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Client Guide

Welcome to Horan Capital Management. This client guide provides you with important information about your relationship with Horan Capital Management. Please save this guide.

FOR YOUR CONVENIENCE THIS GUIDE IS DIVIDED INTO FOUR SECTIONS:

Client Service	Reporting	Billing Procedures	Account Distributions
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CLIENT SERVICES

Client Communication — At Horan Capital Management we would like to have the most current, up-to-date information about our clients. In an effort to gather this information we will contact you semi-annually, at a minimum. We will also rely on you to contact us if there are any significant changes that might effect your financial portfolio. **Please call us if there is a change in your income needs, risk tolerance, health, income tax status, or anything that would impact your investment strategy.** Our job is to provide you with quality asset management which is integrated with financial planning strategies. Please help us to help you and keep the lines of communication open. We are here for you. Please contact your local advisor or our client service team via email or phone with any personal updates, client service issues or to set an appointment with your financial advisor. We will also communicate with you quarterly through our newsletters.

Client Reviews — Since every client need and situation is different, we ask that you determine the frequency of reviews or face-to-face meetings with your advisor. If you have a question or desire a face-to face meeting to explain statements, policies or investment decisions, simply call our client service team or your local advisor to schedule a meeting or to answer your questions over the phone.

Ways to Communicate With Us — You can contact us by calling 410-494-4380 or call toll free anywhere in the United States at 800-592-7534. Our website address is www.horancm.com.

Office Hours and Holidays — We are open every day the New York Stock Exchange is open from 8:30 a.m. till 4:30 p.m. Eastern Standard Time or Daylight Savings Time. Our offices are closed on national holidays and days when the stock exchange is closed.

Referrals — Over the years, clients have referred us to their friends, neighbors, relatives and business associates. We are grateful for these introductions as they affirm that our clients are pleased with our services. **Our normal account minimums do not apply** to clients referred to us by an existing client. We try to accommodate all referrals by waiving our account minimums.

Seminars — During the course of the year, we may conduct several seminars for prospective clients. However, you may receive an invitation as a result of a direct mail effort from a mailing list. If you would like to introduce us to anyone via a seminar, please call us. Also, we often address community and professional organizations. If you would like us to speak to an organization's membership, please contact Pat Horan.

REPORTING

Monthly Statements and Confirmations — The custodian of your accounts will send statements to you monthly.

Confirmations — The custodian of your accounts will send trade confirmations as we place trades in your account. All trading costs (commissions to the custodian for executing trades) will be disclosed on the trade confirmation.

Quarterly Statements — Horan Capital Management, LLC produces and mails quarterly performance reports and statements at the end of every quarter. Statements are prepared within ten business days (2 weeks) after the quarter ends. If you do not receive your statements within this timeframe (or shortly thereafter), please call us.

Quarterly Newsletter — We will communicate important information to you every quarter in our client newsletter. Please be sure to read the entire publication as timely and new developments are reported. Your comments and or suggestions for articles are welcomed.

Tax Reporting — The custodian will mail a 1099 at the end of the year which includes IRA transactions, interest earned and dividends. Horan Capital Management will mail out cost basis information for transactions through out the year. In taxable accounts, we strive to reduce tax liability on trades we have placed throughout the year in the last two quarters of the year. We are sensitive to income tax ramifications and do our best to minimize income taxes while maximizing total return. If you have questions or tax concerns, please inform us.

Internet Access — For those clients who wish to view their account electronically, it is easy to set up the service. Simply call our office and we will help you set up the account access. We request that you view the account only and not place trades in the account without our consent as doing so could create adverse tax and financial consequences.

Please refer to the "Explanation of Performance Reports and Billing Reports" included in your welcome packet.

BILLING PROCEDURES

Billing Policy — Accounts are billed in advance at the beginning of each quarter. Included with your quarterly performance report from Horan you will find a statement outlining how your fee was calculated.

Tax Deductibility of Management Fees — A portion or your entire management fee may be deductible. You should consult with your tax advisor about limitations which may preclude a deduction including, but not limited to, adjusted gross income and the tax nature of the account from which the fee was charged.

Billing Reports — On a quarterly basis, we provide clients with a billing summary and invoice of the management fees due for the quarter. We also provide year end billing reports, summarizing the fees paid for the year.

ACCOUNT DISTRIBUTIONS

Withdrawals and Distributions — Many clients depend on monthly income from their accounts. For your convenience, you can access funds from your account on a monthly, quarterly or as-needed basis. Upon your request, we can direct your custodian to mail you checks. Distributions from IRAs and trust accounts may require your signature. Talk to us to determine the best way to handle your income and withdrawal needs. You will be happy to know management fees on all distributions from your account will be credited to you at the end of the quarter.

Direct Deposit — Save a trip to the bank with direct deposit of your monthly or quarterly distributions. This service can be set up with little paperwork. You can also receive funds through a bank wire (charges will apply), Federal Express (charges will apply), or through regular mail. Tell us what your needs are so that we can advise you of the best way to handle your request.

Check Writing — This service is available to all non retirement accounts. You can simply write a check from your account and the funds will be debited from your money market fund. We request that any time you are writing a check from your account that you call us to inform us of the event. This way we can be sure funds are available to pay the check when it is presented by the bank.

CLIENT PRIVACY STATEMENT

In November 1999, Congress passed landmark legislation repealing Depression-era restrictions on cross-ownership between banks, insurance companies, and broker-dealers. Included in the Gramm-Leach-Bliley Act (GLBA) was a separate chapter restricting the sharing of consumer information collected by financial institutions with third party firms or vendors. Nearly all firms involved in the financial services industry – including financial planners — are subject to the new federal regulations, and many will be subject to future state privacy statutes and regulations. Investment advisers and broker-dealers must adopt procedures to safeguard client records and information. The policies should address confidentiality, protections against hazards to information security, and protections against unauthorized access to client information.

Horan Capital Management, LLC (HCM), an independent investment advisory firm, is committed to safeguarding the confidential information of its clients. We hold all personal information provided to our firm in the strictest confidence. These records include all personal information that we collect from you in connection with any of the services provided by HCM, including, but not limited to asset management, tax preparation & planning, and any financial planning services. We have never disclosed information to nonaffiliated third parties, except as permitted by law, and do not anticipate doing so in the future. If we were to anticipate such a change in firm policy, we would be prohibited under the law from doing so without advising you first. As you know, we may use health and financial information that you provide to us to help you meet your personal financial goals while guarding against any real or perceived infringements of your rights of privacy. Our policy with respect to personal information about you is listed below.

- We limit employee and agent access to information only to those who have a business or professional reason for knowing, and only to nonaffiliated parties as permitted by law. (For example, federal regulations permit us to share a limited amount of information about you with a brokerage firm in order to execute securities transactions on your behalf, or so that our firm can discuss your financial situation with your accountant or lawyer.) Additionally, brokerage firm custodians have their own Client Privacy Policies,

which they administer separately from HCM. All phone calls that arrive through the client service line are recorded for training and follow up purposes. All other phone calls may be recorded for training and client service purposes.

- We maintain a secure office and a secure computer environment to ensure that your information is not placed at unreasonable risk.
- The categories of nonpublic personal information that we collect from a client depend upon the scope of the client engagement. It may include information about your personal finances, information about your health to the extent that it is needed for the planning process, information about transactions between you and third parties, and may include information from consumer reporting agencies.
- For unaffiliated third parties that require access to your personal information, including financial service companies, consultants, and auditors, we also require strict confidentiality in our agreements with them and expect them to keep this information private. We do not release any personal information to third party providers unless the client specifically authorizes us to do so. Federal and state regulators also may review firm records as permitted under law.
- We do not provide your personally identifiable information to mailing list vendors or solicitors for any purpose.
- Personally identifiable information about you will be maintained during the time you are a client, and for the required time thereafter that such records are required to be maintained by federal and state securities laws, and consistent with the CFP® Code of Ethics and Professional Responsibility. After this required period of record retention, all such information will be destroyed.

Should you have any questions, comments or concerns you may contact the firm's CEO and President, Patrick J. Horan, CFP®, ChFC at 410-494-4380 or 800-592-7534. You can also write to the address stated on the first page. We at HCM, take your right to privacy seriously and will do all that we can to assure client confidentiality. As always, we appreciate your trust and confidence and the opportunity to provide you with our services.

This notice is being sent to you to be compliant with the Gramm-Leach-Bliley Act (GLBA) of 1999.