



Take back your life with HCM Active Lifestyle Portfolios



Frustrated with the performance of your investment portfolio? The last decade has not been fun for traditional investors. Two bear markets, record volatility, and the discouraging reality of trying to achieve gains in an economy that seems to be largely bad news have many individuals questioning whether or not investing is worth the pain. HCM Active Lifestyle Portfolios are designed to succeed across all market environments giving you the opportunity to enjoy life more.

At Howard Capital Management, we believe HCM Active Lifestyle Portfolios (ALPs) offer a better approach to investing, an approach that seeks to diversify your portfolio to provide opportunities for profit across market cycles yet control losses in down markets. HCM's emphasis on limiting losses is, we believe, essential to improved performance and the real key to a portfolio that lets you enjoy life.

HCM Active Lifestyle Portfolios blend of two investment focuses — **HCM ALP-PSR** (Proactive Sector Rotation), an active equity investment strategy and **HCM ALP-Tactical Bond**, an active bond-based investment strategy. By combining different allocations of these two programs, we are able to offer a range of strategies from aggressive to conservative to fit the investor's risk tolerance.

HCM ALP-PSR is an aggressive investment approach that seeks long-term capital appreciation. HCM portfolio managers strive to participate in domestic markets and sectors by trading mutual funds using our proprietary HCM-BuyLine® and Proactive Sector Rotation (PSR) methodologies. Our goal is to outpace the S&P 500 Total Return index over the long run by participating in rising markets and protecting assets during adverse market conditions. It is possible under certain market conditions that this program will be fully invested in cash and/or short-term bonds or bond funds to protect capital. The managers may also use inverse funds to seek profit potential and/or as a hedge. This program is also available in an ETF version — the HCM ALP-ETF Plus.

HCM ALP-Tactical Bond is a conservative investment approach that trades bond mutual funds, designed for conservative investors seeking stability. It is 100% invested at all times, rotating among short-, medium- and long-term bonds, high-yield bonds, corporate bonds, treasuries, and occasionally international bonds, based on perceived opportunities for better returns indicated by our Proactive

Sector Rotation methodology. Our goal is to outpace the Barclays Capital U.S. Aggregate Bond Index.

If you are like most investors, you are neither as aggressive as the HCM ALP-PSR program nor as conservative as the HCM ALP-Tactical Bond Program. Which is why HCM blends these programs to offer Growth, Balanced and Conservative portfolios shown below. To maintain target allocation values, these programs are periodically rebalanced.

	Allocation Equity / Bond	Account Minimum	Annual Management Fee	Available Platform
HCM ALP-ETF Plus	100%/0%*	\$50,000	2.5%**	Pershing, FOLIOfn
HCM ALP-PSR	100%/0%*	\$50,000	2.5%**	Pershing, FOLIOfn Selected Variable Annuities
HCM ALP-Growth	70%/30%*	\$50,000	2.5%**	Pershing, FOLIOfn Selected Variable Annuities
HCM ALP-Balanced	50%/50%*	\$50,000	2.5%**	Pershing, FOLIOfn Selected Variable Annuities
HCM ALP-Conservative	30%/70%*	\$50,000	2.5%**	Pershing, FOLIOfn Selected Variable Annuities
HCM ALP-Tactical Bond	0%/100%	\$50,000	2.5%**	Pershing, FOLIOfn Selected Variable Annuities

* The equity portion of the allocation can shift to cash and/or short-term bonds or bond funds if the HCM-BuyLine® dictates a move to the sidelines.

** In addition to the fees shown above, individual funds and variable annuities will have their own fees, which are disclosed in the respective prospectuses.

Naturally, there can be no guarantee that the ALP programs will achieve their investment objectives and every investment has the potential for loss as well as gain. But the HCM-BuyLine® and Proactive Sector Rotation methodology, which guide investment decisions in the portfolios, have an eight-year history of implementation, combined with extensive backtesting to provide us with an objective, mechanical methodology that avoids emotional decision making, letting the market determine buy and sell decisions.

See the HCM website - www.howardcm.com - for more information on these proprietary investment approaches.



Program: HCM Active Lifestyle Portfolios (ALPs)

Suitability: For investors of all risk and return objectives

Strategy: The HCM Active Lifestyle Portfolios provide a range of risk/return objectives that use HCM's Proactive Sector Rotation methodology to target equity and bond funds the strategy indicates have the potential to meet performance objectives. The HCM-BuyLine® monitors market health to determine whether or not assets should be invested in the equity market or moved to cash and/or short-term bonds or bond funds to protect capital.

Howard Capital Management, Inc. (HCM) is a Registered Investment Advisor, specializing in professional money management. We actively manage portfolios and trade accounts for private clients, brokers, broker dealers, and hedge funds. While we are a results-oriented firm, our primary mission is asset protection. For this reason, we developed our proprietary indicator, the HCM-BuyLine®, which is designed to help keep our clients on the right side of the market and forms the cornerstone of how we conduct business. We invite you to visit our website at www.howardcm.com to learn more about our trading methods. You may wish to sign up for the *Wealth Watch* to gain more insight. Please do not hesitate to contact us for more information. We look forward to assisting you with your investment portfolio.

Please work with your financial advisor to determine if one of the HCM ALP investment programs is consistent with your financial objectives and risk tolerance.

Disclosure: The HCM Active Lifestyle Portfolios are actively managed programs and as such have an above-average turnover rate in volatile markets, which could have a negative impact upon the net after-tax gain experienced by an individual client in a taxable account. 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. The actual performance of an individual client's portfolio may be lower or higher than the performance of the HCM portfolio strategy due to differences in timing of contributions and withdrawals, account start date and actual fees paid.

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.

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 Barclays Capital U.S. Aggregate Bond Index is a bond-based index, maintained by Barclays Capital, which used to represent the performance of investment grade bonds being traded in United States. Indexes are unmanaged investment measures and are not available for investment purposes. 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.

Investment Risks: All investments carry risk. HCM ALP 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. The HCM-BuyLine® is a trend following indicator and as such will not catch the first 5-10% of a market move. There can be no assurance that the HCM-BuyLine® indicator will protect a portfolio from loss of capital.

Mutual Funds involve risk, including possible loss of principal. Exchange Traded Funds are subject to risks similar to those of stocks. An investor should carefully consider investment objectives, risks, charges and expenses before investing in an Exchange Traded Fund. This information and more complete information, including potential risks, is included in each Exchange Traded Fund prospectus, which can be obtained from your financial professional. Read the prospectus carefully before investing.

Investing in the commodities markets through commodity-linked mutual funds will subject the Program to potentially greater volatility than traditional securities. Derivative instruments involve risks different from, or possibly greater than, the risks associated with investing directly in securities and other traditional investments. International investments could subject the Program to greater risks including currency fluctuation, economic conditions, and different governmental and accounting standards. Emerging markets involve heightened risks related to the same factors as well as increased volatility and lower trading volume. Investments in underlying funds that own small and mid-capitalization companies may be more vulnerable than larger, more established organizations. In general, the bond market is volatile, bond prices rise when interest rates fall and vice versa, an effect that is usually pronounced for longer-term securities. Any fixed income security sold or redeemed prior to maturity may be subject to a substantial gain or loss. The cost of investing in the Program will be higher than the cost of investing directly in underlying funds and may be higher than other mutual funds that invest directly in stocks and bonds.

Investors should carefully consider the investment objectives, risks, charges and expenses of the HCM Active Lifestyle Portfolios before investing.

Past performance is no guarantee of future results.

This material has been distributed for informational purposes only and should not be considered as investment advice or a recommendation of any particular security, strategy or investment product. No part of this material may be reproduced in any form, or referred to in any other publication, without express written permission of HCM. Advisory services offered through Howard Capital Management, Inc.