HORIZON INVESTMENTS®

Prepare for the JOURNEY

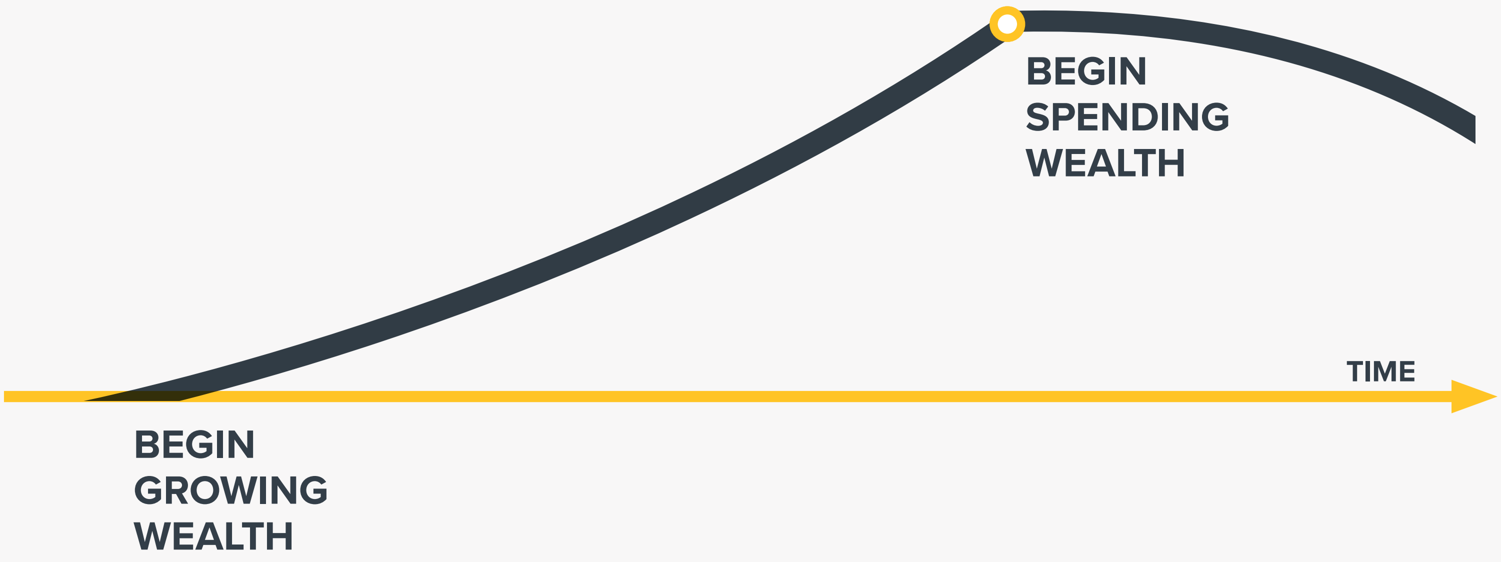
Why goals-based?

While diversification and risk management are critical components of investment management, the goals-based approach and the traditional approach differ greatly in how advice is delivered and product selected.
Some highlights of these differences:

TRADITIONAL investing	**GOALS-BASED** investing
Centered on institutions	Centered on the individual
Product selected by risk profile	Product selected by goals
Focus: Benchmark performance	Focus: Progress toward reaching goals
Single-risk awareness	Multi-risk awareness
Where are we going?	*How do we get there?*

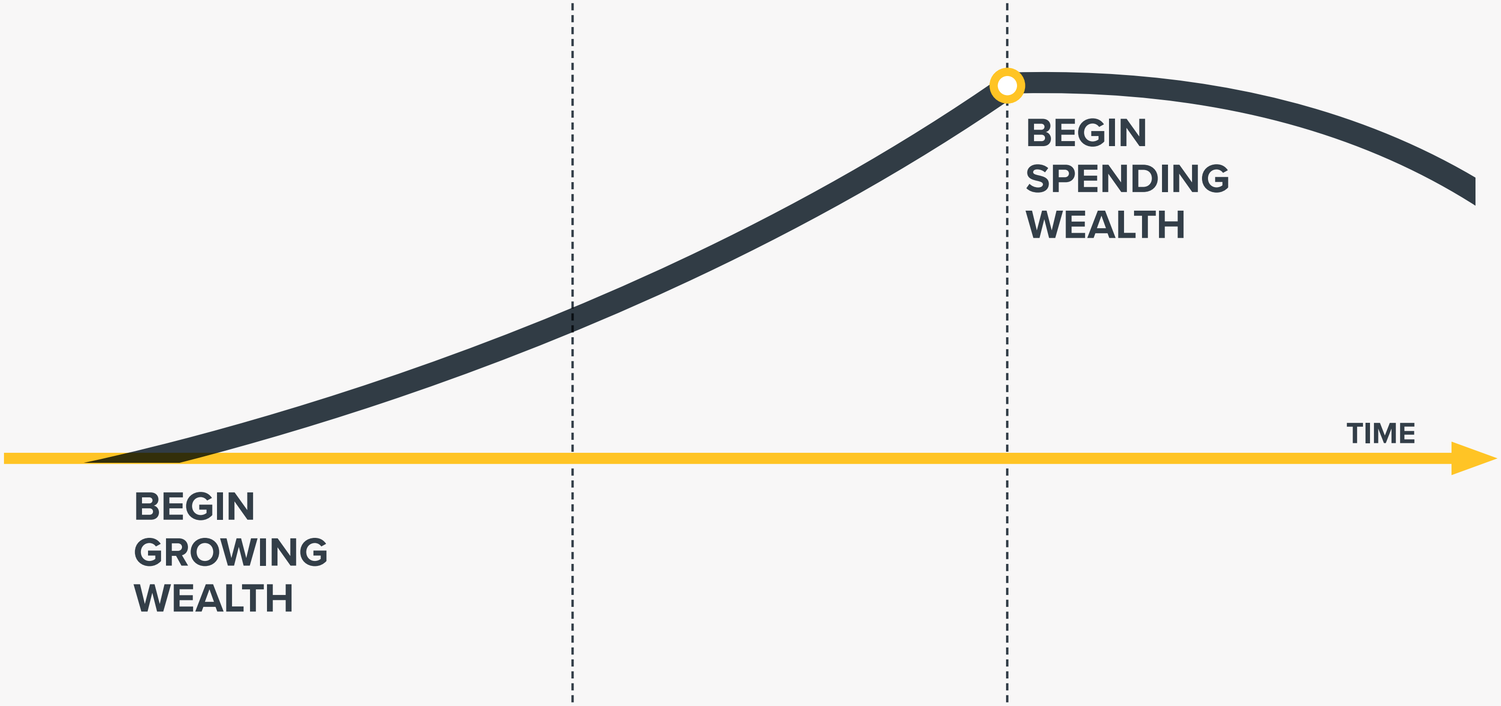
INVESTMENT JOURNEY

The path investors commonly encounter along their financial journey.



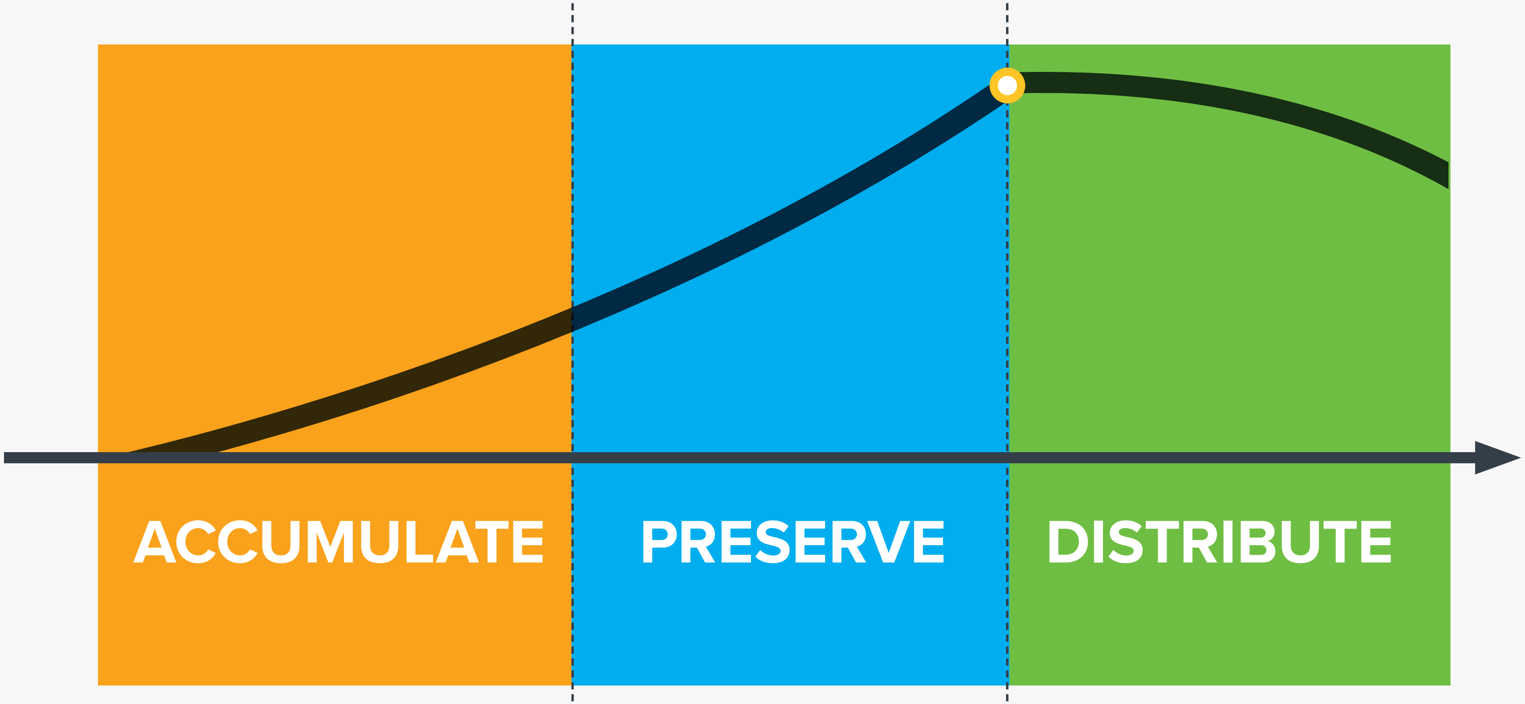
STAGES OF THE JOURNEY

Horizon has identified three major stages along this journey.



WEALTH OBJECTIVES

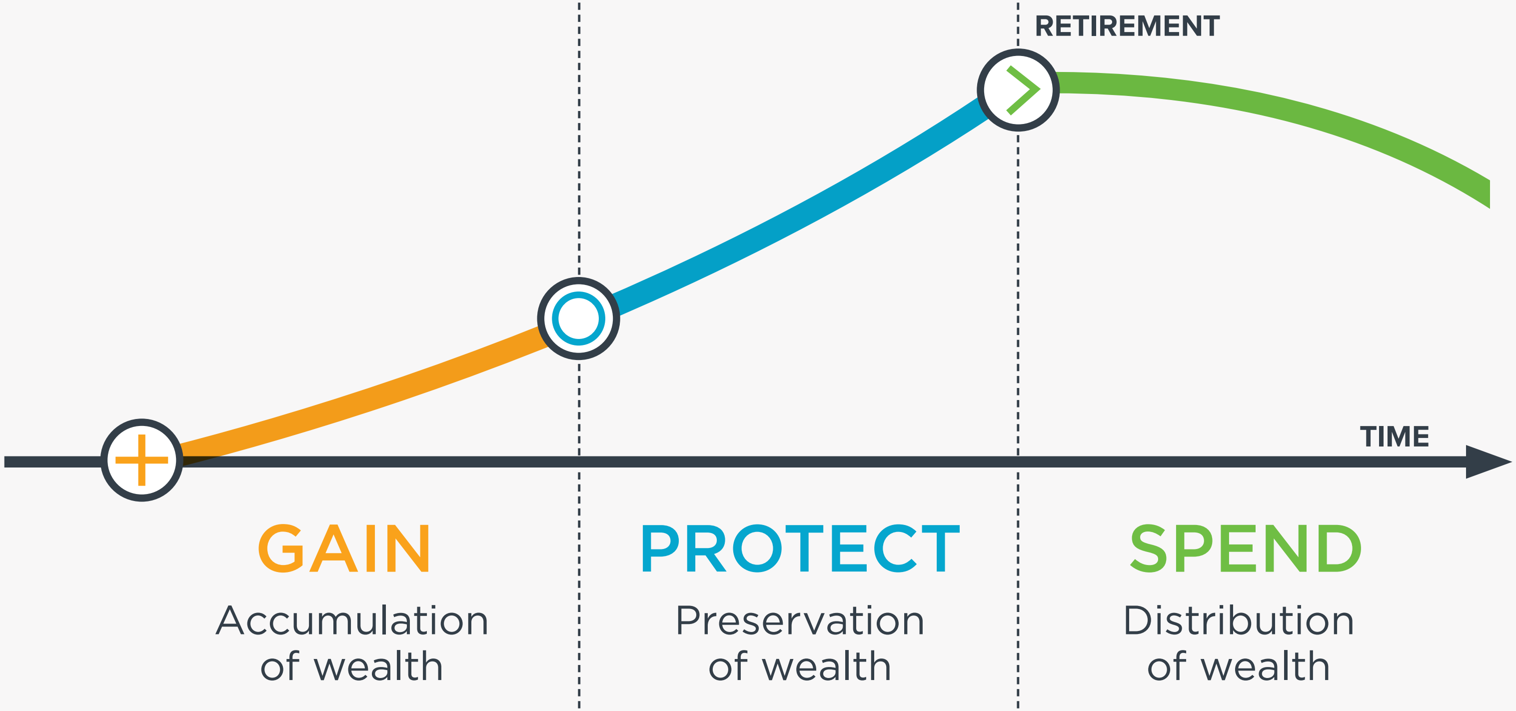
The investor seeks a specific outcome for their wealth within these stages.



STAGE IDENTIFICATION

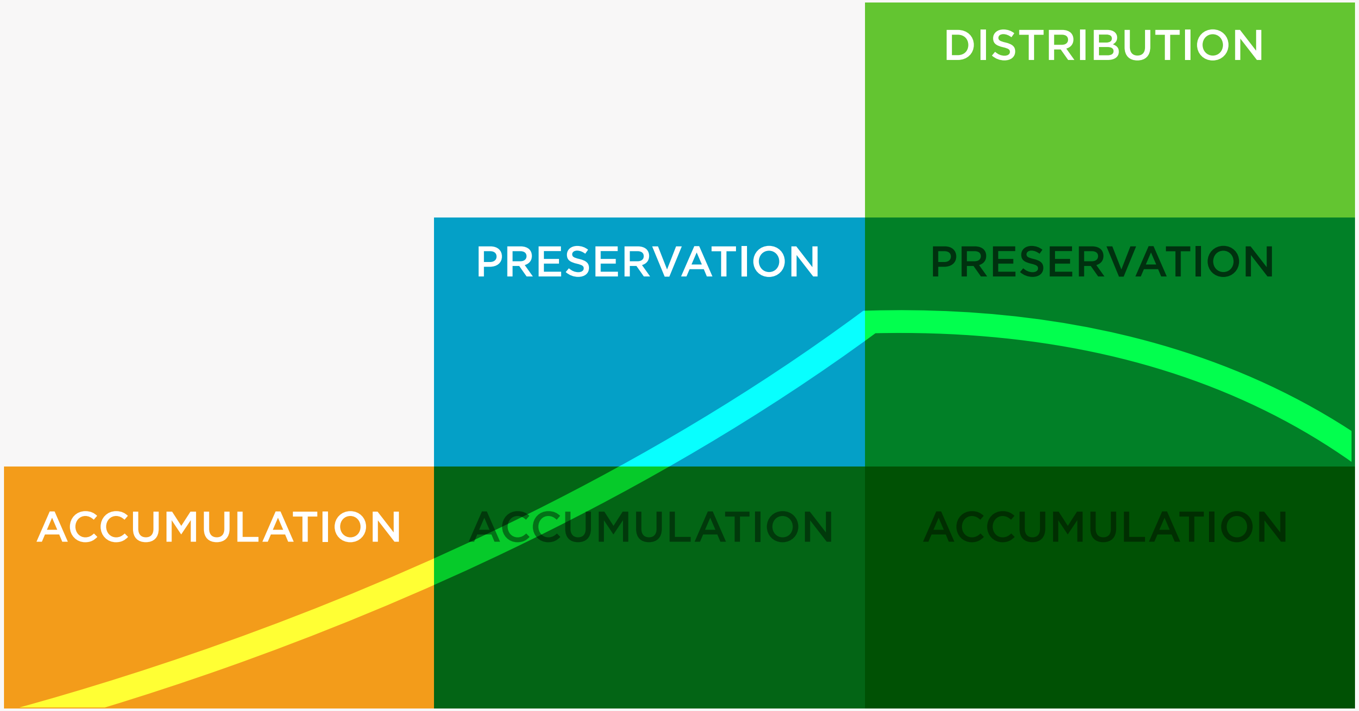
Horizon names these stages

GAINPROTECTSPEND®



Know the Objective

Each stage has a specific objective—or goal. The current stage's objective always remains the primary focus, even as it builds upon the prior stage's objective/goal.



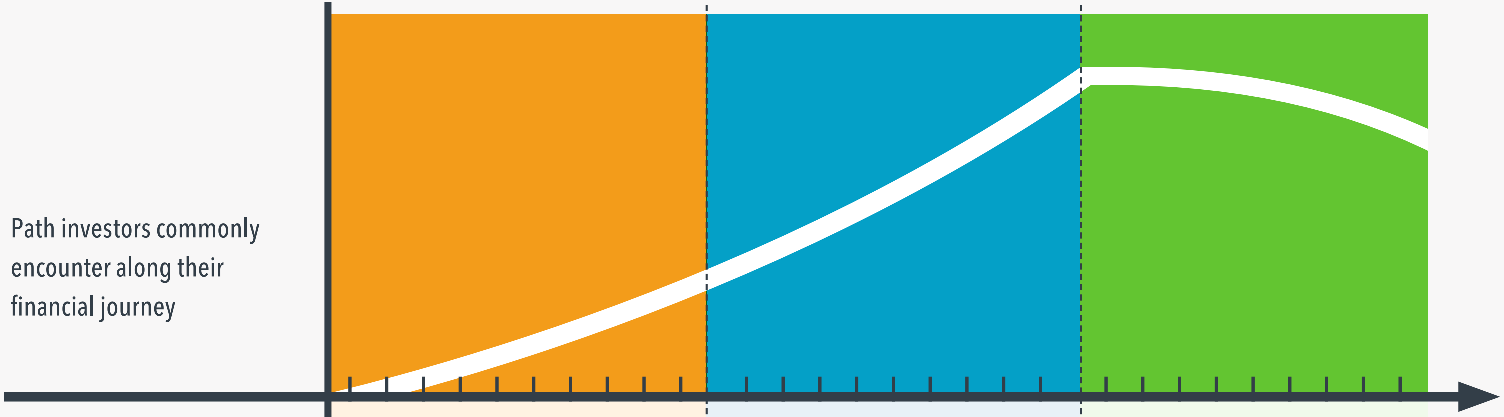
Identify the Risk

Each stage has its own unique risk, requiring a strategy designed specifically for that risk without losing focus on or compromising the main objective.

SUMMARY

Horizon recognizes the stages of the investment journey and identifies the goal and risk unique to each stage.

Path investors commonly encounter along their financial journey



STAGE NAME	GAIN	PROTECT	SPEND
OBJECTIVE / GOAL	Accumulation	Preservation	Distribution
DOMINANT RISK	Volatility	Loss	Longevity

OUR INVESTMENT STRATEGIES

STAGE	GAIN	PROTECT	SPEND
STRATEGY	active asset allocation target growth in global markets	risk assist® seeks to reduce risk when needed most	REAL SPEND® longevity for retirement spending
AVAILABILITY	**5 SMA Models** risk-based portfolios **2 Mutual Funds** equity and fixed income	**3 SMA Models** algorithm-based portfolios **Mutual Fund** active risk mitigation	**5 SMA Models** 3%-7% spend rate portfolios
ADDITIONAL STRATEGIES		**Mutual Fund** active risk mitigation **2 Low Vol ETFs** low volatility equities	**Mutual Fund** dividend-focused

HORIZON INVESTMENTS®

Company Overview

Horizon Investments is a modern, goals-based investment manager and think tank. With our focus in goals-based investment strategies, we are dedicated to helping financial advisors and their clients improve the investment experience relative to real world, prioritized financial goals.

Founded in 1995, Horizon provided investment advice to individual clients while utilizing a process based on quantitative analysis. Today our investment process balances quantitative expertise with a qualitative perspective, including economic, fundamental and geopolitical analysis. Over 20 years we've continued to expand our investment management team to include the seasoned academics and research analysts needed to pursue forward-looking approaches to address a myriad of challenges that investors face while seeking to grow their wealth. As a result, financial advisors turn to Horizon for the innovative risk mitigation and retirement income strategies we deliver today. Rooted in a global active investment approach, the firm's **GAIN PROTECT SPEND®** framework, combined with its investment management methodology, has been a cornerstone of Horizon's portfolio construction process for over a decade.

Mission
Empower the advisor to help investors reach their goals

Core Values
Foster Unity
Drive Ingenuity
Build Community
Display Gratitude
Have Fun

Goals-Based
Strategies designed to accumulate, preserve and distribute wealth

QUICK FACTS

EST. 1995

Founded in 1995 and headquartered in Charlotte, North Carolina

FOCUS ON YOUR GOALS

Modern, goals-based investment manager and think tank, offering clients innovative solutions to achieve their financial goals

Sophisticated investment strategies implemented by experienced management team

An investment team comprised of experienced portfolio managers and 3 Ph.D.s

Entrenched relationships with financial advisors and broker-dealers across the nation

Robust technology offering to complement its differentiated product suite

MMI 2016 Industry Award Winner – Money Management Institute

MMI 2014 Industry Award Winner – Money Management Institute

FT Financial Times – Top Financial Advisers 2014 – FT 300 Ranking June 2014

wealth&money management awards twothousand&fifteen – Horizon Investments – Most Innovative Asset Management Solutions - North Carolina

wealth&money management awards twothousand&fifteen – Horizon Investments – Best Risk Management Strategy - Risk Assist

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Insights? horizoninvestments.com/insights
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NOT GUARANTEED. INVESTING INVOLVES RISK. CLIENTS MAY LOSE MONEY.

3 Stages of the Investor's Journey

STAGE	**GAIN**	**PROTECT**	**SPEND**
OBJECTIVE	Accumulation of wealth	Preservation of wealth	Distribution of wealth
TYPICAL AUDIENCE	Investors beginning to save for their retirement goal **FAQ** "What strategy is best for a long time horizon? Active or passive?"	Investors approaching their retirement goal **FAQ** "When is the right time to get in the market?" or "Should I get out?"	Investors in retirement seeking income **FAQ** "What do I do if I live longer?" or "Will I run out of money?"
STRATEGY	active asset allocation target growth in global markets	risk assist® reduce risk when needed most	REAL SPEND® longevity for retirement spending
KEY FEATURES	**GLOBAL EXPOSURE** The ability to target more opportunities in various segments of equity markets **FLEXIBLE MANDATE** The ability to make portfolio adjustments in order to adapt to market changes **BALANCED RESEARCH** We screen opportunities through a balanced set of quantitative and qualitative perspectives	**LOSS TOLERANCE** The loss tolerance is the lowest drawdown that the portfolio value is designed to accommodate. **RATCHETING** The model is designed to increase the loss tolerance limit as the portfolio value grows (typically every 3-5% of appreciation). $f(x)$ **ALGORITHM** In hopes to mitigate impulsive decisions based on emotion, Risk Assist® instead uses an algorithm-based approach.	**SPEND RESERVE** A multi-year reserve of liquid assets for spending on current and short-term needs and goals. **INVESTMENTS** An investment portfolio designed to generate inflation-adjusted returns sufficient to intelligently replenish the withdrawals from the spending reserve. **RISK MITIGATION** Includes an active risk management strategy to position investment portfolios defensively and help preserve retirement capital during sudden and severe market downturns.
AVAILABILITY	**5 SMA Models** risk-based portfolios **2 Mutual Funds** equity and fixed income	**3 SMA Models** algorithm-based portfolios **2 Mutual Funds** active risk mitigation **2 Low Vol ETFs** low volatility equities	**5 SMA Models** 3%-7% spend rate portfolios **1 Mutual Fund** dividend-focused

Connect with Horizon Investments

Call 866-371-2399 x202
horizoninvestments.com

Horizon Investments' strategies are subject to general market risk and risks related to currency fluctuations and economic conditions. Each strategy's underlying investments fluctuate in price and may be sold at a price lower than the purchase price resulting in a loss of principal. Investors may lose money. The underlying investments are neither FDIC insured nor guaranteed by the U.S. government. There may be economic times where all investments are unfavorable and depreciate in value. Please evaluate your clients' circumstances and risk tolerance to understand if these investments are right for them. Past performance not indicative of future results.

NOT GUARANTEED • CLIENTS MAY LOSE MONEY • PAST PERFORMANCE NOT INDICATIVE OF FUTURE RESULTS

NOT A DEPOSIT | NOT FDIC INSURED | MAY LOSE VALUE | NOT BANK GUARANTEED | NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY

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AT EVERY ANGLE

COMPLEXITY

...but WAIT, there's good news. Horizon can help you find the beauty in this complexity.

Our purpose is to help advisory firms manage complexity.

ADVISORY BUSINESS
CONSULTING

Horizon Investments proudly works with advisory businesses, RIAs and family offices where the complexity of their investment, risk mitigation and practice management issues demand every minute of the day—and more.

Why Horizon?
We have extensive experience building and managing entrepreneurial advisory businesses and the ability to provide a high level of discovery, analysis and solution development.

What do I get?
Horizon can manage the following complexities and more:

- A Goals-Based Investment Process
- Private Label Marketing Support
- In-depth Allocation Analysis
- Underlying Fund Research & Manager Due Diligence
- Customized Investment Policy Statement
- Structured Investment Committee Meetings
- Model Performance Update

We are ready to partner with you to take many of these challenges off your shoulders—so you can find the beauty in the complexity.

Contact us at **consulting@horizoninvestments.com** to set up a meeting.
We're ready to listen and learn how you wish to grow your practice.

www.horizoninvestments.com/abc