The Horizons ETFs Premium Yield Suite ("Premium Yield ETFs") of ETFs features Short-Term, Mid-Term and Long-Term U.S. Treasury Bill and Treasury Bond exposure options. They are designed to help investors maximize their monthly income potential above what is typically offered by U.S. Treasury Securities combined with the strength and security of U.S. government bonds.

**Premium Yield Suite – At a Glance**
- 7.5% (SPAY), 9.0% (MPAY) and 10.5% (LPAY) Initial target annualized net yield with monthly distributions
- Choice of Duration
- Short-term (SPAY, less than 3 years),
- Mid-term (MPAY, 5-10 years),
- Long-term (LPAY, 10+ years)
- Low and Low-to-Medium risk solutions
- Active Options writing strategy to increase monthly income and reduce volatility
- Can write calls and puts in order to benefit in rising and falling rate environments
- Tax efficient distributions

**Navigate the Fixed Income Yield Curve with Choice and Options**
Control your fixed income duration exposure by selecting the Premium Yield solution that fits your yield, risk and credit quality needs. Benefit from the additional income and reduced volatility potential from an actively managed options writing strategy.

**Yield Curve Maturity Segments**

<table>
<thead>
<tr>
<th></th>
<th>SPAY</th>
<th>MPAY</th>
<th>LPAY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Duration</td>
<td>Less than 3 Years</td>
<td>5-10 Years</td>
<td>10+ Years</td>
</tr>
<tr>
<td>Risk Rating</td>
<td>Low</td>
<td>Low</td>
<td>Low-Medium</td>
</tr>
<tr>
<td>Average Credit Quality</td>
<td>AA+</td>
<td>AA+</td>
<td>AA+</td>
</tr>
<tr>
<td>Distribution Frequency*</td>
<td>Monthly</td>
<td>Monthly</td>
<td>Monthly</td>
</tr>
<tr>
<td>Management Fee**</td>
<td>0.35%</td>
<td>0.40%</td>
<td>0.45%</td>
</tr>
<tr>
<td>US Treasury Exposure</td>
<td>Short-Term</td>
<td>Mid-Term</td>
<td>Long-Term</td>
</tr>
</tbody>
</table>

**FOR ILLUSTRATIVE PURPOSES ONLY**

*It is anticipated that the Premium Yield ETFs will make distributions to their Unitholders on a monthly basis in U.S. Dollars. However, unless the Unitholder is participating in the Reinvestment Plan, such distributions from the Premium Yield ETFs to Unitholders of Canadian Dollar Units will typically be converted to Canadian dollars by the Unitholder’s account holder.

** Plus applicable sales tax
The amount of the monthly distributions of an ETF, and therefore the initial targeted annualized net yield and the ongoing annualized net yield of an ETF, may fluctuate based on market conditions, including changes to interest rates. There can be no assurance that an ETF will make any distribution in any particular period or periods. The Manager may, in its complete discretion, change the frequency of these distributions, and any such change will be announced by press release.

Disclaimer

Commissions, management fees and expenses all may be associated with an investment in exchange traded products managed by Horizons ETFs Management (Canada) Inc. (the “Horizons Exchange Traded Products”). The Horizons Exchange Traded Products are not guaranteed, their value changes frequently and past performance may not be repeated. Certain Horizons Exchange Traded Products may have exposure to leveraged investment techniques that magnify gains and losses and which may result in greater volatility in value and could be subject to aggressive investment risk and price volatility risk. Such risks are described in the prospectus. The prospectus contains important detailed information about the Horizons Exchange Traded Products. Please read the relevant prospectus before investing.

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