

Horn Eichenwald Investments Corp.

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This Brochure provides information about the qualifications and business practices of Horn Eichenwald Investments Corp. (Horn Eichenwald). If you have any questions about the contents of this Brochure, please contact us at (305) 860-0770. 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.

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

Additional information about Horn Eichenwald is also available on the SEC's website at www.adviserinfo.sec.gov

Item 2 – Material Changes

In 2012, ownership of the firm was changed. Ricardo Eichenwald's shares were transferred half to The Ricardo Eichenwald Revocable Trust and the other half to Fernando Braghin. Also the shares belonging to Joseph Horn were transferred in to the name of The Joseph Horn Revocable Trust.

Horn Eichenwald is the Fund Manager to the Flexor Multi-Manager Fund, Ltd domiciled in the Cayman Islands.

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

Currently, our Brochure may be requested by contacting Fernando Braghin, Chief Compliance Officer at (305) 860-0770 or Fernando@h2e.com.

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

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Brochure Supplement(s) – Upon Request	
A. Fernando Braghin	
B. Ralph Horn	

Item 4 – Advisory Business

Horn Eichenwald Investments Corp. ("HEIC") is a registered investment advisor with the The Securities and Exchange Commission. HEIC has been located in Coconut Grove, Florida since registration in 2006.

As of December 31, 2012 HEIC manages approximately \$180 million in assets, all on a discretionary basis. The principal directors of HEIC are Ricardo Eichenwald, President; Joseph Horn, Vice- President; Ralph Horn, Vice President; and Fernando Braghin, Director / Compliance Officer.

The firm provides investment supervisory services and directly manages investments. HEIC manages Client's investment account(s), which means account(s) consisting of cash, securities and other assets, and investments, reinvestments and proceeds of sales as well as all interest, dividends and appreciation thereon, and recommends purchases and or sales of securities as appropriate. HEIC maintains limited power of attorney on customer accounts and trades on a discretionary basis.

Investment accounts are subject to the written investment guidelines and investment objectives (the "Investment Guidelines") as directed by each client and approved by HEIC. The Investment Guidelines may be amended from time to time by written notice from the client. HEIC recommends purchases and sales of domestic and foreign securities and instruments in the following categories which are also identified in the Investment Guidelines:

- Equity securities including without limitation common and ordinary stock (including ADRs and GDRs), and limited partnership interests, and rights, warrants, and convertible and nonconvertible preferred stocks.
- Open-end or closed-end investment companies, unit investment trusts or other collective investment funds, registered or non-registered.
- Evidences of indebtedness including, without limitation, any bonds, debentures, notes and convertible and non-convertible debt obligations, including notes issued by related parties of HEIC.
- Restricted or privately placed securities, including investments not traded on a recognized investment exchange. Such investments are ordinarily "illiquid" and may at times be difficult to value and sell.
- Any non-investment grade rated obligation (i.e., rated less than Baa3 by Moody's Investors Service, Inc. and less than BBB - by Standard & Poor's Corporation) or unrated debt obligation. Issuers of such speculative grade securities (commonly referred to as "junk bonds") generally have highly leveraged capital structures, subjecting investors to a high degree of risk.
- Options on securities (covered or uncovered) and on securities indexes (including, without limitation, over the counter options); and forwards, swaps and other derivative transactions relating to securities, currencies and interest rates.
- Any foreign currencies.

- Pooled investments including hedge funds, even if not regulated and not quoted in any exchange.

Item 5 – Fees and Compensation

The specific manner in which fees are charged by Horn Eichenwald is established in a client's written agreement with Horn Eichenwald. All fees are subject to negotiation with each client.

For its advisory services, HEIC charges a management fee consisting of a percentage of the assets under management, and a performance fee consisted of a percentage of the profits over a benchmark :

Each quarter/semester the management fee will be calculated on the initial value of the Investment Account of the period . The fee will be billed in arrears and payable within 30 days after the end of each period. Fees will be prorated upon establishment of the Investment Account and upon termination of the Investment Account. Termination of the account shall be effective within fifteen days of receipt of written notice. Performance fees paid are not refundable. All accounts have a high water mark that last 12 consecutive months, measured either on a quarterly or semester basis.

HEIC charges, on average, its fee as follows:

- Fixed Fee of 0.50% per annum and Performance Fee of 10% of the return in excess of 3 month LIBOR
- or
- Performance Fee of 7% flat

Horn Eichenwald's fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses, which shall be incurred by the client. Clients may incur certain charges imposed by custodians, brokers, third party investment and other third parties such as fees charged by managers, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual funds and exchange-traded funds also charge internal management fees, which are disclosed in a fund's prospectus. Such charges, fees and commissions are exclusive of and in addition to Horn Eichenwald's fee, and Horn Eichenwald shall not receive any portion of these commissions, fees, and costs.

Item 12 further describes the factors that Horn Eichenwald considers in selecting or recommending broker-dealers for *client* transactions and determining the reasonableness of their compensation (e.g., commissions)

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

Horn Eichenwald enters into performance fee arrangements with qualified clients: such fees are subject to individualized negotiation with each such client. Losses must be made up prior to any new performance fees being charged following the high-water mark rules.

Horn Eichenwald is structured subject to Section 205(a)(1) of the Investment Advisors Act of 1940 (The Advisors Act) in accordance with the available exemptions thereunder, including the exemption set forth in Rule 205-3. In measuring clients' assets for the calculation of performance-based fees, Horn Eichenwald shall include realized and unrealized capital gains and losses. Performance based fee arrangements may create an incentive for Horn Eichenwald to recommend investments that may be riskier or more speculative than those which would be recommended under a different fee arrangement. Such fee arrangements also create an incentive to favor higher fee paying accounts over other accounts in the allocation of investment opportunities. Horn Eichenwald has procedures designed and implemented to ensure that all clients are treated fairly and equally, and to prevent this conflict from influencing the allocation of investment opportunities among clients. In addition, all accounts follow the same parameters and are not treated any differently whether they are performance-based or another type of fee.

Horn Eichenwald does not perform side by side management.

Item 7 – Types of Clients

Horn Eichenwald provides investment supervisory services and has investment advisory accounts for pooled investment vehicles, corporations, and other business entities. All of Horn Eichenwalds clients are Non-U.S residents.

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

Investing in securities involves risk of loss that clients should be prepared to bear.

Horn Eichenwald uses the following methods of analysis: charting; fundamental; technical; and cyclical analysis. Charting analysis involves the use of patterns in performance charts. Horn Eichenwald uses this charting technique to search for patterns used to help predict favorable conditions for buying and/or selling a security. Fundamental analysis involves the analysis of financial statements, the general financial health of companies, and/or the analysis of management or competitive advantages. Technical analysis involves the analysis of past market data; primarily price and volume. Cyclical analysis involved the analysis of business cycles to find favorable conditions for buying and/or selling a security.

Horn Eichenwald uses long term and short term purchasing strategies, designed to capture market rates of both return and risk. Frequent trading, when done, can affect investment performance, particularly through increased brokerage and other transaction costs and taxes. Investing in securities involves a risk of loss that clients should be prepared to bear.

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 your evaluation of Horn Eichenwald or the integrity of Horn Eichenwald's management. There is no disciplinary information pertaining to Horn Eichenwald Investment Corp. For disciplinary information about a particular investment advisor, see each investment advisors representative ADV 2b.

Item 10 – Other Financial Industry Activities and Affiliations

Bridgeloan Investors Inc. and Bridgeinvest, LLC

HEIC is affiliated with Bridgeloan Investors, Inc and Bridgeinvest, LLC since some of HEIC's shareholders are shareholders within the affiliated companies as well.

Bridgeloan Investors and HEIC share supervised persons and location. Bridgeloan is under common control with HEIC since a majority of the shareholders in HEIC has more than 50% ownership in BridgeLoan Investors.

Bridgeinvest and HEIC are not under common control, and do not share supervised persons nor its location.

Both Bridgeloan Investors and Bridgeinvest provide bridgeloans for commercial projects and sell participations for investors.

Investment Opportunities that originate at both Bridgeloan and Bridgeinvest can be offered and sold to clients of HEIC.

Flexor Multi-Manager Fund, Ltd

Horn Eichenwald is the fund manager of Flexor Multi-Manager Fund, Ltd, an offshore fund domiciled in the Cayman Islands. The Flexor Fund is under common control as Horn Eichenwald. The custodian of the fund is UBP. Only offshore investors can invest with the fund.

(See Item 15: Custody)

Item 11 – Code of Ethics

Horn Eichenwald has adopted a Code of Ethics for all supervised persons of the firm describing its high standard of business conduct, and fiduciary duty to its clients. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, a prohibition of rumormongering, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All supervised persons at Horn Eichenwald must acknowledge the terms of the Code of Ethics annually, or as amended.

Horn Eichenwald anticipates that, in appropriate circumstances, consistent with clients' investment objectives, it will cause accounts over which Horn Eichenwald has management authority to effect, and will recommend to investment advisory clients or prospective clients, the purchase or sale of securities in which Horn Eichenwald, its affiliates and/or clients, directly or indirectly, have a position of interest.

Horn Eichenwald's employees and persons associated with Horn Eichenwald are required to follow Horn Eichenwald's Code of Ethics. Subject to satisfying this policy and applicable laws, officers, directors and employees of Horn Eichenwald and its affiliates may trade for their own accounts in securities which are recommended to and/or purchased for Horn Eichenwald's clients. The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of the employees of Horn Eichenwald will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts. Under the Code, certain classes of securities have been designated as exempt transactions, based upon a determination that these would materially not interfere with the best interest of Horn Eichenwald's clients. In addition, the Code requires pre-clearance of many transactions, and restricts trading in close proximity to client trading activity. Nonetheless, because the Code of Ethics in some circumstances would permit employees to invest in the same securities as clients, there is a possibility that employees might benefit from market activity by a client in a security held by an employee. Employee trading is continually monitored under the Code of Ethics, and to reasonably prevent conflicts of interest between Horn Eichenwald and its clients.

Certain affiliated accounts may trade in the same securities with client accounts on an aggregated basis when consistent with Horn Eichenwald's obligation of best execution. In such circumstances, the affiliated and client accounts will share commission costs equally and receive securities at a total average price. Horn Eichenwald will retain records of the trade order (specifying each participating account) and its allocation, which will be completed prior to the entry of the aggregated order. Completed orders will

be allocated as specified in the initial trade order. Partially filled orders will be allocated on a pro rata basis. Any exceptions will be explained on the Order.

Horn Eichenwald's clients or prospective clients may request a copy of the firm's Code of Ethics by contacting Fernando Braghin, the Chief Compliance Officer.

It is Horn Eichenwald's policy that the firm will not affect any principal or agency cross securities transactions for client accounts. Horn Eichenwald will also not cross trades between client accounts. Principal transactions are generally defined as transactions where an adviser, acting as principal for its own account or the account of an affiliated broker-dealer, buys from or sells any security to any advisory client. A principal transaction may also be deemed to have occurred if a security is crossed between an affiliated hedge fund and another client account. An agency cross transaction is defined as a transaction where a person acts as an investment adviser in relation to a transaction in which the investment adviser, or any person controlled by or under common control with the investment adviser, acts as broker for both the advisory client and for another person on the other side of the transaction. Agency cross transactions may arise where an adviser is dually registered as a broker-dealer or has an affiliated broker-dealer.

Item 12 – Brokerage Practices

HEIC may assist clients in negotiating fees and choosing the bank/institution that will best serve the client's interest for custody and execution. In that process, HEIC recommends several alternatives given the client's profile and especially, his/her preference in terms of asset classes. Over the years, HEIC has built strong relationships with several private banks and brokerage houses in the US and Europe. Most of these institutions offer reduced fees in favor of our clients, based on our relationships with these institutions. HEIC does not benefit or receive any compensation based upon these discounts. The final decision of custodians is always with the client.

Horn Eichenwald does not have any soft dollar arrangements.

Item 13 – Review of Accounts

Horn Eichenwald generally monitors its managed accounts on a systematic basis. Ralph Horn, Vice President or Fernando Braghin, Chief Compliance Officer review each account at the least monthly. More active accounts and larger accounts may be reviewed on a daily basis. More frequent reviews may be undertaken because of change in market conditions, change of security position(s), requests by clients for a meeting or the occurrence of such meeting, change in client's investment objective or policies of HEIC. With respect to account performance, HEIC reviews each account on a quarterly basis, and compares each investment on a transaction basis to insure that each transaction is (i) suitable for the respective client's investment objectives; (ii) meets that client's quality standards, and (iii) to make sure that their investment objectives are still pertinent to the managed account arrangement.

More frequent reviews may be undertaken because of change in market conditions, change of security position(s), request by client for a meeting or the occurrence of such meeting, change in client's investment objective or policies of Horn Eichenwald.

Item 14 – *Client* Referrals and Other Compensation

HEIC has some agreements with some institutions in which it receives compensation on distributions of funds and introductions of new clients. Below please find a summary of the agreements per institution:

- Man Investments Group will pay to HEIC a portion of its management fee for accounts referred by HEIC.
- HEIC has agreements with Union Bancaire Privee (UBP) to receive referral fees:
 - On accounts introduced to UBP where HEIC has no advisory services, and whenever the amounts deposited pass CHF 5 Million.
 - On accounts in which UBP is the custodian and HEIC is the advisor.

Item 15 – Custody

Horn Eichenwald does not act as a custodian for its clients. Clients should receive at least quarterly statements from the broker dealer, bank or other qualified custodian that holds and maintains client's investment assets. Horn Eichenwald urges you to carefully review such statements and compare such official custodial records to the account statements that we may provide to you. Our statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

Horn Eichenwald is the fund manager to Flexor Multi-Manager Fund Ltd, domiciled in the Cayman Islands. Horn Eichenwald's directors also are directors of the Flexor Fund. Since there is common control between these two entities Horn Eichenwald is considered to have indirect custody of the Flexor Fund. Horn Eichenwald clients may be participants in the Flexor Fund as long as they are not residents of the United States of America and the Cayman Islands. UBP Geneva is the qualified custodian of the funds assets. The qualified custodian sends account statements at least quarterly to the investors in the fund. An independent public accountant audits the Flexor fund and sends audited financial statements to the investors.

Item 16 – Investment Discretion

Horn Eichenwald usually receives discretionary authority from the client at the outset of an advisory relationship to select the identity and amount of securities to be bought or sold. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular client account.

When selecting securities and determining amounts, Horn Eichenwald observes the investment policies, limitations and restrictions of the clients for which it advises. For registered investment companies, Horn Eichenwald's authority to trade securities may also be limited by certain federal securities and tax laws that require diversification of investments and favor the holding of investments once made.

Changes in the investment guidelines and restrictions must be provided to Horn Eichenwald in writing.

Item 17 – Voting *Client* Securities

Horn Eichenwald Investments Corp. (HEIC) will vote all proxies in advisory accounts where it has the authority to do so. HEIC has authority to vote proxies for its clients and this issue is disclosed in Part II of its Form ADV, the firm's Policies and Procedures and in the relevant client contracts. The proxies voted on behalf of the clients are corporate actions of certain securities.

In order to avoid potential conflicts of interests between HEIC, its affiliates, and any clients, HEIC generally votes in after consultation between the investment Advisor of the account and the Chief Compliance Officer (CCO). HEIC will document all issues that it votes on and the voting record of each issue and the clients that it voted for.

For accounts where HEIC has proxy voting authority, the relevant Portfolio Managers (the "Portfolio Managers") shall have responsibility for overseeing that proxies are voted timely and maintaining appropriate records in accordance with applicable law. The CCO will assist the relevant Portfolio Managers in implementing these votes and identifying potential conflicts of interest.

HEIC will include a summary of these policies in its Policies and Procedures and will provide a copy of this policy to clients upon request.

Item 18 – Financial Information

Horn Eichenwald Investments Corp has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.