

ADV Form 370

**Horizon Asset
Management, Inc.
ADV Part II, Privacy and
Proxy Policies**

As of 11/20/2009

FORM ADV

Uniform Application for Investment Adviser Registration

Part II - Page 1

OMB APPROVAL
OMB Number: 3235-0049
Expires: : February 28, 2011
Estimated average burden hours per response. . . .4.07

Name of Investment Adviser: HORIZON ASSET MANAGEMENT, INC. (801-47515)				
Address: (Number and Street)	(City)	(State)	(Zip Code)	Area Code: Telephone Number:
470 PARK AVE. SOUTH, 4TH FLOOR S.	New York	NY	10016	(646) 495 - 7333

**This part of Form ADV gives information about the investment adviser and its business for the use of clients.
The information has not been approved or verified by any government authority.**

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Part II - Page 2

Applicant: HORIZON ASSET MANAGEMENT, INC	SEC File Number: 801-47515	Date: JANUARY 1, 2009
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Definitions for Part II

Related person - Any officer, director or partner of applicant or any person directly or indirectly controlling, controlled by, or under common control with the applicant, including any non-clerical, non-ministerial employee.

Investment Supervisory Services - Giving continuous investment advice to a client (or making investments for the client) based on the individual needs of the client. Individual needs include, for example, the nature of other client assets and the client's personal and family obligations.

1. **A. Advisory Services and Fees.** (check the applicable boxes) For each type of service provided, state the approximate % of total advisory billings from that service. (See instruction below.)

Applicant:		
<input checked="" type="checkbox"/>	(1) Provides investment supervisory services	97%
<input type="checkbox"/>	(2) Manages investment advisory accounts not involving investment supervisory services	%
<input checked="" type="checkbox"/>	(3) Furnishes investment advice through consultations not included in either service described above	1%
<input checked="" type="checkbox"/>	(4) Issues periodicals about securities by subscription	2%
<input type="checkbox"/>	(5) Issues special reports about securities not included in any service described above	%
<input type="checkbox"/>	(6) Issues, not as part of any service described above, any charts, graphs, formulas, or other devices which clients may use to evaluate securities	%
<input type="checkbox"/>	(7) On more than an occasional basis, furnishes advice to clients on matters not involving securities	%
<input type="checkbox"/>	(8) Provides a timing service	%
<input type="checkbox"/>	(9) Furnishes advice about securities in any manner not described above	%

(Percentages should be based on applicant's last fiscal year. If applicant has not completed its first fiscal year, provide estimates of advisory billings for that year and state that the percentages are estimates.)

B. Does the applicant call any of the services it checked above financial planning or some similar term? Yes No

C. Applicant offers investment advisory services for: (check all that apply):

- | | |
|---|---|
| <input checked="" type="checkbox"/> (1) A percentage of assets under management | <input checked="" type="checkbox"/> (4) Subscription fees |
| <input type="checkbox"/> (2) Hourly charges | <input type="checkbox"/> (5) Commissions |
| <input type="checkbox"/> (3) Fixed fees (not including subscription fees) | <input checked="" type="checkbox"/> (6) Other |

D. For each checked box in A above, describe on Schedule F:

- the services provided, including the name of any publication or report issued by the adviser on a subscription basis or for a fee
- applicant's basic fee schedule, how fees are charged and whether its fees are negotiable
- when compensation is payable, and if compensation is payable before service is provided, how a client may get a refund or may terminate an investment advisory contract before its expiration date

2. **Types of Clients** - Applicant generally provides investment advice to: (check those that apply)

- | | |
|---|--|
| <input checked="" type="checkbox"/> A. Individuals | <input checked="" type="checkbox"/> E. Trusts, estates, or charitable organizations |
| <input checked="" type="checkbox"/> B. Banks or thrift institutions | <input checked="" type="checkbox"/> F. Corporations or business entities other than those listed above |
| <input checked="" type="checkbox"/> C. Investment companies | <input checked="" type="checkbox"/> G. Other (describe on Schedule F) |
| <input checked="" type="checkbox"/> D. Pension and profit sharing plans | |

3. Types of Investments. Applicant offers advice on the following: (check those that apply)

- | | |
|--|--|
| <input checked="" type="checkbox"/> A. Equity Securities | <input checked="" type="checkbox"/> H. United States government securities |
| <input checked="" type="checkbox"/> (1) exchange-listed securities | |
| <input checked="" type="checkbox"/> (2) securities traded over-the-counter | <input type="checkbox"/> I. Options contracts on: |
| <input checked="" type="checkbox"/> (3) foreign issues | <input checked="" type="checkbox"/> (1) securities |
| | <input type="checkbox"/> (2) commodities |
| <input checked="" type="checkbox"/> B. Warrants | <input type="checkbox"/> J. Futures contracts on: |
| <input checked="" type="checkbox"/> C. Corporate debt securities | <input type="checkbox"/> (1) tangibles |
| (other than commercial paper) | <input type="checkbox"/> (2) intangibles |
| <input checked="" type="checkbox"/> D. Commercial paper | <input type="checkbox"/> K. Interests in partnerships investing in: |
| <input checked="" type="checkbox"/> E. Certificates of deposit | <input type="checkbox"/> (1) real estate |
| <input checked="" type="checkbox"/> F. Municipal securities | <input type="checkbox"/> (2) oil and gas interests |
| | <input checked="" type="checkbox"/> (3) other (explain on Schedule F) |
| <input type="checkbox"/> G. Investment company securities | <input type="checkbox"/> L. Other (explain on Schedule F) |
| <input type="checkbox"/> (1) variable life insurance | |
| <input type="checkbox"/> (2) variable annuities | |
| <input checked="" type="checkbox"/> (3) mutual fund shares | |

4. Methods of Analysis, Sources of Information, and Investment Strategies.

A. Applicant's security analysis methods include: (check those that apply)

- | | |
|---|--|
| (1) <input type="checkbox"/> Charting | (4) <input type="checkbox"/> Cyclical |
| (2) <input checked="" type="checkbox"/> Fundamental | (5) <input type="checkbox"/> Other (explain on Schedule F) |
| (3) <input type="checkbox"/> Technical | |

B. The main sources of information applicant uses include: (check those that apply)

- | | |
|---|---|
| (1) <input checked="" type="checkbox"/> Financial newspapers and magazines | (5) <input type="checkbox"/> Timing services |
| (2) <input checked="" type="checkbox"/> Inspections of corporate activities | (6) <input checked="" type="checkbox"/> Annual reports, prospectuses, filings with the Securities and Exchange Commission |
| (3) <input checked="" type="checkbox"/> Research materials prepared by others | (7) <input checked="" type="checkbox"/> Company press releases |
| (4) <input checked="" type="checkbox"/> Corporate rating services | (8) <input type="checkbox"/> Other (explain on Schedule F) |

C. The investment strategies used to implement any investment advice given to clients include: (check those that apply)

- | | |
|--|---|
| (1) <input checked="" type="checkbox"/> Long term purchases
(securities held at least a year) | (5) <input checked="" type="checkbox"/> Margin transactions |
| (2) <input checked="" type="checkbox"/> Short term purchases
(securities sold within a year) | (6) <input checked="" type="checkbox"/> Option writing, including covered options,
uncovered options or spreading strategies |
| (3) <input checked="" type="checkbox"/> Trading (securities sold within 30 days) | (7) <input type="checkbox"/> Other (explain on Schedule F) |
| (4) <input checked="" type="checkbox"/> Short sales | |

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5. Education and Business Standards.

Are there any general standards of education or business experience that applicant requires of those involved in determining or giving investment advice to clients? Yes No
 (If yes, describe these standards on Schedule F.)

6. Education and Business Background.

For:

- each member of the investment committee or group that determines general investment advice to be given to clients, or
- if the applicant has no investment committee or group, each individual who determines general investment advice given to clients (if more than five, respond only for their supervisors)
- each principal executive officer of applicant or each person with similar status or performing similar functions.

On Schedule F, give the:

- name • formal education after high school
- year of birth • business background for the preceding five years

7. Other Business Activities. (check those that apply)

- A. Applicant is actively engaged in a business other than giving investment advice.
- B. Applicant sells products or services other than investment advice to clients.
- C. The principal business of applicant or its principal executive officers involves something other than providing investment advice.

(For each checked box describe the other activities, including the time spent on them, on Schedule F.)

8. Other Financial Industry Activities or Affiliations. (check those that apply)

- A. Applicant is registered (or has an application pending) as a securities broker-dealer.
- B. Applicant is registered (or has an application pending) as a futures commission merchant, commodity pool operator or commodity trading adviser.
- C. Applicant has arrangements that are material to its advisory business or its clients with a related person who is a:

<input checked="" type="checkbox"/> (1) broker-dealer	<input type="checkbox"/> (7) accounting firm
<input checked="" type="checkbox"/> (2) investment company	<input type="checkbox"/> (8) law firm
<input checked="" type="checkbox"/> (3) other investment adviser	<input type="checkbox"/> (9) insurance company or agency
<input type="checkbox"/> (4) financial planning firm	<input type="checkbox"/> (10) pension consultant
<input type="checkbox"/> (5) commodity pool operator, commodity trading adviser or futures commission merchant	<input type="checkbox"/> (11) real estate broker or dealer
<input type="checkbox"/> (6) banking or thrift institution	<input checked="" type="checkbox"/> (12) entity that creates or packages limited partnerships

(For each checked box in C, on Schedule F identify the related person and describe the relationship and the arrangements.)

D. Is applicant or a related person a general partner in any partnership in which clients are solicited to invest? Yes No

 (If yes, describe on Schedule F the partnerships and what they invest in.)

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9. Participation or Interest in Client Transactions.

Applicant or a related person: (check those that apply)

- A. As principal, buys securities for itself from or sells securities it owns to any client.
- B. As broker or agent effects securities transactions for compensation for any client.
- C. As broker or agent for any person other than a client effects transactions in which client securities are sold to or bought from a brokerage customer.
- D. Recommends to clients that they buy or sell securities or investment products in which the applicant or a related person has some financial interest.
- E. Buys or sells for itself securities that it also recommends to clients.

(For each box checked, describe on Schedule F when the applicant or a related person engages in these transactions and what restrictions, internal procedures, or disclosures are used for conflicts of interest in those transactions.)

Describe, on Schedule F, the applicant's code of ethics, and state that the applicant will provide a copy of its code of ethics to any client or prospective client upon request.

- 10. Conditions for Managing Accounts.** Does the applicant provide investment supervisory services, manage investment advisory accounts or hold itself out as providing financial planning or some similarly termed services *and* impose a minimum dollar value of assets or other conditions for starting or maintaining an account? Yes No
-

(If yes, describe on Schedule F.)

- 11. Review of Accounts.** If applicant provides investment supervisory services, manages investment advisory accounts, or holds itself out as providing financial planning or some similarly termed services:

A. Describe below the reviews and reviewers of the accounts. **For reviews**, include their frequency, different levels, and triggering factors. **For reviewers**, include the number of reviewers, their titles and functions, instructions they receive from applicant on performing reviews, and number of accounts assigned each.

See Schedule F

B. Describe below the nature and frequency of regular reports to clients on their accounts.

See Schedule F

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12. Investment or Brokerage Discretion.

- A. Does applicant or any related person have authority to determine, without obtaining specific client consent, the:
- | | | |
|---|-------------------------------------|--------------------------|
| (1) securities to be bought or sold? | Yes | No |
| | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| (2) amount of the securities to be bought or sold ? | Yes | No |
| | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| (3) broker or dealer to be used ? | Yes | No |
| | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| (4) commission rates paid? | Yes | No |
| | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

- B. Does applicant or a related person suggest brokers to clients? Yes No

For each yes answer to A describe on Schedule F any limitations on the authority. For each yes to A(3), A(4) or B, describe on Schedule F the factors considered in selecting brokers and determining the reasonableness of their commissions. If the value of products, research and services given to the applicant or a related person is a factor, describe:

- the products, research and services
- whether clients may pay commissions higher than those obtainable from other brokers in return for those products and services
- whether research is used to service all of applicant's accounts or just those accounts paying for it; and
- any procedures the applicant used during the last fiscal year to direct client transactions to a particular broker in return for products and research services received.

13. Additional Compensation.

Does the applicant or a related person have any arrangements, oral or in writing, where it:

- A. is paid cash by or receives some economic benefit (including commissions, equipment or non-research services) from a non-client in connection with giving advice to clients? Yes No
- B. directly or indirectly compensates any person for client referrals? Yes No

(For each yes, describe the arrangements on Schedule F.)

14. Balance Sheet. Applicant must provide a balance sheet for the most recent fiscal year on Schedule G if applicant:

- has custody of client funds or securities (unless applicant is registered or registering only with the Securities and Exchange Commission); or
 - requires prepayment of more than \$500 in fees per client and 6 or more months in advance
- Has applicant provided a Schedule G balance sheet? Yes No

**Schedule F of
Form ADV**

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Continuation Sheet for Form ADV Part II

(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: HORIZON ASSET MANAGEMENT, INC.	IRS Empl. Ident. No.: 13-3776334
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Item of Form (identify)	Answer
<p>Item 1.D. (a)</p> <p>Proxy Voting Policy</p>	<p><u>ADVISORY SERVICES</u></p> <p>Horizon Asset Management, Inc. (“Horizon”) furnishes both discretionary and non-discretionary investment advisory/supervisory services to individual and institutional clients. Horizon also provides independent proprietary research to the institutional investment community. Horizon employs the principles of value investing in an effort to provide clients with rewarding long-term returns. Horizon’s portfolios are constructed using objective analysis designed to provide a compounding of wealth with a focus on absolute as opposed to relative return.</p> <p>Horizon’s services are accessed through direct contact with a Client Relationship Manager (“CRM”) or through product options available with our dual contract and wrap fee partnerships, each a “sponsor”. While dual contract programs provide for the client to contract with the sponsor firm and Horizon directly, these programs operate in an equivalent manner with wrap-fee programs. Under both such programs, the sponsor provides “wrap fee” services, which generally involve brokerage, custody, cash management, and other services. The sponsor, which is in most cases affiliated with, or dually registered as, a broker-dealer, provides execution services to wrap fee program participants directly or through their affiliates. Pursuant to such arrangements, the sponsor offers its clients discretionary investment supervisory services through independent investment managers selected by the sponsor. The client may enter into an investment advisory agreement with the sponsor, which has a master agreement with Horizon (wrap-fee) or the client may contract directly with Horizon (dual-contract).</p> <p>In the case of wrap-fee arrangements, the client pays a single all-inclusive fee to the sponsor that covers investment advisory services rendered by Horizon and custodial, execution, and other client related services performed by the sponsor, exclusive of exchange fees and transfer taxes by law. The sponsor directly compensates Horizon. Client fees within a wrap fee program may result in higher costs than a client may otherwise incur by paying Horizon’s standard fees and negotiating separate arrangements for trade execution, custodial, and other consulting services. Horizon may execute securities transactions through the sponsor or other broker-dealers; however, the client expects most brokerage transactions to be effected through the sponsor because the all-inclusive fee covers brokerage commissions only when transactions are executed through the sponsor. Horizon notes that a potential conflict may exist even where the client has specifically directed Horizon to execute all transactions through the sponsor because the sponsor, or its affiliates, may not be providing best execution for client transactions. Arrangements with clients of a wrap fee program can be terminated at the written request of the client, the sponsor or Horizon.</p> <p>Horizon participates in programs sponsored by the following firms: Lockwood (Credit Suisse Securities (USA), LLC, Barclays (formerly Lehman Brothers), Morgan Stanley Smith Barney, UBS, Deutsche Bank, JP Morgan Chase (formerly Bear Stearns), R.W. Baird, Bank of America (formerly Merrill Lynch), Morgan Keegan, Wachovia, Jefferies, and Raymond James. In sponsor programs, while Horizon may receive less than its standard fee from the sponsor, the client may pay a total fee higher than Horizon’s standard fee. The sponsor determines the total fee charged to the client. In addition, certain sponsors may require a higher account minimum than Horizon.</p> <p><u>Proxy Voting Policy</u></p> <p>Horizon has adopted and implemented policies and procedures that we believe are reasonably designed to ensure that proxies are voted in the best interest of clients in those cases in which a client has contractually given proxy-voting responsibility to Horizon. Votes are cast in accordance with Horizon’s fiduciary duties and the SEC’s Rule 206(4)-6 under the Advisers Act. The proxy voting guidelines are tailored to reflect these rules and the long-standing fiduciary standards and responsibilities for ERISA accounts set out by the Department of Labor.</p>

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Horizon has contracted Risk Metrics Group (“RMG”), formerly Institutional Shareholder Services, to facilitate voting of client proxies. Additionally, RMG provides research on proxy proposals and vote recommendations based on written guidelines. Horizon, as a general matter, accepts vote recommendations from RMG, though Horizon retains the right to determine the vote on a particular proxy issue. Accordingly, there may be instances, including those in which RMG recommends a vote in line with management, in which Horizon may wish to vote contrary to RMG’s recommendation. In those instances, Horizon may decide to vote contrary to RMG’s recommendation if it is determined to be in the best interests of the clients. A copy of Horizon’s Proxy Voting Policy is available upon request. Clients may also request information on votes cast by making a request by phone or mail to Horizon’s CCO.

In cases in which it is determined that Horizon has a material conflict of interest that could influence how proxies are voted, such conflicts may be resolved by using the recommendation of RMG if it is determined to be in the best interests of the client. Alternatively, Horizon, when appropriate, may decide to disclose the conflict to the affected clients and provide the clients the opportunity to vote such proxies themselves. In any of these material conflict of interest situations, Horizon will review the issue and determine a resolution. Additionally, there may be cases in which Horizon deems that the cost benefit analysis of voting proxies received for client accounts may lead to Horizon declining to vote. Such instances may include:

- Voting for foreign securities in countries which require “shareblocking”
- Completing ballots for companies held in the client account as of the record date, but which are no longer owned at the time of a vote

Please note that Horizon shall not exercise the shareholder voting rights delegated to Horizon by clients relating to investments in public utility companies or public utility holding companies or act in any other way to exercise control over any public utility or public utility holding company. Notwithstanding the forgoing, RMG votes proxies for Horizon in connection with public utilities and public utility holding companies.

Horizon, authors a number of research reports that are sold on a subscription basis.

- The Spin-Off Report/Bits & Pieces – monitors the progress of all U.S. spin-offs from announcement date through when-issued trading, and continues coverage through the first quarter of trading. The Bits & Pieces report is a supplemental monthly report that identifies potentially mispriced stub securities, tracking stocks and other arbitrage opportunities. The Spin-Off Report Compendium provides a forum to discuss restructurings outside the realm of spin-offs, as well as intriguing divestitures in foreign markets. Hunstrete, an affiliate of HRC Partners (“HRC”) and PCS Research Services (“PCS”), owns the Spin-Off Report, while PCS provides marketing and distribution services.
- Capital Structure Arbitrage Report – identifies securities, predominantly debt securities, which exhibit an asymmetrically favorable risk/return profile. Hunstrete and Horizon co-own this report.
- The Scratch Report – focuses on domestic companies with market capitalizations above \$10 billion and derives investment decisions based upon a philosophy consistent with value investing. Palladian Research LLC (“Palladian”), a subsidiary of Oberon Management, owns The Scratch Report. Horizon, Palladian and PCS share the revenue from subscriptions to this report.

Horizon owns the following research reports with PCS acting as marketing and distribution agent.

- Contrarian Research Report – employs a value-oriented investment strategy that seeks to capitalize on the most inefficient and attractive investment areas. Opportunities exist where transitory events temporarily depress share prices.
- Global Contrarian Report – identifies companies primarily in Western Europe and Asia that have diversified themselves away from reliance on the U.S. The report focuses on companies with under-developed or undiscovered natural resources; monopoly, oligopoly or consolidating industry structure; and the long term impact of emerging economies.

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- The Devil's Advocate Report – produces short-sale recommendations, typically on highly visible, large capitalization, widely held stocks, often supplemented with a variety of option techniques for synthetically shorting these stocks while limiting risk.
- The Distressed Securities Report – identifies investment opportunities in securities of companies that are about to enter or exit bankruptcy or financial distress. In addition, clients receive the Bankruptcy Calendar, which monitors the progress of all Chapter 7 liquidations and Chapter 11 reorganizations.

Any client or prospective client of Horizon desiring more information on any of the above-referenced reports may go to PCS's website at www.pcsresearchservices.com. Subscribers may cancel any of the above services at any time without penalty with a ratable refund based on the unexpired portion of the subscription period.

Item 1.D.
(b)

FEE SCHEDULE

Horizon may agree to alternative fee arrangements for specific clients depending on the extent and cost of the services provided to such clients. Factors considered by Horizon in negotiating fees may include the amount of asset under management ("AUM"); the type of AUM; prior relationships with Horizon and/or its employees; and the amount of administrative and/or reporting services that will be provided to the client. However, a client's investment advisory agreement ("IMA") with Horizon will explicitly indicate the agreed upon fee and will ultimately control any conflict between the preceding statement and the standard fee schedules(s).

Horizon's standard fee schedule(s) are as follows.

<u>Equity, Balanced and High Yield Accounts</u>	<u>Annual Percentage Fee</u>
First \$5 million of AUM	1.00%
Next \$5 million of AUM	0.75%
Next \$5 million of AUM	0.60%
Over \$15 million AUM	0.50%
<u>Exchange Traded Fund ("ETF") Equity Accounts</u>	<u>Annual Percentage Fee</u>
First \$5 million of AUM	0.80%
Next \$5 million of AUM	0.65%
Next \$5 million of AUM	0.50%
Over \$15 million AUM	0.40%
<u>Fixed Income Accounts</u>	<u>Annual Percentage Fee</u>
First \$5 million of AUM	0.60%
Next \$5 million of AUM	0.50%
Next \$5 million of AUM	0.375%
Over \$15 million AUM	0.250%
<u>Cash and Equivalent Accounts</u>	<u>Annual Percentage Fee</u>
First \$5 million of AUM	0.20%
Next \$5 million of AUM	0.15%
Next \$5 million of AUM	0.125%
Over \$15 million AUM	0.1%
<u>Hedged Accounts</u>	<u>Annual Percentage Fee</u>
All AUM	1.00%
<u>Leverage Equity Accounts</u>	<u>Annual Percentage Fee</u>
All AUM	1.25%

Item 1D.
(c)

PAYMENT ARRANGEMENTS

Fees are charged either monthly or quarterly (the "accounting period") and either in advance or in arrears in accordance with the terms on the client's investment management agreement and the practices of the program servicing the client account. Fees are calculated based on the combined

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market value of all securities and cash in an account on last trading day of the accounting period. Generally, a client's custodian invests any cash balances in the custodian's money market funds or such other short-term investments of the clients choosing. Such instances will generally result in Horizon's clients paying advisory fees on the cash balance twice, a fee to the investment adviser of the money market fund as well as Horizon's fee. Fees are prorated based on the number of days within an accounting period that an account was open. In the event of termination, investment advisory fees are prorated to the date of termination and, to the extent that fees have been paid for periods beyond the termination date, the fees will be refunded. Clients may terminate their IMA at any time upon written notice to Horizon. As provided for in the IMA, Horizon shall have the right to receive payment of its fee, when so invoiced, directly from the client's custodian, who has been authorized to charge the account for such purpose.

Pursuant to client request, Horizon has agreed to permit clients to liquidate an account, but remain a Horizon client. Clients who elect such option must sign an acknowledgment that their account has become non-discretionary and that Horizon will not charge the account to remain in cash until the client directs Horizon to re-commence discretion and management. Additionally, client must clearly communicate in writing instructions to terminate or liquidate an account. Absent mitigating circumstances, Horizon will seek to complete such action within two business days of receiving a request. A request must clearly indicate whether an account is to be liquidated or transferred in kind. Horizon does not time the market.

Horizon also provides investment advice through consultations incorporating the individual needs and objectives of each client. In most instances, Horizon anticipates providing such consultation services to individual fiduciaries and trustees. Horizon generally negotiates a flat fee for each consulting relationship based on the nature and size of the overall asset base and the anticipated frequency of consultations. Fees are generally charged monthly in arrears in equal installments based on the flat fee agreed to for that relationship. Consulting clients may terminate their investment advisory agreement at any time upon serving written notice to Horizon.

Horizon offers the following strategies:

Asia – an all capitalization equity strategy managed by Mr. Stahl focusing on investment opportunities in Asia

Cash Management – a low volatility and capital preservation strategy managed by Mr. Stahl

Concentrated 10 – a concentrated equity strategy managed by Mr. Bregman

Core Value – an all capitalization value strategy managed by Steven Bregman

Core Value II – an all capitalization value strategy managed by Mr. Bregman that will shift to any opportunities that are determined to be undervalued

Dynamic Value – an all capitalization value strategy managed by Peter Doyle

ETF Portfolio – a strategy that principally utilizes exchange traded funds (“ETFs”) to gain exposure to sectors that are non-correlating to Horizon's core strategies.

Fixed Income Opportunities – a fixed income strategy managed by Mr. Stahl that employs closed-end funds, ETFs and other fixed income instruments

Global Large Cap Value – a domestic and international large capitalization strategy managed by Mr. Stahl

High Yield Opportunities – a specialized portfolio managed by Mr. Stahl that seeks equity like returns by investing in different aspects of a firm's capital structure

Large Cap Core – a large capitalization value strategy managed by Mr. Stahl

Research – a concentrated all capitalization strategy managed by Mr. Bregman that focuses on companies highlighted within our research

Small Cap Core – a small capitalization value strategy managed by Mr. Stahl

Spin-Off – a specialized equity portfolio managed by Mr. Stahl

Strategic Value – an all capitalization value strategy managed by Murray Stahl that encompasses ideas from all of Horizon's strategies

Strivers – a specialized equity portfolio that is co-managed by Mr. Bregman and Andrea DeMichele

Synthetic Short Sale – an equity options strategy managed by Mr. Stahl

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Item 2.G. & 3.	<p>Horizon has established minimum account size requirements for all separate account strategies. The minimums vary based on strategy and the manner in which the account is sought to be established (e.g. wrap, dual contract, or DVP). In addition, certain sponsors may require a higher account minimum than Horizon. The minimum account size for all DVP accounts (regardless of strategy) is \$10,000,000. The minimum account sizes for all wrap and dual contract strategies are as follows:</p> <p>Fixed Income Opportunities - \$100,000 Synthetic Short Sale - \$100,000 Asia - \$250,000 Core Value & Core Value II - \$250,000 Dynamic - \$250,000 ETF Portfolio - \$250,000 Global Large Cap Value - \$250,000 Research - \$250,000 Strivers - \$250,000 High Yield Opportunities - \$500,000 Large Cap Core - \$500,000 Small Cap Core - \$500,000 Spin-Off Portfolio - \$500,000 Cash Management - \$1,000,000 Strategic Value - \$1,000,000 Concentrated 10 - \$5,000,000</p> <p>Horizon reserves the right to accept accounts not meeting the above stated minimums.</p> <p>It should be noted that Horizon is focused on low turnover, low transaction, and low friction (avoiding unnecessary trading activity) returns. Therefore, Horizon generally does not actively re-balance accounts back to a model. There is likely to be significant dispersion amongst the performance of individual accounts within the same or similar strategies. Furthermore, variance between client accounts managed under a certain investment strategy may be the result of the timing of security purchases or sales, cash holdings/availability, client instructions/limitations, and client status (new vs. existing), among other rationales. A more specific description of the investment strategies referred to above is available upon request.</p> <p>Additionally, Horizon manages a number of private investment funds with performance fees. These include the Polestar Funds; the Croupier Funds; the Croupier Prive Funds; the Credit Opportunities Funds; the Multi-Disciplinary Funds; the Jordan Fund; and the Shepherd Fund, collectively (the "Funds"). Additionally, Horizon manages the South LaSalle Partners Fund, which operates as a private investment fund, but does not charge a performance fee. Upon request and subject to the existence of a substantive pre-existing relationship and verification as an accredited/qualified investor, offering documents for the Funds are available.</p> <p>In addition to the types clients specifically identified Item 1., Horizon provides the research reports described in Item 1.D.(a) to various investment partnerships or private investment companies.</p> <p>Horizon Global Research, LLC is a joint venture between Horizon and P.K. Sen Sharma. Its purpose is to engage in activities related to investing and investment research in Asia, particularly in India. Moreover, Horizon has contracted to act as an adviser (providing research and related services) to MRM Horizon LLC ("MRM"), an SEC-registered investment adviser. Horizon does not have an ownership interest in MRM. Horizon is a sub-adviser to the Liberty Street Horizon Fund, a registered investment company (mutual fund).</p> <p>Furthermore, Horizon provides research services to Kinetics Asset Management, Inc. ("Kinetics"), a SEC-registered investment adviser that advises a series of registered investment companies and related accounts, as well as separately managed accounts. Horizon also provides research services to Kinetics Advisors LLC, a SEC-registered investment adviser advising private investment</p>
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	<p>companies and offshore accounts.</p> <p>On June 30, 1999, certain of Horizon’s shareholders executed a voting trust pertaining to their respective share interest in Kinetics. The amendment to the voting trust previously disclosed in Horizon’s February 13, 2009 Form ADV Part II, Schedule F has been rescinded.</p> <p>Kevin Quigley, a former employee of Horizon, owns 100% of Horizon Global Advisers LLC (“HGA”). Additionally, Tina Larsson, a former employee of Horizon, owns 100% of Pendo LLC (“Pendo”). Horizon provides investment ideas to HGA and Pendo through a research agreement and/or a sub-advisory agreement. Neither HGA nor Pendo is an affiliate of Horizon.</p> <p>Horizon has a number of employees that, in addition to their work with Horizon, work and perform certain activities for Kinetics and HGA. Mr. Doyle is an officer, director and shareholder of Kinetics, and certain employees of Horizon are shareholders and/or employees of Kinetics and/or HGA. Mr. Stahl serves as a research analyst and portfolio manager to certain Kinetics funds. Mr. Bregman serves as a portfolio manager for HGA and Andrew M. Fishman, Horizon’s General Counsel and Secretary serves as Kinetics’ Chief Compliance Officer (“CCO”).</p> <p>Messrs. Stahl, Bregman, and Doyle are officers and directors of FRMO, Inc. (“FRMO”), a publicly traded company that receives revenues from certain Horizon and Kinetics investment activities.</p> <p>Horizon Asset Partners LLC, the managing members being Horizon, Al Waugh (through Woodhull Corporation) and Thomas Ewing, serves as general partner to the Polestar Fund. Horizon serves as investment manager for all Funds. Moreover, FRMO holds a 50% interest in the Jordan Fund, while Horizon is partial owner of the Croupier and Credit Opportunities funds. Murray Stahl, individually, is a partial owner to the Shepherd Fund. Certain clients of Horizon are investors in the Funds.</p> <p>Horizon and UOB Global Capital LLC are members of the general partner of the Croupier Prive Fund, a private equity fund.</p>
Item 3.K.(3)	<p>The specific strategies of the Funds referred to above are set forth in the applicable private placement memoranda. Horizon clients are not solicited to become investors in the Funds, but ultimately some Horizon clients become limited partner investors.</p>
Item 5.	<p>Portfolio Managers and CRMS are required to have extensive investment experience and qualifications as is detailed below.</p>
Item 6.	<p>*Paul E. Benoit: born 3/29/51; Central Connecticut State College (B.A. 1979); Portfolio Manager with Bankers Trust Company, Private Banking Division (1989-1994); Horizon Asset Management, Inc. (1994-present)</p> <p>*Steven M. Bregman: born 8/11/58; Hunter College, CUNY (B.A. 1985); Chartered Financial Analyst, 1989 Portfolio Manager with Bankers Trust Company, Private Banking Division (1985-1994); Kinetics Asset Management (2000-2003); Horizon Global Advisers (2005-present); Horizon Asset Management, Inc. (1994-present)</p> <p>*Peter B. Doyle: born 6/8/62; St. John’s University (B.S. 1984); Fordham University (M.B.A. 1994) Portfolio Manager with Bankers Trust Company, Private Banking Division (1985-1994); Horizon Asset Management, Inc. (1994-present); Kinetics Asset Management (1998-present)</p> <p>*John C. Meditz: born 1/6/49; Fairfield University (B.A. 1970); Rutgers University Graduate School of Management (M.B.A. 1972); Portfolio Manager with Bankers Trust Company, Private Banking Division (1978-1994); Horizon Asset Management, Inc. (1994-present)</p>

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*Murray Stahl: born 12/8/53; Brooklyn College (B.A. 1976)
Brooklyn College (M.A. 1980); Pace university (M.B.A. 1984);
Portfolio Manager with Bankers Trust Company, Private Banking Division (1978-1994);
Horizon Asset Management, Inc. (1994-present); Kinetics Asset Management (2000-present)

*Thomas C. Ewing: born 1/12/60; Washington & Lee University (B.A. 1984)
Marketing Director, Smith Barney Capital Management Division (1989-1991);
Financial Consultant, Wheat First Butcher Singer (1991-1996);
Managing Director, Horizon Asset Management, Inc. (1996-present)

*David N. Kingsley: born 9/18/69; Washington University in St. Louis (B.S.B.A. 1991);
Portfolio Manager with Teleos Asset Management (1995-1999);
Portfolio Manager with Schottenfeld Assoc. (1999-2001);
Portfolio Manager with Kingsley Capital Management (2001-2005);
Horizon Asset Management, Inc. (2006-present); Kinetics Asset Management (2008-present)

*Michael J. Venuto: born 4/9/77; North Carolina State University (1996-2000);
NYSE-Page (2000); Marketing Associate with First Union Securities (2000-2002);
Independent Registered Representative with Investors Capital (2003-10/2005);
Series 7 & 63 Licenses;
Horizon Asset Management, Inc. (2002-present); KBD Securities, LLC (2007-present)

*James Pitman: born 1/7/79; UNC Wilmington (B.S. 2001);
Pucci Investment Group at Advest Inc. (2001-2003);
HRC Partners LLC (2003-2006); Michael Paige (2006-2007);
Horizon Asset Management, Inc. (2007-present)

*Sean C. Markham: born 1/22/1971; Western New England College (B.S. 1993);
University of Connecticut (MBA, 2002);
Certified Financial Planner, 2005
Northwestern Financial Network, Financial Advisor (1993-1998);
Fidelity Investments, Senior Account Executive (1999-2007);
Series 7, 63, 65, 9 & 10 Licenses;
Horizon Asset Management, Inc. (2008-present); KBD Securities, LLC (2008-present)

*John Becker: born 4/23/1961; Manhattan College (B.S. 1984);
Citicorp Investment Services (1988-1998);
Fidelity Investments, Senior Account Executive (1998-2008);
Series 7,63, 65 & 24 Licenses;
Horizon Asset Management, Inc. (2008-present); KBD Securities, LLC (2008-present)

*Patrick O'Brien Peterkin: born 5/17/63; Washington & Lee University (B.A. 1988);
Portfolio Manager with Deutsche Bank Group {BTC, Private Banking Division} (1989-2000);
Vice President, Portfolio Manager with Mellon Private Wealth Management (2000-2003);
Horizon Asset Management, Inc. (2003-present)

*Andrea L. DeMichele: born 1/16/73; University of Miami (B.B.A. 1995);
Director of Research/Senior Analyst with Institutional Research Services (1995-2005);
Reg. Rep. PCS Securities, Inc. (2005-2007); Rep. Liberty Street Securities LLC (2008-present);
Horizon Asset Management, Inc. (2006-present)

Item 7.B.
Items 8.C. & 8.D.

As stated in Item I.D.(c), Horizon offers research report services. Please refer to Items 2.G. & 3 above for more information about Horizon's affiliations and related persons.

Horizon maintains a revenue sharing arrangement with Knall/Cohen Group of Stifel Nicolaus ("Stifel"), an independent and unaffiliated custodian / broker-dealer. Stifel has no ability or

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Item 9.D. & E.

responsibility for Horizon’s management of the client’s portfolios or other advice and services. Under a written agreement, Horizon has agreed to share fee revenues with Stifel for as long as each individual customer of the custodian referred to Horizon maintains a client account. Specifically, each client is charged under the standard fee schedule as referenced above; however, Horizon receives a flat fee as if all accounts custodied at Stifel were combined and prorated, with Stifel keeping the difference.

As stated in Items 2.G., 3., 8.C., and 8.D. above, Horizon has a relationship to a number of private investment companies such that it has a financial interest in the sale of fund participations. Horizon’s relationship to these Funds is fully disclosed in the applicable offering documents. In addition, Horizon owns a small amount of several large capitalization companies that have also been purchased in a number of client accounts. For compliance purposes, Horizon is being treated as if it were an individual employee. Horizon Asset Partners (a related person of Horizon) serves as general partner to certain private investment companies and receives incentive allocations of net capital appreciation. Horizon also serves as general partner to certain private investment companies.

Occasionally and solely for the benefit of its clients, Horizon may purchase, for its own account, (through a documented and approved process) securities from a client account that need to be sold. Horizon purchases the security from the client as an accommodation to prevent potential harm that may result in selling a potentially illiquid security into a disorderly market. Horizon **will not sell** a security from its own account to a client account.

Horizon does not enter into principal transactions with any of its clients. The only compensation received by Horizon for effecting securities transactions for clients is its advisory fees. Subject to applicable law, Horizon may cause its clients to enter into principal transactions with related persons in accordance with Section 206(3) of the Adviser Act. Under limited circumstances, affiliates of Horizon may purchase from client accounts those securities that would otherwise be sold for liquidation or cash management purposes. All such transactions are effected on arm’s length terms, and are conducted at the effective market price during the time of the transaction.

Horizon may elect to invest a portion of its client assets in shares of registered investment companies, i.e. – open-end funds (mutual funds), closed-end funds, or exchange-traded funds when it deems it a prudent investment decision and there is a lack of suitable individual securities available at attractive value-oriented prices. Such instances will generally result in clients paying advisory fees on the fund balance twice, a fee to the investment adviser of the investment company as well as Horizon’s fee.

Horizon employees may purchase or sell for their own account securities purchased or sold by Horizon for client accounts. Horizon has adopted certain policies and procedures to help assure that such trading by its personnel does not adversely affect the interests of its clients. Please see below for a description of Horizon’s Code of Ethics.

Horizon has purchased a 22% stake in Emerging Global Advisors, LLC (“EGA”), the issuer of the Emerging Global Shares series of ETFs. Additionally, EGA sub-leases office space from Horizon. EGA employees are access persons of Horizon and must fully comply with applicable policies and procedures, including the compliance with the personal securities trading restrictions and limitations.

Code of Ethics and Code of Conduct

Horizon has adopted a Code of Ethics (“Code”) that requires employees to read, review, understand, and certify compliance with its contents. The Code covers personal securities transactions that might result in a conflict of interest with a client account of Horizon. Additionally, employees must abide by the provisions of the Investment Advisers Act of 1940 (the “Adviser Act”), as well as other applicable laws and regulations. Horizon also has a written statement of policy and procedures relating to the prevention of misuse of material, non-public information (the “MNPP”) as required by Section 204A of the Adviser Act. Furthermore, Horizon has a written Compliance Manual, issued to each employee, outlining additional compliance procedures that all employees must

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<p>Item 10.</p> <p>Item 11.A.&B.</p> <p>Items 12.A(3)&(4) Item 12.B Item 13.A.&B.</p>	<p>acknowledge by written certification.</p> <p>Horizon’s CCO, or his/her designee, has the general duty of administration and implementation of the Code. The CCO and/or General Counsel are responsible for the maintenance of the records relating to Horizon’s Code and shall maintain records of employees’ personal securities transactions.</p> <p>The Code requires employees to pre-clear any personal security transaction with either the CCO or General Counsel. Approval will be granted based on whether a conflict exists with respect to client account trading activity. Additionally, employees cannot transact in any company security that is actively being researched by Horizon (“Restricted List”) until two days after a company security is removed from such list. The CCO will determine, in his sole discretion, the proper course of remedial action (if any is required), for any violation of said provisions of the Code. Employees are subject to holding periods of: 180-days for purchases of FRMO shares and 30-days for securities that are held in Horizon investment strategies. With the exception of these two holding periods, the Code does not prohibit short-term trading. Within 30 days after the end of each quarter, employees are required to submit forms to either the CCO and/or General Counsel evidencing all personal securities transactions from the prior quarter.</p> <p>Horizon’s minimum account size is referred to above in Item 1.D.(c), but under certain circumstances, Horizon may accept clients below these minimums.</p> <p>Horizon engages in a review of accounts under management, including a daily review by senior officer(s) of the prior day’s trading activity. On a day-to-day basis, accounts may be reviewed as necessitated by account or security specific needs. In the event of developments in the financial markets for which Horizon considers a review of client accounts necessary, a review will be made to determine if investment changes are warranted to assure conformity with the investment guidelines and requirements of each client’s objectives.</p> <p>Each client is furnished directly, by his/her custodian, with a monthly or quarterly statement containing a detailed schedule of the investments and summary of the transaction effected during the period.</p> <p><u>Portfolio Management / Order Allocation / Brokerage Selection</u></p> <p>Horizon provides both discretionary and non-discretionary investment advisory/supervisory services to its clients. For discretionary accounts, (which is true of the vast majority of Horizon’s clients) Horizon manages the client’s portfolio and makes investment decisions without client consultation regarding the securities that are bought and sold for the account, the total amount of securities to be bought and sold, and generally, the brokers with whom orders for the purchase or sale of securities are placed for execution and the price per share and commission rates at which securities transactions are executed. In some instances, clients may seek to limit or restrict Horizon’s discretionary authority in making these determinations by imposing investment guidelines or objectives and/or instructions otherwise provided to Horizon. Clients may also seek to limit Horizon’s discretionary authority in this area by directing that transactions be effected through specific brokers.</p> <p>With respect to non-discretionary accounts, Horizon will make transaction recommendations to the client based on a similar investment program approach.</p> <p>Horizon primarily utilizes a linear rotational method of trade order placement for security transactions that will occur across multiple custodian/brokers. This method may have the effect of producing a variance in the execution prices of the same security on the same day.</p> <p>Captive is defined as an account whose owner directs Horizon to execute all security transactions for the account with a broker/dealer who is also the client’s custodian. Captive business is similar to directed brokerage and/or wrap-fee relationships, for which clients expect, subject to receiving best execution, Horizon to place all or a specific percentage of total security transactions with a specific</p>
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broker-dealer. Horizon notes and highlights that a **majority of its client accounts, although discretionary with respect to investment decisions, are captive with respect to security execution.** Horizon believes that the best overall transaction results are most likely to be achieved when it is not restricted in the selection of broker-dealers. It is recognized, however, that some client may wish to direct the execution of transactions made for their accounts. Where clients have requested such directed brokerage, Horizon discloses that, subject to the client's documented instructions, Horizon may be restricted from attaining best execution for the client's transactions.

For captive accounts, clients direct Horizon to use designated brokers for executing security transactions. Clients are encouraged to make designations subject to principles of best execution. Clients are further advised that such directed brokerage arrangements may not necessarily result in best execution of such transactions, and, if Horizon is not free to negotiate commissions, may result in higher commission costs to the client. Moreover, if a request for directed brokerage is made with respect to an account subject to ERISA, ERISA requirements must be met in order for Horizon to accept such direction; including a representation, that such directed arrangement is in the sole interest and benefit of the ERISA plan itself.

For non-captive accounts, Horizon generally has authority to select brokers to execute transactions. In purchasing securities for discretionary accounts, Horizon will seek to obtain best execution at the most favorable net prices (on an average cost basis) through responsible broker-dealers. Horizon may aggregate a purchase or sale order for clients, as Horizon may be able to obtain lower commission costs on a per-share and a per dollar basis, because larger orders tend to have lower execution costs. In selecting broker-dealers to execute transactions and in evaluating the reasonableness of brokerage commissions paid to them, consideration will be given to such factors as price of the security, the size and difficulty of the order, the reliability, integrity, financial condition and general execution and operational capabilities of the competitive broker-dealers, and their expertise in particular markets. Horizon's objective in selecting broker-dealers will be to obtain, in general, the best net price for the transaction on an overall basis and not necessarily the lowest available commission.

Subject to the forgoing, a certain amount of brokerage commissions may be allocated to brokers based on "soft dollar" arrangements. Horizon's sole soft dollar broker is Wall Street Access ("WSA"). Horizon uses part of its soft dollar credit with WSA to lease Bloomberg terminal(s) and to purchase yearly updates to Ibbotson Historical Stock Study. Moreover, a cross section of Horizon's accounts trade through WSA when WSA is able to provide the clients with best execution.

In general, Horizon will allocate securities under aggregate orders on a pro-rata basis at the average execution price, unless Horizon determines that a different method of allocation, whether by reason of average pricing considerations, similar securities in the same accounts, available capital or other factors, suggest a more equitable method of allocation. However, due to certain circumstances, such as illiquidity or commission constraints, Horizon may elect to use a random allocation for the clients' benefit.

When orders are generated, the decision as to which accounts should participate, and in what amount may be based on the type of the security, the present or desired structure of the portfolio, the nature of the client's goals and tolerance for risk or other considerations. As a result, Horizon may have different price limits at which it would wish to purchase or sell a security for different accounts. Orders for sponsor programs or other directed brokerage relationships are generally aggregated with orders for other accounts within the same program and generally are not aggregated with transactions for other non-captive accounts.

Generally, Horizon determines the order in which it places orders with sponsors on a linear rotational basis which has been implemented in an effort to provide fair access to such investment opportunities over time. Horizon may utilize other methodologies provided these methods ensure fair and equitable treatment. In cases where Horizon believes such accounts may be materially disadvantaged by executing transactions through a sponsor, and at a different time than, those

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executed for non-captive clients, Horizon may place the order on an aggregated basis with an approved broker-dealer and in such case, the client account within the program will pay the necessary additional transaction charge.

Side by Side Management of Different Types of Accounts

Horizon provides investment advice to a variety of different client accounts, including special portfolios on a sub-advisory basis, high-net worth individuals, institutional accounts, ERISA accounts and private investment companies where Horizon employees may participate as a limited partner, including accounts that pay a performance fee (such as hedge funds). Certain portfolio managers of Horizon manage performance fee accounts alongside accounts that do not pay a performance fee. Since there are different fee structures, the potential exists to favor a performance fee account over non-performance fee accounts. However, favoring one client over another would be inconsistent with Horizon's fiduciary duty to its clients. Accordingly, Horizon's order allocation procedures are designed to ensure that no client is favored over another.

Occasionally, Horizon purchases for its own account a security that is subject to a trade error. Rather than unnecessarily selling a security that was overbought or incorrectly purchased, Horizon may direct a broker to settle a trade into its account rather than settling a trade error through an error account. This practice demonstrates Horizon's commitment to its investment ideas and willingness to commit its own capital to the same investment opportunities that it is purchasing for its client accounts.

Horizon generally does not participate in Initial Public Offerings ("IPOs").

Horizon, in accordance with the requirements of Rule 206(4)-3 under the Advisers Act, has entered into agreements with independent consultants and other parties who receive compensation for introducing clients to Horizon. Horizon may enter into referral arrangements with unaffiliated broker-dealers or advisers under programs that are designed to provide independent management services for the clients of these broker-dealers or advisers. Horizon may pay compensation to these broker-dealers or advisers for such referrals. Additionally, such referral clients may participate in programs or services of the referring broker-dealer or advisers, such as brokerage execution or custody (CAPTIVE). Persons who become Horizon clients through these arrangements do not pay any additional investment advisory/management fees because of Horizon's arrangement with these consultants or other parties.

Horizon has written agreements with HRC Partners LLC ("HRC") and UOB Global LLC ("UOB") whereby they solicit investment advisory business for Horizon and are compensated based on a percentage of the fees of those clients who open and maintain investment advisory accounts with Horizon. HRC also performs certain ongoing client servicing and limited operational functions relating to clients that have been referred to Horizon either directly by HRC or by financial intermediaries serviced by HRC. For accounts brought to Horizon by HRC, Horizon does not receive a fee greater than, if the client came to Horizon directly.

Horizon, through Horizon Asset Partners LLC, has agreed to compensate IAA Consulting for soliciting business for the Polestar Fund. Horizon has a written agreement with UOB whereby UOB will solicit business for the Polestar funds. They will each be compensated based on a percentage of fees of those clients with invest in the Funds. Moreover, Horizon has signed agreements with UOB whereby Horizon will compensate UOB for referring clients to the Croupier Funds and to individually managed accounts at Horizon. UOB will receive a percentage of the fees that the referred clients pay to the Funds or to Horizon. In addition, Horizon has agreed to compensate Ernest Werlin and James Figg III for soliciting business for Horizon. Each will be compensated based on a percentage of the fees derived from new accounts that either has referred to Horizon. Horizon has a similar arrangement with CapRio. In general, UOB will receive 30% of the fees for solicited accounts, and HRC will receive 50% of the fees solicited. The percentage pertaining to other solicitors are specific to their particular agreements.

Client Privacy Statement - The following statement explains how Horizon handles the information

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<p>Miscellaneous Privacy Policy</p>	<p>that we receive about our clients. Horizon is committed to maintaining the privacy of our clients as set forth below. Horizon does not sell any personal information to anyone.</p> <p><i>Personal Information That We Collect</i></p> <p>Horizon collects and maintains personal information to enable us to provide investment advisory services to you. The types and sources of information that we may collect include:</p> <ul style="list-style-type: none"> • Account opening information, such as address, phone number and information about income and/or assets; • Information that we generate, such as account appraisals and trade tickets; and • Data that we collect from third parties, such as trade confirmations and custodial statements. <p><i>Information That We Disclose to Others</i></p> <p>We do not disclose nonpublic personal information about our clients/customers or former clients/customers to third parties, except as permitted or required by law. The types of information that may be shared include:</p> <ul style="list-style-type: none"> • Disclosures to companies that are necessary in order to service your account, such as providing account and trade information to brokers and custodians; and • Information that is necessary for non-affiliated companies, including technology providers and accounting firms, to perform services for Horizon and its clients/customers. <p><i>How We Protect Your Personal Information</i></p> <p>Horizon has instituted firm-wide policies and procedures to ensure that our privacy policies are followed and to protect the privacy of our clients' information.</p> <ul style="list-style-type: none"> • Access to electronic client information is limited by electronic safeguards, such as passwords for access to our networks, data and programs; • Paper records are stored in Horizon's offices or by a records management firm that is responsible for the proper storage and safeguarding of such records; and • Third parties who do work on our behalf are specifically instructed that client information must remain confidential. <p>Safeguards apply to nonpublic personal information of current and former clients/customers.</p> <p>If you have any questions or concerns about your Personal Information or this privacy notice, or to receive additional information concerning Horizon's privacy policies and procedures, please contact Mark J. Wszolek, CCO 470 Park Avenue South, 4th Floor, New York, NY 10016 (646) 495-7341 mwszolek@horizonassetmgt.com</p>
<p>Disaster Recovery / Business Continuity</p>	<p><u>Business Continuity</u></p> <p>Horizon has adopted a disaster recovery/business continuity strategy that provides for the continuation of business critical functions in the event of a partial or total building outage affecting any of its offices or a technical problem affecting its applications, data centers, or network. The recovery strategies Horizon employs are designed to limit the impact on clients from any business interruption or disaster.</p>

APPENDIX G

PROXY VOTING POLICIES AND PROCEDURES

Horizon provides investment advisory services to managed accounts and private investment funds and invests the assets of these funds and accounts in securities issued by public and private issuers. Horizon has authority to vote proxies relating to such securities on behalf of the funds and accounts it manages.

The SEC has adopted Rule 206(4)-6 under the Advisers Act. Under this rule, registered investment advisers that exercise voting authority over securities held in Advisory Client portfolios are required to implement proxy voting policies and describe those policies to their Advisory Clients. The policies attempt to elucidate a complex subject. Horizon may, from time to time, determine that it is in the best interests of its Advisory Clients to depart from specific policies described herein. The rationale for any such departure will be memorialized in writing by the CCO.

General Policy

The general policy is to vote proxy proposals, amendments, consents or resolutions relating to Advisory Client securities, including interests in private investment funds, if any, (collectively, "proxies"), in a manner that serves the best interests of the funds and accounts managed by Horizon, as determined by it in its discretion, taking into account that one of the key factors Horizon considers when determining the desirability of investing in a particular company is the quality and depth of its management. With that in mind, Horizon recognizes that a company's management is entrusted with the day-to-day operations of the company, as well as its long-term direction and strategic planning, subject to the oversight of the company's board of directors. Accordingly, Horizon believes that the recommendation of management on most issues should be given weight in determining how proxy issues should be voted. The company's position, however, will not be supported in any situation where it is found to be not in the best interests of their Advisory Client, and Horizon may always elect to vote contrary to management where it believes a particular proxy proposal may adversely affect the company.

Horizon has engaged Risk Metrics Group ("RMG"), formerly Institutional Shareholder Services (ISS), to vote all Advisory Client proxies according to its internal guidelines, unless Horizon affirmatively directs them to the contrary. Moreover, RMG will be responsible for maintaining the records of all votes and for the generation of reports.

Horizon shall not exercise the shareholder voting rights delegated to Horizon by Advisory Clients relating to investments in a public utility company or public utility holding company or act in any other way to exercise control over any public utility company or public utility holding company.

APPENDIX H

PRIVACY POLICY

Our Advisory Clients' privacy is very important to Horizon. This Privacy Notice sets forth Horizon's policy with respect to nonpublic personal information of current Advisory Clients/investors; prospective Advisory Clients/investors; and former Advisory Clients/investors. This policy applies to individuals only and may be changed at any time, provided a notice of such change is given to our Advisory Clients.

From time to time, Horizon collects non-public information from Advisory Clients, including:

- i. information we receive from you on applications or other forms, correspondence or conversations, including, but not limited to, your name, address, phone number, social security number, assets, income and date of birth; and
- ii. information about your transactions with us, our affiliates, or others, including, but not limited to, your account number and balance, payments history, parties to transactions, cost basis information, and other financial information.

Horizon **does not disclose** any of this non-public personal information about our current, prospective, or former Advisory Clients/investors to non-affiliated third parties, except as permitted by law. For example, Horizon is permitted by law to disclose all of the information we collect, as described above, to our attorneys, auditors, brokers/banks (custodians) and regulators and certain service providers, in such case, only as necessary to facilitate the acceptance and management of Advisory Client investments. Thus, it may be necessary, under anti-money laundering and similar laws, to disclose information about Advisory Clients/investors in order to accept assets from them. Horizon will also release Advisory Client information if directed to do so by that Advisory Client, if compelled to do so by law, or in connection with any government or self-regulatory organization request or investigation.

Horizon seeks to carefully safeguard Advisory Client private information and, to that end, restrict access to nonpublic personal information about our Advisory Clients to those employees and other persons who need to know the information to enable Horizon to provide services to its Advisory Clients. Horizon and our service agents maintain physical, electronic, and procedural safeguards that comply with federal standards to guard Advisory Clients non-public personal information. In the event that Advisory Clients maintain an account through a financial intermediary, including, but not limited to, a broker-dealer, bank, or trust company, the privacy policy of the financial intermediary would govern how the Advisory Clients' non-public personal information would be shared with nonaffiliated third parties.