

Important Disclosure Information

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.

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.

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. Stop/loss 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 stop/loss order that automatically sells securities in the portfolio at a certain price.

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 discussion or information contained in this commentary serves as the receipt of, or as a substitute for, personalized investment advice from HCM.

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