



Customer Relationship Summary

April 17, 2024

We are registered with the Securities and Exchange Commission as an **investment adviser**. The services provided and fees charged by **investment advisory** and **brokerage** firms differ, and it is important that retail investors understand the differences. Free and simple tools are available to research firms and financial professionals at Investor.gov/CRS, which also provides educational materials about investment advisers, broker-dealers and investing.

What investment services and advice can you provide me?

We are an **investment advisory firm** that provides asset management for retail investors and other clients.

Retail clients may engage us either directly (“Direct Clients”) or through third party sponsored wrap fee programs (“Wrap Fee Clients”).

Direct Clients. Direct Clients engage us as their primary investment adviser. Direct Clients are generally introduced by a financial institution that acts as an introducing firm for Horizon (each an “Introducing Firm”).

Wrap Fee Programs. Wrap Fee Clients engage us to be a sub-adviser or wrap program manager within a wrap fee program sponsored by a third-party financial institution (each, a “Sponsor Firm”), where the Sponsor Firm recommends or selects us to manage client assets maintained at the Sponsor Firm. The Sponsor Firm typically charges a unified wrap fee that covers all management services (including our management fee), custody expenses and transaction fees at the Sponsor Firm.

Direct Clients can choose from a variety of several risk-based strategies, each managed on a discretionary basis. For Wrap Fee Clients, the Sponsor Firm chooses which of our strategies to make available for investment in the wrap fee program. Depending on the specific strategy, the client may have the ability to impose restrictions on our management. We actively monitor client accounts and make appropriate changes in light of market circumstances, our expertise, and the strategy selected by the client. The minimum account size for Direct Clients is \$25,000 for model portfolios and \$50,000 for accounts with Risk Assist® or with Real Spend®. For Wrap Fee Clients, Sponsor Firms will set the minimum account size. Horizon also offers more customized SMA account solutions for larger accounts through certain financial intermediaries with a standard minimum account size of \$250,000.

Depending on the specific investment strategy selected by the client, these strategies can invest directly in ETFs, in Mutual Funds that we advise (the underlying investments of which are primarily ETFs) (“Horizon Mutual Funds”); ETFs that we sub-advise (“Horizon ETFs”) (together, “Horizon Funds”); or individual equities. Furthermore, depending on the investment strategy selected by the client, accounts can also consist of a combination of any of the following: Horizon Mutual Funds, Horizon ETFs, third-party ETFs or third-party mutual funds, individual stocks, preferred stocks, bonds, U.S. Treasury securities, options, closed end funds and cash or cash equivalents.

More detailed information regarding our services is provided in our Form ADV Part 2 Brochure.

“Given my financial situation, should I choose an investment advisory service? Why or why not?”

“How will you choose investments to recommend to me?”

“What is your relevant experience, including your licenses, education and other qualifications? What do these qualifications mean?”

What fees will I pay?

Fees for Direct Clients. Our fees charged to Direct Clients are established in our written investment advisory agreement. Generally, our fees are charged quarterly in arrears, but some clients are billed in advance or on a monthly basis. Typically, we charge fees as a percentage of the client’s assets under management, calculated at the close of each calendar quarter or month (as applicable).

Direct Clients Introduced by Introducing Firms: Our Direct Client fees are negotiable, but they generally range from 1.00% - 2.00%. The maximum fee retained by Horizon from Direct Clients is 1.00%, and the remainder is paid to the Introducing Firm (if any). For Direct Client strategies that use Horizon Funds, Direct Clients pay us only the fees charged by those Horizon Funds, and any advisory fee collected is paid entirely to the Introducing Firm.

Direct Clients in Horizon Custom Portfolios: these Direct Clients typically have larger minimum account sizes (starting at \$250,000), and while fees for this program are negotiated with the broker-dealer or RIA financial intermediary with the primary relationship with the Direct Client, the highest annual fee for this program is 0.75%.

Fees for SMA Wrap Programs. Sponsor Firms set the fees for clients in their wrap fee program. Wrap Fee Clients typically have either a “single contract” or “dual contract” agreement. Under a single contract, the client pays a single asset-based fee to the Sponsor Firm, and the Sponsor Firm pays us out of that fee. Under a dual contract agreement, the client has a separate contract with us, and pays us an advisory fee in addition to the fee they pay to the Sponsor Firm. Our advisory fee is negotiable, but typically does not exceed 0.75% per

year on the value of the client assets in the wrap fee program. Wrap Fee Clients are typically not charged a commission on trades executed through the Sponsor Firm.

Our advisory fees are separate and distinct from fees and expenses charged by mutual funds or ETFs, which fees and expenses are described in the fund's prospectus and are exclusive of all fees paid to third parties, such as Sponsor Firms, custodians, brokers (transaction charges).

You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying. Because we charge an asset-based fee, the total fees you pay us will increase with the size of your account. This creates an incentive for us to recommend that you increase the assets in your account. Fees charged by Horizon Funds may exceed our management fee, creating an incentive for us to recommend Horizon Funds for a client's account.

More detailed information regarding fees and costs is provided in our Form ADV Part 2 Brochure.

"Help me understand how these fees and costs might affect my investments. If I give you \$100,000 to invest, how much will go to fees and costs, and how much will be invested for me?"

What are your legal obligations to me when acting as my investment adviser? How else does your firm make money and what conflicts of interest do you have?

When we act as your investment adviser, we have to act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates certain conflicts with your interests. You should understand and ask us about these conflicts because they can affect the investment advice that we provide you. Here are some examples to help you understand what this means:

Proprietary Products. We receive advisory fees based on the amount of assets in the Horizon Funds, which creates an incentive for Horizon to use Horizon Funds in client accounts. Fees charged by Horizon Funds may exceed the management fee we charge clients, creating an incentive for us to recommend Horizon Funds for a client's account, even though we may waive our management fee for such client.

Third Party Payments. Horizon hosts meetings, conferences, and webinars with co-sponsors that may pay Horizon or others to defray a portion of a conference's costs, creating an incentive for us to favor the products or services of co-sponsors.

"How might your conflicts of interest affect me, and how will you address them?"

How do your financial professionals make money?

Our portfolio managers' compensation includes an annual fixed salary, which is based on various market factors and the skill and experience of the individual, and a discretionary bonus. The discretionary bonus takes into account several factors including the Adviser's profitability (net income and ability to pay a bonus), the value and number of accounts/portfolios overseen by the portfolio manager, the general performance of client accounts (including ETFs and funds) relative to market conditions. The formula for determining these amounts may vary, and no individual's compensation is solely tied to the investment performance or asset value a portion of our firm's profits. This compensation structure creates an incentive for our portfolio managers to recommend that you increase the size of your account with us.

Do you or your financial professionals have legal or disciplinary history?

No. For a free and simple search tool to research us and our financial professionals, please go to [Investor.gov/CRS](https://www.investor.gov/crs).

"As a financial professional, do you have any disciplinary history? For what type of conduct?"

Additional Information

For additional information regarding us (including an up-to-date copy of this statement), please contact us by telephone at (866) 371-2399 or visit our website at <https://www.horizoninvestments.com>.

"Who is my primary contact person?"

"Is he or she a representative of an investment adviser or a broker-dealer?"

"Who can I talk to if I have concerns about how this person is treating me?"