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**Item 1 – Cover Page**  
**Horwitz and Associates, Inc.**

**(Wrap Accounts)**

**2610 Lake Cook Road**

**Suite 190**

**Riverwoods, IL 60015**

**224-632-4600**

**www.horwitzco.com**

**December 17, 2012**

This Brochure provides information about the qualifications and business practices of Horwitz and Associates, Inc. (“Horwitz and Associates” or “Horwitz”). If you have any questions about the contents of this Brochure, please contact us at 224-632-4600, via email at [info@horwitzco.com](mailto:info@horwitzco.com), or visit our website at [www.horwitzco.com](http://www.horwitzco.com). The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Horwitz and Associates is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser are intended to provide you with information about which you determine to hire or retain an Adviser.

Additional information about Horwitz and Associates is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

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## Item 2 – Material Changes

As of September 2012, Horwitz & Associates has initiated a custodial relationship with Schwab Advisor Services, a division of Charles Schwab & Co., Inc. (Schwab).

No other material changes occurred between July 1, 2012 – December 19, 2012.

In the past we have offered or delivered information about our qualifications and business practices to clients on at least an annual basis. Pursuant to new SEC Rules, we will ensure that you receive a summary of any materials changes to this and subsequent Brochures within 120 days of the close of our business' fiscal year, which is June 30. We may further provide other ongoing disclosure information about material changes as necessary.

We will further provide you with a new Brochure or Supplements as necessary based on material changes or new information, at any time, without charge.

Currently, our Brochure may be requested by contacting Joseph Lasquite at 224-632-4600. Our Brochure is also available on our web site [www.horwitzco.com](http://www.horwitzco.com), also free of charge.

Additional information about Horwitz and Associates is also available via the SEC's web site [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC's web site also provides information about any persons affiliated with Horwitz and Associates who are registered, or are required to be registered, as investment adviser representatives of Horwitz and Associates.

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## Item 3 -Table of Contents

Item 1 – Cover Page.....	i
Item 2 – Material Changes .....	ii
Item 3 – Table of Contents.....	iii
Item 4 – Advisory Business .....	1
Item 5 – Fees and Compensation.....	1
Item 6 – Performance-Based Fees and Side-By-Side Management .....	2
Item 7 – Types of Clients .....	2
Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss .....	2
Item 9 – Disciplinary Information.....	5
Item 10 – Other Financial Industry Activities and Affiliations .....	5
Item 11 – Code of Ethics.....	7
Item 12 – Brokerage Practices.....	7
Item 13 – Review of Accounts.....	7
Item 14 – Client Referrals and Other Compensation .....	8
Item 15 – Custody.....	8
Item 16 – Investment Discretion .....	9
Item 17 – Voting Client Securities.....	9
Item 18 – Financial Information .....	9
Brochure Supplement(s)	

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## Item 4 – Advisory Business

### **Horwitz & Associates Investment Management**

Established in 1971, Horwitz & Associates provides investment advice and portfolio management services on a continuing basis - including an appropriate allocation of managed assets among cash money market funds, equity, and bonds - with the selection of specific securities, which will provide proper diversification and help meet the client's stated investment objectives. Gerald Horwitz and Roberta Horwitz each own over 25% of Horwitz and Associates through its parent company, Raffaello Inc.

These services include the evaluation, design, construction, implementation, and monitoring of investment portfolios. Assets are allocated among appropriate investment categories in accordance with the client's financial objectives, liquidity constraints, expected time horizon, risk tolerance, and tax considerations as well as prevailing economic conditions and any other relevant factors. Existing assets are evaluated and appropriate hold or sell recommendations are made.

Horwitz maintains a Limited Power of Attorney and/or Trading Authority for all discretionary accounts for the purposes of directing and/or otherwise effecting investments on behalf of the managed account as well as for the direct payment of Horwitz's fees and/or payment of commissions, custodial fees and/or other charges incurred by the managed account.

Clients receive consolidated reports periodically (monthly, quarterly, or annually, depending on client's preference) that illustrate investment performance, current market values, and asset allocation. Clients may also receive upon request monthly, quarterly, semi-annual or annual personal review of their portfolio. Monthly statements are also archived and available online through the firm's website ([www.horwitzco.com](http://www.horwitzco.com)) As of June 1, 2012, Horwitz and Associates in its' Wrap program, has approximately \$104,000,000 under management.

Horwitz and Associates also offers comprehensive fee-based financial planning. The planning process involves six steps:

- Identifying and Prioritizing Objectives
- Gathering Information
- Analyzing Information
- Developing a Plan which includes Proposing Recommendations
- Implementing the Plan
- Tracking Plan Progress

## Item 5 – Fees and Compensation

Fees for ongoing asset monitoring are generated based on a percentage range of 1.00% to 2.0% of portfolio assets. Fees are calculated by multiplying the assets under management by the relevant percent and dividing such product by four (4). The extent of monitoring services and all fees are agreed upon in writing prior to engagement. Monitoring fees are payable quarterly, in advance and such fees may be deducted from client's account(s). All fees may be negotiable under certain circumstances. Monitoring services may be terminated by either party at any time for any reason.

Any unearned fees are refunded on a pro-rate basis less reasonable startup costs.

In addition to the wrap fee, the client may be charged incidental fees by the custodian and transactional fees imposed by regulatory authorities.

To the extent mutual funds are selected by the sub-manager to fill components of the overall investment strategy, the annual advisory fee set forth above does not include the customary fees and expenses associated with investing in mutual funds or other costs of establishing and maintaining an account with mutual funds including Rule 12b-1 fees and expenses. The client is advised that, in addition to the annual

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advisory fee set forth above, each mutual fund in which assets are invested will incur separate investment advisory fees and other expenses for which Client will bear a proportionate share.

The relationship between the parties may be terminated by either party upon 30 days written notice. Notwithstanding the above, if the appropriate disclosure statement was not delivered to the client at least 48 hours prior to the client entering into any written or oral advisory contract with this investment adviser, then the client has the right to terminate the contract, without a penalty, within five (5) business days after entering into the contract.

In other cases, clients may opt to pay a fixed fee for review of their account, rebalancing, tax and estate planning. These services are performed on a non-discretionary basis. The fee for selection and monitoring services will be one of the following:

1. Hourly charge between \$100 to \$250 per hour as mutually agreed upon with the client.
2. Fixed fee as mutually agreed upon with client. The fee will be based on a number of factors including scope of services and other relevant factors. Fees for these services are payable quarterly in advance. Charges for fee-based financial planning range from \$500-\$2,000, depending on the complexity of the case.

## **Item 6 – Performance-Based Fees and Side-By-Side Management**

Horwitz and Associates does not charge performance-based fees.

## **Item 7 – Types of Clients**

Horwitz and Associates may provide portfolio management services to individuals, high net worth individuals, trusts, corporate pension and profit-sharing plans, Taft-Hartley plans, charitable institutions, foundations, endowments, municipalities, banking institutions, registered mutual funds, private investment funds, trust programs, and other institutions.

## **Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss**

Horwitz & Associates may use Charting, as well Fundamental, Technical and Cyclical analysis. Investing in securities involves risk loss that clients should be prepared to bear.

Horwitz and Associates runs two portfolios:

Horwitz & Associates, Inc. Growth Portfolio and Horwitz & Associates Conservative Portfolio

Horwitz & Associates, Inc., designs Growth Portfolios for investors who are willing to take on risk to achieve a potentially higher rate of return, by diversifying into companies that are considered in the forefront of their industry. The portfolio is comprised of a mixture between stocks, bonds, cash or money market funds. A typical portfolio may have a high-percentage of weight in stocks depending on the client's risk tolerance, market conditions, and other factors. When appropriate, covered call options are written on the equities in the portfolio and other put and call option strategies may be utilized. Our focus and area of expertise is in community bank and financial stocks. The remainder of the equity portion is invested in companies with historically consistent earnings growth in expanding industries. The focus of the equity portion is on companies that have a unique "niche" and/or have market leadership. A portion of the portfolio may be comprised of high-grade and/or situational bonds.

Horwitz & Associates, Inc., designs Conservative Portfolios structured for investors desiring a goal for preservation of capital with relatively lower risk. The portfolio is comprised of a mixture between stocks, bonds, cash or money market funds. A typical portfolio is balanced between stocks and bonds based on a client's risk tolerance, market conditions, and other factors. When appropriate, covered call options are

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written on the equities in the portfolio. Our focus and area of expertise is in community bank and financial stocks. The remainder of the equity portion is invested in companies with historically consistent earnings growth and dividends; the fixed income portion of the portfolio may be comprised of high-grade and/or situational bonds.

### **Process**

Every financial advisor has an investment process, but not every investment process is as unique as ours. At Horwitz & Associates, Inc. our process is everything: creating a balanced portfolio and following a proven investment strategy. Our process can produce more dependable results for investors over the long term. We know because we have been investing this way over 40 years—for our customers and clients as well as for ourselves.

### **Ideas**

We differ from other investment advisers. We do not follow hundreds of stocks or buy the “flavor of the month”. We do not buy stocks or bonds that we do not intend to keep. We INVEST. There is a limited universe of companies we know intimately; some companies we call and talk to their upper management. At Horwitz & Associates, we examine things you won’t find on a spreadsheet—intangibles such as solid management, a promising product launch, key personnel changes and business trends—to name a few.

### **Analysis**

We evaluate each opportunity from the bottom up and from the top down. When practical, we tour a business’ operations. We understand what they do. We ask the hard questions. And we get those questions answered by top management. Then, we determine a stock’s suitability for inclusion in the Horwitz & Associates, Inc. Growth or Conservative portfolio.

### **Selection**

Horwitz & Associates, Inc. Growth Portfolio looks to determine a firm’s growth potential: companies with identifiable revenue streams, growing and manageable margins, and improving efficiencies. The Horwitz & Associates, Inc. Conservative Portfolio considers factors such as a company’s ongoing and/or increasing dividends, stability, and sustainability of revenue streams. Essentially, we buy what we know works. We build our portfolios from a universe of approximately 50 stocks. A model portfolio would be managed with fixed income plus a portion in equities. Up to 20% of the equity portion is typically invested in banks or financial-related companies. The remainder of the equity portion is invested in stocks with more recognizable brand names. We write covered call options against those positions, helping to mitigate risk and to generate cash flow. Each portfolio’s fixed income portion consists of top-rated and/or situational bonds. In unique circumstances, we construct hybrid portfolios: customized portfolios that may include securities you already own.

### **Portfolio Construction**

Investment decisions take into consideration how a particular security will affect the overall portfolio. We assess its potential for growth and/or income, the security’s impact on overall portfolio risk, and possible tax consequences.

Factors that may be considered when making investment decisions include, but are not limited to (Alphabetical Order):

- Ability to Communicate with Management
- Analyst Forecast
- Balance of Company Leverage & Liquidity
- Beta
- Book Value
- Business Mix

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- Cash Flow
  - Dividend Policy (Payout/Growth)
  - Dividends
  - Earnings Consistency & Quality
  - Economic Considerations
  - Economic MOAT
  - EPS
  - Historic Business Results & Growth
  - Industry Outlook
  - Industry/Sector
  - Insider & Large Holders Transactions
  - Institutional Ownership
  - Investment Timeframe
  - Local vs. Global
  - Management Quality
  - Market Liquidity & Capitalization
  - Market Price vs. Fair Value
  - Market Share of Products/Services
  - Options & Premiums
  - P/E Ratio
  - P/E to Growth
  - Profitable Margin Growth
  - Return on Equity
  - Return on Sales
  - Return on Assets
  - Sector vs. Current Holdings
  - Suitability
  - Tax Considerations
  - Technical & Psychological Considerations
  - Time of Year

**Horwitz & Associates Rules of Investing:**

- Buy and hold good stocks and quality bonds
- Use options to mitigate risk and produce income
- Perform research to uncover hidden opportunities
- Analyze and discern the “big picture”
- Assess each investment’s potential for growth and/or income, overall impact on portfolio risk, and possible tax consequences
- Research Continuity and commitment to our strategy
- Maintain a long-term perspective
- Keep costs among the lowest and provide best-in-class wealth management services

A significant part of our strategy may involve covered call writing. A covered call is a financial market transaction in which the seller of call options owns the corresponding amount of the underlying instrument, such as shares of a stock or other securities. Writing a call generates income in the form of the premium paid by the option buyer. If the stock price remains stable or increases, then the writer will be able to keep this income as a profit, although the profit may have been higher if no call were written. The risk of stock ownership is not eliminated. If the stock price declines, then the net position will likely lose money.

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## Risk of Loss

All investment programs have certain risks that are borne by the investor. Investing in securities involves a certain amount of risk of loss that clients should be prepared to bear. Questions regarding risks may be directed to the firm.

## Item 9 – Disciplinary Information

Horwitz and Associates has no information applicable to this Item.

## Item 10 – Other Financial Industry Activities and Affiliations

### Principal Business Activities of Horwitz & Associates, Inc.

Horwitz and Associates (Horwitz) is registered as a broker-dealer with the U.S. Securities & Exchange Commission and various state jurisdictions, and is a member of the Financial Industry Regulatory Authority and the Municipal Securities Rulemaking Board. As such, Horwitz may execute trades on behalf of the client's advisory account.

Horwitz – the broker/dealer – may be used to execute portfolio transactions for investment advisory clients of Horwitz. These transactions will be conducted subject to proper, and customary, disclosure including (but not limited to) compensation received by Horwitz and its registered representatives. Compensation will be received by Horwitz, as a broker dealer, when portfolio transactions are effected on behalf of investment advisory clients. Gerald Horwitz and/or Edward Horwitz and / or other registered representatives may receive compensation as a result of acting in one or both capacities.

It is generally anticipated that Horwitz will be designated by the client as the broker-dealer for the execution of securities transactions, which are directed by Horwitz. To the extent that it is, Horwitz will seek to obtain the best combination of price and execution for such transactions; however, lower commissions or better execution may be available elsewhere, for example, by the execution of the transaction through a so called "discount broker."

**Additionally, Horwitz, as a broker-dealer, may buy securities for itself from, or sell securities it owns to clients of Horwitz, at which time commissions and or other markups/markdowns may be charged to those clients.**

If an investment advisory client utilizes Horwitz as the broker-dealer, Horwitz's selection of money market mutual funds or comparable investments in which to hold cash reserves in the client's account will be limited to certain investments. The selection includes money market, municipal money market and government money-market funds, and the issuers of funds pay Horwitz a distribution fee in its capacity as a broker-dealer. This compensation is in addition to other fees, etc. received from client accounts. Horwitz's registered representatives may also receive additional compensation based on client account balances being held in the money-market funds ("trailers"). Additionally, cash balances arising from the sales of securities, redemption of debt securities, dividend and interest payments and funds received from clients may be invested/swept automatically on a daily basis. When securities are sold, funds are deposited on settlement date. Funds placed in a client's account by personal check usually will not be invested until the next business day following the day that the deposit is credited to the client's account. Where an unaffiliated broker-dealer or other entity acts as custodian of the client's account assets, Horwitz will have no control over the manner in which the cash reserves will be handled. The client and/or custodian will make that determination.

Based upon the similarity of investments among client accounts having similar investment objectives, and the fact that Horwitz may direct the purchase of securities for more than one account simultaneously, and the possible appearance of similarity in the treatment of clients, all client accounts are handled under the



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following basic conditions, designed to prevent pooling of assets and/or the management of accounts on a de facto pooled basis, resulting in the existence of an investment company. The custody of accounts held by the custodian on behalf of Horwitz is structured such that each client's securities are held in nominee name only for ministerial purposes and each client's account is maintained as a separate account. The client's beneficial interest in a security does not represent an undivided interest in all the securities held by the custodian, but rather represents a direct and beneficial interest in the client's securities in the account.

Further, each client retains any and all rights afforded under the federal securities laws to proceed directly against the issuer of any underlying security in the client's account. Each client may withdraw, hypothecate, vote or pledge securities in their account upon notice to Horwitz and each client has the authority to instruct Horwitz in directing the purchase of certain securities through Horwitz that might otherwise be purchased in the client's account. At least annually, customer objectives are reviewed with the client and holdings reviewed with respect to keeping in line with those objectives.

### **The Helmsman Group – Separately Managed Account (SMA) Platform**

We sponsor The Helmsman Group managed account platform; a service bureau division of Horwitz & Associates which provides portfolio management services for sub-advisors. The Helmsman Group garners a portion of the below wrap fee for services rendered. In addition to a wrap fee, the client may be charged incidental fees by the custodian and transactional fees imposed by regulatory authorities.

#### **Helmsman Group Fee Structure**

\$100,000.00 to \$149,999.99	2.00%
\$150,000.00 to \$249,999.99	2.00%
\$250,000.00 to \$349,999.99	2.00%
\$350,000.00 to \$499,999.99	2.00%
\$500,000.00 to \$749,999.99	2.00%
\$750,000.00 to \$999,999.99	2.00%
\$1,000,000.00 to \$1,499,999.99	1.50%
\$1,500,000.00 and up	1.00%

We conduct substantially similar processes for management of The Helmsman Group accounts and we receive a portion of wrap fees for those services. Discretionary management for our clients and Helmsman Group clients occurs simultaneously and involves a conflict of interest when implementing our investment strategies. We do not compensate third-parties for referring client accounts for our management.

**Please review Item 12 – Brokerage Practices, and Item 15 – Custody, of this Brochure for further information.**

### **Sale of Other Products and Services**

Horwitz & Associates also offers non-wrap investment advice to clients in which a client can pay transaction-based fees as well as a fee based on account assets. As such the advisor may have an incentive to recommend non-wrap investment advice to curtail transactional expenses incurred.

Certain associated persons of Horwitz are licensed insurance brokers, and as such, do on occasion sell insurance products to the clients of Horwitz. The amount of time spent on these activities is no more than two (2%) percent.

## **Item 11 – Code of Ethics**

Horwitz has adopted a Code of Ethics to ensure that securities transactions by Horwitz employees are consistent with Horwitz's fiduciary duty to its clients and to ensure compliance with legal and regulatory requirements and the firms standards of business conduct.

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The principals and employees of the firm are permitted to invest in the same securities that the firm recommends to clients. They may recommend to clients or may buy and sell securities for client accounts at or about the same time that they buy or sell in their own account. This creates a conflict of interest because the principals and employees of the firm may have an incentive to execute their orders in front of client orders. To mitigate this conflict, employees are not permitted to enter buy or sell orders in the same or similar securities contemporaneously with client orders.

Horwitz requires transaction confirmation and quarterly reporting.

A written copy of Horwitz's Code of Ethics is available upon request.

## **Item 12 – Brokerage Practices**

Horwitz and Associates does not participate in any soft dollar arrangements with any broker dealer in connection with client securities transactions.

Horwitz will supervise and direct the investments of the client accounts subject to such limitations as the client may impose in writing. Horwitz, as agent and attorney-in-fact with respect to the client's account, without prior consultation with the client, may place orders for the execution of such securities transactions with Horwitz or other third party broker/dealers. Horwitz will allocate brokerage transactions in a manner it believes to be fair and responsible to its clients, and consistent with client objectives. Adhering to a strict formula will not be practicable given the variation in client objectives and guidelines.

Horwitz may place orders for the execution of transactions with JPMorgan Clearing Corp., Apex Clearing, or Horwitz may select another broker/dealer, and while complying with Section 28(e) of the Securities Exchange Act of 1934. Horwitz suggests that its clients utilize Horwitz whereby Horwitz clears securities transactions on a fully disclosed basis through J. P. Morgan Clearing Corp. and Apex Clearing as an introducing broker. Further, JPMorgan Clearing Corp. and Apex hold all customer funds and/or securities on behalf of Horwitz's brokerage customers for purposes of the Securities Investor Protection Act. Any research and recommendations provided by the executing and clearing broker is used to service all accounts.

## **Item 13 – Review of Accounts**

Horwitz & Associates, Inc., as investment advisor, reviews all investment advisory accounts. Changes in market prices, interest rates, news stories, earning reports, etc., that are deemed to have an effect on a client account would initiate a review of the account. All investment advisory accounts are reviewed at least monthly by Gerald Horwitz, Chief Executive Officer, Ed Horwitz, President, or Joseph Ogrin, Chief Compliance Officer.

Clients receive statements from the custodian of assets at least quarterly, or monthly, if there is activity in the account. (See Item 15 on Custody) Clients may give written request to receive their statements and trade confirmations electronically from the custodian.

## **Item 14 – Client Referrals and Other Compensation**

Horwitz and Associates does not have any arrangements, oral or in writing, where it is paid cash by or receives some economic benefit (including commissions, equipment or non-research services) from a non-client in connection with giving advice to clients.

Horwitz and Associates does not directly or indirectly compensate any person for client referrals.

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## Item 15 – Custody

Horwitz & Associates (Horwitz) may recommend that clients establish brokerage accounts to maintain custody of clients' assets and to execute trades for their accounts with the following custodians as registered broker-dealers and SIPC members:

- JPMorgan Clearing Corp. (JPMCC)
- Pershing LLC, a division of Bank of New York Mellon. (Pershing)
- Schwab Advisor Services, a division of Charles Schwab & Co., Inc. (Schwab)
- Apex Clearing LLC (Apex)

While advisors attempt to recommend custodians based on anticipated services needed by the client, the final decision to custody assets with a given custodian is at the discretion of the Advisor's clients, including those accounts under ERISA or IRA rules and regulations, in which case the client is acting as either the plan sponsor or IRA accountholder. Certain custodians may apply fees for custodial services rendered.

Horwitz is independently owned and operated and not affiliated with the aforementioned custodians. Custodians provide Horwitz with access to its institutional trading and custody services, which are typically not available to retail investors. These services generally are available to independent investment advisors on an unsolicited basis, at no charge to them so long as a total of at least a pre-determined amount of the advisor's clients' assets are maintained in accounts at a Custodian. Each custodian's services include brokerage services that are related to the execution of securities transactions, custody, research, including that in the form of advice, analyses and reports, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

Custodians are compensated by Horwitz through commissions or other transaction-related or asset-based fees for securities trades that are executed through the custodian or that settle into custodial accounts. The fact that the advisor pays transaction-based fees may cause a material disincentive to the advisor to transact trades in a client's account.

The cost to trade securities varies between custodians; therefore the advisor may be motivated to recommend the custodian with the lowest trading cost in order to minimize their expenses.

Custodians may also make available to Horwitz other products and services that benefit Horwitz but may not benefit its clients' accounts. These benefits may include national, regional or Horwitz-specific educational events organized and/or sponsored by the custodian(s). Other potential benefits may include occasional business entertainment of personnel of Horwitz by custodian personnel, some of which may accompany educational opportunities. Other of these products and services assist Horwitz in managing and administering clients' accounts. These include software and other technology (and related technological training) that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts), provide research, pricing information and other market data, facilitate payment of Horwitz's fees from its clients' accounts, and assist with back-office training and support functions, recordkeeping and client reporting. Many of these services generally may be used to service all or some substantial number of Horwitz accounts. The Custodians also makes available to Horwitz other services intended to help Horwitz manage and further develop its business enterprise. These services may include professional compliance, legal and business consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, employee benefits providers, human capital consultants, insurance and marketing. In addition, the custodians may make available, arrange and/or pay vendors for these types of services rendered to Horwitz by independent third parties. Custodians may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these

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services to Horwitz. While, as a fiduciary, Horwitz endeavors to act in its clients' best interests, Horwitz's recommendation that clients maintain their assets in accounts at a certain custodian may be based in part on the benefit to Horwitz of the availability of some of the foregoing products and services and other arrangements and not solely on the nature, cost or quality of custody and brokerage services provided, which may create a potential conflict of interest.

**All investment advisory clients receive at least one report per month that details transactions, lists all security positions, realized and unrealized gains or losses. Clients receive various performance data quarterly. These reports enable the client to review and audit the performance of their investment advisory account.**

**Clients receive consolidated reports from Horwitz monthly, quarterly, or annually (depending on client's preference) that illustrate investment performance, current market values, and asset allocation.**

**Clients will also receive statements at least quarterly from: Apex Clearing and/or JPMorgan Clearing Corp. In addition, clients have the ability to access their account information online at any time.**

Horwitz and Associates urges you to carefully review such statements and compare such official custodial records to the account statements that we may provide to you. Our statements may vary from custodial statements based on accounting procedures, reporting dates, pricing sources, or valuation methodologies of certain securities.

## **Item 16 – Investment Discretion**

Horwitz will supervise and direct the investments of the client accounts subject to such limitations as the client may impose in writing. Horwitz, as agent and attorney-in-fact with respect to the client's account, without prior consultation with the client, may, (a) direct the purchase, sell, exchange, conversion, and otherwise trade in stocks, bonds and other securities including money market instruments, (b) direct the amount of securities purchased, sold, exchanged, and otherwise traded.

## **Item 17 – Voting Client Securities**

As a matter of firm policy and practice, Horwitz and Associates does not have any authority to and does not vote proxies on behalf of advisory clients. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in client portfolios. Horwitz and Associates may provide advice to clients regarding the clients' voting of proxies.

## **Item 18 – Financial Information**

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about Horwitz and Associates' financial condition. Horwitz and Associates has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.

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## Part 2B of Form ADV: Brochure Supplement

### **Education and Business Standards**

Horwitz generally requires associated persons to have a college degree or several years of related experience, all required industry licenses, high standards of morals and ethics and a commitment to providing quality investment advice.

This brochure supplements the Horwitz & Associates, Inc. Firm Brochure. You should have received a copy of that brochure. Please contact us at 224-632-4600 if you did not receive a Firm Brochure.

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## **BROCHURE SUPPLEMENT - Education and Business Background**

### **Gerald A. Horwitz**

**Born:** 1935

#### **Education:**

University of Wisconsin 1953  
BS, Roosevelt University 1959  
University of Chicago Graduate School 1960  
Northwestern University - Faculty 1967-1969  
Harvard University - Endowment Institute 1998-1999  
The American College - Certified Advisor in Philanthropy, 2010

#### **Business Experience:**

Skilled in the broker/dealer, investment advisory, leasing business, banking and planned giving fields for the last forty years. Possesses a conservative investment philosophy, a high sense of integrity, assures quality investments, and provides time-tested advice and strategies.

1971 - Present, Horwitz & Associates, Inc.  
Chief Executive Officer and Chairman of the Board  
1971 - Present, Triumpe Leasing Group, Inc.  
President and Chairman of the Board  
1987 - Present, Raffaello, Inc.  
CEO and Director

#### **Financial Industry Regulatory Authority (FINRA)**

Financial Reporting Committee Member 1976-1979  
Direct Participation Programs Committee Member 1979-1981  
District Committee Member 1985-1989  
Business Conduct Committee (District) 1985-1989  
Chairman - District #8 1988-1989  
Nominating Committee Member 1992  
Chairman - Nominating Committee 1993

#### **Member, Securities Industry Association**

Regional Firm Committee 1984-1986  
Direct Investment Committee 1990-1995  
Technology Regulatory Subcommittee 1996-1999  
Local Firms Committee 1996-2002

#### **Member, Independent Broker/Dealer Trade Association, 1975**

Member, Midwest Stock Exchange 1971-1980  
Associate Member, New York Stock Exchange 1967-1969  
New York Stock Exchange "Securities Matter Expert"  
Member, Financial Planners Association (formally International Association Financial Planner)  
Chapter Board Member  
Member, Association of Investment Brokers  
Past President 1965-1966  
Matrix Capital Bank (\$1.5 billion bank), Director, Audit and Loan Committee 2002-2005  
Member, National Council on Planned Giving  
Member, Chicago Council on Planned Giving, Director 2002-2005  
Oakton Community College Education Foundation, Director

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Active FINRA Licenses -

Series 1 – General Securities Representative  
Series 40 – General Securities Principal  
Series 55 – Equity Trader  
Series 63 – Uniform Securities Agent State Law  
Series 79 – Investment Banking Principal  
Series 99 – Operations Professional

Insurance Licenses: Life/Health/Variable Life

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## **BROCHURE SUPPLEMENT - Education and Business Background**

### **Edward A. Horwitz**

**Born:** 1968

#### **Education:**

BS Finance, University of Nevada, Las Vegas, 1991

University of Pennsylvania – SIA Institute - Wharton School, 2001

DePaul University, Chicago – CFP Program, 2002

#### **Business Experience:**

Edward A. Horwitz is presently President and a Branch Manager of Horwitz & Associates, Inc., a full service Broker-Dealer serving customers for over 40 years. He is a Financial Advisor with a proven record of service and accomplishments including: Corporate and Individual Investment Services, Estate Planning, College and Retirement Planning, all customized to the appropriate and specific needs of the Individual and Corporate Client. He maintains approximately 400 customer accounts and 4,000 firm accounts. Ed has mastered the use of Options as an investment tool and works in conjunction with other professionals and Financial Advisors. In addition, he is active in training Registered Representatives and Administrative personnel, runs the firm's Bond Trading Desk, and is actively involved with outside Market Makers to receive the best trade prices possible for clients.

He has had related career experience as an Assistant Financial Planner at IDS/American Express in Las Vegas, NV and a Series 6 Exam Instructor at ABRI in Skokie, IL.

1991 - Present, Horwitz & Associates, Inc.  
President and Director

1991 to 1997 National Aircraft Carriers Association  
Part time airline operations, O'Hare Airport

1988-1991 America West Airlines, Las Vegas,  
Flight Operations

#### **Financial Industry Regulatory Authority (FINRA)**

District 8 Committee Member 2008 - 2012

Series 7 Writing Committee Member 2010-present

FINRA Industry Arbitrator 2008-present  
IL/SIFMA

2008-present DeNovo Bank, Deer Park, IL, Director

Board Member, Children's Heart Foundation, Lincolnshire, IL

Chapter Advisor, SAE, IL-PO Northwestern University

#### **Active FINRA Licenses:**

Series 4 – Option Principal

Series 7 – General Securities Representative

Series 24 – General Securities Principal

Series 27/28 – Broker/Dealer Financial Operations Principal

Series 55 – Equity Trader

Series 63– Uniform Securities Agent State Law

Series 65 – Uniform Investment Adviser Law Exam



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Series 79 – Investment Banking principal  
Series 99 – Operations Professional

Insurance Licenses: Life/Health/Variable Life

CFA – Chartered Financial Analyst candidate  
CFP – Certified Financial Planner candidate  
Private Pilot

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## BROCHURE SUPPLEMENT - Education and Business Background

### **Joseph D. Ogrin**

**Born:** 1984

#### **Education:**

BS, Iowa State University, Ames, 2007

#### **Business Experience:**

Joseph Ogrin became Chief Compliance Officer at Horwitz & Associates in 2011. Prior to joining the Compliance Department he operated the Horwitz Fixed Income Desk as a liaison. For over three years, his focus was advising the firm's mid-level Registered Representatives on their client's fixed income investments. He also administered service on over 200 third-party managed accounts. Joe has in-depth knowledge of economics and fixed income investments. He also maintains a strong reputation for client service and advice. He was previously at Edward Jones Investments in Des Moines, IA.

2011 - Present - Horwitz & Associates, Inc.

Chief Compliance Officer

2008 - 2011 - Horwitz & Associates, Inc.

Fixed Income Desk Liaison

#### **Active FINRA Licenses:**

Series 4 – Options Principal

Series 7 – General Securities Representative

Series 24 – General Securities Principal

Series 53 – Municipal Principal

Series 55 – Equity Trader Limited Rep.

Series 66 – Uniform Investment Adviser

Series 79 – Investment Banking Principal

Series 99 – Operations Professional

Insurance Licenses: Life/Health/Variable Life

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## BROCHURE SUPPLEMENT - Education and Business Background

### **Michael Bemoras**

#### **Education:**

BS, University of Illinois at Urbana-Champaign, 2009

2010 - Present - Horwitz & Associates, Inc.

Registered Sales Assistant

#### **Active FINRA Licenses:**

Series 7 – General Securities Representative

Series 63– Uniform Securities Agent State Law

Series 65 – Uniform Investment Adviser Law Exam

Series 79 – Investment Banking Principal

### **Ashley Gallo**

#### **Education:**

BS, University of Findlay, OH, 2007

2010 - Present - Horwitz & Associates, Inc.

Registered Sales Assistant

#### **Active FINRA Licenses:**

Series 7 – General Securities Representative

### **Joseph Lasquite**

#### **Education:**

BS, Northeastern Illinois University, Chicago, 2005

2008 - Present - Horwitz & Associates, Inc.

Portfolio Administration

### **Harris Mandel**

#### **Education:**

BS, Bradley University, Peoria, 2010

2011 - Present - Horwitz & Associates, Inc.

Registered Sales Assistant

#### **Active FINRA Licenses:**

Series 66 – Uniform Investment Adviser

Series 7 – General Securities Representative

### **Ridhdhi Shah**

#### **Education:**

BS, DeVry Institute of Technology, 2002

2007 - Present - Horwitz & Associates, Inc.

Portfolio Administration