



HOWARD
Capital Management



**Freedom
of Choice...
A Better Way.**

Gain access to more investment options, active management and asset protection for your retirement account.

THE SELF-DIRECTED BROKERAGE ACCOUNT (SDBA)

What is a self directed brokerage account?

Having the freedom of choice and flexibility in retirement investing is becoming increasingly more popular in many company-sponsored retirement plans today.

A SDBA, or Self-Directed Brokerage Account, is a window inside a company-sponsored retirement plan (401(k), 403(b), 457, etc.) which offers plan participants the option to invest in additional investments other than the limited pre-selected company choices.

Access to professional money management and additional investment options like stocks, bonds, mutual funds, ETFs, etc., allows investors to seek growth through guidance. By investing in additional options outside of the core choices, investors can strive to maximize returns through investments better suited to their goals and risk preference.

How does it work for participants?

Company plans that offer a SDBA allow any plan participant the ability to move their assets, tax- and penalty-free, into a brokerage account and choose from a larger selection of investment choices.

Assets remain in the retirement plan; they are not rolled over and there is no taxable event.

What can tactical management do for a SDBA participant?

Through tactical, active management, investors can remove emotion from the investing process by allowing an experienced financial professional to help guide them. With unforeseen twists and turns of the market, emotions can deter investors from making rational decisions with their investments and hinder long-term investment goals and returns.

How can risk management aim to prevent major loss during a market downturn?

Missing the worst days of the market could save investors more than they think; it could save years of catching up. Through fiduciary investment advice and stoploss risk management with the HCM-BuyLine^{®1}, Howard Capital Management, Inc. (HCM) is employed to manage participant assets in the account (based upon risk-tolerance) and adjusts the portfolio on an as-needed basis. This process removes emotion from the investing process in an effort to help participants maximize their retirement investments.

LIMITED

**BASIC
ACCOUNT**

LIMITED CHOICES

employer chosen core investment options and/or target date funds.

LIMITLESS

**BROKERAGE
ACCOUNT**

WIDER RANGE OF CHOICES

mutual funds, stocks, bonds, ETFs, access to money management.

THE FREEDOM TO GO BEYOND THE BASICS



In a 2014 Financial Engines/AON Hewitt study, the annual median performance gap return between participants that had help and participants that did not have help was 3.32%, net of fees over the period 2006–2012. This difference can have a meaningful impact on wealth accumulation over time. For a 45-year old participant that seeks the help of a financial professional it could translate to **79%** more wealth at age 65.3.”

– FINANCIAL ENGINES & AON HEWITT



CHECK WITH YOUR PLAN-SPONSOR to Determine if You are Eligible to Open a Self-Directed Brokerage Account.

You can do this by calling your Human Resources or benefits department, or by calling your financial advisor.



OPEN YOUR BROKERAGE ACCOUNT ONLINE with the help of your financial advisor and Begin Personalizing Your Plan!

Once you open your account, you can move assets from your current investments into the brokerage account.

BASIC COMPANY PLAN

- Access to pre-selected investment options chosen by the company
- Limited or no access to personalized advice
- Limited or no access to third party active management
- No **stoploss** risk management

BASIC SDBA

- Access to greater investment options, diversification and control over your retirement plan
- Access to personalized advice
- Access to third party active management
- Potential to sidestep bear markets through additional management strategies

HCM SDBA

- Proactive asset management
- **Stoploss** risk management with the HCM-BuyLine^{®1}, a mathematical, quantitative indicator which signals when to enter and exit the market
- Selection of proprietary mutual funds designed for each investment strategy
- Portfolio re-balancing
- Weekly market updates

PURSUE THE RETIREMENT YOU DESIRE. GET STARTED TODAY!

Contact your financial advisor or human resources department today to discuss your retirement plan options. All plans are different. It's important to note that though you will receive added benefits with this option, additional management fees may apply.

IMPORTANT DISCLOSURE INFORMATION

Howard Capital Management, Inc. ("HCM") is an SEC-registered investment advisor with its principal place of business in the State of Georgia. SEC registration does not constitute an endorsement of HCM by the SEC, nor does it indicate that HCM has attained a particular level of skill or ability. HCM only transacts business where it is properly registered or is otherwise exempt from registration. This presentation is limited to the dissemination of general information pertaining to its investment advisory/management services and HCM SDBA. Any subsequent, direct communication by HCM with a prospective client shall be conducted by a representative that is either registered or qualifies for an exemption or exclusion from registration in the state where the prospective client resides. For information pertaining to the registration status of HCM, please contact HCM or refer to the Investment Advisor Public Disclosure web site (www.adviserinfo.sec.gov). For additional information about HCM, including fees and services, send for our disclosure statement as set forth on Form ADV from us using the contact information herein. Please read the disclosure statement carefully before you invest or send money.

Mutual funds and ETFs are subject to risks similar to those of stocks. Investment returns will fluctuate and are subject to market volatility, so that an investor's shares when redeemed may be worth more or less than their original costs. There are unique potential risks associated with the specific asset classes that a mutual fund or ETF represents. Investments in smaller companies typically exhibit higher volatility. In addition to the normal risks associated with investing, narrowly focused investments typically exhibit higher volatility. Bonds and bond funds will usually decrease in value as interest rates rise. Commodities markets have historically been extremely volatile. Inverse funds should lose money when their benchmark indexes rise—a result that is opposite to traditional mutual funds or ETFs. Inverse funds also entail certain risks, including inverse correlation, leverage, market price variance and short sale risks. Investments in foreign investments generally incur greater risks than domestic investments. International investments may involve risk of capital loss from unfavorable fluctuation in currency values, from differences in generally accepted accounting principles or from economic or political instability in other nations. Emerging markets involve heightened risks related to the same factors as well as increased volatility and lower trading volume. You should carefully consider the risk, charges and expenses of an ETF prior to investing. This and other important information can be found in the product's prospectus.

The Standard & Poor's 500 Total Return Index (S&P500 TR) is a capitalization-weighted index of 500 stocks with dividends reinvested. The index is designed to measure performance of the broad domestic economy through changes in the aggregate market value of 500 stocks representing all major industries. The index is an unmanaged investment measure and is not available for investment purposes. Historical performance results for investment indexes and/or categories have been provided for general comparison purposes only. Index performance generally does not reflect the deduction of transaction and/or custodial charges or the deduction of an investment management fee, the inclusion of which would have the effect of decreasing historical performance results. There are no assurances that a portfolio or strategy will match or outperform any particular benchmark.

The 401(k) Optimizer® is a web-based tool intended to help clients invest in their employer's 401(k) or similar defined contribution plan. Clients receive professional recommendations from the 401(k) Optimizer® and maintain total control over their personal accounts. The goal is to reduce risk by taking proactive measures with company-sponsored retirement plans. Changes in investment strategies, contributions or withdrawals may materially alter the performance, strategy and results of your portfolio. Different types of investments involve varying degrees of risk, and there can be no assurance that any specific investment (including the investments and/or investment strategies recommended by the advisors), will be equal to past performance level, equal any corresponding indicated historical performance level(s), be suitable for your portfolio or individual situation, or be profitable for a client's portfolio. Past performance does not guarantee future results. All investment strategies have the potential for profit or loss. Economic factors, market conditions, and investment strategies will affect the performance of any portfolio and there are no assurances that it will match or outperform any particular benchmark for measuring the performance of a portfolio. Our proprietary indicator, the HCM-BuyLine®, identifies changes in the market trend. Not every HCM-BuyLine® buy and sell will result in a profitable trade. There will be times when following the indicator results in a loss. However, there have been situations in the past in which HCM reduced clients' exposure to equities during market downturns by following an HCM-BuyLine® signal, thereby preserving capital. An important goal of the HCM-BuyLine® is to outperform the market on a long-term basis.

No current or prospective client should assume that the future performance of any specific investment or investment strategy (including the investments and/or investment strategies recommended by the advisor), will be profitable or equal to past performance levels. Economic factors, market conditions, and investment strategies will affect the performance of any portfolio and there are no assurances that it will match or outperform any particular benchmark for measuring the performance of a portfolio. Please remember to contact HCM, in writing, if there are any changes in your personal/financial situation or investment objectives for the purpose of reviewing/evaluating/revising our previous recommendations and/or services, or if you want to impose, add, or modify any reasonable restrictions to our investment advisory services. Please Note: Unless you advise, in writing, to the contrary, we will assume that there are no restrictions on our services, other than to manage the account in accordance with your designated investment objective. LASS.SDBA.BFB.061621

A black and white photograph of a person walking a tightrope across a deep canyon. The person is wearing a helmet and dark clothing, and is balancing on a thin wire. The canyon below is wide and deep, with a river winding through it. The sky is overcast.

**RETURNS MATTER,
RISK MANAGEMENT MATTERS.**

DEFEND TOMORROW, TODAY



HOWARD
Capital Management



**It's not if the market will
turn. It's when.**

– Vance Howard
CEO + Portfolio Manager



OUR VISION

Howard Capital Management, Inc. (HCM) is a SEC-Registered Investment Advisory Firm founded by Vance Howard, which offers professional money management services to private clients, financial advisors, and registered investment advisors through a suite of separately managed accounts, retirement tools, self-directed brokerage accounts, proprietary Mutual Funds and ETFs. HCM has been delivering a variety of wealth management and investment solutions since 1999.

Vance Howard's vision for HCM originated after seeing the devastating financial losses investors suffered during the stock market crash of 1987, an event precipitated by computer program trading and investor panic. In an effort to help investors monitor changing market conditions, he developed the HCM-BuyLine®, a proprietary math-driven indicator, designed with the goal of reducing the impacts of emotional investment decisions.

The speed and complexity of today's financial markets make them more difficult to navigate than ever before. Investors deserve clear answers to complex problems. For over 20 years, HCM has strived to help investors navigate the uncertainty of major market downturns by following our disciplined investment strategy.

Returns Matter. Risk Management Matters. Defend Tomorrow, Today.



RETURNS MATTER

We understand the time, money, and stress it takes to recover losses in major market downturns.

Straightforward Guidance

We understand the time, money, and stress it takes to regain losses after significant market downturns. The investment methodology at Howard Capital Management (HCM) centers around attempting to mitigate downside risk while aiming to seek long-term capital appreciation through full market cycles.

Since the inception of the firm, we have offered to assist investors with portfolio management geared towards reducing the consequences of emotional behavior.

According to DALBAR's annual study, *Quantitative Analysis of Investor Behavior*

(QAIB), emotional behavior resulted in underperformance due to the imprudent decisions investors made when buying, selling or altering investments over short- and long-term time frames.

This study calculated the average equity investor underperformed major market indices such as the S&P 500 index, anywhere from 3.96% to 9.46% annually over every rolling 20-year period since 1994.

We seek to combat these results by utilizing our quantitative trading system that is designed to mathematically monitor market conditions on behalf of investors. We believe this is a more straightforward approach to offer guidance on when to be in or out of the market and which securities to invest in through changing market environments with regard to varying risk and return objectives.

The HCM-BuyLine®

StopLoss Defense

The HCM-BuyLine® is Howard Capital Management’s (HCM) proprietary **stoploss** indicator is designed to attempt to mitigate downside risk and remove emotion from the investing process.

A quantitative and mathematical tool, the HCM-BuyLine® is rules-based and uses trend analysis to help identify the broad trend in the equity markets. When the trend is down, we reduce exposure to equities, and when the trend is up, we increase exposure to equities.

Pictured below are some of the historic HCM-BuyLine® moves which indicated when to enter and exit the market. Highlighting the financial meltdown in 2008, the HCM-BuyLine® signaled to exit the stock market and avoided much of the worst market draw-down in that decade.

In use since 1996, the HCM-BuyLine® indicator at present overlays all HCM investment solutions as a fundamental strategy to mitigate loss.

HISTORICAL EVENTS THE HCM-BUYLINE® MONITORED:

- July 1997**
The Asian Financial Crisis affects global markets
- September 1999**
"Y2K" Year 2000 scare
- September 2001**
World Trade center terror attacks
- August 2005**
Hurricane Katrina devastates the Southern U.S. coast
- March 2007**
Beginning of the subprime mortgage crisis
- May 2010**
Flash Crash: Dow has second largest point swing
- 2012 - 2015**
Cyclical bull market
- 2018**
Rise of computerized trading
- October 1998**
Global economic turmoil, predictions of global depression
- March 2000**
Tech bubble bursts
- March 2003**
U.S. Invades Iraq, corporate accounting scandals underway
- October 2006**
The Dow Jones Average moves above 12,000 for the first time
- January 2008**
The U.S. recession is underway, unemployment soon reaches 10%
- September 2011**
E.U. sovereign debt crisis; U.S. credit rating downgrade
- June 2016**
Brexit: Britain exits the E.U.
- 2020**
Covid-19 Global Pandemic

HCM-BUYLINE® PROPRIETARY CHART

- ◆ Reduced Equity Exposure
- ◆ Further Reduced Equity Exposure
- ◆ Fully Invested



There can be no guarantee that the HCM-BuyLine® indicator will perform as anticipated. Stoploss protection will not necessarily limit your losses to the desired amounts due to the limitations of the HCM-BuyLine®, market conditions, and delays in executing orders. It is not an actual stoploss order that automatically sells securities in the portfolio at a certain price.

Building Your Investment Strategy

Our separately managed accounts, proprietary Mutual Funds and ETFs are mathematically and tactically managed. With investment options spanning across most market sectors and asset classes, Howard Capital Management (HCM) offers a strategy for investors to suit varying degrees of personal need, risk levels and goals.

We combine this management style with our proprietary indicator, the HCM-BuyLine®, to offer investors the potential to capture returns and preserve capital.



Investing is not nearly as difficult as it looks. Successful investing involves doing a few things right and avoiding serious mistakes.

– **John Bogle**
Founder of Vanguard Funds

+ MATHEMATICAL SOLUTIONS

We invest with math, not emotion. Our proprietary, math-based technology aims to remove emotion from the investment process by offering a quantitative approach in monitoring complex markets.

+ FLEXIBILITY

We offer a suite of fully liquid and diverse funds to provide investors a variety of risk profiles and investment objectives in an effort to help them reach their long-term goals.

HCM INVESTMENT SOLUTIONS

+ TACTICAL MANAGEMENT

A defensive, straightforward solution to navigating market volatility while striving to drive performance and mitigate losses through market cycles.

+ EXPERIENCE

Backed by 20 years of quantitative research, our expertise are rooted in analysis driven by unbiased, non-emotional, mathematical tools.

Mutual Funds and ETFs are subject to risks similar to those of stocks. Investment returns will fluctuate and are subject to market volatility, so that an investor's shares when redeemed may be worth more or less than their original costs. There are unique potential risks associated with the specific asset classes that a Mutual Fund or ETF represents. You should carefully consider the risk, charges, and expenses of an ETF prior to investing. There can be no guarantee that the HCM-BuyLine® indicator will perform as anticipated. Stoploss protection will not necessarily limit your losses to the desired amounts due to the limitations of the HCM-BuyLine®, market conditions, and delays in executing orders. It is not an actual stoploss order that automatically sells securities in the portfolio at a certain price.



Preparing for Retirement With Professional Help

A company-sponsored retirement plan is one of the greatest gifts from an employer that deserves careful attention. We offer several proprietary retirement tools to help investors best achieve their goals.

- **401(k) Optimizer®:** An online allocation tool designed to generate personalized recommendations based on individual's investment options, risk tolerance, age and long-term goals.
- **TSP Optimizer®:** Built for the public sector, federal employees may upload their fund options and allocate their Thrift Savings Plan (TSP) Funds based on their risk tolerance and long-term goals.
- **Self-Directed Brokerage Accounts (SDBA):** Gain access to a proprietary selection of Mutual Funds through a brokerage window inside a company-sponsored 401(k), 403(b) and 457 plans. Through a HCM SDBA, investors can receive active management inside their retirement plan.
- **HCM-Guided Retirement:** An investment management service designed to help provide fiduciary coverage to Financial Professionals and Plan Sponsors. This service selects and implements investment strategies inside company-sponsored retirement plan lineups and gives plan participants access to actively managed models with the HCM-BuyLine® overlay.

All of our retirement tools use our proprietary indicator the HCM-Buyline®. Preparing for retirement is important to us here at Howard Capital Management (HCM) as we work alongside financial advisors to help investors build toward their future.

"Statistically, a portfolio which suffers a 30% loss, takes a 43% gain to return to the previous portfolio value. We believe that when the impact of a major market downturn is reduced, the investor has greater leverage over a buy-and-hold portfolio. By overlaying retirement portfolios with the HCM-BuyLine®, investors could be savings more than they think during their years invested in a company-sponsored retirement account."

– **Vance Howard**
CEO + Portfolio Manager

Mutual Funds are subject to risks similar to those of stocks. Investment returns will fluctuate and are subject to market volatility, so that an investor's shares when redeemed may be worth more or less than their original costs. There are unique potential risks associated with the specific asset classes that a Mutual Fund represents. Changes in investment strategies, contributions or withdrawals may materially alter the performance, strategy, and results of your portfolio. Different types of investments involve varying degrees of risk, and there can be no assurance that any specific investment will be equal to past performance level, equal any corresponding indicated historical performance level(s), be suitable for your portfolio or individual situation, or be profitable for a client's portfolio. Past performance does not guarantee future results. All investment strategies have the potential for profit or loss. Economic factors, market conditions, and investment strategies will affect the performance of any portfolio and there are no assurances that it will match or outperform any particular benchmark for measuring the performance of a portfolio. Changes in investment strategies, contributions or withdrawals from retirement or TSP may materially alter the performance, strategy, and results of your portfolio.



A CLEAR VISION

We aim to remove emotion from the investing process by quantitatively and tactically selecting investments for our actively managed portfolios and proprietary funds.

Our Portfolios + Proprietary Funds Go Beyond the Basics

We offer investors a range of investment solutions from a varying mix of conservative to aggressive strategies.

Separately Managed Accounts (SMA) Portfolios:

- All American
- All Weather
- Active Lifestyle Portfolio (ALP)
- Dividend Income
- Horizon Income
- Investor Lifestyle Portfolio (ETF)
- Investor Lifestyle Portfolio (MF)
- MIP
- Ultra Aggressive
- Viper 2

Proprietary Funds:

- Proprietary HCM Mutual Funds and ETFs



“Who should I trust to help manage my assets?”

Vance Howard is the CEO, Founder and Portfolio Manager of Howard Capital Management, Inc. (HCM). He proactively manages the investment options offered by HCM.

Specializing in research, development and the implementation of various types of trading systems, he developed HCM’s proprietary indicator, the HCM-BuyLine[®], to facilitate his investment decisions.

Since the inception of his line of proprietary Mutual Funds and ETFs, Vance has been featured in Kiplinger Magazine, Investment News, Investor’s Business Daily, the Wall Street Journal, and MorningStar as well as made appearances on CNBC, Fox Business, Bloomberg, and the TD Ameritrade Network.



Disclosures

Howard Capital Management is an SEC-registered investment adviser and only does business where it is properly registered or is otherwise exempt from registration. SEC registration does not constitute an endorsement of the firm by the Commission, nor does it indicate that the adviser has attained a particular level of skill or ability. HCM is neither a law firm nor a certified public accounting firm and no portion of the commentary content should be construed as legal or accounting advice.

The 401(k) Optimizer® is a web-based tool intended to help clients invest in their employer's 401(k) or similar defined contribution plan. Clients receive professional recommendations from the 401(k) Optimizer® and maintain total control over their personal accounts. The TSP Optimizer® is a web-based tool intended to help clients invest in their thrift savings plan account. Clients receive professional recommendations from the TSP Optimizer® and maintain total control over their personal accounts. The goal is to reduce risk by taking proactive measures with company-sponsored retirement plans. The HCM Guided Retirement Solution is a web-based tool intended to help clients invest in their employer's 401(k) or similar defined contribution plan. Clients receive discretionary investment management from the HCM Guided Retirement Solution while maintaining total control over their personal accounts. The goal is to reduce risk by taking proactive measures with company-sponsored retirement plans.

Changes in investment strategies, contributions or withdrawals may materially alter the performance, strategy, and results of your portfolio. Different types of investments involve varying degrees of risk, and there can be no assurance that any specific investment (including the investments and/or investment strategies recommended by the advisors), will be equal to past performance level, equal any corresponding indicated historical performance level(s), be suitable for your portfolio or individual situation, or be profitable for a client's portfolio.

Our proprietary indicator, the HCM-BuyLine®, identified changes in the market trend. Buys and sells may or may not have occurred on the exact dates shown. These dates do not necessarily reflect transactions applied to every individual account. Also, certain products, custodians and portfolios may have a delay in execution. When the HCM-BuyLine® indicates a bull market, HCM then identifies the particular Mutual Funds, ETFs or individual stocks that we believe have the best return potentials in the current market from the universe of assets available in each given program and invests in them. When the HCM-BuyLine® indicates a bear market, HCM moves clients' investments to less risky alternatives. Not every HCM-BuyLine® buy and sell will result in a profitable trade. There will be times when following the indicator results in a loss. However, there have been situations in the past in which HCM reduced clients' exposure to equities during market downturns by following an HCM-BuyLine® signal, thereby preserving capital. An important goal of the HCM-BuyLine® is to outperform the market on a long-term basis. The reason is the mathematics of gains and losses. A portfolio which suffers a 30% loss takes a 43% gain to return to the previous portfolio value. The HCM-BuyLine® is a reactive indicator, not a proactive one. It will not catch the first 5–10% of a bull or bear market. Ideally, it will avoid most of the downtrends and catch the vast bulk of the uptrends. There may be times when the use of the indicator will result in a loss when we re-enter the market. Other times there may be a modest positive impact. When severe downtrends occur, however, such as in 2000-2002 and 2007-2008, it has the potential to make a significant difference in portfolio performance. Naturally, there can be no guarantee that the HCM-BuyLine® indicator will perform as anticipated. **Stoploss** protection will not necessarily limit your losses to the desired amounts due to the limitations of the HCM-BuyLine®, market conditions, and delays in executing orders. It is not an actual **stoploss** order that automatically sells securities in the portfolio at a certain price.

Mutual Funds and ETFs are subject to risks similar to those of stocks. Investment returns will fluctuate and are subject to market volatility, so that an investor's shares when redeemed may be worth more or less than their original costs. There are unique potential risks associated with the specific asset classes that a Mutual Fund or ETF represents. You should carefully consider the risk, charges, and expenses of an ETF prior to investing. This and other important information can be found in the product's prospectus.

Please remember that past performance may not be indicative of future results. Different types of investments involve varying degrees of risk, and there can be no assurance that the future performance of any specific investment, investment strategy, or product (including the investments and/or investment strategies recommended or undertaken by Howard Capital Management, Inc. ("HCM"), or any non-investment related content, made reference to directly or indirectly in this commentary will be profitable, equal any corresponding indicated historical performance level(s), be suitable for your portfolio or individual situation, or prove successful. Due to various factors, including changing market conditions and/or applicable laws, the content may no longer be reflective of current opinions or positions. Moreover, you should not assume that any information contained in this presentation serves as the receipt of, or as a substitute for, personalized investment advice from HCM. Please remember to contact your primary investment professional, in writing, if there are any changes in your personal/financial situation or investment objectives for the purpose of reviewing/evaluating/visiting HCM's investment management services, or if you would like to impose, add, or to modify any reasonable restrictions to our investment management services. A copy of the HCM's current written disclosure Brochure discussing our advisory services and fees continues to remain available upon request. LASS.ES.1021



**Returns Matter. Risk
Management Matters.
Defend Tomorrow,
Today.**

– Vance Howard
CEO + Portfolio Manager



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THE HCM-BUYLINE®

PROPRIETARY STOPLOSS INDICATOR

Howard Capital Management's (HCM) investment strategies strive to protect capital in market downturns while seeking to outperform the major indices during market upswings. The HCM-BuyLine® is technical, but its interpretation is straightforward. This helps to potentially mitigate downside risk by signaling for a move out of equities and into cash and cash equivalents. For years, the HCM-BuyLine® has demonstrated the ability to place its investor base in a tactical and defensive position irrespective of marketing swings.

KEY FEATURES

- Designed to be an emotionless and mathematically driven process
- Signals when to move to cash and/or lower risk investments during market declines
- Greater capital might be available to reinvest during market advances

There can be no guarantee that the HCM-BuyLine® indicator will perform as anticipated. Stoploss protection will not necessarily limit your losses to the desired amounts due to the limitations of the HCM-BuyLine®, market conditions, and delays in executing orders. It is not an actual stoploss order that automatically sells securities in the portfolio at a certain price. There can be no guarantee that the HCM-BuyLine® indicator will perform as anticipated. Stoploss protection will not necessarily limit your losses to the desired amounts due to the limitations of the HCM-BuyLine®, market conditions, and delays in executing orders. It is not an actual stoploss order that automatically sells securities in the portfolio at a certain price.

A DISCIPLINED STRATEGY

The HCM-BuyLine® In Action

- ◆ Reduced Equity Exposure
- ◆ Further Reduced Equity Exposure
- ◆ Fully Invested



THE HCM-BUYLINE®

Signature stoploss risk management

The HCM-BuyLine® uses a proprietary quantitative investment model to determine when we should be in or out of the market. The HCM-BuyLine® uses trend analysis to help identify the broad trend in the equity market. When the trend is down, we reduce exposure to equities, and when the trend is up, we increase exposure to equities.

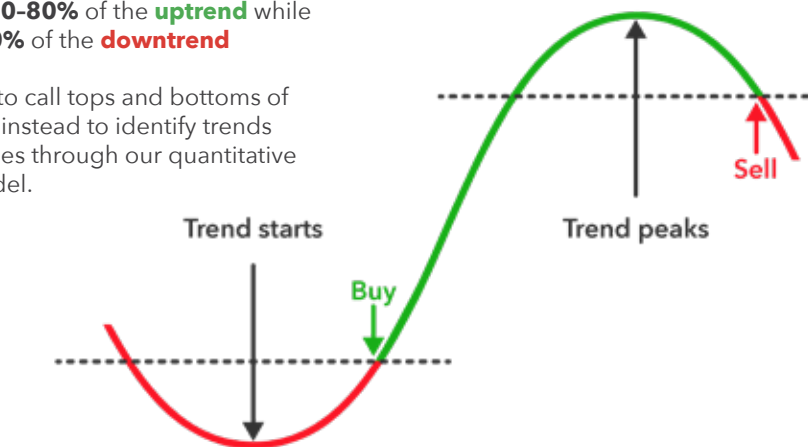
When the S&P 500 Index's closing price drops to 3.5% below the HCM-BuyLine®, we will assume a reduced exposure in equities by investing in cash or cash equivalents. If the S&P 500 Index drops to 6.5% below the HCM-BuyLine®, we will further reduce exposure in equities. Once the S&P 500 Index closes above the HCM-BuyLine® for five consecutive trading days after having dropped below one or both of the previous two levels, we will be reinvested in equities.

This non-emotional, mechanical, and repeatable system helps take the guesswork out of HCM investment decisions as we strive to keep client portfolios on the right side of the market. Even though not every HCM-BuyLine® signal will result in a profitable trade, the HCM-BuyLine®'s ability to preserve capital using math in major market downturns while pursuing opportunities for growth provides HCM with the potential to outperform the market on a long-term basis. For example, a portfolio which suffers a 30% loss, takes a 43% gain to return to the previous portfolio value. When the impact of a major market downturn is reduced, the investor is left better situated compared to a buy-and-hold strategy. However, avoiding market downturns is just the start of an effective risk management system. The manager also needs to know when to be invested in equities. Here again, the HCM-BuyLine® comes into play, signaling a potential uptrend.

GOAL:

Try to capture **70-80%** of the **uptrend** while avoiding **70-80%** of the **downtrend**

The goal is not to call tops and bottoms of the market, but instead to identify trends and opportunities through our quantitative investment model.



The graphic above represents the dates on which the HCM-BuyLine® indicator signaled a change in market conditions. The graphic does not represent actual trading activity. The HCM-BuyLine® is an indicator only and will not automatically allocate and/or re-allocate client assets. Actual trading activity may take time to research and implement and, as a result, trading activity may lag behind the signals provided by the HCM-BuyLine® indicator. There can be no guarantee that the HCM-BuyLine® indicator will perform as anticipated or that following any signals provided by the HCM-BuyLine® indicator will result in a profitable trade.

GLOBAL TRENDS TIMELINE

| | | | | | | | | |
|--|--|---|--|--|---|--|---|---|
| MARCH 2000 Tech Bubble Burst | SEPTEMBER 2001 World Trade Center Terror Attacks | MARCH 2007 Beginning of the Sub-Prime Mortgage Crisis | JANUARY 2008 The US Recession is Underway, Unemployment Soon Reaches 10% | MAY 2010 Flash Crash: Dow Has Second Largest Point Swing | SEPTEMBER 2011 EU Sovereign Debt Crisis; US Credit Rating Downgrade | JUNE 2016 "Brexit": Britain Votes to Exit the E.U. | 2018 Rise of Computerized Trading | MARCH 2020 COVID-19 Global Pandemic |
|--|--|---|--|--|---|--|---|---|

The graphic above and on the right represents the dates on which the HCM-BuyLine® indicator signaled a change in market conditions. The graphic does not represent actual trading activity. The HCM-BuyLine® is an indicator only and will not automatically allocate and/or re-allocate client assets. Actual trading activity may take time to research and implement and, as a result, trading activity may lag behind the signals provided by the HCM-BuyLine® indicator. There can be no guarantee that the HCM-BuyLine® indicator will perform as anticipated or that following any signals provided by the HCM-BuyLine® indicator will result in a profitable trade. All investments are subject to risks similar to those of stocks. Investment returns will fluctuate and are subject to market volatility, so that an investor's shares when redeemed may be worth more or less than their original costs. There are unique potential risks associated with the specific asset classes that a Mutual Fund or ETF represents. You should carefully consider the risk, charges, and expenses of an ETF prior to investing. There can be no guarantee that the HCM-BuyLine® indicator will perform as anticipated. Stoploss protection will not necessarily limit your losses to the desired amounts due to the limitations of the HCM-BuyLine®, market conditions, and delays in executing orders. It is not an actual stoploss order that automatically sells securities in the portfolio at a certain price. There can be no guarantee that the HCM-BuyLine® indicator will perform as anticipated. Stoploss protection will not necessarily limit your losses to the desired amounts due to the limitations of the HCM-BuyLine®, market conditions, and delays in executing orders. It is not an actual stoploss order that automatically sells securities in the portfolio at a certain price.

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We practice active money management. We do not believe in buy and hold, nor do we favor asset allocation. We must be strategic and tactical to bring our best defense against a market that does not think or feel.

– Vance Howard
CEO & Portfolio Manager

Vance Howard specializes in identifying market trends based on his proprietary HCM-BuyLine®, a strict investment discipline developed through years of research and experience.

His investment management abilities are utilized in many types of trading systems, with investments including mutual funds, exchange-traded funds, individual equities and cash equivalents.

“We do not believe in buy and hold, nor do we favor asset allocation”, says Mr. Howard of his philosophy. “Rather, we use a combination of both strategic and tactical approaches. The market does not think or feel. It is what it is, which is why our modus operandi is active money management.”

Howard Capital Management, Inc., a SEC registered investment advisory firm, provides fee-based investment management to individuals and institutions using the HCM-BuyLine® discipline.



There is no certainty that any investment or strategy will be profitable or successful in achieving investment objectives.

WE LOOK FORWARD TO SPEAKING WITH YOU.

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The HCM- BuyLine® graph represents some of the dates on which our proprietary indicator, the HCM-BuyLine®, identified changes in the market trend. Buys and sells may or may not have occurred on the exact dates shown. These dates do not necessarily reflect transactions applied to every individual account. Also, certain products, custodians and portfolios may have a delay in execution. When the HCM-BuyLine® indicates a bull market, HCM then identifies the particular mutual funds, ETFs or individual stocks that we believe have the best return potentials in the current market from the universe of assets available in each given program and invests in them. When the HCM-BuyLine® indicates a bear market, HCM moves clients' investments to less risky alternatives. Howard CM's performance results: 1) are presented net of advisory fees of 2.2% paid monthly in arrears, 2) are net of transaction fees and commissions, 3) are not net of custodial fees, and 4) reflect the reinvestment of dividends and capital gains. **Past performance is not a guarantee or a reliable indicator of future results.** Therefore, no current or prospective client should assume that the future performance of any specific investment, investment strategy (including the investments and/or investment strategies recommended by the advisor), will be profitable or equal to past performance levels.

The actual performance of an individual client's portfolio may be lower or higher than the performance of the Howard CM portfolio strategy. The returns of the strategy in certain years were higher than the returns of its comparative benchmark index. **These returns were the result of certain market factors and events that may not be replicated in the future.** All investment strategies have the potential for profit or loss. Changes in investment strategies, contributions or withdrawals may materially alter the performance, strategy and results of a client's portfolio. Different types of investments involve varying degrees of risk, and there can be no assurance that any specific investment will either be suitable or profitable for a client's investment portfolio. All performance results are audited and have been independently verified. Howard CM may involve an above-average turnover, which could have a negative impact upon the net after tax gain experienced by an individual client in a taxable account. Economic factors, market conditions, and investment strategies will affect the performance of any portfolio and there are no assurances that it will match or outperform any particular benchmark for measuring the performance of a portfolio. Historical performance results for investment indexes and/or categories generally do not reflect the deduction of transaction and/or custodial charges or the deduction of an investment-management fee, the incurrence of which would have the effect of decreasing historical performance results. Depending upon the client's portfolio holdings, investment objectives, and risk temperament, it may be more appropriate to measure performance against a different benchmark.

The S&P 500 Index includes a representative sample of 500 leading companies in chief industries of the U.S. economy, and is generally considered a proxy for the total market; it is an unmanaged investment measure and is not available for investment purposes. Barclays Aggregate Bond Index includes government securities, mortgage-backed securities, asset-backed securities and corporate securities, and is generally considered the best overall simulation of the universe of bonds in the market; it is an unmanaged investment measure and is not available for investment purposes.

Historical performance results for investment indices and/or categories have been provided for general comparison purposes only, and generally do not reflect the deduction of transaction and/or custodial charges, the deduction of an investment management fee, nor the impact of taxes, the incurrence of which would have the effect of decreasing historical performance results. It should not be assumed that your account holdings correspond directly to any comparative indices.

Back testing involves a hypothetical reconstruction, based on past market data, of what the performance of a particular account would have been had the adviser been managing the account using a particular investment strategy. Performance results presented do not represent actual trading using client assets but were achieved through retroactive application of a model that was designed with the benefit of hindsight. Back tested performance results have inherent limitations, particularly the fact that these results do not represent actual trading and may not reflect the impact that material economic and market factors might have placed on the adviser's decision-making if the adviser were actually managing the client's money. These results should not be viewed as indicative of the adviser's skill and do not reflect the performance results that were achieved by any particular client. During this period, the adviser was not providing advice using this model and clients' results were materially different. The model that gave rise to these back tested performance results is one that the adviser is now using in managing clients' accounts. Hypothetical performance returns are presented net-of-fees (e.g., Howard CM's advisory fees and transaction costs/commissions) and reflect the reinvestment of dividends and capital gains. Account information has been compiled solely by Howard CM, has not been independently verified, and does not reflect the impact of taxes on non-qualified accounts. In preparing this report, Howard CM has relied upon information provided by the account custodian. Please defer to formal tax documents received from the account custodian for cost basis and tax reporting purposes. LARL.BLB.012522