

March 7, 2012

FIRM BROCHURE OF

HORIZON CASH MANAGEMENT, LLC

SEC File Number: 801-47928

IA Firm Number: 106172

Contact Information:

Pauline Modjeski

Chief Compliance Officer

325 W. Huron St., Suite 808

Chicago, IL 60654

Telephone: (312) 335-8500

Fax: (312) 335-8501

E-mail: pauline.modjeski@horizoncash.com

www.horizoncash.com

This Brochure provides information about the qualifications and business practices of Horizon Cash Management, LLC. If you have any questions about the contents of this Brochure, please contact us at the information provided above. 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.

Additional information about Horizon Cash Management, LLC also is available on the SEC's website at www.advisorinfo.sec.gov.

ITEM 2 – MATERIAL CHANGES

This Brochure dated March 7, 2012 is Horizon's annual update of our Firm Brochure and updates the brochure filed in January 2012. This document should be reviewed in its entirety as some changes may be considered material to some readers and immaterial to others.

Pursuant to SEC Rules, we will ensure that you receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of our business fiscal year. We may further provide other ongoing disclosure information about material changes as necessary.

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

Currently, our Brochure may be requested by contacting Pauline Modjeski at 312-335-8500 or pauline@horizoncash.com. Our Brochure also is available free of charge on our web site, www.horizoncash.com.

Additional information about Horizon Cash Management, LLC also is available via the SEC's web site, www.adviserinfo.sec.gov. The SEC's web site also provides information about any persons affiliated with Horizon Cash Management, LLC who are registered, or are required to be registered, as investment adviser representatives of Horizon Cash Management, LLC.

ITEM 3 – TABLE OF CONTENTS	PAGE
Item 1 – Cover Page	Cover
Item 2 – Material Changes	1
Item 3 – Table of Contents	2
Item 4 – Advisory Business	3
Item 5 – Fees and Compensation	4
Item 6 – Performance-Based Fees and Side-by-Side Management	5
Item 7 – Types of Clients	5
Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss	6
Item 9 – Disciplinary Information	7
Item 10 – Other Financial Industry Activities and Affiliations	7
Item 11 – Code of Ethics	8
Item 12 – Brokerage Practices	9
Item 13 – Review of Accounts	10
Item 14 – Client Referrals and Other Compensation	11
Item 15 – Custody	11
Item 16 – Investment Discretion	12
Item 17 – Voting Client Securities	13

ITEM 4 – ADVISORY BUSINESS

Horizon Cash Management, LLC (“Horizon”, “we”, “us” or “our”) is an Illinois Limited Liability Company and was founded in 1991. Horizon is registered as an Investment Adviser with the U.S. Securities and Exchange Commission, though such registration should not be taken to imply a certain level of skill or training. The oral and written communications of an adviser provide you with information with which you may use to determine to hire or retain that Adviser.

Horizon specializes in active, efficient cash management tailored to the individual needs and requirements of clients that generally include managed futures funds, hedge funds and institutional and private investors worldwide.

The firm concentrates its core business on short-term fixed income management and treasury services such as U.S. Treasury obligations, U.S. government agencies securities, covered bonds, repurchase agreements, supranational debt obligations, corporate debt securities and high-quality money market instruments. In addition, Horizon offers investment advice on bankers acceptances, forex swaps, non-USD time deposits, Eurodollar time deposits and treasury management functions. We also may participate in customer securities lending activities. Investment in any instrument is subject to strict purchasing requirements related to such instruments’ quality ratings.

As of March 7, 2012, all of Horizon’s client assets were managed on a discretionary basis comprising separately managed accounts. The approximate amount of assets under management as of March 7, 2012 was \$2.1 billion. In general, clients instruct Horizon regarding their investment objectives and specific investment parameters and criteria. These instructions and guidelines typically are set forth in Investment Advisory Agreements. Horizon then formulates a customized portfolio for the client and invests accordingly. We are authorized by the client to determine and execute transactions within the respective criteria and parameters outlined and without consultation on a transaction by transaction basis. The amount of securities bought or sold is determined by evaluation of individual account balances, investment objectives and market and interest rate considerations.

Horizon is 100% owned by the firm’s management.

The ownership breakdown is:

Diane Mix Birnberg, Chairman – 78%

Pauline Modjeski, President – 20%

Jill King, Senior Vice President/Senior Portfolio Manager – 2%

Horizon's management team is comprised of the following individuals:

Diane Mix Birnberg, Chairman
Pauline Modjeski, President
Jill King, Senior Vice President/Senior Portfolio Manager
Jennifer Wenthien, Vice President – Director of Finance

The firm's Portfolio Managers operate in a team format. Each Portfolio Manager is assigned specific accounts but all work together to make strategic and investment decisions.

Each Portfolio Manager is knowledgeable and proficient in short-term cash and investment management. The team collectively determines asset allocation. Portfolio Managers typically manage anywhere from 20-25 separately managed accounts. The larger accounts are managed by more than one Portfolio Manager.

ITEM 5 – FEES AND COMPENSATION

The following fee schedule is in effect for client relationships that have been established since January 1, 2012.

Principal Amount of Assets Under Management	Management Fee
First \$100,000,000	.15%
Next \$150,000,000	.12%
\$250,000,000+	.10%

Minimum Annual Fee \$15,000

All client fee schedules in effect prior to January 1, 2012 continue to apply to those client relationships, including all accounts such clients may have opened after January 1, 2012. Fees may be negotiated from time to time depending on account size, amount of client servicing required or type of account (e.g., special custody account for a specific client).

Clients electing to utilize the independent custodian recommended by Horizon, currently The Northern Trust Company, provide written authorization permitting fees to be paid directly from the client's custodial account. Client fees are calculated and accrued on a daily basis, based on the principal amount of assets under management. Fees are paid by the client in arrears.

Horizon sends the client a statement showing the amount of the fees for each month, the principal amount of the assets under management on which the fees were based, and the specific manner in which the fees were calculated. Fees are disbursed by the custodian directly to Horizon.

When client assets are invested in a money market fund, clients incur fees and expenses of that money market fund in addition to Horizon's investment advisory fees.

If a client designates its own custodian, we invoice the client directly on a monthly basis. Custodial fees and related securities transaction fees are paid directly by the client. Escrow and continuous offering processing fees, if applicable, are billed to the client on a monthly basis. In addition to fees paid to Horizon, as described above, clients may incur brokerage and other transaction costs (see Item 12).

ITEM 6 – PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

Horizon may, on occasion, enter into performance-based fee arrangements pursuant to the provisions of Rule 205-3 under the Investment Advisers Act of 1940. Clients should understand that these fee arrangements may create an incentive for Horizon to manage accounts differently from those accounts that are not subject to performance-based fee arrangements. However, Horizon maintains policies and procedures reasonably designed to ensure all clients are treated fairly, regardless of whether the client has a performance-based fee arrangement with Horizon.

Clients electing to utilize the independent custodian recommended by Horizon, currently The Northern Trust Company ("Northern Trust"), provide written authorization permitting fees to be paid directly from the client's custodian account. As referenced in Item 5, client fees are calculated and accrued on a daily basis, based on the principal amount of assets under management. Horizon sends the client a statement showing the amount of fees for the period, the principal amount of the assets under management on which the fees were based, and the specific manner in which the fees were calculated. Fees generally are disbursed by the custodian directly to Horizon.

For clients who have entered into performance-based fee arrangements that designate their own custodian, fees are invoiced by Horizon on a monthly basis. Under this scenario, custodial fees and related securities transaction fees are paid directly by the client. Escrow and continuous offering processing fees, if applicable, are billed to clients with performance-based fee arrangements, also on a monthly basis.

ITEM 7 – TYPES OF CLIENTS

Horizon provides portfolio management services to clients consisting mainly of futures and hedge funds, investment companies and private and institutional investors. Approximately 95% of the firm's clients are either futures funds, hedge funds, funds of funds or investment companies. The remaining 5% is comprised of high net worth and institutional investors.

In general, Horizon is authorized by its clients to determine and execute transactions within the specific investment criteria and parameters outlined in each client's advisory contract and without consultation on a transaction-by-transaction basis. The amount of securities bought or sold is determined through evaluation of individual account balances, investment objectives and market and interest rate considerations.

Clients may terminate the relationship at any time upon written notice.

Horizon offers a newsletter to clients and prospective clients free of charge. The newsletter is non-promotional but rather a general educational publication.

The minimum account size is \$10,000,000 for assets held in custody at the custodian. For clients with separate custody, the minimum account size is \$15,000,000. Consideration is given to smaller accounts on a case-by-case basis.

ITEM 8 – METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

Horizon constructs separate portfolios to meet each client's individual investment and liquidity needs. For each client, Horizon optimizes returns and provides liquidity, while operating within the agreed-upon risk tolerance parameters specified by each client. Prior to any portfolio investment decisions being undertaken, all clients complete an Investment Advisory Agreement. This Agreement not only delineates the specifics of the relationship, but also sets out the investment parameters and specific requirements for liquidity, return and risk monitoring. For each client, there can be further differentiation in securities purchased due to liquidity needs. Every client account contains a liquidity portion and customization is a crucial component of Horizon's service.

Horizon strives to treat all clients in a fair and equitable manner. Each client's portfolio is customized to meet specific investment objectives and requirements. The core principles of Horizon's investment strategy and process are (1) the safety of client assets and preservation of capital and (2) the assurance of ample liquidity of client cash reserves. These are the basic principles underlying the firm's aggregation and allocation policy.

Before trading for a particular client account, the needs of each client are assessed at the client account level. Based on this assessment, an estimate of the required dollar amount of securities to be purchased for clients is calculated. Security selection is made in a fair and equitable manner and is dependent on client investment parameters, dealer available inventory and the results of Horizon's investment research process.

When practical, client trades in the same security will be aggregated in a single order (a “block”) in an effort to obtain execution at the best security price available. When employing a block trade, client allocations will be determined before or at the time the trade is executed by the broker-dealer unless Horizon purchases a security with a future settlement date. If Horizon purchases a security with a future settlement date, a client or group of clients is selected at the time of trade. The client or group of clients is determined by the client’s portfolio parameters (i.e., eligible securities, investment criteria) and maturity restrictions. However, actual par amounts are not determined and allocated until the trade settles based on cash availability and liquidity considerations at settlement for each client.

These hallmarks do not represent or reflect a comprehensive investment approach. Rather, this methodology incorporates an efficient cash management process tailored to the individual needs and requirements of clients along specialized short-term fixed income management and treasury services.

Horizon does not offer any products or services that guarantee rates of return on investments for any time period to any client. Investing in securities of any type may result in the loss of principal. All clients also assume the risk that investment returns may be negative or below the rates of return of other investment advisers, market indices or investment products. Investment returns can fluctuate as the investment environment changes. Among circumstances in the fixed income investment universe that can affect returns are interest rate changes, defaults, ratings downgrades or geopolitical events or trends.

ITEM 9 – DISCIPLINARY INFORMATION

Registered Investment Advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to the evaluation of the adviser services or the integrity of the firm’s management. Neither Horizon nor any of its management personnel have been involved in a legal or disciplinary event; therefore Horizon has no specific information applicable to this Item.

ITEM 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Horizon is not actively engaged in a business other than giving investment advice or investing client capital. Horizon does not sell products or services other than investment advice to clients. No member of Horizon’s management team serves as a general partner in any partnership or outside business venture in which clients are solicited to invest. There are no material relationships among Horizon personnel with related persons that require clarification under these conditions, nor does Horizon receive any economic benefit (including commissions, equipment or non-research services) from a non-client in connection with giving advice to clients.

ITEM 11 – CODE OF ETHICS

All employees are required to adhere to Horizon's Code of Ethics and Personal Trading Policy ("Code"), which includes standards of conduct. Horizon believes the ideals of openness, competence, integrity, honesty and trust should be the minimum requirements of professional conduct for employees. The following core principles are specifically addressed within the Code:

- 1) The interest of clients will be placed ahead of any employee's own personal investment interests.
- 2) Employees are expected to conduct their personal securities transactions in accordance with the Code and strive to avoid any actual or appearance of a conflict of interest.
- 3) Non-public inside information shall not be used in connection with trading in personal accounts or on behalf of Horizon's clients, including trading on non-public information related to pooled investment funds of Horizon clients.
- 4) An employee will not be assigned analytical responsibility for a security when the employee has a conflict of interest (e.g., employee has an ownership in the security).
- 5) Employees shall not take inappropriate advantage of their position with Horizon.
- 6) All employees are expected to comply with Horizon's Ethics Statement and the spirit of the CFA Institute's Code of Ethics and Standards of Professional Conduct.
- 7) Employees shall exercise diligence and care in maintaining and protecting non-public client information.
- 8) Employees are expected to comply with Federal securities laws.
- 9) Employees will strive to foster an environment which encourages a healthy culture of compliance.

The Code requires employees to obtain advance approval before serving on a board of an outside public or private company and places limits on the value of gifts employees may receive from any person or entity doing business with Horizon or on behalf of any of Horizon's clients. The Code also requires employees to report any violation to the firm's President.

Horizon employees may purchase or sell securities also recommended for clients, subject to the Code's restrictions and procedures, which include the following terms:

- a) Employees may not acquire any securities in an initial public offering or private placement without express prior written approval from the President (the President's pre-clearance request(s) shall be reviewed and approved by the Vice President – Director of Finance). Requests for approval shall be submitted in writing using the IPO/Private Placement Advance Approval Form located on the firm's network.
- b) Employees are prohibited from investing in clients' investment funds.
- c) Employees are required to purchase or sell a security for their personal accounts only after trading of that same security has been completed in client accounts.

d) Employees are to consult with the Trading Desk when unsure of the firm's actual or intended trading activity.

Employees historically have not purchased or sold for their personal accounts individual securities that also are held in client accounts. Employees also are prohibited from investing in pooled investment funds of the firm's clients or bunched trades executed on behalf of client accounts.

Horizon's Code requires employees to provide a quarterly report of personal securities transactions to Horizon. In addition, the Code requires employees to report personal securities holdings when hired by the firm and on an annual basis thereafter.

Certain securities, as permitted by law, are not required to be reported by Horizon employees, including U.S. Government securities, unaffiliated mutual funds (excluding exchange-traded funds) and money market instruments. These holdings reports are reviewed on a regular basis.

A copy of the Code is available upon request.

ITEM 12 – BROKERAGE PRACTICES

Horizon seeks best execution in all circumstances. Horizon believes obtaining the best price offered in the market and exercising the patience to search for appropriate securities are strong contributing factors to the firm's best execution strategy.

Horizon considers various factors in selecting a broker-dealer, including: knowledge of and dominance in specific markets, securities and industries, best price and quality execution on securities, availability and type of security, quality and availability of security or industry specific research, secondary inventory, acceptable record keeping, reputation and integrity. Generally, Horizon uses broker-dealers in U.S. Treasury obligations and/or money market instruments which are recognized as Primary Dealers by the Federal Reserve Bank and/or "major" dealers in money market instruments. Each broker-dealer must be willing to provide accurate market quotations and analysis, closing prices on securities and also information on investment trends and trading. Relationships with broker-dealers are reviewed on a regular basis to determine whether each firm continues to provide services in the best interest of Horizon's clients.

Horizon clients may choose to utilize their own independent custodian. In these situations, it is the client's responsibility to negotiate and pay rates to their custodian, including bank custody and wire fees.

Repurchase agreements are executed through primary dealers willing to collateralize the repurchase agreement at 102% using agency and treasury securities as collateral. Horizon continually assesses the counterparty risk associated with a broker-dealer when executing repurchase agreements.

It is Horizon's policy to ensure that clients are made whole following a trade error. Specifically, when Horizon causes a trade error to occur in a client account that results in

a loss, the client will be reimbursed. If the trade error results in a gain, the client will receive the benefit of that gain.

Horizon relies on broker-dealers to provide research information on securities. However, Horizon does not pay broker-dealers, neither with client trading activity nor cash for such research information.

Horizon does not permit or have any soft dollar arrangements in place.

Horizon utilizes security prices received from the client's custodian for purposes of valuing portfolios. While Horizon does not anticipate such an event, Horizon maintains a fair valuation policy to follow in pricing a security in the rare instance when a custodian would be unable to obtain a price for a security held in a client's account.

Under certain circumstances, Horizon may effect a transaction between two of its advisory accounts ("cross-trade"). In such circumstances, Horizon will: (1) strive to ensure the clients involved receive best execution and that no client involved is disadvantaged by the transaction; (2) receive no compensation in connection with effecting the cross transaction other than its advisory fees; (3) effect the transaction either through an inter-positioned broker-dealer or the client's custodian at the prevailing market price for such security, defined as the current bid price either as reported by Bloomberg or as quoted by a dealer in the security. It is Horizon's policy to document the rationale for effecting the cross transaction and the pricing methodology used to determine the price for the subject security.

ITEM 13 – REVIEW OF ACCOUNTS

In general, all client accounts are reviewed on a daily basis to reasonably ensure that their balances are invested according to parameters indicated within the client's Investment Advisory Agreement and to verify the accuracy of accounting. Horizon reconciles with its independent custodian, currently The Northern Trust Company, and client appointed custodians on a daily basis all security holdings and cash movements for each client account. Accounts also are reviewed for the same items again at month-end and on a quarterly basis.

Accounts are reviewed by any of the following Horizon employees: the firm's President, Vice President – Director of Finance, Senior Vice President/Senior Portfolio Manager, Director of Portfolio Operations or either of two additional Portfolio Managers. Additionally, certain controls have been built into the company's computer software and daily bookkeeping processes to provide multiple checks and balances.

Clients receive a daily statement per each account which gives the following information: name, address, account number, beginning cash balance, any movement of cash (debit/credit), amount of interest earned, custody and related securities transaction fees, custody charges, compounding of interest, ending cash balance and a listing of securities held. Securities are listed at cost rather than at market value, although market valuations are available for the client upon request. Market values may be higher or lower than cost depending primarily on interest rate movements.

Clients also receive from Horizon a month-end statement which gives totals of all activity for the same items and a list of securities at month-end (also shown at cost). Additionally, clients receive directly from the custodian a monthly statement showing all activity in their account for the period shown and holdings as of month-end.

ITEM 14 – CLIENT REFERRALS AND OTHER COMPENSATION

Horizon has entered into a solicitation agreement with a third-party marketing firm ("marketing firm") and may enter into additional arrangements whereby the marketing firm is provided cash compensation in exchange for client referrals.

Compensation to the marketing firm is dependent upon the prospective client entering into an advisory agreement with Horizon for advisory services. The agreement requires the marketing firm to comply with the disclosure and other requirements of Rule 206(4)-3 under the Investment Advisers Act of 1940, as amended, including the requirement to adhere to applicable federal securities laws as outlined within the solicitation agreement and disclosing such referral arrangement to prospective advisory clients. The referral fee arrangement does not result in additional costs or fees to the referred client.

ITEM 15 – CUSTODY

Clients electing to utilize the independent custodian recommended by Horizon, currently The Northern Trust Company, provide written authorization permitting fees to be paid directly from the client's custodial account. If a client designates its own custodian, fees are invoiced on a monthly basis.

Horizon has custody over client assets that are held at Northern Trust, unless the client has designated Northern Trust its custodian, independent of its relationship with Horizon. Client securities are held either in a separate custody account or in a master omnibus account at Northern Trust. For clients whose assets are held in the master omnibus account, each client is assigned a separate sub-account within the master omnibus account. Horizon performs all recordkeeping related to the individual client accounts and provides each client's holdings to Northern Trust on a daily basis for record keeping purposes only.

Horizon has signatory power over client accounts held at Northern Trust, and for those accounts, custody and related securities transactions fees will be paid by the client on a net basis after compensating balance credits are applied. Compensating balance credits are distributed based on security ownership. Any additional bank fees charged to clients after compensating balance credits will be calculated per individual client and will be enumerated two months following each quarter-end on the month-end statement. At such time, the amount will be debited from the income portion of the client's account by the custodian unless the client has instructed the fees be paid from the principal portion of the client's accounts.

Client securities held either in a separate custody account or in the master omnibus account are subject to an annual outside audit as part of Horizon's annual compliance procedures. In confirming adherence to SEC Rule 204-2(b) and SEC Rule 206(4)-2,

Horizon asserts that it records all transactions in a journal and in separate ledger accounts for each client and maintains copies of confirmations of all transactions in such accounts and a position record for each security in which a client has an interest.

Also as part of this annual audit, Horizon recognizes and affirms adherence to paragraph (1) of Rule 206(4)-2(a) that provides, in general, “that it shall constitute a fraudulent, deceptive or manipulative act or practice for any investment adviser to have custody of client funds and securities unless a qualified custodian maintains those funds and securities (i) in a separate account for each client under that client’s name; or (ii) or in accounts that contain only clients’ funds and securities, under the investment adviser’s name as agent or trustee for the clients”.

In addition to daily and monthly statements received directly from Horizon, clients also receive directly from the custodian, a monthly statement showing all activity in their account for the period shown, and holdings as of month-end.

Horizon urges its clients to carefully review such statements and compare such official custodial records to the account statements provided by Horizon. Statements provided by

Horizon may vary from custodial statements based on accounting procedures, reporting dates or valuation methodologies of certain securities.

Additional reports may be requested by clients; these are customized to the client's specifications.

ITEM 16 – INVESTMENT DISCRETION

In general, Horizon is granted discretionary authority by its clients to identify, determine and execute transactions within the specific investment criteria and parameters outlined in each client’s Investment Advisory Agreement and without consultation on a transaction by transaction basis. Horizon then formulates a customized portfolio for the client and invests accordingly. The amount of securities bought or sold is determined by evaluation of individual account balances, investment objectives and market and interest rate considerations.

The securities purchased for a client account are based on the client's investment objectives and guidelines, which may differ from other clients depending on the client's investment objectives and guidelines, parameters, and capacity for risk.

For example, a client seeking higher returns may need to have exposure to securities that have longer terms than overnight investments. For each client, there can be further differentiation in securities purchased due to liquidity needs. Every client account contains a liquidity portion.

When a client contributes additional capital to its account, Horizon generally initially adds to the liquidity portion of such client’s account. Likewise, when capital is withdrawn, Horizon generally pays the withdrawing client in cash derived from the liquidity portion of such client's account. In the event of large withdrawals, including full withdrawals by a client where the liquidity portion of such client's account is insufficient

to pay the withdrawal amount, Horizon will sell securities at the prevailing market price for such securities, from such client's account, either in the market or, in limited circumstances, to another client account.

When engaging in a “cross-transaction” between two of its clients, Horizon will: (1) strive to ensure the clients involved receive best execution and that no client involved is disadvantaged by the transaction; (2) receive no compensation in connection with effecting the cross transaction other than its advisory fees; (3) effect the transaction either through an inter-positioned broker-dealer or the client's custodian at the prevailing market price for such security, defined as the current bid price either as reported by Bloomberg or as quoted by a dealer in the security. It is Horizon's policy to document the rationale for effecting the cross transaction and the pricing methodology used to determine the price for the subject security.

Horizon receives no compensation in connection with the sale of client securities. However, clients may be charged reasonable transaction costs to effect such a transaction. In addition, such transactions will be effected either through an inter-positioned broker-dealer or, when appropriate, through Northern Trust as the client's custodian.

ITEM 17 – VOTING CLIENT SECURITIES

Without exception, Horizon does not vote proxies on behalf of clients, as the firm does not invest in equity securities on behalf of clients. If the firm receives a proxy on behalf of a client account, the proxy materials are sent directly to the client, who is responsible for voting the proxy. Due to Horizon Cash Management's business structure, it is very rare that proxy materials are received.