

## HORIZONS ACTIVE US FLOATING RATE BOND (USD) ETF (HUF.U)

As of April 30, 2013

### ETF Snapshot

<b>Launch Date:</b>	February 15, 2012
<b>CUSIP:</b>	44051R114
<b>Exchange:</b>	Toronto Stock Exchange
<b>Ticker:</b>	HUF.U
<b>Assets Under Management (4/30/2013):</b>	\$7,605,525 <sup>‡</sup>
<b>Management Fee:</b>	0.40%
<b>Distribution Frequency:</b>	Monthly
<b>Last Distribution Date:</b>	4/26/2013
<b>Most Recent Distribution per Unit:</b>	\$0.0199
<b>Estimated Annualized Yield:<sup>*</sup></b>	2.35 %
<b>Weighted Average Coupon:</b>	3.03 % (5/10/2013)
<b>12-Month Trailing Yield</b>	2.44%
<b>Weighted Average Yield to Maturity</b>	1.50%
<b>Average Credit Quality:</b>	A
<b>Average Duration:</b>	0.570 years
<b>Investment Manager:</b>	Horizons Investment Management Inc.
<b>Sub-Advisor:</b>	Fiera Capital Corporation
<b>RSP and TFSA Eligible</b>	Yes

<sup>‡</sup> As of April 30, 2013

<sup>\*</sup> Based on last distribution

### Investment Objective

The investment objective of Horizons Active US Floating Rate Bond (USD) ETF (the "ETF") is to generate income that is consistent with prevailing U.S. short-term corporate bond yields while stabilizing the market value of the ETF from the effects of U.S. interest rate fluctuations. The ETF invests primarily in a portfolio of U.S. corporate debt securities and will hedge the portfolio's U.S. interest rate risk to generally maintain a portfolio duration of less than two years. The ETF may also invest in U.S. government debt securities and debt securities of non-U.S. companies. The ETF may also invest in debt securities directly, or through investments in securities of other investment funds, including exchange traded funds. The ETF will use derivatives, including interest rate swaps, to deliver a floating rate of income. As the ETF is denominated in U.S. dollars, the ETF will generally seek to hedge its Canadian dollar currency exposure to the U.S. dollar and will not seek to hedge its U.S. dollar currency exposure to the Canadian dollar.

### Investment Strategy

To achieve the ETF's investment objectives, the ETF's Sub-Advisor will use fundamental credit research to select companies that, based on the Sub-Advisor's view on the company's industry and growth prospects, are believed to offer attractive risk adjusted returns.

The Sub-Advisor will seek diversification by industry sector and geographic region and will rely on its: in-depth fundamental credit research, view of market trends, analysis of the company's competitive position, and review of the return relative to the company's risk and general market conditions, to select securities for the ETF.

The ETF will initially enter into one or more interest rate swaps pursuant to which the ETF will pay a counterparty a fixed return based on a portfolio of fixed income securities in exchange for a floating rate of income, with a portfolio duration that is generally not more than two years.

The Sub-Advisor may, from time to time, invest in non-investment grade debt, U.S., Canadian and foreign government debt, exchange traded funds, cash and cash equivalents which generally in aggregate will not exceed 40% of the ETF's net assets. The Sub-Advisor may sell short debt securities it believes will underperform on a relative basis or to otherwise assist the ETF in meeting its investment objectives.

In lieu of specific security selections, from time to time the Sub-Advisor may purchase fixed income related exchange traded funds including those managed by AlphaPro and its affiliate Horizons ETFs Management (Canada) Inc. ("Horizons").

The ETF may also use both long and short derivative instruments, including future contracts and credit default swaps, to manage duration, credit exposure, portfolio yield, and market risk. As the ETF is denominated in U.S. dollars, the ETF will generally seek to hedge its Canadian dollar currency exposure to the U.S. dollar and will not seek to hedge its U.S. dollar currency exposure to the Canadian dollar.

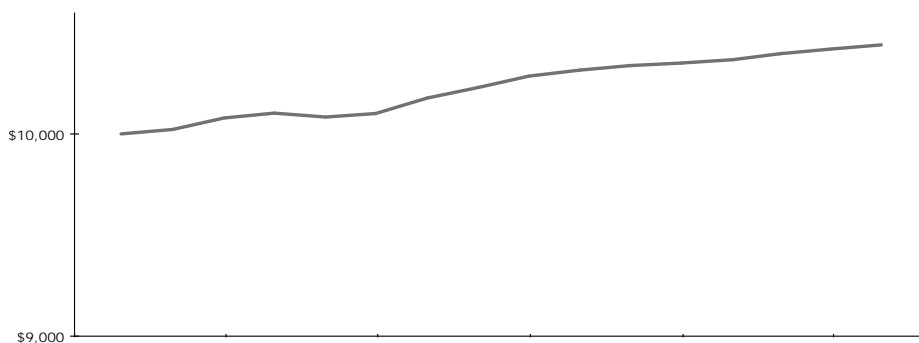
### Performance

	1 Mo	3 Mo	6 Mo	YTD	1 Yr	3 Yr	5 Yr	SIR <sup>*</sup>
<b>HUF.U</b>	0.20 %	0.71 %	1.21 %	0.87 %	3.34 %	--	--	3.64 %

<sup>\*</sup> Performance since inception on February 15, 2012

### Growth of \$10,000

Horizons Active US Floating Rate Bond (USD) ETF (HUF.U \$10,441 at 4/30/2013)



## HORIZONS ACTIVE US FLOATING RATE BOND (USD) ETF (HUF.U)

### Top Equity Holdings & Cash Weight

Top Equity Holdings	% of NAV
BANK OF MONTREAL 2.500 JAN 11 17	7.26%
AMERICAN EXPRESS CDA 4.853 OCT 03 14	5.20%
WELLS FARGO FIN CDA 2.774 FEB 09 17	5.00%
MORGAN STANLEY 3.800 APR 29 16	4.24%
HSBC BK PLC 3.100 MAY 24 16 144	4.23%
CDP FINANCIAL 3.000 NOV 25 14 144	4.13%
C.I.B.C. 4.110 APR 30 15CA20	4.13%
GE CAP CAN FUNDING 3.350 NOV 23 16	4.11%
BANK OF AMERICA CORP 3.750 JUL 12 16	3.69%
GOLDMAN SACHS GROUP 3.625 FEB 07 16	3.68%