



2603 Augusta, Suite 1400  
Houston, TX 77057

Lawrence E. Maddox: 713-748-7000  
lmaddox@Horizon-Advisors.com  
www.Horizon-Advisors.com

March 2019

(Item 1)

This brochure provides information about the qualifications and business practices of Horizon Wealth Advisors. If you have any questions about the contents of this brochure, please contact us at 713-748-7000 and/or [lmaddox@Horizon-Advisors.com](mailto:lmaddox@Horizon-Advisors.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Horizon Wealth Advisors also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **Material Changes (Item 2)**

The last annual update of this brochure was in March 2018.

The following material change has occurred since that update:

### **October 2018:**

The firm conducts business under a new *dba* Horizon Wealth Advisors.

## Table of Contents (Item 3)

Advisory Business.....	1
Fees and Compensation.....	3
Performance-Based Fees and Side-By-Side Management.....	5
Types of Clients.....	5
Methods of Analysis, Investment Strategies and Risk of Loss.....	5
Disciplinary Information.....	6
Other Financial Industry Activities and Affiliations.....	6
Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.....	7
Brokerage Practices.....	8
Review of Accounts.....	10
Client Referrals and Other Compensation.....	11
Custody.....	11
Investment Discretion.....	11
Voting Client Securities.....	12
Financial Information.....	12

## ADVISORY BUSINESS (ITEM 4)

### Advisory Firm Description

Horizon Advisors, LLC *dba* Horizon Wealth Advisors (“Horizon” or the “Firm”) has been in business since March 1999. The principal owners are Lawrence E. Maddox, Joseph W. Thomson III and Owen M. Murray.

### Types of Advisory Services

Horizon Wealth Advisors is an independent, fee-only financial advisor offering comprehensive wealth management advice coupled with discretionary investment advisory and management services.

#### Financial Planning Service

Horizon provides financial planning services to its clients depending on each particular client’s needs. A planning engagement may address (for example) some or all of the following matters:

- Investment advice and recommendations
- Evaluating survivorship needs
- Insurance requirements
- Planning for retirement
- Educational funding
- Estate planning

#### Investment Advisory Service

Clients may also engage Horizon to act as an independent investment advisor on their behalf. After gaining a mutual understanding of the client’s personal financial goals and objectives, the client and Horizon agree to a written Investment Policy Statement (“IPS”). This IPS will articulate the asset allocation and investment approach which Horizon will implement on the client’s behalf. Horizon will then have discretion to implement and manage the client’s investments in accordance with the IPS. Investments generally include a diversified selection of mutual funds, ETFs (Exchange Traded Funds), stocks, bonds, other investment vehicles or use of outside managers. (See further discussion in the section titled “Fees and Compensation” regarding mutual funds, separately managed accounts and applicable fees associated with each.)

Once an investment portfolio is implemented, Horizon provides ongoing review and due diligence on the performance of the recommended investments and money managers. Horizon will monitor the performance of its clients’ portfolios and will hire and fire managers and buy and sell investments as appropriate to ensure that the desired investment policy is being followed. Horizon will also periodically rebalance clients’ portfolios to maintain the appropriate asset allocation.

### **Tailored Advisory Services**

Clients may instruct Horizon not to purchase or sell certain investments on their behalf or to limit such trades to specified amounts.

### **Separately Managed Accounts**

For certain larger accounts, Horizon occasionally engages separate account managers (“SAMs”) on a direct basis, or through access to a custodian’s program (i.e., Charles Schwab Managed Accounts) (the “Platform”). These accounts, which consist of individual securities (as opposed to mutual funds) are managed by investment advisors who are not affiliated with Horizon.

When a client uses a SAM, fees are charged to the account in addition to Horizon’s advisory fee (Horizon’s fee for this type of service is described in the Fee section). These additional fees are manager and program fees paid to the Platform for its administrative support. These Platform fees are fully disclosed to clients who choose to utilize these services and vary depending on:

- 1) the manager used and its investment style;
- 2) the size of the client’s investment with a particular manager; and
- 3) the size of the client’s overall portfolio.

The managers used in this fashion are institutional money managers, are registered with the SEC and provide additional disclosure to Horizon’s clients.

Fees for these accounts are usually charged in advance and are based on the market value of each account’s holdings (as valued by the custodian) at the end of the period (either monthly or quarterly). These fees are deducted from the client’s account by the Platform, which then retains its fee and remits the appropriate portion of the fee to the SAM and the custodian.

### **Wrap Fee Programs**

Some of the separately managed accounts as discussed above participate in “wrap fee programs,” where transaction fees are included in the asset-based fee collected from the account. Horizon’s fee remains the same with separately managed accounts whether an account is in a wrap program or pays a fee to the custodian with each transaction.

### **Client Assets Under Management**

As of December 31, 2018, Horizon had approximately \$209,855,314 of discretionary assets and \$26,134,659 of non-discretionary assets under management for a total of \$235,989,973 in assets under management.

## FEES AND COMPENSATION (ITEM 5)

### Financial Planning Service

The standard fee for completion of a planning engagement, \$3,500, is charged when the plan is complete or may be waived if the client opts to engage Horizon for its ongoing wealth management services.

### Investment Advisory Service

Fees for Horizon's investment advisory service are calculated either as a percentage of the assets under management (using the custodian's valuation of the assets at prior quarter-end, or as an agreed-upon fixed fee amount. Unless agreed otherwise, Horizon deducts its fee directly from the client's custodial account each quarter, in advance. If the inception of an investment agreement occurs during a quarter, all of the applicable fees will be prorated for the remaining days in the current quarter and will be charged at the inception of Horizon's portfolio management. Fees are based upon the value of the account according to our portfolio management software on the day the account is implemented.

Annual asset-based fees for Horizon's investment advisory service are based upon the total assets under management according to the following schedule:

- 1.25% of the first \$500,000 of assets under management
- 1.00% of the next \$500,000
- 0.75% of the next \$2,000,000
- 0.50% of assets over \$3,000,000
- 0.35% of assets over \$5,000,000

This fee is cumulative and in very limited circumstances is negotiable. Horizon calculates the management fee on the market value of the account, including cash balances, as determined by our portfolio management software at the end of the last trading day of the previous calendar quarter. Horizon charges the investment management fee each quarter at one-fourth of the above annual rate and deducts this fee directly from the client's account. Clients can direct Horizon as to whether, and which, accounts should be aggregated as a "household" to attain the lowest overall fee rate; and whether, and which, account should be charged the management fee for another account. Each Client Agreement specifies a client's individual payment terms. The preferred minimum annual fee is \$11,250 and is negotiable. At no time is a client required to pay \$1,200 or more six months or more in advance.

Horizon does not purchase securities on margin as a practice. There are times when a client will choose to use margin as a form of inexpensive alternative borrowing for various non-investment purposes. Also an account may enter margin if the account "overdrafts" as a result of a cash distribution. We charge on the investment values in client accounts we actively manage and do not adjust the investment values for margin balances.

Because we have a long history of serving our clients and pride ourselves on meeting clients' needs individually, earlier clients have different fee schedules or different fee structures. Some earlier clients are not on a "tiered" schedule, and pay the same percentage on all assets, regardless of the size of their account. Some earlier fee schedules had different breakpoints for tiers. Some clients hold assets not included in the fee calculation. Some clients pay a flat fee. This means some clients pay more than other clients with the same amount or same type of assets under our management.

The account balances we use to calculate each account's fees may vary from the account balance shown on the custodian's quarter-end statement because pending (or unsettled) transactions are not included in the custodian's end of month account balance. We report transactions as of their trade date, including pending (or unsettled) transactions.

Consultations regarding investments not resulting in investment management or investment advising will be charged at hourly rates ranging from \$150 to \$350 per hour, depending upon the experience and expertise of the individual providing the service. Such charges will be agreed to before the consultation occurs.

*Other Fees:* Client accounts pay directly for fees assessed by the custodian, such as transaction, wire, exchange, or custodial fees.

*Implementation with Mutual Funds:* When Horizon recommends an open-end mutual fund for a client's account, three separate fees are typically charged to the client, either directly or indirectly. The first fee is Horizon's investment management fee where the mutual fund is included in the asset base for the quarterly fee calculation. This fee is always charged to clients who pay Horizon an investment management fee. The second is the set of internal fees charged by the investment company for the mutual fund's investment management, marketing, administration and marketing assistance. These internal expenses are disclosed in each fund's prospectus which is provided to each client by the custodian, and are always charged. (This set of fees also applies to any money market fund or ETF purchased in the client's account.) The third fee is a transaction fee which is assessed by the custodian for its service of providing access to a universe of mutual fund families through one account. To avoid such fees a client would be required to open a separate account with each individual mutual fund company instead of using the custodian recommended by Horizon, which would also negatively affect Horizon's ability to deliver its services efficiently. Not all mutual fund trades enacted by Horizon incur this transaction fee. When recommending mutual funds for client portfolios, Horizon ordinarily recommends a combination of no-load and institutional funds.. The combination of funds depends on the structure of the client account and is designed to keep the combination of transaction fees and internal mutual fund fees at the best and lowest possible amounts. Horizon receives no sales charges on any securities or shareholding fees from mutual fund companies or custodians.

*Implementation with Separate Account Managers ("SAMs"):* When Horizon recommends a Separate Account Manager (which happens rarely), four sets of fees may be charged to the client, either directly or indirectly. First, Horizon charges its investment management fee, as shown above. Second, each Platform deducts all appropriate fees from each client account. The Platform retains its fee (second) and

distributes the appropriate amount to the SAM (third) and to the custodian (e.g., Fidelity, fourth), if applicable. The fourth fee is charged only when the custodian assesses a separate fee, which usually occurs.

All meetings, communications, delivery charges and reports for each service that Horizon provides are included in the hourly or quarterly fees.

### **Termination**

Either party may terminate the relationship with Horizon at any time. Termination will be effective immediately, with any unearned prepaid fees returned on a prorated basis. Prepaid fees will be repaid for the number of days left in the quarter after termination.. .

## **PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT (ITEM 6)**

Horizon does not receive performance-based fees, so this section does not apply to Horizon.

## **TYPES OF CLIENTS (ITEM 7)**

Horizon's clients include successful professionals who are accumulating their wealth and retirees who are interested in maintaining their current lifestyles and preserving their wealth.

Horizon provides investment advice to the following types of clients:

- Individuals
- High net worth individuals
- Pension and profit sharing plans
- Trusts, estates, charitable organizations
- Other business entities

Horizon prefers a client to have at least \$1 million in investment assets in order to act as investment manager. The preferred minimum annual fee is \$11,250.

## **METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS (ITEM 8)**

Horizon uses the following sources of information in its analysis:

- Financial newspapers and magazines
- Research materials prepared by others
- Corporate rating services
- Annual reports, prospectuses, filings with the Securities and Exchange Commission
- Company press releases

The investment strategies used by Horizon to implement investment advice include the following:

- Long-term purchases (securities held at least a year)
- Short-term purchases (securities sold within a year)
- Margin transactions are not part of Horizon’s investment strategy, but may be used for client liquidity needs as agreed.

When mutual funds are used to implement a portfolio, Horizon chooses from mutual funds available through Fidelity Institutional Wealth Services (“Fidelity”) and Charles Schwab & Co., Inc. (“Schwab”). Horizon performs its own due diligence in the selection of these mutual funds which includes an analysis of transaction fees, redemption fees and internal expenses. Horizon makes every effort to select funds and fund classes with the lowest cost to a client given assumptions of holding periods.

The Firm does not guarantee the future performance of the account or any specific level of performance, the performance of any investment decision or strategy that the Firm may use, or the performance of the Firm’s overall management of the account. The client is reminded that investment decisions made for the account by the Firm are subject to various market, currency, economic, political and business risks, and that those investment decisions will not always be profitable.

#### **DISCIPLINARY INFORMATION (ITEM 9)**

Neither Horizon nor any of its personnel has any material disciplinary or legal events or sanctions to disclose.

#### **OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS (ITEM 10)**

##### *Relationships with Affiliated Professionals*

Mr. Maddox and Mr. Thomson of Horizon Wealth Advisors are also officers of Maddox Thomson & Associates, P.C., (“Maddox Thomson”) a related certified public accounting firm which provides tax advice and preparation services. Maddox Thomson and Horizon personnel share office space and work closely together to provide comprehensive financial and accounting solutions for their mutual clients. Mr. Maddox spends the majority of his time on matters pertaining to Horizon, while Mr. Thomson concentrates his time on matters pertaining to Maddox Thomson & Associates, P.C.

##### *Relationships with Separate Account Managers*

Horizon occasionally arranges with Platforms (described previously in the Advisory Business section) to access SAMs. Each Platform provides Horizon with information useful in conducting its due diligence of the underlying managers recommended by the Platform.

Horizon has also entered into direct relationships with other SAMs to provide appropriate investment advice and execution to Horizon’s clients. In the event that another advisor is responsible for the implementation of some portion of a client’s Investment Policy, the arrangement and any fees associated with the arrangement will be fully discussed with the client and will be appropriately disclosed in the Agreement.

**CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND  
PERSONAL TRADING (ITEM 11)**

**Code of Ethics**

Horizon has adopted a Code of Ethics which describes the general standards of conduct that the Firm expects of all Firm personnel (collectively referred to as “employees”) and focuses on three specific areas where employee conduct has the potential to adversely affect the client: misuse of confidential information; personal securities trading and outside business activities. Failure to uphold the Code of Ethics may result in disciplinary sanctions, including termination with the Firm. Any client or prospective client may request a copy of the Firm’s Code of Ethics which will be provided at no cost.

The following basic principles guide all aspects of the Firm’s business and represent the minimum requirements to which the Firm expects employees to adhere:

- Horizon acts as a fiduciary, therefore, clients’ interests come before employees’ personal interests and before the Firm’s interests.
- The Firm must fully disclose all material facts about conflicts of which it is aware between the Firm and its employees’ interests on the one hand and clients’ interests on the other.
- Employees must operate on the Firm’s behalf and on their own behalf consistently with the Firm’s disclosures and to manage the impacts of those conflicts.
- The Firm and its employees must not take inappropriate advantage of their positions of trust with or responsibility to clients.
- The Firm and its employees must always comply with all applicable securities laws.

**Misuse of Nonpublic Information**

The Code of Ethics contains a policy against the use of nonpublic information in conducting business for the Firm. Employees may not convey nonpublic information nor depend upon it in placing personal or client securities trades.

**Personal Securities Trading**

Horizon personnel may own securities that Horizon recommends to clients or has purchased for clients’ accounts. Horizon’s policy allows Horizon’s personnel to trade in their own accounts simultaneously with or after clients. At no time may any individual affiliated with Horizon trade in a manner which may be in conflict with clients.

To mitigate conflicts of interest, Horizon has established the following policies:

- An officer, director or employee of Horizon shall not buy or sell securities for a personal portfolio when the decision to purchase is substantially derived, in whole or in part, by reason of employment with Horizon, unless the information is also available to the investing public on reasonable inquiry. No person associated with Horizon shall prefer his or her own interest to that of any client.

- Employees must receive pre-approval from the Chief Compliance Officer to trade equities or to participate in an initial public offering or private placement.
- Employees may trade ETFs without pre-approval. Such trades are normally placed in the last trading hour of the day. They will usually succeed client trades.
- Each employee must submit records of his or her personal securities trades quarterly and submit holdings of reportable securities annually to the Chief Compliance Officer for review to ensure that the employee is in compliance with Horizon's policies.
- Infractions of Horizon's trading policies may be grounds for disciplinary action, including termination.
- Employees will not accept gifts from vendors, broker-dealers or others in a business capacity exceeding \$200 in value.

Horizon employees, on occasion, attend business conferences and meetings conducted by the investment managers, custodians and third-party partners used by Horizon. Employees attend these conferences solely for the purpose of knowledge enhancement and constructive learning. Firm personnel will not allow themselves to be put in a position where they "owe" vendors as a result of taking advantage of vendor hospitality. The Chief Compliance Officer will make the final determination as to what forms of entertainment and hospitality are considered excessive and are therefore unacceptable.

### **Outside Business Activities**

Employees are required to report any outside business activities generating revenue. These activities must be approved by Horizon's Chief Compliance Officer to ensure no conflict exists between these activities and interests of Horizon clients.

## **BROKERAGE PRACTICES (ITEM 12)**

### **Selecting Custodians**

The Firm participates in the Schwab Institutional (SI) services program offered to independent investment advisors by Charles Schwab & Company, Inc. ("Schwab"), a FINRA-registered broker-dealer. The Firm also has an arrangement with National Financial Services LLC and Fidelity Brokerage Services LLC (collectively, and together with all affiliates, "Fidelity") through which Fidelity provides the Firm with "institutional platform services." Horizon prefers that clients in need of brokerage and custodial services use either Schwab or Fidelity as they provide a number of resources and services which are helpful both to Horizon and to its clients. These include:

- Discounted commission structure
- Arrangements with multiple mutual fund families
- Financial stability
- Provision of account information online to all clients
- Client service to the Firm and its clients
- Ease of reporting to the Firm and its clients

As part of these programs, the Firm receives benefits that it would not receive if it did not offer investment advice.

### **Research and Other Soft-Dollar Benefits**

Horizon and its clients also receive other benefits from Schwab and Fidelity (the “custodians”). The custodians provide access to institutional trading and custody services, which are typically not available to retail investors. These services generally are available to independent investment advisors at no charge so long as a sufficient amount of the advisor’s clients’ assets are maintained in accounts at each custodian. These services are not contingent upon the Firm committing to any specific amount of business (for example, trading commissions). Brokerage services include the execution of securities transactions, custody, research, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

The custodians do not charge separately for custody services but are compensated by account holders through commissions or other transaction-related or asset-based fees for securities trades (i.e., transactions fees are charged for certain no-load mutual funds; commissions are charged for individual equity transactions and debt securities are marked up) that are executed through Schwab or Fidelity or that settle into Schwab or Fidelity accounts. These custodians provide access to many no-load mutual funds without transaction charges and other no-load funds at nominal transaction charges.

The custodians also make available to the Firm other products and services that benefit the Firm but may not directly benefit its clients’ accounts. Many of these products and services may be used to service all or some substantial number of the Firm’s accounts.

Schwab’s and Fidelity’s products and services that assist the Firm in managing and administering clients’ accounts include software and other technology that:

- Provide access to client account data (such as trade confirmations and account statements)
- Facilitate trade execution and allocate aggregated trade orders for multiple client accounts
- Provide research, pricing and other market data
- Facilitate payment of the Firm’s fees from its clients’ accounts
- Assist with back-office functions, recordkeeping and client reporting

Schwab and Fidelity also offer other services intended to help the Firm manage and further develop its business enterprise. These services include:

- Compliance, legal and business consulting
- Publications and conferences on practice management and business succession
- Access to employee benefits providers, human capital consultants and insurance providers

The custodians also offer other services intended to help the Firm manage and further develop its advisory practice. Such services include, but are not limited to, performance reporting, financial planning, contact management systems, third-party research, publications, roundtables and webinars, practice management resources, access to consultants and other third-party service providers who provide a wide array of business-related services and technology with whom the Firm may contract directly.

In evaluating whether to require that clients custody their assets at Schwab or Fidelity, the Firm takes into account the availability of some of the foregoing products and services and other arrangements as part of the total mix of factors it considers and not solely the nature, cost or quality of custody and brokerage services provided by Schwab or Fidelity, which create a potential conflict of interest.

The Firm is independently operated and owned and is not affiliated with Schwab or Fidelity.

### **Brokerage for Client Referrals**

The Firm does not receive referrals from any broker-dealer.

### **Directed Brokerage**

If the client has engaged Horizon to provide asset management services, Horizon and any subadvisors will select broker-dealers to execute transactions involving the account, *unless the client directs otherwise in writing*. If this is the case, the client is reminded that Horizon may be unable to attain best execution for that account, and will be unable to aggregate that account with others when aggregating trades.

### **Order Aggregation**

Trades placed in the same mutual fund throughout a trading day receive the same NAV at the end of the day. Block trades (or grouped trades) are allocated across accounts as appropriate. In the rare event that a block order is partially filled, the shares would be allocated on a pro rata basis, with employees receiving no shares until all client orders are filled. Transaction fees at both Schwab and Fidelity are at the account level, so there is no transaction fee advantage to block trades.

Trade errors are managed differently by Horizon's custodians. Schwab "forgives" errors of less than \$100. Fidelity does not. In all cases, in the event of a loss, the client is made whole, either by Schwab or by Horizon.

## **REVIEW OF ACCOUNTS (ITEM 13)**

Either Mr. Maddox, President of the Firm, or Owen Murray, Director of Investments, review all accounts at least monthly. Additional reviews are conducted as conditions warrant. Factors triggering additional reviews may include but are not limited to:

- Change in market conditions
- Change in managers

- Change in client's financial condition or objective
- Major news items or rapid price movement
- Style drift

Horizon provides each client of its investment advisory service the following reports on at least a quarterly basis: a statement of portfolio holdings; a statement of performance for the most recent quarter, trailing 12 months, trailing 36 months and since inception and a fee invoice. Clients are reminded to compare the statements from Horizon with the account statements from their custodian, and to contact both Horizon and the custodian if there are material discrepancies. Additional periodic reports are provided as requested.

#### **CLIENT REFERRALS AND OTHER COMPENSATION (ITEM 14)**

It is Horizon's practice to reward certain employees of an affiliated entity, Maddox, Thomson & Associates, as well as Horizon employees, for referring clients to Horizon. These employees will receive a portion of the fee for the initial year which the client pays to Horizon. Referred clients do not pay higher fees to Horizon.

#### **CUSTODY (ITEM 15)**

Since the Firm is given authority by its clients to deduct its advisory/management fee, the SEC deems the Firm to have a form of custody. (Custody is defined as the Firm's having any access to clients' cash or securities.)

Mr. Maddox and Mr. Thomson serve as trustee for several client accounts managed by Horizon. Mr. Maddox also serves as a trustee or director for private foundations whose accounts are managed by Horizon. Horizon and/or Maddox Thomson ("MTA") writes checks for a client who also has an account managed by Horizon. Because of these activities, Horizon and a related party have custody of funds and/or securities in each of these accounts. These accounts are examined on a surprise basis at least annually by an outside public accounting firm.

Additionally, several clients have established standing instructions with their custodian which allow clients to direct Horizon to send funds from their account to other accounts with verbal instructions from the client. Horizon has been determined to have a form of custody over these accounts since the amount and/or timing of these transfers are not pre-defined. However, these accounts do not require surprise examination by a public accounting firm.

With the exception of these accounts discussed above and the deduction of fees, the Firm has no custody of client securities or funds and requires the use of an outside "qualified" custodian that is a bona fide financial institution and sends statements directly to clients at least quarterly. This is the case for both Fidelity and Schwab.

#### **INVESTMENT DISCRETION (ITEM 16)**

The Firm has full trading authority over client accounts under a limited power of attorney as described in the Client Agreement. As a result, Horizon will determine both the

investments, and how much of each, should be purchased or sold on each client's behalf. Clients may place restrictions on the Firm's discretion in writing.

#### **VOTING CLIENT SECURITIES (ITEM 17)**

Horizon votes proxies for its clients if participation is warranted. Any client may request a copy of Horizon's proxy policy and to see or receive records showing how Horizon has voted on the client's behalf. (Proxies held in accounts managed by outside managers are voted by those managers. Horizon only votes proxies for securities it manages directly.)

Unless the client has instructed Horizon not to vote proxies on his/her behalf, Horizon instructs the custodian to forward to Horizon copies of all proxies and shareholder communications relating to securities held in the client's account (other than materials relating to legal proceedings).

When it is determined that voting a proxy is in the relevant clients' best interests, Horizon generally votes with management recommendations. Exceptions will be evaluated and documented on a case-by-case basis in consultation with the Chief Compliance Officer.

#### **FINANCIAL INFORMATION (ITEM 18)**

Horizon is not required to provide financial information at this time.



**Colin M. Lee, AAMS®**

**Lawrence E. Maddox, CPA, CFP®**

**Owen M. Murray, CFA**

**Joseph W. Thomson, III, CPA**

## **Horizon Wealth Advisors**

**2603 Augusta, Suite 1400  
Houston, TX 77057**

**713-748-7000  
CLee@Horizon-Advisors.com  
www.Horizon-Advisors.com**

**March 2019**

This brochure supplement provides information that supplements the Horizon Wealth Advisors' brochure. You should have received a copy of that brochure. Please contact Lawrence Maddox at 713-748-7000 if you did not receive Horizon Wealth Advisors' brochure or if you have any questions about the contents of this supplement.

Additional information is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE**

### **Colin M. Lee, AAMS<sup>®</sup>, born 1989**

Colin is principally involved in the financial planning aspects of the wealth management process. Colin works closely with clients and their external advisors to gather and summarize their financial information. He collaborates with members of the Horizon team to analyze and develop client recommendations. Colin joined Horizon in 2017.

Colin began his investment career at Planto Roe Financial Services as a financial advisor.

Colin earned a B.B.A. in Finance from Texas A&M University in 2012. Colin is an accredited asset management specialist (AAMS<sup>®</sup>). (See final pages for information on this specialization)

## **DISCIPLINARY INFORMATION**

Colin has no material disciplinary or legal events or sanctions to disclose.

## **OTHER BUSINESS ACTIVITIES**

Colin is not actively engaged in any other investment-related business or occupation.

## **ADDITIONAL COMPENSATION**

Colin does not receive any economic benefit from a non-client for providing advisory services.

## **SUPERVISION**

Colin's work is supervised by Mr. Lawrence Maddox, President and Chief Compliance Officer, who meets at least weekly with him. Mr. Maddox can be reached at (713) 748-7000.

## **EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE**

**Lawrence E. Maddox, CPA, CFP<sup>®</sup>, born 1953**

Partner, President

At Horizon, Larry works with clients in all facets of the wealth management process. His involvement includes helping clients to define their personal goals and objectives and strategic planning. He collaborates with our wealth management team and other external advisors to provide comprehensive wealth management services including income and estate tax planning, investment portfolio design and implementation, legacy and planned giving advice and to address other client-specific concerns. Larry founded Horizon Wealth Advisors in 1999 with fellow business partner Joe Thomson.

In 1981, Larry formed his own CPA firm and in 1985, Joe Thomson joined him to create Maddox Thomson & Associates, P.C. (MTA). Prior to starting MTA, Larry was the controller of a small, family-owned and run oil and gas service firm. Larry's professional career began at Peat Marwick Mitchell & Co. and Deloitte & Touche where he performed audit and tax work.

Larry attended the University of Texas at Austin where he received his BA in Economics in 1975 and an MBA with a concentration in finance and accounting in 1977. Larry is a Certified Public Accountant (CPA), a CERTIFIED FINANCIAL PLANNER<sup>™</sup> (CFP<sup>®</sup>), and a registered member of the National Association of Personal Financial Planners (NAPFA). Larry is also a member of the Financial Planning Association (FPA) and a member of a national study group of like-minded financial advisors who work together to share ideas about how best to serve their clients and manage their practices. (See final pages for information on these certifications)

## **DISCIPLINARY INFORMATION**

Larry has no material disciplinary, legal events or sanctions to disclose.

## **OTHER BUSINESS ACTIVITIES**

Larry is also an officer of Maddox Thomson & Associates, P.C., a related certified public accounting firm which provides tax advice and preparation services. Larry spends the majority of his time on matters pertaining to Horizon.

## **ADDITIONAL COMPENSATION**

Larry receives no compensation from other business activities beyond that disclosed above. Larry is compensated by Horizon Wealth Advisors as a shareholder.

## **SUPERVISION**

Larry is the senior person at Horizon, so he does not have a supervisor.

## **EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE**

### **Owen M. Murray, CFA, born 1975**

Partner, Director of Investments

At Horizon, Owen is principally involved in investment research and portfolio construction. Owen spends much of his time analyzing the quantitative and qualitative aspects of money managers – both prospective and selected money managers. In addition, he is a watchful observer of market events and portfolio performance. Owen conducts routine client account reviews and implements agreed upon portfolio changes based on his suggestions and input from other members of the Horizon team. As a core member of the wealth management team, Owen is often a participant in client meetings. Owen joined Horizon in 2005.

He began his investment career with Beutel, Goodman Capital Management where he served as a Portfolio Analyst specializing in tax sensitive portfolio management. He then joined Roxbury Capital Management as an Assistant Portfolio Manager where his principal duties included the management of thousands of individual client accounts and research support for the firm's Core Equity Income portfolio.

Owen attended the University of Southern California, earning a Bachelor of Science in Business Administration with an emphasis in Finance and Marketing. He has completed the requirements for the Chartered Financial Analyst (CFA) designation and is a member of the CFA Institute and the CFA Society of Houston. (See final pages for information on this charter)

## **DISCIPLINARY INFORMATION**

Owen has no material disciplinary, legal events or sanctions to disclose.

## **OTHER BUSINESS ACTIVITIES**

Owen is not actively engaged in any other investment-related business or occupation.

## **ADDITIONAL COMPENSATION**

Owen does not receive any economic benefit from a non-client for providing advisory services. Owen is compensated by Horizon Wealth Advisors as a shareholder.

## **SUPERVISION**

Owen's work is supervised by Mr. Lawrence Maddox, President and Chief Compliance Officer, who meets at least weekly with him. Mr. Maddox can be reached at (713) 748-7000.

## EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

### Joseph W. Thomson, III, CPA, born 1952

Partner, Vice President

Joe co-founded Horizon Wealth Advisors in 1999. Joe is principally involved in providing wealth management, wealth transfer, and tax advice and counsel to his clients. As a tax specialist, Joe spends the majority of his time advising his clients and managing the staff of affiliated firm, Maddox, Thomson & Associates, P.C. (MTA).

Joe joined Larry Maddox in 1985, and together started the accounting firm of Maddox Thomson & Associates, P.C. Joe began his professional career in 1978 at Peat, Marwick, Mitchell & Co. Joe provided tax compliance and consulting services for various individuals and corporations.

Joe attended The University of Mississippi, graduating cum laude with a Bachelor in Business Administration with a major in Accountancy in 1974, and a Juris Doctor in 1978. Joe is currently a CPA. (see final pages for information on this certification)

## DISCIPLINARY INFORMATION

Joe has no material disciplinary, legal events or sanctions to disclose.

## OTHER BUSINESS ACTIVITIES

Joe is also an officer of Maddox Thomson & Associates, P.C., a related certified public accounting firm which provides tax advice and preparation services. Joe concentrates his time on matters pertaining to Maddox Thomson & Associates, PC.

## ADDITIONAL COMPENSATION

Joe receives no compensation from other business activities beyond that disclosed above. Joe is compensated by Horizon Wealth Advisors as a shareholder.

## SUPERVISION

Joe's work pertaining to Horizon is supervised by Mr. Lawrence Maddox, President and Chief Compliance Officer, who meets at least weekly with him. Mr. Maddox can be reached at (713) 748-7000.

## ACCREDITATION AND CERTIFICATION INFORMATION

### **Accredited Asset Management Specialist (AAMS)**

Accredited asset management specialist (AAMS) is a professional designation awarded by the College for Financial Planning (CFP) to financial professionals who successfully complete a self-study program, pass an exam and agree to comply with a code of ethics.

The AAMS program consists of 12 modules, starting with a review of the asset management process, and then covering a broad range of topics, such as investments, insurance, taxation, retirement and estate planning issues.

To keep the privileges associated with the designation, AAMS professionals must complete 16 hours of continuing education every two years and pay a fee. The AAMS continuing education program is developed in conjunction with some of the nation's top investment firms. Applicants explore case studies based on real-life scenarios, which are designed to prepare them for effectiveness in the real world and for building lasting relationships with clients.

### **Chartered Financial Analyst**

The Chartered Financial Analyst designation, or CFA charter, is a qualification for finance and investment professionals, particularly in the fields of investment management and financial analysis of stocks, bonds and their derivative assets.

To become a Chartered Financial Analyst, an individual must satisfactorily fulfill the following requirements:

- Education – Complete the CFA Program. The curriculum includes Ethical and Professional Standards, Quantitative Methods (such as the time value of money and statistical inference), Economics, Financial Reporting and Analysis, Corporate Finance, Analysis of Investments (stocks, bonds, derivatives, venture capital, real estate, etc.), and Portfolio Management and Analysis (asset allocation, portfolio risk, performance measurement, etc.).
- Examinations – Pass the comprehensive exams required by the CFA Program, which is organized into three levels, each culminating in a six-hour exam. Completing the program takes most candidates between two and five years.
- Experience – Possess a bachelor's degree from an accredited institution (or have equivalent education or work experience) and have 48 months of qualified, professional work experience.
- Ethics – Obligated to adhere to a strict Code of Ethics and Standards governing professional conduct.

### **Certified Financial Planner (CFP®)**

The CFP® certification is a voluntary certification; no federal or state law or regulation requires financial planners to hold CFP® certification. It is recognized in the United States and a number of other countries for its (1) high standard of professional education, (2) stringent code of conduct and standards of practice and (3) ethical requirements that govern professional engagements with clients.

To attain the right to use the CFP® marks, an individual must satisfactorily fulfill the following requirements:

- Education – Complete an advanced college-level course of study addressing the financial planning subject areas that CFP Board’s studies have determined as necessary.
- Examination – Pass the comprehensive CFP® Certification Examination, a 10-hour exam.
- Experience – Complete at least three years of full-time financial planning-related experience (or the equivalent, measured as 2,000 hours per year).
- Ethics – Agree to be bound by CFP Board’s *Standards of Professional Conduct*, a set of documents outlining the ethical and practice standards for CFP® professionals.

Individuals who become certified must complete the following ongoing education and ethics requirements in order to maintain the right to continue to use the CFP® marks:

- Continuing Education – Complete 30 hours of continuing education hours every two years.
- Ethics – Renew an agreement to be bound by the *Standards of Professional Conduct*.

CFP® professionals who fail to comply with the above standards and requirements may be subject to CFP Board’s enforcement process, which could result in suspension or permanent revocation of their CFP® certification.

### **Certified Public Accountant**

Certified Public Accountants, CPAs, are licensed and regulated by their state boards of accountancy. While state laws and regulations vary, the education, experience and testing requirements for licensure as a CPA generally include minimum college education (typically 150 credit hours with at least a baccalaureate degree and a concentration in accounting), minimum experience levels (most states require at least one year of experience providing services that involve the use of accounting, attest, compilation, management advisory, financial advisory, tax or consulting skills, all of which must be achieved under the supervision of or verification by a CPA), and successful passage of the Uniform CPA Examination. In order to maintain a CPA license, states generally require the completion of 40 hours of continuing professional education (CPE) each year (or 80 hours over a two-year period or 120 hours over a three-year period). Additionally, CPAs are required to follow a rigorous *Code of Professional Conduct* which requires that they act with integrity, objectivity, due care, competence, fully disclose any conflicts of interest (and obtain client consent if a conflict exists), maintain client confidentiality, disclose to the client any commission or referral fees, and serve the public interest when providing financial services.