

HORIZONS BETAPRO ETFS COMMODITY INDICES

Overview

The Horizons BetaPro ETF (“HBP”) Commodity Indices are designed to provide accurate returns that mirror the holding of the underlying commodity and in so doing, represent a liquid benchmark for investors that desire an exposure to that underlying commodity.

The Indices are calculated based on daily returns of a Daily Contract Settlement Price published by the New York Mercantile Exchange (“NYMEX[®]”) and the Commodity Exchange (“COMEX[®]”) for the Designated Relevant Contracts.

The Indices

The following indices will be tracked on a daily basis and reported on Bloomberg no later than 6:00 PM Eastern Time on each Business Day.

INDEX	INDEX CODE (BLOOMBERG)	UNDERLYING COMMODITY CONTRACT
HBP Crude Oil Excess Return Index	<CMDYCLER><Index>	NYMEX [®] WTI Cushing Crude Oil (“CL”)
HBP Silver Excess Return Index	<CMDYSIER><Index>	COMEX [®] 5,000 troy oz. Silver (“SI”)
HBP Gold Bullion Excess Return Index	<CMDYGGER><Index>	COMEX [®] 100 troy oz. Gold (“GC”)
HBP Winter Term Crude Oil Index	<CMDYCLZ1><Index>	December NYMEX [®] Crude Oil (“CLZ”)
HBP Winter Term Natural Gas Index	<CMDYNGF1><Index>	January NYMEX [®] Natural Gas (“NGF”)
HBP Natural Gas Excess Return Index	<CMDYNGER><Index>	NYMEX [®] Natural Gas (“NG”)
HBP Copper Excess Return Index	<CMDYHGER><Index>	COMEX [®] 25,000 Lbs. Copper (“HG”)

Business Day Convention

For the purposes of this Index, a Business Day is any day in which the NYMEX/COMEX is open and publishes a Contract Settlement Price for the Designated Relevant Contracts and which the Toronto Stock Exchange (“TSX”) is open and publishes closing prices and Canadian Banks are open and have the ability to settle foreign exchange transactions.

Designated Relevant Contracts

Designated Relevant Contracts for the HBP Crude Oil Excess Return Index, HBP Natural Gas Excess Return Index, HBP Copper Excess Return Index, HBP Silver Excess Return Index, and HBP Gold Bullion Excess Return Index

The Designated Relevant Contract at the beginning of each month is outlined in the following table. Note that as contracts expire during the month, the Secondary Contract becomes the Primary Contract. For more detail, please refer to the Contract Roll Period and Weights Section.

Designated Relevant Contracts for the HBP Winter Term Crude Oil Index

The Designated Relevant Contract at the beginning of each year is the First Nearby December Crude Oil Futures Contract (“CLZ1”). In June of each year, the Designated Relevant Contract is rolled forward to the Second Nearby December Crude Oil Futures Contract (“CLZ2”). For more detail, please refer to the Contract Roll Period and Weights Section.

Designated Relevant Contracts for the HBP Winter Term Natural Gas Index

The Designated Relevant Contract at the beginning of each year is the First Nearby January Natural Gas Futures Contract (“NGF1”). In November of each year, the Designated Relevant Contract is rolled forward to the Second Nearby January Natural Gas Futures Contract (“NGF2”). For more detail, please refer to the Contract Roll Period and Weights Section.

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Designated Relevant Contracts Table

INDEX	HBP Crude Oil Excess Return Index		HBP Natural Gas Excess Return Index		HBP Gold Bullion Excess Return Index		HBP Silver Excess Return Index, HBP Copper Excess Return Index		HBP Winter Natural Gas Index		HBP Winter Crude Oil Index	
	Primary	Secondary	Primary	Secondary	Primary	Secondary	Primary	Secondary	Primary	Secondary	Primary	Secondary
Associated ETF Ticker	HOU, HOD, HIO, HNO, HON		HNU, HND, HIN, HNO, HON		HBU, HBD, HUG, HIB		HZU, HZD, HUZ, HIZ, HKU, HKD, HUK		HUN		HUC	
Contract	Primary	Secondary	Primary	Secondary	Primary	Secondary	Primary	Secondary	Primary	Secondary	Primary	Secondary
January	G	H	G	H	G	J	H	H	F1	F1	Z1	Z1
February	H	J	H	J	J	J	H	K	F1	F1	Z1	Z1
March	J	K	J	K	J	M	K	K	F1	F1	Z1	Z1
April	K	M	K	M	M	M	K	N	F1	F1	Z1	Z1
May	M	N	M	N	M	Q	N	N	F1	F1	Z1	Z1
June	N	Q	N	Q	Q	Q	N	U	F1	F1	Z1	Z2
July	Q	U	Q	U	Q	Z	U	U	F1	F1	Z2	Z2
August	U	V	U	V	Z	Z	U	Z	F1	F1	Z2	Z2
September	V	X	V	X	Z	Z	Z	Z	F1	F1	Z2	Z2
October	X	Z	X	Z	Z	Z	Z	Z	F1	F1	Z2	Z2
November	Z	F	Z	F	Z	G	Z	H	F1	F2	Z2	Z2
December	F	G	F	G	G	G	H	H	F2	F2	Z1	Z1

Month Codes

MONTH	MONTH CODE	MONTH	MONTH CODE
January	F	July	N
February	G	August	Q
March	H	September	U
April	J	October	V
May	K	November	X
June	M	December	Z
Nearby January Contract	F1	Nearby December Contract	Z1
Next Nearby January Contract	F2	Next Nearby December Contract	Z2



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Contract Roll Period and Weights

Contract Roll Period and Weights for the HBP Natural Gas Excess Return Index

The Roll Dates will be from the 4th to 11th (inclusive) Business Day of each applicable roll month. The determination of the appropriate Designated Relevant Contract is based on the day of the month. Please see the table below for more information.

Contract Roll Period and Weights for HBP Winter Term Crude Oil Index

The Roll Dates will be from the 10th to 17th (inclusive) Business Day of June of each year. The determination of the appropriate Designated Relevant Contract is based on the day of the month. Please see the table below for more information.

Contract Roll Period and Weights for the HBP Crude Oil Excess Return Index

The Roll Dates will be from the 4th to 7th (inclusive) Business Day of each applicable roll month. The determination of the appropriate Designated Relevant Contract and its weight in the index are based on the day of the month. Please see the table below for more information.

Contract Roll Period and Weights for the HBP Silver Excess Return Index, HBP Copper Excess Return Index, and HBP Gold Bullion Excess Return Index.

The Roll Dates will be from the 7th Last Business Day to the 4th Last Business Day (inclusive) of each applicable roll month. The determination of the appropriate Designated Relevant Contract and its weight in the index are based on the day of the month. Please see the table below for more information.

Contract Roll Period and Weights for the HBP Winter Term Natural Gas Index

The Roll Dates will be from the 10th to 17th (inclusive) Business Day of November of each year. The determination of the appropriate Designated Relevant Contract is based on the day of the month. Please see the table below for more information.

Contract Roll Period and Weights Table

	Business Days of the Month									
HBP Natural Gas Excess Return Index	1st-3rd	4th	5th	6th	7th	8th	9th	10th	11th	
Primary Contract	100%	87.5%	75.0%	62.5%	50.0%	37.0%	25.0%	12.5%	0.0%	
Secondary Contract	0.0%	12.5%	25.0%	37.0%	50.0%	62.5%	75.0%	87.5%	100.0%	
HBP Crude Oil Excess Return Index	1st-3rd	4th	5th	6th	7th					
Primary Contract	100%	75.0%	50.0%	25.0%	0.0%					
Secondary Contract	0.0%	25.0%	50.0%	75.0%	100.0%					
HBP Silver Excess Return Index	8th (last)	7th (last)	6th (last)	5th (last)	4th (last)					
Primary Contract	100%	75%	50.0%	25.0%	0.0%					
Secondary Contract	0.0%	25%	50.0%	75.0%	100.0%					
HBP Gold Bullion Excess Return Index	8th (last)	7th (last)	6th (last)	5th (last)	4th (last)					
Primary Contract	100%	75%	50.0%	25.0%	0.0%					
Secondary Contract	0.0%	25%	50.0%	75.0%	100.0%					
HBP Copper Excess Return Index	8th (last)	7th (last)	6th (last)	5th (last)	4th (last)					
Primary Contract	100%	75%	50.0%	25.0%	0.0%					
Secondary Contract	0.0%	25%	50.0%	75.0%	100.0%					
HBP Winter Term Natural Gas Index	1st-9th	10th	11th	12th	13th	14th	15th	16th	17th	
Primary Contract	100%	87.5%	75.0%	62.5%	50.0%	37.0%	25.0%	12.5%	0.0%	
Secondary Contract	0.0%	12.5%	25.0%	37.0%	50.0%	62.5%	75.0%	87.5%	100%	
HBP Winter Term Crude Oil Index	1st-9th	10th	11th	12th	13th	14th	15th	16th	17th	
Primary Contract	100%	87.5%	75.0%	62.5%	50.0%	37.0%	25.0%	12.5%	0.0%	
Secondary Contract	0.0%	12.5%	25.0%	37.0%	50.0%	62.5%	75.0%	87.5%	100%	



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Market Disruption Events

From time to time, market disruption events may occur that will result in the postponement of the Index and/or the adjustment of the roll period. A Market Disruption Day will be deemed to have occurred if any of the following events occur:

- i. The Daily Contract Settlement Price is not published by the Exchange by 4:00 PM Eastern Time;
- ii. The Daily Contract Settlement Price is erroneous, in the reasonable judgment of Horizons BetaPro, and such error is not corrected by 4:00pm Eastern Time;
- iii. The Daily Contract Settlement Price is a Limit price (as defined by the applicable Exchange);
- iv. Trading in the relevant contract is disrupted during the trading day and does not trade for at least 30 minutes prior to the scheduled closing time (or rescheduled closing time if the contract closing time is rescheduled)

If any of these events occur on a non-roll date, the Index will not be posted for that Business Day.

In respect of CL, SI and GC, if any of these events occur on a roll date, the applicable Index will not be posted for that Business Day AND the portion of the roll that was to take place on the Market Disruption Day will take place on the next non-Market Disruption Business Day. For instance, if the Market Disruption Day occurred on the 7th Business Day of the month, the 25% portion that was to be rolled on day 7 will be added to the 25% roll on the 8th Business Day making the total roll 50% on the 8th Business Day.

In respect of CLZ, NGF and NG, if any of these events occur on a roll date, the applicable Index will not be posted for that Business Day AND that date will be treated as a non-business day meaning that it will not be counted in the dates that are counted during the roll dates.

Changes to the Indices

From time to time, and as market forces dictate, it may become necessary for HBP and/or the Calculation Agent to change the Index Methodology as explained in this document. Changes may include, but will not be limited to, roll period adjustments, market disruption events, and Designated Relevant Contracts. HBP will attempt to give as much notice as possible of any changes that may occur.

Neither this Index Methodology nor any set of procedures are capable of anticipating all possible circumstances and events that may occur with respect to the applicable Index and the methodology for its composition, weighting and calculation. Accordingly, a number of subjective judgments must be made in connection with the operation of the applicable Index that cannot be adequately reflected in the Index Methodology. Further, modifications to the methodology to calculate the applicable Index, and consequently the Index Methodology, may be necessary from time to time. The Calculation Agent reserves the right to make such changes or refinements to the methodology set forth in the Index Methodology as it believes necessary in order to preserve and enhance the utility of the Index as a benchmark for commodity market performance. The Calculation Agent also reserves the right to take such action with respect to the applicable Index as it deems necessary or appropriate, in order to address market emergencies or other extraordinary market events or conditions. Wherever practicable, any such changes or actions will be publicly announced prior to their effective date.

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