

# Form ADV

## Part 2B – Supplemental Brochure for...

James S. Carter, III

---

---

### Horizons Financial Group, Inc.

March 20, 2012

CRD/IARD#: 135432  
3500 Blue Lake Drive  
Suite 198  
Birmingham, AL 35243  
Tel: 205-871-7743  
Fax: 205-871-7641  
jcarter@horizonsfinancial.com  
[www.horizonsfinancial.com](http://www.horizonsfinancial.com)

---

---

This brochure supplement (“Supplement”) has been prepared by Horizons Financial Group, Inc. (“HFG”) and it provides information about the qualifications and background of the supervised person named above, hereinafter referred to as “Mr. Carter.” You should review this Supplement in conjunction with Part 2A of our Form ADV, also known as our “Brochure.” You should have already received a copy of our brochure and if not or if you have questions about anything in this Supplement, please contact us at 205-871-7743 or jcarter@horizonsfinancial.com. Additional information about HFG or any of our supervised persons (who are registered under our firm) is also available on the SEC’s Investment Adviser Public Disclosure (“IAPD”) which can be found at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

The format/layout of this Supplement has been dictated by the SEC. The subsections appearing under each heading shall follow the mandated ordering of the items required to be addressed in this Supplement as set forth in the instructions and guidance issued by the SEC in regard to Part 2B of the Form ADV. HFG’s response to each such item shall immediately follow each numbered item. We encourage any reader of this Supplement to also refer to the SEC’s instructions and guidance related to Part 2B of the Form ADV. Throughout this Supplement, any references to “we,” “our,” “ours,” “us,” etc. are meant to refer to HFG.

The information in this Brochure has not been approved or verified by the SEC or by any state securities authority.

## Table of Contents

|   |    |
|---|----|
| II. Educational Background and Business Experience .....        | 3  |
| III. Disciplinary Information.....                              | 4  |
| III.(A). Criminal or Civil Matters .....                        | 4  |
| III.(B). Administrative Proceedings.....                        | 4  |
| III.(C). Self-Regulatory Organization (“SRO”) Proceedings ..... | 5  |
| III.(D). Other Proceedings .....                                | 5  |
| IV. Other Business Activities .....                             | 6  |
| IV.(A). Other Investment-Related Activities .....               | 6  |
| Securities brokerage activities .....                           | 6  |
| IV.(B). Other Activities .....                                  | 7  |
| V. Additional Compensation .....                                | 8  |
| VI. Supervision .....   | 9  |
| VII. Requirements for State-Registered Advisers.....            | 10 |

## II. Educational Background and Business Experience

|   |                                   |                   |
|---|-----------------------------------|-------------------|
| <b>Name:</b> James S. Carter III  |                                   |                   |
| <b>Year of Birth:</b>   | 1958                              |                   |
| <b>Formal education after high school.</b>  |                                   |                   |
| <b>Institution</b>  | <b>Degree / Major</b>             | <b>Date(s)</b>    |
| Colgate Darden Graduate School of Business Administration at the University of Virginia | MBA                               | 1983-1985         |
| Virginia Polytechnic Inst & State Univ  | BS IEOR                           | 1976-1980         |
| <b>Business background for the preceding five years.</b>                                |                                   |                   |
| <b>Entity</b>   | <b>Position Held</b>              | <b>Date(s)</b>    |
| MEN, LLC  | Marketing/Associate               | 07/2009 – Present |
| Horizons Financial Group, Inc.  | Chief Compliance Officer          | 12/2011 - Present |
| Horizons Financial Group, Inc.  | Investment Adviser Representative | 06/2009 – Present |
| Triad Advisors, Inc.  | Registered Representative         | 11/2008 – Present |
| Western Supermarket   | Associate                         | 01/2008 – 10/2008 |
| Self Employed   | N/A                               | 06/2006 – 01/2008 |

### III. Disciplinary Information

This portion of this Supplement is designed to provide you any pertinent information related to any disciplinary matters involving Mr. Carter. We are obligated to look back for a period of ten years unless more than ten years have elapsed since a particular disciplinary event but that we deem the matter significant enough that a reasonable person would find it material in evaluating Mr. Carter or our firm.

This information below is also available via the SEC's Investment Adviser Public Disclosure ("IAPD") which can be found at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

#### III.(A). Criminal or Civil Matters

|   |                              |  |
|---|------------------------------|--|
| Has Mr. Carter been involved in a criminal or civil action in a domestic, foreign or military court of competent jurisdiction in which Mr. Carter ...   |                              |  |
| Was convicted of, or pled guilty or nolo contendere ("no contest") to (a) any felony; (b) a misdemeanor that involved investments or an investment-related business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, or extortion; or (c) a conspiracy to commit any of these offenses; | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| Is the named subject of a pending criminal proceeding that involves an investment-related business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, extortion, or a conspiracy to commit any of these offenses;   | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| Was found to have been involved in a violation of an investment-related statute or regulation; or   | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| Was the subject of any order, judgment, or decree permanently or temporarily enjoining, or otherwise limiting, the supervised person from engaging in any investment-related activity, or from violating any investment-related statute, rule, or order?  | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |

#### III.(B). Administrative Proceedings

|  |                              |  |
|--|------------------------------|--|
| Has Mr. Carter been involved in an administrative proceeding before the SEC, any other federal regulatory agency, any state regulatory agency, or any foreign financial regulatory authority in which Mr. Carter ... |                              |  |
| Was found to have caused an investment-related business to lose its authorization to do business; or   | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| Was found to have been involved in a violation of an investment-related statute or regulation and was the subject of an order by the agency or authority...  |                              |  |
| denying, suspending, or revoking the authorization of the supervised person to act in an investment-related business;  | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| barring or suspending the supervised person's association with an investment-related business;   | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| otherwise significantly limiting the supervised person's investment-related activities; or imposing a civil money penalty of more than \$2,500 on the supervised person?   | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |

### **III.(C). Self-Regulatory Organization (“SRO”) Proceedings**

---

|  |                              |  |
|--|------------------------------|--|
| Has Mr. Carter been involved in a SRO proceeding in which Mr. Carter ...   |                              |  |
| Was found to have caused an investment-related business to lose its authorization to do business; or   | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| Was found to have been involved in a violation of the SRO’s rules and was:<br>(i) barred or suspended from membership or from association with other members, or was expelled from membership;<br>(ii) otherwise significantly limited from investment-related activities; or (iii) fined more than \$2,500? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |

### **III.(D). Other Proceedings**

---

|   |                              |  |
|---|------------------------------|--|
| Has Mr. Carter been involved in any other proceeding in which a professional attainment, designation, or license of Mr. Carter’s was revoked or suspended as a result of a violation of rules relating to professional conduct? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| In relation to the preceding item, did Mr. Carter resign or otherwise relinquish a professional attainment, designation, or license in anticipation of such a proceeding?   | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |

## IV. Other Business Activities

### IV.(A). Other Investment-Related<sup>1</sup> Activities

Mr. Carter is engaged in the following investment-related business activities outside the scope of his investment advisory activities on behalf of our firm. For any activity described below, we will name the other entity and we will also describe the relationship, if any, between our advisory business and each particular activity. We will also address any conflicts of interest that may arise in relation to such outside activity(s) as well as any particulars surrounding Mr. Carter's receipt of any compensation in connection with such activities.

#### *Securities brokerage activities*

*Other entity:* Triad Advisors, Inc.

*Relationship/Conflicts/Compensation:* Mr. Carter is licensed to sell certain securities and investment products through Triad Advisors, Inc. ("Triad"), a FINRA member broker-dealer registered with the SEC. Triad is also registered with the SEC as an investment adviser, however, all of Mr. Carter's investment advisory activities are carried out under HFG. Mr. Carter's activities through Triad are independent from and in addition to those of HFG. HFG and Triad are not affiliated entities.

Mr. Carter also receives additional compensation in relation to the sale of securities or other investment products. Such compensation is in the form of cash. The instructions in the Form ADV require us to tell you that the receipt or potential for the receipt of this other compensation gives Mr. Carter an incentive to recommend investment products based on the compensation received, rather than on your specific needs. Although we are obligated to tell you this, both Mr. Carter's and our objective as a firm is to place nothing before your best interests.

Mr. Carter, in his capacity as a registered representative of Triad, may recommend Triad's brokerage services to clients who have or are utilizing HFG's investment advisory services. HFG's clients are free to implement advisory recommendations through any firm. There is no obligation to effect transactions through Triad or Mr. Carter, however, if you choose to do so, commissions may be earned by Mr. Carter which may be higher or lower than those you might pay at another broker-dealer. HFG does not warrant or represent that commissions for transactions implemented through Triad will be lower than commission available if you use another brokerage firm. HFG believes, however, that the overall level of services and support provided to clients by Triad outweighs the potentially lower transaction cost available under other brokerage arrangements.

HFG may make conflicting or differing recommendations with respect to the same securities to different advisory clients. All such recommendations are based on each individual client's financial circumstances, needs, risk tolerances, objectives, etc.

*How we Address the Conflict(s):* First and foremost, we address the conflicts described in the preceding section by disclosing them to you in this Brochure Supplement as well as in HFG's separate Brochure. As a matter of general policy, we aggressively discourage activities that put your interests anywhere but first. Additionally, we have instituted a comprehensive supervisory process, detailed in our Written Supervisory Procedures ("WSPs") that was designed to address, among other things, conflicts of interest such as this one. In addition, we have designated a Chief Compliance Officer, as set forth on Schedule A of our Form ADV, to be the party responsible for the overall

---

<sup>1</sup> "Investment-related" means "activities that pertain to securities, commodities, banking, insurance, or real estate (including, but not limited to, acting as or being associated with an investment adviser, broker-dealer, municipal securities dealer, government securities broker or dealer, issuer, investment company, futures sponsor, bank, or savings association)."

application and oversight of our supervisory process and our WSPs. Our Chief Compliance Officer has the authority to delegate certain supervisory responsibilities to other supervised persons within our firm in order to ensure that our overall system of supervision is being adequately carried out and in a timely manner.

The potential conflicts of interest described in the preceding section are commonplace in the investment industry and we believe that they are not only appropriate but that they are proper in light of the added examination, licensing, registration, and other regulatory oversight that also takes place in the brokerage and insurance portions of the investment industry. Mr. Carter has satisfied various regulatory examination and registration requirements that allow not only for the offering of brokerage services as well as the receipt of the normal and customary compensation that any similarly registered, licensed, and qualified person could receive in the form of sales compensation for those same products.

Bear in mind that even if Mr. Carter was not registered/licensed to sell securities, the majority of your investments or transactions involving such products would still result in you paying some sort of commission for those products. In Mr. Carter's case, his active registration/licensing allows him to be able to receive those commissions as opposed to the executing broker-dealer keeping them for themselves.

The added compensation received by Mr. Carter in connection with any brokerage activities is deemed routine and customary compensation for such activities and is not believed to be inappropriate.

#### **IV.(B). Other Activities**

---

Other than as described above in IV.(A), Mr. Carter is not engaged in any activities outside the scope of his investment advisory activities on behalf of HFG.

## V. Additional Compensation

The purpose of this Item is to describe any additional compensation (outside that which has been described above in Section IV.(B).) that Mr. Carter may receive in addition to his normal compensation for the investment advisory services he performs under our firm. As applicable, such other forms of compensation are denoted in the following grid. Please note that regular bonuses paid by us as part of Mr. Carter's normal and customary compensation are not considered "additional compensation" for the purpose of this Item.

|                                     | Type of Compensation   |
|-------------------------------------|--|
| <input type="checkbox"/>            | Sales awards or other prizes   |
| <input type="checkbox"/>            | Bonus based, at least in part, on the number or amount of sales/transactions |
| <input type="checkbox"/>            | Bonus based, at least in part, on client referrals                           |
| <input type="checkbox"/>            | Bonus based, at least in part, on the # or type of new accounts opened       |
| <input checked="" type="checkbox"/> | None   |



## VI. Supervision

As part of our overall compliance and supervisory process, we monitor the advisory activities of all of our supervised persons. As part of the supervisory process over the advisory activities of all of our supervised persons, Mr. Carter serves the role of Designated Supervisor for HFG and in that capacity, Mr. Carter shall carry out the following general supervisory steps:

- Periodic review of customer account activity
- Periodic review of electronic and other correspondence
- Observation during client meetings and/or phone calls
- On-site inspection of each of our supervised person's office location (if other than the our main office)

In order to ensure that we are effectively and consistently carrying out our supervisory process over all of our supervised persons' advisory activities, we maintain a set of Written Supervisory Procedures ("WSP") that, among other things, address matters such as supervision of the activities of our supervised persons like Mr. Carter. Our WSP manual is the guiding force behind all of our supervisory functions and is subject to the regular inspection by any regulatory bodies having jurisdiction over our investment advisory activities.

**Mr. Carter's contact information:**

James S. Carter  
Chief Compliance Officer  
205-871-7743  
jcarter@horizonsfinancial.com

## **VII. Requirements for State-Registered Advisers**

(VII).(A). (1. & 2) This Item is a continuation and expansion of Item III (Civil, Criminal and/or other Proceedings) above. Mr. Carter has not had any events.

(VII).(B). This Item addresses supervised persons that have been the subject of a bankruptcy petition. Mr. Carter filed for relief under a Chapter 7 bankruptcy petition, and a discharge was granted on May 25, 2010.

# Form ADV

## Part 2B – Supplemental Brochure for...

James C. Nix, Jr.

---

---

### Horizons Financial Group, Inc.

March 20, 2012

CRD/IARD#: 135432  
3500 Blue Lake Drive  
Suite 198  
Birmingham, AL 35243  
Tel: 205-871-7743  
Fax: 205-871-7641  
jnix@horizonsfinancial.com  
[www.horizonsfinancial.com](http://www.horizonsfinancial.com)

---

---

This brochure supplement ("Supplement") has been prepared by Horizons Financial Group, Inc. ("HFG") and it provides information about the qualifications and background of the supervised person named above, hereinafter referred to as "Mr. Nix." You should review this Supplement in conjunction with Part 2A of our Form ADV, also known as our "Brochure." You should have already received a copy of our brochure and if not or if you have questions about anything in this Supplement, please contact us at 205-871-7743 or jnix@horizonsfinancial.com. Additional information about HFG or any of our supervised persons (who are registered under our firm) is also available on the SEC's Investment Adviser Public Disclosure ("IAPD") which can be found at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

The format/layout of this Supplement has been dictated by the SEC. The subsections appearing under each heading shall follow the mandated ordering of the items required to be addressed in this Supplement as set forth in the instructions and guidance issued by the SEC in regard to Part 2B of the Form ADV. HFG's response to each such item shall immediately follow each numbered item. We encourage any reader of this Supplement to also refer to the SEC's instructions and guidance related to Part 2B of the Form ADV. Throughout this Supplement, any references to "we," "our," "ours," "us," etc. are meant to refer to HFG.

The information in this Brochure has not been approved or verified by the SEC or by any state securities authority.

## Table of Contents

|   |    |
|---|----|
| II. Educational Background and Business Experience .....        | 3  |
| III. Disciplinary Information.....                              | 4  |
| III.(A). Criminal or Civil Matters .....                        | 4  |
| III.(B). Administrative Proceedings.....                        | 4  |
| III.(C). Self-Regulatory Organization (“SRO”) Proceedings ..... | 5  |
| III.(D). Other Proceedings .....                                | 5  |
| IV. Other Business Activities .....                             | 6  |
| IV.(A). Other Investment-Related Activities .....               | 6  |
| Securities brokerage activities .....                           | 6  |
| Insurance-related brokerage or advisory activities .....        | 7  |
| IV.(B). Other Activities .....                                  | 8  |
| V. Additional Compensation .....                                | 9  |
| VI. Supervision .....   | 10 |
| VII. Requirements for State-Registered Advisers.....            | 11 |

## II. Educational Background and Business Experience

|  |                           |                   |
|--|---------------------------|-------------------|
| <b>Name:</b> James C. Nix, Jr.                           |                           |                   |
| <b>Year of Birth:</b>                                    | 1961                      |                   |
| <b>Formal education after high school.</b>               |                           |                   |
| <b>Institution</b>                                       | <b>Degree / Major</b>     | <b>Date(s)</b>    |
| Mississippi State University                             | BS/Banking and Finance    | 1983              |
| <b>Business background for the preceding five years.</b> |                           |                   |
| <b>Entity</b>  | <b>Position Held</b>      | <b>Date(s)</b>    |
| MEN, LLC   | Partner                   | 07/2009 – Present |
| Cost Segregation Services, Inc.                          | Independent Contractor    | 07/2009 - Present |
| Horizons Financial Group, Inc.                           | Director, Secretary       | 06/2006 – Present |
| Nix-Mashburn, LLC  | Partner                   | 06/2006 – Present |
| Triad Advisors, Inc.                                     | Registered Representative | 06/2006 – Present |
|  |                           |                   |
|  |                           |                   |

### III. Disciplinary Information

This portion of this Supplement is designed to provide you any pertinent information related to any disciplinary matters involving Mr. Nix. We are obligated to look back for a period of ten years unless more than ten years have elapsed since a particular disciplinary event but that we deem the matter significant enough that a reasonable person would find it material in evaluating Mr. Nix or our firm.

This information below is also available via the SEC's Investment Adviser Public Disclosure ("IAPD") which can be found at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

#### III.(A). Criminal or Civil Matters

|   |                              |  |
|---|------------------------------|--|
| Has Mr. Nix been involved in a criminal or civil action in a domestic, foreign or military court of competent jurisdiction in which Mr. Nix ...   |                              |  |
| Was convicted of, or pled guilty or nolo contendere ("no contest") to (a) any felony; (b) a misdemeanor that involved investments or an investment-related business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, or extortion; or (c) a conspiracy to commit any of these offenses; | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| Is the named subject of a pending criminal proceeding that involves an investment-related business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, extortion, or a conspiracy to commit any of these offenses;   | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| Was found to have been involved in a violation of an investment-related statute or regulation; or   | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| Was the subject of any order, judgment, or decree permanently or temporarily enjoining, or otherwise limiting, the supervised person from engaging in any investment-related activity, or from violating any investment-related statute, rule, or order?  | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |

#### III.(B). Administrative Proceedings

|  |                              |  |
|--|------------------------------|--|
| Has Mr. Nix been involved in an administrative proceeding before the SEC, any other federal regulatory agency, any state regulatory agency, or any foreign financial regulatory authority in which Mr. Nix ... |                              |  |
| Was found to have caused an investment-related business to lose its authorization to do business; or   | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| Was found to have been involved in a violation of an investment-related statute or regulation and was the subject of an order by the agency or authority...  |                              |  |
| denying, suspending, or revoking the authorization of the supervised person to act in an investment-related business;  | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| barring or suspending the supervised person's association with an investment-related business;   | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| otherwise significantly limiting the supervised person's investment-related activities; or imposing a civil money penalty of more than \$2,500 on the supervised person?                                       | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |

### **III.(C). Self-Regulatory Organization (“SRO”) Proceedings**

---

|  |                              |  |
|--|------------------------------|--|
| Has Mr. Nix been involved in a SRO proceeding in which Mr. Nix ...   |                              |  |
| Was found to have caused an investment-related business to lose its authorization to do business; or   | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| Was found to have been involved in a violation of the SRO’s rules and was:<br>(i) barred or suspended from membership or from association with other members, or was expelled from membership;<br>(ii) otherwise significantly limited from investment-related activities; or (iii) fined more than \$2,500? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |

### **III.(D). Other Proceedings**

---

|   |                              |  |
|---|------------------------------|--|
| Has Mr. Nix been involved in any other proceeding in which a professional attainment, designation, or license of Mr. Nix’s was revoked or suspended as a result of a violation of rules relating to professional conduct? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| In relation to the preceding item, did Mr. Nix resign or otherwise relinquish a professional attainment, designation, or license in anticipation of such a proceeding?  | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |

## IV. Other Business Activities

### IV.(A). Other Investment-Related<sup>1</sup> Activities

Mr. Nix is engaged in the following investment-related business activities outside the scope of his investment advisory activities on behalf of our firm. For any activity described below, we will name the other entity and we will also describe the relationship, if any, between our advisory business and each particular activity. We will also address any conflicts of interest that may arise in relation to such outside activity(s) as well as any particulars surrounding Mr. Nix's receipt of any compensation in connection with such activities.

#### *Securities brokerage activities*

*Other entity:* Triad Advisors, Inc.

*Relationship/Conflicts/Compensation:* Mr. Nix is licensed to sell certain securities and investment products through Triad Advisors, Inc. ("Triad"), a FINRA member broker-dealer registered with the SEC. Triad is also registered with the SEC as an investment adviser, however, all of Mr. Nix's investment advisory activities are carried out under HFG. Mr. Nix's activities through Triad are independent from and in addition to those of HFG. HFG and Triad are not affiliated entities.

Mr. Nix also receives additional compensation in relation to the sale of securities or other investment products. Such compensation is in the form of cash. The instructions in the Form ADV require us to tell you that the receipt or potential for the receipt of this other compensation gives Mr. Nix an incentive to recommend investment products based on the compensation received, rather than on your specific needs. Although we are obligated to tell you this, both Mr. Nix's and our objective as a firm is to place nothing before your best interests.

Mr. Nix, in his capacity as a registered representative of Triad, may recommend Triad's brokerage services to clients who have or are utilizing HFG's investment advisory services. HFG's clients are free to implement advisory recommendations through any firm. There is no obligation to effect transactions through Triad or Mr. Nix, however, if you choose to do so, commissions may be earned by Mr. Nix which may be higher or lower than those you might pay at another broker-dealer. HFG does not warrant or represent that commissions for transactions implemented through Triad will be lower than commission available if you use another brokerage firm. HFG believes, however, that the overall level of services and support provided to clients by Triad outweighs the potentially lower transaction cost available under other brokerage arrangements.

HFG may make conflicting or differing recommendations with respect to the same securities to different advisory clients. All such recommendations are based on each individual client's financial circumstances, needs, risk tolerances, objectives, etc.

*How we Address the Conflict(s):* First and foremost, we address the conflicts described in the preceding section by disclosing them to you in this Brochure Supplement as well as in HFG's separate Brochure. As a matter of general policy, we aggressively discourage activities that put your interests anywhere but first. Additionally, we have instituted a comprehensive supervisory process, detailed in our Written Supervisory Procedures ("WSPs") that was designed to address, among other things, conflicts of interest such as this one. In addition, we have designated a Chief Compliance Officer, as set forth on Schedule A of our Form ADV, to be the party responsible for the overall

---

<sup>1</sup> "Investment-related" means "activities that pertain to securities, commodities, banking, insurance, or real estate (including, but not limited to, acting as or being associated with an investment adviser, broker-dealer, municipal securities dealer, government securities broker or dealer, issuer, investment company, futures sponsor, bank, or savings association)."



application and oversight of our supervisory process and our WSPs. Our Chief Compliance Officer has the authority to delegate certain supervisory responsibilities to other supervised persons within our firm in order to ensure that our overall system of supervision is being adequately carried out and in a timely manner.

The potential conflicts of interest described in the preceding section are commonplace in the investment industry and we believe that they are not only appropriate but that they are proper in light of the added examination, licensing, registration, and other regulatory oversight that also takes place in the brokerage and insurance portions of the investment industry. Mr. Nix has satisfied various regulatory examination and registration requirements that allow not only for the offering of brokerage services as well as the receipt of the normal and customary compensation that any similarly registered, licensed, and qualified person could receive in the form of sales compensation for those same products.

Bear in mind that even if Mr. Nix was not registered/licensed to sell securities, the majority of your investments or transactions involving such products would still result in you paying some sort of commission for those products. In Mr. Nix's case, his active registration/licensing allows him to be able to receive those commissions as opposed to the executing broker-dealer keeping them for themselves.

The added compensation received by Mr. Nix in connection with any brokerage activities is deemed routine and customary compensation for such activities and is not believed to be inappropriate.

### ***Insurance-related brokerage or advisory activities***

*Other entity:* Nix-Mashburn, LLC

*Relationship/Conflicts/Compensation:* Mr. Nix is licensed to sell certain insurance products through Nix-Mashburn, LLC ("Nix-Mashburn"). Mr. Nix's activities through Nix-Mashburn are independent from and in addition to those of HFG. HFG and Nix-Mashburn are affiliated entities.

Mr. Nix also receives additional compensation in relation to the sale of insurance products. Such compensation is in the form of cash. The instructions in the Form ADV require us to tell you that the receipt or potential for the receipt of this other compensation gives Mr. Nix an incentive to recommend insurance products based on the compensation received, rather than on your specific needs. Although we are obligated to tell you this, both Mr. Nix's and our objective as a firm is to place nothing before your best interests.

Mr. Nix, in his capacity as a insurance agent of Nix-Mashburn, may recommend Nix-Mashburn's insurance services to clients who have or are utilizing HFG's investment advisory services. HFG's clients are free to implement advisory recommendations through any firm. There is no obligation to effect transactions through Nix-Mashburn or Mr. Nix, however, if you choose to do so, commissions may be earned by Mr. Nix which may be higher or lower than those you might pay at another insurance agency. HFG does not warrant or represent that commissions for transactions implemented through Nix-Mashburn will be lower than commission available if you use another insurance agency. HFG believes, however, that the overall level of services and support provided to clients by Nix-Mashburn outweighs the potentially lower transaction cost available under other insurance arrangements.

HFG may make conflicting or differing recommendations with respect to the same insurance products to different advisory clients. All such recommendations are based on each individual client's financial circumstances, needs, risk tolerances, objectives, etc.

*How we Address the Conflict(s):* First and foremost, we address the conflicts described in the preceding section by disclosing them to you in this Brochure Supplement as well as in HFG's separate Brochure. As a matter of general policy, we aggressively discourage activities that put your interests anywhere but first. Additionally, we have instituted a comprehensive supervisory process, detailed in our Written Supervisory Procedures ("WSPs") that was designed to address, among other things, conflicts of interest such as this one. In addition, we have designated a Chief Compliance Officer, as set forth on Schedule A of our Form ADV, to be the party responsible for the overall application and oversight of our supervisory process and our WSPs. Our Chief Compliance Officer has the

authority to delegate certain supervisory responsibilities to other supervised persons within our firm in order to ensure that our overall system of supervision is being adequately carried out and in a timely manner.

The potential conflicts of interest described in the preceding section are commonplace in the investment industry and we believe that they are not only appropriate but that they are proper in light of the added examination, licensing, registration, and other regulatory oversight that also takes place in the insurance portions of the investment industry. Mr. Nix has satisfied various regulatory examination and registration requirements that allow not only for the offering of insurance products as well as the receipt of the normal and customary compensation that any similarly registered, licensed, and qualified person could receive in the form of sales compensation for those same products.

Bear in mind that even if Mr. Nix was not registered/licensed to sell insurance products, the majority of your investments or transactions involving such products would still result in you paying some sort of commission for those products. In Mr. Nix's case, his active registration/licensing allows him to be able to receive those commissions as opposed to the executing broker-dealer or insurance agency keeping them for themselves.

The added compensation received by Mr. Nix in connection with any insurance activities is deemed routine and customary compensation for such activities and is not believed to be inappropriate.

#### **IV.(B). Other Activities**

---

Other than as described above in IV.(A), Mr. Nix is not engaged in any activities outside the scope of his investment advisory activities on behalf of HFG.

## V. Additional Compensation

The purpose of this Item is to describe any additional compensation (outside that which has been described above in Section IV.(B).) that Mr. Nix may receive in addition to his normal compensation for the investment advisory services he performs under our firm. As applicable, such other forms of compensation are denoted in the following grid. Please note that regular bonuses paid by us as part of Mr. Nix's normal and customary compensation are not considered "additional compensation" for the purpose of this Item.

|                                     | Type of Compensation   |
|-------------------------------------|--|
| <input type="checkbox"/>            | Sales awards or other prizes   |
| <input type="checkbox"/>            | Bonus based, at least in part, on the number or amount of sales/transactions |
| <input type="checkbox"/>            | Bonus based, at least in part, on client referrals                           |
| <input type="checkbox"/>            | Bonus based, at least in part, on the # or type of new accounts opened       |
| <input checked="" type="checkbox"/> | None   |

## **VI. Supervision**

As part of our overall compliance and supervisory process, we monitor the advisory activities of all of our supervised persons. As part of the supervisory process over the advisory activities of Mr. Nix, Mr. Nix's Designated Supervisor (identified below), shall carry out the following general supervisory steps.

- Periodic review of customer account activity
- Periodic review of electronic and other correspondence
- Observation during client meetings and/or phone calls
- On-site inspection of Mr. Nix's office location (if other than the our main office)

In order to ensure that we are effectively and consistently carrying out our supervisory process over Mr. Nix's advisory activities, we maintain a set of Written Supervisory Procedures ("WSP") that, among other things, address matters such as supervision of the activities of our supervised persons like Mr. Nix. Our WSP manual is the guiding force behind all of our supervisory functions and is subject to the regular inspection by any regulatory bodies having jurisdiction over our investment advisory activities.

**Mr. Nix's Designated Supervisor:**

James S. Carter  
Chief Compliance Officer  
205-871-7743

## **VII. Requirements for State-Registered Advisers**

(VII).(A). (1. & 2) This Item is a continuation and expansion of Item III (Civil, Criminal and/or other Proceedings) above. Mr. Nix has not had any events.

(VII).(B). This Item addresses bankruptcy. Mr. Nix has never filed for bankruptcy.

# Form ADV

## Part 2B – Supplemental Brochure for...

Michael C. Mashburn, Sr.

---

### Horizons Financial Group, Inc.

March 20, 2012

CRD/IARD#: 135432  
3500 Blue Lake Drive, Suite 198  
Birmingham, AL 35243  
Tel: 205-871-7743  
Fax: 205-871-7641  
mmashburn@horizonsfinancial.com  
[horizonsfinancial.com](http://horizonsfinancial.com)

---

This brochure supplement (“Supplement”) has been prepared by Horizons Financial Group, Inc. (“HFG”) and it provides information about the qualifications and background of the supervised person named above, hereinafter referred to as “Mr. Mashburn.” You should review this Supplement in conjunction with Part 2A of our Form ADV, also known as our “Brochure.” You should have already received a copy of our brochure and if not or if you have questions about anything in this Supplement, please contact us at 205-871-7743 or mmashburn@horizonsfinancial.com. Additional information about HFG or any of our supervised persons (who are registered under our firm) is also available on the SEC’s Investment Adviser Public Disclosure (“IAPD”) which can be found at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

The format/layout of this Supplement has been dictated by the SEC. The subsections appearing under each heading shall follow the mandated ordering of the items required to be addressed in this Supplement as set forth in the instructions and guidance issued by the SEC in regard to Part 2B of the Form ADV. HFG’s response to each such item shall immediately follow each numbered item. We encourage any reader of this Supplement to also refer to the SEC’s instructions and guidance related to Part 2B of the Form ADV. Throughout this Supplement, any references to “we,” “our,” “ours,” “us,” etc. are meant to refer to HFG.

The information in this Brochure has not been approved or verified by the SEC or by any state securities authority.

## Table of Contents

|   |    |
|---|----|
| II. Educational Background and Business Experience .....        | 3  |
| III. Disciplinary Information.....                              | 4  |
| III.(A). Criminal or Civil Matters .....                        | 4  |
| III.(B). Administrative Proceedings.....                        | 4  |
| III.(C). Self-Regulatory Organization (“SRO”) Proceedings ..... | 5  |
| III.(D). Other Proceedings .....                                | 5  |
| IV. Other Business Activities .....                             | 6  |
| IV.(A). Other Investment-Related Activities .....               | 6  |
| Securities brokerage activities .....                           | 6  |
| Insurance-related brokerage or advisory activities .....        | 7  |
| IV.(B). Other Activities .....                                  | 8  |
| V. Additional Compensation .....                                | 9  |
| VI. Supervision .....   | 10 |
| VII. Requirements for State-Registered Advisers.....            | 11 |

## II. Educational Background and Business Experience

|  |                              |                   |
|--|------------------------------|-------------------|
| <b>Name:</b>   | Michael C. Mashburn, Sr.     |                   |
| <b>Year of Birth:</b>                                    | 1960                         |                   |
| <b>Formal education after high school.</b>               |                              |                   |
| <b>Institution</b>                                       | <b>Degree / Major</b>        | <b>Date(s)</b>    |
| Birmingham Southern College                              | BS – Business Administration | 1979-1982         |
| Samford University                                       | MBA – Finance                | 1989              |
| <b>Business background for the preceding five years.</b> |                              |                   |
| <b>Entity</b>  | <b>Position Held</b>         | <b>Date(s)</b>    |
| MEN, LLC   | Partner                      | 07/2009 – Present |
| Cost Segregation Services, Inc.                          | Independent Contractor       | 07-2009 – Present |
| Horizons Financial Group, Inc.                           | Director, Treasurer          | 06/2006 – Present |
| Nix-Mashburn, LLC  | Partner                      | 06/2006 – Present |
| Triad Advisors, Inc.                                     | Registered Representative    | 06/2006 – Present |
|  |                              |                   |
|  |                              |                   |



### III. Disciplinary Information

This portion of this Supplement is designed to provide you any pertinent information related to any disciplinary matters involving Mr. Mashburn. We are obligated to look back for a period of ten years unless more than ten years have elapsed since a particular disciplinary event but that we deem the matter significant enough that a reasonable person would find it material in evaluating Mr. Mashburn or our firm.

This information below is also available via the SEC's Investment Adviser Public Disclosure ("IAPD") which can be found at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

#### III.(A). Criminal or Civil Matters

|   |                              |  |
|---|------------------------------|--|
| Has Mr. Mashburn been involved in a criminal or civil action in a domestic, foreign or military court of competent jurisdiction in which Mr. Mashburn ...   |                              |  |
| Was convicted of, or pled guilty or nolo contendere ("no contest") to (a) any felony; (b) a misdemeanor that involved investments or an investment-related business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, or extortion; or (c) a conspiracy to commit any of these offenses; | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| Is the named subject of a pending criminal proceeding that involves an investment-related business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, extortion, or a conspiracy to commit any of these offenses;   | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| Was found to have been involved in a violation of an investment-related statute or regulation; or   | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| Was the subject of any order, judgment, or decree permanently or temporarily enjoining, or otherwise limiting, the supervised person from engaging in any investment-related activity, or from violating any investment-related statute, rule, or order?  | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |

#### III.(B). Administrative Proceedings

|  |                              |  |
|--|------------------------------|--|
| Has Mr. Mashburn been involved in an administrative proceeding before the SEC, any other federal regulatory agency, any state regulatory agency, or any foreign financial regulatory authority in which Mr. Mashburn ... |                              |  |
| Was found to have caused an investment-related business to lose its authorization to do business; or   | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| Was found to have been involved in a violation of an investment-related statute or regulation and was the subject of an order by the agency or authority...  |                              |  |
| denying, suspending, or revoking the authorization of the supervised person to act in an investment-related business;  | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| barring or suspending the supervised person's association with an investment-related business;   | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| otherwise significantly limiting the supervised person's investment-related activities; or imposing a civil money penalty of more than \$2,500 on the supervised person?   | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |

### **III.(C). Self-Regulatory Organization (“SRO”) Proceedings**

---

|  |                              |  |
|--|------------------------------|--|
| Has Mr. Mashburn been involved in a SRO proceeding in which Mr. Mashburn ...   |                              |  |
| Was found to have caused an investment-related business to lose its authorization to do business; or   | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| Was found to have been involved in a violation of the SRO’s rules and was:<br>(i) barred or suspended from membership or from association with other members, or was expelled from membership;<br>(ii) otherwise significantly limited from investment-related activities; or (iii) fined more than \$2,500? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |

### **III.(D). Other Proceedings**

---

|   |                              |  |
|---|------------------------------|--|
| Has Mr. Mashburn been involved in any other proceeding in which a professional attainment, designation, or license of Mr. Mashburn’s was revoked or suspended as a result of a violation of rules relating to professional conduct? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| In relation to the preceding item, did Mr. Mashburn resign or otherwise relinquish a professional attainment, designation, or license in anticipation of such a proceeding?   | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |

## IV. Other Business Activities

### IV.(A). Other Investment-Related<sup>1</sup> Activities

Mr. Mashburn is engaged in the following investment-related business activities outside the scope of his investment advisory activities on behalf of our firm. For any activity described below, we will name the other entity and we will also describe the relationship, if any, between our advisory business and each particular activity. We will also address any conflicts of interest that may arise in relation to such outside activity(s) as well as any particulars surrounding Mr. Mashburn's receipt of any compensation in connection with such activities.

#### *Securities brokerage activities*

*Other entity:* Triad Advisors, Inc.

*Relationship/Conflicts/Compensation:* Mr. Mashburn is licensed to sell certain securities and investment products through Triad Advisors, Inc. ("Triad"), a FINRA member broker-dealer registered with the SEC. Triad is also registered with the SEC as an investment adviser, however, all of Mr. Mashburn's investment advisory activities are carried out under HFG. Mr. Mashburn's activities through Triad are independent from and in addition to those of HFG. HFG and Triad are not affiliated entities.

Mr. Mashburn also receives additional compensation in relation to the sale of securities or other investment products. Such compensation is in the form of cash. The instructions in the Form ADV require us to tell you that the receipt or potential for the receipt of this other compensation gives Mr. Mashburn an incentive to recommend investment products based on the compensation received, rather than on your specific needs. Although we are obligated to tell you this, both Mr. Mashburn's and our objective as a firm is to place nothing before your best interests.

Mr. Mashburn, in his capacity as a registered representative of Triad, may recommend Triad's brokerage services to clients who have or are utilizing HFG's investment advisory services. HFG's clients are free to implement advisory recommendations through any firm. There is no obligation to effect transactions through Triad or Mr. Mashburn, however, if you choose to do so, commissions may be earned by Mr. Mashburn which may be higher or lower than those you might pay at another broker-dealer. HFG does not warrant or represent that commissions for transactions implemented through Triad will be lower than commission available if you use another brokerage firm. HFG believes, however, that the overall level of services and support provided to clients by Triad outweighs the potentially lower transaction cost available under other brokerage arrangements.

HFG may make conflicting or differing recommendations with respect to the same securities to different advisory clients. All such recommendations are based on each individual client's financial circumstances, needs, risk tolerances, objectives, etc.

*How we Address the Conflict(s):* First and foremost, we address the conflicts described in the preceding section by disclosing them to you in this Brochure Supplement as well as in HFG's separate Brochure. As a matter of general policy, we aggressively discourage activities that put your interests anywhere but first. Additionally, we have instituted a comprehensive supervisory process, detailed in our Written Supervisory Procedures ("WSPs") that was designed to address, among other things, conflicts of interest such as this one. In addition, we have designated a Chief Compliance Officer, as set forth on Schedule A of our Form ADV, to be the party responsible for the overall application and oversight of our supervisory process and our WSPs. Our Chief Compliance Officer has the

---

<sup>1</sup> "Investment-related" means "activities that pertain to securities, commodities, banking, insurance, or real estate (including, but not limited to, acting as or being associated with an investment adviser, broker-dealer, municipal securities dealer, government securities broker or dealer, issuer, investment company, futures sponsor, bank, or savings association)."

authority to delegate certain supervisory responsibilities to other supervised persons within our firm in order to ensure that our overall system of supervision is being adequately carried out and in a timely manner.

The potential conflicts of interest described in the preceding section are commonplace in the investment industry and we believe that they are not only appropriate but that they are proper in light of the added examination, licensing, registration, and other regulatory oversight that also takes place in the brokerage and insurance portions of the investment industry. Mr. Mashburn has satisfied various regulatory examination and registration requirements that allow not only for the offering of brokerage services as well as the receipt of the normal and customary compensation that any similarly registered, licensed, and qualified person could receive in the form of sales compensation for those same products.

Bear in mind that even if Mr. Mashburn was not registered/licensed to sell securities, the majority of your investments or transactions involving such products would still result in you paying some sort of commission for those products. In Mr. Mashburn's case, his active registration/licensing allows him to be able to receive those commissions as opposed to the executing broker-dealer keeping them for themselves.

The added compensation received by Mr. Mashburn in connection with any brokerage activities is deemed routine and customary compensation for such activities and is not believed to be inappropriate.

### ***Insurance-related brokerage or advisory activities***

*Other entity:* Nix-Mashburn, LLC

*Relationship/Conflicts/Compensation:* Mr. Mashburn is licensed to sell certain insurance products through Nix-Mashburn, LLC ("Nix-Mashburn"). Mr. Mashburn's activities through Nix-Mashburn are independent from and in addition to those of HFG. HFG and Nix-Mashburn are affiliated entities.

Mr. Mashburn also receives additional compensation in relation to the sale of insurance products. Such compensation is in the form of cash. The instructions in the Form ADV require us to tell you that the receipt or potential for the receipt of this other compensation gives Mr. Mashburn an incentive to recommend insurance products based on the compensation received, rather than on your specific needs. Although we are obligated to tell you this, both Mr. Mashburn's and our objective as a firm is to place nothing before your best interests.

Mr. Mashburn, in his capacity as a insurance agent of Nix-Mashburn, may recommend Nix-Mashburn's insurance services to clients who have or are utilizing HFG's investment advisory services. HFG's clients are free to implement advisory recommendations through any firm. There is no obligation to effect transactions through Nix-Mashburn or Mr. Mashburn, however, if you choose to do so, commissions may be earned by Mr. Mashburn which may be higher or lower than those you might pay at another insurance agency. HFG does not warrant or represent that commissions for transactions implemented through Nix-Mashburn will be lower than commission available if you use another insurance agency. HFG believes, however, that the overall level of services and support provided to clients by Nix-Mashburn outweighs the potentially lower transaction cost available under other insurance arrangements.

HFG may make conflicting or differing recommendations with respect to the same insurance products to different advisory clients. All such recommendations are based on each individual client's financial circumstances, needs, risk tolerances, objectives, etc.

*How we Address the Conflict(s):* First and foremost, we address the conflicts described in the preceding section by disclosing them to you in this Brochure Supplement as well as in HFG's separate Brochure. As a matter of general policy, we aggressively discourage activities that put your interests anywhere but first. Additionally, we have instituted a comprehensive supervisory process, detailed in our Written Supervisory Procedures ("WSPs") that was designed to address, among other things, conflicts of interest such as this one. In addition, we have designated a Chief Compliance Officer, as set forth on Schedule A of our Form ADV, to be the party responsible for the overall application and oversight of our supervisory process and our WSPs. Our Chief Compliance Officer has the

authority to delegate certain supervisory responsibilities to other supervised persons within our firm in order to ensure that our overall system of supervision is being adequately carried out and in a timely manner.

The potential conflicts of interest described in the preceding section are commonplace in the investment industry and we believe that they are not only appropriate but that they are proper in light of the added examination, licensing, registration, and other regulatory oversight that also takes place in the insurance portions of the investment industry. Mr. Mashburn has satisfied various regulatory examination and registration requirements that allow not only for the offering of insurance products as well as the receipt of the normal and customary compensation that any similarly registered, licensed, and qualified person could receive in the form of sales compensation for those same products.

Bear in mind that even if Mr. Mashburn was not registered/licensed to sell insurance products, the majority of your investments or transactions involving such products would still result in you paying some sort of commission for those products. In Mr. Mashburn's case, his active registration/licensing allows him to be able to receive those commissions as opposed to the executing broker-dealer or insurance agency keeping them for themselves.

The added compensation received by Mr. Mashburn in connection with any insurance activities is deemed routine and customary compensation for such activities and is not believed to be inappropriate.

#### **IV.(B). Other Activities**

---

Other than as described above in IV.(A), Mr. Mashburn is not engaged in any activities outside the scope of his investment advisory activities on behalf of HFG.

## V. Additional Compensation

The purpose of this Item is to describe any additional compensation (outside that which has been described above in Section IV.(B).) that Mr. Mashburn may receive in addition to his normal compensation for the investment advisory services he performs under our firm. As applicable, such other forms of compensation are denoted in the following grid. Please note that regular bonuses paid by us as part of Mr. Mashburn's normal and customary compensation are not considered "additional compensation" for the purpose of this Item.

|                                     | Type of Compensation   |
|-------------------------------------|--|
| <input type="checkbox"/>            | Sales awards or other prizes   |
| <input type="checkbox"/>            | Bonus based, at least in part, on the number or amount of sales/transactions |
| <input type="checkbox"/>            | Bonus based, at least in part, on client referrals                           |
| <input type="checkbox"/>            | Bonus based, at least in part, on the # or type of new accounts opened       |
| <input checked="" type="checkbox"/> | None   |

## **VI. Supervision**

As part of our overall compliance and supervisory process, we monitor the advisory activities of all of our supervised persons. As part of the supervisory process over the advisory activities of Mr. Mashburn, Mr. Mashburn's Designated Supervisor (identified below), shall carry out the following general supervisory steps:

- Periodic review of customer account activity
- Periodic review of electronic and other correspondence
- Observation during client meetings and/or phone calls
- On-site inspection of Mr. Mashburn's office location (if other than the our main office)

In order to ensure that we are effectively and consistently carrying out our supervisory process over Mr. Mashburn's advisory activities, we maintain a set of Written Supervisory Procedures ("WSP") that, among other things, address matters such as supervision of the activities of our supervised persons like Mr. Mashburn. Our WSP manual is the guiding force behind all of our supervisory functions and is subject to the regular inspection by any regulatory bodies having jurisdiction over our investment advisory activities.

**Mr. Mashburn's Designated Supervisor:**

James S. Carter  
Chief Compliance Officer  
205-871-7743

## **VII. Requirements for State-Registered Advisers**

(VII).(A). (1. & 2) This Item is a continuation and expansion of Item III (Civil, Criminal and/or other Proceedings) above. Mr. Mashburn has not had any events.

(VII).(B). This Item addresses bankruptcy. Mr. Mashburn has never filed for bankruptcy.