

February 11, 2019

Kevin S. Beatson
Chief Operating Officer and Chief Compliance Officer
Horizons ETF's Management (Canada) Inc.
55 University Avenue, Suite 800
Toronto, Ontario
M5J 2H7

Dear Mr. Beatson,

RE: National Instrument 81-102 – Compliance Report as at December 31, 2018 (the Effective Date) for the Horizons Exchange Traded Funds

Please accept this letter as confirmation that CIBC Mellon Trust Company satisfies the requirements of a custodian as outlined in Section 6.2 of the National Instrument 81-102 (NI 81-102).

We further confirm that we are a trust company that is incorporated under the laws of Canada and has a shareholder's equity, as reported in our most recent audited financial statements, of not less than \$10,000,000. Please refer to **Attachment 1** for a complete list of the funds in which this letter pertains.

As per Section 6.7 (2) of NI 81-102 we are providing the most recent list of our Sub-custodian Network. This list contains the names, addresses and markets in which our sub-custodians operate. After reasonable enquiry and to the best of our knowledge and belief, each sub-custodian satisfies the applicable requirements of Section 6.2 and 6.3 of the NI 81-102. Please see **Appendix 1** for the list of our Sub-custodian Network.

Yours truly,



Jeffrey Alexander
VP and Head of Relationship Management
CIBC Mellon Trust Company



Mary Ann MacKenzie
VP, Relationship Management
CIBC Mellon Trust Company

cc: Adrian Ercolani, Relationship Management – CIBC Mellon Global Securities Services

ATTACHMENT 1
NI 81-102 COMPLIANCE REPORT – SECTION 6.7
CURRENT LIST OF FUNDS

RE: CURRENT LIST OF FUNDS AS AT DECEMBER 31, 2018

Horizons S&P/TSX 60™ Index ETF
Horizons S&P 500® Index ETF
Horizons S&P/TSX Capped Energy Index ETF
Horizons S&P/TSX Capped Financials Index ETF
BetaPro S&P/TSX 60™ 2x Daily Bull ETF
BetaPro S&P/TSX 60™ -2x Daily Bear ETF
BetaPro S&P/TSX Capped Financials™ 2x Daily Bull ETF
BetaPro S&P/TSX Capped Financials™ -2x Daily Bear ETF
BetaPro Canadian Gold Miners 2x Daily Bull ETF
BetaPro Canadian Gold Miners -2x Daily Bear ETF
BetaPro S&P/TSX Capped Energy™ 2x Daily Bull ETF
BetaPro S&P/TSX Capped Energy™ -2x Daily Bear ETF
BetaPro Crude Oil 2x Daily Bull ETF
BetaPro Crude Oil -2x Daily Bear ETF
BetaPro Natural Gas 2x Daily Bull ETF
BetaPro Natural Gas -2x Daily Bear ETF
BetaPro Gold Bullion 2x Daily Bull ETF
BetaPro Gold Bullion -2x Daily Bear ETF
BetaPro S&P 500® 2x Daily Bull ETF
BetaPro S&P 500® -2x Daily Bear ETF
BetaPro NASDAQ-100® 2x Daily Bull ETF
BetaPro NASDAQ-100® -2x Daily Bear ETF
BetaPro Silver 2x Daily Bull ETF
BetaPro Silver -2x Daily Bear ETF
BetaPro S&P/TSX 60™ Daily Inverse ETF
BetaPro S&P 500® Daily Inverse ETF
Horizons Gold ETF
Horizons Silver ETF
Horizons Crude Oil ETF
Horizons Natural Gas ETF
BetaPro S&P 500 VIX Short-Term Futures™ ETF
Horizons Canadian Dollar Currency ETF
Horizons US Dollar Currency ETF
Horizons Canadian Midstream Oil & Gas Index ETF
Horizons Cdn High Dividend Index ETF
Horizons Cdn Insider Index ETF
Horizons Cdn Select Universe Bond ETF
Horizons China High Dividend Yield Index ETF
Horizons EURO STOXX 50® Index ETF
Horizons NASDAQ-100® Index ETF
Horizons S&P 500 CAD Hedged Index ETF
Horizons US 7-10 Year Treasury Bond CAD Hedged ETF
Horizons US 7-10 Year Treasury Bond ETF
Horizons Marijuana Life Sciences Index ETF
Horizons Intl Developed Markets Equity Index ETF

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NI 81-102 COMPLIANCE REPORT – SECTION 6.7
CURRENT LIST OF FUNDS

Horizons Inovestor Canadian Equity Index ETF
Horizons Robotics and Automation Index ETF
Horizons Active Cdn Bond ETF
Horizons Active Cdn Dividend ETF
Horizons Active Cdn Municipal Bond ETF
Horizons Active Corporate Bond ETF
Horizons Active Emerging Markets Dividend ETF
Horizons Active Floating Rate Bond ETF
Horizons Active Floating Rate Senior Loan ETF
Horizons Active Floating Rate Preferred Share ETF
Horizons Active Global Dividend ETF
Horizons Active Global Fixed Income ETF
Horizons Active High Yield Bond ETF
Horizons Active Preferred Share ETF
Horizons Active US Dividend ETF
Horizons Active US Floating Rate Bond (USD) ETF
Horizons Enhanced Income Energy ETF
Horizons Enhanced Income Equity ETF
Horizons Enhanced Income Financials ETF
Horizons Enhanced Income Gold Producers ETF
Horizons Enhanced Income International Equity ETF
Horizons Enhanced Income US Equity (USD) ETF
Horizons Global Currency Opportunities ETF
Horizons Global Risk Parity ETF
Horizons Gold Yield ETF
Horizons Managed Global Opportunities ETF
Horizons Morningstar Hedge Fund Index ETF
Horizons Natural Gas Yield ETF
Horizons S&P/TSX 60 Equal Weight Index ETF
Horizons Seasonal Rotation ETF
Horizons Active International Developed Markets Equity ETF
Horizons Active A.I. Global Equity ETF
Horizons Emerging Marijuana Growers Index ETF
Horizons Blockchain Technology & Hardware Index ETF
Horizons Conservative TRI ETF Portfolio
Horizons Balanced TRI ETF Portfolio
Horizons Active Emerging Markets Bond ETF
Horizons Global Sustainability Leaders Index ETF
Horizons Industry 4.0 Index ETF
Horizons Absolute Return Global Currency ETF

SCHEDULE A

List of Sub-Custodians

Country	Sub-Custodian
ARGENTINA	Citibank N.A., Argentina Bartolome Mitre 502/30 (C1036AAJ) Ciudad de Buenos Aires
AUSTRALIA	The Hongkong and Shanghai Banking Corporation Limited Level 5, 10 Smith Street Parramatta NSW 2150
AUSTRIA	UniCredit Bank Austria AG Rothschildplatz 1 1020 Vienna
BAHRAIN	HSBC Bank Middle East Limited 4th Floor, Building No 2505, Road No 2832 Al Seef 428, Bahrain
BANGLADESH	The Hongkong and Shanghai Banking Corporation Limited Management Office Shanta Western Tower, Level 4 186 Bir Uttam Mir Shawkat Ali Shorok (Tejgaon Gulshan Link Road) Tejgaon Industrial Area Dhaka 1208
BELGIUM	Citibank Europe Plc North Wall Quay 1 Dublin, Ireland
BERMUDA	HSBC Bank Bermuda Limited HSBC Bank Bermuda Ltd 3F Harbour View Building 37 Front Street Hamilton, HM11
BOTSWANA	Stanbic Bank Botswana Limited Plot 50672, Fairground Office Park Gaborone
BRAZIL	Citibank N.A., Brazil Citibank N.A., Brazilian Branch Avenida Paulista 1111 Sao Paulo, S.P. 01311-920
BULGARIA	Citibank Europe Plc, Bulgaria Branch 48 Sitnyakovo Blvd Serdika Offices, 10th floor Sofia 1505

SCHEDULE A

List of Sub-Custodians

CANADA	Canadian Imperial Bank of Commerce Commerce Court Toronto, Ont. M5L 1A2
CAYMAN ISLANDS	The Bank of New York Mellon 225 Liberty Street New York, NY 10286
CHILE	Itau Corpbanca S.A. Avda. Presidente Riesco No 5537 13th Floor Las Condes Santiago
CHINA, PEOPLES' REPUBLIC OF	HSBC Bank (China) Company Limited 33 Floor, HSBC Building, Shanghai ifc 8 Century Avenue, Pudong Shanghai (200120)
COLOMBIA	Cititrust Colombia S.A. Sociedad Fiduciaria Carrera 9A No 99-02 Piso 2 Santa Fe de Bogota
COSTA RICA	Banco Nacional de Costa Rica 1st and 3rd Avenue, 4th Street San José
CROATIA	Privredna Banka Zagreb d.d Radnička cesta 50 10 000 Zagreb
CYPRUS	BNP Paribas Securities Services 2 Lampsakou Street 115 28 Athens
CZECH REPUBLIC	Citibank Europe plc, organizační složka Bucharova 2641/14 158 02, Prague 5
DENMARK	Skandinaviska Enskilda Banken AB (Publ), Copenhagen branch (SEB Denmark) Bernstorffsgade 50 DK – 1577 Copenhagen V
EGYPT	HSBC Bank Egypt S.A.E. 306 Corniche El Nil Maadi, Cairo
ESTONIA	SEB Pank AS Tornimae Str. 2 15010 Tallinn
ESWATINI	Standard Bank Swaziland Limited Corporate Place, Swazi Plaza Mbabane

SCHEDULE A

List of Sub-Custodians

FINLAND	Skandinaviska Enskilda Banken AB (Publ), Helsinki branch (SEB Helsinki) Eteläesplanadi 18 00130 Helsinki
FRANCE	BNP Paribas Securities Services S.C.A. 3 rue d'Antin 75002 Paris
GERMANY	The Bank of New York Mellon SA/NV, Asset Servicing, Niederlassung Frankfurt am Main Friedrich-Ebert-Anlage, 49 60327 Frankfurt am Main
GHANA	Stanbic Bank Ghana Limited Stanbic Heights, Plot No. 215 South Liberation RD Airport City, Cantonments Accra
GREECE	BNP Paribas Securities Services 2 Lampsakou Street 115 28 Athens
HONG KONG	The Hongkong and Shanghai Banking Corporation Limited Direct Custody and Clearing HSBC Securities Services 17F Tower 3, HSBC Centre 1 Sham Mong Road Kowloon
HUNGARY	Citibank Europe plc, Hungarian Branch Office Szabadság tér 7 1051 Budapest
ICELAND	Islandsbanki hf Hagasmara 3 201 Kopavogur
INDIA	Deutsche Bank AG 4 th Floor, Block 1 Nirlon Knowledge Park W.E. Highway Mumbai - 400 063
INDIA	The Hong Kong and Shanghai Banking Corporation Limited 11F, Building 3, NESCO – IT Park NESCO Complex, Western Express Highway Goregaon (East) Mumbai-400 063 (* Note – only for new clients after June 19, 2014)
INDONESIA	Deutsche Bank AG 7 th Floor, Deutsche Bank Building Jl. Imam Bonjol No. 80 Jakarta -10310
IRELAND	The Bank of New York Mellon 225 Liberty Street

SCHEDULE A

List of Sub-Custodians

	New York, NY 10286 USA
ISRAEL	Bank Hapoalim B.M. 50 Rothschild Blvd. Tel Aviv 61000
ITALY	Intesa Sanpaolo S.p.A Piazza San Carlo, 156 10121 Torino
JAPAN	MUFG Bank, Ltd. 1-3-2, Nihombashi Hongoku-cho, Chuo-ku Tokyo 103-0021
JORDAN	Standard Chartered Bank, Jordan Branch Shmeissani, Al-Thaqafa Street Building # 2, P O Box 926190 Amman 11190
KAZAKHSTAN	Citibank Kazakhstan Joint-Stock Company Park Palace, Building A 41 Kazybek Bi Street Almaty, A25T0A1
KENYA	Stanbic Bank Kenya Limited First Floor, Stanbic Bank Centre P.O. Box 72833 00200 Westlands Road Chiromo Nairobi
KOREA, REPUBLIC OF	The Hongkong and Shanghai Banking Corporation Limited 5th Floor, HSBC Building 37, Chilpae-ro, Jung-Gu Seoul, 04511
KUWAIT	HSBC Bank Middle East Limited, Kuwait Sharq Area, Abdulaziz Al Sager Street Al Hamra Tower, 37F P.O. Box 1683, Safat 13017
LATVIA	AS SEB banka Meistaru iela 1 Valdlauci Kekavas pagasts Kekavas novads LV-1076
LITHUANIA	AB SEB bankas 12 Gedimino Av. LT-01103 Vilnius
MALAYSIA	HSBC Bank Malaysia Berhad 12 th Floor, South Tower 2 Leboh Ampang 50100 Kuala Lumpur

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List of Sub-Custodians

MALTA	The Bank of New York Mellon SA/NV, Asset Servicing, Niederlassung Frankfurt am Main Friedrich-Ebert-Anlage, 49 60327 Frankfurt am Main Germany
MAURITIUS	The Hongkong and Shanghai Banking Corporation Limited 6th floor, HSBC Centre 18 Cybercity Ebene
MEXICO	Citibanamex Actuario Roberto Medellin 800 5 th floor North Colonia Santa Fe, Ciudad de Mexico
MOROCCO	Citibank Maghreb S.A. Zenith Millenium, Immeuble 1 Sidi Maarouf, B.P. 40 20190 Casablanca
NAMIBIA	Standard Bank Namibia Limited 2nd Floor, Standard Bank Centre, Town Square Corner of Post Street Mall and Werner List Street Windhoek
NETHERLANDS, THE	The Bank of New York Mellon SA/NV Rue Montoyer, 46 1000 Brussels Belgium
NEW ZEALAND	The Hong Kong and Shanghai Banking Corporation Limited Level 9 HSBC Building 1 Queen Street Auckland 1010
NIGERIA	Stanbic IBTC Bank Plc. Walter Carrington Crescent Victoria Island Lagos
NORWAY	Skandinaviska Enskilda Banken AB (Publ), Oslo branch (SEB Norway) Filipstad Brygge 1 N-0252 Oslo
OMAN	HSBC Bank Oman S.A.O.G. 2nd Floor, Head Office Building P.O. Box 1727, Al Khuwair Postal Code 111, Sultanate of Oman
PAKISTAN	Deutsche Bank AG 242-243, Avari Plaza

SCHEDULE A

List of Sub-Custodians

	Fatima Jinnah Road Karachi – 75330
PERU	Citibank del Peru S.A. Avenida Canaval y Moreyra, 480, 3rd floor Lima 27
PHILIPPINES, THE	Deutsche Bank AG 23rd Floor, Tower One & Exchange Plaza Ayala Triangle, Ayala Avenue 1226 Makati City
POLAND	Bank Polska Kasa Opieki S.A. 53/57 Grzybowska Street, 00-950 Warszawa
PORTUGAL	Citibank Europe Plc North Wall Quay 1, Dublin, Ireland
QATAR	HSBC Bank Middle East Limited, Doha 2nd Floor, Ali Bin Ali Tower, Building no: 150 Al Matar Street (Airport Road) P.O. Box 57, Street no. 950 Umm Ghuwalina Area, Doha
ROMANIA	Citibank Europe plc Dublin, Romania Branch 145, Calea Victoriei 010072 Bucharest
RUSSIA	AO Citibank 8-10, building 1 Gasheka Street Moscow 125047
SAUDI ARABIA	HSBC Saudi Arabia HSBC Building, 7267 Olaya Road, Al-Murooj Riyadh 12283-2255
SERBIA	UniCredit Bank Serbia JSC Rajiceva Street 27-29 11000 Belgrade
SINGAPORE	DBS Bank Ltd. 12 Marina Boulevard Marina Bay Financial Centre Tower 3 Singapore 018982
SLOVAK REPUBLIC	Citibank Europe plc, pobočka zahraničnej banky Dvorakovo nábrevie 8 811 02 Bratislava
SLOVENIA	UniCredit Banka Slovenija d.d. Smartinska 140 1000 Ljubljana

SCHEDULE A

List of Sub-Custodians

SOUTH AFRICA	The Standard Bank of South Africa Limited 9th floor 5 Simmonds Street Johannesburg 2001
SPAIN	Santander Securities Services S.A.U. Ciudad Grupo Santander Avenida de Cantabria s/n Boadilla del Monte –28660 Madrid
SRI LANKA	The Hongkong and Shanghai Banking Corporation Limited 24 Sir Baron Jayathilake Mawatha Colombo 01
SWEDEN	Skandinaviska Enskilda Banken AB (Publ) Kungsträdgårdsgatan 8 106 40 Stockholm
SWITZERLAND	UBS Switzerland AG Max-Hogger-Strasse 80 8048 Zürich
TAIWAN	HSBC Bank (Taiwan) Limited 11F, No. 369, Section 7 Zhongxiao East Road Nangang District Taipei City 115
THAILAND	The Hongkong and Shanghai Banking Corporation Limited Level 5, HSBC Building 968 Rama IV Road Bangrak Bangkok 10500
TUNISIA	Union Internationale de Banques 65 Avenue Habib Bourguiba, 1000 Tunis
TURKEY	Deutsche Bank A.S. Esentepe Mahallesi Büyükdere Caddesi Tekfen Tower No:209 K:17 Sisli TR-34394-Istanbul
UGANDA	Stanbic Bank Holdings Limited Plot 17 Hannington Road Short Tower- Crested Towers P.O. Box 7131, Kampala
UKRAINE	JSC “Citibank” 16G Dilova Street 03150 Kiev

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UNITED ARAB EMIRATES	HSBC Bank Middle East Limited, Dubai HSBC Tower, Downtown Dubai Level 16, P.O. Box 66 Dubai
UNITED KINGDOM	The Bank of New York Mellon 225 Liberty Street New York, NY 10286 United States
UNITED STATES OF AMERICA	The Bank of New York Mellon 225 Liberty Street New York, NY 10286
URUGUAY	Banco Itaú Uruguay S.A. Dr. Luis Bonavita 1266 Toree IV, Piso 10 CP 11300 Montevideo
VIETNAM	HSBC Bank (Vietnam) Ltd. The Metropolitan, 235 Dong Khoi Street District 1, Ho Chi Minh City
WAEMU	Société Générale de Banques en Côte d'Ivoire 5/7 Avenue Joseph Anoma 01 BP 1355 Abidjan-01 Ivory Coast
ZAMBIA	Stanbic Bank Zambia Limited Stanbic House Plot No. 2375 Addis Ababa Drive P.O. Box 31955 Lusaka
ZIMBABWE	Stanbic Bank Zimbabwe Limited 59 Samora Machel Avenue Harare