

The manager has announced that the ETF will be terminated on February 28, 2017. The ETF is expected to be delisted from the TSX at the request of the manager on or about February 23, 2017. All units held on February 28, 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 Horizons ETFs Management (Canada) Inc.'s website at [www.horizonsetfs.com](http://www.horizonsetfs.com), or by contacting Horizons ETFs Management (Canada) Inc. at [info@horizonsetfs.com](mailto:info@horizonsetfs.com), or by calling 416-933-5745.

### Quick Facts

<b>Exchange</b>	Toronto Stock Exchange (TSX)	<b>Ticker Symbol</b>	HTD
<b>Currency</b>	Canadian dollars	<b>Benchmark</b>	US 30 Year Bond (CMDYUSER)
<b>Distributions Frequency</b>	Annually (if any)	<b>Inception Date</b>	June 24, 2008
<b>CUSIP</b>	08662H104	<b>RSP Eligibility</b>	RRSP, RRIF, DPSP, RDSP, RESP or TFSA eligible
<b>Investment Manager</b>	Horizons ETFs Management (Canada) Inc.	<b>DRIP Eligibility</b>	Not eligible
		<b>Management Expense Ratio (MER)</b>	1.52%
			(as at December 31, 2015, see "ETF Expenses" below)

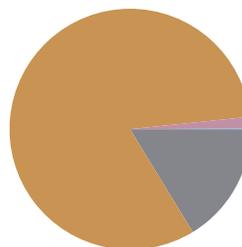
### Investment Objective

The ETF seeks daily investment results, before fees, expenses, distributions, brokerage commissions and other transaction costs, that endeavour to correspond to two times (200%) the inverse (opposite) of the daily performance of the U.S. 30-year bond futures contract for the next delivery month. The ETF is denominated in Canadian dollars. Any U.S. dollar gains or losses as a result of the ETF's investment will be hedged back to the Canadian dollar to the best of ETF's ability. The ETF does not seek to achieve its investment objective over a period of time greater than one day.

### Top Holdings (as at December 8, 2016)

Top Holdings	% of NAV
Cash, cash equivalents and net other assets held for Collateral	82.2%
Forward Agreements (net notional value US \$10,976,723)	16.3%

### Asset Mix (as at December 8, 2016)



Investments	16.3%
Cash, cash equivalents and net other assets held for Collateral	82.2%
Cash, cash equivalents and net other assets - Other	1.6%
Cash, cash equivalents and net other assets	-0.1%

### Key Investment Strategies

The ETF seeks to achieve its investment objective through the use of financial instruments, which may include a forward agreement or forward agreements, that, in combination, should have similar daily return characteristics as two times (200%) the inverse (opposite) of the daily performance of the rolling U.S. 30-year bond futures contract for the next delivery month. The ETF will employ absolute leverage that will generally not exceed two times the net asset value of the ETF. The ETF will be rebalanced on each day that the TSX and the New York Stock Exchange is not open, provided that it is not a bank holiday in the United States or Canada. The U.S. 30-year bond futures contract can be an effective means of managing exposure to the return of U.S. 30-year bonds.

## 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.

This ETF is very different from most other exchange-traded funds. The ETF uses leverage and is riskier than funds that do not. The ETF does not and should not be expected to return two times the inverse (i.e., -200%) of the return of the U.S. 30-year bond futures contract over any period of time other than daily. The ETF's returns over periods longer than one day will likely differ in amount and possibly direction from the performance of the U.S. 30-year Bond futures contract, for the same period. This effect becomes more pronounced as the volatility of the referenced futures contract(s) increases. Investors should monitor their investment in the ETF daily.

## 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, 2015)
Management expense ratio ("MER")	(This is the total of the ETF's management fee and operating expenses.)	1.52%
Trading expense ratio ("TER")	(These are the ETF's trading costs.)	0.68%
Total ETF expenses	(The amount included for Total ETF expenses is the amount arrived at by adding the MER and the TER.)	2.20%

## 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](http://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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