watermark

Advisors, distributors or any other person advising on, or selling, the ETI will provide information detailing any cost of distribution that is not already included in the costs specified above, so as to enable you to understand the cumulative effect that these aggregate costs have on the return of the investment.

How long should I hold it and can I take money out early ?

There is no cooling off period or cancellation period. Subscription to the ETI is irrevocable unless a redemption request is submitted in accordance with the terms of the Securities Note of Haack Performance Asset Backed ETI.

It is recommended that the investor holds the investment for a minimum period of at least five (5) years. Investors are to note that the security is considered an illiquid security and therefore with the costs involved in buying as well as in selling the securities so, it is only recommended for retail investors with a long investment horizon.

The investor wishing to redeem must submit a Redemption Notice at least one (1) Business Day prior to the relevant Redemption Notice Period (i.e. 5 Business Days prior to a Redemption Valuation Day). The Redemption Valuation Day is the last Business Day of every quarter. The costs incurred upon an early redemption of the PRIIP would be 0.5% of the redeeming amount shall be charged to the investor, which fee shall be deducted from the investor's investment return. A request for redemption is irrevocable.

How can I complain ?

Should you have any complaint about the product and / or the conduct of Delta1 Securities PLC and / or any person or entity advising on or selling the product, you can address any such complaint to Argentarius Securities & Investment Business Company on complaints@asibc.ky or send a complaints form as provided by the PRIIP Manufacturer to 45 Market Street, Suite 3B-1E1, P.O. Box 31243, Grand Cayman KY1-1205, Grand Cayman. Any complaints are to be sent via email only. A designated person will handle the complaint and contact the complaining investor within

a maximum period of 24 hours acknowledging the complaint submitted. The designated person will fill in a Complaint Form with the necessary details of the complaint. The appropriate checks will be made in order to provide feedback to the complaining investor and where applicable set a call with the complaining investor proposing action to resolve the matter. A complaints book shall be maintained by Argentarius Securities & Investment Business Company.

Other relevant information

Specific ETI Information

This document is a summary of the offering of ETI units named Haack Performance Asset Backed ETI (the "ETI"), as set out in the Securities Note forming part of the Registration Document of Delta1 Securities PLC. Terms capitalised herein are defined in the Registration Document. The ETI constitutes limited direct, secured (as described above) and unsubordinated obligations and any claims against Delta1 Securities PLC will be limited to the assets found in the segregated compartment 10. If the net proceeds of the realization of the assets in compartment 10 are not sufficient to make all payments due, no other assets of the Delta1 Securities PLC or any of its other segregated compartments will be available to meet such shortfall and the claims in respect of any such shortfall shall be extinguished. The ETI was created on the 5th October 2015. Up to 250,000 (Asset Backed) ETIs were offered with Issue Date 5th October 2015 and Issue Price of € 1,000 per ETI. The amount due will be subject to a subscription fee payable to the distributor, as outlined in the applicable Securities Note, upon submission of the Application.

Taxation

The ETI is subject to the laws and regulations of Germany in respect of all rights and duties arising from matters provided under the terms of the ETI. Depending on your own residence, this might have an impact on your investment.

Further Information and Price Availability

The full Registration Document provides details about Delta1 Securities PLC as a whole, while this KID provides information only about the ETI i.e. Haack Performance Asset Backed ETI. Further information, the full Registration Document and any other documentation available to the public of Delta1 Securities PLC can be obtained free of charge, in English, from the registered office of the Company.

Haack Performance Asset Backed ETI may be held liable solely on the basis of any statement contained in this document that is misleading, inaccurate or inconsistent with the relevant parts of the Registration Document for the Company and / or application Securities Note for the ETI.

This ETI is created in accordance with the laws of Malta. This key information document is accurate as at 31 January 2018.