

Horizons Active A.I. Global Equity ETF (MIND)

ETF Snapshot

Name:

Horizons Active A.I. Global Equity ETF

Launch Date:

November 1, 2017

Ticker:

MIND

Management Fee:¹

0.55%

Investment Manager:

Horizons ETFs Management (Canada) Inc.

Sub-Advisor:

Castle Ridge Asset Management Limited

Distribution Frequency:

Quarterly, if any

Eligibility:

All registered and non-registered investment accounts

Access the World's First Global Equity ETF Driven by A.I.

Horizons Active A.I. Global Equity ETF ("MIND") seeks to achieve long-term equity returns through investments in major global equity indices using a basket of primarily North American-listed exchange traded funds ("ETF(s)"). MIND invest in a variety of portfolio securities and instruments which may include, but are not limited to, equity and equity related securities, or debt securities, directly, or through investments in securities of other investment funds.

MIND is sub-advised by Castle Ridge Asset Management Limited ("Castle Ridge"), which uses an investment strategy entirely run by a proprietary and adaptive artificial intelligence ("A.I.") system that extracts patterns through data analysis.

MIND Provides:

- **The evolution of portfolio management.** Gain the opportunity to harness "first-of-its-kind" investing where security selection is 100% chosen by an adaptive A.I. system to create a global basket of ETFs and North American equity securities
- **Investing free of bias.** With an A.I. system controlling the investment selection, there are no human emotions or investor biases impacting decisions, ensuring a disciplined approach to investing
- **Factor-based management.** The MIND portfolio will overweight certain regions, countries and indices expected to outperform; it will also underweight, or not allocate to, certain regions, countries and indices that are expected to underperform
- **Rebalanced frequently.** MIND's portfolio region, country and index weightings will be adjusted frequently by the A.I. system within certain investment parameters, in response to changes in returns, correlation and volatility

Why A.I. Now?

A.I. technologies require enormous datasets to solve problems. With the track record and selection of ETFs and equity securities available today, there is the right amount of depth and breadth of market data for an A.I. system to be successful, including looking at thousands of North American-listed ETFs and equity securities simultaneously to find the best potential investments.

Portfolio Framework:

- MIND's A.I. system monitors data patterns and investment metrics, and makes portfolio recommendations based on data changes it determines will have an impact on the investment portfolio
- Minimum Exposure to North American-Listed ETFs: 70%
- Maximum Exposure to North American-Listed Equities and/or Cash: 30%

¹Plus applicable sales tax.



Horizons Active A.I. Global Equity ETF (MIND)

Equity characteristics:

- US and CAD – listed in the S&P 1200 and TSX Composite
- Targeting securities with >\$1B market caps and \$30M daily trading value
- Generally, stay away from small-caps, but there is some flexibility to add those if alpha can be derived from those positions

MIND must adhere to diversification risk control parameters, established as follows:

Permitted Asset Classes	Allocation	Strategy	Target Rebalance Schedule
ETFs	Minimum 70%	Global exposure (including emerging market exposure) but all ETFs are listed in Canada and the U.S.	Weekly
Cash	Maximum 30%	Up to 30% of the portfolio can be invested in Cash	Daily
Individual Equities	Maximum 30%	Up to 30% of the portfolio can be invested in North American equities with a minimum market cap of CAN\$1 Billion	Daily
Currency	N/A	MIND utilizes a dynamic currency hedge to optimize USD/CAD exposure	Daily

About the A.I. System: W.A.L.L.A.C.E.

Castle Ridge is a Toronto-based asset management firm that is a recognized leader in using A.I. to manage investment portfolios. W.A.L.L.A.C.E. uses a new proprietary branch of A.I. called “Geno-Synthetic Algorithms”, a type of machine learning that uses a form of “natural selection” to seek to make increasingly better decisions. W.A.L.L.A.C.E. uses successive generations of over 500 portfolio management mechanisms to seek to selectively “breed” increasingly agile and intuitive investment algorithms. Repeated over thousands of generations, the selection process pursues a “survival of the fittest” model. As a result, W.A.L.L.A.C.E. is designed to become more powerful with each successive generation.

To learn more, please visit www.HorizonsETFs.com/MIND



Commissions, management fees and expenses all may be associated with an investment in Horizons Active A.I. Global Equity ETF (the “ETF”) managed by Horizons ETFs Management (Canada) Inc. The ETF is not guaranteed, its values change frequently and past performance may not be repeated. The prospectus contains important detailed information about the ETF. **Please read the prospectus before investing.**

The sub-advisor and investment manager have a direct interest in the management fees of the ETF, and may, at any given time, have a direct or indirect interest in the ETF or its holdings.