November 11, 1981

IMPORTANT: We owe you a partial refund.

Dear Customer:

We are sending this letter to you under an order issued by the Federal Trade Commission.

In 1975, the Federal Trade Commission filed a complaint against Horizon Corporation concerning its past sales practices. As part of the resolution of this complaint, Horizon will refund to you a portion of the purchase price of the land you purchased from us. Horizon also will spend or cause to be spent $45 million for development in its properties over the next twenty (20) years, and will refrain from certain sales practices in the future.

The following questions and answers explain how much money you are entitled to receive, the options you have, and some important information about your land.

Who is entitled to a refund?

Refunds will be made to all customers of Horizon who satisfy the following conditions:

1. You must have purchased a lot from Horizon Corporation at any time from June 1, 1969 to August 31, 1974. If your purchase during this time period was an exchange of a lot purchased prior to June 1, 1969, your partial refund will be based only on the increased contract price.

2. You must have completed paying for your lot or be current in your payments to Horizon when the trustee distributes the refunds or have defaulted on your contract after paying 75% or more of the cash price. (The cash price is the price of the lot excluding interest).
3. You will not receive a partial refund if you have already received a reduction in the cash price of your lot of 25% or more, a refund of 25% or more of the cash price of your lot, an exchange for a lot developed with a road and utilities, or an exchange for a lot in Paradise Hills as part of the settlement of the class action suit entitled O’Neil v. Horizon Corporation.

Our records show that you are entitled to a refund.

How much money will be refunded?

Horizon will pay $14.5 million into a trust fund over the next six years. This money, plus the interest earned on it, will be distributed to the eligible customers in two (2) payments. We estimate that each customer will receive about 12% of the cash price of the lot(s) purchased. Of course, your refund may be more or less than that amount depending on such factors as the number of customers seeking refunds.

When will I receive my refund?

You will receive part of your refund in July, 1984. The rest will be paid in July, 1987.

What do I have to do to receive my refund?

You must sign the attached notice and return it to Horizon in the self-addressed envelope within ninety (90) days. IMPORTANT - by signing this notice you give up any right you may have to sue Horizon for all claims of any kind arising from the transaction for your purchase of land, that is, the manner in which the land was marketed, the purchase contract and the circumstances in which the contract was signed. If you have questions, we suggest you consult a lawyer before you sign this.

You must also keep us informed of any changes in your address. This is important. If we cannot find you when we mail out the refund checks, you will lose your right to a refund. An address change form is enclosed in this letter for your convenience. You do not have to use this form so long as you tell us either in person or by mail each time you move.

What should I do if I do not receive my checks?

If you have not received your first check by August 1, 1984 or have not received your second check by August 1, 1987 you should write to us as soon as possible.

Do I have to give back my land?

No. You do not have to give back the land to receive this refund.
What are the plans for developing my lot?

The lot you have purchased is completely undeveloped. Unless your lot is located in Waterwood, Horizon has no plans to develop your lot. If your lot is in Waterwood, consult your contract. In properties other than Whispering Ranch your lot is or will be accessible by a road, paved in Waterwood and unpaved in the other properties. It may or may not be possible to develop your lot or extend utility lines to it. Your contract may give you the right to exchange your lot for a fully developed lot. An exchange will cost you more money. If you have questions, please refer to your contract or write to Horizon Corporation.

What are Horizon's plans for development?

Horizon will spend, or will assure that others spend, at least $45 million in development over the next twenty years. This money will be spent for roads, utilities, stores, apartment houses, recreational facilities, civic buildings, or other improvements within the properties. The money will not be used to improve your lot. The improvements may or may not directly benefit you or your lot.

Can I resell my lot?

There is virtually no resale market at the present time for lots which have not been developed with utilities. It is unlikely that you could resell your lot at the present time. There is no certainty that prospects for resale will improve in the future. The growth of nearby cities may not make resale of your lot any easier. Horizon is not obligated to buy back your lot or help you resell it.

What efforts will Horizon make to reduce my property taxes?

Horizon does not have direct control over the amount of your property taxes. However, Horizon filed suit in El Paso County to reduce property taxes on land in Horizon City. As a result of this suit, property taxes for many lots in Horizon City declined from about $14.00 per year to $8.00 per year. Similar efforts are now underway concerning Rio Communities.

What options do I have?

You have three options with respect to your lot.

1. You may accept our refund offer and keep your land. You may also accept our refund offer and exchange your land if your contract permits an exchange. If you have not fully paid for your property, you will have to continue making your payments in order to keep your land or exchange it. See your contract for a full explanation of the exchange privilege that applies to your land.
2. You can refuse to make any further payments that are due under your contract.

If you refuse to make further payments after you have already paid 75% or more of the cash price, you will be eligible for the refund described above. If you stop paying before you have paid 75% of the cash price, you will not be eligible for the refund described above. (Only payments of principal count toward the 75%).

In either case, you will lose your land and all the payments you have made.

3. Instead of accepting the refund described above, you may seek redress for any injury you believe Horizon has caused you. If you were a member of the class in the O'Neil suit or have previously accepted relief from Horizon, you may not be able to choose this option. We recommend that you consult an attorney before you choose this option.

If I have other questions, whom should I contact?

If you have questions about this offer, please write to us at the following address:

Refund Offer
Horizon Corporation
Post Office Box 27324
Tucson, Arizona 85726

We will answer your questions promptly.

We recommend that you keep this letter for future reference.

Sincerely,

Donald C. White
President
Horizon Corporation
This letter must be signed and mailed to Horizon within 90 days if you wish to receive a refund.

Notice of Acceptance of Partial Refund and Waiver of Claims

I hereby accept Horizon Corporation's offer of a partial refund as set forth in the letter of November 11, 1981

(Date)

Before signing this notice I read the accompanying letter. I understand that the refund will be paid in two installments, in 1984 and 1987, and that the amount of the refund will depend on the number of customers asking for refunds, the amount of money I have paid for my property, and other similar factors.

In consideration of the partial refund, I release and discharge Horizon Corporation from all claims of any kind arising from the transaction for my purchase of land, that is, the manner in which the land was marketed, the purchase contract and the circumstances under which the contract was signed. This includes, without limitation, claims for rescission, restitution, compensatory damages, punitive damages, penalties, specific performance, injunctive or declaratory relief. This applies to all claims which I could assert against Horizon or its directors, officers, agents, employees or representatives based upon or arising out of the transaction or transactions for which I will receive partial refunds.

I further agree to inform Horizon Corporation promptly of any changes in my mailing address which occur prior to the time I have received by two refund checks.

_________________________
Signature (each purchaser must sign)

_________________________
Signature

474-19900
Contract Number

_________________________
CLARENCE J. WICKS
Please print your name

10417 CAROB DR.

SUN CITY, AZ 85373

Address
Address Change Notification

IMPORTANT

You are entitled to receive two partial refund checks from Horizon Corporation. You must keep us informed of any change in your address until you receive both checks. If we cannot find you, you will lose your right to a refund.

You may inform us of address changes in person or by mail. Our address is:

Refund Offer
Horizon Corporation
Post Office Box 27324
Tucson, Arizona 85726

You may use this form to tell us your address has changed.

Name of Customer ____________________________ New Street Address ____________________________

Contract Number or Identification of Lot ____________________________ New City, State & Zip Code ____________________________

Remember, you must inform us of all changes in your address until you have received two checks from us.

Sincerely,

[Signature]
Donald C. White
President
Horizon Corporation