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:** 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

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**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.

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 from analyzing data. MIND may also hold cash and cash equivalents.

**Key Features of MIND**

- **The evolution of portfolio management.** Gain the opportunity to pursue “first-of-its-kind” investing where security selection is 100% chosen by an A.I. system to create a global basket of ETFs
- **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 at least monthly.** MIND’s portfolio region, country and index weightings will be adjusted at least monthly by the A.I. system, within certain investment parameters, in response to changes in returns, correlation and volatility

**Why Now?**

A.I. technologies require enormous datasets to solve problems. With the track record and selection of ETFs available today, there is the right amount of depth and breadth of market data for an A.I. system to be successful. As of April 2019, there was USD $5.6 trillion invested in 7,774 ETFs globally.²

**Portfolio Framework:**

- A.I. system monitors data patterns and investment metrics and makes portfolio recommendations based on changes in data it determines will have an impact on the investment portfolio
- Minimum number of ETFs: 5
- Maximum number of ETFs: 20

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¹Plus applicable sales tax.
²Source: ETFGI, as of April 2019

Innovation is our capital. Make it yours.

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

<table>
<thead>
<tr>
<th>Permitted Asset Classes</th>
<th>Minimum Exposure (%)</th>
<th>Maximum Exposure (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash &amp; Cash Equivalents</td>
<td>0</td>
<td>30</td>
</tr>
<tr>
<td><strong>Regional Restrictions</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>North America</td>
<td>30</td>
<td>65</td>
</tr>
<tr>
<td>Europe</td>
<td>10</td>
<td>35</td>
</tr>
<tr>
<td>Asia Pacific</td>
<td>5</td>
<td>20</td>
</tr>
<tr>
<td>Emerging Markets (includes China)</td>
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<td>15</td>
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<tr>
<td><strong>Single Aspect Restrictions</strong></td>
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<tr>
<td>United States</td>
<td>0</td>
<td>65</td>
</tr>
<tr>
<td>Single Equity Exposure (excluding USA)</td>
<td>0</td>
<td>20</td>
</tr>
<tr>
<td>Commodities (including Gold Bullion, gold certificates)</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

**About the A.I. system**
Castle Ridge is a leader in using A.I. to manage investment portfolios. The firm’s A.I. system, named W.A.L.L.A.C.E., uses a novel approach to A.I. called ‘Geno-Synthetic Algorithms’, a type of Evolutionary computing inspired by Biological evolution and Natural selection to make increasingly better investment decisions.

W.A.L.L.A.C.E. uses a process of Artificial selection, based on over 500 portfolio management mechanisms, over thousands of generations to selectively “breed” increasingly agile and adaptive investment algorithms.

Artificial selection pursues “survival of the fittest” algorithms, pressuring each successive generation to make better investment decisions than the last. By using Artificial selection, 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](http://www.HorizonsETFs.com/MIND)