

HORIZON BANCORP /IN/
Form 424B3
July 27, 2017
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Registration No. 333-219289

**PROXY STATEMENT FOR THE SPECIAL MEETING OF
SHAREHOLDERS OF LAFAYETTE COMMUNITY BANCORP**

and

PROSPECTUS OF

HORIZON BANCORP

The boards of directors of Lafayette Community Bancorp (LFCB) and Horizon Bancorp (Horizon) have approved an Agreement and Plan of Merger (which is referred to herein as the Merger Agreement) that provides for LFCB to merge with and into Horizon. If the merger is approved by LFCB s shareholders and all other closing conditions are satisfied, each outstanding share of LFCB common stock (other than shares then held of record by Horizon, shares held as treasury shares of LFCB, or dissenting shares) owned by shareholders owning of record and/or beneficially at least 100 shares of LFCB common stock shall be converted into the right to receive 0.5878 shares of Horizon common stock (subject to certain adjustments as described in the Merger Agreement) and \$1.73 in cash. Shareholders of LFCB who own of record and/or beneficially fewer than 100 shares of LFCB common stock will be entitled to receive only fixed consideration of \$17.25 per share in cash and will not be entitled to receive any shares of Horizon common stock. Each LFCB shareholder also will receive cash in lieu of any fractional shares of Horizon common stock that such shareholder would otherwise receive in the merger, with the amount of cash based on the market value of one share of Horizon common stock determined shortly before the closing of the merger. Additionally, LFCB has the right to terminate the Merger Agreement during the five-day period following the date on which all regulatory approvals and other approvals required for the merger are received if Horizon s average common stock closing price is below \$21.57 per share, and the percentage decrease in Horizon s stock price from its average closing price for the 15-day trading period ended immediately prior to the date of the Merger Agreement is more than 15% greater than the percentage decrease in the SNL Small Cap U.S. Bank and Thrift Index during the same period. If LFCB elects to exercise its termination rights, Horizon has the right to prevent LFCB s termination under those circumstances, however, by agreeing to increase the exchange ratio pursuant to a formula set forth in the Merger Agreement.

Subject to the adjustments described in the Merger Agreement and based on Horizon s closing stock price of \$26.53 on July 20, 2017, the value of the aggregate consideration that LFCB s shareholders will receive in the merger is approximately \$32.2 million. The boards of directors of both LFCB and Horizon believe that the merger is in the best interests of each of their respective companies and shareholders.

Your vote is very important. We cannot complete the merger unless the shareholders of LFCB approve the Merger Agreement and the merger. This document is a proxy statement that LFCB is using to solicit proxies for use at its special meeting of shareholders to be held on August 28, 2017 to vote on the Merger Agreement and the merger. This document also serves as a prospectus relating to Horizon s issuance of up to 1,091,795 shares of Horizon common

stock in connection with the merger. This proxy statement/prospectus describes the LFCB special meeting, the merger proposal, and other related matters.

LFCB's board of directors unanimously recommends that LFCB's shareholders vote FOR approval of the Merger Agreement and the merger.

Horizon's common stock is traded on the NASDAQ Global Select Market under the trading symbol HBNC. On May 22, 2017, the last day prior to the public announcement of the merger, the closing price of a share of Horizon common stock was \$25.38. On July 20, 2017, the latest practicable date before the date of this document, the closing price of a share of Horizon common stock was \$26.53. LFCB's common stock is not listed on any national securities exchange, but rather is quoted on the OTC Pink Marketplace, which is maintained by OTC Markets Group Inc., under the symbol LFYC. On May 22, 2017, the closing price of a share of LFCB common stock was \$16.40. On July 20, 2017, the closing price of a share of LFCB common stock was \$16.81. **Please see *Risk Factors* beginning on page 15 for a discussion of certain risks relating to the merger.**

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the securities to be issued under this proxy statement/prospectus or determined if this proxy statement/prospectus is truthful or complete. Any representation to the contrary is a criminal offense. The securities to be issued in connection with the merger are not savings or deposit accounts or other obligations of any bank or nonbank subsidiary of any of the parties, and they are not insured by the Federal Deposit Insurance Corporation, the Deposit Insurance Fund, or any other governmental agency.

This proxy statement/prospectus is dated July 25, 2017, and it

is first being mailed to LFCB's shareholders on or about July 27, 2017.

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AVAILABLE INFORMATION

As permitted by Securities and Exchange Commission rules, this document incorporates certain important business and financial information about Horizon from other documents that are not included in or delivered with this document. These documents are available to you without charge upon your written or oral request. Your requests for these documents should be directed to the following:

Horizon Bancorp

515 Franklin Square

Michigan City, Indiana 46360

Attn: Dona Lucker, Shareholder Relations Officer

(219) 874-9272

In order to ensure timely delivery of these documents, you should make your request no later than five business days before the special meeting date, or by August 21, 2017.

You also can obtain documents incorporated by reference in this document through the SEC's website at www.sec.gov. See *Where You Can Find More Information*.

In addition, if you are an LFCB shareholder and have questions about the merger or the LFCB special meeting, need additional copies of this proxy statement/prospectus, or need to obtain proxy cards or other information related to the proxy solicitation, you may contact the following:

Lafayette Community Bancorp

301 South Street

Lafayette, Indiana 47901

Attn: Bradley W. Marley, President and Chief Executive Officer

(765) 429-7200

In order to ensure timely delivery of these documents, you should make your request no later than five business days before the special meeting date, or by August 21, 2017.

LFCB does not have a class of securities registered under Section 12 of the Securities Exchange Act of 1934, as amended (the Exchange Act), is not subject to the reporting requirements of Section 13(a) or 15(d) of the Exchange Act, and accordingly does not file documents or reports with the SEC.

All information in this proxy statement/prospectus concerning Horizon and its subsidiaries has been furnished by Horizon, and all information in this proxy statement/prospectus concerning LFCB and its subsidiaries has been furnished by LFCB. You should rely only on the information contained or incorporated by reference in this proxy statement/prospectus to vote on the proposals to LFCB's shareholders in connection with the merger. We have not

authorized anyone to provide you with information that is different from what is contained in this proxy statement/prospectus.

This proxy statement/prospectus is dated July 25, 2017. You should not assume that the information contained in this proxy statement/prospectus is accurate as of any date other than such date, and neither the mailing of this proxy statement/prospectus to shareholders nor the issuance of Horizon shares as contemplated by the Merger Agreement shall create any implication to the contrary.

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301 South Street

Lafayette, Indiana 47901

(765) 429-7200

Notice of Special Meeting of Shareholders

To Be Held on August 28, 2017

To the Shareholders of Lafayette Community Bancorp:

We are pleased to notify you of and invite you to a special meeting of the shareholders of Lafayette Community Bancorp (LFCB) to be held on Monday, August 28, 2017, at 10:00 a.m., local time, at the main office of LFCB, located at 301 South Street, Lafayette, Indiana 47901, to consider and vote upon the following matters:

1. *Merger Proposal.* To approve the Agreement and Plan of Merger dated May 23, 2017 (which we refer to as the Merger Agreement) by and between Horizon Bancorp (Horizon) and LFCB, pursuant to which LFCB will merge with and into Horizon. Immediately after the effective time of the merger, Lafayette Community Bank, the wholly-owned Indiana state chartered bank subsidiary of LFCB, will merge with and into Horizon Bank, the wholly-owned Indiana state-chartered commercial bank subsidiary of Horizon. In connection with the merger, you will receive in exchange for each of your shares of LFCB common stock:

0.5878 shares of Horizon common stock (subject to certain adjustments as provided in the Merger Agreement), which we refer to as the exchange ratio, and \$1.73 in cash, which we refer to as the cash consideration; *provided, however, that*, if you own beneficially and/or of record fewer than 100 shares of LFCB common stock, you will be entitled to receive only fixed consideration of \$17.25 per share in cash and will not be entitled to receive any shares of Horizon common stock; and

in lieu of any fractional shares of Horizon common stock, an amount of cash equal to such fraction multiplied by the average of the daily closing sales price of a share of Horizon common stock as quoted on the NASDAQ Global Select Market during the 15 consecutive trading days immediately preceding the second business day prior to the closing of the merger on which such shares were actually traded.

2. *Adjournment.* To approve a proposal to adjourn the special meeting, if necessary, to solicit additional proxies in the event there are not sufficient votes present at the special meeting in person or by proxy to approve the merger.

3. *Other Matters.* To vote upon such other matters as may properly come before the meeting or any adjournment thereof. The board of directors is not aware of any such other matters.

The enclosed proxy statement/prospectus describes the Merger Agreement and the proposed merger in detail and includes, as Appendix A, the complete text of the Merger Agreement. We urge you to read these materials for a description of the Merger Agreement and the proposed merger. In particular, you should carefully read the section captioned *Risk Factors* beginning on page 15 of the enclosed proxy statement/prospectus for a discussion of certain risk factors relating to the Merger Agreement and the merger.

The board of directors of LFCB recommends that LFCB s shareholders vote FOR the approval and adoption of the Merger Agreement and the merger, and FOR adjournment of the special meeting, if necessary.

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The board of directors of LFCB has fixed the close of business on July 12, 2017, as the record date for determining the shareholders entitled to notice of, and to vote at, the special meeting and any adjournments or postponements of the special meeting.

YOUR VOTE IS VERY IMPORTANT. The Merger Agreement must be adopted by the affirmative vote of holders of a majority of the issued and outstanding shares of LFCB common stock in order for the proposed merger to be consummated. **IF YOU DO NOT RETURN YOUR PROXY CARD OR DO NOT VOTE IN PERSON AT THE SPECIAL MEETING, THE EFFECT WILL BE A VOTE AGAINST THE PROPOSED MERGER.** Whether or not you plan to attend the special meeting in person, we urge you to date, sign, and return promptly the enclosed proxy card in the accompanying envelope. You may revoke your proxy at any time before the special meeting or by attending the special meeting and voting in person.

As required by Indiana Code 23-1-44-10, LFCB is notifying all shareholders entitled to vote on the merger that you are or may be entitled to assert dissenters' rights under the dissenters' rights chapter of the Indiana Business Corporation Law. A copy of the dissenters' rights chapter is included with the accompanying proxy statement/prospectus as Appendix D. See also *Dissenters' Rights* beginning on page 57 in the accompanying proxy statement/prospectus.

By Order of the Board of Directors,

Richard D. Murray

Senior Vice President, Chief Operating Officer,

and Corporate Secretary

Lafayette, Indiana

July 25, 2017

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QUESTIONS AND ANSWERS ABOUT THE MERGER AND THE SPECIAL MEETING

Q: Why do LFCB and Horizon want to merge?

A: We believe that combining LFCB and Horizon will create a stronger Indiana banking franchise. The merger will give the combined company greater scale, not only for serving existing customers more efficiently but also for future expansion. We have similar, community-oriented philosophies, and the merger is expected to give us a stronger presence in current and new markets. We also believe the locations of LFCB's banking offices are consistent with Horizon's strategic expansion plan in the Northern Indiana market.

For additional information regarding each company's reasons for the merger, see *The Merger LFCB's Reasons for the Merger; Board Recommendation* beginning on page 27, and *The Merger Horizon's Reasons for the Merger* beginning on page 28.

Q: What will LFCB's shareholders receive in the merger?

A: If the merger is completed, each share of LFCB common stock held by an LFCB shareholder owning 100 or more shares will be converted into the right to receive (i) 0.5878 shares of Horizon common stock (subject to certain adjustments as described in the Merger Agreement) (which we refer to as the exchange ratio), and (ii) \$1.73 in cash (which we refer to as the cash consideration). We refer to the cash consideration and the exchange ratio, as adjusted, collectively as the merger consideration. The cash consideration and exchange ratio are subject to adjustment as described below. Because the exchange ratio for the stock consideration is fixed, the value of the stock consideration will fluctuate with the market price of Horizon's common stock. Accordingly, any change in the market price of Horizon's common stock prior to the completion of the merger will affect the amount and the market value of the merger consideration ultimately received by LFCB's shareholders at the time of the merger. If the merger is completed, each share of LFCB common stock held by an LFCB shareholder who owns of record and/or beneficially fewer than 100 shares will receive fixed consideration in the amount of \$17.25 per share in cash and will not be entitled to receive any shares of Horizon common stock.

For those LFCB shareholders who are entitled to receive the cash consideration, Horizon will be entitled to reduce the amount of the cash consideration if the estimated environmental clean-up costs with respect to the real property owned or leased by LFCB exceed \$50,000, or exceed \$350,000 and Horizon elects not to terminate the Merger Agreement. For more details, see *The Merger Agreement Environmental Inspections* beginning on page 57.

For those LFCB shareholders who are entitled to receive shares of Horizon common stock as part of the merger consideration, the exchange ratio is subject to adjustment as follows:

if prior to the effective time of the merger, Horizon changes the number of shares of Horizon common stock outstanding by way of a stock split, stock dividend, or similar transaction, or if Horizon establishes a record date for such a change, the exchange ratio will be adjusted so that the holders of LFCB common stock receive at the effective time, in the aggregate, the number of shares of Horizon common stock representing the same percentage of the outstanding shares of

Horizon common stock that they would have received if such change had not occurred; or

if LFCB elects to terminate the Merger Agreement because the average closing price of Horizon's common stock is less than \$21.57 for the fifteen consecutive trading days before the date of the receipt of the approvals and consents necessary to consummate the merger (including any waiting periods applicable to regulatory applications), and if the decline in Horizon's share price is more than 15% greater than the corresponding price decline in the SNL Small Cap U.S. Bank and Thrift Index, Horizon may elect to negate LFCB's termination by exercising Horizon's option to increase the exchange ratio pursuant to the formula specified in the Merger Agreement. See *The Merger Agreement - Merger Consideration* beginning on page 43.

In lieu of any fractional shares of Horizon common stock, Horizon will distribute an amount in cash equal to such fraction multiplied by the average per share closing price of a share of Horizon common stock as

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quoted on the NASDAQ Global Select Market during the fifteen consecutive trading days preceding the second business day prior to the closing of the merger on which such shares were actually traded.

Q: How do I vote shares held in the Lafayette Community Bank 401(k) Plan?

A: Each participant in LFCB's 401(k) Plan is entitled to direct the 401(k) plan trustee as to the shares held in the plan which are allocated to the participant's account. The 401(k) plan trustee will vote all shares for which no directions are given or for which instructions were not timely received in the same proportion as shares for which the 401(k) plan trustee received voting instructions. Participants in the 401(k) plan will need to vote by mail (by completing and signing the instruction card that accompanies this proxy statement/prospectus). Participants must return their instruction cards to the 401(k) plan trustee by 11:59 p.m. on August 23, 2017 in order to instruct the trustee how to vote such LFCB shares.

If a participant properly executes the instruction card distributed by the trustee, the trustee will vote such participant's shares in accordance with the participant's instructions. Where properly executed instruction cards are returned to the trustee with no specific instruction as to how to vote at the Special Meeting, the trustee will vote shares FOR the adoption and approval of the Merger Agreement, and FOR the proposal to adjourn the Special Meeting, if necessary, to solicit additional proxies.

Q: Will Horizon's shareholders receive any shares or cash as a result of the merger?

A: No, Horizon's shareholders will not receive any cash or shares in the merger.

Q: What risks should LFCB's shareholders consider before voting on the Merger Agreement?

A: You should review *Risk Factors* beginning on page 15.

Q: What are the tax consequences of the merger to LFCB's shareholders?

A: The merger has been structured so that Horizon, LFCB, and their respective shareholders generally will not recognize any gain or loss for federal income tax purposes on the exchange of LFCB shares for Horizon shares in the merger. Taxable income will result, however, to the extent an LFCB shareholder receives cash (including cash received in lieu of a fractional share of Horizon common stock) and the cash received exceeds the shareholder's adjusted basis in the surrendered stock. The tax treatment of any gain or loss will depend upon the shareholder's individual circumstances. At the closing, Horizon and LFCB are to receive an opinion confirming these tax consequences. See *Material Federal Income Tax Consequences* beginning on page 61.

Your tax consequences will depend on your personal situation. You should consult your tax advisor for a full understanding of the tax consequences of the merger to you.

Q: What will LFCB's shareholders be voting on at the special shareholders meeting?

A: At the Special Meeting of Shareholders of LFCB (the Special Meeting), LFCB's shareholders will be asked to approve the Merger Agreement, as well as any proposal of the LFCB board of directors to adjourn or postpone the Special Meeting, if necessary, to solicit additional proxies if there are not sufficient votes, in person or by proxy, to approve any of these items. The LFCB board of directors unanimously recommends that LFCB's shareholders vote **FOR** approval of the Merger Agreement, and **FOR** any proposal of the LFCB board of directors to adjourn or postpone the Special Meeting, if necessary.

Q: What are the vote requirements to approve the matters that will be considered at the Special Meeting?

A: At the Special Meeting, the affirmative vote of holders of a majority of the issued and outstanding shares of LFCB common stock is required to approve the Merger Agreement. Approval of the proposal to adjourn the Special Meeting to allow extra time to solicit proxies requires more votes to be cast in favor of the proposal than are cast against it.

Q: What do I need to do now?

A: After you have carefully read this proxy statement/prospectus and have decided how you wish to vote your shares, please vote your shares promptly. If you hold stock in your name as a shareholder of record, you

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must complete, sign, date, and mail your proxy card in the enclosed return envelope as soon as possible. If you hold your stock through a bank or broker (commonly referred to as held in street name), you may direct your bank or broker to vote in accordance with the instructions you have received from your bank or broker.

Submitting your proxy card or directing your bank or broker to vote your shares will ensure that your shares are represented and voted at the August 28, 2017 LFCB Special Meeting.

Q: Why is my vote important?

A: If you do not vote by proxy or in person at the Special Meeting, it will be more difficult for LFCB to obtain the necessary quorum to hold the Special Meeting. In addition, if you fail to vote, by proxy or in person, it will have the same effect as a vote AGAINST the approval of the Merger Agreement. The Merger Agreement must be approved by the holders of a majority of the issued and outstanding shares of LFCB common stock entitled to vote at the Special Meeting.

Q: If my shares are held in street name by my broker, will my broker vote my shares for me?

A: If you hold LFCB shares in street name with a broker, your broker will not be able to vote your shares without instructions from you on the proposal to approve the Merger Agreement or the proposal to adjourn the Special Meeting. You should contact your broker and ask what directions your broker will need from you. If you hold LFCB shares in street name with a broker and you do not provide instructions to your broker on how to vote on the merger, your broker will not be able to vote your shares on that proposal, and this will have the effect of a vote AGAINST the merger.

Q: Can I attend the Special Meeting and vote my shares in person?

A: Yes. All LFCB shareholders are invited to attend the Special Meeting. If you are an LFCB shareholder of record, you can vote in person at the Special Meeting. If you hold LFCB shares in street name through a bank, broker, or other nominee, then you must obtain a legal proxy from the holder of record by contacting your bank, broker, or other nominee to vote your shares in person at the Special Meeting. However, we would prefer that you vote by proxy, even if you plan to attend the meeting. As noted below, you still will have a right to change your vote at the meeting, should you so choose.

Q: What happens if I do not vote?

A: Because the required vote of LFCB's shareholders to approve the Merger Agreement is based upon the number of issued and outstanding shares of LFCB common stock entitled to vote rather than upon the number of shares actually voted, abstentions from voting and broker non-votes will have the same practical effect as a vote AGAINST the merger. If you return a properly signed proxy card but do not indicate how you want to vote, your proxy will be counted as a vote FOR the approval and adoption of the Merger Agreement and the merger.

Q: Can I change my vote before the Special Meeting?

A: Yes. If you are an LFCB shareholder of record, there are three ways for you to revoke your proxy and change your vote. First, you may send written notice to LFCB's Corporate Secretary before the Special Meeting stating that you would like to revoke your proxy. Second, you may complete and submit a new proxy card before the Special Meeting that is dated later than the date of your prior proxy card. Third, you may vote in person at the Special Meeting. Merely being present at the Special Meeting, without voting at the meeting, will not constitute a revocation of a previously given proxy. If you hold your shares in street name with a bank or broker, you must follow the directions you receive from your bank or broker to change your vote.

Q: When do you currently expect to complete the merger?

A: We expect to complete the merger in the third quarter of 2017. However, we cannot assure you when or if the merger will occur. The approval of LFCB's shareholders on the Merger Agreement, among other things, must first be obtained before we are able to close the merger.

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Q: Do LFCB s shareholders have dissenters rights?

A: Dissenters rights are available to LFCB s shareholders under Indiana law, but you will only be able to dissent from the proposed merger by complying with the applicable provisions of the Indiana Business Corporation Law (IBCL). To claim dissenters rights under the IBCL, you must (i) before the vote on the merger is taken at the Special Meeting, deliver to LFCB written notice of your intent to demand payment for your shares if the merger is effectuated, and (ii) not vote in favor of the merger in person or by proxy at the Special Meeting. Your written notice to demand payment for your shares must be delivered to: Lafayette Community Bancorp, 301 South Street, Lafayette, Indiana 47901, Attention: Richard D. Murray, Corporate Secretary. If the merger is approved at the Special Meeting, LFCB will send any dissenting shareholders a notice of dissenters rights within 10 days after the Special Meeting date which will state the procedures such shareholders must follow to further exercise their dissenters rights in accordance with the IBCL. If an LFCB shareholder executes and returns a proxy card but does not specify a choice on the merger, such shareholder will be deemed to have voted FOR the merger and to have waived such shareholder s dissenters rights, unless the shareholder revokes his or her proxy prior to its being voted. See *Dissenters Rights* beginning on page 57 for a further description of the dissenters rights available to LFCB s shareholders. See also Appendix D for the relevant section of the IBCL concerning dissenters rights.

Q: Should I send in my LFCB stock certificates now?

A: No. As soon as practicable after the completion of the merger, you will receive a letter of transmittal describing how you may exchange your shares for the merger consideration and surrender your LFCB share certificates. At that time, you must send your completed letter of transmittal to Horizon s exchange agent for the merger named in the letter of transmittal in order to receive the merger consideration. You should not send your LFCB share certificates until you receive the letter of transmittal.

Q: Whom should I contact if I have other questions about the Merger Agreement or the merger?

A: If you have more questions about the Merger Agreement or the merger, you should contact:
Horizon Bancorp

515 Franklin Square

Michigan City, Indiana 46360

(219) 873-2611

Attention: Mark E. Secor, Chief Financial Officer

You may also contact:

Lafayette Community Bancorp

301 South Street

Lafayette, Indiana 47901

(765) 429-7200

Attention: Bradley W. Marley, President and Chief Executive Officer

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SUMMARY

*This summary highlights selected information in this proxy statement/prospectus and may not contain all of the information important to you. To understand the merger more fully, you should read this entire document carefully, including the appendices and the documents referred to in this proxy statement/prospectus. A list of the documents incorporated by reference appears under the caption *Where You Can Find More Information* beginning on page 83.*

The Companies

Horizon Bancorp

515 Franklin Square

Michigan City, IN 46360

(219) 874-9272

Horizon Bancorp is a registered bank holding company incorporated in Indiana and headquartered in Michigan City, Indiana. Horizon provides a broad range of banking services in Northern and Central Indiana and Southwestern and Central Michigan through its Indiana state-chartered commercial bank subsidiary, Horizon Bank, and other affiliated entities, including Horizon Risk Management, Inc. Horizon operates as a single segment, which is commercial banking. Horizon Bank was chartered as a national banking association in 1873, and converted from a national bank to an Indiana state commercial bank effective as of June 23, 2017. Horizon Bank currently operates 56 full service offices and 5 loan and deposit production offices. Horizon Bank is a full-service commercial bank offering commercial and retail banking services, corporate and individual trust and agency services, and other services incident to banking. Horizon Risk Management, Inc. is a captive insurance company incorporated in Nevada and was formed as a wholly-owned subsidiary of Horizon. Horizon's common stock is traded on the NASDAQ Global Select Market under the trading symbol HBNC. Horizon's primary regulator is the Board of Governors of the Federal Reserve System, referred to in this proxy statement/prospectus as the Federal Reserve Board. Horizon Bank's primary regulator is the Indiana Department of Financial Institutions (IDFI), and its primary federal regulator is the Federal Deposit Insurance Corporation (FDIC). At March 31, 2017, Horizon Bank had total assets of \$3.17 billion and total deposits of \$2.44 billion.

Horizon's website address is www.horizonbank.com. Information contained in, or accessible through, Horizon's website does not constitute a part of this joint proxy statement/prospectus. Additional information about Horizon and its subsidiaries is included in documents incorporated by reference into this document. For more information, please see the section entitled *Where You Can Find More Information* beginning on page 83.

Lafayette Community Bancorp

301 South Street

Lafayette, IN 47901

(765) 429-7200

LFCB, headquartered in Lafayette, Indiana, is an Indiana corporation and is a one bank holding company. It owns 100% of the capital stock of its subsidiary bank, Lafayette Community Bank (LCB), an Indiana-chartered commercial bank. LCB was established in 2000 and offers a full range of banking services and products with four branch locations serving Lafayette, Tippecanoe County, and the surrounding area. LFCB is quoted on the OTC Pink Marketplace under the symbol LFYC. There is no established trading market for LFCB s common stock.

LFCB s website address is www.lafayettecommunitybank.com. Information contained in, or accessible through, LFCB s website does not constitute a part of this proxy statement/prospectus. Additional information about LFCB and LCB is included elsewhere in this proxy statement/prospectus. For more information, please see the section entitled *Where You Can Find More Information* beginning on page 83.

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Special Meeting of LFCB's Shareholders; Required Vote (page 21)

The Special Meeting of LFCB's shareholders is scheduled to be held on Monday, August 28, 2017, at 10:00 a.m., local time, at the main office of LFCB, located at 301 South Street, Lafayette, Indiana 47901. At the Special Meeting, LFCB's shareholders will be asked to vote to approve the Merger Agreement and the merger of LFCB into Horizon contemplated by that agreement. Only LFCB shareholders of record as of the close of business on July 12, 2017 are entitled to notice of, and to vote at, the Special Meeting and any adjournments or postponements of the Special Meeting.

As of July 12, 2017, the directors and executive officers of LFCB, and their affiliates, beneficially owned 1,081,806 shares or approximately 53.1% of the 1,948,000 outstanding shares of LFCB common stock. In connection with the execution of the Merger Agreement, all of the directors of LFCB and LCB executed a voting agreement pursuant to which they agreed to vote all their shares in favor of the merger. A copy of that voting agreement is attached as Appendix C to this proxy statement/prospectus.

Adoption of the Merger Agreement requires the affirmative vote of holders of a majority of the issued and outstanding shares of LFCB common stock. Approval of the proposal to adjourn the Special Meeting to allow extra time to solicit proxies requires more votes to be cast in favor of the proposal than are cast against it.

The Merger and the Merger Agreement (page 25)

Horizon's acquisition of LFCB is governed by the Merger Agreement. The Merger Agreement provides that, if all of the conditions are satisfied or waived, LFCB will be merged with and into Horizon, with Horizon as the surviving corporation. Immediately after the effective time of the merger, LCB will be merged with and into Horizon Bank, a wholly-owned subsidiary of Horizon, with Horizon Bank surviving. We encourage you to read the Merger Agreement, which is included as Appendix A to this proxy statement/prospectus and is incorporated by reference into this proxy statement/prospectus.

What LFCB's Shareholders Will Receive in the Merger (page 43)

If the merger is completed, each share of LFCB common stock held by an LFCB shareholder owning 100 or more shares will be converted into the right to receive (i) 0.5878 shares of Horizon common stock, and (ii) \$1.73 in cash. However, if a shareholder owns beneficially and/or of record fewer than 100 shares of LFCB common stock, that shareholder will be entitled to receive only \$17.25 per share in cash and will not be entitled to receive any shares of Horizon common stock. The exchange ratio is subject to the following adjustments:

Anti-Dilution Adjustments. If prior to the effective time of the merger, Horizon changes the number of shares of Horizon common stock outstanding by way of a stock split, stock dividend, or similar transaction, or if Horizon establishes a record date for such a change, the exchange ratio will be adjusted so that the holders of LFCB common stock receive at the effective time, in the aggregate, the number of shares of Horizon common stock representing the same percentage of the outstanding shares of Horizon common stock that they would have received if such change had not occurred; or

Decrease in Market Price of Horizon Common Stock. If LFCB elects to terminate the Merger Agreement because the market price of Horizon's common stock has decreased below certain amounts specified in

the Merger Agreement, Horizon will have the option of increasing the exchange ratio pursuant to the formula specified in the Merger Agreement in lieu of LFCB's right to terminate the Merger Agreement. Because the exchange ratio for the stock consideration is fixed, the value of the stock consideration will fluctuate with the market price of Horizon's common stock. Accordingly, any change in the market price of Horizon's common stock prior to the completion of the merger will affect the amount and the market value of the merger consideration ultimately received by LFCB's shareholders at the time of the merger.

In lieu of any fractional shares of Horizon common stock, Horizon will distribute an amount in cash equal to such fraction multiplied by the average per share closing price of a share of Horizon common stock as

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quoted on the NASDAQ Global Select Market during the fifteen consecutive trading days preceding the second business day prior to the closing of the merger on which such shares were actually traded.

Treatment of LFCB Stock Options (page 44)

The Merger Agreement provides that each option to acquire shares of LFCB common stock outstanding and unexpired as of the effective date of the merger will become fully vested and be converted into the right to receive from LFCB, at or prior to the effective time of the merger, an amount in cash equal to \$17.25 per share, minus the per share exercise price for each share subject to an LFCB stock option, less applicable tax withholdings. As of the date of this document, there were outstanding and unexpired options to purchase an aggregate of 97,500 shares of LFCB common stock at a weighted average exercise price of \$6.26 per share.

Recommendation of LFCB's Board of Directors (page 27)

The LFCB board of directors unanimously approved the Merger Agreement and the proposed merger. The LFCB board believes that the Merger Agreement, including the merger contemplated by the Merger Agreement, is advisable and fair to, and in the best interests of, LFCB and its shareholders, and therefore recommends that LFCB's shareholders vote FOR the proposal to adopt the Merger Agreement. In reaching its decision, the LFCB board of directors considered a number of factors, which are described in the section captioned *The Merger LFCB's Reasons for the Merger; Board Recommendation* beginning on page 27. Because of the wide variety of factors considered, the LFCB board of directors did not believe it practicable, nor did it attempt, to quantify or otherwise assign relative weight to the specific factors it considered in reaching its decision.

The LFCB board also recommends that you vote FOR the proposal to adjourn the Special Meeting, if necessary, to solicit additional proxies in the event there are not sufficient votes present at the Special Meeting in person or by proxy to approve the merger.

Dissenters' Rights (page 57)

Dissenters' rights are available to LFCB's shareholders under Indiana law, but LFCB's shareholders will only be able to dissent from the proposed merger by complying with the applicable provisions of the Indiana Business Corporation Law (the IBCL). For more information, see *Dissenters' Rights* beginning on page 57.

Voting Agreements (page 44)

As of July 12, 2017, the directors and executive officers of LFCB beneficially owned 1,081,806 shares or approximately 53.1% of the 1,948,000 outstanding shares of LFCB common stock. In connection with the execution of the Merger Agreement, all of the directors of LFCB and LCB executed a voting agreement pursuant to which they agreed to vote their shares in favor of the merger. A copy of that voting agreement is attached as Appendix C to this proxy statement/prospectus.

Opinion of LFCB's Financial Advisor (page 30)

In connection with the merger, LFCB jointly retained Renninger & Associates, LLC (Renninger) and Ausdal Financial Partners as its financial advisors. In this regard, Renninger delivered a written opinion, dated May 23, 2017, to the LFCB board of directors as to the fairness, from a financial point of view and as of the date of the opinion, of the merger consideration to be received by the holders of LFCB common stock in the proposed merger. The full text of Renninger's opinion, which describes the procedures followed, assumptions made, matters considered, and

qualifications and limitations on the review undertaken by Renninger in preparing the opinion, is attached as Appendix B to this proxy statement/prospectus. **The opinion was for the information of, and was directed to, the LFCB board (in its capacity as such) in connection with its consideration of the financial terms of the merger. The opinion did not address the underlying business decision of LFCB to engage in the merger or enter into the Merger Agreement or constitute a recommendation to the LFCB board in connection with the merger, and it does not constitute a recommendation to any holder of LFCB common stock as to how to vote in connection with the merger or any other matter.**

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Reasons for the Merger (page 27)

The LFCB board of directors believes that the merger and the Merger Agreement are advisable and fair to, and in the best interests of, LFCB and its common shareholders and, therefore, the board of directors recommends that LFCB's shareholders vote FOR the proposal to adopt the Merger Agreement. In reaching its decision, the LFCB board of directors considered many factors, including the factors described under the heading *The Merger LFCB's Reasons for the Merger; Board Recommendation* beginning on page 27.

Regulatory Approvals (page 57)

Under the terms of the Merger Agreement, the merger cannot be completed until Horizon receives necessary regulatory approvals, which include a waiver from the Federal Reserve Bank of Chicago (FRB) of the application requirements for the merger of LFCB into Horizon, and the approvals of the FDIC and IDFI of the merger of LCB into Horizon Bank. As of the date of this proxy statement/prospectus, Horizon has filed the required applications with the FDIC and IDFI, and we expect to receive FDIC and IDFI approval and the FRB's waiver in August 2017. Although we believe that we will be able to obtain these regulatory approvals and waivers, there can be no assurance that all requisite approvals and waivers will be obtained or that they will be obtained within the time period we anticipate.

New Horizon Shares Will Be Eligible for Trading (page 57)

The shares of Horizon common stock to be issued in the merger will be eligible for trading on the NASDAQ Global Select Market.

Conditions to the Merger (page 51)

The obligation of Horizon and LFCB to consummate the merger is subject to the satisfaction or waiver, on or before the completion of the merger, of a number of conditions, including, but not limited to:

the Merger Agreement must receive the requisite approval of LFCB's shareholders;

approval of the transaction by the appropriate regulatory authorities;

the representations and warranties made by the parties in the Merger Agreement must be true, accurate, and correct as of the effective date of the merger;

the covenants made by the parties must have been fulfilled or complied with in all material respects from the date of the Merger Agreement through and as of the effective time of the merger;

the parties must have received the respective closing deliveries of the other parties to the Merger Agreement;

the Registration Statement on Form S-4, of which this proxy statement/prospectus is a part, relating to the Horizon shares to be issued pursuant to the Merger Agreement, must have become effective under the Securities Act of 1933, as amended, and no stop order suspending the effectiveness of the Registration Statement shall have been issued or threatened by the Securities and Exchange Commission;

at the request of Horizon and subject to bank regulatory approval, LCB shall dividend its excess capital to LFCB at least 10 days prior to the effective time of the merger;

the boards of directors of Horizon and LFCB must have received an opinion from Barnes & Thornburg LLP to the effect that the merger constitutes a tax free reorganization for purposes of Section 368 of the Internal Revenue Code, as amended (the Code);

As of the end of the month prior to the effective time of the merger, LFCB s adjusted consolidated shareholders equity, as defined in the Merger Agreement, shall not be less than \$19,902,000;

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Horizon shall have received executed cancellation agreements with respect to the outstanding options to purchase shares of LFCB common stock;

LCB shall have provided notice of termination to Computer Services, Inc. under that certain Data Processing Agreement, dated July 30, 2010 between LCB and Computer Services, Inc.;

the LFCB employees specified in the Merger Agreement shall have executed and delivered noncompetition agreements;

Bradley W. Marley, the President and Chief Executive Officer of LFCB, shall have executed and delivered a mutual termination of employment agreement to Horizon;

the shares of Horizon common stock to be issued to LFCB's shareholders in the merger must have been approved for listing on the NASDAQ Global Select Market; and

there shall be no legal proceedings initiated or threatened seeking to prevent the completion of the merger.

For a further description of the conditions necessary to the completion of the merger, see *The Merger Agreement Conditions to the Merger* beginning on page 51. We cannot be certain when, or if, the conditions to the merger will be satisfied or waived or that the merger will be completed.

Termination (page 54)

Horizon or LFCB may mutually agree at any time to terminate the Merger Agreement without completing the merger, even if LFCB's shareholders have approved it. Also, either party may decide, without the consent of the other party, to terminate the Merger Agreement under specified circumstances, including if the merger is not consummated by December 31, 2017, if the required regulatory approvals are not received, or if LFCB's shareholders do not approve the Merger Agreement at the Special Meeting. In addition, either party may terminate the Merger Agreement if there is a breach of the agreement by the other party that would cause the failure of conditions to the terminating party's obligation to close, unless the breach is capable of being cured and is cured within twenty business days of notice of the breach. Horizon also has the right to terminate the Merger Agreement if LFCB's board of directors approves another acquisition proposal with a third party other than Horizon or publicly recommends that LFCB's shareholders approve such other acquisition proposal.

Additionally, LFCB has the right to terminate the Merger Agreement during the five-day period following the date on which all regulatory approvals and other approvals (disregarding any waiting period applicable to the regulatory approvals) required for the merger are received if Horizon's average common stock closing price is below \$21.57 per share, and the percentage decrease in the stock price of Horizon from Horizon's average closing stock price for the 15-day trading period ended on the date immediately prior to the date of the Merger Agreement is more than 15% greater than the percentage decrease in the SNL Small Cap U.S. Bank and Thrift Index during the same period. Horizon has the right to prevent LFCB's termination under those circumstances, however, by agreeing to increase the exchange ratio pursuant to a formula set forth in the Merger Agreement.

Termination Fee (page 56)

LFCB is required to pay Horizon a \$1,280,000 termination fee under the following circumstances:

if Horizon terminates the Merger Agreement because LFCB's board of directors fails to include its recommendation to approve the merger in the proxy statement/prospectus delivered to shareholders or has withdrawn, modified, or changed its approval or recommendation of the Merger Agreement or approves or publicly recommends an acquisition proposal with a third party, or LFCB has entered into or publicly announced an intention to enter into another acquisition proposal;

if either party terminates the Merger Agreement because it is not approved by the requisite vote of the shareholders of LFCB at the Special Meeting and, prior to the date that is twelve months after such termination LFCB or LCB enters into any acquisition agreement with a third party or an acquisition proposal is consummated;

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if either party terminates the Merger Agreement because the consummation of the merger has not occurred by December 31, 2017, and (i) prior to the date of such termination an acquisition proposal was made by a third party, and (ii) prior to the date that is twelve months after such termination, LFCB or LCB enters into any acquisition agreement or any acquisition proposal is consummated; or

if Horizon terminates the Merger Agreement because an event occurs which is not capable of being cured prior to December 31, 2017 and would result in the conditions to Horizon's obligation to close not being satisfied, LFCB breaches or fails to perform any of its representations, warranties, or covenants, or an event occurs that has or would reasonably be expected to have a material adverse effect on LFCB, and such matters are the result of an intentional, willful, or grossly negligent breach or nonperformance by LFCB of any representation, warranty, or covenant in the Merger Agreement.

Interests of Officers and Directors in the Merger that Are Different From Yours (page 59)

When LFCB's shareholders consider the recommendation of the LFCB board of directors to approve the Merger Agreement and the merger, you should be aware that certain of LFCB's directors and executive officers have interests in the merger that are different from, or in addition to, the interests of LFCB's shareholders generally that may present actual or apparent conflicts of interest, including certain payments under the employment agreement of LFCB's chief executive officer, and the continuation of director and officer indemnification and liability insurance protections. See *Interests of Certain Directors and Officers of LFCB in the Merger* beginning on page 59.

Accounting Treatment of the Merger (page 57)

The merger will be accounted for as a business combination in accordance with United States generally accepted accounting principles.

Rights of Shareholders After the Merger (page 66)

When the merger is completed, LFCB's shareholders owning at least 100 shares of LFCB common stock will become Horizon shareholders, and their rights then will be governed by Horizon's articles of incorporation and bylaws and applicable law. Horizon and LFCB are both organized under Indiana law. To review the differences in the rights of shareholders under each company's governing documents, see *Comparison of the Rights of Shareholders* beginning on page 66.

Material Federal Income Tax Consequences of the Merger (page 61)

Horizon and LFCB expect the merger to qualify as a reorganization for U.S. federal income tax purposes. If the merger qualifies as a reorganization, then, in general, for U.S. federal income tax purposes:

a holder of LFCB common stock generally will recognize gain, but not loss, in an amount equal to the lesser of (1) the amount of cash received, or (2) the amount of gain realized in the merger. The amount of gain an LFCB shareholder realizes will equal the amount by which (a) the cash plus the fair market value of the Horizon common stock received, exceeds (b) the shareholder's aggregate adjusted tax basis in the LFCB common stock; and

an LFCB shareholder will recognize gain or loss, if any, on any fractional share of Horizon common stock for which cash is received equal to the difference between the amount of cash received and the LFCB shareholder's allocable tax basis in the fractional share.

To review the tax consequences of the merger to LFCB's shareholders in greater detail, please see the section *Material Federal Income Tax Consequences* beginning on page 61. Your tax consequences will depend on your individual situation. Accordingly, we strongly urge you to consult your independent tax advisor for a full understanding of the particular tax consequences of the merger to you.

Table of Contents**SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA OF HORIZON**

The following data is derived from Horizon's audited annual historical financial statements and its unaudited financial statements at or for the periods indicated. Per share amounts have been adjusted to reflect all completed stock dividends and splits. This information should be read in conjunction with Management's Discussion and Analysis of Financial Condition and Results of Operations and the consolidated financial statements and the notes thereto of Horizon incorporated by reference into this proxy statement/prospectus. Results for past periods are not necessarily indicative of results that may be expected for any future period.

(in thousands, except per share data)	At or for the Three Months Ended March 31,		At or for the year ended December 31,				
	2017	2016	2016	2015	2014	2013	2012
	(unaudited)	(unaudited)					
Summary of Operations:							
Interest Income	\$ 28,834	\$ 23,528	\$ 106,529	\$ 88,588	\$ 76,205	\$ 74,886	\$ 72,528
Interest Expense	3,266	3,754	20,537	13,854	13,222	13,503	14,322
Net Interest Income	25,568	19,744	85,992	74,734	62,983	61,383	58,206
Provision for Loan Losses	330	532	1,842	3,162	3,058	1,920	3,524
Net Interest Income after Provision for Loan Losses	25,238	19,242	84,150	71,572	59,925	59,463	54,682
Non-Interest Income	7,559	7,387	35,455	28,434	24,872	24,690	26,394
Non-Interest Expense	21,521	19,270	86,892	72,225	60,541	57,229	53,087
Income Before Income Taxes	11,276	7,359	32,713	27,781	24,256	26,924	27,989
Income Tax Expense	3,052	1,978	8,801	7,232	6,155	7,048	8,446

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Net Income	8,224	5,381	23,912	20,549	18,101	19,876	19,543
Net Income Available to Common Shareholders	\$ 8,224	\$ 5,339	\$ 23,870	\$ 20,424	\$ 17,968	\$ 19,506	\$ 19,062

Period-End Balances:

Total Assets	\$ 3,169,643	\$ 2,627,918	\$ 3,141,156	\$ 2,652,401	\$ 2,076,922	\$ 1,758,276	\$ 1,848,227
Total Loans, Net	2,131,899	1,705,836	2,121,149	1,734,597	1,362,053	1,052,836	1,172,447
Total Deposits	2,443,699	1,878,479	2,471,210	1,880,153	1,482,319	1,291,520	1,294,153
Total Borrowings	357,509	463,343	304,945	482,144	383,840	288,782	378,095
Total Shareholders Equity	\$ 348,575	\$ 261,417	\$ 340,855	\$ 266,832	\$ 194,414	\$ 164,520	\$ 158,968

Per Share Data:

Basic Earnings Per Share ⁽¹⁾	\$ 0.37	\$ 0.30	\$ 1.19	\$ 1.30	\$ 1.32	\$ 1.51	\$ 1.59
Diluted Earnings Per Share ⁽¹⁾	0.37	0.30	1.19	1.26	1.27	1.45	1.53
Cash Dividends ⁽¹⁾	0.11	0.10	0.41	0.39	0.34	0.28	0.25
Book Value Per Common Share at Period-End ⁽¹⁾	\$ 15.72	\$ 14.54	\$ 15.37	\$ 14.20	\$ 13.17	\$ 11.76	\$ 11.33

(1) Adjusted for 3:2 stock splits on November 14, 2016 and November 13, 2012.

Table of Contents**Per Share Equivalent Information**

The following table sets forth the book value per share, cash dividends per share, and basic and diluted earnings per common share data for each of Horizon and LFCB on a historical basis, for Horizon on a pro forma combined basis, and on a pro forma combined basis per LFCB equivalent share. The pro forma data gives effect to: (i) the proposed acquisition of LFCB; and (ii) the proposed issuance of a number of shares of Horizon common stock and cash to the shareholders of LFCB in connection with the merger. For purposes of presenting pro forma basic and diluted earnings per share, cash dividends per share, and book value per share, the comparative pro forma data assumes that the LFCB acquisition and the merger of Horizon and LFCB were effective on December 31, 2016 and March 31, 2017, as applicable. The data in the column **Pro Forma Equivalent per LFCB Share** shows the effect of the merger from the perspective of an owner of LFCB common stock, and was obtained by multiplying the Combined Pro Forma Amounts for Horizon by the exchange ratio of 0.5878. The pro forma financial information in the table below is provided for illustrative purposes, does not include any projected cost savings, revenue enhancements, or other possible financial benefits of the merger to the combined company, and does not attempt to suggest or predict future results.

This information does not purport to reflect what the historical results of the combined company would have been had LFCB and Horizon been combined during these periods.

	Horizon Historical	LFCB Historical	Combined Pro Forma Amounts for Horizon	Pro Forma Equivalent Per LFCB Share
Book value per share:				
at March 31, 2017	\$ 15.72	\$ 10.14	\$ 15.83	\$ 9.30
at December 31, 2016	\$ 15.37	\$ 10.02	\$ 16.25	\$ 9.55
Cash dividends per share:				
Three months ended March 31, 2017	\$ 0.11	\$ 0.00	\$ 0.10	\$ 0.06
Year ended December 31, 2016 ⁽¹⁾	\$ 0.41	\$ 0.00	\$ 0.39	\$ 0.23
Basic earnings per share:				
Three months ended March 31, 2017	\$ 0.37	\$ 0.12	\$ 0.36	\$ 0.21
Year ended December 31, 2016 ⁽¹⁾	\$ 1.19	\$ 0.46	\$ 1.17	\$ 0.69
Diluted earnings per share:				
Three months ended March 31, 2017	\$ 0.37	\$ 0.12	\$ 0.36	\$ 0.21
Year ended December 31, 2016 ⁽¹⁾	\$ 1.19	\$ 0.45	\$ 1.17	\$ 0.69

(1) Gives effect to 3:2 stock split on November 14, 2016.

Table of Contents**Market Prices and Share Information**

Horizon common stock is listed on the NASDAQ Global Select Market under the symbol HBNC. LFCB common stock is quoted on the OTC Pink Marketplace under the symbol LFYC. The following table lists the high and low prices per share for Horizon common stock and the high and low bid price for LFCB common stock and the cash dividends declared by each company for the periods indicated. The prices set forth below for the LFCB common stock quotations reflect inter-dealer prices, without retail mark-up, mark-down, or commissions, and may not necessarily represent actual transactions.

Quarter Ended	Horizon Common Stock			LFCB Common Stock		
	High	Low	Dividends ⁽¹⁾	High	Low	Dividends
September 30, 2017 (through July 20, 2017)	\$26.93	\$25.68	\$ 0.13	\$17.26	\$16.30	
June 30, 2017	28.20	24.54	0.11	17.26	15.00	
March 31, 2017	28.40	24.10	0.11	16.50	11.51	
December 31, 2016	32.19	20.70	0.10	12.50	10.55	
September 30, 2016	19.79	16.19	0.10	10.25	9.55	
June 30, 2016	16.49	15.53	0.10	11.00	9.50	
March 31, 2016	18.17	14.25	0.10	9.00	9.00	
December 31, 2015	18.87	14.70	0.10	15.00	8.71	
September 30, 2015	16.92	13.17	0.10	9.25	8.75	
June 30, 2015	16.82	14.51	0.09	9.00	8.25	
March 31, 2015	16.68	13.94	0.09	8.25	8.10	

(1) Gives effect to 3:2 stock split on November 14, 2016.

You should obtain current market quotations for Horizon and LFCB common stock, as the market price of Horizon common stock will fluctuate between the date of this document and the date on which the merger is completed, and thereafter. You can get these quotations on the internet, from a newspaper, or by calling your broker.

As of July 12, 2017, there were approximately 168 holders of record of LFCB common stock. This does not reflect the number of persons or entities who may hold their stock in nominee or street name through brokerage firms.

LFCB has never paid a cash dividend on its common stock. LFCB presently intends to retain future earnings, if any, for use in the operation of its business and does not anticipate paying any cash dividends in the foreseeable future. Under the IBCL, LFCB may pay dividends if, after the dividend payment, LFCB is able to pay its debts as they become due and its assets exceed its liabilities.

Following the merger, the declaration of dividends will be at the discretion of Horizon's board of directors and will be determined after consideration of various factors, including earnings, cash requirements, the financial condition of Horizon, applicable state law and government regulations, and other factors deemed relevant by Horizon's board of directors.

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The following table shows (1) the closing market prices of Horizon common stock as quoted on the NASDAQ Global Select Market and of LFCB common stock as quoted on the OTC Pink Marketplace on May 22, 2017, the last business day prior to the announcement of the merger, and on July 20, 2017, the most recent date practicable preceding the date of this proxy statement/prospectus, and (2) the equivalent pro forma value of a share of LFCB common stock at such dates based on the value of the consideration to be received in the merger with respect to each share. The equivalent prices per share of LFCB common stock were calculated by multiplying the market price of Horizon common stock by 0.5878, which is the exchange ratio for the merger (subject to adjustment), and by adding the per share cash consideration of \$1.73. All amounts in the table below are presented in dollars per share.

	Horizon Common Stock	LFCB Common Stock	Equivalent Pro Forma Per Share of LFCB Common Stock
May 22, 2017	\$25.38	\$16.40	\$16.65
July 20, 2017	\$26.53	\$16.81	\$17.32

Recent Developments of Horizon

On June 14, 2017, Horizon announced that it entered into an Agreement and Plan of Merger to acquire Wolverine Bancorp, Inc., a Maryland corporation ("Wolverine Bancorp"). Wolverine Bancorp is a savings and loan holding company headquartered in Midland, Michigan with total assets of \$379.3 million as of March 31, 2017, and which conducts its business primarily through its wholly-owned subsidiary, Wolverine Bank, which has three full-service banking offices in the Great Lakes Bay Region of Michigan. Pursuant to the transaction, Wolverine Bancorp will merge with and into Horizon, with Horizon as the surviving corporation. Immediately following the merger, Wolverine Bank will merge with and into Horizon Bank, with Horizon Bank as the surviving bank.

Upon completion of the merger with Wolverine Bancorp, each Wolverine Bancorp shareholder will have the right to receive fixed consideration of \$14.00 per share in cash and 1.0152 shares of Horizon common stock for each share of Wolverine Bancorp's common stock. Based on Horizon's June 13, 2017 closing price of \$27.50 per share as reported on the NASDAQ Global Select Market, the transaction value is estimated at \$91.8 million. Subject to the approval of the merger by Wolverine Bancorp's shareholders, regulatory approvals, and other customary closing conditions, the parties anticipate completing this merger at the end of the third or early in the fourth quarter of 2017. It is uncertain what, if any, conditions may be imposed with respect to the proposed merger by a regulator.

Table of Contents**RISK FACTORS**

In addition to the other information contained in or incorporated by reference into this proxy statement/prospectus (see *Where You Can Find More Information* on page 83), including the risk factors included in Horizon's Annual Report on Form 10-K for the year ended December 31, 2016, you should consider carefully the risk factors described below in deciding how to vote. You should keep these risk factors in mind when you read forward-looking statements in this document and in the documents incorporated by reference into this document. Please refer to the section of this proxy statement/prospectus titled *Cautionary Note About Forward-Looking Statements* on page 19.

Fluctuations in the market price of Horizon's common stock may cause the value of the stock portion of the merger consideration to decrease.

Upon completion of the merger, each share of LFCB common stock held by a shareholder who holds at least 100 shares will be converted into the right to receive merger consideration consisting of 0.5878 shares of Horizon common stock and \$1.73 in cash pursuant to the terms of the Merger Agreement. The market value of the merger consideration may vary from the closing price of Horizon common stock on the date the merger was announced, on the date that this document was mailed to LFCB's shareholders, on the date of the Special Meeting of LFCB's shareholders, and on the date Horizon and LFCB complete the merger and thereafter. While LFCB will have the right to terminate the merger agreement in the event of a specified decline in the market value of Horizon common stock relative to the value of a designated market index unless Horizon elects to increase the aggregate merger consideration (see *The Merger Agreement Termination*), neither company is otherwise permitted to terminate the Merger Agreement or resolicit the vote of LFCB's shareholders solely because of changes in the market price of Horizon's stock. Any change in the exchange ratio, the market price of Horizon's common stock, or the cash consideration prior to the completion of the merger will affect the amount and the market value of the merger consideration that LFCB's shareholders who hold at least 100 shares of LFCB common stock will receive upon completion of the merger. Accordingly, at the time of the LFCB Special Meeting, LFCB's shareholders will not necessarily know, or be able to calculate with certainty, the amount of the market value of the merger consideration they will receive upon completion of the merger. Stock price changes may result from a variety of factors, including general market and economic conditions, changes in Horizon's business, operations, and prospects, and regulatory considerations. Many of these factors are beyond the control of Horizon. You should obtain current market quotations for shares of Horizon common stock before you vote.

The Merger Agreement may be terminated in accordance with its terms and the merger may not be completed, which could have a negative impact on LFCB.

The Merger Agreement with Horizon is subject to a number of conditions that must be fulfilled in order to close. Those conditions include: approval by the shareholders of LFCB, regulatory approval, the continued accuracy of certain representations and warranties by both parties, and the performance by both parties of certain covenants and agreements. In particular, Horizon is not obligated to close if, subject to the conditions in the Merger Agreement, the estimated environmental clean-up costs exceed \$350,000. In addition, certain circumstances exist in which LFCB may terminate the merger, including by accepting a superior proposal or by electing to terminate if Horizon's stock price declines below a specified level. LFCB has the right to terminate the Merger Agreement if Horizon's average common stock closing price over the 15-trading day period immediately preceding the date on which all regulatory approvals approving the merger (disregarding any waiting period applicable thereto) and all other approvals and consents necessary for the consummation of the merger are received (referred to as the *determination date*) is below \$21.57 per share, and the percentage decrease in the stock price of Horizon from Horizon's average closing stock price for the 15-day trading period ended on the date immediately prior to the date of the Merger Agreement is more than 15% greater than the percentage decrease in the SNL Small Cap U.S. Bank and Thrift Index during the same period. However, Horizon has the right to prevent LFCB's termination by agreeing to increase the exchange ratio pursuant to a

formula set forth in the Merger Agreement. See *The Merger Agreement Merger Consideration* (beginning on page 43) for a more complete discussion of the merger consideration to be paid in this proposed transaction and *Termination* for a more complete discussion of the circumstances under which the Merger Agreement could

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be terminated. There can be no assurance that the conditions to closing the merger will be fulfilled or that the merger will be completed.

If the Merger Agreement is terminated, there may be various consequences to LFCB, including:

LFCB's business may have been adversely impacted by the failure to pursue other beneficial opportunities due to the focus of management on the merger, without realizing any of the anticipated benefits of completing the merger; and

LFCB may have incurred substantial expenses in connection with the merger, without realizing any of the anticipated benefits of completing the merger.

If the Merger Agreement is terminated and LFCB's board of directors approves another merger or business combination, under certain circumstances LFCB may be required to pay Horizon a \$1,280,000 termination fee, and LFCB's shareholders cannot be certain that LFCB will be able to find a party willing to pay an equivalent or more attractive price than the price Horizon has agreed to pay in the merger.

LFCB's shareholders will have a reduced ownership and voting interest after the merger and will exercise less influence over management.

LFCB's shareholders currently have the right to vote in the election of the LFCB board of directors and on other significant matters affecting LFCB, such as the proposed merger with Horizon. When the merger occurs, each LFCB shareholder who holds at least 100 shares of LFCB common stock will become a shareholder of Horizon with a percentage ownership of the combined organization that is much smaller than the shareholder's percentage ownership of LFCB. In addition, on June 14, 2017, Horizon announced that it entered into an Agreement and Plan of Merger to acquire Wolverine Bancorp. Under the terms of that merger agreement, upon the completion of that merger each Wolverine Bancorp shareholder will have the right to receive fixed consideration of \$14.00 per share in cash and 1.0152 shares of Horizon common stock for each share of Wolverine Bancorp's common stock. See *Summary Recent Developments of Horizon* on page 14 above. The issuance of Horizon shares in the Wolverine Bancorp transaction will be further dilutive to the LFCB shareholders. Based on the anticipated number of Horizon common shares to be issued in the merger, and assuming the completion of Horizon's merger with Wolverine Bancorp, it is anticipated that the LFCB shareholders will only own approximately 4.29% of all of the outstanding shares of Horizon's common stock. Because of this, LFCB's shareholders will have less influence on the management and policies of Horizon than they now have on the management and policies of LFCB. Furthermore, shareholders of Horizon do not have preemptive or similar rights, and therefore, Horizon can sell additional voting securities in the future without offering them to the former LFCB shareholders, which would further reduce their ownership percentage in, and voting control over, Horizon.

Horizon may be unable to successfully integrate LCB's operations and retain LCB's employees.

Immediately after the closing of the merger, LCB will be merged with and into Horizon Bank. The possible difficulties of merging the operations of LCB with Horizon Bank include:

integrating personnel with diverse business backgrounds;

combining different corporate cultures;

integrating systems; and

retaining key employees.

The process of integrating operations could cause an interruption of, or loss of momentum in, the activities of one or more of Horizon, Horizon Bank, or LCB, and the loss of key personnel. The merger of LCB with Horizon Bank will benefit greatly from the experience and expertise of certain key employees of LCB who are expected to be retained by Horizon. However, there can be no assurances that Horizon will be successful in retaining these employees for the time period necessary to integrate LCB into Horizon Bank at the level desired by Horizon. The diversion of management's attention and any delays or difficulties encountered in connection with the merger and integration of LCB into Horizon Bank could have an adverse effect on the business and results of operations of Horizon or Horizon Bank, and therefore, its stock price.

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Horizon may be unable to retain LFCB's customers or grow the LFCB business.

LFCB operates in geographic markets and with customers primarily located in or near Tippecanoe County in Northwest Indiana. Horizon's markets and customers are located primarily in Northern and Central Indiana and Southwest Michigan. Although Horizon is not anticipating major differences between the preferences of LFCB's customers compared to Horizon's customers, any time there is a change in products, services, ownership, or management of a bank, there is a risk that customers may seek to obtain some or all of their banking products and services from other banks. Horizon believes that the desire of LFCB's customers to seek products or services elsewhere as a result of the merger will be lessened by the fact that the shareholders of LFCB will continue to own a portion of the combined operations after the merger and because key employees of LFCB will be continuing with the bank after the merger.

The fairness opinion delivered to LFCB's board of directors does not reflect changes in circumstances subsequent to the date of the fairness opinion.

The fairness opinion of Renninger was delivered to LFCB's board of directors on May 23, 2017 and speaks only as of such date. Changes in operations and prospects of Horizon and LFCB, general market and economic conditions, and other factors both within and outside of Horizon's and LFCB's control may significantly alter the relative value of the companies by the time the merger is completed. Renninger's opinion does not speak as of the time the merger will be completed or as of any date other than the date of such opinion.

The termination fee and the restrictions on solicitation contained in the Merger Agreement may discourage other companies from attempting to acquire LFCB.

Until the completion of the merger, with some exceptions, LFCB is prohibited from soliciting, initiating, encouraging, or participating in any discussion of, or otherwise considering, any inquiries or proposals that may lead to an acquisition proposal, such as a merger or other business combination transaction, with any person or entity other than Horizon. In addition, LFCB has agreed to pay a termination fee of \$1,280,000 to Horizon if the board of directors of LFCB withdraws, modifies, or changes its approval or recommendation of the Merger Agreement and approves or recommends an alternate acquisition transaction with a third party. These provisions could discourage other companies from trying to acquire LFCB even though such other companies might be willing to offer greater value to LFCB's shareholders than Horizon has offered in the Merger Agreement. The payment of the termination fee also could have a material adverse effect on LFCB's financial condition.

Certain of LFCB's officers and directors have interests that are different from, or in addition to, the interests of LFCB's shareholders generally.

Certain of LFCB's directors and executive officers have interests in the merger that are different from, or in addition to, the interests of LFCB's shareholders generally that may present actual or apparent conflicts of interest, including payments under the employment agreement of LFCB's chief executive officer, and the continuation of director and officer indemnification and liability insurance protections. See *Interests of Certain Directors and Officers of LFCB in the Merger* beginning on page 59.

The merger may fail to qualify as a reorganization for federal tax purposes, resulting in the recognition by LFCB's shareholders of taxable gain or loss in respect of their LFCB shares.

Horizon and LFCB intend the merger to qualify as a reorganization within the meaning of Section 368(a) of the Code. Although the Internal Revenue Service will not provide a ruling on the matter, Horizon and LFCB, as a condition to

closing, will obtain an opinion from Horizon's legal counsel that the merger will constitute a reorganization for federal tax purposes. This opinion does not bind the IRS or prevent the IRS from adopting a contrary position. If the merger fails to qualify as a reorganization, an LFCB shareholder generally would recognize gain or loss in an amount equal to the difference between (1) the sum of the amount of cash and the aggregate fair market value of the Horizon common stock received in the exchange, and (2) the LFCB shareholder's aggregate adjusted tax basis in the LFCB common stock surrendered in the exchange.

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The shares of Horizon common stock to be received by LFCB shareholders as a result of the merger will have different rights from the shares of LFCB common stock.

The rights associated with LFCB's common stock are different from the rights associated with Horizon's common stock. See the section of this proxy statement/prospectus entitled *Comparison of the Rights of Shareholders* (beginning on page 66) for a discussion of the different rights associated with Horizon's and LFCB's common stock.

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CAUTIONARY NOTE ABOUT FORWARD-LOOKING STATEMENTS

This proxy statement/prospectus contains forward-looking statements that have been made pursuant to the provisions of, and in reliance on the safe harbor under, the Private Securities Litigation Reform Act of 1995 (the Reform Act). Forward-looking statements include statements with respect to management's beliefs, plans, objectives, goals, expectations, anticipations, assumptions, estimates, intentions, and future performance, and involve known and unknown risks, uncertainties and other factors, which may be beyond the control of Horizon and LFCB, and which may cause actual results, performance, or achievements to be materially different from future results, performance, or achievements expressed or implied by such forward-looking statements.

In addition, certain statements may be contained in the future filings of Horizon with the SEC, in press releases, and in oral and written statements made by or with the approval of Horizon that are not statements of historical fact and constitute forward-looking statements within the meaning of the Reform Act. Examples of such forward-looking statements include, but are not limited to:

statements about the benefits of the merger between Horizon and LFCB, including future financial and operating results, cost savings, enhanced revenues and accretion to reported earnings that may be realized from the merger;

statements of plans, objectives, and expectations of Horizon or LFCB or their managements or boards of directors;

statements of future economic performance; and

statements of assumptions underlying such statements.

All statements other than statements of historical fact are statements that could be forward-looking statements. Words such as believe, contemplate, seek, estimate, plan, project, anticipate, assume, expect, intend, ta remain, will, should, indicate, would, may, and other similar expressions are intended to identify forward-look statements but are not the exclusive means of identifying such statements. Forward-looking statements provide current expectations or forecasts of future events and are not guarantees of future performance, nor should they be relied upon as representing management's views as of any subsequent date. The forward-looking statements are based on management's expectations and are subject to a number of risks and uncertainties.

Forward-looking statements are not guarantees of future performance and involve certain risks, uncertainties, and assumptions that are difficult to predict. Therefore, actual outcomes and results may differ materially from what is expressed or forecasted in such forward-looking statements. Factors that could cause actual results to differ from those discussed in the forward-looking statements include, but are not limited to:

the risk that the businesses of Horizon and LFCB will not be integrated successfully or such integration may be more difficult, time-consuming, or costly than expected;

expected revenue synergies and cost savings from the merger may not be fully realized or realized within the expected time frame;

revenues or earnings following the merger may be lower than expected;

deposit attrition, operating costs, customer loss, and business disruption following the merger, including, without limitation, difficulties in maintaining relationships with employees, may be greater than expected;

the inability to obtain governmental approvals of the merger on the proposed terms and schedule;

the failure of LFCB's shareholders to approve the merger;

local, regional, national, and international economic conditions and the impact they may have on Horizon and LFCB and their customers and Horizon's and LFCB's assessment of that impact;

changes in the level of non-performing assets, delinquent loans, and charge-offs;

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material changes in the value of Horizon's common stock;

changes in estimates of future reserve requirements based upon the periodic review thereof under relevant regulatory and accounting requirements;

the risk that management's assumptions and estimates used in applying critical accounting policies prove unreliable, inaccurate, or not predictive of actual results;

inflation, interest rate, securities market, and monetary fluctuations;

changes in interest rates, spreads on earning assets and interest-bearing liabilities, and interest rate sensitivity;

prepayment speeds, loan originations, and credit losses;

sources of liquidity;

competitive pressures among depository and other financial institutions may increase and have an effect on pricing, spending, third-party relationships, and revenues;

changes in laws and regulations (including laws and regulations concerning taxes, banking, and securities) with which Horizon and LFCB must comply;

the effects of, and changes in, trade, monetary, and fiscal policies and laws, including interest rate policies of the Federal Reserve Board;

Horizon's and LFCB's common shares outstanding and common stock price volatility;

legislation affecting the financial services industry as a whole, and/or Horizon and LFCB and their subsidiaries, individually or collectively;

governmental and public policy changes;

financial resources in the amounts, at the times, and on the terms required to support Horizon's and LFCB's future businesses; and

the impact on Horizon's or LFCB's businesses, as well as on the risks set forth above, of various domestic or international military or terrorist activities or conflicts.

Additional factors that could cause Horizon's results to differ materially from those described in the forward-looking statements can be found in Horizon's Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, and Current Reports on Form 8-K filed with the SEC. All subsequent written and oral forward-looking statements concerning the proposed transaction or other matters and attributable to Horizon or LFCB or any person acting on their behalf are expressly qualified in their entirety by the cautionary statements referenced above. Forward-looking statements speak only as of the date on which such statements are made. Horizon and LFCB undertake no obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made, or to reflect the occurrence of unanticipated events.

We caution you not to place undue reliance on the forward-looking statements.

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SPECIAL MEETING OF LFCB S SHAREHOLDERS

General

This document is being furnished to LFCB shareholders in connection with the solicitation of proxies by the board of directors of LFCB for use at the Special Meeting of LFCB s Shareholders to be held on Monday, August 28, 2017 at 10:00 a.m., local time, at the main office of LFCB, located at 301 South Street, Lafayette, Indiana 47901, and at any adjournment or postponement of that meeting. This document and the enclosed form of proxy are being sent to LFCB s shareholders on or about July 27, 2017.

Purpose of the Meeting

The Special Meeting is being held for the following purposes:

To consider and approve the Merger Agreement by and between Horizon and LFCB, pursuant to which LFCB will merge with and into Horizon. Immediately after the effective time of the merger, LCB, an Indiana-chartered commercial bank and wholly-owned subsidiary of LFCB, will merge with and into Horizon Bank, the wholly-owned Indiana-chartered commercial bank subsidiary of Horizon;

To approve a proposal to adjourn the Special Meeting, if necessary, to solicit additional proxies in the event there are not sufficient votes present at the Special Meeting in person or by proxy to approve the merger; and

To transact such other business as may properly come before the Special Meeting or any adjournment of the Special Meeting.

LFCB s board of directors and management is not aware of any other matters to be presented at the meeting other than those mentioned above and has not received notice from any shareholders requesting that other matters be considered. However, if any other business is properly presented before the Special Meeting and may properly be voted upon, the proxies solicited hereby will be voted on such matters in accordance with the best judgment of the proxy holders named therein.

A copy of the Merger Agreement is attached as Appendix A to this joint proxy statement/prospectus.

Recommendation of LFCB s Board of Directors

The board of directors of LFCB unanimously voted in favor of the Merger Agreement and the merger. LFCB s board of directors believes that the Merger Agreement, the merger, and the transactions contemplated thereby are in the best interests of LFCB and its shareholders, and recommends that LFCB s shareholders vote:

FOR the approval and adoption of the Merger Agreement and the merger; and

FOR any proposal of the LFCB board of directors to adjourn the meeting, if necessary.

Record Date and Voting

The close of business on July 12, 2017 has been selected as the record date for the determination of LFCB's shareholders entitled to notice of and to vote at the Special Meeting. On that date, 1,948,000 shares of LFCB's common stock, no par value per share, were outstanding. Shareholders will be entitled to one vote for each share of LFCB's common stock held by them of record at the close of business on the record date on any matter that may be presented for consideration and action by the shareholders. The presence, in person or represented by proxy, of the holders of a majority of the outstanding shares of LFCB's common stock will constitute a quorum for the transaction of business at the Special Meeting.

You may vote your shares in person by attending the Special Meeting, or by mailing us your completed proxy if you are unable or do not wish to attend. We encourage you to vote by mailing the proxy card even if you plan to attend the meeting. If you are a shareholder of record as of July 12, 2017, you may vote your shares in person at the meeting. If your shares are held by a broker or other nominee, you must obtain a proxy from the broker or nominee giving you the right to vote the shares at the meeting.

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All proxies properly submitted in time to be counted at the Special Meeting will be voted in accordance with the instructions contained in the proxy. If you submit a proxy without voting instructions, the proxies named in the proxy will vote on your behalf for each matter described above in accordance with the recommendations of the LFCB board of directors on all the proposals as set forth in this joint proxy statement/prospectus and on any other matters in accordance with their best judgment.

If you have shares held by a broker or other nominee, you may instruct the broker or other nominee to vote your shares by following the instructions the broker or other nominee provides to you. Proxies solicited by this proxy statement/prospectus may be exercised only at the Special Meeting and any adjournment or postponement thereof and will not be used for any other meeting.

Vote Required

The following votes will be required to approve the proposals:

The approval of the Merger Agreement (Proposal 1) requires the affirmative vote of the holders of a majority of the outstanding shares of LFCB common stock entitled to vote at the Special Meeting.

The proposal to adjourn the Special Meeting, if necessary, to solicit additional proxies (Proposal 2) requires for approval that more votes be cast in favor of the proposal than against the proposal.

Abstentions and broker non-votes (described below) are counted for purposes of determining the presence or absence of a quorum but are not considered votes cast. **The required vote of LFCB's shareholders on the Merger Agreement is based on the number of outstanding shares of LFCB common stock and not the number of shares that are actually voted. Accordingly, the failure to submit a proxy card or to vote in person at the Special Meeting, or the abstention from voting by an LFCB shareholder, or the failure of any LFCB shareholder who holds shares in street name through a bank or broker to give voting instructions to such bank or broker (thereby resulting in a broker non-vote), will have the same effect as a vote AGAINST the Merger Agreement.** Abstentions and broker non-votes will not be included in the vote count on the proposal to adjourn the Special Meeting and will have no effect on the outcome of that proposal.

A broker non-vote occurs when a broker submits a proxy that does not indicate a vote on a proposal because the broker has not received instructions from the beneficial owners on how to vote on such proposal and the broker does not have discretionary authority to vote in the absence of instructions. Brokers generally have the authority to vote, even though they have not received instructions, on matters that are considered routine. However, under the rules of the New York Stock Exchange, the Merger Agreement proposal and the adjournment proposal to be considered at the Special Meeting are not considered routine matters and brokers are not entitled to vote shares held for a beneficial owner on these matters without instructions from the beneficial owner of the shares. **To avoid a broker non-vote of your shares on the Merger Agreement and adjournment, each of which is a non-routine matter, you must provide voting instructions to your broker or other nominee.**

As of the record date:

LFCB's directors and executive officers and their affiliates owned and were entitled to vote 991,306 shares of LFCB common stock, representing approximately 50.9% of the outstanding shares of LFCB common stock; and

Horizon's directors and executive officers and their affiliates owned and were entitled to vote less than 1% of the outstanding shares of LFCB common stock. Horizon owned and was entitled to vote 90,574 shares of LFCB common stock, representing approximately 4.6% of the outstanding shares of LFCB common stock.

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Revocability of Proxies

Submitting a proxy on the enclosed form of proxy does not preclude an LFCB shareholder from voting in person at the Special Meeting. An LFCB shareholder may revoke a proxy at any time prior to the vote at the Special Meeting by:

delivering to Richard D. Murray, LFCB's Senior Vice President, Chief Operating Officer, and Corporate Secretary, at LFCB's corporate office at 301 South Street, Lafayette, Indiana 47901, on or before the date of the Special Meeting, a later-dated and signed proxy card or a written revocation of the proxy;

delivering to LFCB at the Special Meeting prior to the taking of the vote a later-dated and signed proxy card or a written revocation;

attending the Special Meeting and voting in person; or

if you have instructed a broker to vote your shares, following the directions received from your broker to change those instructions.

Revoking a proxy will not affect a vote once it has been taken. Attendance at the Special Meeting will not, in itself, constitute a revocation of a proxy. You must vote in person at the Special Meeting if you wish to change a vote that you have previously made by submitting a signed proxy.

Voting of Shares Held in LFCB's 401(k) Plan

Each participant in LFCB's 401(k) Plan is entitled to direct the 401(k) plan trustee as to the shares held in the plan which are allocated to the participant's account. The 401(k) plan trustee will vote all shares for which no directions are given or for which instructions were not timely received in the same proportion as shares for which the 401(k) plan trustee received voting instructions. Participants in the 401(k) plan will need to vote by mail (by completing and signing the instruction card that accompanies this proxy statement/prospectus). Participants must return their instruction cards to the 401(k) plan trustee by 11:59 p.m. on August 23, 2017 in order to instruct the trustee how to vote such LFCB shares.

Solicitation of Proxies

The proxy solicitation of LFCB's shareholders is being made by LFCB on behalf of the LFCB board of directors and will be paid for by LFCB. In addition to solicitation by mail, directors, officers, and employees of LFCB may solicit proxies for the Special Meeting from LFCB's shareholders personally or by telephone, the Internet, or other electronic means. However, LFCB's directors, officers, and employees will not be paid any special or extra compensation for soliciting such proxies, although they may be reimbursed for out-of-pocket expenses incurred in connection with the solicitation. Upon request, LFCB will reimburse brokers, dealers, banks, trustees, and other fiduciaries for the reasonable expenses they incur in forwarding proxy materials to beneficial owners of LFCB's common stock.

THE MATTERS TO BE CONSIDERED AT THE SPECIAL MEETING ARE OF GREAT IMPORTANCE TO THE SHAREHOLDERS OF LFCB. ACCORDINGLY, HOLDERS OF LFCB COMMON STOCK ARE URGED TO READ AND CAREFULLY CONSIDER THE INFORMATION PRESENTED IN THIS PROXY STATEMENT/PROSPECTUS, AND TO COMPLETE, DATE, SIGN, AND PROMPTLY RETURN THE ENCLOSED PROXY CARD IN THE ENCLOSED POSTAGE PRE-PAID ENVELOPE.

Assistance

If you need assistance in completing your proxy card or have questions regarding the Special Meeting, please contact Lafayette Community Bancorp, 301 South Street, Lafayette, Indiana 47901, Attention: Richard D. Murray, Senior Vice President, Chief Operating Officer, and Corporate Secretary, at (765) 429-7200.

Security Ownership of Certain Beneficial Holders and Management

The following table sets forth as of July 12, 2017, which is the most recent practicable date, information regarding the beneficial share ownership of LFCB's common stock by: (i) each of the directors of LFCB;

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(ii) each executive officer of LFCB; (iii) the directors and executive officers of LFCB as a group; and (iv) each person who is known to LFCB to be the beneficial owner of more than 5% of any class of LFCB's voting securities. Information with respect to LFCB's directors, executive officers, and 5% shareholders is based on LFCB's records and data supplied by each of the directors, executive officers, and 5% shareholders. Unless otherwise noted below, the address of each beneficial owner listed in the table is c/o Lafayette Community Bancorp, 301 South Street, Lafayette, Indiana 47901.

Name	Position	Shares of Common Stock Beneficially Owned	Percent of Class ⁽¹⁾
DIRECTORS:			
Edward Chosnek	Director	157,709 ⁽²⁾	8.1%
Gary Henriott	Director	4,801	*
Michael L. Gibson	Director		
Steven Hogwood	Director	67,200 ⁽³⁾	3.4%
Bradley W. Marley	President and Chief Executive Officer, Director	34,200 ⁽⁴⁾	1.7%
Richard D. Murray	Senior Vice President, Chief Operating Officer, Director	61,450 ⁽⁵⁾	3.1%
John Scheumann	Director	654,702	33.6%
Daniel A. Teder	Director	71,094 ⁽⁶⁾	3.6%

EXECUTIVE OFFICERS WHO ARE NOT DIRECTORS:

Stephen M. Hickman	Senior Vice President and Chief Credit Officer	30,650 ⁽⁷⁾	1.6%
All executive officers and directors of LFCB as a group (9 persons)		1,081,806	53.1%

GREATER THAN 5% SHAREHOLDERS:

Robert Williamson		300,000	15.4%
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695 Cherokee Avenue

Lafayette, IN 47905

* Indicates less than 1% of the total number of outstanding shares of LFCB's common stock.

(1) For each individual or group disclosed in the table above, the figures in this column are based on 1,948,000 shares of LFCB common stock issued and outstanding as of July 12, 2017, which is the most recent practicable date, plus the number of shares of common stock each such individual or group has the right to acquire on or within 60 days after July 12, 2017, computed in accordance with Rule 13d-3(d)(1) under the Exchange Act.

(2) Includes options to purchase 10,000 shares and 15,000 shares owned by the spouse of Mr. Chosnek.

(3) Includes options to purchase 10,000 shares.

(4) Includes options to purchase 23,000 shares.

- (5) Includes options to purchase 20,500 shares, 13,876 shares owned jointly with the spouse of Mr. Murray, and 5,000 shares owned by the spouse of Mr. Murray.
- (6) Includes options to purchase 10,000 shares and 12,666 shares owned jointly with the spouse of Mr. Teder.
- (7) Includes options to purchase 17,000 shares.

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THE MERGER

This section of the proxy statement/prospectus describes material aspects of the proposed merger. While Horizon and LFCB believe that the description covers the material terms of the merger, this summary may not contain all of the information that is important to you. You should read this entire proxy statement/prospectus and the other documents that we refer to carefully for more detailed information regarding the merger.

General

Horizon's and LFCB's boards of directors have approved and adopted the Merger Agreement, the merger, and the transactions contemplated thereby. The Merger Agreement provides for the merger of LFCB with and into Horizon, with Horizon as the surviving corporation. Immediately after the effective time of the merger, LCB, the wholly-owned Indiana-chartered commercial bank subsidiary of LFCB, will merge with and into Horizon Bank, the wholly-owned Indiana-chartered commercial bank subsidiary of Horizon.

In connection with the merger, each outstanding share of LFCB common stock owned by shareholders owning at least 100 shares of LFCB common stock will be converted into the right to receive (i) 0.5878 shares of Horizon common stock (subject to certain adjustments as described in the Merger Agreement), and (ii) \$1.73 in cash. LFCB shareholders holding fewer than 100 shares will receive fixed consideration of \$17.25 per share in cash and will not be entitled to receive any shares of Horizon common stock. All of the members of the board of directors of LFCB and LCB have entered into a voting agreement pursuant to which they have agreed to vote their shares of LFCB common stock in favor of the approval and adoption of the Merger Agreement and the merger.

Under the Merger Agreement, the executive officers and directors of Horizon and Horizon Bank serving at the effective time of the merger will continue to serve as such after the merger is consummated.

Please see *The Merger Agreement* beginning on page 43 for additional and more detailed information regarding the legal documents that govern the merger, including information about the conditions to the merger and the provisions for terminating and amending the Merger Agreement.

Background of the Merger

The following chronology summarizes certain key events and contacts that led to the signing of the Merger Agreement. It does not purport to catalogue every conversation among LFCB's board of directors, members of its management, or its representatives and other parties.

As part of LFCB's ongoing strategic-planning process, its board and management periodically reviewed and assessed, among other things, LFCB's long-term strategic goals and opportunities, competitive environment, and short- and long-term performance in light of LFCB's strategic plan, with the goal of best serving the company's customers, communities, employees, and shareholders.

On November 9, 2016, LFCB's outside directors met with Michael A. Renninger, Principal of Renninger & Associates, LLC (Renninger) to discuss his analysis of LFCB's strategic alternatives. The discussion included general banking market conditions, specific potential acquirors, a likely sale price range of \$13.00 to \$14.50 per share, and the steps and timeline involved in the sale process. The board ultimately determined that the price range was not sufficiently compelling to pursue sale at that time.

On or about December 30, 2016, LFCB was informed by Mr. Craig Dwight, Horizon's Chairman of the Board, President and Chief Executive Officer, that Horizon had been solicited by LFCB's former president to buy 90,574 shares of LFCB (4.65% of outstanding shares) and had agreed to a negotiated price of \$13.00 per share. Mr. Dwight stated that Horizon had discussed the sale solicitation with the LFCB President earlier in December and that Horizon intended to buy the shares for investment purposes and did not want this to be viewed as a hostile event, but also viewed the Greater Lafayette market as a desirable expansion area for Horizon.

By early February, 2017, bank stock prices increased significantly in the wake of the U.S. presidential election based on expectations of reduced regulatory burden, higher interest rates, an improving economy, and

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lower federal income taxes. A number of high profile transactions were being announced at attractive pricing levels as publicly traded banks offered their stock as consideration. Mr. Renninger advised LFCB's board that likely acquirors could be expected to offer prices significantly higher than \$14.50. By mid-February, the decision was made to test the market. On February 17, 2017, the Company entered into an engagement agreement with Renninger to assist it in assessing strategic alternatives and to pursue affiliation with a financial institution. LFCB selected Renninger based on its qualifications, expertise, reputation, and experience in mergers and acquisitions involving Indiana financial institutions similar to LFCB.

Renninger was authorized to contact six financial institutions regarding their potential interest in acquiring LFCB. These financial institutions were selected based on an anticipation of their ability to offer sufficient value, a satisfactory level of stock liquidity, and a strong interest in LFCB's staff and the Greater Lafayette market. Four parties, including Horizon, signed confidentiality agreements during the week of March 13, 2017 and were allowed access to a virtual data room containing extensive financial and operating information on LFCB. All four parties ultimately provided Indications of Interest on March 31, 2017.

LFCB's board of directors promptly considered the merits of the Indications of Interest and Renninger's summary and recommendation. The two parties with superior, responsive proposals, including Horizon, were invited to conduct off-site due diligence based on the attractiveness of the financial proposals and the expectation that either party would provide a good fit for LFCB's customers, communities, and employees.

Horizon completed off-site due diligence procedures by April 7, 2017 and submitted a non-binding Letter of Intent on April 13, 2017. The second party ultimately elected not to conduct due diligence procedures upon being informed that Horizon's superior Indication of Interest offer was further improved in its non-binding Letter of Intent. LFCB's board of directors met with Mr. Renninger and John Tanselle of SmithAmundsen LLC, LFCB's legal counsel (SmithAmundsen), on April 18, 2017 to consider Horizon's non-binding Letter of Intent. The board voted unanimously to accept the terms of the non-binding Letter of Intent based, in part, on its superior financial and non-financial terms relative to other proposals and recent comparable transactions, and agreed to proceed with negotiations of a definitive agreement.

Over the ensuing weeks, Barnes & Thornburg LLP, counsel to Horizon (Barnes & Thornburg), and SmithAmundsen exchanged drafts and negotiated provisions of the Merger Agreement, with the input of Renninger and the management teams of LFCB and Horizon on certain business and financial terms.

On May 16, 2017, LFCB's board of directors met to consider a nearly final draft of the Merger Agreement. Mr. Tanselle of SmithAmundsen summarized the terms of the Merger Agreement and discussed the board's fiduciary duty under Indiana law in connection with a potential merger. Mr. Renninger discussed the process used by Renninger to develop all proposals, including the one received from Horizon, and the financial terms of the Merger Agreement, and rendered his verbal opinion that, pending completion of reverse due diligence procedures, the terms of the transaction are fair to LFCB shareholders from a financial point of view. Renninger subsequently confirmed this verbal opinion pursuant to a written opinion dated May 23, 2017 (which is attached as Appendix B to this proxy statement/prospectus). Following additional discussion, LFCB's board unanimously approved the Merger Agreement and the merger, subject to the finalization of minor changes to the Merger Agreement and ancillary agreements.

By May 17, 2017, Renninger completed reverse due diligence procedures on Horizon and reiterated its verbal fairness opinion.

On May 23, 2017, the board of directors of Horizon met with Horizon's management who presented the terms of the Merger Agreement that had been distributed to the board prior to the meeting and the strategic rationale for the

transaction. Following this presentation, the board of directors of Horizon reviewed and discussed the draft of the Merger Agreement and the consideration to be paid by Horizon to LFCB's shareholders. Horizon's management responded to questions from the board regarding the merger and the merger consideration. Following a lengthy discussion, the board voted to approve management's finalization and execution of the Merger Agreement and all related documents.

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On May 23, 2017, Horizon and LFCB executed the Merger Agreement, and certain LFCB shareholders and Horizon entered into voting agreements. After the close of business on May 23, 2017, management of both parties met with LFCB's employees and issued a joint press release announcing the transaction.

LFCB's Reasons for the Merger; Board Recommendation

LFCB's board of directors has determined that the Merger Agreement and the merger are in the best interests of LFCB and its shareholders and recommends that LFCB's shareholders vote FOR the approval of the Merger Agreement and the transactions contemplated by the Merger Agreement.

LFCB's board of directors believes that the merger with Horizon is consistent with LFCB's goal of enhancing shareholder value and providing liquidity for the holders of LFCB common stock. In addition, the board of directors believes that the merger with Horizon addresses the board's priorities that any potential transaction be in the best interest of the customers, the communities we serve, and the employees of LCB. To this end, LFCB's board of directors considered a variety of factors including the following:

the significant increase in liquidity to LFCB shareholders, considering that LFCB's shares are not traded on a national securities exchange; the liquidity of LFCB's shares is limited. Horizon stock is actively traded and listed on NASDAQ Global Select Market;

Horizon's perceived ability and resources to negotiate, execute, and close, and conduct due diligence in connection with, a definitive merger agreement on an expedited basis;

Horizon's superior access to capital and managerial resources relative to that of LFCB;

the expectation that the historical liquidity of Horizon's stock will offer LFCB shareholders who receive Horizon stock in the merger the opportunity to participate in the growth and opportunities of Horizon by retaining their Horizon stock following the merger, or to exit their investment, should they prefer to do so;

the expected results to LFCB shareholders from continuing to operate as an independent community banking institution compared with the value of the merger consideration offered by Horizon;

that the shareholders of LFCB received no dividends with respect to their shares, and would likely receive a per share annual dividend of \$0.306 for each of their former LFCB shares (based upon the annual per share dividend rate of \$0.52 for Horizon common stock that then prevailed and the stated exchange ratio, subject to adjustment, of 0.5878);

the opinion of Renninger that as of May 23, 2017, and subject to assumptions and limitations set forth in the opinion, the merger consideration (subject to potential adjustments specified by the Merger

Agreement) was fair to LFCB common shareholders from a financial point of view;

that the merger is intended to qualify as a reorganization under Section 368 of the Internal Revenue Code;

the terms of the Merger Agreement, including the nature and scope of the closing conditions to the merger and potential adjustments to the exchange ratio;

the expectation that the merger should result in economies of scale, cost savings, and efficiencies to the combined company;

the LFCB board of director's view of the current and prospective economic, competitive, and regulatory environment facing the financial services industry, generally, and each of LFCB and Horizon in particular;

the expected benefit to LFCB customers resulting from the greater depth of banking services that would become available to them as a result of the combination with Horizon;

the belief that Horizon shares LFCB's community banking philosophy;

LFCB's favorable impressions of the experience and capability of Horizon's management team;

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satisfactory results of LFCB's summary due diligence review of Horizon;

the belief, based on historical information with respect to Horizon's business, earnings, operations, financial condition, prospects, capital levels, and asset quality, that the combined company has the ability to grow as an independent community financial institution that will be positioned to take advantage of multiple strategic options in the future and increase shareholder value; and

the expectation that the merger would likely be approved by the regulatory authorities and by the shareholders of LFCB in a timely manner.

The foregoing discussion of the information and factors considered by the LFCB board of directors is not intended to be exhaustive, but includes all material factors they considered in arriving at this determination to approve the Merger Agreement and the transactions it contemplates and recommend that the LFCB shareholders vote to approve it. The LFCB board did not assign any relative or specific weights to the above factors and individual directors may have given different weights to different factors.

For the reasons set forth above, LFCB's board of directors unanimously determined that the merger and the Merger Agreement are advisable and in the best interests of LFCB and its shareholders, and unanimously approved and adopted the Merger Agreement. The LFCB board of directors unanimously recommends that LFCB's shareholders vote FOR approval of the Merger Agreement and the merger.

Horizon's Reasons for the Merger

To reach its decision to approve the Merger Agreement, Horizon's board of directors consulted with Horizon's management, as well as its financial and legal advisors, and considered a number of factors, including:

the business, earnings, operations, financial condition, management, prospects, capital levels, and asset quality of both Horizon and LFCB, taking into account the results of Horizon's due diligence review of LFCB, including Horizon's assessments of LFCB's credit policies, asset quality, adequacy of loan loss reserves, interest rate risk, and litigation;

the overall greater scale that will be achieved by the merger that will better position the combined company for future growth;

the strategic positioning of Horizon by filling a market gap between Indianapolis and Northern Indiana;

its belief that Horizon and LFCB have similar cultures and similar community-oriented philosophies, and the complementary nature of the strengths of the management personnel of each company;

its ability to retain a seasoned management team to lead its banking efforts in the greater Lafayette market;

the belief of Horizon's management that the merger will result in pre-tax annual cost savings of approximately \$324,000 in 2017, \$1.8 million in 2018, and \$1.9 million in 2019. Approximately \$1.0 million of the expected savings in 2018 are expected to result from reduced expenses for salaries, employee benefits, and other employee matters, approximately \$217,000 are expected to result from reduced data processing expenses, approximately \$346,000 are expected to result from reduced professional fees, and approximately \$218,000 are expected to result from reduced general, administrative, and other expenses;

the belief of Horizon that the merger will produce earnings enhancement opportunities from additional sources of non-interest income;

the estimation by Horizon's management that the merger will result in after-tax earnings per share accretion of \$0.01 in 2018, \$0.02 in 2019, and \$0.02 in 2020;

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the likelihood of a successful integration of LFCB's business, operations, and workforce with those of Horizon and of successful operation of the combined company, and the belief that customer disruption in the transition phase would not be significant due to the complementary nature of the markets served by Horizon and LFCB;

the historical and current market prices of Horizon's common stock;

the fact that LFCB's shareholders would own approximately 4.7% of the diluted share ownership of the combined company;

the financial and other terms and conditions of the Merger Agreement, including the fact that the exchange ratio and the per share amount of the cash merger consideration are both fixed, provisions designed to limit the ability of LFCB's board of directors to entertain third party acquisition proposals, a provision giving LFCB the right to terminate the Merger Agreement in the event of a specified decline in the market value of Horizon's common stock relative to a designated market index unless Horizon agrees to pay additional merger consideration, and provisions providing for payment by LFCB to Horizon of a \$1.28 million termination fee if the Merger Agreement is terminated under certain circumstances;

the board's belief that Horizon will be able to finance the cash portion of the merger consideration on substantially the terms contemplated by it;

the interests of LFCB's directors and executive officers in the merger, in addition to their interests generally as shareholders, as described under *Interests of Certain Directors and Officers of LFCB in the Merger* beginning on page 59; and

the need to obtain LFCB's shareholder approval and regulatory approvals in order to complete the transaction.

The foregoing discussion of the factors considered by Horizon's board of directors is not intended to be exhaustive, but rather includes the material factors considered by Horizon's board of directors. In reaching its decision to approve the Merger Agreement and the merger, Horizon's board of directors did not quantify or assign any relative weights to the factors considered, and individual directors may have given different weights to different factors. Horizon's board of directors considered these factors as a whole, including discussions with, and questioning of, Horizon's management and its financial and legal advisors, and overall considered the factors to be favorable to, and to support, its determination.

For the reasons set forth above, Horizon's board of directors unanimously approved the Merger Agreement and the merger, and the transactions contemplated by the Merger Agreement.

Effects of the Merger

The respective boards of directors of Horizon and LFCB believe that, over the long-term, the merger will be beneficial to Horizon's shareholders, including the current shareholders of LFCB who receive the stock consideration and

become Horizon shareholders if the merger is completed. The Horizon board of directors believes that one of the potential benefits of the merger is the cost savings that may be realized by combining the two companies and integrating LCB into Horizon's banking subsidiary, which savings are expected to enhance Horizon's earnings.

Horizon expects to reduce expenses by combining accounting, data processing, retail and lending support, and other administrative functions after the merger, which will enable Horizon to achieve economies of scale in these areas. Promptly following the completion of the merger, which is expected to occur at the end of the third or early in the fourth quarter of 2017, Horizon plans to begin the process of eliminating redundant functions and eliminating duplicative expenses that were identified prior to the completion of the merger. It is contemplated that after the merger Horizon Bank will continue to operate the main offices and branch offices of LCB and complete the relocation of one of the branches to an under-construction branch next door. For more information about LCB's branch offices, see *Additional Information About LFCB Properties* beginning on page 76.

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The amount of any cost savings Horizon may realize in 2017 will depend upon how quickly and efficiently Horizon is able to implement the processes outlined above during the year.

Horizon believes that it will achieve cost savings based on the assumption that it will be able to:

reduce data processing costs;

reduce staff;

achieve economies of scale in advertising and marketing budgets; and

reduce legal and accounting fees.

Horizon has based these assumptions on its present assessment of where savings could be realized based upon the present independent operations of the two companies. Actual savings in some or all of these areas could be higher or lower than is currently expected.

Horizon also believes that the merger will be beneficial to the customers of LFCB as a result of the additional products and services offered by Horizon and because of its increased lending capability.

Negotiations, Transactions, or Materials Contracts

Except as set forth above or elsewhere in this proxy statement/prospectus, none of LFCB, LCB, nor any of their respective directors, executive officers, or other affiliates had any negotiations, transactions, or material contracts with Horizon, Horizon Bank, or any of their directors, executive officers, or other affiliates during the past three years that would require disclosure under the rules and regulations of the SEC applicable to this proxy statement/prospectus.

Opinion of LFCB's Financial Advisor

By letter dated May 23, 2017, LFCB jointly retained Renninger and Ausdal Financial Partners (AFP) to render financial advisory and investment banking services in connection with general financial strategy and planning and to act as the exclusive financial advisor to LFCB in connection with a potential strategic combination. Renninger is an investment banking and consulting firm specializing in community bank mergers and acquisitions. AFP is a registered broker dealer affiliated with Renninger. Renninger, as a customary part of its business, is continually engaged in the valuation of commercial banks, bank holding companies, savings and loan associations, savings banks, and savings and loan holding companies in connection with mergers, acquisitions, and other securities-related transactions. Renninger has knowledge of, and experience with, the banking market in which both LFCB and Horizon operate. LFCB selected Renninger and AFP as its financial advisor on the basis of its experience and expertise in representing community banks in similar transactions and their familiarity with LFCB.

In its capacity as financial advisor, Renninger provided a fairness opinion to the LFCB Board of Directors in connection with the merger. At the meeting of the LFCB Board on May 16, 2017, Renninger rendered its oral opinion to the LFCB Board (which was subsequently confirmed in writing by delivery of Renninger's written opinion dated May 23, 2017) that, based upon and subject to the various factors, assumptions, and limitations set forth in its opinion,

Renninger's experience as investment bankers, Renninger's work as described in the opinion, and other factors Renninger deemed relevant, as of the opinion date, the merger consideration set forth in the Merger Agreement was fair, from a financial point of view, to the holders of LFCB common stock. Renninger's written opinion, dated May 23, 2017, is also referred to herein as the Renninger Opinion.

The full text of the Renninger Opinion, which sets forth, among other things, the assumptions made, procedures followed, matters considered, and limitations on the review undertaken in rendering its opinion, is attached as Appendix B to this proxy statement/prospectus and is incorporated herein by reference. The summary of the Renninger Opinion set forth herein is qualified in its entirety by reference to the full text of the opinion. LFCB common shareholders should read the full text of the opinion carefully and in its entirety. The Renninger Opinion is addressed to the LFCB Board of Directors, is directed only to the fairness, from a financial point of

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view, of the merger consideration to the holders of LFCB common stock, and does not constitute a recommendation to any shareholder as to how such shareholder should vote or act on any matters relating to the merger. Renninger provided its oral opinion to the LFCB Board of Directors on May 16, 2017 in connection with and for the purposes of the LFCB Board's evaluation of the merger. The Renninger Opinion addressed only the fairness, from a financial point of view, of the merger consideration to the holders of LFCB common stock. Renninger expressed no view or opinion as to any of the legal, accounting, and tax matters relating to the merger and any other transactions contemplated by the Merger Agreement or any terms or other aspects of the Merger Agreement, the merger, or any such other transactions. Renninger expressed no opinion as to the fairness of any consideration paid in connection with the merger to the holders of any other class of securities, creditors, or other constituencies of LFCB, or as to the underlying decision by LFCB to engage in the merger or enter into the Merger Agreement. Renninger did not express any opinion as to the fairness of the amount or nature of the compensation to be received in the merger by LFCB officers, directors, or employees, or any other class of such persons, relative to the compensation to be received in the merger by the holders of LFCB common stock.

The description of the opinion set forth below is qualified in its entirety by reference to the text of the opinion. You also should consider the following when reading the discussion of the Renninger Opinion in this document:

The opinion letter details the procedures followed, assumptions made, matters considered, and qualifications and limitations of the review undertaken by Renninger in connection with its opinion, and should be read in its entirety;

Renninger expressed no opinion as to the price at which LFCB's or Horizon's common stock would actually be trading at any given time;

The Renninger Opinion does not address the relative merits of the merger and the other business strategies considered by the LFCB Board of Directors, nor does it address the decision of the LFCB Board of Directors to proceed with the merger; and

The Renninger Opinion does not constitute a recommendation to any LFCB shareholder as to how he or she should vote at the special meeting.

The preparation of a fairness opinion involves various determinations as to the most appropriate methods of financial analysis and the application of those methods to the particular circumstances. It is, therefore, not readily susceptible to partial analysis or summary description. In performing its analyses, Renninger made numerous assumptions with respect to industry performance, business and economic conditions, and other matters, many of which are beyond the control of LFCB and Horizon and may not be realized. Any estimates contained in Renninger's analyses are not necessarily predictive of future results or values, and may be significantly more or less favorable than the estimates. Estimates of values of companies do not purport to be appraisals or necessarily reflect the prices at which the companies or their securities may actually be sold. Unless specifically noted, none of the analyses performed by Renninger was assigned a greater significance by Renninger than any other. The relative importance or weight given to these analyses is not affected by the order of the analyses or the corresponding results. The summaries of financial analyses include information presented in tabular format. The tables should be read together with the text of those summaries.

With respect to the internal projections and estimates for LFCB and Horizon, and the expected transaction costs, purchase accounting adjustments, and cost savings, LFCB's and Horizon's management and advisors confirmed to us that they reflected the best currently available estimates and judgments of management of the future financial performance of LFCB and Horizon, respectively, and Renninger assumed that such performance would be achieved. Renninger expresses no opinion as to such financial projections and estimates or the assumptions on which they are based. Renninger also assumed that there has been no material change in LFCB's or Horizon's assets, financial condition, results of operations, business, or prospects since the date of the most recent financial statements made available to Renninger. Renninger assumed in all respects material to its analysis that LFCB and Horizon will remain as going concerns for all periods relevant to the analyses, that all of the representations and warranties contained in the Merger Agreement are true and correct, that each party to the

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Merger Agreement will perform all of the covenants required to be performed by such party under the Merger Agreement, and that the closing conditions in the Merger Agreement are not waived. Finally, Renninger has relied upon the advice LFCB has received from its legal, accounting, and tax advisors as to all legal, accounting, and tax matters relating to the merger and the other transactions contemplated by the Merger Agreement.

Renninger has relied, without independent verification, upon the accuracy and completeness of the information it reviewed for the purpose of rendering its opinion. Renninger did not undertake any independent evaluation or appraisal of the assets and liabilities of LFCB or Horizon, nor was it furnished with any appraisals. Renninger has not reviewed any individual credit files of LFCB or Horizon, and has assumed that LFCB's and Horizon's allowances are, in the aggregate, adequate to cover inherent credit losses. The Renninger Opinion is based on economic, market, and other conditions existing on the date of its opinion. No limitations were imposed upon Renninger by LFCB's Board of Directors or its management with respect to the investigations made or the procedures followed by Renninger in rendering its opinion.

In rendering its opinion, Renninger made the following assumptions:

all material governmental, regulatory, and other consents and approvals necessary for the consummation of the merger would be obtained without any adverse effect on LFCB, Horizon, or on the anticipated benefits of the merger;

LFCB and Horizon have provided all of the information that might be material to Renninger in its review; and

the financial projections it reviewed were reasonably prepared on a basis reflecting the best currently available estimates and judgment of the management of LFCB and Horizon as to the future operating and financial performance of LFCB and Horizon, respectively.

In connection with its opinion, Renninger reviewed:

- (i) the Merger Agreement dated as of May 23, 2017;
- (ii) certain publicly available financial statements and other historical financial information of LFCB and Horizon that we deemed relevant;
- (iii) certain non-public internal financial and operating data of LFCB and Horizon that were prepared and provided to us by the respective management of LFCB and Horizon;
- (iv) internal financial projections for LFCB for the year ending December 31, 2017 prepared by and reviewed with management of LFCB;

- (v) the pro forma financial impact of the Merger on Horizon, based on assumptions relating to transaction expenses, purchase accounting adjustments and cost savings as discussed with representatives of Horizon;
- (vi) publicly reported historical stock price and trading activity for LFCB's and Horizon's common stock, including an analysis of certain financial and stock information of certain other publicly traded companies deemed comparable to LFCB and Horizon;
- (vii) the financial terms of certain recent business combinations in the commercial banking industry, to the extent publicly available, deemed comparable to the merger;
- (viii) the current market environment generally and the banking environment in particular; and
- (ix) such other information, financial studies, analyses, and investigations and financial, economic, and market criteria as we considered relevant.

Renninger also discussed with certain members of senior management of LFCB the business, financial condition, results of operations, and prospects of LFCB, including certain operating, regulatory, and other financial matters. Renninger held similar discussions with certain members of senior management of Horizon regarding the business, financial condition, results of operations, and prospects of Horizon.

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The following is a summary of the material factors considered and analyses performed by Renninger in connection with its opinion dated May 23, 2017. The summary does not purport to be a complete description of the analyses performed by Renninger.

Summary of Financial Terms of Agreement. The financial terms of the Merger Agreement provide that LFCB shareholders shall be entitled to receive, in exchange for each share LFCB common stock, the merger consideration consisting of 0.5878 shares of Horizon's common stock and \$1.73 in cash. Based on 1,948,000 common shares of LFCB outstanding and Horizon's common stock closing price of \$25.38 on May 22, 2017, the implied deal value per share equaled \$16.64 and the aggregate transaction value approximated \$32.4 million (calculated by multiplying the per share deal value of \$16.64 by the total number of LFCB common shares of 1,948,000). In addition, Horizon agreed to pay \$1.1 million to holders of 97,500 options with an average exercise price of \$6.26. Renninger calculated that the value of \$16.64 per share represented:

166 percent of LFCB's December 31, 2016 tangible book value per share; and

37.5 times LFCB's 2016 earnings per share.

LFCB Financial Performance and Peer Analysis. Renninger compared selected results of LFCB's operating performance to that of fifteen selected publicly traded banks in Indiana, Illinois, and Michigan with total assets between \$100 million and \$360 million. Renninger considered this group of financial institutions comparable to LFCB on the basis of asset size and geographic location.

This peer group consisted of the following banks:

Bank Name	City/State	Bank Name	City/State
AMB Financial Corp	Munster, IN	Benton Financial Corp.	Fowler, IN
Central Bank Corp	Sault Ste.	Century Financial Corp	Coldwater, MI
Clarkston Financial Corp	Waterford, MI	CNB Corporation	Cheboyga, MI
Community First Bank	Kokomo, IN	Community Shores Bank	Muskegon, MI
CSB Bancorp, Inc.	Chelsea, MI	FFW Corporation	Wabash, IN
First Ottawa Bancshares, Inc.	Ottawa, IL	First Robinson Financial Corp	Robinson, IL
Logansport Financial Corp.	Logansport, IN	Northeast Indiana Bancorp	Huntington, IN
University Bancorp	Ann Arbor, MI		

Renninger noted the following selected financial measures for the peer group as compared to LFCB:

Peer Financial Performance⁽¹⁾

25th Pct. Median 75th Pct. LFCB⁽¹⁾

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Total Assets (\$millions)	\$ 190	\$ 259	\$ 296	\$ 167
Tangible Equity/Assets Ratio	8.36%	10.62%	11.57%	11.71%
LTM Return on Average Assets (ROAA)	0.71%	1.12%	1.26%	0.53%
LTM Return on Average Equity (ROAE)	7.40%	9.46%	10.99%	4.83%
LTM Efficiency Ratio	72.4%	67.4%	62.6%	79.5%
NPAs/Total Assets (2)	1.55%	1.31%	0.76%	1.37%
LTM Core EPS Growth	1.9%	6.72	21.1%	16.9%

(1) Peer financial performance as of the most recent last twelve months (LTM) period available. LFCB financial performance as of March 31, 2017.

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(2) Nonperforming Assets (NPAs) include loans 90+ days past due, nonaccrual loans, and other real estate owned. Restructured loans are not included.

This comparison indicated that LFCB was below the 25th percentile of the peer group in terms of asset size, ROAA, ROAE, and efficiency ratio, but was higher than the 75th percentile in equity/assets ratio, just below the median in NPA s assets, and between the median and the 7th percentile in LTM Core EPS growth. The following presents a summary of the market trading data of LFCB compared to this same peer group as of May 22, 2017:

	Peer Market Trading Data			
	25th Pct.	Median	75th Pct.	LFCB
Price/Tangible Book Value per Share	74%	106%	118%	164%
Price/LTM Core EPS	9.8	11.8	13.6	42.3
Dividend Yield	0.00%	2.38%	2.75%	0.00%
Average Weekly Volume (000)	0	0	57	0
Average Weekly Volume to Shares	0.00%	0.00%	0.02%	0.00%

Like most of its peers, LFCB stock rarely traded historically, and when it did, it was generally at book value or below. In late 2016, a former LFCB executive privately sold 4.65% of LFCB s outstanding shares to Horizon at a price approximating 130% of tangible book value. With the exception of that trade, very few shares have accounted for the increase in share price. LFCB has never paid a dividend.

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Comparable Transaction Analysis. Renninger compared the financial performance of certain selling institutions and the prices paid in selected transactions to LFCB's financial performance and the transaction multiples being paid by Horizon for LFCB. Specifically, Renninger reviewed certain information relating to select bank transactions in the nation between November 8, 2016 (post U.S. presidential election) and May 22, 2017 (with seller's assets between \$100 million and \$300 million). Twenty-four transactions were included in this group based on the selected criterion. The following lists the transactions reviewed by Renninger:

Guideline M&A Transactions

Announced

Buyer Name	State	Seller Name	State	Date
Investor Group	N/A	Bank Management, Inc.	NE	1/11/17
United Bancshares, Inc.	OH	Benchmark Bancorp, Inc.	OH	3/22/17
Texas State Bancshares, Inc.	TX	Blanco National Holdings, Inc.	TX	11/28/16
First Bank	NJ	Bucks County Bank	PA	3/29/17
Northwest Bancorporation, Inc.	WA	CenterPointe Community Bank	OR	3/23/17
Investar Holding Corporation	LA	Citizens Bancshares, Inc.	LA	3/8/17
Dickinson Financial Corp II	MO	Community Bancshares of KS	KS	12/16/16
First Community Corporation	SC	Cornerstone Bancorp	SC	4/12/17
Progress Financial Corporation	AL	First Partners Financial, Inc.	AL	2/14/17
Central Valley Community	CA	Folsom Lake Bank	CA	4/27/17
HCBF Holding Company	FL	Jefferson Bancshares, Inc.	FL	1/20/17
Seacoast Banking Corp of FL	FL	Northstar Banking Company	FL	5/18/17
Sierra Bancorp	CA	OCB Bancorp	CA	4/24/17
National Commerce Corp	AL	Patriot Bank	FL	4/24/17
Kinderhook Bank Corporation	NY	Patriot Federal Bank	NY	3/15/17
First Guaranty Bancshares, Inc.	LA	Premier Bancshares, Inc.	TX	1/30/17
Trustmark Corporation	MS	RB Bancorporation	AL	11/14/16
Mid Penn Bancorp, Inc.	PA	Scottdale Bank & Trust Company	PA	3/29/17
West Town Bancorp, Inc.	NC	Sound Banking Company	NC	2/17/17
T Acquisition Inc.	TX	T Bancshares, Inc.	TX	11/10/16
Southern Missouri Bancorp, Inc.	MO	Tammcorp, Inc.	MO	1/11/17
Hope Bancorp	CA	U&I Financial Corp.	WA	1/23/17
Little Bank, Inc.	NC	Union Banc Corp	NC	11/15/16

Citizens Community Bancorp, Inc. WI

Wells Financial Corp.

MN 3/17/17

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The following table highlights the median results of the guideline M&A transactions:

M&A Guideline

Seller Financial Data	Median	LFCB (1)
Total Assets (\$millions)	\$205	\$167
Tangible Equity/Tangible Assets	10.45%	11.71%
Return on Average Assets	0.71%	0.53%
Return on Average Equity	6.69%	4.83%
Efficiency Ratio	75.12%	79.29%
Nonperforming Assets (2)/Assets	0.97%	1.37%
<u>Deal Transaction Multiples</u>		
Price/Tangible Book Value Ratio	143.9%	166.2%
Price/LTM Earnings	21.2X	36.0X

(1) LFCB's financial performance and deal transaction multiples based on LTM March 31, 2017 data.

(2) Nonperforming assets include nonaccrual loans and leases, restructured loans and leases, and other real estate owned.

The median last twelve month (LTM) ROAA of the guideline transactions was 0.71 percent compared to 0.53 percent for LFCB. LFCB's LTM ROAE of 4.83 percent was lower than the peer median of 6.69 percent. The median nonperforming assets (NPA) to assets ratio measured 0.97 percent for the guideline transaction group which was lower than 1.37 percent for LFCB. The indicated price to tangible book ratio being paid by Horizon for LFCB of 166.2 percent was higher than the median price to tangible book ratio of 143.9 percent for the guideline transaction group. The price-to-earnings multiple for LFCB of 36.0 was higher than the median multiple of 21.2.

Horizon Financial Performance and Market Trading Data versus Peer. Renninger compared selected results of Horizon's operating performance to that of twenty-one Indiana, Illinois, and Michigan publicly traded banks. Renninger considered this group of financial institutions comparable to Horizon on the basis of asset size and geographic location.

This peer group consisted of the following companies:

Bank Name	City/State	Bank Name	City/State
1 st Source Corporation	South Bend, IN	BankFinancial Corporation	Burr Ridge, IL
First Busey Corporation	Champaign, IL	First Farmers Financial Corp	Converse, IN

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First Financial Corporation	Terre Haute, IN	First Internet Bancorp	Fishers, IN
First Merchants Corporation	Muncie, IN	German American Bancorp	Jasper, IN
Independent Bank Corporation	Grand Rapids, MI	Isabella Bank Corporation	Mt Pleasant, MI
Lakeland Financial Corp.	Warsaw, IN	Macatawa Bank Corporation	Holland, MI
MainSource Financial Group	Greensburg, IN	Marquette National Corporation	Chicago, IL
Mercantile Bank Corporation	Grand Rapids, MI	Midland States Bancorp	Effingham, IL
MutualFirst Financial, Inc.	Muncie, IN	Old Second Bancorp	Aurora, IL
QCR Holdings, Inc.	Moline, IL	STAR Financial Group	Fort Wayne, IN
West Suburban Bancorp, Inc.	Lombard, IL		

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Renninger noted the following selected financial measures:

	Peer Financial Performance ⁽¹⁾			
	25th Pct.	Median	75th Pct.	Horizon ⁽¹⁾
Total Assets (\$billions)	\$ 1.82	\$ 2.60	\$ 3.37	\$ 3.17
Tangible Equity/Tangible Assets	8.31%	9.18%	9.78%	8.48%
LTM Core Return on Average Assets	0.86%	1.01%	1.10%	0.87%
LTM Core Return on Average Equity	8.95%	9.51%	9.96%	8.29%
LTM Efficiency Ratio	67.0%	62.6%	59.9%	63.1%
NPAs/Total Assets	2.17%	0.63%	0.51%	0.40%
LTM Core EPS Growth	5.3%	9.6%	13.2%	(1.1%)

(1) Peer and Horizon's financial performance as of March 31, 2017.

This comparison indicated that Horizon was just above the 25th percentile of the peer group for core ROAA and was below the 25th percentile for core ROAE. Horizon ranked above the 75th percentile in NPAs/Total Assets. Horizon's tangible equity to assets ratio was between the 25th percentile and median of the peer. Horizon's LTM Core EPS growth was below the 25th percentile of the peer. The following presents a summary of the market trading data of Horizon compared to this same peer group as of May 22, 2017:

	Peer Market Trading Data			
	25th Pct.	Median	75th Pct.	Horizon
Price/Tangible Book Value per Share	153%	191%	211%	217%
Price/LTM Core EPS	16.8	18.3	19.1	17.9
Dividend Yield	1.65%	1.90%	2.00%	1.72%
Average Weekly Volume (000)	20	32	58	32
Average Weekly Volume to Shares o/s	0.78%	1.10%	1.30%	0.73%

Horizon traded above the 75th percentile of the peer group as measured by price to tangible book value per share and was between the 25th percentile and the median based on price to LTM Core EPS. Horizon's dividend yield was between the 25th percentile and median of the peer group. Horizon approximated the median of the peer group in average weekly trading volume and was below the 25th percentile based on volume to shares outstanding.

Renninger also considered the stock price change of Horizon and LFCB compared to selected indices between December 31, 2015 and May 22, 2017. The following table provides additional data:

Stock Price Change	SNL Bank ⁽¹⁾	S&P 500	Horizon	LFCB
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Between 12/31/2015	5/22/17	21%	17%	35%	87%
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Source: S&P Global Market Intelligence, a division of S&P Global (f/k/a SNL Financial).

- (1) SNL U.S. Bank: Includes all Major Exchange (NYSE, NYSE MKT and NASDAQ) Banks in SNL's coverage universe.

Over this time period, Horizon's stock price increased 35% percent and LFCB's stock price increased 87 percent. The SNL Bank Index was up approximately 21 percent over the same time period, while the S&P 500 Index was up 17 percent.

Pro Forma Merger Analysis. Renninger analyzed the potential pro forma effect of the merger. Assumptions were made regarding the fair value accounting adjustments, cost savings and other acquisition

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adjustments based on discussions with management of LFCB and Horizon. The analysis indicated that the merger is expected to be accretive to Horizon's estimated stand-alone EPS in Year 1 (excluding nonrecurring transaction expenses). Renninger calculated that Horizon's tangible book value per share would be diluted at closing, but recovered in less than four years.

Pro Forma Dividends Per Share to LFCB. Based on the 0.5878 share exchange ratio and Horizon's current annual cash dividend rate of \$0.44 per share, LFCB's common stockholders would have received \$0.26 in equivalent cash dividends per share. LFCB has never paid a cash dividend so LFCB shareholder would have received a pro forma per share increase of \$0.26 in annual cash dividends.

Renninger's Compensation and Other Relationships with LFCB and Horizon. LFCB agreed to pay Renninger and AFP certain fees for its services as financial advisor in connection with the merger. LFCB paid Renninger a cash fee of \$10,000 upon execution of the engagement letter, and an additional \$40,000 payable upon execution of the definitive agreement. LFCB has agreed to pay AFP a cash transaction fee of 1.25 percent of the transaction value due at closing of the transaction, with a credit for the \$50,000 previously paid as described above.

LFCB agreed to reimburse Renninger for its reasonable out-of-pocket expenses, and to indemnify Renninger against certain liabilities, including liabilities under securities laws. Except as disclosed above, there are no material relationships that existed during the two years prior to the date of the Renninger Opinion or that are mutually understood to be contemplated, in which any compensation was received or is intended to be received as a result of the relationship between Renninger, AFP, and any party to the merger.

Summary. Based on the preceding summary discussion and analysis, and subject to the qualifications described herein, Renninger determined the merger consideration to be fair, from a financial point of view, to the holders of LFCB common stock. The opinion expressed by Renninger was based on market, economic, and other relevant considerations as they existed and could be evaluated as of the date of the opinion. Events occurring after the date of issuance of the opinion, including, but not limited to, changes affecting the securities markets, the results of operations or material changes in the financial condition of either Horizon or LFCB could materially affect the assumptions used in preparing this opinion.

Certain Financial Projections Utilized by the LFCB Board of Directors and LFCB's Financial Advisor

LFCB does not, as a matter of course, publicly disclose forecasts or internal projections as to future performance, earnings, or other results due to, among other reasons, the uncertainty of the underlying assumptions and estimates. However, LFCB's management provided its financial advisor, Renninger, and Horizon with certain nonpublic unaudited prospective financial information regarding LCB prepared by LFCB's management that was considered by Renninger for the purpose of preparing its fairness opinion, as described in this proxy statement/prospectus under the heading *Opinion of LFCB's Financial Advisor* beginning on page 30. This nonpublic unaudited prospective financial information was prepared as part of LFCB's annual budget process, and was not prepared for the purposes of, or with a view toward, public disclosure or with a view toward complying with the guidelines established by the American Institute of Certified Public Accountants for preparation and presentation of prospective financial information, published guidelines of the SEC regarding forward-looking statements, or GAAP. A summary of certain significant elements of this information is set forth below. The information included below does not comprise all of the prospective financial information provided by LFCB to Renninger and Horizon.

Although presented with numeric specificity, the financial forecasts reflect numerous estimates and assumptions of LFCB's management made at the time they were prepared, and assume execution of various strategic initiatives that LFCB is no longer pursuing in light of the merger. These and the other estimates and assumptions underlying the

financial forecasts involve judgments with respect to, among other things, the future interest rate environment and other economic, competitive, regulatory, and financial market conditions and future business decisions that may not be realized and that are inherently subject to significant business, economic,

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competitive, and regulatory uncertainties and contingencies, including, among other things, the inherent uncertainty of the business and economic conditions affecting the industry in which LFCB operates, and the risks and uncertainties described under *Risk Factors* beginning on page 15 and *Cautionary Note About Forward-Looking Statements* beginning on page 19, all of which are difficult to predict and many of which are outside the control of LFCB and will be beyond the control of the combined company. There can be no assurance that the underlying assumptions would prove to be accurate or that the projected results would be realized, and actual results likely would differ materially from those reflected in the financial forecasts, whether or not the merger is completed. Further, these assumptions do not include all potential actions that management could or might have taken during these time periods.

The inclusion in this proxy statement/prospectus of the nonpublic unaudited prospective financial information below should not be regarded as an indication that LFCB, Horizon, their respective boards of directors, or Renninger considered, or now consider, these projections and forecasts to be a reliable predictor of future results. The financial forecasts are not fact and should not be relied upon as being necessarily indicative of future results, and this information should not be relied on as such. In addition, this information represents LFCB management's evaluation at the time it was prepared of certain measures of LCB's expected future financial performance on a stand-alone basis, assuming execution of certain strategic initiatives. The unaudited prospective financial information does not give effect to the merger, including the impact of negotiating or executing the Merger Agreement, the expenses that may be incurred in connection with consummating the merger, the potential synergies that may be achieved by the combined company as a result of the merger, the effect on either Horizon or LFCB, as applicable, of any business or strategic decision or action that has been or will be taken as a result of the Merger Agreement having been executed, or the effect of any business or strategic decisions or actions which would likely have been taken if the Merger Agreement had not been executed, but which were instead altered, accelerated, postponed, or not taken in anticipation of the merger.

No assurances can be given that these financial forecasts and the underlying assumptions are reasonable or that, if they had been prepared as of the date of this proxy statement/prospectus, similar assumptions would be used. In addition, the financial forecasts may not reflect the manner in which Horizon would operate the LFCB business after the merger. **Horizon and LFCB do not intend to, and each disclaims any obligation to, make publicly available any update or other revision to this unaudited prospective financial information to reflect circumstances occurring since its preparation or to reflect the occurrence of unanticipated events, even in the event that any or all of the underlying assumptions are shown to be in error, or to reflect changes in general economic or industry conditions.**

The financial forecasts summarized in this section were prepared by and are the responsibility of the management of LFCB. No independent registered public accounting firm has examined, compiled, or otherwise performed any procedures with respect to the prospective financial information contained in these financial forecasts and, accordingly, no independent registered public accounting firm has expressed any opinion or given any other form of assurance with respect thereto and no independent registered public accounting firm assumes any responsibility for the prospective financial information.

Further, the unaudited prospective financial information does not take into account the effect on LFCB or LCB of any possible failure of the merger to occur. None of LFCB, LCB, or Renninger, or their respective affiliates, officers, directors, advisors, or other representatives has made, makes, or is authorized in the future to make any representation to any shareholder of LFCB or other person regarding LFCB's ultimate performance compared to the information contained in the unaudited prospective financial information or that the projected results will be achieved. The inclusion of the unaudited prospective financial information herein should not be deemed an admission or representation by Horizon or LFCB that it is viewed as material information of LFCB or LCB particularly in light of the inherent risks and uncertainties associated with such projections.

In light of the foregoing, and taking into account that the LFCB Special Meeting will be held several months after the unaudited prospective financial information was prepared, as well as the uncertainties inherent in any forecasted information, LFCB shareholders are cautioned not to place unwarranted reliance on such information.

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The following table presents select unaudited prospective financial data of LCB for the years ending December 31, 2017 and 2018 prepared by LFCB's management and provided to Horizon and Renninger.

LAFAYETTE COMMUNITY BANK***PRO FORMA BALANCE SHEET***

<i>ASSETS</i> Description	<i>As of December 31</i>	
	<i>2017</i>	<i>2018</i>
Total Cash & Cash Items	\$ 600,000	\$ 1,460,248
Total FRB & Correspondents	1,448,460	1,491,914
CDs with Banks	1,440,000	1,483,200
FED Funds Sold	-0-	-0-
Term Fed Funds Sold	-0-	-0-
Total Investment Securities	14,680,243	15,120,650
Total Loans	147,400,000	151,822,000
<i>Allowance for Loan Loss</i>	(1,440,000)	(1,483,200)
Total Fixed Assets	8,001,000	7,840,980
Total Accrued Interest Receivable	517,100	532,613
Prepaid Expenses	120,000	123,600
Other Assets	265,000	272,950
TOTAL ASSETS	\$ 173,031,803	\$ 178,664,955

LIABILITIES

Description	<i>As of December 31</i>	
	<u>2017</u>	<u>2018</u>
Total Non-Interest Bearing Deposits	\$ 34,023,775	\$ 35,044,488
Total Savings Deposits	84,219,356	86,745,937
Total Time Deposits	33,917,433	34,934,956
TOTAL DEPOSITS	152,160,564	156,725,381

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Total Borrowings	-0-	-0-
Total Accrued Interest Payable	42,300	43,569
Other Liabilities	511,080	526,412
TOTAL LIABILITIES	152,713,944	157,295,363
Retained Capital	19,300,000	19,300,000
Cumulative Income	1,017,859	2,069,592
TOTAL CAPITAL	20,317,859	21,369,592
TOTAL ASSETS & LIABILITIES	\$ 173,031,803	\$ 178,664,955

Lafayette Community Bank
Pro Forma Income Statement

Income	<i>12 Months Ending December 31</i>	
	<u>2017</u>	<u>2018</u>
Interest Income Money Assets	\$ 57,000	\$ 58,710
Interest Income Securities	379,768	391,161
Interest Income Loans	5,860,971	6,036,800
Total Fees Loans	30,000	30,900
Total Account Fees And Charges	157,200	161,916
Total Other Fee Income	158,400	163,152
Total Miscellaneous Income	<u>420,608</u>	<u>433,226</u>
TOTAL INCOME	7,063,946	7,275,865
Total Salary & Employee Expenses	2,928,753	3,016,616
Total Interest Expense	472,399	486,571

Total Occupancy Expense	368,600	379,658
Total Furniture & Equipment Expense	710,100	731,403

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Total Supplies Expense	57,600	59,328
Total Advertising And Relations	156,000	160,680
Total Professional Fees	231,600	238,548
Total Loan Expenses	243,900	251,217
Total Other Operating Expenses	<u>274,200</u>	<u>282,426</u>
TOTAL EXPENSES	5,443,152	5,606,447
INCOME BEFORE TAXES	1,620,794	1,669,418
Total Tax	<u>602,935</u>	<u>617,685</u>
NET INCOME	\$ 1,017,859	\$ 1,051,733

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THE MERGER AGREEMENT

The following is a summary of the material provisions of the Merger Agreement. This summary is qualified in its entirety by reference to the Merger Agreement, a copy of which is attached as Appendix A to this document and is incorporated into this document by reference. You should read the Merger Agreement in its entirety, as it is the legal document governing the merger.

Structure of the Merger

Subject to the terms and conditions of the Merger Agreement, at the completion of the merger, LFCB will merge with and into Horizon, with Horizon as the surviving corporation of such merger. The separate existence of LFCB will terminate. The shares of Horizon common stock will continue to be listed on the NASDAQ Global Select Market under the symbol HBNC. Immediately after the effective time of the merger, LCB will be merged with and into Horizon Bank, a wholly owned subsidiary of Horizon.

Under the Merger Agreement, the executive officers and directors of Horizon and Horizon Bank serving at the effective time of the merger will continue to serve as such after the merger is consummated.

Merger Consideration

If the merger is completed, each share of LFCB common stock issued and outstanding immediately prior to the effective time of the merger (other than dissenting shares, shares held as treasury stock of LFCB, and shares held by Horizon) will be converted into the right to receive both (i) 0.5878 shares of Horizon common stock (which we refer to as the exchange ratio or the stock consideration), and (ii) \$1.73 in cash (which we refer to as the cash consideration, and together with the stock consideration, the merger consideration); provided, however, that LFCB shareholders owning of record and/or beneficially fewer than 100 shares of LFCB common stock as of the effective time will only be entitled to receive \$17.25 per share in cash and will not be entitled to receive any Horizon common stock. No fractional shares of Horizon common stock will be issued in the merger. Instead, Horizon will pay to each holder of LFCB common stock who otherwise would be entitled to a fractional share of Horizon common stock an amount in cash (without interest) determined by multiplying such fraction by the average per share closing price of a share of Horizon common stock as quoted on the NASDAQ Global Select Market during the fifteen consecutive trading days immediately preceding the second business day prior to the closing of the merger on which such shares were actually traded.

The exchange ratio is subject to adjustment as follows:

Anti-Dilution Adjustments. If prior to the effective time of the merger, Horizon changes the number of shares of Horizon common stock outstanding by way of a stock split, stock dividend, or similar transaction, or if Horizon establishes a record date for such a change, the exchange ratio will be adjusted so that the holders of LFCB common stock receive at the effective time, in the aggregate, the number of shares of Horizon common stock representing the same percentage of the outstanding shares of Horizon common stock that they would have received if such change had not occurred.

Decrease in Market Price of Horizon Common Stock. LFCB may terminate the Merger Agreement if, at any time during the five-day period commencing on the first date on which all bank regulatory approvals

(and waivers, if applicable) and all other approvals and consents necessary for consummation of the merger have been received (disregarding any waiting period) (the determination date), with such termination to be effective on the tenth day following such determination date, only if both of the following conditions are satisfied:

the average of the daily closing price of Horizon common stock as reported on the NASDAQ Global Select Market for the fifteen consecutive trading days immediately preceding the determination date on which shares of Horizon common stock actually traded is less than \$21.57; and

the percentage decrease in the stock price of Horizon from Horizon's average closing stock price for the 15-day trading period ended on the date immediately prior to the date of the

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Merger Agreement is more than 15% greater than the percentage decrease in the SNL Small Cap U.S. Bank and Thrift Index during the same period.

If LFCB elects to exercise its termination right as described above, Horizon may elect to avoid termination of the Merger Agreement by increasing the exchange ratio to the lesser of the amounts determined pursuant to the following formula: (i) a quotient, the numerator of which is equal to the product of \$26.28 (the initial Horizon market value), the exchange ratio (as then in effect), and the average daily closing value of the SNL Small Cap U.S. Bank and Thrift Index for the fifteen consecutive trading days immediately preceding the determination date divided by the closing value of the SNL Small Cap U.S. Bank and Thrift Index on May 23, 2017, minus 0.15, and the denominator of which is equal to Horizon market value on the determination date; or (ii) the quotient determined by dividing \$26.28 by the closing price for Horizon's common stock for the fifteen consecutive trading days immediately preceding the determination date, and multiplying the quotient by the product of the exchange ratio (as then in effect) and 0.85. Since the formula is dependent on the future price of Horizon's common stock and that of the SNL Small Cap U.S. Bank and Thrift Index, it is not possible to determine at this time if the merger consideration will be adjusted pursuant to the foregoing provisions or what any such adjusted merger consideration would be. However, in general, more shares of Horizon common stock would be issued, to take into account the extent by which the average price of Horizon's common stock exceeded the decline in the average price of the common stock of the index group.

Treatment of LFCB Stock Options

The Merger Agreement provides that each option to acquire shares of LFCB common stock outstanding and unexpired as of the effective date of the merger will become fully vested and be converted into the right to receive from LFCB, at or prior to the effective time of the merger, an amount in cash equal to \$17.25 per share, minus the per share exercise price for each share subject to an LFCB stock option, less applicable tax withholdings. As of the date of this document, there were outstanding and unexpired options to purchase an aggregate of 97,500 shares of LFCB common stock at a weighted average exercise price of \$6.26 per share. Therefore, outstanding options as of the date of this proxy statement/prospectus will be cashed out for approximately \$1,071,525 (based on the cash-out price of \$17.25 per share of LFCB).

Voting Agreements

As of the record date of the LFCB Special Meeting, the executive officers and directors of LFCB owned 1,081,806 shares or approximately 53.1% of the 1,948,000 outstanding shares of LFCB common stock. In connection with the execution of the Merger Agreement, all of the directors of LFCB and LCB executed a voting agreement pursuant to which they agreed to vote all their LFCB shares in favor of the merger. A copy of that voting agreement is attached as Appendix C to this proxy statement/prospectus.

Treatment of LFCB's 401(k) Plan

The Lafayette Community Bank 401(k) Plan (referred to as the "LFCB 401(k) Plan") will be terminated prior to the effective time of the merger. Participants whose employment is not terminated will not have a right to a distribution of their 401(k) plan benefits until a favorable determination letter is received from the IRS with respect to the LFCB 401(k) Plan's qualified status at the time of termination.

Exchange and Payment Procedures

At and after the effective time of the merger, each physical certificate or book-entry account statement evidencing shares of LFCB common stock (other than dissenting shares, shares held as treasury stock of LFCB, and shares held by Horizon) will represent only the right to receive the merger consideration in accordance with the terms of the

Merger Agreement. Horizon will reserve a sufficient number of shares of Horizon common stock to be issued as the part of the merger consideration to be paid in shares of Horizon common stock. Promptly after the effective time of the merger, the exchange agent will mail a letter of transmittal to each holder of LFCB common stock, which will include detailed instructions on how such holder may exchange such holder's LFCB's stock certificates or book-entry account statements for the merger consideration.

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Horizon will cause a book-entry account statement representing the number of whole shares of Horizon common stock that each holder of LFCB common stock owning 100 or more shares of LFCB common stock has the right to receive and a check in the aggregate amount of \$1.73 per share plus any cash that such holder has the right to receive in lieu of a fractional share of Horizon common stock to be delivered to such shareholder as soon as reasonably practicable after delivery to Horizon of the old certificates or book-entry account statements evidencing such shares of LFCB common stock and a properly completed letter of transmittal, and any other documents required by the Merger Agreement or reasonably requested by Horizon or the exchange agent. Beneficial owners and/or holders of record of fewer than 100 shares will receive cash equal to \$17.25 per share upon delivery to Horizon of certificates or book-entry account statements evidencing such shares and a properly completed letter of transmittal. No interest will be paid on any merger consideration that any such holder shall be entitled to receive.

No dividends or other distributions on Horizon common stock with a record date occurring after the effective time of the merger will be paid to the holder of any unsurrendered old certificate or book-entry account statement evidencing shares of LFCB common stock converted into the right to receive the merger consideration until the holder surrenders such old certificate or book-entry account statement in accordance with the Merger Agreement.

The stock transfer books of LFCB will be closed immediately at the effective time of the merger, and after the effective time, there will be no transfers on the stock transfer records of LFCB of any shares of LFCB common stock. Horizon will be entitled to rely on LFCB's stock transfer books to establish the identity of those persons entitled to receive merger consideration. In the event of a dispute with respect to ownership of stock represented by any old certificate or book-entry account statement of LFCB common stock, then Horizon will be entitled to deposit any merger consideration represented by the old certificate or book-entry account statement in escrow with an independent third party selected by Horizon. If any old certificate or book-entry account statement is lost, stolen, or destroyed, upon the making of an affidavit of that fact by the person claiming such old certificate or account statement to be lost, stolen, or destroyed and, if required by Horizon, the posting by such person of a bond or other indemnity as Horizon may reasonably direct as indemnity against any claim that may be made with respect to the old certificate or account statement, Horizon will issue the merger consideration in exchange for such lost, stolen, or destroyed certificate or account statement. All shares of LFCB common stock held as treasury stock or owned by Horizon will be cancelled and will cease to exist, and no stock of Horizon or other consideration will be exchanged for such stock.

If outstanding certificates or book-entry account statements for LFCB shares are not surrendered or the payment for the certificates or account statements is not claimed prior to the date the merger consideration would otherwise escheat to the appropriate governmental entity, the unclaimed merger consideration will, to the extent permitted by law, become the property of Horizon free and clear of all claims of any person who may previously have been entitled to such consideration. Neither the exchange agent, Horizon, nor LFCB will have any liability to an LFCB shareholder for any escheat of the merger consideration under applicable law.

Exchange Agent

Horizon's stock transfer agent, Computershare, Inc., will act as the exchange agent in connection with the merger.

Dividends and Distributions

Until LFCB common stock certificates and book-entry account statements are surrendered for exchange, any dividends or other distributions declared after the effective time of the merger with respect to Horizon common shares into which shares of LFCB common stock may have been converted will accrue but will not be paid. When such certificates and account statements have been duly surrendered, Horizon will pay any unpaid dividends or other distributions, without interest. After the effective time of the merger, there will be no transfers on the stock transfer

books of LFCB of any shares of LFCB common stock. When certificates and account statements evidencing shares of LFCB common stock are presented for transfer after the completion of the merger, they will be cancelled and exchanged for the merger consideration.

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Representations and Warranties