

# Harwood Investment Strategies, LLC

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## Form ADV Part 2A

February 29, 2024

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](http://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 February 21, 2023.**

Item 8.A. Paragraph 2: Updated to better reflect our use of ETFs as part of our investment strategy.

There have been updates to the Form ADV Part 2 B: Brochure Supplement for Jacob Diroff:

Item 2A Education Background and Business Experience: This has been updated to reflect the changes in Jacob Diroff's current education status.

Item 4B Other Business Activities: This was updated to reflect the changes in Jacob Diroff's other business activities.

We have also updated our assets under management (*see Item 4.E on page 7*).

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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 T. Harwood and Anthony J. Harwood. We offer investment management services to individuals, families, business entities and non-profit organizations.

4.B We offer five general types of investment advisory services to our clients:

Investment Advisory Services	Investment Supervisory Services
<b>Discretionary</b> management of investment accounts on a fee basis	Yes
<b>Non-discretionary</b> investment advice on a fee basis for clients who desire to handle their own trading	Yes
General financial planning consultations	No
<b>Discretionary</b> management of employer-sponsored pension plans	Yes
<b>Non-discretionary and non-fiduciary services for 401(k) plans</b>	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. Through the

Advisory Agreement, you can elect to have Harwood Investment Strategies vote proxies and other corporate actions on your behalf. The Advisory Agreement is a mutual, non-binding agreement between us and the client and can be cancelled by either party at any time 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 in Item 5 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 any time 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 in Item 5 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 any time with no penalty (*please read the “Investment Advisory Agreement for Financial Consulting” for more details*). Consultation services are not ongoing and thus terminate upon the delivery of services. 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 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, exchange traded 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 and quantitative analysis as a core basis for all decisions regarding the investments described above. 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 is long term oriented but will seek to be flexible enough to take advantage of short term opportunities. We may at times trade around core holdings in an effort to manage risk and take advantage of price volatility.

### **Discretionary Management of Employer-Sponsored Pension Plans**

Harwood Investment Strategies, LLC provides discretionary investment management services to clients to manage the investments and reinvestments of certain assets under employer-sponsored pension plans. As manager of such plans, Harwood Investment Strategies, LLC, is subject to fiduciary obligations under ERISA, manages the plan's investment funds, provides continuous investment advice and recommendations, invests

and reinvests the investment funds, selects broker-dealers to effectuate acquisitions or disposition of securities held under the investment funds, and exercises any and all other ancillary rights and duties in connection with the investment funds.

### **Non-Discretionary Non-Fiduciary 401(k) Services**

Harwood Investment Strategies, LLC provides non-discretionary and non-fiduciary services to clients in the clients' capacity as sponsor of 401(k) plans qualified under section 401(a) of the Internal Revenue Code of 1986. Services provided by Harwood Investment Strategies, LLC include: coordinating employee education and enrollment programs; assisting in the education of the participants in 401(k) plans regarding general investing principles and investment alternatives available under the plans in accordance with the Department of Labor's Interpretive Bulletin 96-1; and assisting clients in group enrollment meetings to explain retirement plan participation, savings and investing for eligible employees of clients.

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

Client Assets Under Management at market close on 02/29/2024	
<i>Discretionary assets</i>	<b>\$44,513,698</b>
<i>Non-discretionary assets</i>	<b>\$1,876,413</b>

## Item 5

# Fees and Compensation

### 5.A Fees for Discretionary & Non-discretionary Accounts

For both discretionary and non-discretionary accounts, including discretionary management of employee sponsored pension plans, 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
<b>Annualized Fee</b>		=	<b>\$11,000</b>
<b>Quarterly Fee</b> (\$11,000/4)=		=	<b>\$2,750</b>

\*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, the fee for general financial planning consultations is charged on an hourly basis. The hourly rate is \$200 per hour. 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.

**Fees for Non-Discretionary Non-Fiduciary 401(k) Services**

For the non-discretionary and non-fiduciary services provided to 401(k) plans, we charge an annual advisory fee of 40 basis points of the value of the Plan Assets. The advisory fee is paid quarterly in arrears. The Advisory Fee that is charged is also clearly stated in Exhibit A of the “*401(k) Plan Investment Advisor Service Agreement.*”

5.B Discretionary and Non-discretionary accounts 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. Except for Non-discretionary Non-fiduciary 401(k) fees, such fees will be deducted directly from your custodial account with your written authorization as follows:

- a) The authorization or agreement must be limited to withdrawing contractually agreed upon investment adviser fees.



- b) 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.
- c) 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.
- d) The client must be able to terminate the written billing authorization or agreement required by this release at any time.

Non-discretionary Non-fiduciary 401(k) fees will be billed to the plan sponsor to be paid with funds as specified in the "*401(k) Plan Investment Advisor Service Agreement.*"

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 of \$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. Employee sponsored pension plans and 401(k) Plans may be charged other administrative and/or custodial fees by the Third Party Administrator and/or Custodian. 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**
- **Business Entities**
- **Trusts**
- **Estates**
- **Non-Profit Organizations**
- **Foundations**

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 requirement or waive the minimum requirement then in effect as we see fit. Generally, when exceptions are made to the minimum requirement, and we agree to manage a portfolio under \$200,000, we encourage regular contributions be made to these accounts.

# 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 also use Macro Economic analysis to help inform our broader asset allocation decisions. 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. We also use quantitative measures to supplement our investment decisions and as part of our risk management process. 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 and ETFs rather than mutual funds. Except in smaller accounts where employing the use of ETFs will generally be our preferred investment vehicle. We generally 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 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, exchange traded funds, 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.

## Item 10

# 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 Not applicable.
- 10.D Harwood Investment Strategies, LLC and its representatives do not select or have other business relationships with other investment advisers.

## Item 11

# 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 Not applicable.

## 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. 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 do not have to pay for Schwab's services nor are they contingent upon us committing any specific amount of business to Schwab in trading commissions or assets in custody. We believe 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, video conference, 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 anyone who is not a supervised person for client referrals. However, employees of Harwood Investment Strategies, LLC functioning in the role of Outside Business Development Specialist are compensated based on business they generate for the firm. The role of the Outside Business Development Specialist is to grow our client roster and help manage those relationships as the firm continues to grow. The role's compensation is based on a percentage of revenue earned from the firm's management fees attributable to the clients whom the Outside Business Development Specialist was responsible for bringing to the firm. Please note, there are no increases or additional fees to the client. Client management fees remain subject to the fee schedule reflected in Item 5 of this brochure.

## 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 (see *Item 5 – 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 will assume voting responsibility for all client accounts where explicitly noted in the client's Advisory Agreement. Harwood Investment Strategies, LLC generally casts votes for all shares for which it has voting authority, and therefore has adopted and implemented Proxy Voting Policies and Procedures.

As an investment advisor exercising voting authority over a client's account, Harwood Investment Strategies, LLC has a fiduciary duty to vote all proxies and corporate actions in our client's best interest and in a timely manner. In light of our fiduciary duties, and given the complexity of the issues that may be raised in connection with proxy votes, Harwood Investment Strategies has retained the services of Institutional Shareholder Services ("ISS") to analyze proxy issues, make vote recommendations on those issues,

provide vote execution, reporting, and recordkeeping. Harwood Investment Strategies votes all proxies based on ISS's United States Proxy Voting Guidelines – Benchmark Policy Recommendations (“ISS Benchmark Policy”) subject to any exception set forth in our Proxy Voting Policy and Procedures or otherwise determined by management to be in the best interests of our clients. These guidelines and our proxy policies and procedures are reviewed at least annually. The services provided to Harwood Investment Strategies through ISS include timely delivery of meeting and record date information; proxy analysis through an electronic web-based vote execution platform; and detailed recordkeeping needs of Harwood Investment Strategies' proxy voting function.

We have currently identified no conflicts of interest between our client interests and our own within our proxy voting process or related to ISS. In the event the Chief Compliance officer determines that an issue raises a potential material conflict of interest, depending on the facts and circumstances, the issue will be addressed as follows:

1. If the matter relates to a topic that is discussed in the ISS Benchmark Policy, the proposal will be voted as per the Policy, provided no portfolio manager objects to that vote.
2. If the matter relates to a topic not discussed in the ISS Benchmark Policy, the portfolio manager and Chief Compliance Officer will jointly decide on the action taken in regard to the proposal with detailed notes supporting that decision.

Our complete written proxy voting policy and procedures are available upon request. In addition, our complete proxy voting record is available to our clients only. If clients have any questions or if they would like to review either of these documents, they can do so by contacting the firm directly.

- 17.B If a client chooses not to authorize Harwood Investment Strategies, LLC retain proxy voting authority, Client's will receive their proxies or other solicitations directly from their custodian and/or a transfer agent. Client's retaining voting authority will be responsible for voting proxies and corporate actions related to securities held in their accounts. 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 Bachelor 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.

Anthony J. Harwood (Tony) is a Member of Harwood Investment Strategies, LLC. He graduated from Michigan State University in 2008 with a Bachelor of Arts degree with a major in Finance. Anthony joined Harwood Investment Strategies in February 2017. From 2008 until January 2017 Anthony worked for HCR-ManorCare. He held several positions over the years starting as an Accountant, then a Budget and Plan Analyst and most recently as Divisional Director of Operations Support.

- 19.B Harwood Investment Strategies, LLC is not actively engaged in any other business other than providing investment advice and investment management services. Any representative of Harwood Investment Strategies, LLC who is engaged in other business activities will disclose such activities in their Part 2B Item 4.
- 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.

# *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 is available on the SEC's website at

[www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)

## 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 Bachelor 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.

## 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.

## 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.

# Form ADV Part 2B: Brochure Supplement

**Supervised Person: Anthony J. Harwood**

*Harwood Investment Strategies, LLC*

*214 E. Elm Ave., Ste. 104*

*Monroe, MI 48162*

*734-242-2408*

*www.harwoodinvestments.com*

Dated September 15, 2017

This brochure supplement provides information about Anthony J. 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 Anthony J. Harwood is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)

## Item 2

# Education Background and Business Experience

- 2.A Anthony J. Harwood (Tony) is a Member and representative of Harwood Investment Strategies, LLC. Anthony was born May 2, 1986. Anthony graduated from Michigan State University in 2008 with a Bachelor of Arts Degree with a major in Finance. Immediately after graduating from MSU, Anthony joined HCR-ManorCare as an Accountant. After three years, Anthony transitioned into the Budget and Plan Analyst role. In 2013, Anthony was promoted to the role of Divisional Director of Operations Support where he worked until January 2017. In February 2017, Anthony joined Harwood Investment Strategies as a Member of the firm.

## Item 3

# Disciplinary Information

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

Anthony J. 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 Anthony J. 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 Anthony J. Harwood is not actively engaged in any business or occupation for compensation not discussed in response to Item 4.A

## Item 5

### Additional Compensation

Anthony J. 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 Anthony J. 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 Anthony J. Harwood has **NOT** been the subject of a bankruptcy petition.

# Form ADV Part 2B: Brochure Supplement

**Supervised Person: Jacob D. Diroff**

*Harwood Investment Strategies, LLC*

*214 E. Elm Ave., Ste. 104*

*Monroe, MI 48162*

*734-242-2408*

*www.harwoodinvestments.com*

Dated February 29, 2024

This brochure supplement provides information about Jacob D. Diroff 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 Jacob D. Diroff is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)

## Item 2

# Education Background and Business Experience

- 2.A Jacob D. Diroff is the Outside Business Development Specialist for Harwood Investment Strategies, LLC. Jacob was born July 17, 1992. Jacob graduated from Saginaw Valley State University in May of 2015 with a Bachelor of Science in Entrepreneurship Business. After graduating, Jacob worked as an Assistant Manager at Total Sports in Monroe MI. In March of 2016 Jacob started working at Ricoh Americas Corp. as the Operations and Services Executive, where he worked until August 2017. In January of 2018, Jacob worked as Manager at LevelUp Training where he worked until May of 2020. From May 2021 to December 2022, Jacob worked at Trout's Marine Service, where he worked as an office manager. Jacob joined the firm as a Business Development Specialist in February 2021. Jacob is currently enrolled in the Masters of Business Administration program at the University of Illinois.

## Item 3

# Disciplinary Information

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

Jacob D. Diroff 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 Jacob D. Diroff 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 Jacob D. Diroff is actively engaged in another non-investment advisory business. This outside business currently provides a substantial amount of Jacob’s income and takes a majority of his time. Jacob manages a short-term rental property in Indian River MI. Jacob does not give investment related advice in any other business activities.

## Item 5

# Additional Compensation

Jacob D. Diroff 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 Jacob D. Diroff 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 Jacob D. Diroff has **NOT** been the subject of a bankruptcy petition.