

DATA FOR Q1 / 2012

Fund Name

Horizon Conservation Plus with Risk Assist

Share Class

R3

CUSIP

41023Q273

Inception Date

1/1/2012

Benchmark

20% S&P 500 / 80% BC Aggregate Bond

Target Risk Index

Morningstar Conservative

Investment Category

Conservative Allocation

Annual Portfolio Turnover Rate

283%

Total Expense Ratio[^]

1.40%

[^]The total fee paid per annum will be \$14.00 per \$1,000. Included in the Total Expense Ratio is 25 bps of service fees payable to the plan's service providers.

Fund Objective

This portfolio seeks current income over a market cycle and seeks to limit downside through an active risk control strategy in falling markets. This portfolio seeks an equity-debt ratio of 20% equity to 80% debt. However, there may be times where the ratios will be adjusted due to market conditions.

Management Team

Horizon uses an investment committee to manage its portfolios. Diverse backgrounds and experiences allow the management team to view the market from different vantage points; economic, quantitative and fundamental. This provides a system of checks and balances for decisions made within the firm.

About the Funds

The Horizon Active Funds with Risk Assist are collective investment funds ("CIFs") created by the Hand Composite Employee Benefit Trust and sponsored by Hand Benefits & Trust Company that invest in the strategies of Horizon Investments, LLC which serves as the sub-advisor to the CIFs. Fund assets are custodied at FirstSouthwest Company.

Corporate Headquarters

13024 Ballantyne Corporate Place,
 Suite 225, Charlotte, NC 28277
 Telephone: 866.371.2399
 Facsimile: 704.544.2883

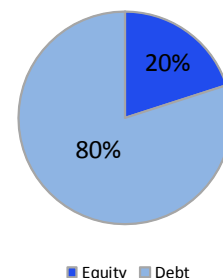
www.horizoninvestments.com

Holdings - March 31, 2012

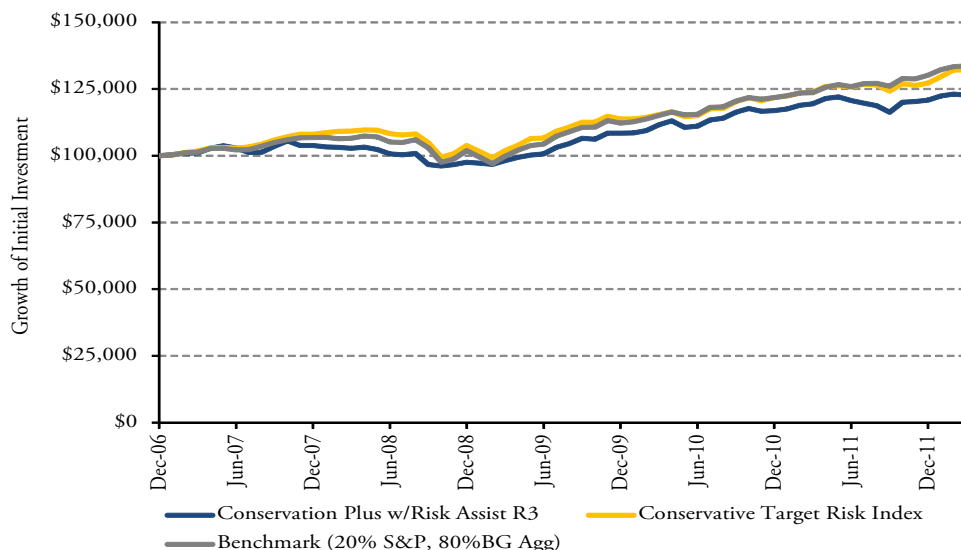
48.0%	iShares Barclays Aggregate Bond
8.0%	iShares Barclays 7-10 Year Treasury
8.0%	iShares Barclays MBS Bond
8.0%	iShares Barclays TIPS Bond
8.0%	WisdomTree Dreyfus Chinese Yuan
7.5%	iShares S&P 500 Growth Index
6.0%	iShares S&P 500 Value Index
3.0%	PowerShares QQQ
2.0%	PowerShares DB Agriculture
1.5%	SPDR Gold

Holdings and Portfolio Breakdown were correct as of March 31, 2012. Due to the dynamic nature of the portfolios, they will change, and should not be relied upon for trading decisions. A list of all securities recommended by Horizon Investments for the past year is available upon request.

Portfolio Breakdown



Performance



Performance Snapshots

	Horizon Portfolio	Target Risk Index	Benchmark
Q1 / 2012	1.53	3.86	2.68
2011	3.34	4.38	6.89
2010	7.82	7.07	8.55
2009	11.16	9.56	10.11
2008	-6.00	-3.88	-4.56
2007	3.81	8.04	6.77
1 Year	2.71	6.67	8.13
3 Year*	7.72	9.03	10.23
5 Year*	3.96	5.37	5.69
Inception to Date	1.53	3.86	2.68

*Annualized

Investment Philosophy and Strategy

The foundation for our management technique is Active Asset Allocation. Following these principles, we may be overweighted, underweighted in a particular investment in an attempt to take advantage of trends in the global capital markets. Additionally, in Risk Assisted allocations, we employ an additional layer of Active Asset Allocation decisions which seeks to mitigate losses in down markets in exchange for reduced potential capital appreciation in some market cycles.

The Active Asset Allocation model builds on the academic foundation of traditional asset allocation, but moves beyond the idea that diversification decisions can be based on historical long-term market averages. Our Risk Assist strategy further builds on the idea that diversification alone may be an insufficient risk management technique in some markets. We believe that the markets are dynamic and our disciplined approach needs to be prepared to manage whatever environment we are facing.

DISCLOSURE

The Collective Investment Fund (“CIF”) is not a mutual fund. Its shares are not deposits of Hand Benefits & Trust Company or Horizon Investments, LLC, and are not insured by the Federal Deposit Insurance Corporation or any other agency. The CIF is a security which has not been registered under the Securities Act of 1933 and is exempt from investment company registration under the Investment Act of 1940. The Horizon Conservation Plus with Risk Assist Fund is new and does not yet have actual performance data to report. Performance data quoted represents past performance of Horizon Investments, LLC., and does not purport to represent future performance of the CIF.

Horizon Investments, LLC products are subject to risk including, general market risk, currency fluctuations, and economic conditions. The Portfolios’ underlying investments fluctuate in price and may be sold at a price lower than the purchase price resulting in a loss of principal. The underlying investments are neither FDIC insured nor guaranteed by the U.S. Government. There may be economic times where all investments are unfavorable and depreciate in value. The results portrayed herein reflect the reinvestment of dividends, the reinvestment of capital gains, stock splits and other earnings when appropriate and applicable. Please evaluate your clients’ circumstances and risk tolerance to understand if these investments are right for them. Horizon does not forecast future economic environments and cannot comment on how it might do in any future economic scenario. The returns shown above were achieved in both an advancing general market environment with low interest rates and above average market volatility. Tax considerations are not taken into account.

The indices are shown for comparison purposes only and cannot be invested in directly. The Morningstar Target Risk Index represents a portfolio of global equities, bonds, and traditional inflation hedges such as commodities and TIPS based on specific equity risk preferences. The Morningstar Target Risk Index utilizes asset allocation methodologies developed and maintained by Ibbotson Associates and is rebalanced quarterly. The Morningstar Target Risk Index was selected based on the CIF’s stated target equity exposure. The S&P 500 Index is an unmanaged index that is generally considered representative of the U. S. Stock market. The S&P Total Return is the appreciation of the index as well as the reinvestment of all dividends. The Barclays Global Aggregate Bond Index is an unmanaged index that is generally considered representative of the US Government Investment Grade Bond market. The performance of an unmanaged index is not indicative of the performance of any particular investment. Blended Benchmarks are rebalanced monthly. Individuals cannot invest directly in any index. Investments offering the potential for higher rates of return also involve a higher degree of risk. Actual results will vary.

Prior to December 31, 2007, the Horizon portfolio performance is calculated using a single representative account at Trust Company of America. Beginning on January 1, 2008, the portfolio performance calculation was expanded to include multiple representative accounts at Trust Company of America to provide more representative data. Accounts are rebalanced with tolerance limits allowing for minimal performance variance. During the period for which multiple representative account results are shown, advisory clients whose investment objectives were the same as, or similar to, the group of representative accounts, experienced approximately the same portfolio results. All performance is net of fees, 1.40% per annum deducted monthly.

For the Horizon Conservation Plus with Risk Assist Portfolio, for the period January 1, 2007 to December 31, 2011, the performance information presented is the result of backtested performance. Backtested performance is hypothetical (it does not reflect trading in actual accounts) and is provided for informational purposes to illustrate hypothetical performance; it should not be interpreted as an indication of such performance. Actual performance for client accounts may be materially lower than represented. Backtested performance results have certain inherent limitations. For example, backtested results do not represent the impact that material economic and market factors might have on an investment adviser’s decision-making process if the adviser were actually managing client money. Back-tested performance also differs from actual performance because it is achieved through the retroactive application of a model investment methodology designed with the benefit of hindsight. Horizon believes the data used in the testing to be from credible, reliable sources; however, Horizon makes no representation or warranties of any kind as to the accuracy of such data. All available data representing the full platform of investment options is used for testing purposes. Backtested performance results assume the reinvestment of dividends and capital gains and annual rebalancing at the beginning of each year. In reality, client’s accounts will be rebalanced either more or less frequently depending on the fluctuation of the assets and the deposit/withdrawal activity of clients. Actual rebalancing is done on a monthly basis. Thus, the backtested performance may have varied if monthly rebalancing was taken into account. Horizon has determined to present this backtested data to attempt to illustrate performance over a longer time period, which allows for taking into account market forces over a longer period of time. Past performance does not predict future performance, however, analyzing more years of simulated risk and return data is a more reliable source of information.

Principal Guard has contracted with Horizon Investments to offer the risk assisted strategy. **Risk Assist is NOT A GUARANTEE** against loss or declines in the value of your portfolio; it is a strategy that accompanies, in this case, Horizon’s traditional strategies. Horizon’s asset allocation models are subject to risk including, general market risk, currency fluctuations, and economic conditions.

This performance report represents purely historical data. Horizon Investments, LLC makes no predictions, representations, or warranties herein as to the future performance of these portfolios. There may be economic times where all investments are unfavorable and depreciate in value. The performance quoted here does not guarantee future results. As market conditions fluctuate, the investment return and principal value of any investment will change. Diversification may not protect against market risk. There are risks involved with investing, including possible loss of principal. Before investing in any investment portfolio, the client and the financial professional should carefully consider client investment objectives, time horizon, risk tolerance, and fees.

Portfolio Holdings were correct as of March 31, 2012. Due to the dynamic nature of the portfolios, they will change, and should not be relied upon for trading decisions.