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**CIRCULAR**  
**November 22, 2011**

**FINAL CONTRACT ADJUSTMENT**  
**Horizons BetaPro NYMEX® Natural Gas Bull Plus ETF (HNU)**  
**Reverse Unit Split**

**THE FOLLOWING INFORMATION IS PREPARED FOR THE CONVENIENCE OF CANADIAN DERIVATIVES CLEARING CORPORATION (CDCC) MEMBERS AND BOURSE DE MONTRÉAL INC. (THE BOURSE) APPROVED PARTICIPANTS. THIS DOCUMENT IS AN UNOFFICIAL SUMMARY OF CERTAIN TERMS OF THE AFOREMENTIONED ADJUSTMENT. CDCC AND THE BOURSE ACCEPT NO RESPONSIBILITY FOR THE ACCURACY OR COMPLETENESS OF THE SUMMARY. CDCC MEMBERS AND BOURSE APPROVED PARTICIPANTS MUST ENSURE THEY HAVE REVIEWED THE DOCUMENTATION PUBLISHED BY THE ISSUERS INVOLVED IN THIS CORPORATE ACTION.**

The Bourse and CDCC wish to inform you that Horizons ETFs Management (Canada) Inc. (“Horizons Canada”) will consolidate the units of Horizons BetaPro NYMEX® Natural Gas Bull Plus ETF (“HNU Fund”). The reverse unit split on the basis of a 1 for 4 ratio will be effective at the opening of markets on November 23, 2011.

**CDCC - adjustment details:**

Pursuant to Terms of Adjustment provided in Section A-902 of the Rules of CDCC, all the HNU Fund options will be adjusted as follows:

- **EFFECTIVE DATE:** November 23, 2011
- **OPTIONS SYMBOL:** HNU will become HNU2
- **NUMBER OF CONTRACTS:** Unchanged
- **NEW DELIVERABLE PER CONTRACT:** 25 Horizons BetaPro NYMEX® Natural Gas Bull Plus ETF (HNU)
- **MULTIPLIER:** 25
- **POSITION AND EXERCISE LIMITS** Position and exercise limits will remain unchanged at 75,000 contracts
- **STRIKE PRICES:** Strike Prices will be multiplied by four
- **NEW CUSIP :** 44045F135

**CDCC will not accept escrow receipts on these adjusted series.**

**The Bourse - adjustment details:**

It is important to note that on the effective date mentioned above, all open orders on this option class **will not be automatically modified** to reflect the consolidation and will therefore have to **be re-entered** into the Montreal Automated System (SAM) by the approved participants.

**The existing series of HNU options class will be transferred to the HNU2 options class representing the new deliverable. Actual series that do not have open interest will not be adjusted.**

<b>Horizons BetaPro NYMEX Natural Gas Bull plus ETF</b>		
<b>New Symbol</b>	<b>Actual Strike Prices</b>	<b>New Strike Prices</b>
HNU2	\$3.00	\$12.00
HNU2	\$4.00	\$16.00
HNU2	\$5.00	\$20.00
HNU2	\$6.00	\$24.00
HNU2	\$7.00	\$28.00
HNU2	\$8.00	\$32.00
HNU2	\$9.00	\$36.00

**Numerical Example**

For a member holding a long put strike \$4.00 position and considering that HNU Fund's closing price on November 23, 2011 is \$3.00, here is the intrinsic value of the option prior to the adjustment:

$$\text{Intrinsic Value} = \$4.00 \times 100 - \$3.00 \times 100 = \$100$$

After the adjustment, here is what the intrinsic value of the option will be:

$$\begin{aligned} \text{Intrinsic Value} &= \text{New Strike Price} \times \text{New Multiplier} - \text{New Underlying Market Price} \times \text{New Deliverable} \\ \text{Intrinsic Value} &= \$16.00 \times 25 - \$12.00 \times 25 = \$100 \end{aligned}$$

**PLEASE ENSURE THAT ALL CLIENTS WHO HAVE EITHER LONG OR SHORT POSITIONS IN THIS OPTION CLASS ARE ADVISED OF THIS NOTICE.**

For further information, please contact Louise Leclair, Trading Systems Analyst Market Operations, Bourse de Montréal Inc. at (514) 871-3526. Clearing members may contact the CDCC Member Services Department.

Brian Gelfand  
Vice-President, Institutional Relations and Market Operations