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**WALL ST**

**RETURNS MATTER.  
RISK MANAGEMENT MATTERS.**  
DEFEND TOMORROW, TODAY

Since 1999, Howard Capital Management, Inc. (HCM), a SEC-Registered Investment Advisory Firm, has offered professional money management to those seeking growth while striving to remain on the right side of the market. The HCM vision originated after the 1987 stock market crash, with the opinion that incurring financially devastating losses due to market volatility was unnecessary.

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

## **KEY FACTS**

### **1999**

Year Founded

### **Vance Howard**

Investment Manager and CEO

### **Atlanta, Georgia**

Headquarters just outside of Atlanta

### **\$6.5 Billion**

In total assets under management

# BACKGROUND



Vance Howard, CEO and Portfolio Manager, created a defensive and tactical investment strategy that seeks primarily to mitigate investment risk through market downturns while pursuing opportunities for excess return. To support the strategy, he developed a proprietary trend indicator tool, the HCM-BuyLine®, to offer investors a downside defense.

**NON-EMOTIONAL, MECHANICAL, REPEATABLE.**

## TIMELINE OF HCM

**1996**

Concept of the HCM-BuyLine® developed

**1999**

Establishment of Howard Capital Management, Inc. (HCM)

**2006**

Creation of the 401(k) Optimizer® for employees with a 401(k), 403(b) and/or 457 account

**2014**

HCM launches line of proprietary Mutual Funds

**2019**

HCM Defender 100 Index ETF and HCM Defender 500 Index ETF Introduced

**2023**

Launch of Direxion HCM Tactical Enhanced ETF (HCMT)

## THE HCM-BUYLINE®

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 50/50 position in equities and cash or cash equivalents. If the S&P 500 Index drops to 6.5% below the HCM-BuyLine®, we will be 100% in cash or cash equivalents. 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.

*There can be no guarantee that the HCM-BuyLine® indicator will perform as anticipated. There is no certainty that any investment or strategy will be profitable or successful in achieving investment objectives.*

# INVESTMENT STRATEGIES

The investment strategies we offer at Howard Capital Management, Inc. (HCM) are tactical and defensive. We believe tactical management is a powerful, straightforward solution to navigating market volatility while striving to deliver performance and outpace inflation.

HCM offers investors multiple investment options through separately managed accounts, self-directed brokerage accounts, proprietary Mutual Funds and ETFs. We also offer a variety of marketing tools and support to help advisors grow their business.

## RISK TOLERANCE OPTIONS:

SMA PORTFOLIOS	CONSERVATIVE	BALANCED	GROWTH	AGGRESSIVE
• All Weather		✓		
• ALP	✓	✓	✓	✓
• Dividend Income	✓	✓	✓	
• Dynamic Conservative	✓			
• Horizon Income		✓		
• ILP-ETF	✓	✓	✓	
• ILP-MF	✓	✓	✓	
• Ultra Aggressive				✓
• Viper 2	✓	✓	✓	✓

## PROPRIETARY MUTUAL FUNDS

HCM Sector Plus Fund (HCMNX)

HCM Tactical Plus Fund (HCMGX)

HCM Multi-Asset Plus Fund (HCMEX)

HCM Dynamic Income (HCMBX)

## PROPRIETARY ETFs (EXCHANGE TRADED FUNDS)

HCM Defender 100 Index ETF (QQH)

HCM Defender 500 Index ETF (LGH)

Direxion HCM Tactical Enhanced US ETF (HCMT)

## RETIREMENT PLANNING AND LEAD GENERATION TOOLS

Self-Directed Brokerage Accounts (SDBA)

401(k) Optimizer®

TSP Optimizer®

HCM-Guided Retirement®

*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.*

# WE LOOK FORWARD TO SPEAKING WITH YOU.

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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. Howard Capital Management, Inc. (Howard CM) offers its investment methodology through multiple programs that may invest in exchange traded funds, variable annuities, Bonds and Mutual Funds. There is no certainty that any investment or strategy (including the investments and/or investment strategies recommended by the advisor), will be profitable or successful in achieving investment objectives.

Mutual Fund and Exchange-Traded Fund Advisory Services. We provide investment advisory services to the HCM Tactical Plus Fund, HCM Sector Plus Fund, HCM Multi Asset Fund, and HCM Dynamic Income Fund ("the Funds"), mutual funds registered under the Investment Company Act of 1940. We also provide investment advisory services to the HCM Defender 100 and HCM Defender 500 exchange-traded funds ("ETFs"). HCM provides sub advisory services to the Direxion HCM Tactical Enhanced U.S. Equity Strategy ETF.

The HCM Tactical Plus Fund seeks long-term capital appreciation through investments in (i) domestic equity securities of any market capitalization, (ii) investment companies (including mutual funds that use leverage), closed-end funds and ETFs (including ETFs that use leverage), and (iii) cash and cash equivalents.

The HCM Sector Plus Fund seeks to achieve its investment objective through investment in (i) dividend paying equity securities of companies included in the S&P 500 TR Index, (ii) investment companies (including mutual funds that use leverage), and (iii) cash and cash equivalents.

The HCM Multi Asset Plus Fund seeks total return through investments in ETFs that invest in Foreign (including emerging markets) and domestic (i) equity securities of any market capitalization, (ii) fixed income securities of any maturity, duration, and credit quality (including "junk bonds"), "plus", (iii) investment companies (mutual funds, closed end funds and ETFs), sometimes referred to in this Prospectus as "Underlying Funds," including investment companies that use leverage; and (iv) cash and cash equivalents and put and call options.

The HCM Dynamic Income Fund seeks total returns through investments in long and/or short positions in fixed income securities, including (i) bills, (ii) notes, structured notes (iii) equity index futures, (iv) bonds, (v) convertible bonds, or (vi) any other debt or debt-related securities, or (vii) cash or cash equivalents.

The HCM Defender 100 ETF seeks to provide investment results that correspond, before fees and expenses, generally to the performance of the HCM Defender 100 Index ("the HCM 100 Index")

The HCM Defender 500 ETF seeks to provide investment results that correspond, before fees and expenses, generally to the performance of the HCM Defender 500 Index ("the HCM 500 Index")

We will be entitled to an annual advisory fee equal to 1.25% (0.95% for the HCM Income Plus Fund and .77% for the ETFs) of each of the Fund's and ETF's respective average daily net assets paid on a monthly basis. We may recommend investments in the Funds and/or ETFs for other advisory client accounts, including accounts for owners, officers, and investment adviser representatives associated with our firm. If you have engaged us for discretionary management services, we may invest a percentage of your assets in the Funds and/or ETFs without further approval from you. Because we receive compensation from the Funds and ETFs, we have a financial incentive to invest client assets in the Funds or ETFs or to recommend that clients invest in the Funds or ETFs. However, we will only make such investments and/or recommendations where we believe it is consistent with our fiduciary duty and your investment objectives. We will earn fees from the Funds and ETFs, as well as fees from you for investments made in the Funds and ETFs. For ERISA assets invested in the Funds or ETFs, the advisory fee on such assets will be offset by the amount of the management fee paid to us by the Funds or ETFs. At our discretion, we may offset a portion of your advisory fee against the fees and expenses you may otherwise pay to the Funds or ETFs. You should refer to each Fund and ETF prospectus for a complete description of the fees, investment objectives, risks and other relevant information associated with investing in the Funds and ETFs. Securities held in separate accounts, including accounts for owners, officers, and other individuals associated with our firm, may also be the same securities as those purchased by the Funds and/or ETFs. Mutual funds involve risk including possible loss of principal. When the Fund is out of the market and in cash or cash equivalents, there is a risk that the market will begin to rise rapidly and may cause the Fund to miss capturing the initial returns because of changing market conditions. The mutual funds in which the Fund may invest may use leverage. Using leverage can magnify a mutual fund's potential for gain or loss and therefore, amplify the effects of market volatility on a mutual fund's share price. The Fund may be subject to the risk that its assets are invested in a particular sector or group of sectors in the economy and as a result, the value of the Fund may be adversely impacted by events or developments in a sector or group of sectors. The price of small or medium capitalization company stocks may be subject to more abrupt or erratic market movements than larger, more established companies or the market averages in general. A higher portfolio turnover will result in higher transactional and brokerage costs and may result in higher taxes when Fund shares are held in a taxable account. ETFs and mutual funds are subject to investment advisory and other expenses, which will be indirectly paid by the Fund. As a result, the cost of investing in the Fund will be higher than the cost of investing directly in other investment companies and may be higher than other mutual funds that invest directly in securities. The market value of ETF and mutual fund shares may differ from their net asset value. Each investment company and ETF is subject to specific risks, depending on the nature of the fund. The Direxion HCM Tactical Enhanced U.S. Equity Strategy ETF seeks to achieve its investment objective through investments in: (i) Nasdaq-100 securities and associated index swaps; (ii) S&P 500 securities and associated index swaps; and (iii) concentrated sector positions as determined by the HCM-BuyLine®, which indicates the sector that is outperforming other sectors at any given time based on the Subadvisor's proprietary strength criteria; and (iv) cash and cash equivalents. The fund has a target allocation of 40% S&P 500, 40% Nasdaq-100, and 20% invested in a specific sector or sub-sector. Leverage will be utilized within the S&P 500 and Nasdaq-100 portions of the funds with a target exposure of 2x (160% total exposure). Additionally, the sector portion of the fund will also utilize leverage. However, due to potential VaR concerns and to stay compliant, this portion of the fund will utilize a sliding scale of leverage depending on the sector or sub-sector in which the fund is

invested. Target leverage exposure of the sector portion of the fund will be determined and managed with the help of Direxion and their portfolio management and risk teams.

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. 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 Optimizer programs to maintain total control over their personal accounts. The goal is to reduce risk by taking proactive measures with company-sponsored retirement plans and with their thrift savings plan account. 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 through the HCM Guided Retirement Solution), 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. 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. HCM's SDBA, A self-directed brokerage account ("SDBA") within a retirement plan account allows participants to invest their self-directed retirement plan account balances in a variety of investments beyond the menu of designated investment alternatives offered directly by the plan.

All Weather strategy, Active Lifestyle Portfolio (ALP) strategy, Dividend Income strategy, Dynamic Conservative strategy, Horizon Income strategy, ILP ETF strategy, ILMF strategy, Ultra Aggressive strategy and Viper 2 strategy may potentially employ HCM's Proactive Sector Rotation methodology, which seeks to participate in all markets and sectors and to have the potential to meet performance objectives. PSR is a tactical asset allocation methodology, which attempts to identify the best performing sectors at a given point in time. The strategies utilize the HCM-BuyLine®, a tactical proprietary indicator used to assist in determining when and how much to invest in equities. The HCM-BuyLine® is not an automated trading program, and not all HCM-BuyLine® signals will result in securities transactions. When the HCM-BuyLine® indicates a bull market, the firm identifies the particular mutual funds, ETFs, or individual securities that it believes have the best return potential in the current market from the universe of assets available in each given program and increases investment exposure to them. When the HCM-BuyLine® indicates a bear market, the firm moves clients' investments to less risky alternatives, which may include cash, cash equivalents, and short-term bonds. However, not every HCM-BuyLine® buy signal will result in full investment exposure to equities, nor will every HCM-BuyLine® sell signal result in full withdrawal from equity exposure. Not every HCM-BuyLine® buy or sell signal will result in a profitable trade. There will be times when following the indicator results in a loss. Each investment strategy we provide uses independent HCM-BuyLine® parameters, meaning the HCM-BuyLine® may produce different signals for different strategies at different times. HCM claims compliance with the Global Investment Performance Standards (GIPS®). GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein. To obtain GIPS-compliant performance information, please contact HCM at info@howardcm.com. HCM has been independently verified for 2020-2024.

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