

Harwood Investment Strategies, LLC

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Form ADV Part 2A

November 22, 2016

This brochure provides information about the qualifications and business practices of Harwood Investment Strategies, LLC. If you have any questions about the contents of this brochure, please contact us at 734-242-2408. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. Harwood Investment Strategies, LLC is a registered investment advisor. Note that registration does not imply a certain level of skill or training.

Additional information about Harwood Investment Strategies, LLC also is available on the SEC's website at www.adviserinfo.sec.gov

Material Changes

This section summarizes material changes made as part of our most recent update. The changes below reflect updates to our previous Form ADV Part 2 dated March 21, 2016.

In light of Edwin L. Harwood's recent death, we have updated our Form ADV Part 2. We have made material changes to the following section of this Form ADV 2;

- Item 10 – Other Financial Industry Activities & Affiliations
- Item 13 – Review of Accounts
- Item 19 – Requirements for State-Registered Advisers

Item 10. C – Other Financial Industry Activities & Affiliations: Item 10.C has been updated to reflect that Edwin L. Harwood is no longer a member of the Board of Directors for MBT Financial (ticker symbol: MBTF). Thus, any previous trading restrictions regarding MBTF and/or restrictions on investment advice regarding MBTF have ceased to exist.

Item 13.A – Review of Accounts: Item 13.A has been updated to reflect that Edwin T. Harwood has been appointed as the Manager of Harwood Investment Strategies and that Edwin L. Harwood will no longer be part of the account review process.

Item 19.A – Requirements for State-Registered Advisers: Item 19.A has been updated to show that Edwin L. Harwood is no longer involved with Harwood Investment Strategies due to his recent death. It also reflects that Edwin T. Harwood is a Member and the Manager of Harwood Investment Strategies.

Item 19.B – Requirements for State-Registered Advisers: Item 19.B has been updated to reflect that we are not actively engaged in any other business other than providing investment advice and investment management services.

Form ADV Part 2B: Brochure Supplement – The supplement for Edwin L. Harwood has been removed. The supplement for Edwin T. Harwood has been updated as follows:

Item 2A: updated to reflect Edwin T. Harwood is a Member and the Manager of Harwood Investment Strategies.

Item 6: updated to reflect that Edwin T. Harwood is now the Chief Compliance Officer.

We have also updated our assets under management (see Item 4.E on page 6).

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Advisory Business

- 4.A Harwood Investment Strategies, LLC was founded in 2005 and organized as a Michigan Limited Liability Company. It is a registered investment advisor in the State of Michigan and Ohio. The firm is owned by Edwin L. Harwood and Edwin T. Harwood. We offer investment management services to individuals, families, small business owners and endowments of non-profit organizations.
- 4.B We offer three general types of investment advisory services to our clients:

Investment Advisory Services	Investment Supervisory Services
<i>Discretionary</i> management of investment accounts on a fee basis	Yes
<i>Non-discretionary</i> investment advice on a fee basis for clients who desire to handle their own trading	Yes
General financial planning consultations	No

Discretionary Management

If you want us to manage a designated investment account on a discretionary basis, including selecting the investments and placing trades within that specified account, you need to have or open an account in your name with Charles Schwab & Co. You then need to deposit the funds and/or securities you want us to manage into that account. You will also need to give us the authority to place trades in your account on your behalf (*known as discretionary authority*). All trades will then be executed by Charles Schwab & Co. and Charles Schwab & Co. will have custody of all assets in your account. We will provide you with the necessary forms needed to initiate the transfer of assets and those needed to execute trading authorizations on your account at Schwab. Lastly, you will need to enter into an Advisory Agreement with Harwood Investment Strategies, LLC. This agreement grants us discretionary authority over your account and specifies the management fees. The Advisory Agreement is a mutual, non-binding agreement between us and the client and can be cancelled by either party at anytime with no penalty (*please read the “Investment Advisory Agreement for Accounts with Discretionary Trading Authority” for more details*). Accounts

of this type will pay fees, as described below on page 7 and in the Advisory Agreement, as a percentage of the value of the account.

Non-Discretionary Investment Advice

If you want us to provide investment advice over a specified account and not have trading authority over that account, you need to have or open an account in your name with Charles Schwab & Co. Then deposit the funds/securities into the account for which you want us to provide advice. All trades will then be executed by Charles Schwab & Co. at your instruction. Charles Schwab & Co. will have custody of all assets in your account. We will provide you with the necessary forms needed to initiate the transfer of assets. You will also enter into an Advisory Agreement with Harwood Investment Strategies, LLC. The Advisory Agreement is a mutual, non-binding agreement between Harwood Investment Strategies, LLC and the client and can be cancelled by either party at anytime with no penalty (*please read the “Investment Advisory Agreement for Accounts without Trading Authority” for more details*). Accounts of this type will pay fees as described below on page 7 and in the Advisory Agreement, as a percentage of the value of the account. We will be able to monitor your account, see copies of trade confirmations and brokerage statements and will provide investment advice to you. You will choose to place or not place the suggested trades in your account as you see fit.

General Financial Planning Consultations

If you want a financial planning consultation you will enter into an Advisory Agreement with Harwood Investment Strategies, LLC. The Advisory Agreement is a mutual, non-binding agreement between Harwood Investment Strategies, LLC and you (the client), and can be cancelled by either party at anytime with no penalty (*please read the “Investment Advisory Agreement for Financial Consulting” for more details*). Accounts of this type will pay an hourly fee as described below on page 8 and in the Advisory Agreement. We will tailor this consultation to your current financial situation along with your future goals and desires *or* to a specific financial area of your choosing. You can have a brokerage account with any broker you choose (a “Non-Discretionary Account Broker”). You will then execute or not execute the suggested trades in your account with your Non-Discretionary Account Broker as you see fit.

NOTE: The investment advice we provide for the three above services is limited to the following types of investments:

- Exchange-listed securities
- Securities traded over-the-counter
- Foreign issuers

- Warrants
- Corporate debt securities (other than commercial paper)
- Commercial paper
- Certificates of Deposit
- Municipal securities
- Mutual fund shares
- Real Estate Investment Trusts
- Closed end fund shares
- United States government securities
- Options contracts on securities

In each case, we will make a complete assessment of each client’s current financial situation along with such client’s future plans and desires. We will develop a plan to purchase or sell the above investments for both discretionary and non-discretionary accounts. Initial investments and/or subsequent investments made of any one stock or bond will generally not exceed five percent (5%) of the total household portfolio, except for U.S. government bonds, bank CD’s, closed-end investment funds and mutual funds. The advice we give and the transactions we make within accounts take into consideration the client’s investment time horizon, risk tolerance and the client’s desires regarding the appreciation of capital and or the generation of income.

We use fundamental analysis as a core basis for all decisions regarding the above described investments. We use many sources of information including but not limited to annual reports, company press releases, SEC filings, corporate rating services, financial newspapers, financial magazines and third-party research. Our basic investment strategy we use is long term oriented but will seek to be flexible enough to take advantage of short term opportunities. We are value oriented investors and use the Graham and Dodd approach to assess valuations.

4.C We tailor our investment advisory services to the individual needs of each client. Each account’s asset allocation is tailored to the client’s investment time horizon, risk tolerance, investment goals and objectives. In addition, a client may impose restrictions on their account. For example, a client can prohibit the purchase of alcohol, tobacco or other industries. A client can also restrict us from selling out of a particular position. Lastly, a client may request that we call them before we place a trade in their account.

4.D Harwood Investment Strategies, LLC does not participate in wrap fee programs.

4.E

Client Assets Under Management at market close on 11/22/2016	
<i>Discretionary</i> assets	\$26,951,119
<i>Non-discretionary</i> assets	\$3,298,389

Fees and Compensation

5.A

Fees for Discretionary & Non-discretionary Accounts

For both discretionary and non-discretionary accounts, we charge a non-negotiable fee based on the assets under management in your accounts according to the following schedule**:

	Asset Value	Annual Fee
First	\$250,000	1.30%
Next	\$250,000	1.10%
Next	\$500,000	1.00%
Next	\$1,000,000	0.85%
Next	\$1,000,000	0.80%
Next	\$2,000,000	0.75%
Next	\$5,000,000	0.70%
Amounts over	\$10,000,000	0.60%

EXAMPLE:

If a client has \$1,000,000 in total assets* in such client's account(s), the fee would be calculated as follows:

First \$250,000 @ 1.3% =	\$3,250
Next \$250,000 @ 1.1% =	\$2,750
Next \$500,000 @ 1.0% =	\$5,000
Annualized Fee =	\$11,000
Quarterly Fee (\$11,000/4) =	\$2,750

*Household accounts are aggregated in determining fees for each individual account.

**Family members of Edwin L. Harwood are accorded a 10% discount.

Fees for General Financial Planning Consultations

As stated above in Item 4.B on page 5, the fee for general financial planning consultations is charged on an hourly basis. The hourly rate will vary from \$150 to \$200 per hour depending on the complexity of your financial situation. In all cases, you will know the hourly rate being charged *before* services are rendered. The hourly rate to be charged is also clearly stated in the “*Investment Advisory Agreement for Financial Consulting*” that you sign prior to services being rendered.

5.B You will be billed quarterly in arrears based on the asset value of your account on each March 31, June 30, September 30 and December 31. Such fees will be deducted directly from your custodial account with your written authorization and pursuant to Michigan Corporation & Securities Bureau Release No. 93-3-BD as follows:

- a) The authorization or agreement must be limited to withdrawing contractually agreed upon investment adviser fees.
- b) The investment adviser must notify the client, in writing by at least first class mail not less than seven (7) days prior to the proposed date of withdrawal, of the exact amount of the proposed withdrawal and the specific manner or basis on which the fee has been calculated. The notice shall advise the client of the opportunity to object to the invoiced amount and the manner in which the objection shall be made.
- c) The frequency of fee withdrawal must be specified in the written authorization or agreement.
- d) The custodian of the account must be advised in writing of the limitation on the adviser's access to the account. This requirement may be satisfied by furnishing to the custodian a copy of the authorization or agreement.
- e) The custodian must provide the client, not less than quarterly, a statement indicating all amounts disbursed from the account including, separately, the amount of advisory fees paid. This may be contained in the custodian's regular periodic report to the client.
- f) The client must be able to terminate the written billing authorization or agreement required by this release at any time.

You may terminate the written billing authorization or agreement at any time. If the account is initiated after the first day of the quarter, the fee for that first quarter will be prorated. If you terminate the advisory contract before the end of the quarter, the fees due for that quarter will be prorated and paid by you at the time of termination.

For general financial planning consultations, fees between \$150 and \$200 per hour will be paid and billed by written agreement between you and Harwood Investment Strategies, LLC. The advisory contract can be terminated at any time by either you or Harwood Investment Strategies, LLC without penalty.

5.C Other Expenses & Fees

Harwood Investment Strategies, LLC does not charge additional fees or expenses to clients other than those listed above. However, Charles Schwab & Co. might charge additional trading fees and other expenses to your account. The following are charges your account may incur from Charles Schwab & Co. (custodian fees):

1. Trading commissions
2. Bond markup/markdown
3. Mutual fund purchase charge
4. Exchange processing fees
5. ADR fees
6. Wire transfer fees

Clients may incur other expenses and fees from mutual funds, closed-end funds, exchange traded funds and money market mutual funds. These fees can be found in the fund's prospectus and vary by fund. Other investments not listed may assess other fees and expenses not listed here. In addition, the brokerage company transferring your assets to your Charles Schwab account might charge you a fee for the transfer and/or for closing your account. These fees and whether they are assessed varies depending on the brokerage firm. We encourage you to consult your current brokerage company to find out if there are any fees or other expenses for transferring your assets and/or closing your account.

- 5.D Clients are not required too, nor do we allow clients to pre-pay fees.
- 5.E Harwood Investment Strategies, LLC and its supervised persons do not accept compensation for the sale of securities or other investment products, including asset-backed sales charges or service fees from the sale of mutual funds.

Item 6

Performance-Based Fees and Side-By-Side Management

- 6.A Harwood Investment Strategies, LLC and its supervised persons do not accept performance-based fees.

Item 7

Types of Clients

- 7.A We generally provide investment advice to the following types of clients:

- **Individuals**
- **Trusts**
- **Estates**

In addition, we offer investment advice and management services to non-profit organizations.

The minimum total portfolio size (the aggregate of all your accounts managed by Harwood Investment Strategies, LLC) is \$200,000. Harwood Investment Strategies, LLC may from

time to time increase or decrease the minimum requirements, or waive the minimum requirement then in effect in particular cases as we see fit.

Item 8

Methods of Analysis, Investment Strategies and Risk of Loss

8.A METHODS OF ANALYSIS, INVESTMENT STRATEGIES

We use Fundamental analysis when evaluating securities and other investments. We gather information used in our evaluation process from the following sources:

- Annual reports, prospectuses and filings with the Securities and Exchange Commission
- Company press releases
- Corporate rating services
- Research materials prepared by others
- Financial newspapers and magazines

Our basic investment philosophy is based on fundamental analysis. Our goal is to maximize gains, minimize risks, and provide supplemental income for those who need it. In each case, we will make a complete assessment of each client's current financial situation along with such client's future plans and desires. The advice we give and the transactions we make within accounts take into consideration the client's investment time horizon, risk tolerance and the client's desires regarding the appreciation of capital and or the generation of income. It is important for equity investors to not get caught up in the emotion of the market and the "hype" of Wall Street. Therefore, we focus on the fundamental merits of individual holdings. When looking for potential equity investments, we focus primarily on individual companies rather than mutual funds or ETFs. We employ a long-term outlook and search for securities that are fundamentally sound but undervalued or out of favor. Further, we predominately seek investments that are priced below their intrinsic value. In addition, we look for companies with strong management and sizeable investments in their own company stock. Initial investments and/or subsequent investments made of any one stock or bond will generally not exceed five percent (5%) of the total household portfolio, except for U.S. government bonds, bank CD's, closed-end investment funds and mutual funds.

Many investors, particularly aging "baby boomers," are more comfortable shifting assets into fixed income investments to minimize risk and maximize cash flow as retirement nears. For those investors, we use investments in the form of corporate bonds, government bonds, agency bonds, certificates of deposit, preferred stocks and/or bond funds. For larger investors who wish to purchase only individual bonds, we try to use a "ladder approach"

to meet the clients' needs for income while trying to maximize the yield curve as much as possible. We try to avoid moving in and out of bonds and other fixed income investments based on short-term price movements and will, as a general rule, attempt to hold fixed income instruments to maturity.

RISK OF LOSS

Investing involves the risk of loss. It is possible to lose some or all of your principal investment in any of the investments made in your account. This includes any money market mutual fund investments that are made in the account and any investments that are above and beyond the FDIC insurance limits. You should be prepared to bear this risk of loss. Although we strive to increase the value of your account through prudent investing, we cannot promise any specified rate of return, whether positive or negative. The success of our investment strategy depends on our ability to accurately assess the intrinsic value of each investment within reason. There is a possibility that our assessed value is incorrect, never materializes and/or that previously unknown information becomes public causing the market value to change before we are able to adjust our assessed value and act accordingly. Any adverse shocks to the financial system and/or economy by terrorist attack, weather, government action, war, technical malfunction, etc., all have the possibility of causing material losses to the various companies in which we have an economic interest and thus create losses in your account.

You should be aware that investing in bonds also bears risks, such as interest rate risk and credit risk that can cause you to lose some or all of your invested money. Some bonds may also be called, meaning you have the potential risk of reinvesting the money into a lower interest bearing bond.

When using margin or when taking short positions in equities, there is a potential to lose more than your original investment. If you have a margin account or allow us to take short positions in your account, you should be prepared to bear this risk of loss.

Item 9

Disciplinary Information

9.A, 9.B & 9.C

Harwood Investment Strategies, LLC and its representatives have no past or present litigation, disciplinary or regulatory actions against them.

Other Financial Industry Activities and Affiliations

- 10.A Harwood Investment Strategies, LLC and its management persons are not registered and do not have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.
- 10.B Harwood Investment Strategies, LLC and its management persons are not registered and do not have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.
- 10.C On January 29, 2009 Mr. Harwood was named to the Board of Directors of MBT Financial (ticker symbol: MBTF), the holding company for Monroe Bank and Trust. In light of his recent death, Edwin L. Harwood is no longer a member of the board of directors for Monroe Bank & Trust. As a result, any previous self-imposed trading restrictions pertaining to MBTF and/or self-imposed restrictions regarding investment advice concerning MBTF cease to exist.
- 10.D Harwood Investment Strategies, LLC and its representatives do not select or have other business relationships with other investment advisers

Code of Ethics, Participation or Interest in *Client* Transactions and Personal Trading

11.A We will provide a copy of our code of ethics to any *client* or prospective *client* upon request.

11.B See Item 10.C above

11.C & D

Harwood Investment Strategies, LLC, its employees, representatives and/or members, may from time to time, purchase or sell for their own benefit the same securities or other investments that are being recommended to purchase or sell by the firm to its clients. At no time will the Advisor place its own interest ahead of its client's interest. The advisor will also maintain copies of the personal transactions of itself and its employees for clients' inspections.

In making the decisions as to which securities are to be bought or sold and the amounts thereof, the Advisor will adhere to any investment objectives and guideline established by the client (in consultation with the Advisor, where appropriate. Investment objectives and guidelines will typically relate to matters such as the type of return the client expects e.g., income, capital appreciation or both), the desired rate of return, the degree of risk which the client is willing to assume, and the types of securities which the Client wishes to include or exclude from its portfolio.

Investment decisions for clients will be made with a view to achieving their respective investment objectives after consideration of factors such as their current holdings, availability of cash for investments and the size of their investments generally.

In some cases, a particular investment may be bought or sold for one or more but fewer than all Clients, or may be bought or sold in different amounts and at different times for more than one but fewer than all clients. Similarly a particular investment may be bought for one or more clients when such investment is being sold for one or more other clients. In cases where the discretionary account broker will permit, the advisor will seek but does not expect to be obligated to bunch orders for the purchase or sale of the same security for client accounts where the advisor deems this to be appropriate, in the best interests of the client's accounts and consistent with applicable regulatory requirements. When a bunch order is filled in its entirety, each participating client account will participate at the average share price for the bunch order on the same business day and transaction costs will be charged to the client based on each client's commission

arrangements with their broker dealer. When a bunched order is only partially filled, the securities purchased will be allocated to accounts in such manner as the advisor deems equitable, and each account participating in the bunched order will participate at the average share price for the bunched order on the same business day.

Item 12

Brokerage Practices

12.A THE CUSTODIAN AND BROKERS WE USE

Harwood Investment Strategies, LLC does not maintain actual custody of your assets that we manage, although under government regulations we may be deemed to have custody of your assets if you give us authority to withdraw assets from your account (see *Item 15 – Custody*, below). Your assets must be maintained in an account at a “qualified custodian,” generally a broker-dealer or bank. We require our clients seeking discretionary or non-discretionary investment management services over their account(s) to have or open an account with Charles Schwab & Co., Inc. (Schwab), a registered broker-dealer, member SIPC, as the qualified custodian. **Note that Harwood Investment Strategies, LLC is independently owned and operated and is not affiliated with Schwab.** Schwab will hold your assets in a brokerage account and buy and sell securities when we, or you, instruct them to do so. While we require that you use Schwab as custodian/broker, you will decide whether to do so and will open your account with Schwab by entering into an account agreement directly with them. We do not open the account for you, although we will assist you in doing so. In this regard, you must decide that you are comfortable with Harwood Investment Strategies, LLC and Charles Schwab & Co., Inc. Not all advisors require their clients to use a particular broker-dealer or other custodian selected by the advisor. We feel Schwab currently offers the best overall value to our clients and to our firm for the research, brokerage services and client service provided. We regularly evaluate custodians/brokers and maintain the right to make changes to our required custodian(s)/broker(s).

In addition, Harwood Investment Strategies, LLC (including its representatives) may from time to time recommend other custodians/brokers (to those seeking general financial consulting services) on the basis of reasonableness of commissions, dependability, safety, reputation and compatibility with the client. In the case when you select a custodian/broker other than Schwab, we cannot ensure best execution. In all instances, we will not receive compensation or share in any commissions with any custodian/broker.

HOW WE SELECT BROKERS/CUSTODIANS

We seek to recommend and use a custodian/broker who will hold your assets and execute transactions on terms that are, overall, most advantageous when compared to other

available providers and their services. We consider a wide range of factors, including, among others:

- **Reputation, financial strength and stability**
- **Quality of services**
- **Competitiveness of the price of those services (commission rates, margin interest rates, other fees, etc.) and willingness to negotiate the prices**
- **Combination of transaction execution services and asset custody services (generally without a separate fee for custody)**
- **Capability to execute, clear and settle trades (buy and sell securities for your account)**
- **Capability to facilitate transfers and payments to and from accounts (wire transfers, check requests, bill payment, etc.)**
- **Breadth of available investment products (stocks, bonds, mutual funds, exchange-traded funds [ETFs], etc.)**
- **Prior service to us and our other clients**

1. **Research and Other Soft Dollar Benefits.**

PRODUCTS AND SERVICES AVAILABLE TO US FROM SCHWAB

Schwab Advisor Services (formally called Schwab Institutional) is Schwab's business serving independent investment advisory firms like us. They provide us and our clients with access to its institutional brokerage-trading, custody, reporting, and related services - many of which are not typically available to Schwab retail customers. Schwab also makes available various support services. Those services aid in investment decision-making, trade execution and administering our clients' accounts. Schwab's support services generally are available on an unsolicited basis (we don't have to request them) and at no charge to us as long as our clients collectively maintain a total of at least \$10 million of assets in accounts at Schwab. If our clients collectively have less than \$10 million in assets at Schwab, Schwab may charge us quarterly service fees of \$1,200. Below is a more detailed description of Schwab's services:

Schwab's institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of client assets. The investment products available through Schwab include some to which we might not otherwise have access or that would require a significantly higher minimum initial investment by our clients. Schwab also makes available to us other products and services. These products and services assist us in managing (including aiding in investment decision making) and administration of all our clients' accounts. They include investment research, both Schwab's own and that of third parties. In addition to investment research, Schwab also makes available software and other technology that:

- **Facilitate trade execution and allocate aggregated trade orders for multiple client accounts**
- **Provide pricing and other market data**

- **Facilitate payment of our fees from our clients' accounts**

OUR INTEREST IN SCHWAB'S SERVICES

The availability of these services from Schwab benefits us because we do not have to produce or purchase them. We don't have to pay for Schwab's services so long as our clients collectively keep a total of at least \$10 million of their assets in accounts at Schwab. Beyond that, these services are not contingent upon us committing any specific amount of business to Schwab in trading commissions or assets in custody. The \$10 million minimum may give us an incentive to require that you maintain your account with Schwab, based on our interest in receiving Schwab's services rather than based on your interest in receiving the best value in custody services and the most favorable execution of your transactions. This is a potential conflict of interest. We believe, however, that our selection of Schwab as custodian and broker is in the best interests of our clients. Our selection is primarily supported by the scope, quality, and price of Schwab's services (see "How We Select Brokers/Custodians").

2. Brokerage for Client Referrals.

We do not receive client referrals from Schwab or any other broker-dealer. The possible receipt of future client referrals is not a consideration in selecting or recommending broker-dealers.

3. Directed Brokerage.

We do not direct brokerage transactions through any particular broker-dealers other than the broker-dealer specified in each client's account agreement with their respective *qualified custodian* (see 12.A). However, we do require our clients have or open an account at Charles Schwab & Co., Inc. Therefore, if clients do not instruct us to direct brokerage to another broker-dealer, their transactions will be executed pursuant to their account agreement with Charles Schwab & Co., Inc. Please see 'How We Select Brokers/Custodians' at the beginning of section 12.A for more information.

Clients *are* permitted to direct brokerage within the limits of their account agreement they have entered into with their qualified custodian. If a client chooses to direct brokerage transactions, we may be unable to achieve most favorable execution of his/her transactions. This may cost the client more money. For example, in a directed brokerage account, the client may pay higher brokerage commissions and/or may receive less favorable prices because we may not be able to aggregate/bunch orders.

- 12.B In cases where the discretionary account broker (Schwab) will permit, the advisor will seek but does not expect to be obligated to bunch orders for the purchase or sale of the same security for client accounts where the advisor deems this to be appropriate, in the best interests of the client's accounts and consistent with applicable regulatory requirements. When a bunch order is filled in its entirety, each participating client account will participate at the average share price for the bunch order on the same business day and transaction costs will be charged to the client based on each client's

commission arrangements with their broker dealer. When a bunched order is only partially filled, the securities purchased will be allocated to accounts in such manner as the advisor deems equitable, and each account participating in the bunched order will participate at the average share price for the bunched order on the same business day.

Item 13

Review of Accounts

- 13.A We will be tracking investments of accounts daily and doing performance reviews at minimum on a quarterly basis. All reviews will be performed by Edwin T. Harwood, the Manager. The calendar will be the initiating factor for reviews.
- 13.B We are available by phone or in person as needed if you should request a review of your account or financial plan.
- 13.C Each quarter you will receive a printed quarterly invoice for advisory fees, a printed quarterly account statement and a printed quarterly review of your account performance from Harwood Investment Strategies, LLC.

Charles Schwab & Co. will provide you with confirmations of all transactions within your account, monthly account statements and at minimum, a quarterly statement indicating all amounts disbursed from the account including, separately, the amount of advisory fees paid. The reports you receive from Charles Schwab & Co. will be printed or electronic and depend on your account agreement with them.

Item 14

Client Referrals and Other Compensation

- 14.A We do not receive an economic benefit from anyone who is not a client for providing investment advice or other advisory services to our clients.
- 14.B Harwood Investment Strategies, LLC (including any of its related persons) does not compensate any person for client referrals.

Item 15

Custody

Harwood Investment Strategies, LLC and its representatives do not have actual custody of your funds or assets. However, under government regulations, we are deemed to have custody of your assets when, for example, you authorize us to instruct Schwab to deduct our advisory fees directly from your account. Such fees will be deducted directly from your custodial account with your written authorization and pursuant to Michigan Corporation & Securities Bureau Release No. 93-3-BD (see *Item 5.8 – Fees & Compensation* above). Schwab maintains actual custody of your assets. You will receive account statements directly from Schwab at least quarterly. They will be sent to the email or postal mailing address you provided to Schwab. You should carefully review those statements promptly when you receive them. We also urge you to compare Schwab's account statements to the quarterly account statements you will receive from us.

Item 16

Investment Discretion

Harwood Investment Strategies manages both discretionary and non-discretionary accounts. For the discretionary accounts, Harwood Investment Strategies will be given authority to determine the securities (and the amount of such securities) being bought and sold. In no case will Harwood Investment Strategies, LLC be able to change the broker to be used because in each case the client must have a brokerage account in the client's name with a broker-dealer (see *Discretionary Management* under *Item 4 – Advisory Business* for the procedures followed to assume discretionary authority). The broker-dealer with custody of a particular client's account will execute all trades for such client account. At no time will Harwood Investment Strategies, LLC or its representatives have custody over any of the client's funds except for the deduction of fees from the client's account upon prior written authorization granted to the appropriate custodian (see *Item 5 – Fees & Compensation* above).

Item 17

Voting *Client* Securities

- 17.A Harwood Investment Strategies, LLC does not have and will not accept authority to vote client securities.
- 17.B Harwood Investment Strategies, LLC does not have authority to vote client securities. Client's will receive their proxies or other solicitations directly from their custodian and/or a transfer agent. If client's have questions about a particular solicitation, they can contact us by phone or email.

Item 18

Financial Information

- 18.A Harwood Investment Strategies, LLC does not require, solicit or accept prepayment of fees.
- 18.B There is no financial condition that is reasonably likely to impair our ability to meet contractual commitments to clients.
- 18.C Harwood Investment Strategies, LLC and its representatives have **NOT** been the subject of a bankruptcy petition at any time during the past ten years.

Item 19

Requirements for State-Registered Advisers

- 19.A Edwin T. Harwood (Eddie) is a Member and the Manager of Harwood Investment Strategies, LLC. He received a Bachelors of Arts degree in Economics and Political Science from the University of Michigan in 2006. Mr. Harwood joined Harwood Investment Strategies in 2008. Prior to working for Harwood Investment Strategies, LLC, he worked as an Account Executive for Fisher Investment's Private Client Group.

Prior to that work experience, he worked as a Compliance Officer Intern at Raymond James.

- 19.B Harwood Investment Strategies, LLC and its representatives are not actively engaged in any other business other than providing investment advice and investment management services.
- 19.C Harwood Investment Strategies, LLC and its supervised persons are not compensated for advisory services with performance-based compensation.
- 19.D See Item 9 of Part 2A.
- 19.E Harwood Investment Strategies, LLC and its management persons have no relationship or arrangement with any issuer of securities, except as may be listed in Item 10.C of Part 2A.

Form ADV Part 2B: Brochure Supplement

Supervised Person: Edwin T. Harwood

Harwood Investment Strategies, LLC

214 E. Elm Ave., Ste. 104

Monroe, MI 48162

734-242-2408

www.harwoodinvestments.com

Dated November 22, 2016

This brochure supplement provides information about Edwin T. Harwood that supplements the Harwood Investment Strategies, LLC brochure. You should have received a copy of that brochure. Please contact Harwood Investment Strategies, LLC if you did not receive Harwood Investment Strategies' brochure or if you have any questions about the contents of this supplement.

Additional information about Edwin T. Harwood also is available on the SEC's website at www.adviserinfo.sec.gov

Item 2

Education Background and Business Experience

- 2.A Edwin T. Harwood (Eddie) is a Member and the Manager of Harwood Investment Strategies, LLC. Edwin was born March 10, 1984. He received a Bachelors of Arts degree in Economics and Political Science from the University of Michigan in 2006. Edwin joined Harwood Investment Strategies in 2008. Prior to working for Harwood Investment Strategies, he worked as an Account Executive for Fisher Investments' Private Client Group. Prior to working for Fisher Investments, Edwin worked as a Compliance Officer Intern at Raymond James.

Item 3

Disciplinary Information

- 3.A, 3.B, 3.C, 3.D

Edwin T. Harwood has no past or present legal or disciplinary events material to a client's or prospective client's evaluation of the supervised person.

Item 4

Other Business Activities

- 4.A Edwin T. Harwood is not actively engaged in any other investment-related business or occupation, including being registered, or has an application pending to register, as a

broker-dealer, registered representative of a broker-dealer, futures commission merchant (“FCM”), commodity pool operator (“CPO”), commodity trading advisor (“CTA”), or an associated person of an FCM, CPO, or CTA.

- 4.B Edwin T. Harwood is not actively engaged in any business or occupation for compensation not discussed in response to Item 4.A

Item 5

Additional Compensation

Edwin T. Harwood is not provided an economic benefit for providing advisory services to someone who is not a client.

Item 6

Supervision

Edwin T. Harwood is the acting Chief Compliance Officer. As part of our policies and procedures we review client accounts regularly to make sure they are being managed in alignment with the client’s stated objectives. Reviews are held with clients at least annually to make sure there are no changes to their financial situation and to make sure the account is being managed to their satisfaction.

Edwin T. Harwood
Member, Manager
734-242-2408

Requirements for State-Registered Advisers

7.A Edwin T. Harwood has **NOT** been involved in any of the following events:

1. An award or otherwise being found liable in an arbitration claim alleging damages in excess of \$2,500 involving any of the following:
 - (a) an investment or an investment-related business or activity;
 - (b) fraud, false statement(s), or omissions;
 - (c) theft, embezzlement, or other wrongful taking of property;
 - (d) bribery, forgery, counterfeiting, or extortion; or
 - (e) dishonest, unfair, or unethical practices.

2. An award or otherwise being found liable in a civil, self-regulatory organization, or administrative proceeding involving any of the following:
 - (a) an investment or an investment-related business or activity;
 - (b) fraud, false statement(s), or omissions;
 - (c) theft, embezzlement, or other wrongful taking of property;
 - (d) bribery, forgery, counterfeiting, or extortion; or
 - (e) dishonest, unfair, or unethical practices.

7.B Edwin T. Harwood has **NOT** been the subject of a bankruptcy petition.