

The manager has announced that the ETF will be terminated on August 18, 2017. The ETF is expected to be delisted from the TSX at the request of the manager on or about August 15, 2017. All units held on August 15, 2017 will be subject to a mandatory redemption. The following is only a summary of the principal features of this ETF. You can find more detailed information about the ETF in the prospectus. The prospectus is available on AlphaPro Management Inc.'s website at www.horizonsetfs.com, or by contacting AlphaPro Management Inc. at info@horizonsetfs.com, or by calling 416-933-5745.

Quick Facts

| | | | |
|--------------------------------|--|---------------------------------------|--|
| Exchange | Toronto Stock Exchange (TSX) | Ticker Symbol | HMA |
| Currency | Canadian dollars | Benchmark | n/a |
| Distributions Frequency | Quarterly (if any) | Inception Date | August 19, 2015 |
| CUSIP | 44052X102 | RSP Eligibility | PACC, SWP, DRIP, RRSP, RRIF, DPSP, RDSP, RESP, TFSA eligible |
| Investment Manager | Horizons ETFs Management (Canada) Inc. | DRIP Eligibility | Eligible |
| Sub-Advisor | Landry Investment Management Inc. | Management Expense Ratio (MER) | 1.27% (as at December 31, 2016, see "ETF Expenses" below) |

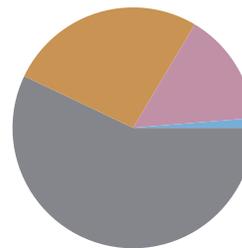
Investment Objective

The investment objective of the ETF is to seek long-term returns by providing exposure to selected global asset classes on a risk-adjusted basis, primarily through investments in exchange traded funds. The ETF may also hold cash or cash equivalents.

Top Holdings (as at December 31, 2016)

| Top Holdings | % of NAV |
|---|----------|
| SPDR® S&P 600® Small Cap ETF | 15.2% |
| Horizons S&P/TSX 60™ Index ETF | 15.1% |
| Horizons NASDAQ-100 Index ETF | 14.3% |
| iShares Mortgage Real Estate Capped ETF | 14.2% |
| iShares MSCI Emerging Markets Index ETF | 13.6% |
| Horizons S&P 500® Index ETF | 13.4% |
| iShares MSCI Japan ETF | 12.9% |

Asset Mix (as at December 31, 2016)



| | |
|---|-------|
| ■ U.S. Equities | 57.1% |
| ■ Global Equities | 26.5% |
| ■ Canadian Equities | 15.1% |
| ■ Cash, cash equivalents and net other assets | 1.3% |

Key Investment Strategies

To achieve the ETF's investment objective, the sub-advisor begins with a universe of assets classes, which have been chosen for certain diversification and non-correlation characteristics to generally mitigate global market risk. The sub-advisor then selects and ranks between 5 and 10 top asset classes using a proprietary model, and subjects these top asset classes to a risk analysis screen.

Risk

All investments involve risk. When you invest in the ETF the value of your investment can go down as well as up. For a description of the specific risks of this ETF, see the ETF's prospectus.

Statement of Rights

Under securities law in some provinces and territories, you have the right to:

- cancel your purchase within 48 hours after you receive confirmation of the purchase, or
- other rights and remedies if this document or prospectus contains a misrepresentation. You must act within the time limit set by the securities law in your province or territory.

For more information, see the securities law of your province or territory or ask a lawyer.

ETF Expenses

You don't pay these expenses directly. They affect you because they reduce the ETF's returns.

| | | Annual Rate (as a % of the ETF's value as at December 31, 2016) |
|----------------------------------|--|---|
| Management expense ratio ("MER") | (This is the total of the ETF's management fee and operating expenses.) | 1.27% |
| Trading expense ratio ("TER") | (These are the ETF's trading costs.) | 0.21% |
| Total ETF expenses | (The amount included for Total ETF expenses is the amount arrived at by adding the MER and the TER.) | 1.48% |

Other Fees

The Manager of the ETF, may, at its discretion, charge dealers redeeming a prescribed number of units of the ETF a redemption charge of up to 0.25% of the redemption proceeds. The Manager will publish the current redemption charge, if any, on its website, www.horizonsetfs.com.

A redemption charge will not be charged to a unitholder selling units of the ETF on the TSX. You may pay brokerage fees to your dealer when you purchase and sell units of the ETF.

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Commissions, trailing commissions, management fees and expenses all may be associated with an investment in exchange traded products managed by AlphaPro Management Inc. and Horizons ETFs Management (Canada) Inc. (the "Horizons Exchange Traded Products"). The Horizons Exchange Traded Products are not guaranteed, their values change frequently and past performance may not be repeated. The prospectus contains important detailed information about the Horizons Exchange Traded Products. Please read the prospectus before investing.

The Horizons Exchange Traded Products include the Horizons Index ETFs ("Index ETFs"), Bull Plus and Bear Plus ETFs ("Plus ETFs"), Inverse ETFs ("Inverse ETFs"), VIX ETFs (defined below) and actively managed ETFs. The Plus ETFs and certain other Horizons Exchange Traded Products use leveraged investment techniques that magnify gains and losses and result in greater volatility in value. These Horizons Exchange Traded Products are subject to leverage risk and may be subject to aggressive investment risk and price volatility risk, which, where applicable, are described in their respective prospectuses. Each Plus ETF seeks a return, before fees and expenses, that is either 200% or -200% of the performance of a specified underlying index, commodity or benchmark (the "Target") for a single day. Each Index ETF or Inverse ETF seeks a return that is 100% or - 100%, respectively, of the performance of a Target. Due to the compounding of daily returns, a Plus ETF's or Inverse ETF's returns over periods other than one day will likely differ in amount and possibly direction from the performance of their respective Target(s) for the same period. The Horizons Exchange Traded Products whose Target is the S&P 500 VIX Short-Term Futures Index(tm) (the "VIX ETFs"), one of which is a Plus ETF, one of which is an Inverse ETF, and one of which is an Index ETF, as described in their prospectus, are speculative investment tools that are not conventional investments. The VIX ETFs' Target is highly volatile. As a result, the VIX ETFs are not generally viewed as stand-alone long-term investments. Historically, the VIX ETFs' Target has tended to revert to a historical mean. As a result, the performance of the VIX ETFs' Target is expected to be negative over the longer term and neither the VIX ETFs nor their Target are expected to have positive long term performance. Investors should monitor their holdings, as frequently as daily, to ensure that they remain consistent with their investment strategies.

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