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Alberta Securities Commission
British Columbia Securities Commission
The Manitoba Securities Commission
Financial and Consumer Services Commission, New Brunswick
Office of the Superintendent of Securities, Service Newfoundland & Labrador
Office of the Superintendent of Securities, Northwest Territories
Nova Scotia Securities Commission
Nunavut Securities Office
Ontario Securities Commission
The Office of the Superintendent of Securities, Consumer, Corporate and Insurance
Services Division, Prince Edward Island
Autorité des marchés financiers
Financial and Consumer Affairs Authority of Saskatchewan
Office of the Yukon Superintendent of Securities

March 13, 2019

Dear Sirs/Mesdames:

Re: Compliance Report on National Instrument 81-102 for the year ended December 31, 2018

Horizons Active Corporate Bond ETF
Horizons Active Cdn Bond ETF
Horizons Seasonal Rotation ETF
Horizons Active Global Fixed Income ETF
Horizons Active Emerging Markets Dividend ETF
Horizons Active Cdn Dividend ETF
Horizons Active US Dividend ETF
Horizons Active Global Dividend ETF
Horizons S&P/TSX 60 Equal Weight Index ETF
Horizons Active Preferred Share ETF
Horizons Active Floating Rate Preferred Share ETF
Horizons Active Floating Rate Bond ETF
Horizons Active US Floating Rate Bond (USD) ETF
Horizons Active Floating Rate Senior Loan ETF
Horizons Active High Yield Bond ETF
Horizons Managed Global Opportunities ETF
Horizons Active Cdn Municipal Bond ETF
Horizons Global Risk Parity ETF
Horizons Enhanced Income Equity ETF
Horizons Enhanced Income Energy ETF
Horizons Enhanced Income Gold Producers ETF



Horizons Enhanced Income Financials ETF
Horizons Enhanced Income International Equity ETF
Horizons Enhanced Income US Equity (USD) ETF
Horizons Gold Yield ETF
Horizons Natural Gas Yield ETF
Horizons Morningstar Hedge Fund Index ETF
Horizons Absolute Return Global Currency ETF
Horizons Active A.I. Global Equity ETF
Horizons Active Emerging Markets Bond ETF
Horizons Balanced TRI ETF Portfolio
Horizons Conservative TRI ETF Portfolio
BetaPro Gold Bullion 2x Daily Bull ETF
BetaPro Gold Bullion -2x Daily Bear ETF
BetaPro Silver 2x Daily Bull ETF
BetaPro Silver -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 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 S&P/TSX Capped Energy™ 2x Daily Bull ETF
BetaPro S&P/TSX Capped Energy™ -2x Daily Bear ETF
BetaPro Canadian Gold Miners 2x Daily Bull ETF
BetaPro Canadian Gold Miners -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 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 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
Horizons Cdn Select Universe Bond ETF
Horizons US 7-10 Year Treasury Bond ETF
Horizons CDN High Dividend 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 EURO STOXX 50 Index ETF
Horizons Intl Developed Markets Equity Index ETF
Horizons US Dollar Currency ETF
Horizons Canadian Midstream Oil & Gas Index ETF



Horizons Cdn Insider Index ETF
Horizons China High Dividend Yield Index ETF
Horizons Canadian Dollar Currency ETF
Horizons Medical Marijuana Life Sciences ETFs
Horizons Robotics and Automation Index ETF
Horizons Inovestor Canadian Equity Index ETF
Horizons Global Sustainability Leaders Index ETF
Horizons Industry 4.0 Index ETF
Horizons Blockchain Technology & Hardware ETF
Horizons Emerging Marijuana Growers Index ETF
(the “ETFs”)

We have audited the ETFs' report made under Section 12.1 of National Instrument 81-102 regarding their compliance for the year ended December 31, 2018, with the applicable requirements of Parts 9, 10 and 11 of that National Instrument. Compliance with these requirements is the responsibility of the management of the ETFs. Our responsibility is to express an opinion on management's compliance report based on our audits.

We conducted our audits in accordance with the standards for assurance engagements established by the CPA Canada Handbook – Assurance. Those standards require that we plan and perform an audit to obtain reasonable assurance as a basis for our opinion. Such an audit includes examining, on a test basis, evidence supporting the assertions in management's compliance report.

The report covers sales and redemptions of units of the ETFs with the brokers through the primary market. We have not examined compliance with Parts 9 and 10 of National Instrument 81-102 as they relate to purchases and sales of units of the ETFs in the secondary market.

In our opinion, the ETFs' report presents fairly, in all material respects, the ETFs' compliance for the year ended December 31, 2018, with the applicable requirements of Parts 9, 10 and 11 of National Instrument 81-102.

This report is provided solely for the purpose of assisting the securities regulatory authorities to which it is addressed in discharging their responsibilities and should not be used for any other purpose.

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, slightly slanted style. Below the signature is a horizontal line that starts under the 'K' and ends under the 'P'.

Chartered Professional Accountants, Licensed Public Accountants
March 13, 2019
Toronto, Canada