



## **Horizon Wealth Management, LLC**

### **Form ADV Part 2A – Disclosure Brochure**

**Effective: March 25, 2024**

This Form ADV Part 2A (“Disclosure Brochure”) provides information about the qualifications and business practices of Horizon Wealth Management, LLC (“Horizon” or the “Advisor”). If you have any questions about the content of this Disclosure Brochure, please contact the Advisor at (708) 352-4300 or by email at [ryan.williamson@horizonwealth.biz](mailto:ryan.williamson@horizonwealth.biz).

Horizon is a registered investment advisor with U.S. Securities and Exchange Commission (“SEC”). The information in this Disclosure Brochure has not been approved or verified by the SEC or by any state securities authority. Registration of an investment advisor does not imply any specific level of skill or training. This Disclosure Brochure provides information about Horizon to assist you in determining whether to retain the Advisor.

Additional information about Horizon and its Advisory Persons is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with the Advisor’s firm name or CRD# 170255.

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## Item 2 – Material Changes

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Form ADV 2 is divided into two parts: *Part 2A (the "Disclosure Brochure")* and *Part 2B (the "Brochure Supplement")*. The Disclosure Brochure provides information about a variety of topics relating to an Advisor's business practices and conflicts of interest. The Brochure Supplement provides information about the Advisory Persons of Horizon, which is provided as a separate document from this brochure.

Horizon believes that communication and transparency are the foundation of its relationship with clients and will continually strive to provide you with complete and accurate information at all times. Horizon encourages all current and prospective clients to read this Disclosure Brochure and discuss any questions you may have with the Advisor.

### Material Changes

There have been no material changes made to this Disclosure Brochure since the last filing and distribution to Clients.

### Future Changes

From time to time, the Advisor may amend this Disclosure Brochure to reflect changes in business practices, changes in regulations, or routine annual updates as required by the securities regulators. This complete Disclosure Brochure or a Summary of Material Changes shall be provided to you annually and if a material change occurs.

You may view the current Disclosure Brochure online at the SEC's Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with the Advisor's firm name or CRD# 170255. You may also request a copy of this Disclosure Brochure at any time by contacting the Advisor at (708) 352-4300 or by email at [ryan.williamson@horizonwealth.biz](mailto:ryan.williamson@horizonwealth.biz).

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## Item 4 – Advisory Services

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### A. Firm Information

Horizon Wealth Management, LLC (“Horizon” or the “Advisor”) is a registered investment advisor with the U.S. Securities and Exchange Commission (“SEC”). Horizon is organized as a Limited Liability Company (“LLC”) under the laws of Illinois. Horizon was founded in 2014 and is owned and operated by Paul Fousek (Principal) and Ryan Williamson (Principal and Chief Compliance Officer). This Disclosure Brochure provides information regarding the qualifications, business practices, and advisory services provided by Horizon.

### B. Advisory Services Offered

Horizon offers investment advisory services to individuals, high-net-worth individuals, trusts, estates, businesses, charitable organizations, and retirement plans (each referred to as a “Client”).

The Advisor serves as a fiduciary to Clients, as defined under the applicable laws and regulations. As a fiduciary, the Advisor upholds a duty of loyalty, fairness, and good faith toward each Client and seeks to mitigate potential conflicts of interest. Horizon’s fiduciary commitment is further described in the Advisor’s Code of Ethics. For more information regarding the Code of Ethics, please see Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.

#### Investment Management Services

Horizon provides customized investment advisory solutions for its Clients. This is achieved through continuous personal Client contact and interaction while providing discretionary investment management and related advisory services. Horizon works closely with each Client to identify their investment goals and objectives as well as risk tolerance and financial situation in order to create a portfolio strategy. Horizon will then construct an investment portfolio consisting of diversified mutual funds and/or exchange-traded funds (“ETFs”) to achieve the Client’s investment goals. The Advisor may also utilize individual stocks, fixed-income securities, options, and margin to meet the needs of its Clients. The Advisor may retain certain legacy investments based on portfolio fit and/or tax considerations.

Horizon’s investment approach is primarily long-term focused, but the Advisor may buy, sell, or re-allocate positions that have been held for less than one year to meet the objectives of the Client or due to market conditions. Horizon will construct, implement, and monitor the portfolio to ensure it meets the goals, objectives, circumstances, and risk tolerance agreed to by the Client. Each Client will have the opportunity to place reasonable restrictions on the types of investments to be held in their respective portfolio, subject to acceptance by the Advisor.

Horizon evaluates and selects investments for inclusion in Client portfolios only after applying its internal due diligence process. Horizon may recommend, on occasion, redistributing investment allocations to diversify the portfolio. Horizon may recommend specific positions to increase sector or asset class weightings. The Advisor may recommend employing cash positions as a possible hedge against market movement. Horizon may recommend selling positions for reasons that include but are not limited to harvesting capital gains or losses, business or sector risk exposure to a specific security or class of securities, overvaluation or overweighting of the position[s] in the portfolio, change in risk tolerance of the Client, generating cash to meet Client needs, or any risk deemed unacceptable for the Client’s risk tolerance.

*Retirement Accounts* – When the Advisor provides investment advice to Clients regarding ERISA retirement accounts or individual retirement accounts (“IRAs”), the Advisor is a fiduciary within the meaning of Title I of the Employee Retirement Income Security Act (“ERISA”) and/or the Internal Revenue Code (“IRC”), as applicable, which are laws governing retirement accounts. When deemed to be in the Client’s best interest, the Advisor will provide investment advice to the Client regarding a distribution from an ERISA retirement account or to roll over the assets to an IRA or recommend a similar transaction, including rollovers from one ERISA-sponsored Plan to another, one IRA to another IRA, or from one type of account to another account (e.g., commission-based account to fee-based account). Such a recommendation creates a conflict of interest if the Advisor earns a new (or increases its current) advisory fee as a result of the transaction. No client is under any obligation to roll over a retirement account to an account managed by the Advisor.

At no time will Horizon accept or maintain custody of a Client's funds or securities, except for the limited authority as outlined in Item 15 – Custody. All Client assets will be managed within the designated account[s] at the Custodian, pursuant to the terms of the advisory agreement; please see Item 12 – Brokerage Practices.

#### Financial Planning Services

Horizon will typically provide a variety of financial planning and consulting services to Clients pursuant to a written financial planning agreement or included with its investment management services. Services are offered in several areas of a Client's financial situation, depending on their goals and objectives. Generally, such financial planning services involve preparing a formal financial plan or rendering a specific financial consultation based on the Client's financial goals and objectives. This planning or consulting may encompass one or more areas of need, including but not limited to investment planning, retirement planning, personal savings, education savings, insurance needs, and other areas of a Client's financial situation.

A financial plan developed for, or financial consultation rendered to the Client will usually include general recommendations for a course of activity or specific actions to be taken by the Client. For example, recommendations may be made that the Client start or revise their investment programs, commence or alter retirement savings, and establish education savings and/or charitable giving programs.

Horizon may also refer Clients to an accountant, attorney, or other specialists as appropriate for their unique situation. For certain financial planning engagements, the Advisor will provide a written summary of the Client's financial situation, observations, and recommendations. For consulting or ad-hoc engagements, the Advisor may not provide a written summary. Plans or consultations are typically completed within six (6) months of the contract date, assuming all information and documents requested are provided promptly.

Financial planning and consulting recommendations pose a conflict between the interests of the Advisor and the interests of the Client. For example, the Advisor has an incentive to recommend that Clients engage the Advisor for investment management services or to increase the level of investment assets with the Advisor, as it would increase the amount of advisory fees paid to the Advisor. Clients are not obligated to implement any recommendations made by the Advisor or maintain an ongoing relationship with the Advisor. If the Client elects to act on any of the recommendations made by the Advisor, the Client is under no obligation to implement the transaction through the Advisor.

#### Retirement Plan Advisory Services

Horizon provides retirement plan advisory services on behalf of company retirement plans (each a "Plan") and the company (the "Plan Sponsor"). The Advisor's retirement plan advisory services are designed to assist the Plan Sponsor in meeting its fiduciary obligations to the Plan and its Plan Participants. Each engagement is customized to the needs of the Plan and Plan Sponsor. Services generally include:

- Vendor Analysis
- Plan Participant Enrollment and Education Tracking
- Investment Policy Statement ("IPS") Design and Monitoring or Review
- Investment Oversight Services (ERISA 3(21))
- Investment Management Services (ERISA 3(38))
- Performance Reporting
- Ongoing Investment Recommendations and Assistance

These services are provided by Horizon, serving in the capacity of a fiduciary under the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). In accordance with ERISA Section 408(b)(2), the Plan Sponsor is provided with a written description of Horizon's fiduciary status, the specific services to be rendered, and all direct and indirect compensation the Advisor reasonably expects under the engagement.

#### **C. Client Account Management**

Prior to engaging Horizon to provide investment advisory services, each Client is required to enter into one or more agreements with the Advisor that define the terms, conditions, authority, and responsibilities of the Advisor and the Client. These services may include:

- Establishing an Investment Strategy – Horizon, in connection with the Client, will develop a strategy that seeks to achieve the Client's goals and objectives.
- Asset Allocation – Horizon will develop a strategic asset allocation that is targeted to meet the investment objectives, time horizon, financial situation, and tolerance for risk for each Client.
- Portfolio Construction – Horizon will develop a portfolio for the Client that is intended to meet the stated goals and objectives of the Client.
- Investment Management and Supervision – Horizon will provide investment management and ongoing oversight of the Client's investment portfolio.

#### **D. Wrap Fee Programs**

Horizon includes, in addition to securities transaction fees, commission fees, custody fees, and administrative fees (herein "Covered Costs"), together with its investment advisory fees to provide the Client with a single, bundled fee structure. This combination is typically referred to as a "Wrap Fee Program." The Advisor customizes its investment management services for its Clients. The Advisor sponsors the Horizon Wrap Fee Program Brochure as a supplemental disclosure regarding the combination of fees. Depending on the level of trading required for the Client's account[s] in a particular year, the Client may pay more or less in total fees than if the Client paid its own transaction fees. Please see Appendix 1 – Wrap Fee Program Brochure, which is included as a supplement to this Disclosure Brochure.

#### **E. Assets Under Management**

As of December 31, 2023, Horizon manages \$938,717,775 in Client assets, \$936,000,000 of which are managed on a discretionary basis and \$2,717,775 on a non-discretionary basis. Clients may request more current information at any time by contacting the Advisor.

### **Item 5 – Fees and Compensation**

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The following paragraphs detail the fee structure and compensation methodology for services provided by the Advisor. Each Client engaging the Advisor for services described herein shall be required to enter into one or more written agreements with the Advisor.

#### **A. Fees for Advisory Services**

##### Investment Management Services

Investment advisory fees are paid quarterly, in advance of each calendar quarter, pursuant to the terms of the agreement. Investment advisory fees are based on the market value of assets under management at the end of the prior quarter. Investment advisory fees range up to 1.50% annually based on several factors, including the complexity of the services to be provided, the level of assets to be managed, and the overall relationship with the Advisor. Relationships with multiple objectives, specific reporting requirements, portfolio restrictions, and other complexities may be charged a higher fee. For deposits or withdrawals from the Client's account[s], the Advisor's fee will be adjusted in the next billing period to reflect the fee difference.

The investment advisory fee in the first quarter of service is prorated from the inception date of the account[s] to the end of the first quarter, which will be deducted at the end of the first quarter. Fees may be negotiable at the sole discretion of the Advisor. The Client's fees will take into consideration the aggregate assets under management with the Advisor. All securities held in accounts managed by Horizon will be independently valued by the Custodian. Horizon will conduct periodic reviews of the Custodian's valuations.

##### Financial Planning Services

Horizon offers standalone financial planning services either on an hourly basis or for a fixed fee. Hourly engagement fees are charged at \$250. Fixed fees range from \$500 to \$3,000. Fees may be negotiable based on the nature and complexity of the services to be provided and the overall relationship with the Advisor. An estimate for total hours and total costs will be provided to the Client prior to engaging in these services.

##### Retirement Plan Advisory Services

Fees for 3(21) retirement plan advisory services are charged on a flat fee basis or an annual asset-based fee. Flat fees generally range from \$500 to \$2,000. Annual asset-based fees are charged up to 0.75%. Fees are payable

quarterly, in advance of each calendar quarter, pursuant to the terms of the retirement plan advisory agreement. Retirement plan advisory fees are based on the market value of assets under management at the end of the prior quarter. Fees may be negotiable depending on the size and complexity of the Plan and the services provided.

Fees for 3(38) retirement plan advisory services are charged on an annual asset-based fee of up to 1.50%. Fees are payable quarterly, in advance of each calendar quarter, pursuant to the terms of the retirement plan advisory agreement. Retirement plan advisory fees are based on the market value of assets under management and the end of the prior calendar quarter. Fees may be negotiable depending on the size and complexity of the Plan and the services provided.

## **B. Fee Billing**

### Investment Management Services

Investment advisory fees are calculated by the Custodian and deducted from the Client's account[s] by the Custodian. The Client shall instruct the Custodian to automatically deduct the investment advisory fee from the Client's account[s] at the beginning of the quarter and pay the investment advisory fee[s] to the Advisor. The amount due is calculated by applying the quarterly rate [(annual rate divided by 360) multiplied by 90] to the total assets under management with Horizon at the end of the prior quarter. Clients will be provided with a statement, at least quarterly, from the Custodian reflecting the deduction of the investment advisory fee. It is the responsibility of the Client to verify the accuracy of these fees as listed on the Custodian's brokerage statement, as the Custodian does not assume this responsibility. Clients provide written authorization permitting advisory fees to be deducted by Horizon to be paid directly from their account[s] held by the Custodian as part of the investment advisory agreement and separate account forms provided by the Custodian.

### Financial Planning Services

Financial planning fees may be invoiced up to fifty percent (50%) of the expected total fee upon execution of the financial planning agreement. The balance shall be invoiced upon completion of the agreed-upon deliverable[s]. In all cases, Horizon does not collect advance fees of \$1,200 or more for services to be performed six months or more in the future.

### Retirement Plan Advisory Services

Retirement plan advisory fees may be directly invoiced to the Plan Sponsor or deducted from the assets of the Plan, depending on the terms of the retirement plan advisory agreement.

## **C. Other Fees and Expenses**

Clients may incur certain fees or charges imposed by third parties other than Horizon in connection with investments made on behalf of the Client's account[s]. Horizon includes Covered Costs as part of its overall investment advisory fee through the Horizon Wrap Fee Program. Securities transaction fees for Client-directed trades may be charged back to the Client. Please see Item 4.D. above as well as Appendix 1 – Wrap Fee Program Brochure.

In addition, all fees paid to Horizon for investment advisory services are separate and distinct from the expenses charged by mutual funds and ETFs to their shareholders, if applicable. These fees and expenses are described in each fund's prospectus. These fees and expenses will generally be used to pay management fees for the funds, other fund expenses, account administration (e.g., custody, brokerage, and account reporting), and a possible distribution fee. A Client may be able to invest in these products directly without the services of Horizon but would not receive the services provided by Horizon, which are designed, among other things, to assist the Client in determining which products or services are most appropriate for each Client's financial situation and objectives. Accordingly, the Client should review both the fees charged by the fund[s] and the fees charged by Horizon to fully understand the total fees to be paid. Please refer to Item 12 – Brokerage Practices for additional information.

## **D. Advance Payment of Fees and Termination**

### Investment Management Services

Horizon is compensated for its investment management services in advance of the quarter in which services are rendered. Either party may terminate the investment advisory agreement, at any time, by providing advance written notice to the other party. The Client may also terminate the investment advisory agreement within five (5) business days of signing the Advisor's agreement at no cost to the Client. After the five-day period, the Client will incur charges for bona fide advisory services rendered to the point of termination, and such fees will be due and payable by the



Client. The Advisor will refund any unearned, prepaid investment advisory fees from the effective date of termination to the end of the quarter. The Client's investment advisory agreement with the Advisor is non-transferable without the Client's prior consent.

#### Financial Planning Services

Horizon requires an advance deposit, as described above. Either party may terminate the financial planning agreement, at any time, by providing advance written notice to the other party. The Client may also terminate the financial planning agreement within five (5) business days of signing the Advisor's agreement at no cost to the Client. After the five-day period, the Client will incur charges for bona fide advisory services rendered to the point of termination, and such fees will be due and payable by the Client. Upon termination, the Client shall be billed for actual hours logged on the planning project times the contractual hourly rate, or in the case of a fixed fee engagement, the percentage of the engagement scope completed by the Advisor. The Advisor will refund any unearned, prepaid financial planning fees from the effective date of termination. The Client's financial planning agreement with the Advisor is non-transferable without the Client's prior consent.

#### Retirement Plan Advisory Services

Horizon is compensated for its retirement plan advisory services at the beginning of the quarter before services are rendered. Either party may request to terminate a retirement plan advisory agreement, at any time, by providing advance written notice to the other party. The Client shall be responsible for retirement plan advisory fees up to and including the effective date of the termination. Upon termination, the Advisor will refund any unearned, prepaid retirement plan advisory fees from the effective date of the termination to the end of the quarter. The Client's retirement plan advisory agreement with the Advisor is non-transferable without the Client's prior consent.

### **E. Compensation for Sales of Securities**

#### Broker-Dealer Affiliations

Advisory Persons of Horizon are also registered representatives of LPL Financial, LLC ("LPL Financial"). LPL Financial is a registered broker-dealer (CRD# 6413) and member of FINRA/SIPC. In one's separate capacity as a registered representative of LPL Financial, an Advisory Person will implement securities transactions under LPL Financial and not through Horizon. In such instances, an Advisory Person will receive commission-based compensation in connection with the purchase and sale of securities, including 12b-1 fees for the sale of investment company products. Compensation earned by an Advisory Person in one's capacity as a registered representative is separate and in addition to Horizon's advisory fees. This practice presents a conflict of interest because Advisory Persons, who are registered representatives, have an incentive to effect securities transactions for the purpose of generating commissions rather than solely based on the Client. Horizon mitigates this conflict in two ways. First, Clients always have the right to choose whether or not to purchase securities products through one of Horizon's Advisory Persons. Second, Horizon will not charge an ongoing investment advisory fee on any assets implemented in the separate capacity of its Advisory Persons. Please see Item 10 – Other Financial Industry Activities and Affiliations.

#### Insurance Agency Affiliations

Certain Advisory Persons are also licensed as independent insurance professionals. As an independent insurance professional, an Advisory Person will earn commission-based compensation for selling insurance products, including insurance products they sell to Clients. Insurance commissions earned by an Advisory Person are separate and in addition to Horizon's advisory fees. This practice presents a conflict of interest because a person providing investment advice on behalf of the Advisor, who is also an insurance agent, has an incentive to recommend insurance products to Clients for the purpose of generating commissions rather than solely based on Client needs. However, Clients are under no obligation, contractually or otherwise, to purchase insurance products through an Advisory Person.

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

Horizon does not charge performance-based fees for its investment advisory services. The fees charged by Horizon are as described in Item 5 above and are not based upon the capital appreciation of the funds or securities held by any Client. Horizon does not manage any proprietary investment funds or limited partnerships (for example, a mutual fund or a hedge fund) and has no financial incentive to recommend any particular investment options to its Clients.



## Item 7 – Types of Clients

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Horizon offers investment advisory services to individuals, high-net-worth individuals, trusts, estates, charitable organizations, and retirement plans. The amount of each type of Client is available on the Advisor's Form ADV Part 1A. These amounts will change over time and are updated at least annually by the Advisor. Horizon generally does not impose a minimum relationship size.

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

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### A. Methods of Analysis

Horizon employs fundamental, technical, and charting analysis in developing investment strategies for its Clients. Research and analysis from Horizon are derived from numerous sources, including financial media companies, third-party research materials, Internet sources, and reviews of company activities, including annual reports, prospectuses, press releases, and research prepared by others.

*Fundamental analysis* utilizes economic and business indicators as investment selection criteria. These criteria generally consist of ratios and trends that may indicate the overall strength and financial viability of the entity being analyzed. Assets are deemed suitable if they meet certain criteria to indicate that they are a strong investment with a value discounted by the market. While this type of analysis helps the Advisor in evaluating a potential investment, it does not guarantee that the investment will increase in value. Assets meeting the investment criteria utilized in the fundamental analysis may lose value and may have negative investment performance. The Advisor monitors these economic indicators to determine if adjustments to strategic allocations are appropriate. More details on the Advisor's review process are included below in Item 13 – Review of Accounts.

*Technical analysis* involves the analysis of past market data rather than specific company data in determining the recommendations made to clients. Technical analysis may involve the use of charts to identify market patterns and trends, which may be based on investor sentiment rather than the fundamentals of the company. The primary risk in using technical analysis is that spotting historical trends may not help to predict such trends in the future. Even if the trend will eventually reoccur, there is no guarantee that Horizon will be able to accurately predict such a reoccurrence.

*Charting analysis* utilizes various market indicators as investment selection criteria. These criteria are generally pricing trends that may indicate movement in the markets. Assets are deemed suitable if they meet certain criteria to indicate that they are a strong investment with a value discounted by the market. While this type of analysis helps the Advisor in evaluating a potential investment, it does not guarantee that the investment will increase in value. Assets meeting the investment criteria utilized in the technical and charting analysis may lose value and may have negative investment performance. The Advisor monitors these market indicators to determine if adjustments to strategic allocations are appropriate.

As noted above, Horizon generally employs a long-term investment strategy for its Clients as consistent with their financial goals. Horizon will typically hold all or a portion of a security for more than a year but may hold for shorter periods for the purpose of rebalancing a portfolio or meeting the cash needs of Clients. At times, Horizon may also buy and sell positions that are more short-term in nature, depending on the goals of the Client and/or the fundamentals of the security, sector, or asset class.

### B. Risk of Loss

Investing in securities involves certain investment risks. Securities may fluctuate in value or lose value. Clients should be prepared to bear the potential risk of loss. Horizon will assist Clients in determining an appropriate strategy based on their tolerance for risk and other factors noted above. However, there is no guarantee that a Client will meet their investment goals.

While the methods of analysis help the Advisor in evaluating a potential investment, it does not guarantee that the investment will increase in value. Assets meeting the investment criteria utilized in these methods of analysis may lose value and may have negative investment performance. The Advisor monitors these economic indicators to determine if adjustments to strategic allocations are appropriate. More details on the Advisor's review process are included below in Item 13 – Review of Accounts.

Each Client engagement will entail a review of the Client's investment goals, financial situation, time horizon, tolerance for risk, and other factors to develop an appropriate strategy for managing a Client's account. Client participation in this process, including full and accurate disclosure of requested information, is essential for the analysis of a Client's account[s]. The Advisor shall rely on the financial and other information provided by the Client or their designees without the duty or obligation to validate the accuracy and completeness of the provided information. It is the responsibility of the Client to inform the Advisor of any changes in financial condition, goals, or other factors that may affect this analysis.

The risks associated with a particular strategy are provided to each Client in advance of investing Clients' accounts. The Advisor will work with each Client to determine their tolerance for risk as part of the portfolio construction process. Following are some of the risks associated with the Advisor's investment approach:

#### Market Risks

The value of a Client's holdings may fluctuate in response to events specific to companies or markets, as well as economic, political, or social events in the U.S. and abroad. This risk is linked to the performance of the overall financial markets.

#### ETF Risks

The performance of ETFs is subject to market risk, including the possible loss of principal. The price of the ETFs will fluctuate with the price of the underlying securities that make up the funds. In addition, ETFs have a trading risk based on the loss of cost efficiency if the ETFs are traded actively and a liquidity risk if the ETFs have a large bid-ask spread and low trading volume. The price of an ETF fluctuates based upon the market movements and may dissociate from the index being tracked by the ETF or the price of the underlying investments. An ETF purchased or sold at one point in the day may have a different price than the same ETF purchased or sold a short time later.

#### Mutual Fund Risks

The performance of mutual funds is subject to market risk, including the possible loss of principal. The price of the mutual funds will fluctuate with the value of the underlying securities that make up the funds. The price of a mutual fund is typically set daily; therefore, a mutual fund purchased at one point in the day will typically have the same price as a mutual fund purchased later that same day.

#### Micro- and Nano-Cap Equity Securities

While all investments involve risk, investing in stocks of small companies, such as micro and nano-cap equities, involves additional risks. Smaller companies typically have a higher risk of failure and are not as well-established as larger blue-chip companies. Some of these companies have no assets, operations, or revenues. Others have products and services that are still in development or have yet to be tested in the market. Another risk that pertains to microcap stocks involves the low volume of trades. Because many microcap stocks trade in low volumes, any size of trade can have a large percentage impact on the price of the stock. Historically, smaller-company stocks have experienced a greater degree of market volatility than the overall market average.

**Past performance is not a guarantee of future returns. Investing in securities and other investments involves a risk of loss that each Client should understand and be willing to bear. Clients are reminded to discuss these risks with the Advisor.**

#### **Item 9 – Disciplinary Information**

**There are no legal, regulatory, or disciplinary events involving Horizon or its management persons.** Horizon values the trust Clients place in the Advisor. The Advisor encourages Clients to perform the requisite due diligence on any advisor or service provider that the Client engages. The backgrounds of the Advisor and its Advisory Persons are available on the Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with the Advisor's firm name or CRD# 170255.

## Item 10 – Other Financial Industry Activities and Affiliations

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### Broker-Dealer Affiliation

As noted in Item 5, Advisory Persons are also registered representatives of LPL Financial. LPL Financial (CRD# 6413) is a registered broker-dealer and member FINRA/SIPC. In one's separate capacity as a registered representative, the Advisory Person will receive commissions for the implementation of recommendations for commissionable transactions. Clients are not obligated to implement any recommendation provided by the Advisor or the Advisory Person. Neither the Advisor nor the Advisory Person will earn ongoing investment advisory fees in connection with any services implemented in the Advisory Person's separate capacity as a registered representative.

### Insurance Agency Affiliations

As noted in Item 5, certain Advisory Persons are also licensed insurance professionals. Implementations of insurance recommendations are separate and apart from the Advisory Person's role with the Advisor. As an insurance professional, the Advisory Person will receive customary commissions and other related revenues from the various insurance companies whose products are sold. The Advisory Person is not required to offer the products of any particular insurance company. Commissions generated by insurance sales do not offset regular advisory fees. This practice presents a conflict of interest in recommending certain products of insurance companies. Clients are under no obligation to implement any recommendations made by the Advisory Person or the Advisor.

## Item 11 – Code of Ethics, Participation or Interest in Client Transactions, and Personal Trading

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### **A. Code of Ethics**

Horizon has implemented a Code of Ethics (the "Code") that defines the Advisor's fiduciary commitment to each Client. This Code applies to all persons associated with Horizon ("Supervised Persons"). The Code was developed to provide general ethical guidelines and specific instructions regarding the Advisor's duties to its Clients. Horizon and its Supervised Persons owe a duty of loyalty, fairness, and good faith towards each Client. It is the obligation of Horizon's Supervised Persons to adhere not only to the specific provisions of the Code but also to the general principles that guide the Code. The Code covers a range of topics that address employee ethics and conflicts of interest. To request a copy of the Code, please contact the Advisor at (708) 352-4300 or by email at [ryan.williamson@horizonwealth.biz](mailto:ryan.williamson@horizonwealth.biz).

### **B. Personal Trading with Material Interest**

Horizon allows Supervised Persons to purchase or sell the same securities that may be recommended to and purchased on behalf of Clients. Horizon does not act as principal in any transactions. In addition, the Advisor does not act as the general partner of a fund or advise an investment company. Horizon does not have a material interest in any securities traded in Client accounts.

### **C. Personal Trading in Same Securities as Clients**

Horizon allows Supervised Persons to purchase or sell the same securities that may be recommended to and purchased on behalf of Clients. Owning the same securities that are recommended (purchase or sell) to Clients presents a conflict of interest that, as fiduciaries, must be disclosed to Clients and mitigated through policies and procedures. As noted above, the Advisor has adopted the Code to address insider trading (material, nonpublic information controls), gifts and entertainment, outside business activities, and personal securities reporting. When trading for personal accounts, Supervised Persons have a conflict of interest if trading in the same securities. The fiduciary duty to act in the best interest of its Clients can be violated if personal trades are made with more advantageous terms than Client trades or by trading based on material, nonpublic information. This risk is mitigated by Horizon requiring reporting of personal securities trades by its Supervised Persons for review by the Chief Compliance Officer ("CCO") or delegate. The Advisor has also adopted written policies and procedures to detect the misuse of material, nonpublic information.

### **D. Personal Trading at Same Time as Client**

While Horizon allows Supervised Persons to purchase or sell the same securities that may be recommended to and purchased on behalf of Clients, such trades are typically aggregated with Client orders or traded afterward. **At no time will Horizon or any Supervised Person of Horizon transact in any security to the detriment of any Client.**

## Item 12 – Brokerage Practices

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### A. Recommendation of Custodian[s]

Horizon does not have discretionary authority to select the broker-dealer/custodian for custody and execution services. The Client will engage the broker-dealer/custodian (herein the "Custodian") to safeguard Client assets and authorize Horizon to direct trades to the Custodian as agreed upon in the investment advisory agreement. Further, Horizon does not have the discretionary authority to negotiate commissions on behalf of Clients on a trade-by-trade basis.

Where Horizon does not exercise discretion over the selection of the Custodian, it may recommend the Custodian to Clients for custody and execution services. As its Advisory Persons are also registered representatives of LPL Financial, Horizon, and its Advisory Persons are limited in the Custodian[s] in which they can recommend to Clients. Typically, Horizon will recommend that Clients establish their accounts at LPL Financial, where Horizon has access to LPL Financial's systems, back-office support, research, and other benefits. While Horizon receives these economic benefits from LPL Financial, the Advisor believes LPL Financial provides quality execution and related services for its Clients at competitive prices. Price is not the sole factor Horizon considers in evaluating best execution and the recommendation of the Custodian. Horizon also considers the quality of the brokerage services provided by LPL Financial, including the firm's reputation, execution capabilities, commission rates, and responsiveness to its Clients and to the Advisor. Clients are free to use whatever broker-dealer/custodian they choose to implement financial planning recommendations. For investment advisory services, Horizon would be required to obtain permission to use a broker-dealer or Custodian other than LPL Financial due to the oversight role LPL Financial assumes over the Advisory Persons.

Horizon receives support services and/or products from LPL Financial, many of which assist Horizon to better monitor and service program accounts maintained at LPL Financial; however, some of the services and products benefit Horizon and not client accounts. These support services and/or products may be received without cost, at a discount, and/or at a negotiated rate and may include but are not limited to pricing information and market data. Please see Item 14 below for additional details.

Following are additional details regarding the brokerage practices of the Advisor:

1. **Soft Dollars** – Soft dollars are revenue programs offered by broker-dealers/custodians whereby an advisor enters into an agreement to place security trades with a broker-dealer/custodian in exchange for research and other services. **Horizon does not participate in soft dollar programs sponsored or offered by any broker-dealer/custodian. However, the Advisor receives certain economic benefits from the Custodian. Please see Item 14 below.**
2. **Brokerage Referrals** – Horizon does not receive any compensation from any third party in connection with the recommendation for establishing an account.
3. **Directed Brokerage** – All Clients are serviced on a "directed brokerage basis," where Horizon will place trades within the established account[s] at the Custodian designated by the Client. Further, all Client accounts are traded within their respective account[s] at the Custodian. The Advisor will not engage in any principal transactions (i.e., trade of any security from or to the Advisor's own account) or cross transactions with other Client accounts (i.e., purchase of a security into one Client account from another Client's account[s]). Horizon will not be obligated to select competitive bids on securities transactions and does not have an obligation to seek the lowest available transaction costs. These costs are determined by the designated Custodian.

### B. Aggregating and Allocating Trades

The primary objective in placing orders for the purchase and sale of securities for Client accounts is to obtain the most favorable net results taking into account such factors as 1) price, 2) size of the order, 3) difficulty of execution, 4) confidentiality and 5) skill required of the Custodian. Horizon will execute its transactions through the Custodian as authorized by the Client.

Horizon may aggregate orders in a block trade or trades when securities are purchased or sold through the same Custodian for multiple (discretionary) accounts on the same trading day. If a block trade cannot be executed in

full at the same price or time, the securities actually purchased or sold by the close of each business day must be allocated in a manner that is consistent with the initial pre-allocation or other written statement. This must be done in a way that does not consistently advantage or disadvantage any particular Clients' accounts.

## **Item 13 – Review of Accounts**

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### **A. Frequency of Reviews**

Securities in Client accounts are monitored on a regular and continuous basis by Advisory Persons and periodically by Ryan Williamson, CCO of Horizon. Formal reviews are generally conducted at least annually or more frequently, depending on the needs of the Client.

### **B. Causes for Reviews**

In addition to the investment monitoring noted in Item 13.A., each Client account shall be reviewed at least annually. Reviews may be conducted more or less frequently at the Client's request. Accounts may be reviewed as a result of major changes in economic conditions, known changes in the Client's financial situation, and/or large deposits or withdrawals in the Client's account[s]. The Client is encouraged to notify Horizon if changes occur in the Client's personal financial situation that might adversely affect the Client's investment plan. Additional reviews may be triggered by material market, economic, or political events.

### **C. Review Reports**

The Client will receive brokerage statements no less than quarterly from the Custodian. These brokerage statements are sent directly from the Custodian to the Client. The Client may also establish electronic access to the Custodian's website so that the Client may view these reports and their account activity. Client brokerage statements will include all positions, transactions, and fees relating to the Client's account[s]. The Advisor may also provide Clients with periodic reports regarding their holdings, allocations, and performance.

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

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### **A. Compensation Received by Horizon**

Horizon may refer Clients to various unaffiliated, non-advisory professionals (e.g., attorneys, accountants, estate planners) to provide certain financial services necessary to meet the goals of its Clients. Likewise, Horizon may receive non-compensated referrals of new Clients from various third parties.

#### Participation in the Institutional Advisor Platform

Horizon has established an institutional relationship with LPL Financial to assist the Advisor in managing Clients' account[s]. The Advisor receives access to software and related support as part of its relationship with LPL Financial. The software and related systems support may benefit the Advisor but not its Clients directly. The Advisor endeavors at all times to put the interests of its Clients first in fulfilling its duties to its Clients. Clients should be aware, however, that the receipt of economic benefits from a Custodian creates a conflict of interest since these benefits may influence the Advisor's recommendation of the Custodian over one that does not furnish similar software, systems support, or services. Additionally, the Advisor may receive the following benefits from LPL Financial:

- investment-related research
- pricing information and market data
- software and other technology that provides access to Client account data
- compliance and/or practice management-related publications
- consulting services
- attendance at conferences, meetings, and other educational and/or social events
- marketing support
- computer hardware and/or software
- other products and services used by the Advisor in furtherance of its investment advisory business operations

LPL Financial may provide these services and products directly or may arrange for third-party vendors to provide the services or products to Advisor. In the case of third-party vendors, LPL Financial may pay for some or all of the third party's fees.



These support services are provided to the Advisor based on the overall relationship between the Advisor and LPL Financial. It is not the result of soft dollar arrangements or any other express arrangements with LPL Financial that involve the execution of Client transactions as a condition of the receipt of services. The Advisor will continue to receive the services regardless of the volume of Client transactions executed with LPL Financial. Clients do not pay more for services as a result of this arrangement. There is no corresponding commitment made by the Advisor to LPL Financial or any other entity to invest any specific amount or percentage of Client assets in any specific securities as a result of the arrangement. However, because the Advisor receives these benefits from LPL Financial, there is a conflict of interest as the receipt of these products and services presents a financial incentive for Advisor to recommend that its Clients use LPL Financial's custodial platform rather than another custodian's platform.

## **B. Compensation for Client Referrals**

Certain Clients may be referred to the Advisor by either an affiliated or unaffiliated party (herein "Promoter") and receive, directly or indirectly, compensation for the Client referral. In such instances, the Advisor will compensate the Promoter a fee in accordance with Rule 206(4)-1 of the Advisers Act and any corresponding state securities requirements. Any such compensation shall be paid solely from the investment advisory fees earned by the Advisor and shall not result in any additional charge to the Client.

## **Item 15 – Custody**

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All Clients must place their assets with a "qualified custodian." Clients are required to engage the Custodian to retain their funds and securities and direct Horizon to utilize that Custodian for the Client's security transactions. Clients should review statements provided by the Custodian and compare them to any reports provided by Horizon to ensure accuracy, as the Custodian does not perform this review. For more information about custodians and brokerage practices, see Item 12 – Brokerage Practices.

If the Client gives the Advisor authority to move money from one account to another account, the Advisor may have custody of those assets. In order to avoid additional regulatory requirements, the Custodian and the Advisor have adopted safeguards to ensure that the money movements are completed in accordance with the Client's instructions.

## **Item 16 – Investment Discretion**

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Horizon generally has discretion over the selection and amount of securities to be bought or sold in Client accounts without obtaining prior consent or approval from the Client. However, these purchases or sales may be subject to specified investment objectives, guidelines, or limitations previously set forth by the Client and agreed to by Horizon. Discretionary authority will only be authorized upon full disclosure to the Client. The granting of such authority will be evidenced by the Client's execution of an investment advisory agreement containing all applicable limitations to such authority. All discretionary trades made by Horizon will be in accordance with each Client's investment objectives and goals.

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

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Horizon does not accept proxy-voting responsibility for any Client. Clients will receive proxy statements directly from the Custodian. The Advisor will assist in answering questions relating to proxies; however, the Client retains the sole responsibility for proxy decisions and voting.

## **Item 18 – Financial Information**

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Neither Horizon nor its management has any adverse financial situations that would reasonably impair the ability of Horizon to meet all obligations to its Clients. Neither Horizon nor any of its Advisory Persons have been subject to a bankruptcy or financial compromise. Horizon is not required to deliver a balance sheet along with this Disclosure Brochure as the Advisor does not collect advance fees of \$1,200 or more for services to be performed six months or more in the future.





## **Horizon Wealth Management, LLC**

### **Form ADV Part 2A – Appendix 1 ("Wrap Fee Program Brochure")**

**Effective: March 25, 2024**

This Form ADV Part 2A - Appendix 1 ("Wrap Fee Program Brochure") provides information about the qualifications and business practices for Horizon Wealth Management, LLC ("Horizon" or the "Advisor") services when offering services pursuant to a wrap program. This Wrap Fee Program Brochure shall always be accompanied by the Horizon Disclosure Brochure, which provides complete details on the business practices of the Advisor. If you did not receive the complete Horizon Disclosure Brochure or you have any questions about the content of this Wrap Fee Program Brochure or the Horizon Disclosure Brochure, please contact the Advisor at (708) 352-4300 or by email at [ryan.williamson@horizonwealth.biz](mailto:ryan.williamson@horizonwealth.biz).

Horizon is a registered investment advisor with the U.S. Securities and Exchange Commission ("SEC"). The information in this Wrap Fee Program Brochure has not been approved or verified by the SEC or by any state securities authority. Registration of an investment advisor does not imply any specific level of skill or training. This Wrap Fee Program Brochure provides information about Horizon to assist you in determining whether to retain the Advisor.

Additional information about Horizon and its Advisory Persons is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with the Advisor's firm name or CRD# 170255.

## **Item 2 – Material Changes**

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Form ADV Part 2A – Appendix 1 provides information about a variety of topics relating to an Advisor’s business practices and conflicts of interest. In particular, this Wrap Fee Program Brochure discusses the wrap fee program offered by the Advisor.

### Material Changes

There have been no material changes made to this Wrap Fee Program Brochure since the last filing and distribution to Clients.

### Future Changes

From time to time, the Advisor may amend this Wrap Fee Program Brochure to reflect changes in business practices, changes in regulations, or routine annual updates as required by the securities regulators. This complete Wrap Fee Program Brochure (along with the complete Horizon Disclosure Brochure) or a Summary of Material Changes shall be provided to you annually and if a material change occurs in the business practices of Horizon.

You may view this Wrap Fee Program Brochure and the current Disclosure Brochure online at the SEC’s Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with the Advisor’s firm name or CRD# 170255. You may also request a copy of this Disclosure Brochure at any time by contacting the Advisor at (708) 352-4300 or by email at [ryan.williamson@horizonwealth.biz](mailto:ryan.williamson@horizonwealth.biz).

## **Item 3 – Table of Contents**

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## **Item 4 – Services Fees and Compensation**

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### **A. Services**

Horizon Wealth Management, LLC (“Horizon” or the “Advisor”) provides customized investment advisory services for its Clients. This Wrap Fee Program Brochure is provided as a supplement to Horizon’s Form ADV Part 2A (“Disclosure Brochure”). This Wrap Fee Program Brochure is provided along with the complete Disclosure Brochure to provide full details of the business practices and fees when selecting Horizon as an investment advisor.

As part of the investment advisory fees noted in Item 5 of the Disclosure Brochure, Horizon includes, in addition to securities transaction fees, commission fees, custody fees, and administrative fees (herein “Covered Costs”), as part of the overall investment advisory fee. Securities regulations often refer to this combined fee structure as a “Wrap Fee Program.” The Advisor sponsors the Horizon Wrap Fee Program.

The primary purpose of this Wrap Fee Program Brochure is to provide additional disclosure relating to the combination of Covered Costs into a single “bundled” investment advisory fee. This Wrap Fee Program Brochure references back to the Horizon Disclosure Brochure, which this Wrap Fee Program Brochure serves as an Appendix. **Please see Item 4 – Advisory Services of the Disclosure Brochure for details on Horizon’s investment philosophy and related services.**

### **B. Program Costs**

Advisory services provided by Horizon are offered in a wrap fee structure whereby Covered Costs are included in the overall investment advisory fee paid to Horizon. As the level of trading in a Client’s account[s] may vary from year to year, the annual cost to the Client may be more or less than engaging for advisory services where the transaction costs are borne separately by the Client. The cost of the Wrap Fee Program varies depending on the services to be provided to each Client; however, the Client is not charged more if there is higher trading activity in the Client’s account[s]. A Wrap Fee Program structure presents a conflict of interest as the Advisor may have an incentive to limit the number of trades placed in the Client’s account[s] or to utilize securities that do not have transaction fees or utilize no transaction fee funds (“NTF”) in order to lower overall costs to the Advisor. The Advisor will only place Client assets into a Wrap Fee Program when it is believed to be in the Client’s best interest. **Please see Item 5 – Fees and Compensation of the Disclosure Brochure for complete details on fees.**

### **C. Fees**

#### Investment Management Services

Investment advisory fees are paid quarterly, in advance of each calendar quarter, pursuant to the terms of the agreement. Investment advisory fees are based on the market value of assets under management at the end of the prior quarter. Investment advisory fees range up to 1.50% annually based on several factors, including the complexity of the services to be provided, the level of assets to be managed, and the overall relationship with the Advisor. Relationships with multiple objectives, specific reporting requirements, portfolio restrictions, and other complexities may be charged a higher fee. For deposits or withdrawals from the Client’s account[s], the Advisor’s fee will be adjusted in the next billing period to reflect the fee difference.

The investment advisory fee in the first quarter of service is prorated from the inception date of the account[s] to the end of the first quarter, which will be deducted at the end of the first quarter. Fees may be negotiable at the discretion of the Advisor. The Client’s fees will take into consideration the aggregate assets under management with Advisor. All securities held in accounts managed by Horizon will be independently valued by the Custodian. Horizon will conduct periodic reviews of the Custodian’s valuations.

Investment advisory fees are calculated by the Custodian and deducted from the Client’s account[s] by the Custodian. The Client shall instruct the Custodian to automatically deduct the investment advisory fee from the Client’s account[s] at the beginning of each quarter and pay the investment advisory fee[s] to the Advisor. The amount due is calculated by applying the quarterly rate [(annual rate divided by 360) multiplied by 90] to the total assets under management with Horizon at the end of the prior quarter. Clients will be provided with a statement, at least quarterly, from the Custodian reflecting the deduction of the investment advisory fee. It is the responsibility of the Client to verify the accuracy of these fees as listed on the Custodian’s brokerage statement, as the Custodian does not assume this responsibility. Clients provide written authorization permitting advisory fees to be deducted by Horizon to be paid directly from their account[s] held by the Custodian as part of the investment advisory agreement.

and separate account forms provided by the Custodian. Clients may incur certain fees or charges imposed by third parties, which are not included as part of the Wrap Fee Program.

In addition, all fees paid to Horizon for investment advisory services are separate and distinct from the expenses charged by mutual funds and exchange-traded funds ("ETFs") to their shareholders, if applicable. These fees and expenses are described in each fund's prospectus. These fees and expenses will generally be used to pay management fees for the funds, other fund expenses, account administration (e.g., custody, brokerage, and account reporting), and a possible distribution fee. Securities transaction fees for Client-directed trades may be charged back to the Client. In connection with the discretionary investment management services provided by Horizon, the Client will incur other costs assessed by the Custodian or other third parties, other than the Covered Costs noted above, such as account activity fees, such as electronic funds and wire transfers fees, certificate delivery fees, markups, and markdowns, bid-ask spreads, selling concessions, and other miscellaneous fees and expenses as outlined in the account opening paperwork executed with the Custodian. The Advisor does not control nor share in these fees. Clients should review both the fees charged by the fund[s] and the fees charged by Horizon to fully understand the total fees paid. Additionally, Clients are encouraged to refer to the account opening paperwork executed with the Custodian for an outline of all third-party fees not covered under this Wrap Fee Program. Please see Item 5.C. – Other Fees and Expenses in the Disclosure Brochure (included with this Wrap Fee Program Brochure).

*LPL Financial, LLC ("LPL Financial") Strategic Wealth Management Accounts ("SWM II" accounts)* – Although Clients do not pay a transaction charge for transactions in an SWM II account, Clients should be aware that Horizon pays LPL Financial the transaction charges for those transactions. The transaction charges paid by Horizon vary based on the type of transaction (e.g., mutual fund, equity, or ETF) and for mutual funds based on whether or not the mutual fund pays 12b-1 fees and/or recordkeeping fees to LPL Financial. Transaction charges paid by the Advisor for equities and ETFs are \$9.00. For mutual funds, the transaction charges range from \$0.00 to \$26.50. Because Horizon pays the transaction charges in SWM II accounts, there is a conflict of interest in cases where the mutual fund is offered at both \$0.00 and \$26.50. Clients should understand that the cost to Horizon of transaction charges may be a factor that the Advisor considers when deciding which securities to select and how frequently to place transactions in an SWM II account.

In many instances, LPL Financial makes available mutual funds in an SWM II account that offer various classes of shares, including shares designed for advisory programs, which can be titled, for example, as "Class I," "institutional," "investor," "retail," "service," "administrative" or "platform" share classes ("Platform Shares"). The Platform Share class offered for a particular mutual fund in SWM II, in many cases, will not be the least expensive share class that the mutual fund makes available and was selected by LPL Financial in certain cases because the share class pays LPL Financial compensation for the administrative and recordkeeping services LPL Financial provides to the mutual fund. The Client should understand that another financial services firm may offer the same mutual fund at a lower overall cost to the investor than is available through SWM II. In other instances, a mutual fund may offer only Class A Shares, but another similar mutual fund may be available that offers Platform Shares. Class A Shares typically pay LPL Financial a 12b-1 fee for providing shareholder services, distribution, and marketing expenses ("brokerage-related services") to the mutual funds. Platform Shares generally are not subject to 12b-1 fees. As a result of the different expenses of the mutual fund share classes, it is generally more expensive for a Client to own Class A Shares than Platform Shares. An investor in Platform Shares will pay lower fees over time and keep more of his or her investment returns than an investor who holds Class A Shares of the same fund.

#### **D. Compensation**

Horizon is the sponsor and portfolio manager of this Wrap Fee Program. Horizon receives investment advisory fees paid by Clients for participating in the Wrap Fee Program and pays the Custodian for the Covered Costs associated with the management of the Client's account[s].

### **Item 5 – Account Requirements and Types of Clients**

Horizon offers investment advisory services to individuals, high-net-worth individuals, trusts, estates, businesses, charitable organizations, and retirement plans. Horizon generally does not impose a minimum account size for establishing a relationship. Please see Item 7 – Types of Clients in the Disclosure Brochure for additional information.

## **Item 6 – Portfolio Manager Selection and Evaluation**

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### **Portfolio Manager Selection**

Horizon serves as sponsor and portfolio manager for the services under this Wrap Fee Program.

### **Related Persons**

Horizon's personnel serve as portfolio managers for this Wrap Fee Program. Horizon does not serve as a portfolio manager for any third-party Wrap Fee Programs.

### **Performance-Based Fees**

Horizon does not charge performance-based fees for its investment advisory services. The fees charged by Horizon are as described in Item 5 above and are not based upon the capital appreciation of the funds or securities held by any Client. Horizon does not manage any proprietary investment funds or limited partnerships (for example, a mutual fund or a hedge fund) and has no financial incentive to recommend any particular investment options to its Clients.

### **Supervised Persons**

Horizon Advisory Persons serve as portfolio managers for all accounts, including the services described in this Wrap Fee Program Brochure. Details of the advisory services provided are included in Item 4.A. of the Disclosure Brochure.

### **Methods of Analysis**

Please see Item 8 of the Disclosure Brochure (included with this Wrap Fee Program Brochure) for details on the research and analysis methods employed by the Advisor.

### **Risk of Loss**

Investing in securities involves certain investment risks. Securities may fluctuate in value or lose value. Clients should be prepared to bear the potential risk of loss. Horizon will assist Clients in determining an appropriate strategy based on their tolerance for risk and other factors noted above. However, there is no guarantee that a Client will meet their investment goals.

Each Client engagement will entail a review of the Client's investment goals, financial situation, time horizon, tolerance for risk, and other factors to develop an appropriate strategy for managing a Client's account[s]. Client participation in this process, including full and accurate disclosure of requested information, is essential for the analysis of a Client's account[s]. The Advisor shall rely on the financial and other information provided by the Client or their designees without the duty or obligation to validate the accuracy and completeness of the provided information. It is the responsibility of the Client to inform the Advisor of any changes in financial condition, goals, or other factors that may affect this analysis.

**Past performance is not a guarantee of future returns. Investing in securities and other investments involves a risk of loss that each Client should understand and be willing to bear. Clients are reminded to discuss these risks with the Advisor. Please see Item 8.B. – Risk of Loss in the Disclosure Brochure for details on investment risks.**

### **Proxy Voting**

Horizon does not accept proxy-voting responsibility for any Client. Clients will receive proxy statements directly from the Custodian. The Advisor will assist in answering questions relating to proxies; however, the Client retains the sole responsibility for proxy decisions and voting.

## **Item 7 – Client Information Provided to Portfolio Managers**

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Horizon is the sponsor and sole portfolio manager for the Program. Horizon does not share Client information with other portfolio managers because it is the sole portfolio manager for this Wrap Fee Program. Please also see the Horizon Privacy Policy (included after this Wrap Fee Program Brochure).

## **Item 8 – Client Contact with Portfolio Managers**

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Horizon is a full-service investment management advisory firm. Clients always have direct access to the Portfolio Managers at Horizon.

## **Item 9 – Additional Information**

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### **A. Disciplinary Information and Other Financial Industry Activities and Affiliations**

**There are no legal, regulatory, or disciplinary events involving Horizon or its management persons.** Horizon values the trust Clients place in the Advisor. The Advisor encourages Clients to perform the requisite due diligence on any advisor or service provider that the Client engages. The backgrounds of the Advisor and its Advisory Persons are available on the Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with the Advisor's firm name or CRD# 170255.

### **Other Financial Activities and Affiliations**

Please see Item 10 – Other Financial Activities and Affiliation of the Form ADV Part 2A – Disclosure Brochure (included with this Wrap Fee Program Brochure).

### **B. Code of Ethics, Review of Accounts, Client Referrals, and Financial Information**

Horizon has implemented a Code of Ethics that defines the Advisor's fiduciary commitment to each Client. This Code of Ethics applies to all persons subject to Horizon's compliance program ("Supervised Persons"). Complete details on the Horizon Code of Ethics can be found under Item 11 – Code of Ethics, Participation in Client Transactions, and Personal Trading in the Disclosure Brochure (included with this Wrap Fee Program Brochure).

### **Review of Accounts**

Securities in Client accounts are monitored on a regular and continuous basis by Advisory Persons of Horizon under the supervision of the Chief Compliance Officer ("CCO"). Details of the review policies and practices are provided in Item 13 of the Form ADV Part 2A – Disclosure Brochure.

### **Other Compensation**

#### **Participation in the Institutional Advisor Platform**

Horizon has established an institutional relationship with LPL Financial to assist the Advisor in managing Client account[s]. The Advisor receives access to software and related support as part of its relationship with LPL Financial. The software and related systems support may benefit the Advisor but not its Clients directly. The Advisor endeavors at all times to put the interests of its Clients first in fulfilling its duties to its Clients. Clients should be aware, however, that the receipt of economic benefits from a Custodian creates a conflict of interest since these benefits may influence the Advisor's recommendation of the Custodian over one that does not furnish similar software, systems support, or services. Additionally, the Advisor receives the following benefits from LPL Financial:

- investment-related research
- pricing information and market data
- software and other technology that provides access to Client account data
- compliance and/or practice management-related publications
- consulting services
- attendance at conferences, meetings, and other educational and/or social events
- marketing support
- computer hardware and/or software
- other products and services used by the Advisor in furtherance of its investment advisory business operations

LPL Financial may provide these services and products directly or may arrange for third-party vendors to provide the services or products to Advisor. In the case of third-party vendors, LPL Financial may pay for some or all of the third party's fees.

These support services are provided to the Advisor based on the overall relationship between the Advisor and LPL Financial. It is not the result of soft dollar arrangements or any other express arrangements with LPL Financial that involve the execution of Client transactions as a condition of the receipt of services. The Advisor will continue



to receive the services regardless of the volume of Client transactions executed with LPL Financial. Clients do not pay more for services as a result of this arrangement. There is no corresponding commitment made by the Advisor to LPL Financial or any other entity to invest any specific amount or percentage of Client assets in any specific securities as a result of the arrangement. However, because the Advisor receives these benefits from LPL Financial, there is a conflict of interest as the receipt of these products and services presents a financial incentive for Advisor to recommend that its Clients use LPL Financial's custodial platform rather than another custodian's platform.

Please see Item 14 – Other Compensation in the Form ADV Part 2A – Disclosure Brochure (included with this Wrap Fee Program Brochure) for details on additional compensation that may be received by Horizon or its Advisory Persons. Each Advisory Person's Brochure Supplement provides details on any outside business activities and the associated compensation.

#### **Compensation for Client Referrals**

Certain Clients may be referred to the Advisor by either an affiliated or unaffiliated party (herein "Promoter") and receive, directly or indirectly, compensation for the Client referral. In such instances, the Advisor will compensate the Promoter a fee in accordance with Rule 206(4)-1 of the Advisers Act and any corresponding state securities requirements. Any such compensation shall be paid solely from the investment advisory fees earned by the Advisor and shall not result in any additional charge to the Client.

#### **Financial Information**

Neither Horizon nor its management has any adverse financial situations that would reasonably impair the ability of Horizon to meet all obligations to its Clients. Neither Horizon nor any of its Advisory Persons have been subject to a bankruptcy or financial compromise. Horizon is not required to deliver a balance sheet along with this Disclosure Brochure, as the firm does not collect advance fees of \$1,200 or more for services to be performed six months or more in the future.

## Privacy Policy

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Effective: March 25, 2024

### Our Commitment to You

Horizon Wealth Management, LLC ("Horizon" or the "Advisor") is committed to safeguarding the use of personal information of our Clients (also referred to as "you" and "your") that we obtain as your Investment Advisor, as described here in our Privacy Policy ("Policy").

Our relationship with you is our most important asset. We understand that you have entrusted us with your private information, and we do everything that we can to maintain that trust. Horizon (also referred to as "we," "our," and "us") protects the security and confidentiality of the personal information we have and implements controls to ensure that such information is used for proper business purposes in connection with the management or servicing of our relationship with you.

Horizon does not sell your nonpublic personal information to anyone. Nor do we provide such information to others except for discrete and reasonable business purposes in connection with the servicing and management of our relationship with you, as discussed below.

Details of our approach to privacy and how your personal nonpublic information is collected and used are set forth in this Policy.

### Why you need to know?

Registered Investment Advisors ("RIAs") must share some of your personal information in the course of servicing your account. Federal and State laws give you the right to limit some of this sharing and require RIAs to disclose how we collect, share, and protect your personal information.

### What information do we collect from you?

Driver's license number	Date of birth
Social security or taxpayer identification number	Assets and liabilities
Name, address, and phone number[s]	Income and expenses
Email address[es]	Investment activity
Account information (including other institutions)	Investment experience and goals

### What Information do we collect from other sources?

Custody, brokerage, and advisory agreements	Account applications and forms
Other advisory agreements and legal documents	Investment questionnaires and suitability documents
Transactional information with us or others	Other information needed to service the account

### How do we protect your information?

To safeguard your personal information from unauthorized access and use, we maintain physical, procedural, and electronic security measures. These include such safeguards as secure passwords, encrypted file storage, and a secure office environment. Our technology vendors provide security and access control over personal information and have policies over the transmission of data. Our associates are trained on their responsibilities to protect Clients' personal information.

We require third parties that assist in providing our services to you to protect the personal information they receive from us.

## How do we share your information?

An RIA shares Clients' personal information to effectively implement its services. In the section below, we list some reasons we may share your personal information.

Basis For Sharing	Do we share?	Can you limit?
<b>Servicing our Clients</b> We may share nonpublic personal information with non-affiliated third parties (such as administrators, brokers, custodians, regulators, credit agencies, and other financial institutions) as necessary for us to provide agreed-upon services to you, consistent with applicable law, including but not limited to processing transactions, general account maintenance, responding to regulators or legal investigations, and credit reporting.  Horizon shares Client information with LPL Financial, LLC ("LPL Financial") due to the oversight LPL Financial has over certain Supervised Persons of the Advisor. You may also contact us at any time for a copy of the LPL Financial Privacy Policy.	Yes	No
<b>Marketing Purposes</b> Horizon does not disclose and does not intend to disclose personal information with non-affiliated third parties to offer you services. Certain laws may give us the right to share your personal information with financial institutions where you are a customer and where Horizon or the client has a formal agreement with the financial institution. <b>We will only share information for purposes of servicing your accounts, not for marketing purposes.</b>	No	Not Shared
<b>Authorized Users</b> Your nonpublic personal information may be disclosed to you and persons that we believe to be your authorized agent[s] or representative[s].	Yes	Yes
<b>Information About Former Clients</b> Horizon does not disclose and does not intend to disclose nonpublic personal information to non-affiliated third parties with respect to persons who are no longer our Clients.	No	Not Shared

## State-specific Regulations

<b>California</b>	In response to a California law, to be conservative, we assume that accounts with California addresses do not want us to disclose personal information about you to non-affiliated third parties, except as permitted by California law. We also limit the sharing of personal information about you with our affiliates to ensure compliance with California privacy laws.
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## Changes to our Privacy Policy

We will send you a copy of this Policy annually for as long as you maintain an ongoing relationship with us.

Periodically we may revise this Policy and will provide you with a revised Policy if the changes materially alter the previous Privacy Policy. We will not, however, revise our Privacy Policy to permit the sharing of nonpublic personal information other than as described in this notice unless we first notify you and provide you with an opportunity to prevent the information sharing.

## Any Questions?

You may ask questions or voice any concerns, as well as obtain a copy of our current Privacy Policy by contacting the Advisor at (708) 352-4300 or by email at [ryan.williamson@horizonwealth.biz](mailto:ryan.williamson@horizonwealth.biz).